

Shire of Broome Annual Report



For the financial year
2010/2011

Did you know that in 2010/11

- There were 77,634 visits to the Broome Public Library.
- The Broome Public Library issued 73,098 items to members.
- The Shire's records department recorded 13,810 incoming documents.
- Health Services conducted routine inspections of 263 food premises.
- Library Storytime sessions attracted 649 parents and children.
- The Parks and Gardens team gave away 3,000 native plants at the 2011 North West Expo.
- There were 4 beach closures due to crocodiles in May 2011.
- Beach Services undertook 11 water based activity rescues between July and August 2010.
- Shire Environmental Health Officers inspected and sampled water from 117 public swimming pools every month.



What is the Annual Report

The Annual Report provides an overview of the Shire's operations and compliance with policy and legislation as required by the Local Government Act 1995 and associated regulations.

This Annual Report for 2010/2011 provides an overview of the operations, activities and major projects undertaken by the Shire for that period. The performance of the Council is assessed against the Vision, Objectives and Strategies as set out in the Broome Plan for the Future 2007-2012.

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

Our Vision

A Sustainable Community that is inclusive, attractive, healthy and pleasant to live in, that uses our land so as to preserve our history and environment, respects the rights and quality of our citizens and manages our future growth wisely.

Our Mission

To provide a range of affordable and sustainable services to our community with a strong focus so that our citizens and visitors enjoy a quality lifestyle.

Our Values

Communication

Actively consult, engage and communicate with the community, internal/external customers and stakeholders.

Respect

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

Integrity

Be honest, equitable and ethical in all business dealings and the way in which we work with residents, staff and all stakeholders.

Transparency

Ensure there is a high level of openness and accountability in all activities.

Courtesy

Provide courteous service and helpful solutions to customer enquiries and needs.

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Message from the Shire President



The 2010/11 Annual Report provides an overview of the Shire's performance during the year and demonstrates Council's proactive approach to delivering services and infrastructure for our community.

Financially Councillors and staff worked hard to deliver a responsible 2010/11 budget. An increase in rates by 6.95% meant that Broome households paid an average of \$122 a year more than the previous year. That rate rise was kept as low as possible.

The past financial year has seen the Shire continue to plan for current and future growth.

I hope you take the time to read the highlights of 2010/2011 within this report. These are the results of the combined efforts of Councillors, the Shire executive team and Shire staff who I thank and congratulate on their efforts over the past year.

As we move into 2011/2012, I look forward to the new challenges and opportunities ahead for our region.

Graeme Campbell, Shire President

The Shire has a number of major projects it worked on during the year and is continuing on some of these, with more on the horizon. The biggest of which include providing municipal services to Indigenous communities, the new Regional Resource Recovery Park, and of course the impact of the State's proposed gas precinct at James Price Point.

In partnership with the State, this year we worked on constructing a new \$2million sports pavilion at the BRAC Sports fields, we progressed towards refurbishing the sports courts at Haynes Reserve and the installation of a state-of-the-art \$189,000 retractable shade sail over the BRAC swimming pools, which will allow bathers year-round enjoyment.

This year the Shire also sent a delegation to Taiji in Japan to celebrate the 30th anniversary of our Sister-City Agreement. This visit was extremely meaningful as the Shire re-affirmed its commitment to the relationship and honoured the significant and lasting contribution the people of Taiji have made to Broome.

It has been a unique time in Broome, with lots of positive achievements and milestones and of course, challenges along the way. I encourage everyone to take a few minutes to contemplate and celebrate how far we have come. How many good things we have achieved and how we have continued to strive for balanced, fair and positive community services in what must be one of the fastest growing, dynamic local governments in the State, with projects of nearly a billion dollars in our midst.

Broome as a destination has continued to be put on the map through international events, such as the Paspaley Beach Polo and Opera under the Stars, all of which the Shire is proud to support.

This year also saw the Shire sign up to the Kimberley Regional Collaborative Group which will see all the shires in the Kimberley working much closer together to get regional benefits and align strategies to State and Commonwealth funding opportunities.

Message from the Chief Executive Officer



This annual report highlights the achievements and some of the challenges faced during the course of the 2010/11 financial year. Despite significant growth in the town and external pressures on the organisation, the Shire continued to deliver services to residents, businesses and visitors..

In the past year we signed the largest Native Title Agreement in the Nations history, with the Yawuru Indigenous Land Use Agreement being signed in late 2010. This landmark agreement will see significant benefits to the Yawuru community.

This year, the Shire also launched its new strategic plan: "The Shire of Broome Strategic and Corporate Plan 2011-2012: The Plan for the Future – Forging Ahead."

This strategy maps the way forward for the Shire for the next five years and will soon be followed by business plans for each of the Shire's departments.

The Strategic Plan is the culmination of two year's work and I am proud to say is a comprehensive and strategic plan that meets new reporting standards.

Another significant project is the construction of the new Broome Multipurpose Arts and Community Venue. The \$11.1million project has been years in the making, and thanks to the significant efforts of councillors, staff and members of the community, we are now seeing construction work in progress.

The new facility will provide the community with a much needed multipurpose performing arts space which will cater for a wide range of potential users, from the performing and visual arts, music events and exhibitions, as well as providing an ideal location for events such as civic receptions and balls.

Progress is also being made on the Shire's new Regional Resource Recovery Park, which will be a bigger, better and more sophisticated facility than the Shire's current Waste Management Facility on Buckley Road, which is nearing the end of its life.

We have and will continue to work with the State Government, encouraging them to take every opportunity to consult with our community and understand the varying impacts on our region as projects such as oil and gas development gain momentum.

Many of the Shire's efforts have also been spent on negotiations and planning for the handover of municipal services in Aboriginal communities.

This project, which is being run from a State and Commonwealth perspective, will see the Shire of Broome providing municipal services to communities along the Dampier Peninsula, which will have a significant impact on the Shire's resources.

The services have been proposed to start in 2012, though it is expected that Commonwealth and State coordination are not aligning, so this date may be pushed out to 2012/14, to make handover more coordinated.

We have continued to encourage the community to participate in a range of projects and we thank those community members for providing input into the Cable Beach Development Plan, the Waste Management Community Survey, the Communications Survey and the Community Plan. Your feedback will help shape these projects and ensure their success.

The year 2010/11 has been about starting to deliver on major projects and taking advantage of the previous years' groundwork.

KR Donohoe, Chief Executive Officer

About Council

Our Elected Members

Council Meeting Attendance 2010/2011

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

The role of 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.

Ordinary meetings of council are held approximately every fourth Thursday, beginning at 5.00pm. 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 | 2011 | Broome |
| Cr Chris Mitchell JP, Deputy Shire President | 2011 | |
| Cr Jenny Bloom | 2013 | |
| Cr Ross de Wit | 2011 | |
| Cr Robert Lander | 2011 | |
| Cr Desiree Male | 2013 | |
| Cr Eunice Yu | 2013 | |
| Cr Elsta Foy | 2011 | Dampier |
| Cr Peter Matsumoto | 2013 | |

Council Meeting Attendance 2010/2011

| Councillor | No. Of Meetings To Attend (OCM's/SCM's) | Attended | Non-Attendance | APOLOGY/ LOA |
|--------------------|---|----------|----------------|--------------|
| Cr G T Campbell | 20 | 13 | | 7 |
| Cr C R Mitchell | 20 | 19 | | 1 |
| Cr Jenny Bloom | 20 | 17 | | 3 |
| Cr Ross de Wit | 20 | 18 | | 2 |
| Cr Elsta Foy | 20 | 10 | 1 | 9 |
| Cr Robert Lander | 20 | 17 | | 3 |
| Cr Desiree Male | 20 | 17 | | 3 |
| Cr Peter Matsumoto | 20 | 15 | 1 | 4 |
| Cr Eunice Yu | 20 | 15 | 1 | 4 |

About Council

Our Elected Members

Broome Ward



Cr Graeme Campbell
Shire President



Cr Chris Mitchell JP
Deputy Shire President



Cr Jenny Bloom



Cr Ross de Wit



Cr Desiree Male



Cr Eunice Yu



Cr Robert Lander

Dampier Ward



Cr Elsta Foy



Cr Peter Matsumoto

Broome Snapshot

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

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

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

The Shire of Broome comprises 56,000 square kilometres of desert, coastline and bushland. With a population of approximately 15,386, this equates to a density of 3 square kilometres for every person in comparison to 282 people per square kilometre within the Perth Metropolitan area.

Visiting Broome

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

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



Town Beach

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

Living in Broome

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

Broome is home to many government agencies which service the wider Kimberley region.

With a climate ideal for outdoor activities, Broome's many sporting clubs and recreation facilities encourage community participation. Family friendly events such as the annual Shinju Matsuri Festival see Broome's community celebrate its multicultural roots with a range of activities for all ages.

Given its popularity as a desirable location to live, in the past few years demand for affordable housing has not been able to be met. The establishment of Broome North will help ensure an ongoing supply of reasonably priced land in Broome with the capacity to provide several thousand private homes as well as land for social housing, schools, and light industrial and commercial opportunities.

Working in Broome

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

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



Working in Broome

Our Organisation

Business Enterprise, Property and Strategic Development – Corporate and Community Services – Development Services – Engineering Services

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

The overall management of the Shire rests with the Chief Executive Officer who oversees the day-to-day operations whilst ensuring that Council direction is followed, governance is sound and community outcomes achieved.

At the commencement of 2010/11 the Shire had a management structure of three directorates being Corporate and Community Services, Development Services, and Engineering Services. In March 2011 the Shire of Broome appointed a Deputy Chief Executive Officer creating a fourth directorate responsible for Business Enterprise, Property & Strategy Development. The directorates are led by an executive management team which coordinates the operations of the Shire.

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

Business Enterprise, Property and Strategic Development

This is a newly created department comprising specialist staff in the areas of asset and property management and leasing, as well as project management. Deputy Chief Executive Officer Ingrid Bishop was appointed in 2011 to lead this team.

Corporate and Community Services

Corporate Services provides technical and support services to the organisation and elected members. As well as coordinating Shire administration, finance, human resources, risk management, information technology, records management. It also undertakes cemetery management, rates and customer service.

The department also has specialist staff in the areas of community development, sport and recreation and the Broome Public Library.

In 2010, Peter Naylor was appointed as the Director of Corporate and Community Services.

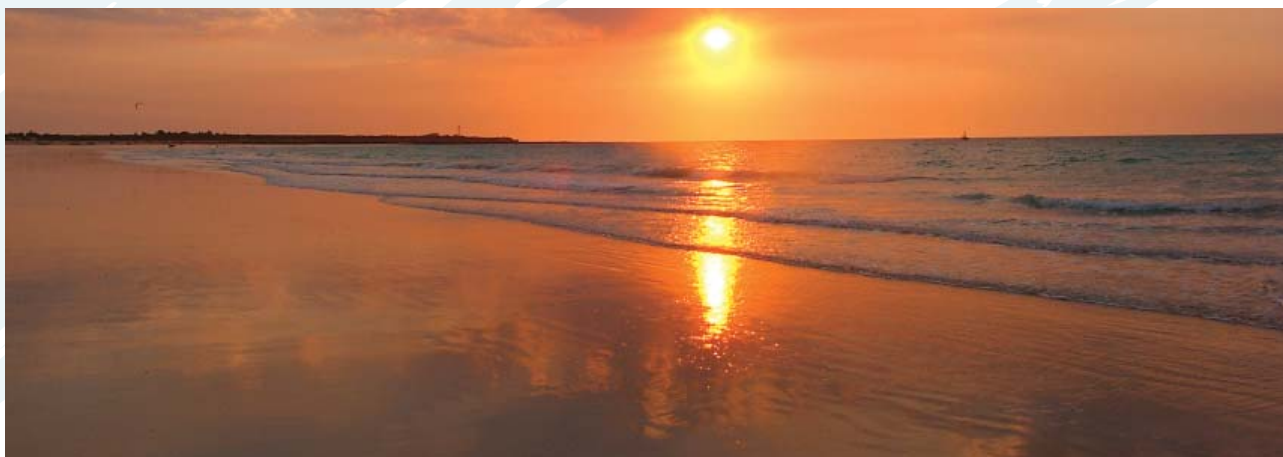
Development Services

Development Services undertakes building, planning, ranger, beach, emergency and environmental health services across the Shire. These departments oversee building maintenance, building applications, waste management, food safe inspections, strategic and statutory planning, swimming pools and fencing inspections, infectious disease prevention, water sampling and noise assessments. During 2010/11 Darryl Butcher was the Director of Development Services.

Engineering Services

The Engineering team is responsible for most of the Shire's technical services in the form of construction and maintenance of the physical infrastructure excluding the Shire's buildings.

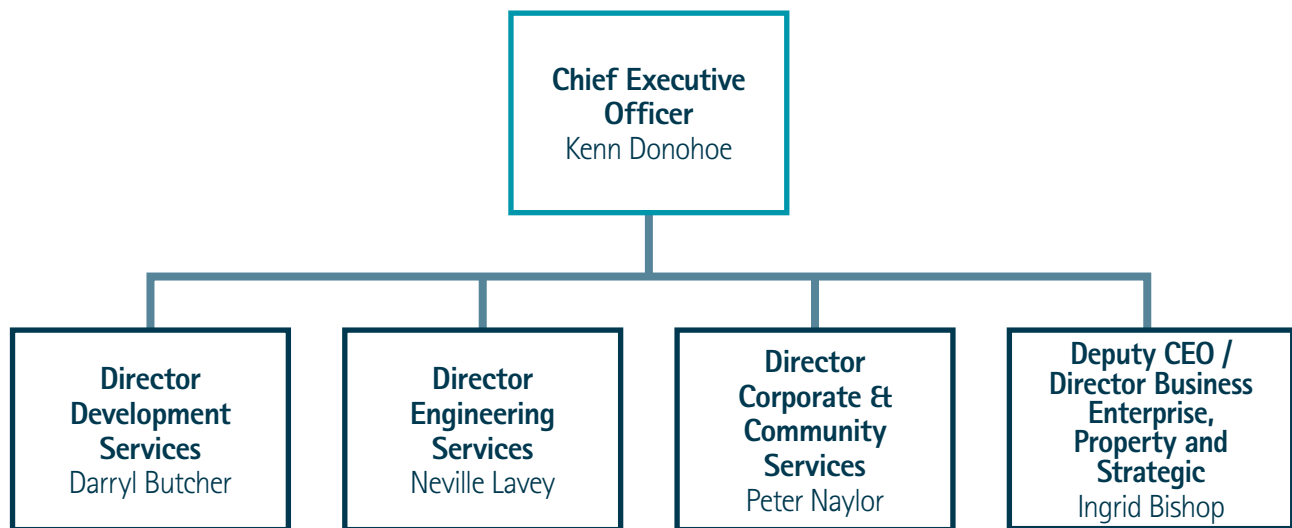
Engineering Services is responsible for roads, footpaths, drainage, car parking, street lighting, street furniture, depot and garden nursery, wastewater effluent re-use system, recreation reserves, parks and ovals, road verges, reticulation systems, irrigation and bores and cemetery maintenance. During 2010/11 Neville Lavey was the Director of Engineering Services.



Sunset on Cable Beach

Our Organisation

Organisation Structure – Council's Long Term Planning and Forecasting Requirements – Plan for the Future – Annual Report – Financial Statements – Annual Budget



Council's Long Term Planning and Forecasting Requirements

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

Plan for the Future

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

The Act requires a local government set out the major capital projects it intends to deliver in the foreseeable future. The plan is reviewed at least every two years and any activities undertaken within a financial year are to be reported within the Annual Report.

In February 2011 Council adopted the draft Strategic and Corporate Plan 2011 – 2016 and requested that the draft Plan proceed to the community consultation stage for a period of 42 days. Copies of the draft Plan were made available through Shire offices and via the Shire's website.

Following the consultation period, the Strategic and Corporate Plan 2011 – 2016 was adopted by Council at the Ordinary Meeting of Council held 7 July 2011. As the adoption of this document was not until the 2011/12 financial year, the Annual Report for 2010/11 is based on the Plan for the Future 2007-2012.

Annual Report

Produced yearly, the Annual Report provides an overview of the activities of the Shire for the previous financial year. The Annual Report also includes financial statements.

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 within the Annual Report.

Annual Budget

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



Gantheaume Point Broome

2010/11 Year in Review

Our People, Our Place, Our Prosperity



Our People

Culture & Events

"The Shire of Broome has a culturally diverse and dynamic community that is sensitive to the unique features of the land, its cultural heritage and the relationships between people. Reconciliation and an engaged, accessible community are aspirations."

Many people and organisations contribute significantly to social, cultural, environmental, sporting and service activities and infrastructure that enhance the quality of life of residents and visitors.

The Shire, over the next few years, will focus on supporting and working in partnership with the community and other agencies to provide relevant, quality services and infrastructure to meet the aspirations and needs of the community.

Success will be measured by how well the Shire engages with the community, and how well the Shire contributes to well-being and safety.

Culture & Events

Shire of Broome Community Plan

During 2009/10, the Shire sought tenders for a consultancy firm to undertake the Shire of Broome Community Plan.

The Broome Community Plan is a project which involves a partnership with LandCorp for the development of four separate plans which will include a Sport and Recreation Plan, Physical Activity Plan, Cultural Plan and Public Art Plan.

The Physical Activity Plan is being developed through a grant from the Premiers Physical Activity Taskforce/WALGA.

Community consultation commenced in December 2010 for Phase 1 of the plan and there was excellent communication from the community. Methods of consultation included the Broome Advertiser, email updates, website advertisements, online surveys, direct calling, stakeholder meetings and a series of community 'dialogue cafes' workshops.

The outcome of this plan will be infrastructure and facility planning and provision in line with community population growth. This document will serve as a platform for lobbying for state/federal funding and future developer contributions.

Cable Beach Development Plan Review

The Shire commenced a review of the 2003 Cable Beach Development Plan and other tourist zone policies affecting the main tourist area of Cable Beach. An expert planning and urban design consultant, Roberts Day, is assisting the Shire. A workshop with key stakeholders was held on 21 June 2011 to help develop a vision for this significant tourism precinct.

A draft revised Development Plan will be released for public consultation.

Chinatown Development Strategy

Chinatown Development Strategy review is another key project that will be commenced in 2011/12.

Beach Safety

With Cable Beach being one of Australia's most popular beaches, Broome was one of the first locations to receive Surf Life Saving's multilingual beach safety resources targeted at international tourists and immigrants in time for the start of the tourist season. The Shire of Broome supported the implementation of the campaign by providing promotional, logistical and coordination support. Aimed at reducing drowning among people from culturally linguistic and diverse backgrounds, the materials include flyers, desk cards, posters, press advertisements, and animated clips promoting the safety message of always swim between the red and yellow flags in eight languages.



Irukandji jellyfish education continued in 2010/11

Our People

Culture & Events

In 2010/2011 the full-time beach inspector continued to audit and upgrade beach safety signage across beaches within the Broome town site ensuring that National Aquatic and Recreational Signage Standards are met.

Beach Services assisted in Irukandji training awareness for hospital emergency department staff. Improved reporting and data collection has assisted information flow and community awareness of Irukandji.

Joint training with St John Ambulance and Broome Surf Life Saving Club Members was facilitated by Beach Services which not only supports these volunteer organisations together with increasing safety standards for community services.

A trainee position filled by a local young Broome resident commenced in 2010/2011 which will provide her with a future career opportunity in this field.

Active consultation continued with the Department of Conservation (DEC) for water fauna safety (sharks and crocodiles).

Local History Preservation

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

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

LotteryWest have also partnered with the Shire of Broome in an Oral History project. This project continued from 2009/10 by completing 10 oral histories of residents. A launch was held in May to celebrate the completion of the histories which provide very personal glimpses into the development of Broome in the post war period.

The State Library Foundation who run the "Our page in history" website expressed an interest in visiting Broome to begin collecting



Launch of the Oral History Collection at Broome Public Library

data for pages on Broome.

Shire Sponsored Community Projects & Events

The annual Community Sponsorship program is geared towards empowering community groups to more effectively deliver their projects and build strength through promoting independence, up skilling and therefore sustainability. 2010/11 was once again successfully delivered with the Shire contributing \$78,050 of funding to \$1,268,713 worth of community projects shared between 29 community organisations.

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

International Day of People with Disability – 'Welcome to the Wet'

This event was held on 3 December 2010 and the Shire of Broome partnered with Kimberley Individual and Family Support Association (KIFSA) and the Disability Services Commission to recognise International Day of People with Disability.

The event was free to the public and included the launch of the new Platypus Wheelchair specifically designed to make the Town Beach Water Park accessible to all.



International Day of People with Disability.

Our People

Culture & Events

Australia Day Celebrations

The Australia Day event at Town Beach started the year off with a bang. This event was hosted with the assistance of the Broome Lion's, Lionesses and Rotary clubs. The community were invited to an Australia Day Breakfast at Town Beach and to enjoy the festivities and entertainment provided. Activities included the annual 'Thong Throwing' competition, face painting and the Lion's Childrens' Train.

The Annual Australia Day Citizenship Ceremony was held with eight people becoming Australian Citizens in Broome on this day.

The Premier's Active Citizen Awards were also presented to Karli Orazi, Roz Wills and Goolarri Media Enterprises.



Broome Shire President Cr Graeme Campbell with the winners of the 2011 Premier's Active Citizen Awards

Citizenship Ceremonies

The Shire of Broome conducted five Citizenship Ceremonies in 2010/11 at which 21 people from countries including Canada, United Kingdom, India and Papua New Guinea became Australian Citizens. Candidates pledge their loyalty to Australia in front of the Shire President, friends and family and are presented with a Shire of Broome champagne glass and a book on the history of Broome. The Shire encourages people of different cultures to join the Broome community and share their heritage.

Shinju Matsuri

The Annual Shinju Matsuri Festival of the Pearl was held over 10 days during August and September 2010. The Shire provided financial assistance and in-kind support to the festival by way of providing traffic management for temporary road closures, rubbish collection, venue hire, advertising and ensuring our town is tidy for the big event.

The Shire of Broome annually sponsors the Shinju Matsuri Acquisitive Art Prize. The 2010 winner was Claire Beausein for a piece titled 'Water Garden'. Claire received a cheque for \$7,000



Parks and Gardens staff gave away thousands of native seedlings at 2011 North West Expo.

and the winning piece will form part of the Shire's Shinju Matsuri Art Prize Collection.

The Shire of Broome Shinju Matsuri Acquisitive Art Prize is awarded annually to encourage the development of Kimberley art and artists and to add to the Shire's art collection. The Shire has built its art collection from the Acquisitive Art Prize Awards over the past three decades. The range of mediums used over the past three decades has been as diverse as the artists themselves and contains sculptures, paintings and drawings.

Artworks are on display throughout the Shire Administration Office.

North West Expo Display

North West Expo 2011 was a great success attracting 6,500 visitors, exhibitors and performers over the two day event in May. The North West Expo encompasses industry, companies, community groups, schools and government agencies promoting their services, products, achievements and their contribution to the region. It provides the community with access to the range of information, products, services, employment and training that is available.

The Shire of Broome provides ongoing support and in-kind contributions to the event each year. The Broome Recreation and Aquatic Centre play a major part in preparing and providing the facility for this major community and commerce event.

The Shire gave away free native seedlings and assisted in educating the public in methods of weed management and recycling garden waste.

Our People

Recreation Services

Delegation to Taiji, Japan

The Shire sent a delegation of councillors and community members to Taiji in Japan, to celebrate the 30th Anniversary of the Broome-Taiji Sister-City Relationship.

The visit was significant as the Shire re-affirmed its commitment to the relationship and honoured the lasting contribution the people of Taiji have made to Broome.

To mark the occasion the Shire commissioned a special sculpture to be a gift to the city of Taiji.

The Shire also commissioned a Suikunkitsu, a Japanese water feature located outside of the Shire Administration Office to further commemorate the significant milestone.

Seniors Morning Tea

The Shire once again celebrated the significant contribution seniors make to the Broome community during WA Seniors Week in November, with a morning tea for seniors at the Broome RSL and free Aqua Lite Pace classes at BRAC.

Ranger Community Awareness

Ranger Services continued to be present at community events and activities including Senior Citizens day, Broome High School's Careers Day and the North West Expo. They have also been busy attending primary schools and the local Scout Group delivering education and awareness of their role within the community and providing an insight into Ranger Services and local government career paths.



Aqua Lite Pace Classes at BRAC was part of the Shire's celebration of WA Seniors Week in Broome.

The Rangers have been working with Yawuru Rangers in joint patrols within the town site for local law enforcement. This provides awareness and training opportunities for the Yawuru Rangers.

In January 2011 Council employed a dedicated Parking/Camping Ranger to ensure compliance with State legislation and Council Local Laws.

Recreation Services

Broome Recreation and Aquatic Centre

BRAC Programs

BRAC continues to offer social sporting programs for the participants wanting to join in a sport without the commitment of joining clubs as such.

Our ongoing programs such as badminton, mixed netball, indoor hockey and ladies social netball are still popular with more programs planned for 2011/2012.

Virtual Rottneet Swim

In February, the Broome Recreation and Aquatic Centre held the Virtual Rottneet Island Swim for the first time. The event generated great interest and 80 competitors took part in the 20km swim. The winning team from the Broome Barracudas Swim Club completed the event in 4 hours and 33 minutes. Approximately \$500.00 was raised for the Royal Flying Doctors Service.

Sporting Events

BRAC held major sporting events such as:

- Kimberley Short course Swim Championships.

Broome hosted approximately 18 clubs from Perth, Derby, Port Hedland and two from the Northern Territory. A popular event, and one of the biggest on the swim calendar, lifeguards and BRAC staff were kept busy maintaining areas and service.

- Education Department's Kimberley Cup

The Kimberley Cup is another major sporting carnival. Organised by schools in the Kimberley, it involves netball, mixed netball, basketball, volleyball, indoor soccer, touch football and football. Students and staff from towns and communities spent the week in and around BRAC competing and spending buckets of money on chips, drinks and food in general.

Swim School

Broome Aquatic Swim School (BASS) ran three term programs over the 2010/2011 financial year. Term 3 2010 was a four week program for primary school aged children. We had 25 children attend this program. Term 4 2010 was an eight week program that included the very popular parents and babies classes. These classes provide parents with aquatic information involving water

Our People

Recreation Services

safety and water familiarisation for babies aged 4 – 36 months. Preschool classes and the school aged classes work on improving confidence in the water without a parent as well as building, developing and correcting the four strokes. Term 4 2010 had 199 students attend. Term 1 2011 offered the same classes as term 4 2010 and had 195 students.

The pool also hosted seven swim school carnivals for the local schools and in the lead up to these carnivals, swimming training sessions and time trails. Student numbers for the carnivals varied from 123 up to 296.

The Kimberley Open Short Course Swimming Championships were held over two days (2 – 3 Oct 2010) and attracted 279 attendees, 105 of them competitors. There were a total of 16 swim clubs involved and 782 swims raced. There were 467 improved personal best times!

Fun Run

Sunday May 29th saw the inaugural BRAC 2 Beach Fun Run with an impressive 202 registrations. With the aim of encouraging participation, not necessarily competition, the event attracted families, walkers, joggers, wheelchair participants and competitive runners. Participants chose either a 5 or 10 kilometre distance from BRAC to the Cable Beach Amphitheatre where the event concluded with the presentations for category winners and a number of lucky number prizes.

Group Fitness

Lite Pace aqua classes have become a key drawcard for both visitors and Broome locals. The combination of a fun aqua class and morning tea has seen numbers at an all-time high – over 3,900 visits during the year and a colossal 78 participants in one class alone! BRAC also provides deep water aqua classes and a range of land based group fitness classes such as Fitball, BodyShape Circuit and Zumba Gold.

Professional instruction and a friendly, social atmosphere ensure all participants enjoy a safe and effective workout.

Holiday Program

BRAC's School Holiday Program continues to grow with over 1,200 children participating in 2010/11. The program offers a variety of activities to keep children entertained while introducing them to new and exciting educational experiences. Last year program highlights included a visit from the snake handler – who brought along a number of these fascinating reptiles; circus skills workshops; tie dye; movie visits; a Survivor challenge; and the ever popular pool and Inflatable days. The wide range of activities on offer, combined with enthusiastic and professional staff have seen this program go from strength to strength.

Creche

BRAC offers a child minding service on weekday mornings so that parents can enjoy group fitness classes, a game of squash or tennis, or participate in parent and baby swimming lessons. The friendly and caring staff will ensure your child is well looked after so that you can enjoy your time in the centre.

Worn Art

The community event known as Worn Art was held at BRAC in the main indoor arena in October. The stadium was transformed into a magical theatre space bringing in over 600 people over two nights. Performances like these show the versatility of the Broome Recreation and Aquatic Centre and its facilities.

Sport and Recreation Club Development in Broome

The Sport and Recreation Club Development Officer's Scheme is an initiative of the WA Department of Sport and Recreation



Shire Chief Executive Officer Kenn Donohoe congratulates the winners of the inaugural BRAC 2 Beach Fun Run

Our People

Recreation Services

(DSR), implemented in partnership between DSR and the Shire of Broome.

The program is into the second year of a three year funding scheme and aims to build capacity in the Shire's sporting clubs and associations. The main focus is to ensure clubs in Broome remain sustainable.

The Club Development Officer works closely with a variety of organisations and focuses on three main areas - education, communication and acknowledgment.

The Club Development Officer organised and hosted eight seminars in the year, organised with these key focus areas in mind. All seminars were positively received in the community, they received extensive promotion across all media, and allowed the Shire to further assist clubs with their operations.

Junior Sports Forum I

The Department of Sports and Recreation, Garnduwa and the Shire of Broome combined to host the forum in September 2010, for all those associated with junior sport.

Twenty one representatives from 16 sports including representatives from the Department of Sport and Recreation and Garnduwa were on hand to listen to a presentation from the WA Sports Federation's Safe Clubs 4 Kids, Helen Cunningham. The forum provided an opportunity for our sporting community to discuss current issues surrounding junior sport.



A Club Contact List and Major Sports Club Event Calendar - developed to assist new comers to Broome get involved in sports

Broome Sports Awards

The Broome Club Development Officer was heavily involved in the organising of the 2010 Broome Sports Awards. The Awards night, held in November, celebrated the sporting community's high achievers and recognised the dedication of club volunteers. The night attracted 140 people and included a presentation by Commonwealth Games Gold Medalist, Kim Mickle.

President's Breakfast

In February 2011, a President's Breakfast was held at the Mangrove Resort Hotel to provide an opportunity for club presidents to gather in anticipation of a new season and to be informed about the yearly plans for the sporting industry. Nineteen clubs were represented at the event.

Local stakeholders from overarching sporting organisations provided information on their plans for 2011 including DSR Kimberley Manager Dean Holder, Garnduwa and the Australian Active After School Program. Guest speaker, former Broome Touch President Paul White, provided information on succession planning.

Club Conference

The inaugural Club Conference, held in March 2011, had representation from 17 different sports with 24 people attending. Shire President Graeme Campbell opened the full day Conference at Zeebar and was joined by Western Australian Sports Federation CEO Rob Thompson, Candor Consulting's Scott Hodgen, and former Olympic Gold Medallist Simone Fountain.

The presenters provided information on Broome's future and discussed the best processes to follow to ensure clubs continued to develop and remain sustainable. A panel discussion on how to engage the community's youth generated plenty of discussion and ideas. The willingness of those participating in the event to share ideas and source positive solutions was a particular highlight of the event.

The key focus of club planning resulted in the Broome CDO actively involved in the development of 11 action plans to assist clubs with their direction in 2011 and beyond.

Junior Sports Forum II

In April, 20 people from 15 different sporting groups gathered at the Shire to discuss how to ensure Broome's Junior Sport remained sustainable, enjoyable, and successful.

Director of Candor Consulting and Training, Ian Crawford, facilitated the session at the BRAC meeting rooms, generating plenty of discussion and lively debate.

The information discussed at the session resulted in the development of a unique Broome Junior Sport philosophy entitled: Play the Broome Way. Posters designed by the Broome CDO were distributed to all junior sporting clubs to assist with showing a united front in enforcing positive attitudes at junior sporting events.

Our People

Recreation Services – Library

Information Technology Workshop

Kimberley TAFE was the venue for a specific IT workshop aimed at assisting clubs with setting up their own website using a DSR funded program. Six clubs attended the session run by DSR's Communication and Technology Project Officer, Katherine Burnett.

The Shire has assisted with establishing 13 club websites.

Community Sponsorship Program

Two information sessions hosted at the Shire provided key details on the sponsorship program. The session attracted representatives and interest across a number of sporting codes.

The Shire facilitated a further three workshops with individual clubs aimed at assisting them with their organisational structure and strategic planning.

Regular consultation with the clubs continues with ongoing support toward the creation of operational and business plans and updated policies and procedures. This is based on the findings of an annual Club Survey distributed to all clubs in the second half of 2010.

To further assist sporting clubs, a Club Management Guide was developed by the Shire to allow new committee members to have access to basic information on running a club. Information included best practice when working with local government, local sporting group contacts, and key funding grants.

A number of partnerships with key organisations were created to assist local clubs. A link with the Broome Advertiser was created to provide ongoing recognition for the sporting community's hard working volunteers.

A local legends section is published fortnightly in the local paper, providing publicity and recognition for individuals and clubs. It is hoped that those included in the paper will be nominated by their club for the annual Broome Sports Awards.

A Broome Visitor Centre Membership enabled the Broome Club Development Officer to produce a Club Contact List and a Major Sports Club Event Calendar to display in the Broome Visitor Centre. Further information on the latest in Club Development is distributed to all local clubs via a quarterly newsletter.

Data sourced from the annual Club Survey indicated sport in the Shire of Broome continues to develop rapidly with the majority of clubs experiencing growth.

The Club Development Program will play a vital role in encouraging this growth to be managed responsibly, to ensure sustainability, and ultimately a healthier, happier Shire.

Broome Public Library

Library services are provided free and there are over 20,000 titles, jigsaws, puppets, cassettes, CDs and DVDs as well as special collections available. 79,081 adults and children visited the library in 2010/11 and the Library membership topped 8,000 for the first time.

A Remote Borrower service is available which provides a postal

service for residents who live outside the township. In addition access is available 24/7 to authoritative information through its webpage and online databases.

The Library continued to engage a wide range of community participation including 'Meet the Author' evenings and birthday clubs which are held in the Library on a regular basis. Story time sessions which promote a love of reading by parents to their children continued with 649 attendees. The Lyons Teddy Bears Picnic provided a connection to the Library for children who are not regular visitors.

Themed school holiday activities are run by Library staff and attracted 315 participants of all ages.

Library services are available in the communities of Bidyadanga and Djarindjin and these are supported by the Library in Broome.

Various programs were provided by the Library and these included:

- Outreach Programs through CIRCLE House and Child Care Centres.
- Let's Read and Children's Book Week programs were delivered to peninsular schools.
- The Hooked on Books program to encourage good reading habits commenced for Year 1 children from all schools within the Broome townsite.

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

At a State level, the Library has been involved in the Strategic Reform of Public Libraries through working groups, particularly the funding working group that produced a model for distribution of State funds to West Australian Public Libraries. This provided a voice for Country Libraries within this working group.

Through partnership with the State Library most library resources are centrally purchased and processed.



The Broome Library continued to hold popular holiday activities this year.

Community Safety And Health

Health Services Department

In 2010/11 the Shire of Broome's Health Service Department comprised of three Environmental Health Officers and the Manager Health Services who actively promoted and provided education on all facets of environmental health, including food safety, water quality, noise, mosquito management, litter control and recycling.

They are responsible for investigating all cases of mosquito borne disease notifications, determining the location and reporting back to the WA Department of Health – Mosquito Borne Disease Control Branch. Food and water borne illnesses are also investigated. Health education programs advocating prevention and control continued to be implemented.

The department also implemented the Food Act 2008 (gazetted in October 2009) and worked with all food premises within the Shire to ensure they meet the requirements of the new legislation.

As well as assessing all plans for proposed food premises, regular inspections are undertaken along with food sampling (in accordance with the Department of Health's Revised Sampling Scheme, a Statewide approach to food sampling) to ensure that the food is safe to eat. Health Services also delivered education programs for food handlers through the free online food safety training program, "I'm Alert", which broadens participants knowledge in food safety.

Further responsibilities include:

- Ensuring public buildings are maintained in a fit condition and meet statutory requirements – this is achieved by examining all applications for compliance and undertaking regular site assessments.
- Conducting regular assessments and site inspections of premises supplying accommodation including Lodging Houses and Caravan Park and Camping Grounds.
- Ensuring Trading in Public Places is carried out in a manner which is safe for members of the public and the environment.
- Reducing the incidence of infectious disease in the community, by education on the prevention and control of spread of disease through monitoring and inspecting skin penetration and hair dressing establishments.
- Ensuring that those premises classed as an offensive trade or pet meat establishments meet prescribed legislation standards.
- Monitoring and investigating water used for human consumption and recreation to ensure it does not present a risk to public health.
- Testing of public swimming pools for chemical and microbiological levels on a monthly basis.
- Ensuring noise levels and related issues are complied with, by liaising with respective companies and individuals.
- Participate and assist to coordinate the provision of local planning in response to local emergencies.

Overall in 2010/11 the Shire's Health Services conducted routine inspections of 263 food premises, 54 public buildings, 18 caravan parks, 71 accommodation premises, 10 trading in public place licences, 20 skin penetration, hairdressing and beauty therapy premises along with the monthly inspection of 117 public swimming pools.

With outdoor events and markets staged all year round Health Services ensures operators that trade in public places, have outdoor dining or provide street entertainment, provide a safe service to members of the public.

Annual Licences were renewed for:

- Food Premises
- Lodging Houses
- Eating Houses
- Caravan Parks and Camping Grounds
- Trading in Public Place Licences

In addition the department implemented the following activities:

- A Mosquito Management Strategy for the Shire of Broome with assistance from the Department of Health's Mosquito Borne Disease Control Branch.
- Assisted with the coordination of recycling programs for steel, car bodies, waste oil, batteries, aluminium, paper, plastic, construction waste, fertiliser containers, and mobile phones.
- Liaised with individuals and tradespeople in the processing of waste water applications.
- Liaised with community groups, business operators and individuals in the application for approval for an event in a public place.
- Liaised with community groups, business operators and individual in the approval process for fundraising events.
- Participated in the WA Department of Health, Food Unit, pre packaged sushi, sashimi and fresh Vietnamese spring rolls Statewide sampling survey.

Staff attended the following training and professional development:

- Waste and Recycle WA Conference 2010
- Waste and Recycling Workshop, Broome
- Environmental Health Australia (WA Branch) State Conference, Perth
- North West Environmental Health Worker Group Workshop, Broome

Our Place

Community Safety

Community Safety and Support

The Shire of Broome has continued discussions with Yawuru PBC regarding Cultural Heritage clearance for between Town Beach and the Catalina's and in general for projects around Broome. Landcorp is developing plans for Lake Broome which has an identified nearby mythological site, to be rehabilitated as an external work for Broome North and discussions are being arranged for cultural clearance of the Lake Broome area and the potential extension of Lorikeet Drive.

Public input was sought to the draft Sale of Items from Landfill Site and Traffic Management for Events Policies. In addition public input was sought on the annual closure of the Broome Cape Leveque Road. Considerable information was provided to the public in relation to the installation of the bollards in Dampier Terrace and residents were consulted on the fencing of the ends of Chippindall Place and Cotter Court.

To ensure public safety within the BRAC area, and in an effort to control vehicular traffic, four speed humps were installed on the internal access road. Traffic Management Support was provided for the North West Expo and Shinju Matsuri.

Applications were made for State Black Spot funding for channelisation of Frederick St from Hamersley to Robinson St, Flashing LED speed zones signs for the High School on Frederick St and St Mary's on Port Drive, and the construction of a roundabout at Sandpiper on Old Broome road.

Disability Access and Inclusion

The Shire of Broome's Access and Inclusion Advisory Committee continued to implement a plan that identifies access barriers for people with disabilities and proposes solutions to ensure equal access to local government services and facilities.

The Access and Inclusion Advisory Committee provides advice to Council on the development, implementation, review and evaluation of the Disability Access and Inclusion Plan to ensure Council meets its obligations under the Disability Services Act 2004. The Access and Inclusion Committee is required to meet four times per year however had planned to meet every six weeks to gain momentum on projects in 2010/11. Six meetings have been held across the 2010/11 financial year and projects that have progressed through the advice of this committee include:

- Footpath Audits and Crossings
- Installation of 4 new ACROD Parking bays at Dampier Terrace, Short Street, outside Matso's and the Anglican Church in Hamersley Street. Issues were also rectified at the Broome Primary School.
- Companion Card Affiliation commenced in March 2011 for Shire and BRAC services, enabling people with a disability who require attendant care to obtain a free ticket for their carer to accompany them.

- New Beach Wheelchair donated by the Disability Services Commission for use at Broome's Beaches. The Shire now has two beach wheelchairs available for loan to individuals who require support in enjoying Broome's beaches. Having two different options also allows patrons to choose the way they prefer to interact at the beach.
- Installation of 14 pram ramps and repairs to over one kilometre of footpaths in Hamersley, Herbert and Louis Street, Six Seasons and Roebuck Estate.
- A number of policies, forums and other information has been linked through the Access and Inclusion Advisory Committee

The Shire continued to provide the Beach Trekker, a purpose built wheelchair that allows access to Broome's beaches. As part of the "You're Welcome WA Access Initiative" the Shire website provides people with disabilities access to information about a wide range of facilities in the Broome area including accommodation, restaurants, cinemas, car parks, beaches and shopping areas. Supported by the Disabilities Services Commission in partnership with the Local Government Association, this resource helps meet the needs of the 20% of people in WA with a disability. The Access and Inclusion Plan is also available from the Shire of Broome website.

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



Lifeguards showcase the new wheelchair donated by the Disability Services Commission.

RoadWise

The Broome RoadWise Committee provides a forum where local road safety issues can be discussed by a network of people who work together to develop and deliver community based road safety campaigns.

As well as monitoring road safety, representatives of the Shire participated in the Roadwise Committee.

Our Place

Community Safety

Don't Zoom in Broome

The Don't Zoom in Broome campaign was launched at the North West Expo in 2010. Designed to remind motorists to drive within the speed limits, the community campaign encourages Broome locals to sign a community safe speed promise and display a "Don't Zoom in Broome" sticker on their vehicle. More than 300 people have signed the safe speed promise and with the campaign continuing into 2011/12, numbers are expected to increase.

Funding for the project was provided by the Community Road Safety Grants Program which is funded by the Road Trauma Trust Fund administered by the Road Safety Council. Broome's Roadwise Officer provided guidance and support in facilitating the campaign.

Crime Prevention Plan

This plan is aimed at community awareness and is in response to a requirement for local governments to participate in the maintenance of community safety and well being and was set up in conjunction with the Office of Crime Prevention. The Shire commenced its Crime Prevention Planning process with a grant of \$30,000 from the Office of Crime Prevention and WA Police.

The Shire proposed a partnership project with Horizon Power and Mamabulanjin, a local Indigenous liaison organisation. The aim of the project is to enhance lighting on Anne Street in Old Broome to reduce the ongoing prevalence of crime caused by lack of appropriate illumination. The outcome of the project will be the upgrade of ten light poles on Anne and Matsumoto Streets which will provide a safer environment and reduce the incidence of crime in this area.

This project has been supported for funding and is scheduled for implementation in late 2011. Community consultation undertaken involved surveys and stakeholder meetings to establish the most effective crime prevention initiative.

Helping Young People Engage (HYPE)

Helping Young People Engage (HYPE) was developed in 2003 in response to community concern around antisocial behaviour, specifically in areas where young people were congregating in large numbers. HYPE employs a team of youth liaison workers who patrol the streets of Broome on foot and in a vehicle, typically on Thursday, Friday and Saturday nights.

HYPE Workers are trained to encourage young people to stay safe, be aware of the consequences of their actions and make positive choices, as well as providing them with information on local services and resources. Information on the trends and negative activities taking place on the streets in the community is then reported through to the police, the Department of Child Protection and Juvenile Justice who as a result of this information are able to deliver better quality services to youths and their families. HYPE intervention and diffusion of situations prior to them escalating has been proven to decrease the need for prosecutions.

Each year of HYPE's existence has resulted in further reduced numbers of youth crime and as a result, less expense in administration of complaints incurred by the Shire. There has also been a significant improvement in reporting of crime, intervention and prevention for children in high risk situations and general increase of safety and well being for community members.

HYPE is administered by the Shire of Broome and the project is managed jointly by the Shire of Broome, Broome Police, the Department of Child Protection and the Department of Corrective Services Prevention and Diversion Team. These are partnerships which remain strong and productive.

This long standing program, which has been a vital part of the Broome community for many years, was successful in securing \$200,000 through the Department of Attorney General (DOTAG) – Western Australian Criminal Confiscation Grants Program. This takes HYPE through to 2013 with a new partner, Save the Children, taking on the key leadership role in early 2012.

Broome Youth Coordinating Network

The Broome Youth Coordinating Network (BYCN) is a network comprised of representatives from the many thriving youth agencies in Broome. The group meets monthly at the Shire offices to share information about the various activities and resources available to the town's youth sector. The network coordinator, funded by the Shire, regularly distributes information throughout this ever growing network.



Banner promoting safe speeds in Broome

Our Place

Environment

"The Shire of Broome has an abundance of unique natural features, coastal attractions, significant streetscapes, historic precincts and a mix of old and new urban developments. The Shire is also experiencing significant growth in terms of population and enterprise.

The Shire's vision is for Broome to be a place where the natural environment, on which life depends, is maintained, whilst at the same time the built environment contributes to the economy and a quality lifestyle for all.

The Shire will work in partnership with the community and other agencies to ensure responsible and accountable management of both the natural and built environments.

Success will be measured by how well the Shire contributes to management of the natural and built environments for future generations."

Environment

Principal Environmental Officer

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

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



The shiny new fire fighting appliance for the Shire's Volunteer Bush Fire Brigade

The Shire of Broome has completed a waste audit of the Broome Waste Management Facility and the kerbside garbage and recycling bins. The audit was conducted twice to reflect the differences in the two distinctive seasons 'wet' and 'dry'. The purpose of the audit was to get baseline data to assist in the development of a new waste management facility for resource recovery. The Shire wants to ensure that the new facility is based on robust data for budget planning and material quantity estimations.

The Shire has been successful in two grant applications from Rangelands NRM. The two projects include the Anne Street Drainage Project and a water quality monitoring program in nominated drains. These projects will be progressed in the following financial year.

Event Management

A draft Traffic Management for events Policy was initiated. This was advertised in the Broome Advertiser on the 16 June 2011 for public comment and submissions. Submissions closed on the 28 July 2011 and the Draft Policy will be referred back to Council in 2011-2012.

The Shire continued to work with the Department of Environment and Conservation and Polo Enterprises Australia to put in place significant environmental protection strategies for the sand dunes and management of waste leading up to, during and following the polo event held on Cable Beach.

The impact of significant events and their associated infrastructure on the environment is being addressed through partnerships with Department of Environment and Conservation, Yawuru Parks Council and subsequent environmental protection strategies.

Fire Prevention and Mitigation

Rangers have continued to work in consultation with Indigenous ranger groups to plan and coordinate preventative fire hazard reduction works to reduce fire risks to Indigenous communities on the Dampier Peninsula.

The Shire's Volunteer Bush Fire Brigade were successful in an increased capital grant for a new fire fighting appliance. The Brigade were also a finalist for the FESA fire fighter of the year awards. The Shire of Broome Rangers fill an active volunteer role within this volunteer brigade.

Broome Cemeteries

The Broome Cemetery has been operational since the late 1890s and remains the final resting place for members of the local community and other individuals. It is of significant historical interest to locals and visitors to Broome.

The Shire aims to provide a suitable environment for respectful recognition of a person's life. Public visitation and enjoyment of the Shire's cemeteries is encouraged.

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

The Shire received funding through the Federal Government Regional and Country Local Government Infrastructure Program (RCLIP) to engage a consultant to conduct a Radar Imaging Penetration Survey at Broome Cemetery. At the commencement

of the onsite survey in September 2009, the Shire funded an extension of the project to include portions of the State Heritage Listed Japanese, Chinese and Muslim sections within the cemetery.

The purpose of the survey was to identify disturbances or anomalies under the surface which may indicate unmarked burial sites. The consultant's report was received late June 2010. Identification of potential unmarked burial sites has enabled the Shire to determine the availability of future available plots within the cemetery and plan for the development of appropriate public access, landscaping and other infrastructure options.

During 2010/11 Shire staff commenced photographing gravesites and headstones within the cemetery. These photographs have been uploaded onto the Shire's computer database and subsequently updated in the CAD plan/map. This is an extensive and ongoing project and once completed it is hoped that it will provide a reference for future years. Once further progress has been made community assistance will be sought to identify further unmarked gravesites.

The Shire of Broome undertook tree planting along strategic locations with the cemetery.

For more information about Broome's cemeteries contact the Shire on 9191 3456.



Shire commenced photographing gravesites and headstones to upload on its electronic database

Our Place

Asset Improvements

Asset Improvements

Broome Recreation and Aquatic Centre – Capital Projects

The Broome Recreation and Aquatic Centre has had two major projects to improve the facility this year. The installation of the State's largest retractable shade system will provide great benefits to users and save on costs. Most obviously there will be more shade than the previous structure over the pool water which should result in more comfortable water temperatures. Other benefits are a reduction on water loss through evaporation and a reduction on chlorine usage.

The new pool circulation pump will increase the pool's turnover rates resulting in even cleaner water for users.

Broome Performing Arts Centre

Stage Two of the four-stage tender process for the Broome Performing Arts Centre was completed in 2009/10, with Council approving the concept design in May 2010. The proposed redevelopment of the Civic Centre as a Arts and Community Venue includes renovation and upgrade of the existing hall with improved acoustics and lighting, upgraded stage and back of stage facilities, audio visual, air conditioning and services upgrades in order to improve the overall capability and functionality of the building. A new outdoor garden theatre is included in the project.

The project will deliver the community a much needed multipurpose arts and community space which is able to cater for a wide range of potential users from the performing and visual arts, music events, exhibitions, as well as being an ideal location for events such as civic receptions and balls.

This project is due for completion around August 2012.

Infrastructure Management

Infrastructure assets include roads, footpaths, drainage, lighting and parks and reserves, buildings and other structures, bus stops, gazebos and playground equipment, within the Shire. The Shire ensures these assets are maintained and serviced through regular works programs.

In an effort to reduce pollutants entering the bay from within the town site the Shire changed the processes for stormwater drainage maintenance to increase vegetation cover to increase nutrient removal and reduce littoral movement in the drainage system.

Processes relating to road construction have also been amended to ensure only minimal clearing of vegetation is carried out for road works.

Road and Drainage Infrastructure Maintenance

Programmed maintenance includes street lighting, drainage cleanouts, grading of rural roads, patching of urban and other sealed roads, reseals to sealed roads, footpaths and car parks.

The Shire of Broome staff worked with the WA Local Government Grants Commission and Main Roads Western Australia on grant funding and forward planning.

The financial year saw the:

- Installation of bus shelters in Murray Road and a sealed bus stop in Lullfitz Drive.
- Construction of the Port Drive/Cable Beach Road East roundabout to improve the safety of the intersection.
- Completion of McGuigan Road missing link.
- Angle parking on Dampier Terrace.



Artist impressions of the new Broome Multipurpose Arts and Community Venue.

Our Place

Asset Improvements

- Off-street parking at Matso's on Hamerlsey Street.
- Parallel parking on Sanctuary Road.
- Extension of seal on Bidyadanga Road.
- Asphalt surfacing to Sanctuary Road/Cable Beach Road west roundabout, Dora/Guy Street roundabout, Herbert/Guy Street roundabout, Napier/Hamersley Street intersection and other areas.
- Completed reforming works on the Broome/Cape Leveque Road.
- A retention basin bund at BRAC for district Stormwater Management purposes substantially complete.

Keeping Broome Clean

The Shire of Broome continues to support the 'Orange Bag Litter Pickup' scheme with 7,080 bags of rubbish being collected in 2010/11. In addition to this the Community Facilities Team empty 121 public rubbish bins daily.

Weeds

The Shire continued to implement weed management practices around Broome and engaged and educated the community about weed control at the North West Expo.

Waste Management Site

Health Services advises on compliance of the Waste Management Facility with legislation. The Department provides information on compliance with the Department of Environment Licence Conditions. Ground water monitoring is also undertaken as well as ensuring that waste is stored and disposed of in accordance with Department of Environment and Conservation, Department of Water and Occupational Health and Safety Guidelines and requirements.

The Shire of Broome continued to contract Kimberley Waste Services for the provision of a kerbside refuse and recycling program to both residential and commercial premises the Broome town site.

Parks and Reserves

The Parks and Gardens department maintains 37 parks and reserves and 53 roundabouts and median strips throughout Broome. All Shire playgrounds are checked on a weekly basis as well as being audited by an accredited playground safety inspector annually ensuring the infrastructure remains in a safe condition.

Operational improvements have been made to the Water Park at Town Beach which has added to the family friendly precinct, which continues to be frequented by both locals and visitors to Broome. Parks and Gardens staff undertake daily testing of water quality at this facility.

Emergency reinstatement work was undertaken to protect primary dunes at the Cable Beach Foreshore following a severe erosion event in late February.

Green waste is mulched at the Waste Management Facility and is available for the community to purchase. More green mulch is being used in the public landscaping and reserves throughout Broome.

Treated effluent water continues to be utilised at both BRAC and Haynes Oval and the Shire are implementing the Water Conservation Plan in parks management.

Spoil from the Water Corporations Crab Creek Road Waste Water Treatment Facility is being utilised as cover material at Buckley's Road Waste Management Facility.

The Shire of Broome continued to partner with Community Volunteers Australia to clean up vegetation in stormwater drains.

Cable Beach Development Plan Review

The Shire has commenced a review of the 2003 Cable Beach Development Plan and other tourist zone policies affecting the main tourist area of Cable Beach. An expert planning and urban design consultant, Roberts Day, is assisting the Shire. A workshop with key stakeholders was held on 21 June 2011 to help develop a vision for this significant tourism precinct. A draft revised Development Plan will be released for public consultation.

Building

Major developments within the Shire of Broome included



The Cable Beach Development Plan Review looks to develop a vision for the significant tourism precinct.

Our Place

Asset Improvements

Conference Centre/Art Gallery – Millington Road, Milliya Rumurra Rehabilitation Centre Upgrades, Broome North Service Station, Sports Field Amenities Pavillion – BRAC.

| Building Licences Issued | 2008/ 2009 | 2009/ 2010 | 2010/ 2011 |
|--------------------------|---------------|---------------|---------------|
| Single Dwellings | 93 | 107 | 80 |
| Group Dwellings | 3 | 8 | 9 |
| Additions | 16 | 19 | 13 |
| Outbuildings | 64 | 82 | 87 |
| Commercial | 42 | 30 | 33 |
| Industrial | 3 | 6 | 7 |
| Pools | 90 | 106 | 77 |
| Tourist | 2 | 5 | 3 |
| Fences | 8 | 5 | 12 |
| Public Nature | 1 | 10 | 9 |
| Demolition | 11 | 9 | 5 |
| Total | 333 | 387 | 335 |

Asset Management

The Shire of Broome is responsible for the management of approximately \$250 million worth of assets which include roads, buildings, carparks, footpaths, bus shelters, street lighting, recreation and coastal assets. These assets represent a significant investment over future generations to maintain and continue to provide services to the community and its visitors.

The Shire commenced its asset management journey in 2006 through the West Australian Asset Management Improvement program. This is a strategic framework that guides Council and Shire staff in the planning and management of our community assets and the future financial sustainability of the Shire of Broome.

During the 2010/11 financial year the Shire of Broome continued its Asset Management journey. The Asset Management Improvement Strategy was updated to ensure key goals have been met in implementing best practice asset management principles across the organisation. The Building Asset Management Plan was commenced with condition data collection, financial modelling and levels of services compiled to direct the long term planning for our buildings.

This financial year a dedicated Property Management & Leasing Coordinator and Building Maintenance Officer, were employed to implement systems to meet levels of service outlined in the Building Asset Management Plan, and to proactively manage leasing, property management and building maintenance activities.

There has been exciting developments in the area of Transport Assets with the Shire of Broome being selected as a 'test site' for the rollout of RAMM (Road Asset Management & Maintenance software package) which is also supported by the Western Australian Local Government Association.

The Shire of Broome remains committed to ensuring adequate resources are available now and into the future, and strives to maximise the life of our assets while minimising whole of life costs.



Developments and construction continued to be strong in Broome this year.

Our Prosperity

"Over the past 10 years the Shire of Broome has grown significantly in terms of its population and economy. This growth has been predominantly in tourism and government services which in turn has promoted the development of many small business enterprises. It is predicted that the economy of Broome will continue to grow in these areas as well as in the area of providing services to the resources (gas, minerals) industries.

The Shire will work with the community and other agencies to encourage appropriate investment and business development to ensure a diverse economic base from which all members of the community may benefit.

The Shire will ensure that its own organisational growth and development is such that the Shire can deliver efficient and effective services and infrastructure that underpin the prosperity of the community."

Success will be measured by how well the Shire contributes to sustainable economic growth and by how efficiently and effectively it delivers municipal services and infrastructure that meet community needs."

Employment at the Shire of Broome

The 2010/2011 financial year has seen the Shire of Broome's staff retention rates at the same level as 2009/2010 across all three directorates in permanent, casual and temporary roles which equates to around 30% staff turnover. The Shire of Broome is continually looking at improvements in its policies to improve staff retention.

Entering into a new financial year the Council will remain focussed on attracting the right staff and retaining their knowledge to ensure quality human resources are available to service the needs of our growing community.

Risk Management

The Risk Management System implementation continued throughout 2010/11, with a Risk Management Policy and Strategy developed and approved by Council.

Risk Criteria were developed for the organisation, giving staff common parameters to measure risk against. An organisational risk register was developed and completed for Strategic, Operational and Project based risks, where major risks for each department or project were identified and assessed, with treatments and actions noted, including budget implications.

A Risk Framework was developed with processes, procedures, roles and responsibilities established, to ensure risks were identified regularly and in a timely manner. This ensures the information can be used in the organisational planning processes, including strategic planning and long term financial planning and annual operational financial planning processes.

Contractor management processes continued to be refined, with all currently registered contractors and newly identified contractors, requested to renew their registration details with the Shire, now managed online through our insurers.

Asbestos Management processes have been improved with an Asbestos Management Plan in development, to align with the existing Asbestos Register. The asset register notes building assets, owned or managed by the Shire which are confirmed to, or potentially, include asbestos containing materials in their structure. The Asbestos Management Plan is how the Shire will manage or mitigate the risks inherent with Asbestos containing materials.

Risk Management, Asset Management, Financial Planning and Project Management have been aligned, so that all risks are managed consistently throughout the organisation.



Shire of Broome Administration Office.

Occupational Safety and Health

A strong focus exists within the Shire of Broome to improve the safety of its employees at work and to promote a healthy lifestyle through Occupational Health and Safety.

Ongoing safety training for managers/supervisors and all employees was a strong focus for this financial year, to ensure they understand their responsibilities within the workplace and how to minimise risks that may arise.

Shire employees have once again received flu vaccinations to assist in positive health throughout Winter. Skin Cancer screenings were also given to all staff to maintain our commitment to a healthy working environment.

Information Technology Systems Upgrade

The Information Technology (IT) team upgraded the Shire's corporate IT data centre to cater for the growing technology needs of the organisation. The solution implemented is based on virtualised servers located on a storage area network.

In addition to replacing the backend infrastructure the upgrade included an operating system migration involving the transfer of all corporate data. The project was completed on time and on budget.

The new system has proved to be a great improvement and has provided the IT team and the Shire with a number of business benefits including:

- A more dynamic and responsive infrastructure that is easier to administer and maintain.
- Improved integration of hardware and software systems.
- Increased data redundancy and resiliency.
- More efficient data backup and restore.
- More cost effective and "green" IT environment.

Geospatial Information System

The Shire implemented a Geospatial Information System which provides a central repository for corporate data and allows for quick and easy interrogation of that data.

The system has been integrated with the Shire's Finance and Property systems allowing staff to use a single interface to search for information from multiple sources.

As part of the project the Shire has utilised the GIS department of the City of Swan to perform the administration of the system with data being retained within the Shire of Broome's data cloud.

Included with the GIS is a public web service that will allow the general public to interrogate Shire information databases. The public interface is still being tested and is expected to be released in 2012.



An example of the Shire's new GIS technology.

Branch Office Wireless Upgrade

The Information Technology team also planned and deployed new wireless equipment to significantly increase network speed, access and reliability of data transfer between the administration building and branch offices such as the Shire Depot and the Broome Recreation and Aquatic Centre.

This increased throughput allows staff situated at branch offices to access the Shire's corporate network at speeds comparable to internal staff.

The devices are also much more resilient and powerful so terrestrial interference such as strong wind and rain has little effect on their performance.

Phone System Upgrade – VoIP

A new VoIP phone system was deployed to the Depot allowing depot staff to make and receive calls utilising VoIP, reducing the Shire's call costs. The new phone system provides staff at the depot with voicemail and messaging services, increasing customer service and improving response times.

Further expansion of the Shire phone system is scheduled for the 2011-2012 financial year and will provide VoIP services to the Broome Recreation and Aquatic Centre.

Our Prosperity

Development

The volume of development applications lodged increased slightly this financial year while the number of subdivision referrals moderated to a total 467 lots.

Broome's land release was again predominated by LandCorp's Broome North development with Roebuck Estate Western Triangle development also coming on stream.

| Applications Received | 2007–2008 | 2008–2009 | 2009–2010 | 2010–2011 | Change from previous year |
|-----------------------|-----------|-----------|-----------|-----------|---------------------------|
| Planning Applications | 214 | 189 | 156 | 198 | Increase of 26% |
| Subdivision Referrals | 232 lots | 101 lots | 593* | 467# | Decrease of 22% |

**541 of these lots were for the Broome North development*

283 of these lots were for the Broome North development and 153 for the Roebuck Estate 'Western Triangle' development

The largest number of applications received was for Residential (65) and Industrial (24) developments with 20 applications for signage. 11 for Commercial and 8 for Community/Public Purpose.

The rest of the applications ranged from Ancillary Accommodation, Bed & Breakfast, Caretakers Accommodation, Change of Use, Mixed Use, Tourist, Home Occupation to Home Business and 10 applications were variations of previous approvals.

Outside of the Township of Broome, within the Interim Development Order No 4 area, 20 applications were received, an increase from

eight in the previous year. These included new school facilities, tourism accommodation, offices, dwellings, a training centre, storage facilities and an extension to an aquaculture facility.

Four scheme amendments were initiated including Scheme Amendment 62, being an omnibus amendment consisting of five sites to be rezoned to 'Development', 'Mixed use', 'Tourist', and 'Industry' for Nyamba Buru Yawuru Ltd. Five scheme amendments already in progress were also gazetted during this period, and four Detailed Area Plans were endorsed by Council.

In September 2011, the draft Local Planning Strategy was endorsed by Council for forwarding to the Western Australian Planning Commission for certification.

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

Tourism

Significant financial support is offered to the tourism sector for destination marketing and other tourism initiatives to promote local economic development.

The Shire provided funding of \$175,000 to Australia's North West to support tourism marketing initiatives. The Broome Visitors Centre also received financial assistance of \$110,000 from the Shire, to support servicing tourists.



Our Prosperity

Governance

Governance

All local authorities are required to comply with the various legislative requirements that govern its activities. Within 2010/11 the following compliance obligations were completed by the Shire and Council of Broome.

Code of Conduct and Complaints Management

The Shire of Broome Code of Conduct prescribes the standard of conduct and behaviour expected of Councillors and all employees. The Shire also has a Complaints Management Policy that all staff are required to follow. The aim is to ensure any service requests or complaints received are responded to in a timely manner.

A comprehensive internal review of the Complaints Management Policy is being undertaken with a view to streamlining operational procedures. It is anticipated that suggested policy amendments will be presented for Council consideration in the next financial year.

In the period 1 July 2010 to 30 June 2011, the Shire recorded 20 complaints primarily to do with services and amenities, each of which was responded to by the relevant department.

Public Interest Disclosure

In accordance with the requirements of the Public Interest Disclosure Act 2003, the Shire of Broome has established procedures to facilitate the making of disclosures under the Act.

These procedures set out the processes in respect to protected disclosures generally, to protect people from reprisal for making protected disclosures, and to provide guidance on investigations.

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



Shire of Broome's Records Staff

In the 2010/11 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 2010/11 but the majority of these enquiries were satisfied by other means, such as Minutes of Council meetings. There were 11 FOI applications for access to information, an increase of over 200% on 2009/10. All were responded to in accordance with FOI legislation.

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

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

Record Keeping Plan

The Shire of Broome is committed to accurate and compliant record keeping practices, in accordance with the State Records Act 2000. The Shire operates under a 'Record Keeping Plan' approved by the State Records Commission in 2009 for a period of three years. A review of the plan will occur in 2012 and will be submitted in October 2012.

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

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

In addition to continuing records awareness training, the Shire initiated an indigenous traineeship in Record Keeping. The successful applicant, Tiarna Pitt, has since completed all requirements of the traineeship and is awaiting confirmation of successful completion of Certificate 3 in Record Keeping.

As well as completing the traineeship with flying colours, Tiarna has proven to be a conscientious and valued staff member and, following the finalisation of the traineeship, will be offered a full time position in the Records Department.

A number of information management initiatives were also completed including:

- Final phase of the records compactus upgrade.
- Clean up and disposal of archive records.
- Initiated in house disposal process.
- Commencing a review of electronic records management.
- Completing stage one of the Information Services Strategic Plan and commencing stage two with the view to simplifying our application architecture.
- Initiating an e-learning environment for Shire staff.

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

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 \$ | 2011 | 2010 |
|-------------------|------|------|
| 100,000 – 109,999 | 2 | 2 |
| 110,000 – 119,999 | 0 | 0 |
| 120,000 – 129,999 | 4 | 2 |
| 130,000 – 139,999 | 0 | 0 |
| 140,000 – 149,999 | 0 | 0 |
| 150,000 – 159,999 | 1 | 0 |
| 160,000 – 169,999 | 0 | 1 |
| 170,000 – 179,999 | 1 | 0 |



2010/11 Financial Statements

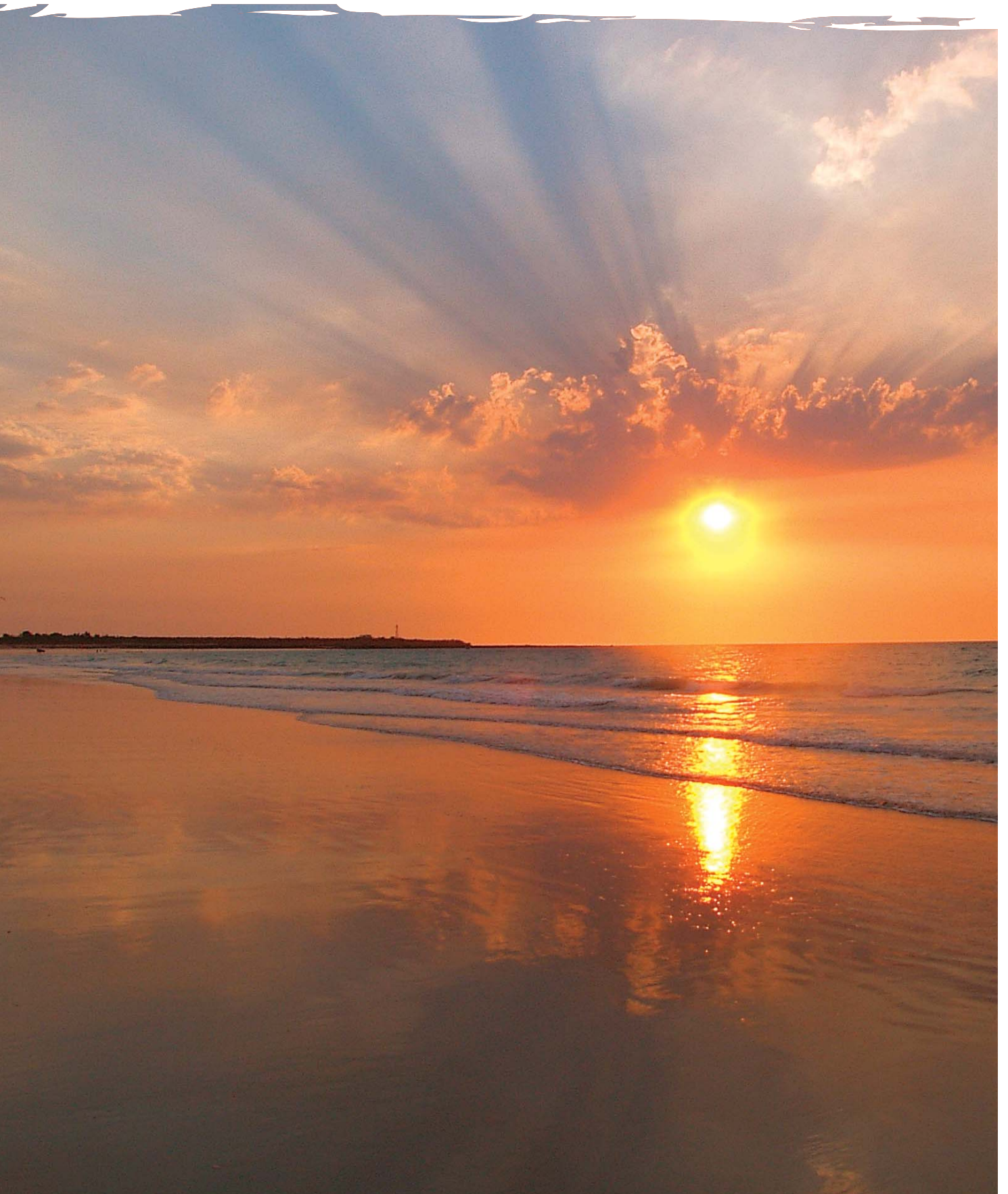


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Statement by the Chief Executive Officer

**SHIRE OF BROOME
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011**

**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 2011 are in my opinion properly drawn up to present fairly the financial position of the Shire of Broome at 30th June 2011 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the Seventeenth day of October 2011.



**K R DONOHOE
CHIEF EXECUTIVE OFFICER**

Statement of Comprehensive Income By Nature or Type

For The Year Ended 30 June 2011

| | NOTE | 2011 \$ | 2011 Budget \$ | 2010 \$ |
|---|------|---------------------|----------------------|---------------------|
| Revenue | | | | |
| Rates | 23 | 14,009,252 | 14,027,700 | 12,884,658 |
| Operating Grants, Subsidies and Contributions | 29 | 4,824,087 | 4,023,067 | 4,858,966 |
| Fees and Charges | 28 | 7,537,004 | 6,965,905 | 6,401,030 |
| Interest Earnings | 2(a) | 1,288,436 | 840,297 | 748,085 |
| Other Revenue | | 19,573 | 0 | 40,373 |
| | | <u>27,678,352</u> | <u>25,856,969</u> | <u>24,933,112</u> |
| Expenses | | | | |
| Employee Costs | | (11,607,127) | (11,835,819) | (10,812,333) |
| Materials and Contracts | | (6,220,876) | (7,064,008) | (5,346,335) |
| Utility Charges | | (1,308,470) | (1,380,696) | (1,250,947) |
| Depreciation on Non-Current Assets | 2(a) | (4,997,907) | (4,683,620) | (4,743,005) |
| Interest Expenses | 2(a) | (331,399) | (410,767) | (374,254) |
| Insurance Expenses | | (391,806) | (379,200) | (381,554) |
| Other Expenditure | | (866,354) | (931,229) | (866,530) |
| | | <u>(25,723,939)</u> | <u>(26,685,339)</u> | <u>(23,774,958)</u> |
| | | 1,954,413 | (828,370) | 1,158,154 |
| Non-Operating Grants, Subsidies and Contributions | 29 | 7,928,756 | 7,230,021 | 2,772,065 |
| Profit on Asset Disposals | 21 | 56,616 | 310,400 | 11,197 |
| Loss on Asset Disposal | 21 | (43,665) | (56,000) | (16,260) |
| | | <u>7,941,707</u> | <u>7,484,421</u> | <u>2,767,002</u> |
| NET RESULT | | 9,896,120 | 6,656,051 | 3,925,156 |
| Other Comprehensive Income | | | | |
| Changes on revaluation of non-current assets | 13 | (398,407) | 0 | (666,919) |
| Total Other Comprehensive Income | | (398,407) | 0 | (666,919) |
| TOTAL COMPREHENSIVE INCOME | | 9,497,713 | 6,656,051 | 3,258,237 |

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

Statement of Comprehensive Income By Program

For The Year Ended 30 June 2011

| | NOTE | 2011 \$ | 2011 Budget \$ | 2010 \$ |
|--|--------------|-------------------------|-------------------------|-------------------------|
| Revenue | 2 (a) | | | |
| Governance | | 237,820 | 68,350 | 279,508 |
| General Purpose Funding | | 16,965,265 | 16,283,300 | 15,627,103 |
| Law, Order, Public Safety | | 456,814 | 215,727 | 108,407 |
| Health | | 111,652 | 196,200 | 130,582 |
| Education and Welfare | | 92,100 | 55,000 | 197,120 |
| Housing | | 703,100 | 623,580 | 631,448 |
| Community Amenities | | 4,181,300 | 3,486,327 | 3,186,770 |
| Recreation and Culture | | 3,737,614 | 6,528,201 | 1,461,014 |
| Transport | | 5,488,610 | 2,407,532 | 2,983,180 |
| Economic Services | | 856,231 | 787,434 | 813,739 |
| Other Property and Services | | 2,833,218 | 2,745,739 | 2,297,503 |
| | | <u>35,663,724</u> | <u>33,397,390</u> | <u>27,716,374</u> |
| Expenses Excluding Finance Costs | 2 (a) | | | |
| Governance | | (1,780,651) | (2,058,965) | (1,502,923) |
| General Purpose Funding | | (68,164) | (121,178) | (71,118) |
| Law, Order, Public Safety | | (1,304,496) | (1,305,734) | (1,181,590) |
| Health | | (566,667) | (558,618) | (550,997) |
| Education and Welfare | | (566,431) | (624,151) | (802,507) |
| Housing | | (711,900) | (624,580) | (647,761) |
| Community Amenities | | (5,668,602) | (5,856,580) | (5,010,633) |
| Recreation & Culture | | (6,589,197) | (6,925,228) | (5,876,327) |
| Transport | | (5,361,073) | (5,373,800) | (5,206,071) |
| Economic Services | | (955,924) | (1,079,546) | (962,753) |
| Other Property and Services | | (1,860,613) | (1,799,705) | (1,602,438) |
| | | <u>(25,433,718)</u> | <u>(26,328,085)</u> | <u>(23,415,118)</u> |
| Finance Costs | 2 (a) | | | |
| Law, Order, Public Safety | | (4,390) | (4,391) | (5,274) |
| Housing | | 0 | (14,899) | 0 |
| Community Amenities | | (17,033) | (16,926) | (20,592) |
| Recreation & Culture | | (150,172) | (214,298) | (161,251) |
| Economic Services | | (50,551) | (51,070) | (59,047) |
| Other Property and Services | | (111,740) | (111,670) | (129,936) |
| | | <u>(333,886)</u> | <u>(413,254)</u> | <u>(376,100)</u> |
| NET RESULT | | <u>9,896,120</u> | <u>6,656,051</u> | <u>3,925,156</u> |
| Other Comprehensive Income | | | | |
| Changes on revaluation of non-current assets | 13 | <u>(398,407)</u> | <u>0</u> | <u>(666,919)</u> |
| Total Other Comprehensive Income | | <u>(398,407)</u> | <u>0</u> | <u>(666,919)</u> |
| TOTAL COMPREHENSIVE INCOME | | <u><u>9,497,713</u></u> | <u><u>6,656,051</u></u> | <u><u>3,258,237</u></u> |

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

Statement of Financial Position

As At 30 June 2011

| | NOTE | 2011 \$ | 2010 \$ | 1 July 2009 \$ |
|--------------------------------------|------|--------------------|--------------------|--------------------|
| CURRENT ASSETS | | | | |
| Cash and Cash Equivalents | 3 | 15,042,654 | 3,189,205 | 7,354,837 |
| Investments | 4 | 7,479,902 | 12,108,407 | 6,555,017 |
| Trade and Other Receivables | 5 | 2,575,364 | 930,352 | 756,469 |
| Inventories | 6 | 23,869 | 18,154 | 31,949 |
| TOTAL CURRENT ASSETS | | 25,121,789 | 16,246,118 | 14,698,272 |
| NON-CURRENT ASSETS | | | | |
| Other Receivables | 5 | 108,866 | 128,530 | 95,384 |
| Property, Plant and Equipment | 7 | 48,550,577 | 28,360,252 | 29,241,483 |
| Infrastructure | 8 | 102,206,127 | 102,285,895 | 100,151,235 |
| TOTAL NON-CURRENT ASSETS | | 150,865,570 | 130,774,677 | 129,488,102 |
| TOTAL ASSETS | | 175,987,359 | 147,020,795 | 144,186,374 |
| CURRENT LIABILITIES | | | | |
| Trade and Other Payables | 9 | 2,882,035 | 2,312,372 | 2,261,344 |
| Long Term Borrowings | 10 | 881,025 | 851,431 | 842,994 |
| Provisions | 11 | 1,780,929 | 1,646,438 | 1,369,072 |
| TOTAL CURRENT LIABILITIES | | 5,543,989 | 4,810,241 | 4,473,410 |
| NON-CURRENT LIABILITIES | | | | |
| Long Term Borrowings | 10 | 4,322,164 | 4,255,565 | 5,044,372 |
| Provisions | 11 | 318,295 | 289,626 | 261,466 |
| TOTAL NON-CURRENT LIABILITIES | | 4,640,459 | 4,545,191 | 5,305,838 |
| TOTAL LIABILITIES | | 10,184,448 | 9,355,432 | 9,779,248 |
| NET ASSETS | | 165,802,911 | 137,665,363 | 134,407,126 |
| EQUITY | | | | |
| Retained Surplus | | 94,211,550 | 92,152,866 | 91,422,713 |
| Reserves - Cash/Investment Backed | 12 | 19,815,459 | 11,978,023 | 8,783,020 |
| Reserves - Asset Revaluation | 13 | 51,775,902 | 33,534,474 | 34,201,393 |
| TOTAL EQUITY | | 165,802,911 | 137,665,363 | 134,407,126 |

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

Statement of Changes in Equity

For The Year Ended 30 June 2011

| | NOTE | RETAINED SURPLUS \$ | RESERVES CASH/INVESTM ENT BACKED \$ | ASSET REVALUATION RESERVES \$ | TOTAL EQUITY \$ |
|---|------|---------------------------|--|--|--------------------|
| Balance as at 1 July 2009 | | 92,968,913 | 8,783,020 | 34,201,393 | 135,953,326 |
| Correction of Errors | 35 | (1,546,200) | 0 | 0 | 0 |
| Restated Balance | | 91,422,713 | 8,783,020 | 34,201,393 | 134,407,126 |
| Net Result | | 3,925,156 | 0 | 0 | 0 |
| Total Other Comprehensive Income | | 0 | 0 | (666,919) | (666,919) |
| Reserve Transfers To/(From) | | (3,195,003) | 3,195,003 | 0 | 0 |
| Balance as at 1 July 2010 | | 92,152,866 | 11,978,023 | 33,534,474 | 137,665,363 |
| Net Result | | 9,896,120 | 0 | 0 | 9,896,120 |
| Land & Buildings Revaluation Increment | | 0 | 0 | 18,639,835 | 0 |
| Road Infrastructure Revaluation Decrement | | 0 | 0 | (398,407) | 0 |
| Total Other Comprehensive Income | | 0 | 0 | 0 | 0 |
| Reserve Transfers To/(From) | | (7,837,436) | 7,837,436 | 0 | 0 |
| Balance as at 30 June 2011 | | 94,211,550 | 19,815,459 | 51,775,902 | 165,802,911 |

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

Statement of Cash Flows

For The Year Ended 30 June 2011

| | NOTE | 2011 \$ | 2011 Budget \$ | 2010 \$ |
|--|-------|---------------------|----------------------|---------------------|
| Cash Flows From Operating Activities | | | | |
| Receipts | | | | |
| Rates | | 13,975,888 | 13,827,700 | 12,859,063 |
| Operating Grants, Subsidies and Contributions | | 4,824,087 | 4,023,067 | 4,858,966 |
| Fees and Charges | | 5,914,063 | 6,925,905 | 6,251,080 |
| Interest Earnings | | 1,288,436 | 840,297 | 748,085 |
| Goods and Services Tax | | 1,108,436 | 1,817,899 | 1,108,436 |
| Other Revenue | | 19,573 | 0 | 40,373 |
| | | <u>27,130,483</u> | <u>27,434,868</u> | <u>25,866,003</u> |
| Payments | | | | |
| Employee Costs | | (11,417,626) | (11,635,819) | (10,700,070) |
| Materials and Contracts | | (5,488,957) | (6,933,873) | (4,893,937) |
| Utility Charges | | (1,308,470) | (1,380,696) | (1,250,947) |
| Insurance Expenses | | (391,806) | (379,200) | (381,554) |
| Interest expenses | | (331,399) | (410,767) | (374,254) |
| Goods and Services Tax | | (1,302,748) | (1,847,899) | (1,302,748) |
| Other Expenditure | | (866,354) | (931,229) | (866,530) |
| | | <u>(21,107,360)</u> | <u>(23,519,483)</u> | <u>(19,770,040)</u> |
| Net Cash Provided By (Used In) Operating Activities | 14(b) | <u>6,023,123</u> | <u>3,915,385</u> | <u>6,095,963</u> |
| Cash Flows from Investing Activities | | | | |
| Property, Plant & Equipment | | (3,794,227) | (15,031,099) | (1,177,979) |
| Payments for Construction of Infrastructure | | (3,169,245) | (3,817,819) | (5,514,118) |
| used for the Development of Assets | | 7,928,756 | 7,230,021 | 2,772,065 |
| Proceeds from Sale of Plant & Equipment | | 109,385 | 635,000 | 23,681 |
| Proceeds from Sale of Investments | | 5,060,000 | 0 | 0 |
| Net Cash Provided By (Used In) Investing Activities | | <u>5,703,174</u> | <u>(10,983,897)</u> | <u>(9,514,741)</u> |
| Cash Flows from Financing Activities | | | | |
| Repayment of Debentures | | (853,805) | (853,806) | (845,370) |
| Proceeds from Self Supporting Loans | | 30,957 | 30,957 | 33,516 |
| Proceeds from New Debentures | | 950,000 | 5,114,000 | 65,000 |
| Net Cash Provided By (Used In) Financing Activities | | <u>127,152</u> | <u>4,291,151</u> | <u>(746,854)</u> |
| Net Increase (Decrease) in Cash Held | | <u>11,853,449</u> | <u>(2,777,361)</u> | <u>(4,165,632)</u> |
| Cash at Beginning of Year | | 3,189,205 | 12,659,107 | 7,354,837 |
| Cash and Cash Equivalents at the End of the Year | 14(a) | <u>15,042,654</u> | <u>9,881,746</u> | <u>3,189,205</u> |

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

Rate Setting Statement

For The Year Ended 30 June 2011

| | NOTE | 2011 \$ | 2011 Budget \$ |
|--|------|---------------------|----------------------|
| Revenue | | | |
| Governance | | 237,820 | 68,350 |
| General Purpose Funding | | 2,956,013 | 2,255,600 |
| Law, Order, Public Safety | | 456,814 | 215,727 |
| Health | | 111,652 | 196,200 |
| Education and Welfare | | 92,100 | 55,000 |
| Housing | | 703,100 | 623,580 |
| Community Amenities | | 4,181,300 | 3,486,327 |
| Recreation and Culture | | 3,737,614 | 6,528,201 |
| Transport | | 5,488,610 | 2,407,532 |
| Economic Services | | 856,231 | 787,434 |
| Other Property and Services | | 2,833,218 | 2,745,739 |
| | | <u>21,654,472</u> | <u>19,369,690</u> |
| Expenses | | | |
| Governance | | (1,780,651) | (2,058,965) |
| General Purpose Funding | | (68,164) | (121,178) |
| Law, Order, Public Safety | | (1,308,886) | (1,310,125) |
| Health | | (566,667) | (558,618) |
| Education and Welfare | | (566,431) | (624,151) |
| Housing | | (711,900) | (639,479) |
| Community Amenities | | (5,685,635) | (5,873,506) |
| Recreation & Culture | | (6,739,369) | (7,139,526) |
| Transport | | (5,361,073) | (5,373,800) |
| Economic Services | | (1,006,475) | (1,130,616) |
| Other Property and Services | | (1,972,353) | (1,911,375) |
| | | <u>(25,767,604)</u> | <u>(26,741,339)</u> |
| Adjustments for Cash Budget Requirements: | | | |
| Non-Cash Expenditure and Revenue | | | |
| (Profit)/Loss on Asset Disposals | | (12,951) | (254,400) |
| Net Accrued (Income)/Expenditure & Future Provisions | | 283,859 | 80,135 |
| Depreciation on Assets | | 4,997,907 | 4,683,620 |
| Capital Expenditure and Revenue | | | |
| Purchase Land and Buildings | | (2,526,191) | (11,740,099) |
| Purchase Infrastructure Assets - Drainage | | (384,107) | (405,000) |
| Purchase Infrastructure Assets - Roads, Carpark, Footpaths & Bridges | | (2,426,570) | (2,581,893) |
| Purchase Infrastructure Assets - Recreation Areas | | (335,256) | (523,040) |
| Purchase Infrastructure Assets - Other | | (23,312) | (307,886) |
| Purchase Plant and Equipment | | (844,745) | (2,729,000) |
| Purchase Furniture and Equipment | | (423,291) | (562,000) |
| Proceeds from Disposal of Assets | | 109,385 | 635,000 |
| Repayment of Debentures | | (853,805) | (853,806) |
| Proceeds from New Debentures | | 950,000 | 5,114,000 |
| Self-Supporting Loan Principal Income | | 30,957 | 30,957 |
| Transfers to Reserves and Restricted Cash Assets | | (11,008,839) | (4,190,136) |
| Transfers from Reserves and Restricted Cash Assets | | 3,171,403 | 6,059,497 |
| ADD Estimated Surplus/(Deficit) July 1 B/Fwd | | 1,521,226 | 888,000 |
| LESS Estimated Surplus/(Deficit) June 30 C/Fwd | | 2,121,790 | 0 |
| Amount Required to be Raised from Rates | 23 | <u>14,009,252</u> | <u>14,027,700</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 2011

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

The report has also been prepared on the accrual basis under the convention of historical cost accounting as 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 this experience and other factors combine to form the basis of making judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

(b) The Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 20 to this financial report.

(c) Goods and Services Tax

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

(d) Cash and Cash Equivalents

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

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the statement of financial position.

All cash and cash equivalents are valued at cost and interest on those investments is recognised when accrued.

(e) Trade and Other Receivables

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

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

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

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

(g) Fixed Assets

Initial Recognition

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

Property, plant and equipment are to be capitalised if the cost or valuation exceeds the values in the table below:

| | |
|--|-------|
| (i) Buildings – New , Upgrade or Renewal | Nil |
| (ii) Infrastructure – New , Upgrade or Renewal | Nil |
| (iii) Plant and Equipment – New , Upgrade or Renewal | 5,000 |
| (iv) Furniture and Equipment– New , Upgrade or Renewal | 5,000 |
| (v) Land (To be capitalised) | Nil |

Items which cost, or are valued, less than these thresholds are expensed in the year of acquisition.

Revaluation

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

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Land under Roads

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

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

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

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

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

(h) Depreciation of Non-Current Assets

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

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

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Investments and Other Financial Assets

Classification

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

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

(iii) Held-to-maturity investments

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

(iv) Available-for-sale financial assets

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

Recognition and derecognition

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

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Investments and Other Financial Assets (Continued)

Subsequent measurement

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

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

Impairment

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

(j) Estimation of Fair Value

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

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

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

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

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment

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

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 'Impairment of Assets' and appropriate adjustments made.

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

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

(l) Trade and Other Payables

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

(m) Employee Benefits

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

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

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

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

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

(n) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Provisions

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

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

(p) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

(q) Joint Venture

The municipality has no joint ventures.

(r) Rates, Grants, Donations and Other Contributions

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

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

(s) Superannuation

The Shire of Broome contributes to the Local Government Superannuation Scheme and other defined contribution schemes.

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

In addition where employees contribute at least 5% The Municipality makes an additional contribution so the total by the Municipality is 12%.

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Current and Non-Current Classification

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

(u) Rounding Off Figures

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

(v) Comparative Figures

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

(w) Budget Comparative Figures

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2011.

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

| | Title and Topic | Issued | Applicable (*) | Impact |
|-------|---|---------------|-----------------|--|
| (i) | AASB 9 – Financial Instruments | December 2009 | 01 January 2013 | Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect. |
| (ii) | AASB 124 – Related Party Disclosures | December 2009 | 01 January 2011 | Nil – It is not anticipated the Council will have any related parties as defined by the Standard. |
| (iii) | AASB 1053 - Application of Tiers of Australian Accounting Standards | June 2010 | 01 July 2013 | Nil - Due to its nature and statutory requirements the Council will be deemed a Tier 1 entity and will continue to prepare general purpose financial statements. |
| (iv) | AASB 2009 -12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] | December 2009 | 01 January 2011 | Nil – The revisions embodied in this standard relate to standards which do not apply to local government (ie AASB8) or are largely editorial in nature and will have minimal effect (if any) on the accounting practices of the Council. |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

| Title and Topic | Issued | Applicable (*) | Impact |
|---|---------------|-----------------|---|
| (v) AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 | December 2009 | 01 January 2013 | Nil - The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above). |
| [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] | | | |
| (vi) AASB 2010 - 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050, & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] | June 2010 | 01 July 2013 | Nil - None of these amendments will have any effect on the financial report as the standard does not apply in the case of general purpose financial statements. |
| (vii) AASB 2010 - 4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101, 134, and Interpretation 13] | June 2010 | 01 January 2011 | Nil - The revisions are part of the AASB's annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs. It is not anticipated these will have any effect on the Council. |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| 1. SIGNIFICANT ACCOUNTING POLICIES (Continued) | | | |
|---|---------------|-----------------|--|
| (x) New Accounting Standards and Interpretations for Application in Future Periods (Continued) | | | |
| Title and Topic | Issued | Applicable (*) | Impact |
| (viii) AASB 2010 - 5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] | October 2010 | 01 January 2011 | Nil - The revisions embodied in this standard are largely editorial in nature or relate to standards not applicable to the Council and will have minimal effect (if any) on the accounting practices of the Council. |
| (ix) AASB 2010 - 6 Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets [AASB 1 & 7] | November 2010 | 01 July 2011 | Nil - The revisions embodied in this standard amend disclosures required on transfers of financial assets. The Council is not expected to have any qualifying transfers. |
| (x) AASB 2010 - 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) | December 2010 | 01 January 2013 | Nil - The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above). |
| [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, | | | |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| 1. SIGNIFICANT ACCOUNTING POLICIES (Continued) | | | | |
|--|---|---------------|-----------------|--|
| (x) | New Accounting Standards and Interpretations for Application in Future Periods (Continued) | | | |
| | Title and Topic | Issued | Applicable (*) | Impact |
| (xi) | (Continued) | | | |
| | AASB 2010 - 9 Amendments to Australian Accounting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] | December 2010 | 01 July 2011 | Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council. |
| | AASB 2009- 14 Amendments to Australian Interpretations – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] | December 2009 | 01 January 2011 | |
| | AASB 2010 - 10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009 - 11 & 2010 - 7] | December 2010 | 01 January 2013 | |
| Notes: | | | | |
| (*) Applicable to reporting periods commencing on or after the given date. | | | | |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Adoption of New and Revised Accounting Standards

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

These new and revised standards were:

AASB 2009 - 5
AASB 2009 - 8
AASB 2009 - 10
AASB 2009 - 13
AASB 2010 - 1
AASB 2010 - 3

Interpretation 19

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

2. REVENUES AND EXPENSES

2011
\$

2010
\$

(a) Net Result

The Result from Ordinary Activities includes:

(i) Charging as an Expense:

Auditors Remuneration

| | | |
|------------------|--------|--------|
| - Audit | 31,540 | 27,331 |
| - Other Services | 2,376 | 0 |

Depreciation

| | | |
|---|------------------|------------------|
| Buildings | 733,036 | 772,227 |
| Furniture and Equipment | 275,391 | 199,356 |
| Plant and Equipment | 1,146,012 | 1,070,637 |
| Roads, Footpaths & Transport Infrastructure | 2,309,398 | 2,241,038 |
| Parks and Reserves | 340,441 | 275,459 |
| Drainage | 136,506 | 133,247 |
| Other Infrastructure | 57,123 | 51,041 |
| | <u>4,997,907</u> | <u>4,743,005</u> |

Interest Expenses (Finance Costs)

| | | |
|-------------------------------|----------------|----------------|
| Overdraft Interest | 68 | 2 |
| Debentures (refer Note 22(a)) | <u>331,331</u> | <u>374,252</u> |
| | <u>331,399</u> | <u>374,254</u> |

Rental Charges

| | | |
|--------------------|----------------|----------------|
| - Operating Leases | <u>741,561</u> | <u>683,516</u> |
|--------------------|----------------|----------------|

(ii) Crediting as Revenue:

2011
\$

2011
Budget
\$

2010
\$

Investment and Interest Earnings

| | | | |
|--|------------------|----------------|----------------|
| Investment Earnings | | | |
| - Reserve Funds | 337,777 | 0 | 254,455 |
| - Other Funds | 93,718 | 0 | 169,420 |
| Interest Earnings | | | |
| - Reserve Funds | 317,463 | 432,420 | 64,202 |
| - Other Funds | 401,231 | 300,000 | 146,531 |
| - Self Supporting Loans | 8,401 | 7,577 | 8,682 |
| Other Interest Revenue (refer note 27) | <u>129,846</u> | <u>100,300</u> | <u>104,795</u> |
| | <u>1,288,436</u> | <u>840,297</u> | <u>748,085</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

SHIRE MISSION STATEMENT

"To provide a range of affordable and sustainable services to our community with a strong focus so that our citizens and visitors enjoy a quality lifestyle."

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

GOVERNANCE

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

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

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

HEALTH

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

EDUCATION AND WELFARE

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

HOUSING

Provision of staff housing.

COMMUNITY AMENITIES

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

RECREATION AND CULTURE

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

TRANSPORT

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

ECONOMIC SERVICES

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

OTHER PROPERTY & 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 2011

(c) Conditions Over Contributions

| | Grant/Contribution | Program | Opening Balance ⁽¹⁾ 1 July 2009 \$ | Received ⁽²⁾ 2009/2010 \$ | Expended ⁽³⁾ 2009/2010 \$ | Closing Balance ⁽¹⁾ 30 June 2010 \$ | Received ⁽²⁾ 2010/2011 \$ | Expended ⁽³⁾ 2010/2011 \$ | Closing Balance 30 June 2011 \$ |
|--|--------------------|---------------------------|---|--|--|--|--|--|---------------------------------------|
| Other Governance - Don't Zoom in Broome Project Grant | | Governance | 0 | 7,074 | 0 | 7,074 | 0 | (4,978) | 2,096 |
| FESA State Emergency Service & Volunteer Bush Fire Brigade Operational and Grant Funding | | Law Order & Public Safety | 22,743 | 0 | (14,355) | 8,388 | 0 | (6,774) | 1,614 |
| Health Grants - Zero Waste & National Packaging Covenant | | Health | 21,500 | 0 | (21,500) | 0 | 0 | 0 | 0 |
| Clean Up Aboriginal Communities Operational Grant | | Health | 26,436 | 0 | 0 | 26,436 | 0 | (10,300) | 16,136 |
| Kimberley Family Day Care Operational Grant, KIT and Child Care Benefit Funding | | Education & Welfare | 14,035 | 0 | (14,035) | 0 | 0 | 0 | 0 |
| ISS Program and Flexible Support Funding Grants | | Education & Welfare | 30,696 | 0 | (30,696) | 0 | 0 | 0 | 0 |
| Office of Crime Prevention Grant - Community Safety & Crime Prevention Plan & LGA Partnership Fund - Initiative Lighting Up Anne St Precinct | | Education & Welfare | 0 | 0 | 0 | 0 | 30,000 | 0 | 30,000 |
| Healthway - Aboriginal Health Promotion for Streets Sport Program | | Education & Welfare | 0 | 0 | 0 | 0 | 1,500 | 0 | 1,500 |
| HYPE Operational Grants | | Education & Welfare | 31,550 | 66,806 | (31,550) | 66,806 | 19,830 | (66,806) | 19,830 |
| Care of Families & Children Grants - Broome Iterants Strategy | | Education & Welfare | 50,000 | 0 | (40,493) | 9,507 | 0 | 0 | 9,507 |
| Community Facilities Town Beach Cultural Plan - Community Programs Grant | | Education & Welfare | 13,835 | 0 | (13,587) | 248 | 0 | (248) | 0 |
| Other Community Amenities Grants - RLCIP Broome Cemetery Radar Survey and R4R Public Shade New Building Const grants. | | Community Amenities | 84,000 | 0 | (84,000) | 0 | 0 | 0 | 0 |
| Urban Stormwater Drainage - Ranglands Anne St Drainage | | Community Amenities | 0 | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| Minyirr Park funding to DEC for 25% contribution of Park Council fire truck | | Community Amenities | 0 | 0 | 0 | 0 | 50,000 | 0 | 50,000 |
| Recreation Services - Physical Activities Plan Grants | | Recreation & Culture | 25,000 | 0 | 0 | 25,000 | 0 | (25,000) | 0 |
| Other Recreation & Sport Grants - RLCIP Skatepark New Infra | | Recreation & Culture | 22,000 | 0 | (22,000) | 0 | 0 | 0 | 0 |
| Parks and Ovals Grants - RLCIP Reconciliation Park Upgrade & Haynes Oval Reserve New Infra Grants. | | Recreation & Culture | 180,208 | 0 | (180,208) | 0 | 0 | 0 | 0 |
| Parks and Ovals Grants - Lions Club BBQ grant. | | Recreation & Culture | 330 | 0 | 0 | 330 | 0 | 0 | 330 |
| Parks and Ovals Grants - R4R Town Beach Area Lighting & Waterpark Town Beach grant . | | Recreation & Culture | 390,000 | 13,908 | (374,248) | 29,660 | 0 | (29,660) | 0 |
| BRAC Aquatic Grants - Aquatic Infrastructure Renewal | | Recreation & Culture | 100,000 | 0 | (100,000) | 0 | 0 | 0 | 0 |
| BRAC Ovals Grants - R4R BRAC Fences New Const grant | | Recreation & Culture | 480,000 | 0 | (480,000) | 0 | 0 | 0 | 0 |
| BRAC Ovals Grants - R4R Pavilion Build New Const grants | | Recreation & Culture | 365,859 | 0 | (13,039) | 352,820 | 0 | (352,820) | 0 |
| Multi-purpose Arts & Community Venue (Arts Centre) Trust | | Recreation & Culture | 40,000 | 0 | 0 | 40,000 | 0 | 0 | 40,000 |
| Library - Childrens Book week and Historian Program Grants | | Recreation & Culture | 9,200 | 5,554 | (4,754) | 10,000 | 0 | (10,000) | 0 |
| Library - Children's Book Council Aust (CBCA WA) Contributions | | Recreation & Culture | 0 | 3,335 | 0 | 3,335 | 3,806 | (3,335) | 3,806 |
| Multi-purpose Arts & Community Venue (Arts Centre) RLCIP Solar Panels Grant | | Recreation & Culture | 0 | 0 | 0 | 0 | 183,000 | 0 | 183,000 |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

2. REVENUES AND EXPENSES (Continued)

(c) Conditions Over Contributions (Continued)

| | Grant/Contribution | Opening Balance ⁽¹⁾ 1 July 2009 \$ | Received ⁽²⁾ 2009/2010 \$ | Expended ⁽²⁾ 2009/2010 \$ | Closing Balance ⁽¹⁾ 30 June 2010 \$ | Received ⁽²⁾ 2010/2011 \$ | Expended ⁽²⁾ 2010/2011 \$ | Closing Balance 30 June 2011 \$ |
|--|---|--|--|--|---|--|--|--|
| | | | | | | | | |
| | Multi-purpose Arts & Community Venue (Arts Centre) DCA Construction Grant | 0 | 0 | 0 | 0 | 1,799,945 | 0 | 1,799,945 |
| | Parks and Ovals - RLCIP Round 2 grant Broome Visitor Centre/Reconciliation Park Drainage upgrade | 0 | 20,000 | 0 | 20,000 | 0 | (20,000) | 0 |
| | Swimming Areas & Beaches - Entrance Point Jetty Planning Grant RBFS (R4R) Road Grants - Boulevard/Fredrick St Street Lighting | 0 | 0 | 0 | 0 | 38,300 | 0 | 38,300 |
| | Road Construction - Unspent RRG grant for McGuigan Rd Upgrade. | 7,137 | 0 | (7,100) | 37 | 0 | (37) | 0 |
| | Road Construction - Gubinge Road Landscaping MRWA grant | 0 | 43,824 | 0 | 43,824 | 0 | (43,824) | 0 |
| | Road Construction - Dampier Tce Precinct Development RLCIP Round 2 Grant - Installation of retractable bollards | 0 | 153,978 | 0 | 153,978 | 0 | (140,600) | 13,378 |
| | Tourism Grants - Visitors Center & Railway Line Project | 0 | 40,000 | 0 | 40,000 | 0 | (40,000) | 0 |
| | Depot Operations Grants - R4R Depot Yards and Fencing | 70,000 | 0 | (20,000) | 50,000 | 0 | 0 | 50,000 |
| | Depot Operations Grants - R4R Depot Other Infrastructure Renewal | 20,000 | 0 | (1,649) | 18,351 | 0 | (18,351) | 0 |
| | Depot Operations Grants - R4R Depot Building Renewal | 100,000 | 0 | (100,000) | 0 | 0 | 0 | 0 |
| | Depot Operations Grants - R4R Depot Building New Construction | 15,000 | 0 | (14,157) | 843 | 0 | (843) | 0 |
| | Corporate Governance and Support - R4R (KRGs) - Senior Special Project Officer | 150,000 | 0 | (150,000) | 0 | 0 | 0 | 0 |
| | Community Facilities Leased - RLCIP Bowling Club Infrass Upgrade Grant and Aboriginal EHO operational Grant | 0 | 67,752 | 0 | 67,752 | 105,000 | (108,064) | 64,688 |
| | Corporate Governance and Support - R4R CLGF Y2 Forward Buildings Capital Works Plan Grant | 72,000 | 0 | (72,000) | 0 | 0 | 0 | 0 |
| | Corporate Governance and Support - LGIS bonus Risk Management Grant | 0 | 35,000 | 0 | 35,000 | 0 | (9,263) | 25,737 |
| | | 0 | 25,866 | 0 | 25,866 | 0 | (8,878) | 16,988 |
| | Total | 2,341,529 | 483,097 | (1,789,371) | 1,035,255 | 2,276,381 | (899,781) | 2,411,855 |

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.

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| | 2011 \$ | 2010 \$ |
|-------------------------------------|-------------------|------------------|
| 3. CASH AND CASH EQUIVALENTS | | |
| Unrestricted | 2,692,980 | 3,189,205 |
| Restricted | 12,349,674 | 0 |
| | <u>15,042,654</u> | <u>3,189,205</u> |

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

| | | |
|-------------------------------|-------------------|----------|
| Leave Reserve | 935,271 | 0 |
| BRAC Reserve | 33,564 | 0 |
| Public Open Space Reserve | 583,171 | 0 |
| Drainage Reserve | 645,533 | 0 |
| Plant Reserve | 1,316,814 | 0 |
| Building Reserve | 1,963,591 | 0 |
| Car Park Reserve | 36,854 | 0 |
| Footpath Reserve | 987,002 | 0 |
| Road Reserve | 2,119,709 | 0 |
| Refuse Site Reserve | 1,879,757 | 0 |
| Equipment & Insurance Reserve | 271,468 | 0 |
| Restricted Cash Reserve | 1,576,940 | 0 |
| Unspent Grants | 0 | 0 |
| Unspent Loans | 0 | 0 |
| | <u>12,349,674</u> | <u>0</u> |

4. INVESTMENTS

| | | |
|--------------|------------------|-------------------|
| Unrestricted | 14,117 | 130,384 |
| Restricted | 7,465,785 | 11,978,023 |
| | <u>7,479,902</u> | <u>12,108,407</u> |

Financial assets at

fair value through profit or loss

| | | |
|---------------------------------|------------------|-------------------|
| At beginning of the year | 12,108,407 | 6,555,017 |
| Revaluation to Income Statement | 0 | 0 |
| Additions | 431,495 | 5,553,390 |
| Disposals | 5,060,000 | 0 |
| At end of the year | <u>7,479,902</u> | <u>12,108,407</u> |

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| | 2011 \$ | 2010 \$ |
|---|---------------------|--------------------|
| 5. TRADE AND OTHER RECEIVABLES | | |
| Current | | |
| Rates Outstanding | 158,686 | 133,166 |
| Sundry Debtors | 1,922,049 | 488,954 |
| GST Receivable | 193,085 | 149,332 |
| Loans - Clubs/Institutions | 22,252 | 30,957 |
| Bonds and Deposits held by others | 45,461 | 46,894 |
| Other current receivables | 233,831 | 81,049 |
| | <u>2,575,364</u> | <u>930,352</u> |
| Non-Current | | |
| Rates Outstanding - Pensioners | 9,709 | 7,121 |
| Loans - Clubs/Institutions | 99,157 | 121,409 |
| | <u>108,866</u> | <u>128,530</u> |
| 6. INVENTORIES | | |
| Current | | |
| Fuel, Cement and BRAC Stock | 23,869 | 18,154 |
| | <u>23,869</u> | <u>18,154</u> |
| 7. PROPERTY, PLANT AND EQUIPMENT | | |
| Land and Buildings - At Valuation 2011 | 68,430,824 | 0 |
| Land and Buildings - At Cost | 0 | 27,931,912 |
| Less Accumulated Depreciation | <u>(26,335,782)</u> | <u>(6,275,648)</u> |
| | 42,095,042 | 21,656,264 |
| Furniture and Equipment - Cost | 2,021,769 | 1,959,869 |
| Less Accumulated Depreciation | <u>(1,303,859)</u> | <u>(1,362,270)</u> |
| | 717,910 | 597,599 |
| Plant and Equipment - Cost | 12,321,076 | 11,782,293 |
| Less Accumulated Depreciation | <u>(6,583,451)</u> | <u>(5,675,904)</u> |
| | 5,737,625 | 6,106,389 |
| | <u>48,550,577</u> | <u>28,360,252</u> |

VALUATION METHODOLOGY

The Shire conducted a valuation of land & building assets as at 30 June 2011.

Land assets were revalued according to market value. The valuation was completed by licenced valuers KPP Opteon.

Building assets were revalued by management using a depreciated replacement cost based on the Rawlinsons Guidelines

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

The following represents the movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

| | Land & Buildings \$ | Furniture & Equipment \$ | Plant & Equipment \$ | Leased Plant & Equipment \$ | Total \$ |
|----------------------------|------------------------------|-----------------------------------|-------------------------------|--------------------------------------|-------------------|
| Balance as at 1 July 2010 | 21,656,264 | 597,599 | 6,106,389 | 0 | 28,360,252 |
| Additions | 2,526,191 | 423,291 | 844,745 | 0 | 3,794,227 |
| (Disposals) | 0 | (33,884) | (62,549) | 0 | (96,433) |
| Revaluation - Increments | 38,591,080 | 0 | 0 | 0 | 38,591,080 |
| Depreciation (Expense) | (20,678,493) | (269,096) | (1,150,537) | 0 | (22,098,126) |
| Other Movements | 0 | 0 | 0 | 0 | 0 |
| Balance as at 30 June 2011 | <u>42,095,042</u> | <u>717,910</u> | <u>5,738,048</u> | <u>0</u> | <u>48,551,000</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| | 2011 \$ | 2010 \$ |
|---|---------------------|---------------------|
| 8. INFRASTRUCTURE | | |
| Roads - Management Valuation 2011 | 100,970,790 | 0 |
| Roads - Management Valuation 2010 | 0 | 100,953,187 |
| Less Accumulated Depreciation | <u>(24,656,417)</u> | <u>(23,922,291)</u> |
| | 76,314,373 | 77,030,896 |
| Carparks, Footpaths & Bridges - At cost | 9,450,382 | 8,793,280 |
| Less Accumulated Depreciation | <u>(2,127,542)</u> | <u>(1,905,729)</u> |
| | 7,322,840 | 6,887,551 |
| Recreation Areas - At cost | 12,323,030 | 11,987,776 |
| Less Accumulated Depreciation | <u>(2,486,425)</u> | <u>(2,138,847)</u> |
| | 9,836,605 | 9,848,929 |
| Drainage - Cost | 8,380,960 | 7,996,853 |
| Less Accumulated Depreciation | <u>(1,621,901)</u> | <u>(1,485,395)</u> |
| | 6,759,059 | 6,511,458 |
| Other Infrastructure - At cost | 2,451,438 | 2,428,126 |
| Less Accumulated Depreciation | <u>(478,188)</u> | <u>(421,065)</u> |
| | 1,973,250 | 2,007,061 |
| | <u>102,206,127</u> | <u>102,285,895</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

8. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

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

| | Roads Infrastructure \$ | Carparks, Footpaths & Bridges \$ | Recreation Infrastructure \$ | Drainage Infrastructure \$ | Other Infrastructure \$ | Total \$ |
|----------------------------|-------------------------------|---|------------------------------------|----------------------------------|-------------------------------|--------------------|
| Balance as at 1 July 2010 | 77,030,896 | 6,887,551 | 9,848,929 | 6,511,458 | 2,007,061 | 102,285,895 |
| Additions | 1,769,468 | 657,102 | 335,256 | 384,107 | 23,312 | 3,169,245 |
| (Disposals) | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation - Increments | 0 | 0 | 0 | 0 | 0 | 0 |
| - (Decrements) | (398,407) | 0 | 0 | 0 | 0 | (398,407) |
| Depreciation (Expense) | (2,087,584) | (221,813) | (347,580) | (136,506) | (57,123) | (2,850,606) |
| Other Movements | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance as at 30 June 2011 | <u>76,314,373</u> | <u>7,322,840</u> | <u>9,836,605</u> | <u>6,759,059</u> | <u>1,973,250</u> | <u>102,206,127</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| | 2011 \$ | 2010 \$ |
|---|------------------|------------------|
| 9. TRADE AND OTHER PAYABLES | | |
| Current | | |
| Sundry Creditors | 2,245,592 | 1,798,946 |
| ATO Amounts Payable | 38,876 | 96,276 |
| Prepaid Rent, Grants and Services | 314,970 | 186,181 |
| Excess Rates | 44,805 | 54,773 |
| Accrued Expenses | 112,820 | 78,396 |
| Accrued Wages | 69,857 | 43,516 |
| Accrued Interest on Debentures | 55,115 | 54,284 |
| | <u>2,882,035</u> | <u>2,312,372</u> |
| 10. LONG-TERM BORROWINGS | | |
| Current | | |
| Secured by Floating Charge | | |
| Debentures | <u>881,025</u> | <u>851,431</u> |
| | <u>881,025</u> | <u>851,431</u> |
| Non-Current | | |
| Secured by Floating Charge | | |
| Debentures | <u>4,322,164</u> | <u>4,255,565</u> |
| | <u>4,322,164</u> | <u>4,255,565</u> |
| Additional detail on borrowings is provided in Note 22. | | |
| 11. PROVISIONS | | |
| Current | | |
| Provision for Annual Leave | 1,048,090 | 1,053,661 |
| Provision for Long Service Leave | <u>732,839</u> | <u>592,777</u> |
| | <u>1,780,929</u> | <u>1,646,438</u> |
| Non-Current | | |
| Provision for Long Service Leave | <u>318,295</u> | <u>289,626</u> |
| | <u>318,295</u> | <u>289,626</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| | 2011 \$ | 2011 Budget \$ | 2010 \$ |
|--|------------------|----------------------|------------------|
| 12. RESERVES - CASH/INVESTMENT BACKED | | | |
| (a) Leave Reserve | | | |
| Opening Balance | 1,242,897 | 1,238,945 | 1,032,918 |
| Amount Set Aside / Transfer to Reserve | 257,776 | 265,000 | 209,979 |
| Amount Used / Transfer from Reserve | 0 | 0 | 0 |
| | <u>1,500,673</u> | <u>1,503,945</u> | <u>1,242,897</u> |
| (b) Building Reserve | | | |
| Opening Balance | 2,186,176 | 1,396,104 | 1,283,254 |
| Amount Set Aside / Transfer to Reserve | 1,213,071 | 688,000 | 1,080,941 |
| Amount Used / Transfer from Reserve | (248,600) | (847,640) | (178,019) |
| | <u>3,150,647</u> | <u>1,236,464</u> | <u>2,186,176</u> |
| (c) Public Open Space Reserve | | | |
| Opening Balance | 829,175 | 752,584 | 900,379 |
| Amount Set Aside / Transfer to Reserve | 297,542 | 299,000 | 293,234 |
| Amount Used / Transfer from Reserve | (191,000) | (400,913) | (364,438) |
| | <u>935,717</u> | <u>650,671</u> | <u>829,175</u> |
| (d) Drainage Reserve | | | |
| Opening Balance | 1,094,898 | 1,061,061 | 948,760 |
| Amount Set Aside / Transfer to Reserve | 243,181 | 247,000 | 149,467 |
| Amount Used / Transfer from Reserve | (302,300) | (380,001) | (3,329) |
| | <u>1,035,779</u> | <u>928,060</u> | <u>1,094,898</u> |
| (e) Plant Reserve | | | |
| Opening Balance | 1,643,065 | 1,982,766 | 1,206,679 |
| Amount Set Aside / Transfer to Reserve | 876,106 | 831,000 | 772,643 |
| Amount Used / Transfer from Reserve | (406,300) | (1,767,000) | (336,257) |
| | <u>2,112,871</u> | <u>1,046,766</u> | <u>1,643,065</u> |
| (f) BRAC (Leisure Centre) Reserve | | | |
| Opening Balance | 61,300 | 60,414 | 117,107 |
| Amount Set Aside / Transfer to Reserve | 2,554 | 3,000 | 4,193 |
| Amount Used / Transfer from Reserve | (10,000) | (28,852) | (60,000) |
| | <u>53,854</u> | <u>34,562</u> | <u>61,300</u> |
| (g) Road Reserve | | | |
| Opening Balance | 406,943 | 19,732 | 291,647 |
| Amount Set Aside / Transfer to Reserve | 3,359,400 | 995,406 | 950,888 |
| Amount Used / Transfer from Reserve | (365,200) | (559,126) | (835,592) |
| | <u>3,401,143</u> | <u>456,012</u> | <u>406,943</u> |
| (h) Footpath Reserve | | | |
| Opening Balance | 846,966 | 711,703 | 884,274 |
| Amount Set Aside / Transfer to Reserve | 925,212 | 138,000 | 165,508 |
| Amount Used / Transfer from Reserve | (188,500) | (286,969) | (202,816) |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| | 2011 \$ | 2011 Budget \$ | 2010 \$ |
|--|-------------------------|-------------------------|--------------------------|
| 12. RESERVES - CASH/INVESTMENT BACKED (continued) | | | |
| (i) Car Park Reserve | | | |
| Opening Balance | 301,474 | 288,113 | 223,061 |
| Amount Set Aside / Transfer to Reserve | 120,559 | 121,000 | 242,444 |
| Amount Used / Transfer from Reserve | <u>(362,900)</u> | <u>(322,500)</u> | <u>(164,031)</u> |
| | <u>59,133</u> | <u>86,613</u> | <u>301,474</u> |
| (j) IT and Equipment Reserve | | | |
| Opening Balance | 551,889 | 527,262 | 534,173 |
| Amount Set Aside / Transfer to Reserve | 193,990 | 196,000 | 185,125 |
| Amount Used / Transfer from Reserve | <u>(310,300)</u> | <u>(489,000)</u> | <u>(167,409)</u> |
| | <u>435,579</u> | <u>234,262</u> | <u>551,889</u> |
| (k) Refuse Site Reserve | | | |
| Opening Balance | 1,761,742 | 1,475,275 | 1,360,768 |
| Amount Set Aside / Transfer to Reserve | 1,254,390 | 406,730 | 470,393 |
| Amount Used / Transfer from Reserve | <u>0</u> | <u>(565,358)</u> | <u>(69,419)</u> |
| | <u>3,016,132</u> | <u>1,316,647</u> | <u>1,761,742</u> |
| (l) Restricted Cash Reserve | | | |
| Opening Balance | 1,051,498 | 765,685 | 0 |
| Amount Set Aside / Transfer to Reserve | 2,265,058 | 0 | 1,051,498 |
| Amount Used / Transfer from Reserve | <u>(786,303)</u> | <u>(412,138)</u> | <u>0</u> |
| | <u>2,530,253</u> | <u>353,547</u> | <u>1,051,498</u> |
| TOTAL CASH BACKED RESERVES | <u><u>9,815,459</u></u> | <u><u>8,410,283</u></u> | <u><u>11,978,023</u></u> |

All of the cash backed reserve accounts are supported by money held in financial institutions or in separate investments and match the amounts shown as restricted cash and restricted investments in Notes 3 and 4 to this report.

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

| | |
|--------------------------------------|---|
| Leave Reserve - | To be used to fund annual and long service leave requirements. |
| IT and Equipment Reserve - | To be used to pay for office equipment and IT hardware to manage the peak funding requirements to replace obsolete equipment. |
| 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. |
| Building Reserve - | To be used for renewal, upgrade, replacement or new building construction. |
| Public Open Space (P.O.S.) Reserve - | To be used for renewal, upgrade, replacement or new public open space facilities. |
| Drainage Reserve - | To be used for the construction of drainage headworks. |
| Plant Reserve - | Typically funds are from contributions made by developers. |
| BRAC (Leisure Centre) Reserve - | To be used for the purchase of major plant. |
| Road Reserve - | To be used for the construction of a Recreation infrastructure and facilities. |
| Footpath Reserve - | To be used for renewal, upgrade, replacement or new streets and roads. |
| Carpark Reserve - | To be used for renewal, upgrade, replacement or new footpaths. |
| Restricted Cash Reserve - | To be used for renewal, upgrade, replacement or new carparks. |
| | To be used for the future expenditure of unspent loans, grants and special council restricted funds. |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

13. RESERVES - ASSET REVALUATION

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

| | 2011 \$ | 2010 \$ |
|---|-------------------|-------------------|
| (a) Land and Buildings | | |
| Opening Balance | 4,779,847 | 4,779,847 |
| Revaluation Increment | 18,639,835 | 0 |
| Revaluation Decrement | 0 | 0 |
| | <u>23,419,682</u> | <u>4,779,847</u> |
| (b) Infrastructure Including Roads | | |
| Opening Balance | 28,754,627 | 29,421,546 |
| Revaluation Increment | 0 | 0 |
| Revaluation Decrement | (398,407) | (666,919) |
| | <u>28,356,220</u> | <u>28,754,627</u> |
| TOTAL ASSET REVALUATION RESERVES | <u>51,775,902</u> | <u>33,534,474</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

14. 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:

| | 2011 \$ | 2011 Budget \$ | 2010 \$ |
|--|------------------|----------------------|------------------|
| Cash and Cash Equivalents | 15,042,654 | 9,881,746 | 3,189,205 |
| (b) Reconciliation of Net Cash Provided By Operating Activities to Net Result | | | |
| Net Result | 9,896,120 | 6,656,051 | 3,925,156 |
| Depreciation | 4,997,907 | 4,683,620 | 4,743,005 |
| Writedown in fair value of Investments | | | |
| Impairment (Loss)/Reversal | | | |
| (Profit)/Loss on Sale of Asset | (12,951) | (254,400) | 5,063 |
| (Increase)/Decrease in Receivables-Rates & Rubbish | (33,364) | (200,000) | (25,595) |
| (Increase)/Decrease in Receivables-Sundry | (1,427,839) | (40,000) | (22,750) |
| (Increase)/Decrease in Receivables-Sundry Provisions | (195,102) | (30,000) | (127,200) |
| (Increase)/Decrease in Inventories | (5,715) | (10,000) | 13,795 |
| Increase/(Decrease) in Payables-Creditors | 446,646 | 20,000 | 266,031 |
| Increase/(Decrease) in Payables-Other | (56,569) | (10,000) | (9,751) |
| Increase/(Decrease) in Employee Provisions | 189,501 | 200,000 | 112,263 |
| Increase/(Decrease) in Provisions-Other | 153,245 | 130,135 | (11,989) |
| Grants/Contributions for the Development of Assets | (7,928,756) | (7,230,021) | (2,772,065) |
| Net Cash from Operating Activities | 6,023,123 | 3,915,385 | 6,095,963 |
| (c) Undrawn Borrowing Facilities | | | |
| Credit Standby Arrangements | | | |
| Bank Overdraft limit | 1,200,000 | | 1,200,000 |
| Bank Overdraft at Balance Date | 0 | | 0 |
| Credit Card limit | 25,000 | | 25,000 |
| Credit Card Balance at Balance Date | 0 | | 0 |
| Total Amount of Credit Unused | 1,225,000 | | 1,225,000 |
| Loan Facilities | | | |
| Loan Facilities - Current | 881,025 | | 851,431 |
| Loan Facilities - Non-Current | 4,322,164 | | 4,255,565 |
| Total Facilities in Use at Balance Date | 5,203,189 | | 5,106,996 |
| Unused Loan Facilities at Balance Date | 0 | | 0 |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

15. CONTINGENT LIABILITIES

| | 2011 \$ | 2010 \$ |
|---|---------------|---------------|
| Shinju Matsuri Loan/Overdraft Guarantee | 15,000 | 15,000 |
| North West Expo Payment Guarantee | 25,000 | 25,000 |
| | <u>40,000</u> | <u>40,000</u> |

16. 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 | 6,146 | 521,023 |
| - later than one year but not later than five years | 0 | 56,598 |
| - later than five years | 0 | 0 |
| | <u>6,146</u> | <u>577,621</u> |

(c) Capital Expenditure Commitments

Contracted for:

| | | |
|---------------------------------------|---------|---------|
| - Building Construction & Fixed Plant | 67,444 | 533,068 |
| - Infrastructure Construction | 107,376 | 0 |
| - Mobile Plant and Equipment | 586,534 | 0 |
| - Furniture and Equipment | 22,189 | |

Payable:

| | | |
|---|---------|---------|
| - not later than one year | 783,541 | 473,068 |
| - later than one year but not later than five years | 0 | 60,000 |

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

30 June 2011

BRAC Amenities Pavilion - New Construction
 Broome Performing Arts Centre - Architectural Services
 Library Building Renewal
 Shire Administration Office Building Renewal
 Town Beach Cafe Building Renewal
 New Software Purchases
 Parks & Gardens Mobile Plant Replacement
 Works Mobile Plant Replacement
 Bidadanga Road New Construction
 Cape Leveque Road Upgrade Construction
 Bedford Park Renwal Works

30 June 2010

BRAC Amenities Pavilion - Architectural Services
 Broome Performing Arts Centre - Architectural Services which will continue in future years.

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

17. JOINT VENTURE

The Shire is not involved in any joint venture arrangements

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

| | 2011 | 2010 |
|-----------------------------|--------------------|--------------------|
| | \$ | \$ |
| Governance | 4,091 | 5,455 |
| General Purpose Funding | 2,875,492 | 3,459,876 |
| Law, Order, Public Safety | 1,446,848 | 467,389 |
| Health | 0 | 1,929 |
| Education and Welfare | 1,918 | 26,425 |
| Community Amenities | 12,702,812 | 11,116,340 |
| Recreation and Culture | 26,913,277 | 21,260,250 |
| Transport | 88,683,056 | 85,526,283 |
| Economic Services | 8,865,613 | 7,198,522 |
| Other Property and Services | 29,433,367 | 15,824,184 |
| Unallocated | 5,060,885 | 2,134,142 |
| | <u>175,987,359</u> | <u>147,020,795</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

| 19. FINANCIAL RATIOS | 2011 | 2010 | 2009 |
|--|------|------|------|
| Current Ratio | 1.31 | 1.20 | 0.84 |
| Untied Cash to Unpaid Trade Creditors Ratio | 1.18 | 1.68 | 0.94 |
| Debt Ratio | 0.06 | 0.06 | 0.09 |
| Debt Service Ratio | 0.04 | 0.05 | 0.05 |
| Gross Debt to Revenue Ratio | 0.19 | 0.20 | 0.28 |
| Gross Debt to Economically Realisable Assets Ratio | 0.07 | 0.11 | 0.15 |
| Rate Coverage Ratio | 0.40 | 0.47 | 0.44 |
| Outstanding Rates Ratio | 0.01 | 0.01 | 0.01 |

The above ratios are calculated as follows:

| | |
|--|--|
| Current Ratio | $\frac{\text{current assets minus restricted current assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$ |
| Untied Cash to Unpaid Trade Creditors Ratio | $\frac{\text{untied cash}}{\text{unpaid trade creditors}}$ |
| Debt Ratio | $\frac{\text{total liabilities}}{\text{total assets}}$ |
| Debt Service Ratio | $\frac{\text{debt service cost}}{\text{available operating revenue}}$ |
| Gross Debt to Revenue Ratio | $\frac{\text{gross debt}}{\text{total revenue}}$ |
| Gross Debt to Economically Realisable Assets Ratio | $\frac{\text{gross debt}}{\text{economically realisable assets}}$ |
| Rate Coverage Ratio | $\frac{\text{net rate revenue}}{\text{operating revenue}}$ |
| Outstanding Rates Ratio | $\frac{\text{rates outstanding}}{\text{rates collectable}}$ |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

20. 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 2010 \$ | Amounts Received \$ | Amounts Paid (\$) | Balance 30 June 2011 \$ |
|--|------------------------------|---------------------------|-------------------------|-------------------------------|
| Footpath Damage Deposits | 31,394 | 477 | 0 | 31,871 |
| Library Transient Borrower Deposits | 10,984 | 0 | (180) | 10,804 |
| Election Nomination Deposits | 0 | 0 | 0 | 0 |
| Other General Purpose Deposits | 6,082 | 130 | 0 | 6,212 |
| BCITF Collection & Refund Deposits | 9,623 | 144,436 | (147,295) | 6,764 |
| Japanese Cemetery Improvements Deposits | 0 | 0 | 0 | 0 |
| Town Planning Related Bond Deposits | 124,842 | 4,785 | 0 | 129,627 |
| Cemetery Plot Reservation Deposits | 1,399 | 0 | 0 | 1,399 |
| Recreation Facility use Bond Deposits | 110,834 | 16,109 | (11,490) | 115,453 |
| Cash In Lieu Of Public Open Space | 85,094 | 3,390 | 0 | 88,484 |
| Parking Facilities Bond Deposits | 0 | 0 | 0 | 0 |
| Road & Footpath Facilities Bond Deposits | 500,991 | 225,031 | (66,331) | 659,691 |
| Capital Works Bond Deposits | 2,781 | 51 | 0 | 2,832 |
| Bank Guarantee Deposits Received | 55,824 | 1,986 | (27,277) | 30,533 |
| Contract Bonds & Retentions | 0 | 0 | 0 | 0 |
| Overpayments Held | 0 | 0 | 0 | 0 |
| Unclaimed Monies | 19,936 | 1,585 | (2,428) | 19,093 |
| BRB Levy | 1,680 | 13,526 | (14,153) | 1,053 |
| Staff Rental Bonds | 2,340 | 16,357 | (7,214) | 11,483 |
| | <u>963,804</u> | | | <u>1,115,299</u> |

21. DISPOSALS OF ASSETS - 2010/2011 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 | 22,000 | 0 | 25,000 | 0 | 3,000 |
| General Purpose Funding | 0 | 0 | 0 | 0 | 0 | 0 |
| Law, Order, Public Safety | 20,576 | 7,000 | 14,090 | 2,000 | (6,486) | (5,000) |
| 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 | 14,341 | 27,000 | 14,341 | 31,000 | 0 | 4,000 |
| Recreation and Culture | 4,942 | 6,900 | 8,261 | 24,000 | 3,319 | 17,100 |
| Transport | 0 | 0 | 0 | 0 | 0 | 0 |
| Economic Services | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Property and Services | 56,574 | 317,700 | 72,693 | 553,000 | 16,119 | 235,300 |
| | <u>96,433</u> | <u>380,600</u> | <u>109,385</u> | <u>635,000</u> | <u>12,952</u> | <u>254,400</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

22. INFORMATION ON BORROWINGS

(a) Debenture Repayments

| Loan Number | Loan Particulars/Purpose | Principal 1 July 2010 \$ | New Loans \$ | Principal Repayments | | Principal 30 June 2011 | | Interest Repayments | |
|--------------------------------------|--|--------------------------|--------------|----------------------|-----------|------------------------|-----------|---------------------|-----------|
| | | | | Actual \$ | Budget \$ | Actual \$ | Budget \$ | Actual \$ | Budget \$ |
| Law Order & Public Safety | | | | | | | | | |
| 176 | New SES Shed (*) | 79,783 | | 16,017 | 16,017 | 63,766 | 63,766 | 4,303 | 4,303 |
| Housing | | | | | | | | | |
| 136 | McMahon Estate Staff Housing | | | 0 | 0 | 0 | 830,000 | 0 | 14,899 |
| Community Amenities | | | | | | | | | |
| 181 | Millington Rd Drainage Construction (Interest paid by third party) | 233,980 | | 33,200 | 33,200 | 200,780 | 200,781 | 14,237 | 14,130 |
| 188 | Refuse Site Building Improvements and Construction | 52,352 | | 25,358 | 25,358 | 26,994 | 26,994 | 2,514 | 2,514 |
| Recreation & Culture | | | | | | | | | |
| 170 | Pistol Club (*) | 3,190 | | 3,190 | 3,190 | 0 | 0 | 80 | 81 |
| 178 | Changerooms Const - Haynes Oval (*) | 6,768 | | 6,768 | 6,768 | 0 | 0 | 53 | 54 |
| 171 | BRAC (Recreation Centre) | 625,644 | | 72,711 | 72,711 | 552,933 | 552,932 | 40,587 | 40,587 |
| 179 | Changerooms Construction - Haynes Oval Council Loan | 20,305 | | 20,305 | 20,305 | 0 | 0 | 160 | 160 |
| 180 | BRAC Oval Effluent Water Reticulation Stage 2 | 48,810 | | 48,810 | 48,810 | 0 | 0 | 0 | 0 |
| 186 | BRAC Stage 2 A | 918,206 | | 108,271 | 108,271 | 809,935 | 809,935 | 53,912 | 53,911 |
| 189 | BRAC Stage 2 A - Ovals | 263,153 | | 81,591 | 81,591 | 181,562 | 181,562 | 16,587 | 16,587 |
| 191 | BRAC Stage 2B - Oval Infrastructure | 430,562 | | 36,681 | 36,681 | 393,881 | 393,881 | 27,001 | 27,001 |
| 193 | Arts Centre Redevelopment | 0 | | 0 | 0 | 0 | 3,200,000 | 0 | 57,442 |
| 194 | BRAC Pavilion | 0 | 950,000 | 0 | 0 | 950,000 | 1,084,000 | 10,524 | 17,205 |
| Economic Services | | | | | | | | | |
| 177 | Roebuck Bay Caravan Park Sewerage Stage 2 | 19,064 | | 19,064 | 19,064 | 0 | 0 | 144 | 144 |
| 182 | Visitors Centre Construction | 605,208 | | 85,874 | 85,874 | 519,334 | 519,334 | 36,825 | 37,345 |
| 185 | Visitors Centre Construction Stage 2 | 218,839 | | 25,804 | 25,804 | 193,035 | 193,035 | 12,849 | 12,849 |
| Other Property & Services | | | | | | | | | |
| 168 | Loan # 168 Administration Building | 1,405,144 | | 238,951 | 238,951 | 1,166,193 | 1,166,193 | 102,340 | 102,340 |
| 192 | Loan # 192 Street Sweeper New Plant | 113,364 | | 26,229 | 26,229 | 87,135 | 87,135 | 5,354 | 5,355 |
| 195 | Bowling Club Synthetic Lawn (*) | 62,624 | | 4,982 | 4,982 | 57,643 | 57,642 | 3,860 | 3,859 |
| | | 5,106,996 | 950,000 | 853,805 | 853,806 | 5,203,191 | 9,367,190 | 331,331 | 410,767 |

(*) 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 2011

22. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2010/2011

| Loan Number | Loan Particulars/Purpose | Amount Borrowed | | Institution | Loan Type | Term (Years) | Total Interest & Charges \$ | Interest Rate % | Amount Used | | Balance Unspent \$ |
|-------------|---------------------------|-----------------|-----------|-------------------------|-----------|--------------|-----------------------------|-----------------|-------------|-----------|--------------------|
| | | Actual \$ | Budget \$ | | | | | | Actual \$ | Budget \$ | |
| 193 | Arts Centre Redevelopment | 0 | 3,200,000 | WA Treasury Corporation | Debenture | 10 | 419,985 | 7.20% | 0 | 3,200,000 | 0 |
| 194 | BRAC Pavilion | (950,000) | 1,084,000 | WA Treasury Corporation | Debenture | 10 | 461,013 | 7.20% | 0 | 1,084,000 | (950,000) |

(c) Unspent Debentures

| Particulars | Date Borrowed | Balance 1 July 2010 \$ | Borrowed During Year \$ | Expended During Year \$ | Balance 30 June 2011 \$ |
|--|---------------|------------------------|-------------------------|-------------------------|-------------------------|
| | | | | | |
| Loan # 191 BRAC Stage 2B - Oval Infrastructure | 26/06/2009 | 16,243 | 0 | 400 | 15,843 |
| Loan # 194 BRAC Pavilion | 23/04/2011 | 950,000 | 0 | 847,445 | 102,555 |
| | | 16,243 | 0 | 400 | 118,398 |

(d) Overdraft

Council has utilised an overdraft facility during previous financial years with a maximum amount of \$1,200,000 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 2011

23. RATING INFORMATION - 2010/2011 FINANCIAL YEAR

| RATE TYPE | Rate in \$ | Number of Properties | Rateable Value \$ | Rate Revenue \$ | Interim Rates \$ | Back Rates \$ | Total Revenue \$ | Budget Rate Revenue \$ | Budget Interim Rate \$ | Budget Back Rate \$ | Budget Total Revenue \$ |
|--|------------|----------------------|-------------------|-----------------|------------------|---------------|------------------|------------------------|------------------------|---------------------|-------------------------|
| Differential General Rate | | | | | | | | | | | |
| Gross Rental Valuations | | | | | | | | | | | |
| GRV - Broome Residential | 7.1037 | 4,104 | 103,465,128 | 7,085,836 | 96,233 | 2,077 | 7,187,146 | 7,071,053 | 150,000 | 5,000 | 7,226,053 |
| GRV - Broome Commercial Group | 8.3892 | 560 | 46,433,901 | 3,864,342 | 21,242 | 2,376 | 3,887,960 | 3,855,044 | | | 3,855,044 |
| GRV - Broome Tourism Group | 10.0907 | 429 | 21,035,252 | 1,817,900 | (1,926) | 0 | 1,815,974 | 1,814,009 | | | 1,814,009 |
| GRV - Broome Non-Current Parent Lots | | 20 | | 29,424 | (13,496) | 0 | 15,928 | 0 | | | 0 |
| GRV - Exempt | | 47 | 2,795,195 | | | | | | | | 0 |
| <u>Unimproved Value Valuations:</u> | | | | | | | | | | | |
| UV - Dampier Pastoral | 2.1938 | 13 | 5,147,009 | 118,880 | (6,522) | 0 | 112,358 | 118,880 | | | 118,880 |
| UV - Dampier Mining | 11.0075 | 22 | 591,925 | 44,786 | 4,365 | 515 | 49,666 | 55,237 | | | 55,237 |
| UV - Dampier Coconut Wells | 0.1546 | 35 | 65,541,500 | 100,865 | 0 | 0 | 100,865 | 100,897 | | | 100,897 |
| UV - Dampier Twelve Mile | 0.2948 | 78 | 34,816,500 | 102,644 | 0 | 0 | 102,644 | 102,625 | | | 102,625 |
| UV - Dampier Short Stay Accommodation | 3.4283 | 6 | 780,000 | 26,741 | 0 | 0 | 26,741 | 26,741 | | | 26,741 |
| UV - Dampier Commercial Operations & Peatling Leases | 2.1620 | 11 | 1,773,000 | 38,116 | 0 | 0 | 38,116 | 38,116 | | | 38,116 |
| UV - Dampier Horticultural & Wattle Downs | 0.3773 | 4 | 2,600,000 | 9,432 | 0 | 0 | 9,432 | 9,433 | | | 9,433 |
| UV - Dampier Skuthorpe | 0.4262 | 7 | 3,472,000 | 14,798 | 0 | 0 | 14,798 | 14,798 | | | 14,798 |
| UV - Exempt | | 27 | 0 | | | | 0 | 0 | | | 0 |
| Sub-Totals | | 5,363 | 288,453,410 | 13,256,764 | 99,896 | 4,968 | 13,361,628 | 13,206,833 | 150,000 | 5,000 | 13,361,833 |
| Minimum Rates | | | | | | | | | | | |
| Gross Rental Valuations | | | | | | | | | | | |
| GRV - Broome Residential | 957 | 145 | | 138,765 | | | 138,765 | 143,550 | | | 143,550 |
| GRV - Broome Commercial Group | 957 | 10 | | 9,570 | | | 9,570 | 9,570 | | | 9,570 |
| GRV - Broome Tourism Group | 957 | 461 | | 441,177 | | | 441,177 | 441,177 | | | 441,177 |
| GRV - Broome Non-Current Parent Lots | | 6 | | 5,742 | | | 5,742 | 0 | | | 0 |
| <u>Unimproved Value Valuations:</u> | | | | | | | | | | | |
| UV - Dampier Pastoral | 957 | 3 | | 2,871 | | | 2,871 | 2,871 | | | 2,871 |
| UV - Dampier Mining | 957 | 38 | | 36,366 | | | 36,366 | 44,022 | | | 44,022 |
| UV - Dampier Coconut Wells | 957 | 2 | | 1,914 | | | 1,914 | 1,914 | | | 1,914 |
| UV - Dampier Twelve Mile | 957 | 0 | | 0 | | | 0 | 0 | | | 0 |
| UV - Dampier Commercial Operations & Peatling Leases | 957 | 1 | | 957 | | | 957 | 957 | | | 957 |
| UV - Dampier Horticultural & Wattle Downs | 957 | 2 | | 1,914 | | | 1,914 | 1,914 | | | 1,914 |
| UV - Dampier Skuthorpe | 957 | 0 | | | | | 0 | 0 | | | 0 |
| UV - Exempt | | | | | | | | | | | 0 |
| Sub-Totals | | 6,031 | 0 | 639,276 | 0 | 0 | 639,276 | 645,975 | 0 | 0 | 645,975 |
| Ex-Gratia Rates | | | | | | | 14,000,904 | | | | 14,007,808 |
| Discounts (refer note 26) | | | | | | | 19,892 | | | | 19,892 |
| Write Offs (refer note 26) | | | | | | | 14,020,796 | | | | 14,027,700 |
| Totals | | | | | | | (6,216) | | | | |
| | | | | | | | (5,328) | | | | |
| | | | | | | | 14,009,262 | | | | 14,027,700 |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

24. SPECIFIED AREA RATE - 2010/2011 FINANCIAL YEAR

There are no specified area rates.

25. SERVICE CHARGES - 2010/2011 FINANCIAL YEAR

The Shire Of Broome imposes no service charges.

26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2010/2011 FINANCIAL YEAR

| | Type | Disc % | Total Cost/ Value \$ | Budget Cost/ Value \$ |
|--------------------------------|-------------|--------|-------------------------------|--------------------------------|
| General Rates | Write-Offs | | 5,328 | 23,000 |
| | Concessions | | 6,216 | |
| Minimum Rate | Discount | | NIL | NIL |
| Other Discounts and Write-Offs | | | 11,544 | 23,000 |
| | Discount | | NIL | NIL |
| General Debtors | Write-Offs | | 9,129 | 23,000 |

No discount on rates is available.

27. INTEREST CHARGES AND INSTALMENTS - 2010/2011 FINANCIAL YEAR

| | Interest Rate % | Admin. Charge \$ | Revenue \$ | Budgeted Revenue \$ |
|------------------------------------|-----------------------|------------------------|---------------|---------------------------|
| Interest on Unpaid Rates | 11.00% | | 52,799 | 37,000 |
| Interest on Rates Instalments Plan | 5.50% | | 77,047 | 63,300 |
| Charges on Rates Instalment Plan | | 7 | 34,349 | 30,000 |
| | | | 164,195 | 130,300 |

Ratepayers had the options of paying rates in either two or four equal instalments, due on 10th September 2010, 12th November 2010, 14th January 2011 and 18th March 2011. Administration charges and interest applied to the unpaid instalments after the first instalment.

| 28. FEES & CHARGES | 2011 \$ | 2010 \$ |
|-----------------------------|------------------|------------------|
| Governance | 385 | 335 |
| General Purpose Funding | 58,726 | 65,576 |
| Law, Order, Public Safety | 56,567 | 59,064 |
| Health | 97,852 | 91,916 |
| Education and Welfare | 0 | 1,172 |
| Housing | 699,766 | 631,148 |
| Community Amenities | 3,942,017 | 3,039,043 |
| Recreation and Culture | 698,816 | 743,051 |
| Transport | 13,638 | 6,773 |
| Economic Services | 713,688 | 689,341 |
| Other Property and Services | 1,255,549 | 1,073,611 |
| | <u>7,537,004</u> | <u>6,401,030</u> |

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

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

29. GRANT REVENUE

| | 2011 | 2010 |
|---|-------------------|------------------|
| | \$ | \$ |
| By Nature and Type: | | |
| Operating Grants, Subsidies and Contributions | 4,824,087 | 4,858,966 |
| Non-Operating Grants, Subsidies and Contributions | 7,928,756 | 2,772,065 |
| | <u>12,752,843</u> | <u>7,631,031</u> |
| By Program: | | |
| Governance | 237,435 | 279,173 |
| General Purpose Funding | 2,767,441 | 2,572,073 |
| Law, Order, Public Safety | 393,446 | 44,069 |
| Health | 13,800 | 38,666 |
| Education and Welfare | 92,100 | 195,948 |
| Housing | 3,334 | 300 |
| Community Amenities | 100,746 | 24,689 |
| Recreation and Culture | 2,997,424 | 680,579 |
| Transport | 5,330,131 | 2,926,322 |
| Economic Services | 142,543 | 124,398 |
| Other Property and Services | 674,442 | 744,814 |
| | <u>12,752,842</u> | <u>7,631,031</u> |

30. COUNCILLORS' REMUNERATION

| | 2011 | 2011 | 2010 |
|--|----------------|----------------|----------------|
| | \$ | Budget | \$ |
| | | \$ | |
| The following fees, expenses and allowances were paid to council members and/or the president. | | | |
| Meeting Fees - Council and Local Government Association | 70,000 | 70,700 | 68,565 |
| President's Allowance | 30,200 | 25,500 | 25,500 |
| Deputy President's Allowance | 3,800 | 3,200 | 3,200 |
| Travelling and Conference Expenses | 69,075 | 45,000 | 40,365 |
| Telecommunications and IT Allowances | 30,600 | 30,600 | 29,758 |
| | <u>203,675</u> | <u>175,000</u> | <u>167,388</u> |

31. EMPLOYEE NUMBERS

| | 2011 | 2010 |
|--|------------|------------|
| The number of full-time equivalent employees at balance date | <u>148</u> | <u>143</u> |

33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2010/2011 financial year.

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

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 | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 2011 \$ | 2010 \$ | 2011 \$ | 2010 \$ |
| Financial Assets | | | | |
| Cash and cash equivalents | 15,042,654 | 3,189,205 | 15,042,654 | 3,189,205 |
| Receivables | 2,684,230 | 1,058,882 | 2,684,230 | 1,058,882 |
| Financial assets at fair value through profit or loss | 7,479,902 | 12,108,407 | 7,479,902 | 12,108,407 |
| | <u>25,206,786</u> | <u>16,356,494</u> | <u>25,206,786</u> | <u>16,356,494</u> |
| Financial Liabilities | | | | |
| Payables | 2,882,035 | 2,312,372 | 2,882,035 | 2,312,372 |
| Borrowings | 5,203,189 | 5,106,996 | 4,089,362 | 5,383,171 |
| | <u>8,085,224</u> | <u>7,419,368</u> | <u>6,971,397</u> | <u>7,695,543</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.
- Financial Assets at Fair Value through profit and loss – based on quoted market prices at the reporting date or independent valuation.

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

34. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

Financial assets at fair value through profit or loss

Council has two types of investments these being cash and cash equivalents and 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.

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

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

| | 30 June 2011 \$ | 30 June 2010 \$ |
|--|--------------------|--------------------|
| Impact of a 10% (*) movement in price of investments: | | |
| - Equity | 747,990 | 1,210,841 |
| - Income Statement | 747,990 (+) | 1,210,841 (+) |
| Impact of a 1% (*) movement in interest rates on cash and investments: | | |
| - Equity | 225,226 | 152,976 |
| - Income Statement | 225,226 | 152,976 |

Notes:

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

Recent market volatility has seen large market movements for certain types of investments.

(+) Maximum impact.

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

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

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

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

| | 30 June 2011 | 30 June 2010 |
|--|--------------|--------------|
| Percentage of Rates and Annual Charges | | |
| - Current | 0% | 27% |
| - Overdue | 100% | 73% |
| Percentage of Other Receivables | | |
| - Current | 35% | 69% |
| - Overdue | 65% | 31% |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011

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 \$ |
|-------------|-------------------------------|-------------------------------------|-------------------------------|--|--------------------------|
| 2011 | | | | | |
| Payables | 2,599,438 | 0 | 0 | 2,599,438 | 2,599,438 |
| Borrowings | 1,035,844 | 3,292,870 | 379,176 | 4,707,890 | 5,203,191 |
| | <u>3,635,282</u> | <u>3,292,870</u> | <u>379,176</u> | <u>7,307,328</u> | <u>7,802,629</u> |
| 2010 | | | | | |
| Payables | 2,081,403 | 0 | 0 | 2,081,403 | 2,081,403 |
| Borrowings | 1,183,539 | 4,015,749 | 1,183,218 | 6,382,506 | 5,106,996 |
| | <u>3,264,942</u> | <u>4,015,749</u> | <u>1,183,218</u> | <u>8,463,909</u> | <u>7,188,399</u> |

Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011



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

Report on the Financial Report

We have audited the accompanying financial report of the Shire of Broome, which comprises the statement of financial position as at 30 June 2011, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and the rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Chief Executive Officer.

Management's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Auditor's Opinion

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

- a. giving a true and fair view of the Shire's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

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Notes To And Forming Part Of The Financial Report

For The Year Ended 30 June 2011



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

Report on Other Legal and Regulatory Requirements

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

Annual Financial Report

The Annual Financial Report for the year ended 30 June 2010 was not submitted to the Director General of the Department of Local Government within 30 days of the auditor's report becoming available as required by Financial Management Regulation 51 (2).

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

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

Date: 20 October 2011
Perth, WA

UHY HAINES NORTON
CHARTERED ACCOUNTANTS

A handwritten signature in blue ink, appearing to read 'David Tomasi', written over the printed name.

DAVID TOMASI
PARTNER





Feedback

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

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