



SHIRE of WYNDHAM | EAST KIMBERLEY

# ANNUAL REPORT

2012 | 2013



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# 1 INTRODUCTION

The Shire of Wyndham East Kimberley operates under the provisions of the Local Government Act 1995 (as amended) and associated regulations and is the statutory organisation responsible to the ratepayers and residents within the Shire.

## **Shire of Wyndham East Kimberley**

PO Box 614  
Kununurra WA 6743

Email: [mail@swek.wa.gov.au](mailto:mail@swek.wa.gov.au)  
Website: [www.swek.wa.gov.au](http://www.swek.wa.gov.au)

## **Shire Offices and Chambers**

### Kununurra Office

115 Coolibah Drive  
Kununurra WA 6743  
Ph (08) 9168 4100  
Fax (08) 9168 1798

### Wyndham Office

Koolama Street  
Wyndham WA 6740  
Ph (08) 9161 1002  
Fax (08) 9161 1295

Office Hours: Monday to Friday 8:00am - 4:00pm

Ordinary Council Meetings occur every third Tuesday of each month and are open to the public. Public notices are distributed to inform the people of our community of the location and date for Council Meetings.

## **Shire Statistics**

Distance from Perth: 3,215 (km)  
Area: 121,189 (square km)  
Length of sealed roads: 246 (km)  
Length of unsealed roads: 1085 (km)  
Population: 6,952 (Australian Bureau of Statistics 2011 Census)  
Number of Electors: 3,838  
Total number of Full Time Employees (FTE's): 107

## **Suburbs and Localities**

Wyndham, Kununurra (including Hidden Valley, Lakeside Park, Weaber Plain Road, Packsaddle Road, River Farm Road, and Crossing Falls), Lake Argyle, and Kalumburu.

## **Significant Local Events**

Ord Valley Muster, Lake Argyle Swim, Kununurra Agricultural Show, Kimberley Writers Festival, Kununurra Rodeo, Kununurra and Wyndham Races, Stars on the Bastion, and Dam-Dam Dingy Dash.

## **Local Industry**

Tourism, Agriculture, Aquaculture, Mining, and Wyndham Port facilities.

## **Tourist Attractions**

Carboyd Ranges, Celebrity Tree Park, Cockburn Ranges, Drysdale River National Park, Emma Gorge, Five Rivers Lookout (the Bastion), Gibb River Road, The Grotto, Ivanhoe Crossing, Kelly's Knob, Kununurra Diversion Dam/Lake Kununurra, Lake Argyle, Lily Lagoons, Mirima National Park, Mitchell Plateau, Ord River Irrigation Area, Ord River, Parry's Lagoon Nature Reserve, Pentecost River, Ragged Range, Wyndham Community Fishing Jetty, Zebedee Springs.

## 2 SHIRE PRESIDENT'S REPORT



The Council's 2012-2013 budget has been challenging with maintaining service delivery and asset improvement balanced against the reduction of 11% (\$325 000) of Commonwealth Sustainability Grants.

Council is cognisant of the various rates and charges that residents pay and the cost of living and has adopted a rating strategy based on 5.5% rates and an increase of 4% on the majority of fees.

In the past 12 months Council completed all the requirements of the State Government's Integrated Planning requirements which included the Council's Strategic Community Plan 2012 -2022, Asset Management Plan, Long Term Financial Plan, Corporate Business Plan and Workforce Management Plan.

Council adopted its Waste Management Strategy and has been working to achieve compliance with the Department of Environment and Regulation's licence conditions for both the Kununurra and Wyndham landfills. It is hoped with better management of the Shire's landfills, DER will consider a licence extension to enable the Shire time to plan for the establishment of a new landfill in Kununurra and rehabilitation of the old facility. In reviewing landfill operations there was a requirement to move to a 'user pays' for waste management as there is significant cross subsidisation issues with the existing fees and charges model.

This year's capital works program is concentrating on asset renewal and landfill management. The rehabilitation of the Wyndham and Kununurra landfill sites and the construction of new facilities will be the major aspect of waste management. Stormwater management is a major issue and this year will see the drainage works in Kununurra upgraded. The reconstruction of Erythrina Street and the Messmate way roundabout are also budgeted for. The East Kimberley Regional Airport will see car parking improved with the creation of a secure parking precinct and runway reseal.

The Councillors and staff look forward to continuing to improve service and assets for our municipality over the next financial year.

Regards

*Cr John Moulden*

**Shire President**

### 3 COUNCILLORS



**Cr John Moulden**  
Shire President  
Elected 2007  
Term expires 2015



**Cr Di Ausburn**  
Deputy Shire President  
Elected 2006  
Term expires 2013



**Cr Ralph Addis**  
Elected 2007  
Term expires 2015



**Cr Raymond (Spike)  
Dessert**  
Elected 2010  
Term expires 2015



**Cr Jane Parker**  
Elected 2005  
Term expires 2013



**Cr Jackie McCoy**  
Elected 2009  
Term expires 2013



**Cr Cissy Gore-Birch Gault**  
Elected 2011  
Term expires 2015



**Cr Don Learbuch**  
Elected 2013  
Term expires 2015



**Cr Maryanne Kelly**  
Elected 2013  
Term expires 2013

## 4 COUNCIL

### 4.1 Council Meetings

Council met monthly throughout the year for Ordinary Meetings of Council and scheduled three Special Meetings to ensure continuity of business and governance. All Council Minutes for 2012/13 are available on the Shire's website.

#### 4.1.1 Councillor Meeting Attendance

Councillor	Council Meeting Type			Attendance Rate / Meetings Held
	Ordinary Council Meeting	Special Council Meeting	Total Meetings Held	
Cr John Moulden	10	3	15	87%
Cr Di Ausburn	10	3	15	87%
Cr Ralph Addis	8	2	15	67%
Cr Raymond (Spike) Dessert	12	3	15	100%
Cr Jane Parker	12	2	15	93%
Cr Jackie McCoy	12	2	15	93%
Cr Cissy Gore-Birch Gault	8	1	15	60%
Cr Don Learbuch*	4	N/A	4	100%
Cr Maryanne Kelly*	2	N/A	4	50%

\*Cr Don Learbuch and Cr Maryanne Kelly were elected into office during the March Special Council Meeting, as such the total meetings held after their appointment was different to that of other Councillors.

### 4.2 Council Extraordinary Election – February 2013

An Extraordinary Election was held on Friday 22 February 2013. There were two vacancies for one term of office expiring 2015 and one term of office expiring 2013. The following Councillors were elected:

Don Learbuch (expiry 2015)

Maryanne Kelly (expiry 2013)

### 4.3 Council Committees

Council operated two Committees during the year. Committees have neither standing delegations nor decision making authority. Their meetings are closed to the public. Committees make recommendations to the full Council, with decisions being made by the Council.

#### 4.3.1 Audit Committee

Each local government is required to have an Audit Committee to make recommendations to Council relating to the Audit function. In addition to this legislated purpose, the Audit Committee provides recommendations to Council in relation to financial management and policy.

The Audit Committee representatives were Cr John Moulden, Cr Ralph Addis, Cr Di Ausburn and Cr Jane Parker.

#### 4.3.2 CEO Review Committee

The CEO Review Committee undertakes the review process for the Chief Executive Officer and makes recommendations to Council on performance, key performance indicators and employment contract matters relevant to the position.

The CEO Review Committee representatives were Cr John Moulden, Cr Ralph Addis, Cr Di Ausburn and Cr Cissy Gore-Birch Gault.





The 2012-2013 financial year emphasis for the Council was the requirement to implement the State Governments Integrated Planning and Reporting Framework. The development of a Strategic Community Plan which states a long term vision of 10 years for the Council is the key driver for other informing strategies.

Waste management has been a major focus with upgrades to the facilities at Kununurra and Wyndham. Investigations are continuing to locate a suitable site for a new Kununurra landfill and it is anticipated that a site will be recommended to the Council within the next 12 months. The Council continued to complete work funded through the Western Australia Natural Disaster Relief and Recovery Arrangements, including Kalumburu road maintenance and Lake Argyle Spillway Bridge repairs.

The open drains at the Picture Gardens were piped, along with drainage works at the Ewin Childcare Centre. Solar safety lighting was installed in Nicolson Park as the Council was successful in gaining a crime prevention grant, and further works on improving street lighting continued with the input from residents and Kununurra police.

The installation of lighting at the Agricultural Oval has allowed for evening sports to be played on both ovals within the Township. Major repairs were also undertaken to the Kununurra pool and a concept design was presented to the Council regarding the replacement of the current swimming pool.

The East Kimberley Regional Airport passenger numbers were 92,200 which is still strong and the completion of the Tourism Action Plan may assist in boosting numbers in the next 12 months. During the 2012-2013 financial year the Council returned to in-house cleaning and screening operations at the airport creating permanent employment for 10 residents.

Affordable staff housing still remains an issue and in collaboration with the three other Kimberley Shires we were able to submit a successful business case to both the State and Federal government, obtaining funding for the 2013-2014 financial year.

2013-2014 promises to be a big year with the development of a Local Planning Strategy to ensure our towns are safe and inviting for locals and tourists. The Tourism Action Plan will continue to come together along with continued implementation of the Asset Management and Waste Management strategies. We also look forward to developing a new Animal Management Plan, upgrading the Wyndham waste water reuse treatment facility and implementing the recommendations that will come from the Lake Kununurra Foreshore and Aquatic Use Plan.

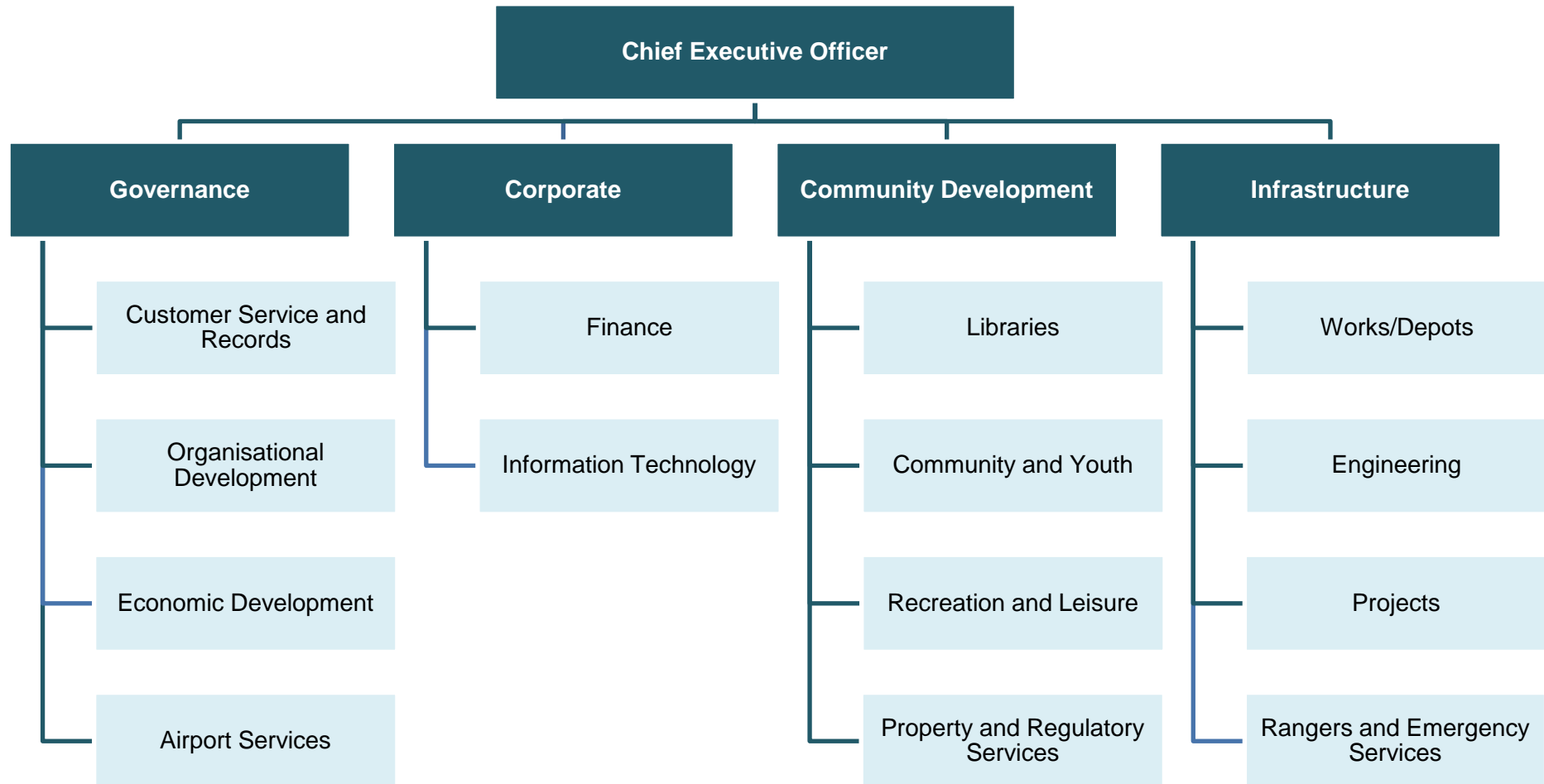
I would like to thank staff for their continued commitment to providing services to the community and I would like to thank our Councillors who have been participating and supporting the development of our community plan to ensure that the long-term vision is achieved.

Regards

*Gary Gaffney*

**Chief Executive Officer**

## 6 ORGANISATIONAL STRUCTURE



The four Directorates and their corresponding business units:

Governance	Corporate	Community Development	Infrastructure
<ul style="list-style-type: none"> <li>▪ Office of the Chief Executive</li> <li>▪ Governance Administration</li> <li>▪ Economic Development</li> <li>▪ Wyndham Area Services</li> <li>▪ Customer Services</li> <li>▪ Records Management</li> <li>▪ Integrated Planning</li> <li>▪ Human Resources</li> <li>▪ Occupational Health and Safety</li> <li>▪ Airport Operations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Corporate Administration</li> <li>▪ Information &amp; Communications Technology</li> <li>▪ Finance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Community Administration</li> <li>▪ Libraries</li> <li>▪ Strategic Planning</li> <li>▪ Childcare</li> <li>▪ Community Capacity Strengthening</li> <li>▪ Disability Access</li> <li>▪ Youth Services</li> <li>▪ Club Development</li> <li>▪ Leisure Facility Management</li> <li>▪ Recreation Services and Programs</li> <li>▪ Property and Regulatory Services Administration</li> <li>▪ Buildings Applications and Permits</li> <li>▪ Land Use Planning</li> <li>▪ Property and Facility Maintenance</li> <li>▪ Environmental Health Services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Infrastructure Services Administration</li> <li>▪ Ranger Services</li> <li>▪ Emergency Services</li> <li>▪ Asset Management</li> <li>▪ Design and Development</li> <li>▪ Project Delivery</li> <li>▪ Depot Services Administration</li> <li>▪ Plant and Equipment</li> <li>▪ Roads and Bridges</li> <li>▪ Footpaths, Trails and Cycle ways</li> <li>▪ Drainage Systems</li> <li>▪ Parks, Ovals and Reserves</li> <li>▪ General Assets</li> <li>▪ Waste Management</li> </ul>

## 7 GOVERNANCE

### 7.1 Mission and Vision

#### VISION

For the East Kimberley to be a thriving community with opportunities for all.

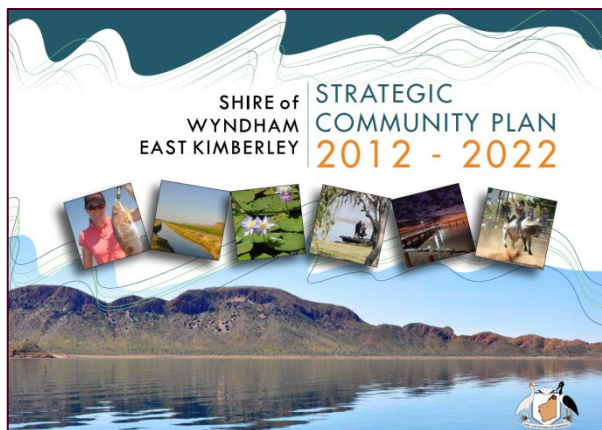
#### MISSION

To enable the East Kimberley to develop in a manner that will achieve social, cultural, economic and environmental benefits for all.

### 7.2 Integrated Planning and Reporting Framework

The Strategic Community Plan marked a significant change in the way that the Shire interacts with its residents.

For the first time, Council used a number of different forums to seek feedback about what residents think the Shire should concentrate on over the next 10 years. Council positively received the community's feedback and ideas and incorporated the feedback into the Strategic Community Plan.



The Plan presents a 10-year vision for the East Kimberley and reflects the priorities and aspirations of all who work, live and play in this wonderful part of the world.

The Plan is supported by a long-term financial plan, an asset management plan and a workforce plan and is the key driver for the Corporate Business Plan. Collectively these form the Integrated Planning Framework that

determines annual budgets and resources.

To remain relevant to the community, the Strategic Community Plan is to receive a desk top review every two years and a full review every four years.

The Corporate Business Plan is a rolling four year plan which identifies the services, activities and projects and their resourcing requirements to deliver on the strategies and outcomes of the Strategic Community Plan. This Plan directly informs the annual budget and as such is reviewed annually.

As this is the first Corporate Business Plan for the Shire, the costs associated with the operations and projects are preliminary or indicative.

These plans, along with the supporting plans that contribute to the Integrated Planning Framework will be refined as we work to achieve continuous improvement.

The Strategic Community Plan and the Corporate Business Plan are available on the Shire's website.

### 7.3 Records Management

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Records are managed in accordance with legislative requirements and best practice. Records are a core information resource and sound record keeping practices contribute to the overall efficiency and effectiveness of the organisation.

The Recordkeeping Plan (RKP) describes the commitment to effective and compliant record keeping procedures. Under the State Records Act 2000, an organisation must review its plan at least every 5 years. An amended RKP was submitted to the State Records Commission in June 2012 incorporating significant changes to records procedures introduced since the implementation of the new file structure in 2010. As part of this process records storage facilities were reviewed. A refurbishment of the main facility for offsite storage of records is now underway to ensure records are adequately preserved and accessible.

Ongoing activities to ensure continued legislative compliance and effective records management include:

1. Assessment of all files from the previous file structure to ensure both electronic and physical files are consistent before archiving;
2. Data cleansing of names and addresses database;
3. Record keeping system training given to all new staff as part of their induction making them aware of their roles and responsibilities in regard to their compliance with the RKP;
4. Refresher training provided to all staff as required;
5. Regular monitoring of records and records procedures to ensure efficiency and effectiveness of records training;
6. Monitoring of outstanding records received to ensure excellent customer service; and
7. Quality assurance of complete record keeping through the monitoring and recording of all incoming and outgoing mail.

During 2012-2013 one complaint was recorded in the register of complaints, as defined by Section 5.121 of the Local Government Act 1995. The complaint was reported and dealt with by the Chief Executive Officer.

### 7.4 National Competition Policy

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The Principles of the National Competition Policy requires local government authorities to market test activities which generate user income in excess of \$200,000. The objective of competitive neutrality is to introduce measures which effectively remove any net competitive advantages arising simply as a result of government ownership of a business entity.

The activity requiring scrutiny in this regard for the Shire is that of private works on private property; however during 2012-13 no individual private works project exceeded \$200,000. The Shire provides quotations or submits tenders in order to win private works. This process ensures the activity of private works is open to competitive market testing.

In relation to the structural review of public monopolies, the Shire discloses the following:

1. Structural review principles have not been applied to any activities during the reporting period.
2. Structural review principles have not been considered for any activities during the reporting period.

As no structural reform has been applied to any activities the review requirements of *principle SR.3 of Clause 7 of the Competition Policy Statement* have not been undertaken.

For all other activities of, opportunities are continually being examined in order to generate efficiency improvements. This must be balanced with the type and level of service provision and statutory and other regulatory measures the Shire is bound to implement.

## 7.5 Staff Summary

	2008/09	2009/ 10	2010/ 11	2011/ 12	2012/ 13
Number of Full Time Staff	73	76	81	89	107
Total Number of Staff	100	89	105	111	125
% Male Staff	30%	54%	54%	52%	52%
% Female Staff	70%	46%	46%	48%	48%
% Indigenous Staff	10%	9%	14%	8%	8%
Trainees/Student placements	3	2	4	2	2
Staff Turnover	28%	46%	23%	37%	32%
% of Staff Engaged in Training	71%	95%	98%	95%	76%
% Staff Engaged in Professional Development	25%	30%	30%	30%	26%

During the 2012-2013 financial year additional new staff were employed at the East Kimberley Regional Airport due to taking over the security and cleaning contract that was previously out sourced to All Clean and Kununurra Security Services.

The number of employees with salaries over \$100,000 for the year 2012 - 2013 is reflected in the below table.

\$100,000 – \$119,999	\$120,000 – \$139,999	\$140,000 – \$159,999	\$160,000 – \$189,999
1	3	0	1

## 7.6 Student Scholarships

The Shire has a policy of offering \$20,000 scholarships to local students in the fields of Town Planning, Environmental Health and Engineering, as professions which experience severe skills shortages across Australia. The scholarships include the opportunity for assistance in funding tertiary education, providing a practical learning environment, and semester break work at the Shire. No scholarships were offered in 2012-2013.

## 7.7 Freedom of Information Statement

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### **Objective**

To make readily available to the public at least in accordance with the Freedom of Information Act information sought as soon as practicable.

### **Policy**

Council will provide a general right of access to documents and records of Council in accordance with the provisions of the Freedom of Information Act 1992, The Local Government Act 1995 Section 5.94 and the Local Government Administration Regulations 1996 and the guidelines in this policy.

1. The Director Corporate Services and in that person's absence the Manager Financial Services is appointed as "FOI Co-ordinator" and "Decision Maker" and is authorised to make decisions regarding access to information.
2. The Chief Executive Officer is the "Internal Review Officer" appointed to review an application should the applicant be dissatisfied with the result.
3. Procedures for determining access, exemptions, personal information and review and the preparation of information statements shall be in accordance with the Freedom of Information implementation guidelines prepared by the Office of the Information Commissioner.
4. Council shall apply fees and charges applicable under the Act and as published in the Government gazette from time to time.

## 8 AIRPORT

The aviation industry is essential to the East Kimberley region, providing services to the transport, mining, tourist, healthcare and agricultural industry to name a few. East Kimberley Regional Airport (EKRA) and Wyndham Airport are key infrastructure maintained and managed by the Shire.

### 8.1 Administration

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The Airport management and staff continue to ensure the EKRA is managed in a financially responsible and sustainable manner, as well as reporting and meeting all regulatory, safety and compliance issues.

The old Air Services building located on the eastern side of the terminal was refurbished in 2012, and now serves as the EKRA Administration centre, housing the Manager of EKRA and the Airport Security Staff.

It is also utilised for the storage of historical records, and will be mobilised as the Airport Emergency Operations Centre as the need arises.

CASA, the former tenants, have now relocated to the terminal area and have undertaken a new 5 year lease for the office space.

In 2012 the EKRA moved from the Corporate Service directorate and now falls under the CEO's Governance directorate.

The EKRA employs 16 staff members, Consisting of 5 Operational/Management staff, 6 Security/Auxiliary staff and 5 casual Screening/Auxiliary staff.

September 2012, Airport Screening and Cleaning services were brought in house after a short time occupied by a local Security contracting business.

In 2012, Rehbien Airport Consulting prepared an Airport Master Plan for EKRA. The Master Plan provides a strategic framework for the future development of the airport over the next 10 to 25 years. The plan was endorsed by Council in 2012. The Manager of EKRA in consultation with the Shire will be responsible for the deliverables of the approved master plan.

### 8.2 Compliances Achieved

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- Aerodrome Management Services - Aerodrome Safety Inspection Wyndham and Kununurra Airport Aerodrome Technical Inspection, April 2013
- Department of Infrastructure and Transport – Ongoing security and systems testing audits.
- New version of the Airport Transport Security program was accepted by the Department of Infrastructure and Transport
- Ongoing updates of the Aerodrome Operations Manual
- CASA - Biannual return of the Airports Drug and Alcohol Management Plan.
- Training of 10 staff in CERT II & III Security Operations, in adherence with the provisions of the Aviation Transport Security regulations 2005



### 8.3 Operations

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The primary operational change for the EKRA, has been the move from Private contractor delivering passenger screening/cleaning services to this function being delivered by Shire staff.

Other notable Operational deliverables;

- Occupation of the new Airport Administration building
- Erection of a new General Aviation passenger area
- New access gate near Shoal Air
- Erection of Security fencing from Gate 1 to Sling Air
- Erection of Security Fence between Shoal Air and Kingfisher Air buildings
- Ongoing pavement crack patching
- Ongoing maintenance and repair of numerous large depressions on runway strip

### 8.4 Airline Operations

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Overall reduction in total aircraft landings (RPT/GA combined) of 11% from 2011-12 financial year.

Passenger numbers between 2011-2012 and 2012-2013 financial year remain static, at around 92,000.

Even though aircraft landings were down, Airport landing fee receipts have increased from the previous financial year by \$128,000 approx. This delivers an increased return of 8% (CPI not considered) for aeronautical revenue.

This anomaly can be put down to an increase in landing fee rates as well as an increase in larger aircraft landings (primarily Argyle flights), that have offset a reduction in General Aviation. (Figures provided by AVdata billing)

June 2013, Airnorth ceased their weekday service from Kununurra to Argyle. The service will now only operate 2 days a week. This reduction in flights will equate to approximately a \$90,000 per annum revenue reduction for 2013-2014 projections.

Skywest was purchased by Virgin, and is now part of Virgin Australia's regional network.

## 8.5 Passenger Movements at East Kimberley Regional Airport

Month	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
July	7,379	7,795	9,094	9,254	9973	10113
August	7,193	7,590	8,247	9,174	9272	9378
September	7,059	6,713	7,872	8,384	8258	8738
October	6,188	6,132	6,655	7,797	8395	8266
November	4,734	5,050	5,550	6,040	6605	6732
December	4,514	4,595	4,970	5,677	6231	5798
January	3,709	4,421	4,617	5,075	5367	5255
February	4,182	4,515	4,540	4,844	5342	5063
March	5,230	4,890	5,924	6,295	6364	6117
April	6,574	6,679	5,858	8,082	8176	7951
May	7,624	8,302	8,763	8,997	8727	10123
June	6,803	7,276	8,251	8,351	9393	8678
<b>TOTAL</b>	<b>71,189</b>	<b>73,958</b>	<b>80,341</b>	<b>87,970</b>	<b>92,103</b>	<b>92,212</b>

## 8.6 Aircraft Landings at East Kimberley Regional Airport

Month	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
July	1,844	1,840	1,738	1,780	1843	1384
August	1,727	1,592	1,599	1,601	1633	972
September	1,166	1,344	1,244	1,221	1108	1041
October	933	960	946	884	616	846
November	729	699	658	717	725	688
December	602	614	490	542	616	561
January	563	550	439	517	497	517
February	596	601	557	641	545	540
March	722	757	815	1,046	696	718
April	898	1,069	909	1,167	960	891
May	1,458	1,312	1,339	1,606	1097	1059
June	1,459	1,458	1,545	1,695	1283	1099
<b>Total</b>	<b>12,697</b>	<b>12,796</b>	<b>12,279</b>	<b>13,417</b>	<b>11,619</b>	<b>10,316</b>

### 9.1 Kimberley Zone of WALGA and Regional Collaborative Group

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In 2012/13 the regional Secretariat role continued with the Shire of Wyndham East Kimberley until August 2012 when the role moved to the Shire of Broome.

The regional agenda has two components:

- The Local Government Reform agenda driven under a contract held between the four Kimberley Shires and the Department of Local Government (now Local Government and Communities) and known as the Regional Collaborative Group. The contract expires in June 2015; and
- The regional Kimberley ZONE group affiliated to WALGA where issues of state-wide or regional concern can be tabled and discussed at State Council and where matters of mutual concern need to be lodged with State and Federal Government.

The Regional Collaborative Group workload held under contract between the Shire of Wyndham East Kimberley on behalf of the region and the Department of Local Government was primarily focussed on advancing the Integrated Planning work with all four Shires developing a Strategic Community Plan, Corporate Business Plan, Asset Management Plan and Long Term Financial Plan.

It was agreed that the workload would be managed to its conclusion by the Shire of Wyndham East Kimberley thus freeing up the Shire of Broome to focus on new work programmes.

Work at the Kimberley ZONE level was on issues such as fire prevention and fire management improvement for the Kimberley region and on the Housing Construction project which was under review.

### 9.2 Municipal Services For Remote Aboriginal Communities

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The Shire is a member of a newly created committee focussing on Municipal and essential services to remote Aboriginal Communities. This was established by Indigenous Co-ordination Centre (ICC) Kununurra and meets every two months. It provides a group to share issues and to gain an improved understanding of the range of matters facing communities given the proposed changes at Federal and State level for future municipal service delivery.

The Shire has expressed a wish to be prepared for the proposed service delivery changes and to work with communities and key agencies to ensure that any future changes meet requirements within the budget to be made available by Government and that communities are engaged in the process.

### 9.3 Tourism

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The development of an East Kimberley Tourism Action Plan commenced in 2012-2013 and will extend into 2013-2014.

The Shire of Wyndham East Kimberley and Tourism Western Australia are partners in this project to deliver a tourism plan that will facilitate development of the local industry to 2020.

This plan will support and leverage the State Government Strategy for Tourism in Western Australia 2020 and provide advice to inform tourism policy development, planning and financial decision making.

The East Kimberley tourism plan will identify the value of the local tourism industry, infrastructure and product development needs, outline marketing and promotional activities and leveraging opportunities through events and business investment.

A Steering Group has been established and the Industry is engaged in examining options for future sustainable funding to invest in ongoing promotional activities.

## 10 COMMUNITY DEVELOPMENT

The Community Development Directorate oversees the following functions: Community and Youth; Property and Regulatory Services; Leisure and Recreation, and Libraries.

### 10.1 Community and Youth

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#### 10.1.1 Youth Services

Youth Services provide staff and facilities located at the Kununurra Youth Centre Hub and Wyndham Youth and Recreation Centre. The services are funded through partnerships with WA Department for Child Protection, Commonwealth Department of the Attorney General and the Shire of Wyndham East Kimberley.

The service is staffed by one Youth Officer in Kununurra and two Youth Officers in Wyndham both of whom work closely with staff from other service providers including Save the Children, Garnduwa, Wunan, DEC, Kununurra and Wyndham District High Schools, Kununurra Community Library and WA Police.

The Service is designed to build the capacity of the community and young people by connecting and engaging youth and community members, to inspire new ideas, create positive change, and promote health and well-being in the community through positive social development and physical activity.

Support is given to other services within the region through the use of facilities and resources such as the Youth Centres, skate parks, sporting facilities, busses, equipment and staffing.

Term programs have continued to run successfully including, Deadly Dinkum Fridays, School holiday programs, Intergenerational basketball, Chill out Fridays, Heywire, Tucker time, Kimberley Kids in the Kitchen, Snack, Splash and Games, Throw a line and unwind, Mural/community arts and Youth discos. A number of organisations and external programs were supported, including Werlemen, Barramundi Concert, NAIDOC week, the Bushrangers program and the "Get up and Go" program.

The Wyndham Youth and Recreation Centre has undergone building modifications made possible through funding from the Commonwealth Attorney Generals Department.



**School Holiday Program**

### 10.1.2 Wyndham Childcare Centre

2012-13 has been an extremely productive year for the Wyndham Childcare Centre. The centre is now being used by a total of 26 families within the community with care being given to 36 children.

To maximise the capacity of the centre with the staff available the centre layout has been rearranged. The centre can now isolate a Baby's room, Toddler room and Big Kid room. This modification ensures that the correct children to staff ratios are adhered to at all times.

The Centre completed its Quality Improvement Plan under the National Quality Framework and is looking forward to assessment under this framework.

Over the last 12 months we have enjoyed some exciting events including story time with WELA on the 3<sup>rd</sup> Friday of each month. We continue to do regular excursions to the library for story time and sometimes even a movie.



Wyndham Childcare Centre

### 10.1.3 Working in Partnership

The Shire continues to contribute to and support the East Kimberley Working in Partnership (WiP) Group. The WiP is a collective of State, Federal and Local Government agencies and not-for profit organisations that work together to identify common issues and trends and to strategise around key outcomes to improve service delivery, service planning, and better use of resources around human services. The WiP was instrumental in supporting initiatives such as Operation SHARP (safely home with a responsible person) and Get up and Go – programs targeted at addressing youth at risk and improving access to education. The Shire also participated in the Wyndham Interagency Network Group, which similar to WiP identifies key social issues and devises more efficient and collaborative approaches to address them.

### 10.1.4 Great Northern Clean-up

Coordinating assistance was provided to the Great Northern Clean-up which is aimed at providing an opportunity for the communities within the northern parts of Australia to participate in the Clean Up Australia experience at a time more suitable to the tropical climate.

### 10.1.5 Disability Access

Implementation of the Disability Access and Inclusion plan continued in accordance with the *Disability Services Act 1993* to ensure Council Services are available to all residents and visitors. This reviewed document was adopted at the December 2012 Ordinary Council Meeting. A summary of the outcomes achieved in 2012-2013 are provided below:

- Shire's Quick and Annual Grant application forms require applicants to consider Disability Services Commission disability access checklist.
- Shire venues are accessible for disabled patrons.
- Events are planned using the Creating Accessible Events checklist.
- Installation of hand rails on Kununurra Leisure Centre hall stairs.
- Upgrade of new Kununurra Shire Office includes accessibility works.
- New Kununurra Community Library includes improved accessibility.
- Regional Airport Terminal Upgrade includes improved accessibility.
- Wyndham Fishing Jetty included improved accessibility.
- Public library resources are available in various formats.
- Application of Companion Card at all community facilities.
- Support of "The Ride" documentary at the Kununurra Picture Gardens.
- Staff training regarding disability awareness including access and inclusion strategies.
- Accessible complaints handling is promoted within grievance and complaints mechanisms and processes.
- Community consultation process included forums held at accessible venues.
- Council meetings are held at disability accessible venues.
- Review of facilities conducted on the "You're Welcome" website.

### 10.1.6 Annual Community Grants

The Annual Community Grant Scheme offers not-for-profit organisations within the community the opportunity to receive financial and in-kind support for amounts over \$1,000. In 2012-2013 \$61,100.00 was allocated and is reflected in the following table:

Organisation	Project	Amount
Kununurra Markets	4 X Double sided flags	\$1,000.00
Kununurra Progress Association	Air conditioner in projection room	\$2,200.00
Wyndham Council for Art & Crafts	In-kind support for Wyndham Art & Craft Show	\$3,400.00
Kununurra Neighbourhood House, Family Support Service	Sub-Consultants Fees to advance to detailed drawings on new premises.	\$30,000.00
Kununurra Bushmen's Rodeo Association	Sound system	\$12,000
Ord Land and Water	Weeds; community awareness campaign 2012	\$2,500.00
Gelganyem Trust	Barramundi Concert 2013	\$10,000.00
<b>Total amount</b>		<b>\$61,100.00</b>

### 10.1.7 Quick Grants

The Quick Grant program provides financial and in-kind support to local organisations and projects which benefit the local community. and provides up to \$500 per organisation per financial year. The following community groups were successful in receiving Community Quick Grants in 2012-2013, with a total amount of \$9,659.33 being allocated:

Organisation	Project	Amount
Kununurra Junior Sports Association	Badminton Clinics for school children	\$500
Kununurra Tennis Club Inc.	Assist with 2 fun nights to promote the tennis club	\$500
Kununurra Gymnastics Club	Assist with additional coaching and hall hire to prepare for competition	\$500
Clontarf	Oval hire and lighting for Clontarf Northern Carnival 14 - 15 August 2012	\$500
Kununurra Taekwondo Inc.	Assist with additional hall hire to prepare for competition	\$500
WELA Inc	Christmas Party	\$500
Kununurra Netball Association	Bus Hire	\$454.55
Ewin Early Learning Centre	Glider chairs	\$362.73
Wunan Foundation	Home Loan Expo	\$327.50
Kununurra Crocs Swimming Club	Travel to Wyndham Pool for training	\$500
Kununurra Carols committee	Carols by candlelight	\$500
Ord Valley CWA	Bush Dance	\$500
Kimberley Group Training Inc.	Excellence Awards night	\$454.55
Kununurra Neighbourhood House	International Women's Day	\$500
Garnduwa Amboorny Wirnan Aboriginal Corporation	Remote communities Netball Development Camp	\$500
Kununurra 1/2 Marathon	1/2 Marathon (\$60 additional for signage)	\$560
Fairholme Disability Support Group	Travel of costs	\$500
Ord Valley Aboriginal Health Service	Fetal Alcohol Spectrum Disorder	\$500
RSL	ANZAC day	\$500
Lake Argyle Swim Inc.	Lake Argyle Swim	\$500
<b>Total amount</b>		<b>\$9,659.33</b>



## 10.2 Recreation and Leisure

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In 2012-2013, approximately \$1,500,000 worth of infrastructure upgrades to community sporting facilities was completed with funding from The Shire of Wyndham East Kimberley, Department of Sport and Recreation and Department of Regional Development and Lands, these include:

- Upgrades to Kununurra Leisure Centre Hall - \$313,000
- Kununurra Leisure Centre Pool Liner Upgrade and Repairs - \$271,000
- Construction of ablutions and storage at Kununurra Multipurpose Courts - \$50,000
- Wyndham Swimming Pool Lights \$110,000
- Agricultural Oval Lights - \$750,000

### 10.2.1 Major Events

Major events included:

- WAFL game held between Claremont and East Fremantle.
- Minister of Sport and Recreation, Terry Waldron attended the opening of the Wyndham Pool Lights and Ag Oval Lighting.
- BHP Swim Competition.

### 10.2.2 Wyndham Swimming Pool

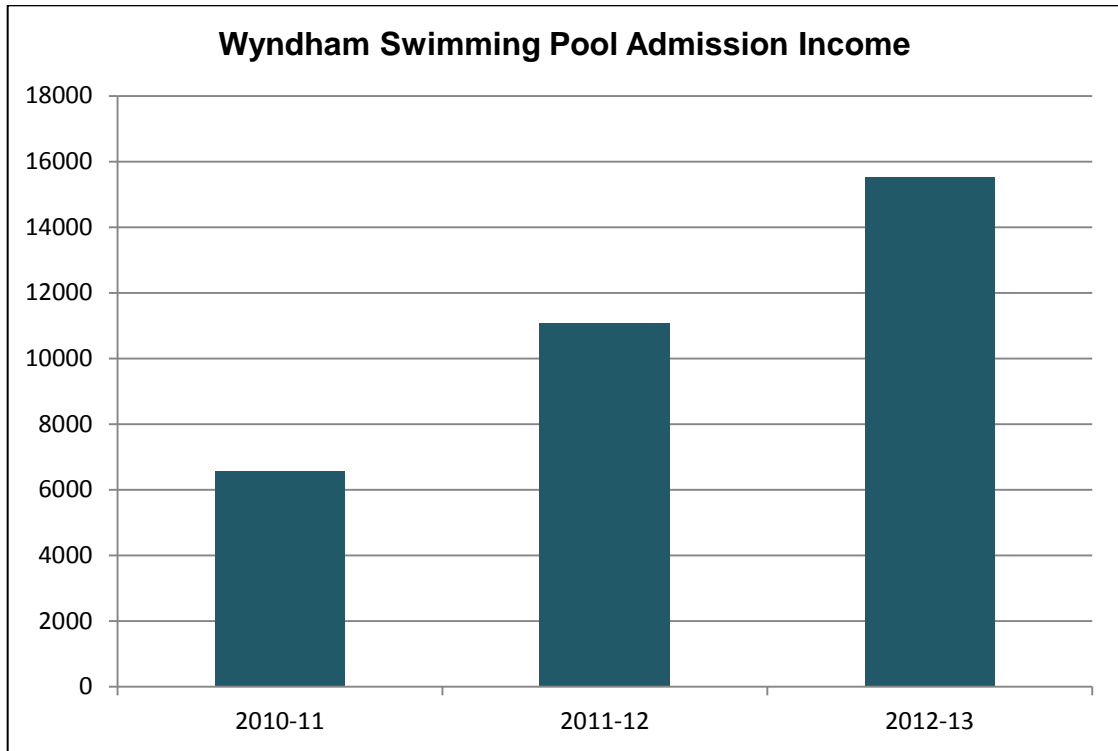
Attendance at the Wyndham Swimming Pool has continued to increase in 2012-2013.

A successful Lights Launch was hosted in June 2012 with approximately 120 people attending. The Virtual Rottneest Channel Swim event held in January 2013, involved 200 participants ranging in age from 7 to 60 taking part in the event.

The completion of the pool lights now enables the pool to be used into the evening.



Wyndham Swimming Pool



#### 10.2.3 Wyndham Recreation

The Wyndham Recreation Officer continued to conduct programs in 2012-2013 including:

- Social tennis on Monday nights.
- Mixed netball sessions on Monday nights.
- Men's and Women's Basketball on Tuesday nights.
- Junior Basketball on Thursday nights.
- Touch Football.

In conjunction with Youth Services, other recreation programs and activities that have been run for 2012-2013 include ballroom dancing, day hikes, junior football, indoor soccer and mini Olympic days.

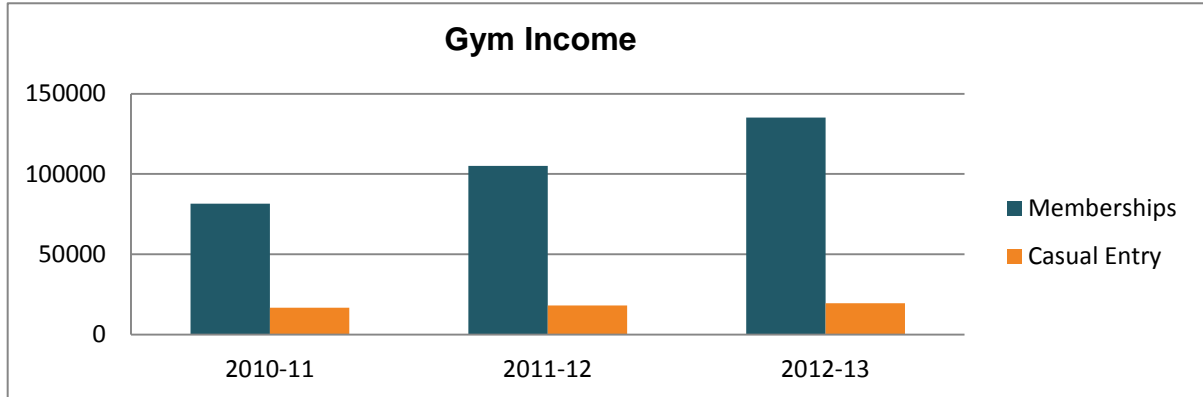
Building modifications to the Wyndham Youth and Recreation Centre are nearing completion.



**Wyndham Youth and Recreation Centre**

#### 10.2.4 Kununurra Leisure Centre

Following a full expansion and refurbishment of the Kununurra Gym in 2011-2012, a further \$30,000 was invested in new gym equipment in 2012-2013. The improvements have received significant positive feedback and gym use has increased substantially.



Usage of the swimming pool was significantly affected by delays caused by the replacement of the vinyl liner which was scheduled to be completed by July 2012. During this process it was discovered that the pool shell was undermined due to a high water table and the age of the pool. Additional works were required to the shell of the pool delaying the reopening until December 2012. A Structural Engineer was engaged to provide an assessment of the pool. The final report advised that the pool was at the end of its lifespan and planning should be put in place for replacement.



**Kununurra Swimming Pool Vinyl Liner Replacement**

In January 2013 the consultancy services of @Leisure Planners were obtained to develop a concept design for a new aquatic and leisure centre. Assessment of a range of options is currently underway for a leisure facility that meets the current and future needs of the community.

The Shire seeks to create a new facility that:

- Provides a range of sporting, fitness and recreation activities to meet the existing and future needs of the population
- Creates an environment where residents and visitors are encouraged to engage in more healthy, physical and social activity at times that are suitable

- Promotes social interaction, inclusivity and positive lifestyle choices
- Responds to demographic and employment trends in Kununurra, and the constraints on participation associated with remoteness and climate

A number of special events were held by different community organisations at the Leisure Centre including:

- SciTech Roadshow.
- St Josephs end of year concert.
- Kununurra District High School end of year assembly.
- Country Women's Association bush dance.
- Kununurra Amateur Theatrical Society performances.
- St Joseph quiz night.

Regular club bookings for Gymnastics, soccer, basketball, squash, taekwondo and swim club have continued.

Swim School programs have run over the year with attendance limited by the availability of qualified instructors. Attendance levels are indicated in the table below:

Level	Term 1		Term 2		Term 3	
	2012	2013	2012	2013	2012	2013
<b>TOTAL Infant/P.S.</b>	92	15	No Program	No Program	0	0
<b>TOTAL School Age</b>	98	46	32	19	0	16
<b>TOTAL Enrolments</b>	190	61	32	19	0	16

### 10.2.5 Club Development Program

Local clubs received continued assistance with improved infrastructure, capacity and sustainability building through the Club Development Program as well as the KidSport funding program.

The Club Development project is a partnership with the Department of Sport and Recreation.

Key events for 2012-2013 included:

- KidSport 2013 Stakeholder Breakfast
- Information Services Workshop – Partnership with DSR
- Touch West Referee Course and school clinics
- BHP Billiton Swim Clinics
- Netball WA Carnival – included referee course, coaching course, talent ID and development
- WA Cricket – strategic planning meeting with EKCA, school clinics
- Golf WA – Junior Clinics
- Squash WA Clinics

Throughout 2012 and 2013 a major focus of the Club Development Program was assisting local clubs develop business plans. Currently the Club Development Officer is working with the following clubs to produce a plan:

- Kununurra Gymnastics Club
- Lake Kununurra Golf Club
- Kununurra Bushman Rodeo
- Kununurra Demons Football Club
- Kimberley Rugby League Association
- East Kimberley Cricket Association
- Kununurra Water Ski Club
- Kununurra Touch Association
- Kununurra Tennis Association
- Kununurra Speedway Association (completed)
- Kununurra Agricultural Society (completed)

#### **Chipping In**

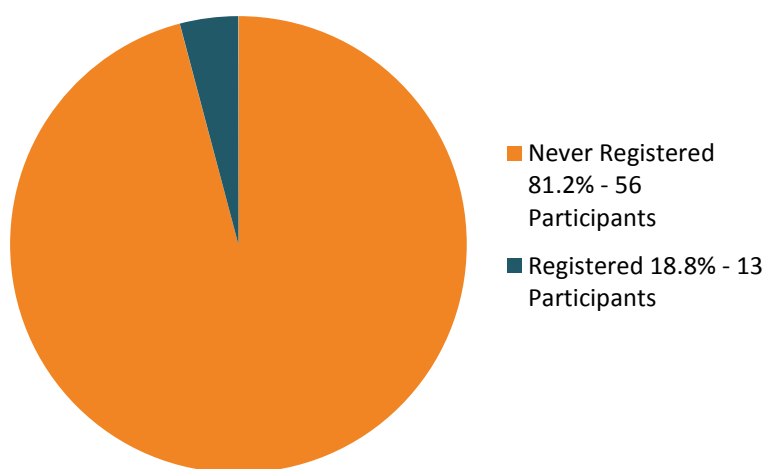
Chipping In is a volunteer recognition initiative set up by the Shire's Club Development Officer in partnership with the Department of Sport and Recreation and the Ord River Sports Club. This award recognises community members and the time, dedication, commitment and efforts they put into their sport and recreation club/s. The Ord River Sports Club sponsor a voucher to the winner, decided by the Club Development Officer every 2 months from the nominations received.

## KidSport Snapshot

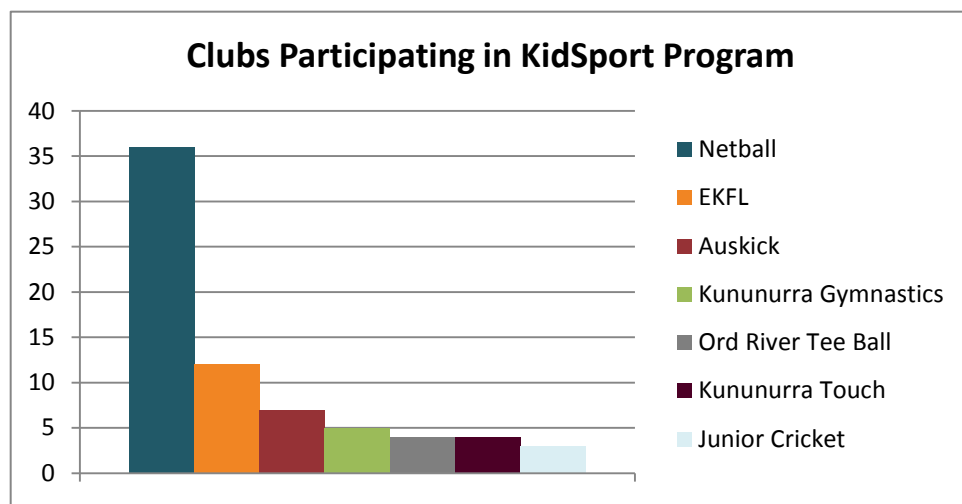
The KidSport program is a joint project with the Department of Sport and Recreation. The program makes it possible for Western Australian children to participate in community sport and recreation, no matter their financial circumstances. KidSport allows eligible youth aged 5–18 years to apply for financial assistance to contribute towards club fees.

The Shire of Wyndham East Kimberley was the first of the Kimberley Shires to launch KidSport in June 2012. The program has gone from strength to strength with applications doubling in 2013. A total of 69 applicants (Kununurra 65 participants, Wyndham 4 participants) have been successful in applying for funding since the program was established and a total of \$5249.85 was paid to local clubs between June 2012 and June 2013.

### Registered with a club before



### Clubs Participating in KidSport Program



## 10.3 Property and Regulatory Services

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Property and regulatory services cover: strategic and statutory planning; planning approvals; building approvals; environmental health and property management and leasing.

### 10.3.1 Projects and Planning

A number of major projects were undertaken throughout the year.

#### **Integrated planning and reporting**

The Strategic Community Plan was finalised and assisted each directorate to identify strategic actions and to establish performance measures through the implementation of the CAMMS InterPlan management system.

#### **Key worker housing**

Collaborative work with other Kimberley Shire's was undertaken to prepare business cases and funding submissions to develop key worker housing. This housing will be constructed and available for a wide range of 'key workers' including in local government, as well as State and Federal government and will tie into similar initiatives being promoted by the Department of Housing.

#### **Lake Kununurra Foreshore Plan Review**

The Lake Kununurra Foreshore Plan Review continued and now has the inclusion of community members to the technical working group. The working group identified a range of issues associated with development along and affecting the Lake Kununurra foreshore and prioritised strategies and actions to address them, along with funding opportunities.

#### **New Shire offices in Kununurra**

The directorate assisted the Council to purchase and refurbish the previous FaHCSIA and Department of Indigenous Affairs building in Coolibah Drive for the new Kununurra administration offices and Council Chambers. The refurbishment was completed in record time and within budget and was aided by the professionalism and enthusiasm of local contractors, and staff who were willing to contribute and facilitate the relocation. Shire Officers are reviewing opportunities to redevelop or repurpose the old offices adjacent to the Kununurra Leisure Centre.

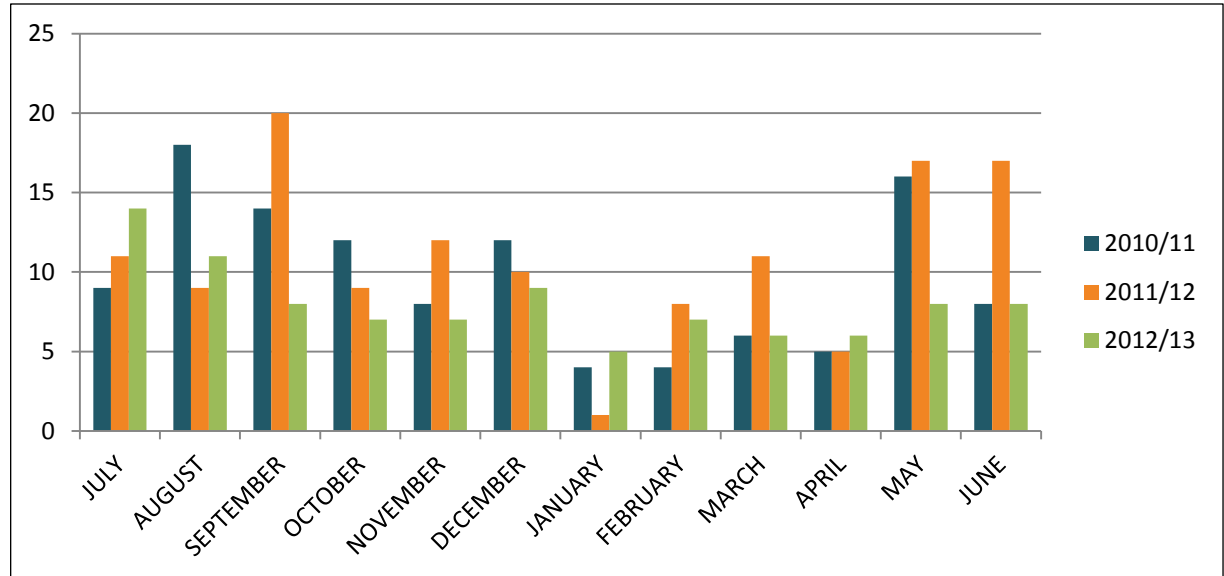
#### **Air Services building – East Kimberley Regional Airport**

Assistance was provided to the East Kimberley Regional Airport to refurbish the former Air Services building to house the newly formed airport screening and cleaning team as well as to create additional archive storage space.

### 10.3.2 Planning approvals

96 Development Applications were processed which is a 35% decrease from 2011-2012. The decrease in applications is reflected in the decrease indicated in the construction industry's building statistics.

#### Planning Approvals Processed



#### Amendments

The following Amendments were processed or completed:

- Amendment 36 to TPS No 7 – Lakeside Local Centre
- Amendment 39 to TPS No 7 – Discretion to modify Development Standards
- Amendment 40 to TPS No 7 – Ord Stage 2.

### 10.3.3 Building

The construction value of the 132 Building Licences issued for the 2012-2013 year was \$25,092,177.

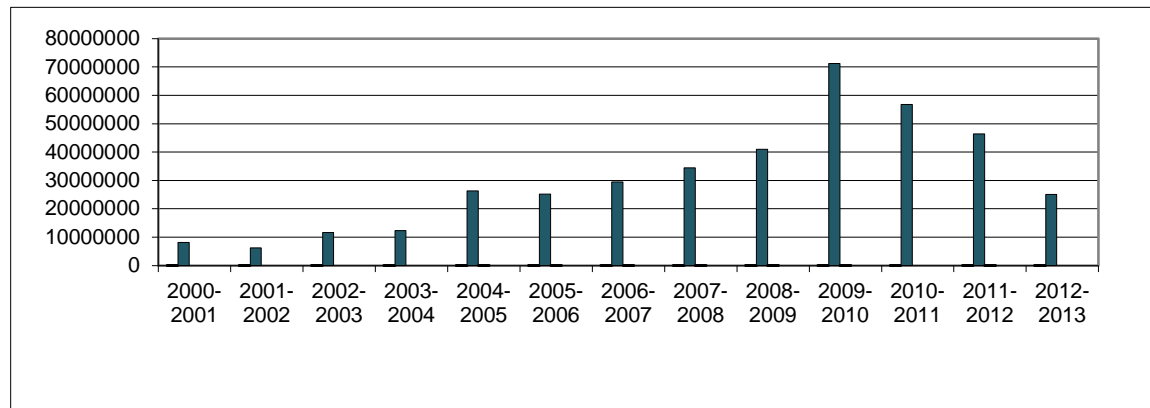
In comparison with the figures for 2011-2012, the construction value has decreased by 50% whilst the number of building licences decreased only slightly. This is shown on the figures and tables following.

This decrease in construction statistics could be a direct result of the introduction in April 2012 of the Building Act 2011 and the transition into the new building permit system.

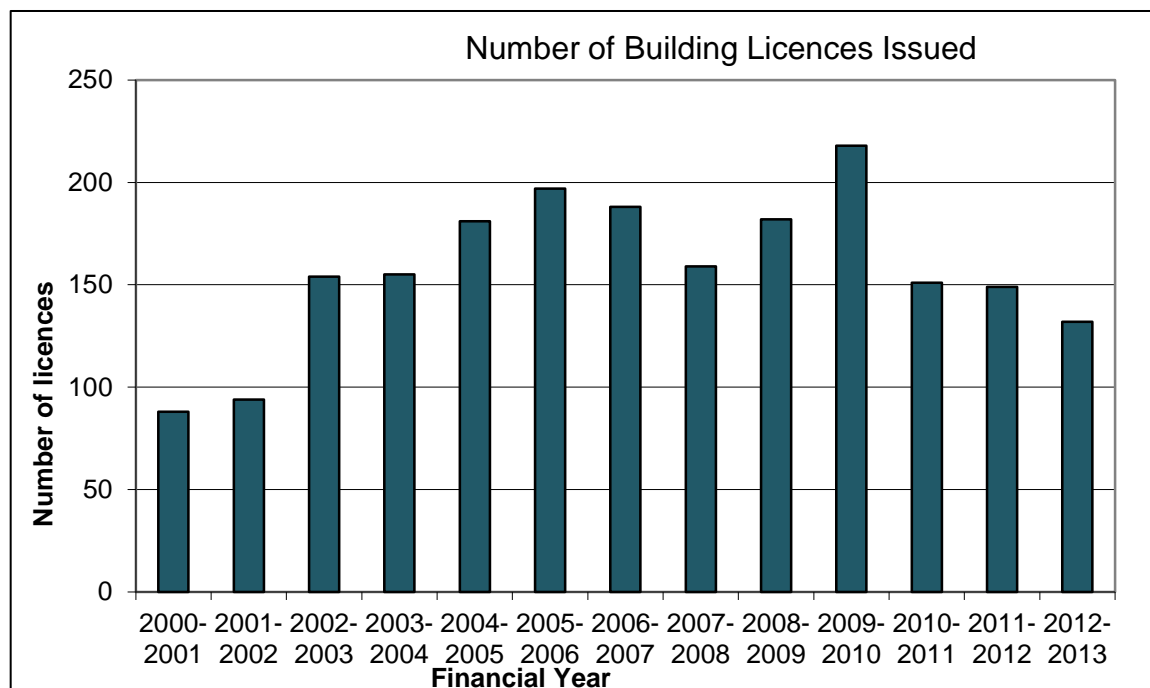
Construction statistics and spending on new building work is perceived as the “barometer for the economy of the nation”. The decrease in statistics may be attributable to both State and Federal government elections which were scheduled for 2012-2013.



## Construction Value



## Building Licences Issued



The statistics for Building Licence approvals and values has decreased over the last three years after the high peak in works in 2009/2010. These figures do not include any of the construction works which are being carried out under the exemption right of the crown, or works carried out under Building Permits issued by the State Permit Authority for Government based projects.

Building Licence approvals were issued for 38 new dwelling units as opposed to 55 for the previous year, these figures have substantially reduced from 2009-2010 which reflected the release of land in Lakeside and increased investment activity for the rental market addressing accommodation shortages at the time. Notably no building licences were issued for new dwellings in Wyndham for 2012-2013.

Further to the above, 30 Demolition permits have been issued which is a significant increase over the typical 12 to 15 permits issued per annum in previous years. The demolitions are predominately for removal of aged housing stock and neglected buildings.

## Building Licence Statistics 2000-2001 to 2011-2013

Financial Year	Number of Building Licences Issued	Annual Construction Value	New Dwelling Units Kununurra	New Dwelling Units Wyndham	New Dwelling Units Aboriginal Communities
2000-2001	88	\$8,173,121.00	10	2	19
2001-2002	94	\$6,233,174.00	16	1	7
2002-2003	154	\$11,679,506.00	13	3	18
2003-2004	155	\$12,294,189.00	19	4	15
2004-2005	181	\$26,321,945.00	45	4	25
2005-2006	197	\$25,119,699.00	68	2	8
2006-2007	188	\$29,491,996.00	56	5	6
2007-2008	159	\$34,438,418.01	41	1	27
2008-2009	182	\$40,925,702.00	50	16	3
2009-2010	218	\$71,203,364.00	139	18	0
2010-2011	151	\$56,822,612.00	28	1	0
2011-2012	149	\$46,421,179.00	40	4	11
2012-2013	132	\$25,092,177.00	32	0	6

Major construction projects (exceeding one million dollars in construction value) commenced or continued in this year included extensions to the Kununurra Hospital, the Kununurra Children & Family Centre which included Community Health and child care facilities, residential care facilities for the Department of Child Protection in both Wyndham and Kununurra, replacement classrooms at the Kalumburu Community School and the Kununurra Courthouse.

In April 2012, the implementation of the new *Building Act 2011* commenced which replaced and updated the Western Australian building approvals system.

### 10.3.4 Environmental Health

Routine assessment of premises bound by the Health Act 1911 and other health related legislation ensures high environmental health standards are maintained. Those routinely assessed are food shops, itinerant food vendors, caravan parks and camping grounds, lodging houses, public buildings, hairdressers and beauty therapy businesses. The frequency of assessment is determined by the potential health risks of the business activities and their past inspection history.

In addition to inspections, the Shire is bound by the Health (Aquatic Facility) Regulations 2007 to ensure public swimming pools are sampled monthly.

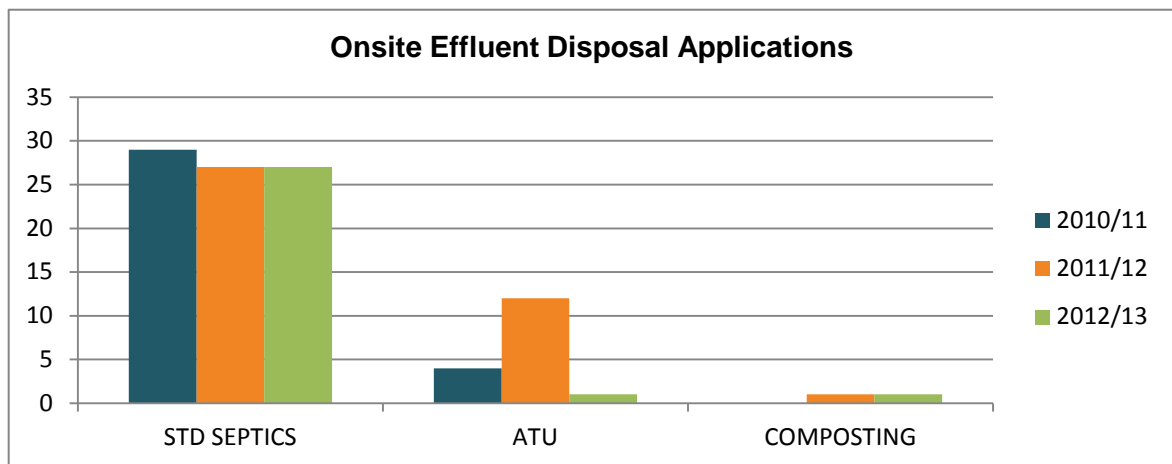
### 10.3.5 Protection of Health

Protection and enhancement of health is a recognised priority of the Shire, and it is necessary to ensure that development occurs in the best interest of the community and its health.

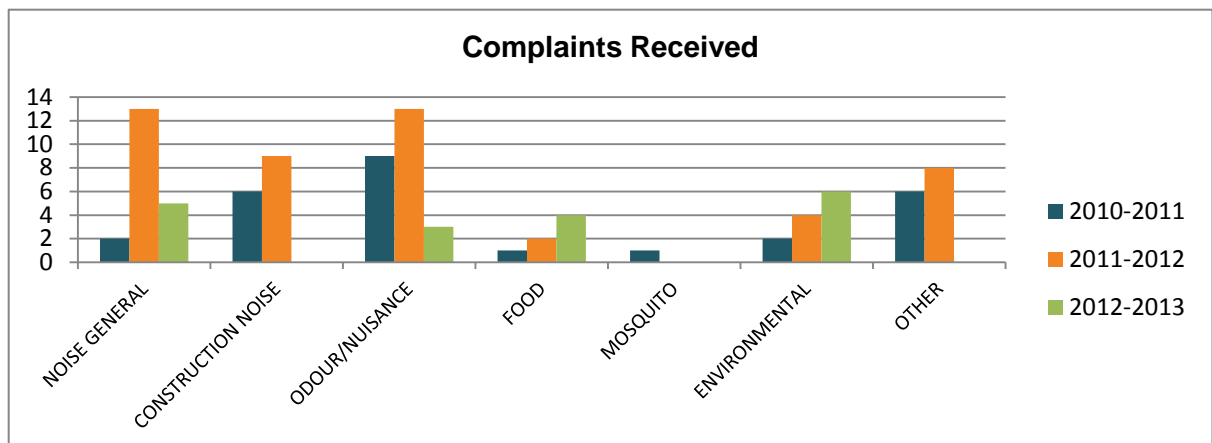
Along with the requirements for permanent land use development, the Shire is also responsible for ensuring that public events are planned and managed with safety as a priority. The Shire is home to some large public events which bring together many public health issues including food safety, crowd control, amenities, waste management and noise. All of these health issues need to be managed in the interest of public safety.

This year there was an increase in the number of events being held, which included the Wyndham Stars on the Bastion, Kimberley Moon Experience, Barramundi Concert, Ord Valley Muster Street Party and the Kununurra Markets which resulted in a large number of Temporary Food Stall licences being issued.

Development trends were reflected in the number of wastewater applications received and processed in 2012-2013.



Overall there was a decrease in the total number health complaints compared to previous years. The majority of complaints related to environmental concerns predominately in relation to untidy residential sites, excess rubbish and asbestos. The remaining complaints involved general noise, food and odour. All complaints have been actioned or are pending further investigation.



### 10.3.6 Public Health Promotion

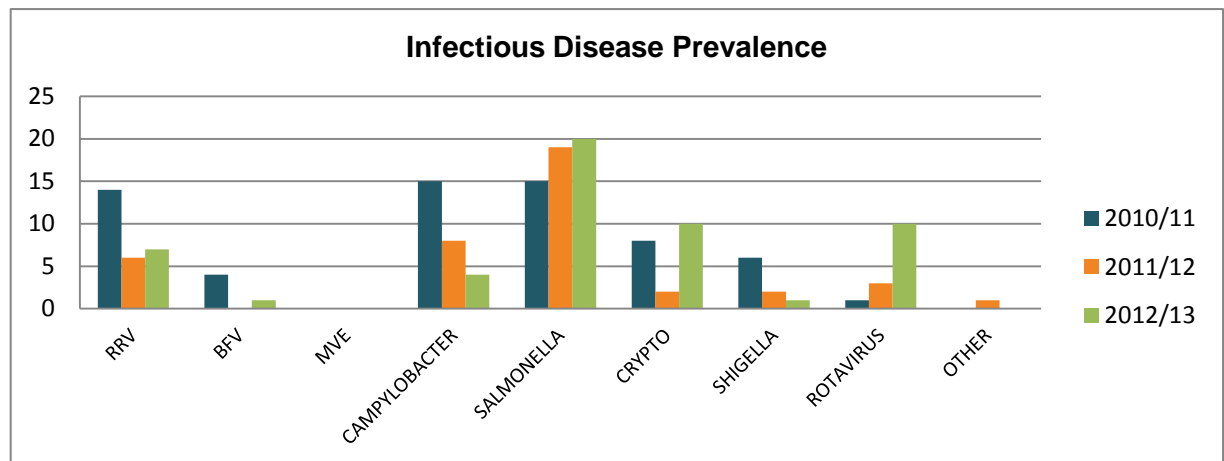
Awareness of food safety, mosquito borne diseases and transmission of communicable diseases are all important in protecting the health of our local community.

The number of reported salmonella cases increased marginally from previous years and the increase in the number of cryptosporidium cases reported represented a seasonal peak reflected throughout the Kimberley region.

There was an increase in the number of rotavirus cases reported. The majority of cases were reported in August 2012 and were predominately children under the age of 3 years old however the increase was minimal as there were a total of ten cases reported for the year.

The smaller wet season (than the previous year) is reflected in the statistics of notifiable diseases received by the Shire. In particular the cases of Ross River and Barmah Forest Virus were reduced.

The mosquito borne disease risk is at its peak from February to May each year and this trend continued throughout 2012-2013.



## 10.4 Libraries

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### 10.4.1 Kununurra Community Library

Kununurra Community Library moved into the new building over 2 weeks in late November. Staff during this time packed and unpacked over 24,000 books and other resources before opening the doors on 5 December 2012. The new library is bright, comfortable and has an area for everyone to enjoy.

Kununurra Community library loaned 55,640 items and currently the library has 6097 active members.

During the year, the library organised and hosted many community events including:

July – Kimberley Writers Festival – the eighth Festival organised by Kununurra Community Library was a huge success bringing nine authors, singers, storytellers, editors and publishers to Kununurra for the education and entertainment of more than 1800 residents and visitors.

August – Children’s Book Week – Samantha Hughes, children’s illustrator and storyteller visited and presented to more than 1,300 school children from Kununurra District High School, St Joseph’s School in Kununurra, Wyndham District High School and Kalumburu District High School over five days thanks to generous funding from Department of Culture and the Arts, Healthway and the Children’s Book Council of WA.

14 February – Library Lovers Day – chocolates, balloons and blind dates with a book all helped make this special day enjoyable for all the library’s patrons.

May - National Simultaneous Storytime – more than 300 students and pre-schoolers from Kununurra joined Cr Di Ausburn for the reading of “The Wrong Book” by Nick Bland. After the reading they all spent time making masks and enjoying the healthy morning tea prepared by the library staff.



Kununurra Library



Kimberley Writers Festival

## 11 INFRASTRUCTURE

The Infrastructure Directorate focus on delivering high quality capital works projects and operational services.

During 2012-2013 86% of the Capital Works programme was delivered and on budget. Some projects were carried forward to 2013-2014 due to contract firm's prices being above budget estimate.

### 11.1 Asset Management

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Implementation continued of the Asset Management Improvement Strategy and Asset Management Plan (AMP).

One of the main purposes of the AMP is to highlight the current gap between budgeted asset renewal expenditure and required expenditure. The identified shortfall in Capital Renewal Expenditure of \$8.2m per annum will impact upon the levels of service provided to the community and needs to be addressed in order to develop the necessary funding plans to provide the appropriate levels of service.

Staff have begun 'traffic counts' for all roads and 'condition assessments' to provide better data for our Asset Management Systems to enable more strategic decision making in future. Work has commenced on defining 'levels of service' for future community consultation on appropriate, affordable levels of service delivery.

### 11.2 Waste Management Strategy

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Implementation of the Waste Management Strategy continued with the development of a 10 year financial plan to ensure compliance with the Department of Environment and Regulation licence conditions and to ensure continued environmental management of landfills beyond their current use by dates.

The Wyndham facility has undergone changed operations and to extend its life and reduce risk of environmental contamination (asbestos) it no longer accepts construction and demolition waste which is instead transported to Kununurra.

### 11.3 WANDRRA

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The Kalumburu Road and Lake Argyle Spillway Bridge sustained major damage during the March 2011 floods. National Disaster Funding was secured under the Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA), for employment of a Civil Engineer to manage repair of essential public assets (e.g. the road network and bridge abutment) and clean-up activities, directly related to the heavy rainfall and flood event of March 2011. All restoration works totalling \$2.4m were completed during the 2012-2013 year.

### 11.4 Ranger Services

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Ranger Services were transferred to the Infrastructure Directorate in March 2013. Work commenced on reviewing the services provided and recruitment of new staff. A refocus was implemented for better service delivery and a more proactive approach to emergency Management. All four Kimberley Councils have commenced discussions with the Department of Fire and Emergency Services for them to be the primary agency responsible for 'fire response' in rural areas rather than the Shire.

## 11.5 Projects

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### 11.5.1 Nicolson Park Solar Safety Lighting

State Government Crime Prevention grant funding was obtained with contribution matched by the Shire towards installing nine new solar lights through Nicolson Park to help aid safe pedestrian movement and cut down on vandalism. This has resulted in reduced anti-social behaviour and higher utilisation of the park.



Installation of Nicolson Park Solar Safety Lighting

### 11.5.2 Ivanhoe Crossing

A clean-up of the crossing on the Kununurra side was completed with much improved visitor amenity after damage caused by the March 2011 flood. Work continues with Main Roads WA to assess the structural integrity of the crossing to determine whether it can be reopened to vehicular traffic in the near future.

### 11.5.3 Ivanhoe Bridge Railing

Railing on the bridge over the M1 Channel on Ivanhoe Road was replaced after being extensively damaged by a motor vehicle accident. The project cost was \$25,000.

### 11.5.4 Kalumburu Road

A funding submission was made to the State Government for additional funds to maintain the road due to increased use of the road by tourists, resulting in increased Aboriginal Access Road funding of \$250k per annum for the next two years. Whilst this funding will help maintain the existing surfaces further funding is required for extensive re-sheeting to improve the level of service. During the 2013-2014 year, work will commence on a major Business Case to Government for such improvements.



Kalumburu Road



### 11.5.5 Township Roads Patching

Funds were not available for the required major resealing program so jet patching of the network was undertaken to seal cracks etc with a cost of \$140,000.

### 11.5.6 Metering of Parks and Gardens Pump Stations

On advice from the Water Corporation, responsibility was taken for metering and reporting consumption for all pumping stations accessing raw water from Lake Kununurra. This responsibility was met with the installation of meters on all pump stations in Messmate and Casuarina Way. The project cost was \$26,000.



**Pump Station**

### 11.5.7 Messmate Way Roundabout

Work commenced on the relocation of Horizon Power assets to enable reconstruction of the roundabout. Work was not completed due to the inability to secure the required contractors to undertake the work. It is proposed to undertake these works with other major reconstruction projects in 2013-2014.

### 11.5.8 Drainage / Parking, Picture Gardens / Coolibah Street

The former open drains near the Picture Gardens have now been 'piped' and filled in providing a much better amenity for the area and additional parking space for large events. The project cost for works completed in 2012-2013, was \$105,000. The balance of works along Coolibah Street will be completed in 2013-14.



Installation of Pipes at the Picture Gardens

### 11.5.9 Drainage Kununurra Ewin Childcare Centre

Drainage was installed through the childcare centre to stop water 'ponding' in the facilities play area. Subsoil drainage was installed around the boundary line and connected to the existing system to help alleviate the problem. Project cost was \$30,000.



Installation of Drainage at Ewin Childcare Centre

### 11.5.10 Stormwater Management Plan

GH & D Pty Ltd were engaged to undertake a drainage feature survey and stormwater management plan for the industrial and older residential sections of Kununurra. The flood modelling data has now enabled a review of existing drainage networks and a plan for improvements to reduce the impact of flooding within the Kununurra Township. Stage One works started with the upgrade of the walking path culvert on Speargrass Road.

The plan for 2013-2014 is to implement further remediation of the drainage structure upstream from Speargrass Road along Ironwood Drive through to the Hidden Valley and down Weaber Plain Road to Lilly Creek Lagoon.



**Culvert on Speargrass Road**

### 11.5.11 Kununurra Depot Upgrade

The Kununurra Depot has had a major tidy-up and new facilities include new lunchroom and staff facilities, upgraded storage facilities, new wash down bay, improved fencing security, signage and landscaping.

### 11.5.12 Landfill Plant Upgrade – Traxcavator



**Cr John Moulden with the new Traxcavator**

A Traxcavator is now in use to reduce the depth of cover material required and provide better compaction of the landfill thus extending its operating life. The machine is also more versatile in its use in a range of landfill operations rather than using many items of equipment.

## 11.6 Rangers

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There has been a concerted effort to increase patrols by Rangers with an emphasis on animal management (mainly dog enforcement). 'Adopt a dog' was introduced on the Shire website to increase opportunity to re-house homeless dogs.

Throughout the year Rangers undertook the preparation of fire breaks and other preventative (safety) measures working closely with DFES (Department of Fire and Emergency), DEC (Department of Conservation and Environment) and local fire brigades. The number of fires attended increased from previous years and there was a rise in the number of fire permits issued in the June quarter which coincided with the fire restriction period.

Progression was made with DFES, trialling the responsibility of the local fire brigades and response effort for fires with DFES in place of the Shire of Wyndham East Kimberley. This trial will be for a period of three years to commence from August 2013.

Systems and procedures are also being put in place for management of the new Cat Act which is to be implemented in November 2013.



SHIRE of WYNDHAM | EAST KIMBERLEY

# FINANCIAL REPORT

2012 | 2013

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

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**SHIRE OF WYNDHAM EAST KIMBERLEY**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30TH JUNE 2013**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

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

Signed as authorisation of issue on the 21 day of JANUARY 2014

  
\_\_\_\_\_  
Gary Gaffney  
Chief Executive Officer

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2013 \$	2013 Budget \$	2012 \$
<b>Revenue</b>				
Rates	22	7,006,756	7,124,150	6,628,002
Operating Grants, Subsidies and Contributions	28	6,212,650	4,257,318	8,651,691
Fees and Charges	27	6,850,227	6,893,488	6,572,625
Interest Earnings	2(a)	719,590	492,800	792,309
Other Revenue		<u>7,165,346</u>	<u>407,625</u>	<u>576,907</u>
		<u>27,954,569</u>	<u>19,175,381</u>	<u>23,221,534</u>
<b>Expenses</b>				
Employee Costs		(9,540,670)	(9,956,186)	(8,155,680)
Materials and Contracts		(6,676,645)	(7,077,060)	(8,817,726)
Utility Charges		(1,005,186)	(925,150)	(808,440)
Depreciation on Non-Current Assets	2(a)	(4,166,478)	(3,160,790)	(3,327,925)
Interest Expenses	2(a)	(205,193)	(213,264)	(395,024)
Insurance Expenses		(440,080)	(448,958)	(349,428)
Other Expenditure		<u>(952,697)</u>	<u>(805,655)</u>	<u>(1,050,960)</u>
		<u>(22,986,949)</u>	<u>(22,587,063)</u>	<u>(22,905,183)</u>
		4,967,620	(3,411,682)	316,351
Non-Operating Grants, Subsidies and Contributions	28	3,190,645	5,141,800	7,952,478
Profit on Asset Disposals	20	61,998	936,084	428,212
Loss on Asset Disposal	20	<u>(103,672)</u>	<u>(59,763)</u>	<u>(131,105)</u>
<b>Net Result</b>		<b>8,116,591</b>	<b>2,606,439</b>	<b>8,565,936</b>
<b>Other Comprehensive Income</b>				
Changes on revaluation of non-current assets	12	808,168	0	0
<b>Total Other Comprehensive Income</b>		<u>808,168</u>	<u>0</u>	<u>0</u>
<b>Total Comprehensive Income</b>		<u><u>8,924,759</u></u>	<u><u>2,606,439</u></u>	<u><u>8,565,936</u></u>

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



**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2013 \$	2013 Budget \$	2012 \$
<b>Revenue</b>				
Governance		288,241	677,320	1,031,637
General Purpose Funding		11,676,478	9,546,062	13,152,890
Law, Order, Public Safety		46,038	46,138	41,177
Health		23,540	61,900	57,683
Education and Welfare		199,471	164,305	171,867
Housing		190,244	202,465	189,725
Community Amenities		2,474,155	2,198,633	2,179,198
Recreation and Culture		7,138,059	583,820	560,844
Transport		5,322,250	5,313,493	5,376,043
Economic Services		149,180	144,000	244,666
Other Property and Services		446,913	237,245	215,804
	2(a)	<u>27,954,569</u>	<u>19,175,381</u>	<u>23,221,534</u>
<b>Expenses</b>				
Governance		(1,855,997)	(2,672,420)	(2,614,070)
General Purpose Funding		(552,984)	(550,904)	(528,409)
Law, Order, Public Safety		(611,850)	(555,566)	(578,671)
Health		(481,941)	(421,676)	(348,845)
Education and Welfare		(421,787)	(397,479)	(405,722)
Housing		(676,748)	(582,258)	(557,784)
Community Amenities		(4,624,931)	(4,490,082)	(4,861,173)
Recreation and Culture		(4,704,365)	(4,232,532)	(4,069,681)
Transport		(7,483,892)	(7,273,308)	(7,373,744)
Economic Services		(791,130)	(884,860)	(900,539)
Other Property and Services		(576,130)	(312,715)	(271,521)
	2(a)	<u>(22,781,755)</u>	<u>(22,373,800)</u>	<u>(22,510,159)</u>
<b>Finance Costs</b>				
Governance		(107,326)	(113,062)	(26,990)
Education and Welfare		(26,719)	(26,719)	(29,698)
Housing		(4,936)	(4,936)	(52,911)
Community Amenities		(11,873)	(2,333)	0
Recreation and Culture		(54,340)	(66,213)	(75,322)
	2(a)	<u>(205,194)</u>	<u>(213,263)</u>	<u>(184,921)</u>
<b>Non-Operating Grants, Subsidies and Contributions</b>				
Governance		0	948,000	1,940,635
Law, Order, Public Safety		0	100,000	0
Housing		947,764	1,895,530	1,078,168
Community Amenities		10,000	10,000	25,000
Recreation and Culture		633,771	661,948	1,187,714
Transport		1,599,110	1,526,322	3,720,961
		<u>3,190,645</u>	<u>5,141,800</u>	<u>7,952,478</u>
<b>Profit/(Loss) on Disposal of Assets</b>				
Law, Order, Public Safety		0	180,000	0
Housing		0	716,874	347,828
Recreation and Culture		(7,851)	0	(32,473)
Transport		(30,489)	649	(86,104)
Other Property and Services		(3,334)	(21,202)	67,856
		<u>(41,674)</u>	<u>876,321</u>	<u>297,107</u>
<b>Net Result</b>		<u><b>8,116,591</b></u>	<u><b>2,606,439</b></u>	<u><b>8,776,039</b></u>
<b>Other Comprehensive Income</b>				
Changes on revaluation of non-current assets	12	808,168	0	0
<b>Total Other Comprehensive Income</b>		<u><b>808,168</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total Comprehensive Income</b>		<u><u><b>8,924,759</b></u></u>	<u><u><b>2,606,439</b></u></u>	<u><u><b>8,776,039</b></u></u>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2013**

	NOTE	2013 \$	2012 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	12,550,556	13,713,854
Trade and Other Receivables	4	1,777,825	3,159,715
Inventories	5	10,606	11,866
Other Financial Assets		6,682	6,683
<b>TOTAL CURRENT ASSETS</b>		<u>14,345,669</u>	<u>16,892,118</u>
<b>NON-CURRENT ASSETS</b>			
Other Receivables	4	10,320	9,356
Inventories	5	46,283	23,099
Property, Plant and Equipment	6	42,119,322	31,370,219
Infrastructure	7	53,552,754	49,816,170
<b>TOTAL NON-CURRENT ASSETS</b>		<u>95,728,679</u>	<u>81,218,844</u>
<b>TOTAL ASSETS</b>		<u>110,074,348</u>	<u>98,110,962</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	1,354,920	1,966,628
Long Term Borrowings	9	478,397	249,176
Provisions	10	1,060,643	1,061,651
<b>TOTAL CURRENT LIABILITIES</b>		<u>2,893,960</u>	<u>3,277,455</u>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	9	5,267,401	1,849,615
Provisions	10	100,990	96,654
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>5,368,391</u>	<u>1,946,269</u>
<b>TOTAL LIABILITIES</b>		<u>8,262,351</u>	<u>5,223,724</u>
<b>NET ASSETS</b>		<u>101,811,997</u>	<u>92,887,238</u>
<b>EQUITY</b>			
Retained Surplus		93,715,426	86,418,783
Reserves - Cash Backed	11	7,288,403	6,468,455
Revaluation Surplus	12	808,168	0
<b>TOTAL EQUITY</b>		<u>101,811,997</u>	<u>92,887,238</u>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2011</b>		<b>75,994,126</b>	<b>8,117,073</b>	<b>0</b>	<b>84,111,199</b>
Comprehensive Income					
Net Result		8,776,039	0	0	8,776,039
Changes on Revaluation of Non-Current Assets	12	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Comprehensive Income		8,776,039	0	0	8,776,039
Reserve Transfers		1,648,618	(1,648,618)	0	0
		<u>1,648,618</u>	<u>(1,648,618)</u>	<u>0</u>	<u>0</u>
<b>Balance as at 30 June 2012</b>		<b>86,418,783</b>	<b>6,468,455</b>	<b>0</b>	<b>92,887,238</b>
Comprehensive Income					
Net Result		8,116,591	0	0	8,116,591
Changes on Revaluation of Non-Current Assets	12	<u>0</u>	<u>0</u>	<u>808,168</u>	<u>808,168</u>
Total Other Comprehensive Income		8,116,591	0	808,168	8,924,759
Reserve Transfers		(819,948)	819,948	0	0
		<u>(819,948)</u>	<u>819,948</u>	<u>0</u>	<u>0</u>
<b>Balance as at 30 June 2013</b>		<b><u>93,715,426</u></b>	<b><u>7,288,403</u></b>	<b><u>808,168</u></b>	<b><u>101,811,997</u></b>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2013 \$	2013 Budget \$	2012 \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		7,179,233	6,828,513	6,579,090
Operating Grants, Subsidies and Contributions		6,212,650	6,257,318	9,704,708
Fees and Charges		8,187,640	7,002,101	6,619,133
Service Charges		282,816	0	0
Interest Earnings		719,590	491,800	792,309
Goods and Services Tax		2,973,562	1,494,286	2,548,597
Other Revenue		380,538	407,625	576,907
		<u>25,936,029</u>	<u>22,481,643</u>	<u>26,820,744</u>
<b>Payments</b>				
Employee Costs		(9,502,914)	(9,882,077)	(8,073,085)
Materials and Contracts		(7,253,734)	(6,159,035)	(9,205,083)
Utility Charges		(1,005,186)	(925,150)	(808,440)
Insurance Expenses		(440,080)	(448,958)	(349,428)
Interest expenses		(199,524)	(202,129)	(188,339)
Goods and Services Tax		(3,175,982)	(1,648,101)	(2,099,728)
Other Expenditure		(841,383)	(891,096)	(1,050,960)
		<u>(22,418,803)</u>	<u>(20,156,546)</u>	<u>(21,775,063)</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	13(b)	<u>3,517,226</u>	<u>2,325,097</u>	<u>5,045,681</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Development of Land Held for Resale		(23,184)	(94,000)	(18,216)
Payments for Purchase of Property, Plant & Equipment		(6,118,091)	(10,988,596)	(8,080,478)
Payments for Construction of Infrastructure		(5,645,452)	(7,976,298)	(4,223,898)
Non-Operating Grants, Subsidies and Contributions		3,190,645	5,141,800	6,849,310
Proceeds from Sale of Plant & Equipment		268,551	1,048,991	706,634
Proceeds from Sale of Land Held for Resale		0	250,000	0
		<u>0</u>	<u>250,000</u>	<u>0</u>
<b>Net Cash Provided By (Used In) Investing Activities</b>		(8,327,531)	(12,618,103)	(4,766,648)
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures		(352,993)	(352,066)	(1,114,499)
Proceeds from New Debentures		4,000,000	4,400,000	0
		<u>4,000,000</u>	<u>4,400,000</u>	<u>0</u>
<b>Net Cash Provided By (Used In) Financing Activities</b>		3,647,007	4,047,934	(1,114,499)
<b>Net Increase (Decrease) in Cash Held</b>		(1,163,298)	(6,245,072)	(835,466)
Cash at Beginning of Year		13,713,854	13,713,953	14,549,320
<b>Cash and Cash Equivalents at the End of the Year</b>	13(a)	<u>12,550,556</u>	<u>7,468,881</u>	<u>13,713,854</u>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2013 Actual \$	2013 Budget \$	2012 Actual \$
<b>Revenue</b>				
Governance		288,241	1,625,320	2,972,272
General Purpose Funding		4,669,722	2,421,912	6,524,888
Law, Order, Public Safety		46,038	326,138	41,177
Health		23,540	61,900	57,683
Education and Welfare		199,471	164,305	171,867
Housing		1,138,008	2,814,869	1,615,721
Community Amenities		2,484,155	2,208,633	2,204,198
Recreation and Culture		7,771,830	1,245,768	1,748,558
Transport		6,921,360	6,840,464	9,097,004
Economic Services		149,180	144,000	244,666
Other Property and Services		508,911	275,806	296,188
		<u>24,200,456</u>	<u>18,129,115</u>	<u>24,974,222</u>
<b>Expenses</b>				
Governance		(1,963,323)	(2,785,482)	(2,641,060)
General Purpose Funding		(552,984)	(550,904)	(528,409)
Law, Order, Public Safety		(611,850)	(555,566)	(578,671)
Health		(481,941)	(421,676)	(348,845)
Education and Welfare		(448,506)	(424,198)	(435,420)
Housing		(681,684)	(587,194)	(610,695)
Community Amenities		(4,636,804)	(4,492,415)	(4,861,173)
Recreation and Culture		(4,766,556)	(4,298,745)	(4,177,476)
Transport		(7,514,382)	(7,273,308)	(7,459,848)
Economic Services		(791,130)	(884,860)	(900,539)
Other Property and Services		(641,461)	(372,478)	(284,049)
		<u>(23,090,621)</u>	<u>(22,646,826)</u>	<u>(22,826,185)</u>
<b>Net Result Excluding Rates</b>		1,109,835	(4,517,711)	2,148,037
<b>Adjustments for Cash Budget Requirements:</b>				
<b>Non-Cash Expenditure and Revenue</b>				
Initial Recognition of Assets Due to Changes to Regulations	2(a)	(6,501,992)	0	0
Revaluation Losses Recognised through Expenditure		111,314	0	0
(Profit)/Loss on Asset Disposals	20	41,674	(876,321)	(297,107)
Movement in Deferred Pensioner Rates (Non-Current)		(964)	0	(1,110)
Land held for Resale transferred to PPE		0	0	55,308
Movement in Employee Benefit Provisions (Non-Current)		3,329	52,204	165,277
Depreciation and Amortisation on Assets	2(a)	4,166,478	3,160,790	3,327,925
<b>Capital Expenditure and Revenue</b>				
Purchase Land Held for Resale		(23,184)	(94,000)	(18,216)
Purchase Land and Buildings		(4,357,944)	(9,380,170)	(6,520,158)
Purchase Plant and Equipment		(1,008,006)	(1,059,000)	(433,764)
Purchase Furniture and Equipment		(530,716)	(666,550)	(779,827)
Purchase Property Plant and Equipment - Work in Progress		(221,425)	0	(402,037)
Purchase Infrastructure Assets - Roads		(3,247,700)	(4,462,412)	(336,977)
Purchase Infrastructure Assets - Footpaths		(16,218)	(42,500)	(215,287)
Purchase Infrastructure Assets - Drainage		(362,930)	(969,995)	0
Purchase Infrastructure Assets - Bridges		(21,307)	0	0
Purchase Infrastructure Assets - Other		(1,392,647)	(2,501,391)	(1,876,754)
Purchase Infrastructure - Work in Progress		(604,652)	0	(1,794,880)
Proceeds from Sale of Land Held for Resale		0	250,000	0
Proceeds from Disposal of Assets	20	268,551	1,048,991	706,634
Repayment of Debentures	21	(352,993)	(352,066)	(1,114,499)
Proceeds from New Debentures	21	4,000,000	4,400,000	0
Transfers to Reserves (Restricted Assets)	11	(1,569,241)	(939,744)	(821,324)
Transfers from Reserves (Restricted Assets)	11	749,293	822,619	2,469,942
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	8,457,035	9,029,406	7,567,850
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	5,702,346	26,300	8,457,035
<b>Total Amount Raised from General Rate</b>	22(a)	<u>(7,006,756)</u>	<u>(7,124,150)</u>	<u>(6,628,002)</u>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Preparation**

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

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

**Critical Accounting Estimates**

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

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

**(b) The Local Government Reporting Entity**

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

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

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

**(c) Goods and Services Tax (GST)**

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Cash and Cash Equivalents**

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

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

**(e) Trade and Other Receivables**

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

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

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

**(f) Inventories**

***General***

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

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

***Land Held for Resale***

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Fixed Assets**

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

***Mandatory Requirement to Revalue Non-Current Assets***

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

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

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

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

(i) that are plant and equipment; and

(ii) that are -

(I) land and buildings; or

(II) infrastructure;

and

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

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

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

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

***Land Under Control***

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

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



**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Fixed Assets (Continued)**

***Initial Recognition***

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

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

***Revaluation***

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

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

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

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

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

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

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Fixed Assets (Continued)**

***Transitional Arrangement***

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

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

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

***Early Adoption of AASB 13 - Fair Value Measurement***

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

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

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

***Land under Roads***

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

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

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Fixed Assets (Continued)**

***Depreciation of Non-Current Assets***

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

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

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

Computers	3 years
Communications	5 years
Furniture	10 years
Equipment	5 years
Light Plant	3 years
Medium Plant	7 years
Heavy Plant	10 years
Town Roads	10 to 45 years
Rural Roads	10 to 40 years
Runways/ Aprons / Taxiways	25 years
Footpaths	15 to 20 years
Drainage	40 years
Parks and Ovals	35 years
Street Lighting	25 years
Boat Ramps	10 years

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

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

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

***Capitalisation Threshold***

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

**(h) Intangible Assets**

**Easements**

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Financial Instruments**

***Initial Recognition and Measurement***

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

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

***Classification and Subsequent Measurement***

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

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

Amortised cost is calculated as:

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

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Financial Instruments (Continued)**

***Classification and Subsequent Measurement (Continued)***

*(ii) Loans and receivables*

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

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

*(iii) Held-to-maturity investments*

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

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

*(iv) Available-for-sale financial assets*

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

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

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

*(v) Financial liabilities*

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

***Impairment***

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Financial Instruments (Continued)**

***Derecognition***

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

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

**(j) Impairment**

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

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

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

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

**(k) Trade and Other Payables**

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

**(l) Employee Benefits**

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

**(m) Borrowing Costs**

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(n) Provisions**

Provisions are recognised when:

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

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

**(o) Leases**

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

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

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

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

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

**(p) Investments in Associates**

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(q) Joint Venture**

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

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

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

**(r) Rates, Grants, Donations and Other Contributions**

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

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

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

**(s) Superannuation**

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

**(t) Current and Non-Current Classification**

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



**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) Comparative Figures**

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

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

**(w) Budget Comparative Figures**

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

	<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(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.
	AASB 2012 – 6 Amendments to Australian Accounting Standards – Mandatory effective date of AASB 9 and Transition Disclosures	September 2012	Deferred AASB 9 until 1 January 2015	
(ii)	AASB 2009 – 11 Amendments to Australian Accounting Standards arising from AASB 9  [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12)	December 2009	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).

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Title and Topic	Issued	Applicable (*)	Impact
(iii) AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	December 2010	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).
(iv) AASB 10 - Consolidated Financial Statements, AASB 11 - Joint Arrangements, AASB 12 - Disclosure of Interests in Other Entities, AASB 127 -Separate Financial Statements, AASB 128 - Investments in Associates and Joint Ventures, AASB 2011 - 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	August 2011	01 January 2013	Nil - None of these, except for AASB 128 , are expected to have significant application to the operations of the Council. With respect to AASB 128, where the Council has an interest in a Joint Venture, the requirements of AASB 128 supercede those of the current Joint Venture Standard AASB 131. The new standard more clearly defines the accounting treatment and disclosure in relation to it. Due to the nature of the Joint Venture, it is not expected to have a significant impact on the Council.

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**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 2011 - 9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]	September 2011	01 July 2013	<p>The main change embodied in this standard is the requirement to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently.</p> <p>It effects presentation only and is not expected to significantly impact the Council.</p>
(vi) AASB 119 - Employee Benefits, AASB 2011 - 10 Amendments to Australian Accounting Standards arising from AASB 119 [AASB 1, 8, 101, 124, 134, 1049 & 2012-8 and Interpretation 14]	September 2011	01 January 2013	<p>The changes in relation to defined benefit plans contained in this standard are not expected to significantly impact the Council nor are the changes to AASBs in relation to termination benefits.</p>
(vii) AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 32]	June 2012	01 January 2013	<p>Principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.</p> <p>This Standard is not expected to significantly impact on the Council's financial statements.</p>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**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 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]	June 2012	01 January 2014	<p>This Standard adds application guidance to AASB 132: <i>Financial Instruments: Presentation</i> to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement.</p> <p>This Standard is not expected to significantly impact on the Council’s financial statements.</p>
(ix) AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, 101, 116, 132, 134 and Interpretation 2]	June 2012	01 January 2013	<p>Outlines changes to the various standards and interpretations as listed. These topics are not currently relevant to Council, nor are they expected to be in the future. As a consequence, this Standard is not expected to significantly impact on the Council’s financial statements.</p>
(x) AASB 2012-10: Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments. [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 & 2011-7 and Interpretation 12]	December 2012	01 January 2013	<p>Mainly consequential changes relating to transition guidance. It is not expected to have a significant impact on Council.</p>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(y) Adoption of New and Revised Accounting Standards**

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

These new and revised standards were:

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

<b>2. REVENUE AND EXPENSES</b>	<b>2013</b>	<b>2012</b>	
	<b>\$</b>	<b>\$</b>	
<b>(a) Net Result</b>			
The Net Result includes:			
(i) Charging as an Expense:			
<b>Significant Expense</b>			
Other Property and Services	<u>111,314</u>	<u>0</u>	
The significant expenses relates to the reduction in the fair value of the Shire's furniture and equipment			
<b>Auditors Remuneration</b>			
Audit of the financial report	21,500	20,500	
Audit of grant funded projects	6,395	4,200	
Assistance with other matters	8,100	3,950	
Reimbursable expenses	<u>5,067</u>	<u>5,963</u>	
	<u>41,061</u>	<u>34,613</u>	
<b>Depreciation</b>			
Buildings	1,144,763	624,177	
Furniture and Equipment	192,847	166,582	
Plant and Equipment	605,654	671,926	
Roads	1,332,471	1,241,875	
Footpaths	74,977	71,131	
Drainage	15,396	14,601	
Bridges	9,853	9,384	
Airport	220,549	216,024	
Others	<u>569,968</u>	<u>312,225</u>	
	<u>4,166,478</u>	<u>3,327,925</u>	
<b>Interest Expenses (Finance Costs)</b>			
Finance Lease Charges	228,970	210,103	
Debentures ( <i>refer Note 21(a)</i> )	<u>205,193</u>	<u>184,921</u>	
	<u>434,163</u>	<u>395,024</u>	
(ii) Crediting as Revenue:			
	<b>2013</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
		<b>\$</b>	
<b>Interest Earnings</b>			
Investments			
- Reserve Funds	324,748	300,000	419,882
- Other Funds	271,211	92,800	259,039
Other Interest Revenue ( <i>refer note 26</i> )	<u>123,631</u>	<u>100,000</u>	<u>113,388</u>
	<u>719,590</u>	<u>492,800</u>	<u>792,309</u>
<b>Significant Revenue</b>			
Initial Recognition of Assets due to Change to Regulations			
Recreation and Culture	<u>6,501,992</u>		<u>0</u>
	<u>6,501,992</u>		<u>0</u>

This significant revenue relates to the initial recognition of golf courses, race courses and showground on Crown Land under the Shire's control in accordance with amendments to the Financial Management Regulations. They have been classified as other Revenue by Nature or Type.

**SHIRE OF WYNDHAM-EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**2. REVENUE AND EXPENSES (Continued)**

**(b) Statement of Objective**

The Shire of Wyndham-East Kimberley is dedicated to providing high quality services to the community through the various service orientated programs which it has established. In order to discharge its responsibilities to the community, the Shire has developed a set of operational and financial objectives.

**GENERAL PURPOSE FUNDING**

**Objective:**

To collect revenue to allow for the provision of services.

**Activities:**

Rates, general purpose government grants and interest revenue.

**GOVERNANCE**

**Objective:**

To provide a decision making process for the efficient allocation of scarce resources.

**Activities:**

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

**LAW, ORDER, PUBLIC SAFETY**

**Objective:**

To provide services to help ensure a safer and environmentally conscious community.

**Activities:**

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

**HEALTH**

**Objective:**

To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control, pest control and waste disposal compliance.

**EDUCATION AND WELFARE**

**Objective:**

To provide services to disadvantaged persons, the elderly, children and youth.

**Activities:**

Operation of youth services, day care centres and assistance to other voluntary services.

**HOUSING**

**Objective:**

To provide and maintain staff and residential housing.

**Activities:**

Provision of staff and residential housing.



**SHIRE OF WYNDHAM-EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**2. REVENUE AND EXPENSES (Continued)**

**COMMUNITY AMENITIES**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish Collection services, operation of landfill sites, litter control, administration of the town planning schemes, maintenance of cemeteries, maintenance of rest centres and storm water drainage maintenance.

**RECREATION AND CULTURE**

**Objective:**

To establish and effectively manage infrastructure and resource which will help the social well being of the community.

**Activities:**

Maintenance of halls, aquatic centres, recreation centres and various reserves; operation of library and community development services.

**TRANSPORT**

**Objective:**

To provide safe, effective and efficient transport services to the community.

**Activities:**

Construction and maintenance of streets, roads, bridges; cleaning and lighting of streets, traffic lights; depot maintenance.

The provision and operation of airport services.

**ECONOMIC SERVICES**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

The regulation and provision of tourism, area promotion, building control, noxious weeds and vermin control.

**OTHER PROPERTY & SERVICES**

**Objective:**

To monitor and control council's overheads operating accounts.

**Activities:**

Private works operation, plant repairs, operations and administrative costs.

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**2. REVENUE AND EXPENSES (Continued)**

**(c) Conditions Over Grants/Contributions**

<b>Grant/Contribution</b>	<b>Function/ Activity</b>	<b>Opening Balance (*) 1-Jul-11 \$</b>	<b>Received (+) 2011/12 \$</b>	<b>Expended (#) 2011/12 \$</b>	<b>Closing Balance (*) 30-Jun-12 \$</b>	<b>Received (+) 2012/13 \$</b>	<b>Expended (#) 2012/13 \$</b>	<b>Closing Balance 30-Jun-13 \$</b>
Kimberley Zone Secretariat	Governance	119,924	120,000	(149,821)	90,103	25,155	(115,258)	0
Kimberley Zone Business Plan	Governance	91,718	22,727	(112,271)	2,174	25,000	(24,999)	2,175
Kimberley Zone Housing Construction	Governance	0	2,374,273	(5,750)	2,368,523	92,140	(10,477)	2,450,185
Kimberley Regional Collaborative Group	Governance	354,000	190,000	(531,226)	12,774	44,075	(42,065)	14,784
Kimberley Regional Collaborative Group - Project Officer (DLG)	Governance	81,355	40,000	(95,946)	25,409	1,585	(26,994)	(0)
Kimberley Joint Shires - Service Delivery Remote Aboriginal Communities (DLG)	Governance	43,905	0	(42,481)	1,424	0	0	1,424
Integrated Planning Framework (IPF) - Asset Management Funding	Governance	0	30,079	(13,807)	16,272	0	(16,272)	0
Integrated Planning Framework (IPF) - Long Term Financial Planning Funding	Governance	0	30,000	0	30,000	0	(30,000)	(0)
Royalties for Regions (CLGF)	Housing	1,105,193	0	(1,105,193)	0	947,764	(675,029)	272,735
Wyndham Foreshore Protection and Enhancement Plan - Funding	Community Amenities	0	4,500	0	4,500	10,500	(15,000)	0
Childrens Book Week	Recreation and Culture	4,300	4,350	(4,300)	4,350	3,700	(5,642)	2,408
Road Wise	Community Amenities	312		(312)	0			
KLC Hall Upgrade	Recreation and Culture	0	24,895	(12,254)	12,641	150,105	(162,746)	0
Youth Services (AGD)	Community Amenities	104,384	60,500	(11,653)	153,231	133,000	(158,816)	127,415
Youth Services (FaCHSIA)	Community Amenities	50,000	50,000	(50,000)	50,000	0	(956)	49,044
Youth Trainee (DLG)	Community Amenities	0	11,500	0	11,500	0	(11,500)	0
Kimberley Kids in the Kitchen - Youth Services	Community Amenities	0	0	0	0	5,000	(5,000)	0
Kids in Sport	Recreation and Culture	0	30,000	(870)	29,130	0	(5,716)	23,414
Club Development Officer (DSR)	Recreation and Culture	0	0	0	0	105,000	(19,766)	85,234
Kids in Clubs	Recreation and Culture	23,484	0	(23,484)	0	0		0
Crime Prevention (Park Lighting)	Community Amenities	0	25,000	0	25,000	0	(25,000)	0
Regional Local Community Infrastructure Grant	Recreation and Culture	196,000	107,000	(274,330)	28,670	0	(28,670)	0
Roads to Recovery	Transport	230,143	1,322,082	(617,717)	934,508	135,092	(1,026,194)	43,406
Regional Road Group -Main Road	Transport	248,355	728,879	(194,865)	782,369	505,816	(1,106,463)	181,722
Sustainable Regions Grant	Transport	26,300	0	0	26,300	0	0	26,300

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**2. REVENUE AND EXPENSES (Continued)**

**(c) Conditions Over Grants/Contributions (Continued)**

<b>Grant/Contribution</b>	<b>Function/ Activity</b>	<b>Opening Balance (*) 1-Jul-11 \$</b>	<b>Received (+) 2011/12 \$</b>	<b>Expended (#) 2011/12 \$</b>	<b>Closing Balance (*) 30-Jun-12 \$</b>	<b>Received (+) 2012/13 \$</b>	<b>Expended (#) 2012/13 \$</b>	<b>Closing Balance 30-Jun-13 \$</b>
Aboriginal Access Roads - Federal Grant (WALGGC)	Transport	<b>250,000</b>	255,000	(279,447)	<b>225,553</b>	308,000	(533,553)	<b>(0)</b>
Road Upgrade - Carlton Hill Road	Transport	<b>0</b>	0	0	<b>0</b>	225,000	(3,635)	<b>221,365</b>
Kimberley Development Commission	Economic Development	<b>205,000</b>	100,000	(217,000)	<b>88,000</b>	0	(88,000)	<b>0</b>
East Kimberley Development Package	Various	<b>1,023,239</b>	1,000,000	(1,462,719)	<b>560,520</b>	168,065	0	<b>728,585</b>
<b>Total</b>		<b><u>4,157,612</u></b>	<b><u>6,530,785</u></b>	<b><u>(5,205,446)</u></b>	<b><u>5,482,951</u></b>	<b><u>2,884,997</u></b>	<b><u>(4,137,752)</u></b>	<b><u>4,230,196</u></b>

**Notes:**

(\*) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(+) - 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.

(#) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>3. CASH AND CASH EQUIVALENTS</b>		
Unrestricted	1,031,957	1,762,448
Restricted	11,518,599	11,951,406
	<u>12,550,556</u>	<u>13,713,854</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:		
Waste Management	295,061	553,690
Airport	5,189,347	4,184,595
Plant and Equipment	75,305	71,705
Parking	234,084	279,376
Non-Potable Water	89,570	85,288
Civic Building	7,353	7,001
East Kimberley Tourism	116,481	107,691
Foreshore Reserve	83,156	8,750
Staff Entitlement	216,403	216,644
Recreation Hard courts	25,126	62,976
Bio Security	258,371	246,020
Child Care	118,661	106,261
Parks	297,160	329,724
Legal Fees	3,395	3,233
Youth Bus	18,541	10,816
Footpaths	260,389	194,685
Sub Total	<u>7,288,403</u>	<u>6,468,455</u>
Unspent Grants - (note 2(c))	4,230,196	5,482,951
	<u>11,518,599</u>	<u>11,951,406</u>
<b>4. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Rates Outstanding	521,454	753,344
Sundry Debtors	1,483,860	2,715,843
Less Provision for Doubtful Debts	(372,825)	(325,843)
GST Receivable	127,476	0
Bonds	17,860	16,371
	<u>1,777,825</u>	<u>3,159,715</u>
<b>Non-Current</b>		
Rates Outstanding - Pensioners	10,320	9,356
	<u>10,320</u>	<u>9,356</u>
<b>5. INVENTORIES</b>		
<b>Current</b>		
Fuel and Materials	8,720	8,338
Leisure Centre Stock	1,886	3,528
	<u>10,606</u>	<u>11,866</u>
<b>Non-Current</b>		
Land Held for Resale - Cost		
Cost of Acquisition		
Development Costs	46,283	23,099
	<u>46,283</u>	<u>23,099</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
Free Hold Land - Cost	2,958,255	2,046,119
Land Vested in and Under Control of Council - Land - Cost	<u>4,294,383</u>	<u>0</u>
Total Land	<u>7,252,638</u>	<u>2,046,119</u>
Buildings - Cost	36,009,634	30,731,960
Land Vested in and Under Control of Council - Buildings - Cost	2,207,609	0
Less Accumulated Depreciation	<u>(8,666,635)</u>	<u>(6,251,888)</u>
Total Buildings	<u>29,550,608</u>	<u>24,480,072</u>
Total Land and Buildings	<u>36,803,246</u>	<u>26,526,191</u>
Furniture and Equipment - Independent Valuation 2013	701,735	0
Furniture and Equipment - Management Valuation 2013	840,420	0
Furniture and Equipment - Cost	0	1,707,497
Less Accumulated Depreciation	<u>(651,296)</u>	<u>(760,927)</u>
	890,859	946,570
Plant and Equipment - Independent Valuation 2013	6,172,172	0
Plant and Equipment - Management Valuation 2013	423,715	0
Plant and Equipment - Cost	0	7,077,377
Less Accumulated Depreciation	<u>(2,497,558)</u>	<u>(3,584,980)</u>
	4,098,329	3,492,397
Work in Progress	326,888	405,061
	<u>42,119,322</u>	<u>31,370,219</u>

**Reserve Vested in and Under the Control of Council - at Cost**

In accordance with Local Government (Financial Management) Regulation 16(a) and 16(b) the Council is required to recognise as an asset:

- a) Crown land operated by the Shire as a golf course, showground, race course, or other sporting or recreational facility of State or regional significance; and
- b) any structures or improvements on the land referred to in paragraph (a)

Under this regulation the following land has been recognised as at 30 June 2013:

	<b>2013</b>
	<b>\$</b>
- Wyndham Race Course (Crown Reserve R-24857)	540,696
- Wyndham Golf Course (Crown Reserve R-33685)	386,820
- Wyndham Recreation and Stables (Crown Reserve R-32816)	0
- Kununurra Race Course (Crown Reserve R-30290)	2,443,042
- Kununurra Golf Course (Crown Reserve R- 29167)	1,817,289
- Kununurra Showgrounds (Crown Reserve R-29799)	<u>1,314,145</u>
	<u>6,501,992</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**Plant and Equipment - Mobile Plant and Motor Vehicle**

The Plant and Equipment - Mobile Plant and Motor Vehicle were revalued at 30 June 2013 by independent valuers. All of the valuations were made on the basis of open market values of similar assets adjusted for condition and comparability (Level 2 inputs in the fair value hierarchy)

The revaluation resulted in an overall increase of \$414,868 in the net value of the Shire's Mobile Plant and Motor Vehicle. All of this increase was credited to the revaluation surplus in the Shire's equity (refer Note 12 for further details) and was recognised as changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

**Plant and Equipment - Other than Mobile Plant and Motor Vehicle**

The Shire's Plant and Equipment - Other than Mobile Plant and Motor Vehicle that could not be valued on the basis of open market values have been revalued at 30 June 2013 by using a management valuation approach, having regard for their current replacement cost, condition assessment (Level 2 inputs in the fair value hierarchy), residual value and remaining estimated useful life (Level 3 input).

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

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

The revaluation resulted in overall increase of \$393,300 in the net value of the Shire's Plant and Equipment - Other than Mobile Plant and Motor Vehicle. All of this increase was credited to the revaluation surplus in the Shire's equity (refer Note 12 for further details) and was recognised as changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

**Furniture and Equipment**

The Shire's Furniture and Equipment were revalued at 30 June 2013 by using both independent valuers and management valuation having regard for their current replacement cost, condition assessment (Level 2 inputs in the fair value hierarchy), residual value and remaining estimated useful life (Level 3 input).

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

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

The revaluation has resulted in decrease in the net value of the Shire's Furniture and Equipment. Consequently, the decrease of \$111,314 was recognised in the net result in the statement of Comprehensive income.

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**6. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**Movements in Carrying Amounts**

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

	Land \$	Buildings \$	Total Land and Buildings \$	Plant and Equipment (Level 2) \$	Plant and Equipment (Level 3) \$	Total Plant and Equipment \$	Furniture and Equipment (Level 3) \$	Work in Progress \$	Total \$
Balance as at the beginning of the year	2,046,119	24,480,072	<b>26,526,191</b>	2,339,883	1,152,514	<b>3,492,397</b>	946,570	405,061	<b>31,370,219</b>
Additions	912,136	3,445,808	<b>4,357,944</b>	868,300	139,706	<b>1,008,006</b>	530,716	221,425	<b>6,118,091</b>
(Disposals)	0	(7,852)	<b>(7,852)</b>	(270,510)	0	<b>(270,510)</b>	(31,864)	0	<b>(310,226)</b>
Revaluation - Increments	0	0	<b>0</b>	414,868	393,300	<b>808,168</b>	0	0	<b>808,168</b>
- (Decrements)	0	0	<b>0</b>	0	0	<b>0</b>	(111,314)	0	<b>(111,314)</b>
Impairment - (Losses)	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
- Reversals	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
Initial Recognition of assets Due to Changes to Regulations	4,294,383	2,207,609	<b>6,501,992</b>	0	0	<b>0</b>	0	0	<b>6,501,992</b>
Depreciation (Expense)	0	(1,144,763)	<b>(1,144,763)</b>	(429,591)	(176,063)	<b>(605,654)</b>	(192,847)	0	<b>(1,943,264)</b>
Reclassifications	0	569,734	<b>569,734</b>	0	(334,078)	<b>(334,078)</b>	(250,402)	(299,598)	<b>(314,344)</b>
<b>Carrying amount at the end of year</b>	<u><u>7,252,638</u></u>	<u><u>29,550,608</u></u>	<u><u><b>36,803,246</b></u></u>	<u><u>2,922,950</u></u>	<u><u>1,175,379</u></u>	<u><u><b>4,098,329</b></u></u>	<u><u><b>890,859</b></u></u>	<u><u><b>326,888</b></u></u>	<u><u><b>42,119,322</b></u></u>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

	2013 \$	2012 \$
<b>7. INFRASTRUCTURE</b>		
Roads - Cost	48,998,378	44,265,150
Less Accumulated Depreciation	<u>(15,936,026)</u>	<u>(14,603,555)</u>
	33,062,352	29,661,595
Footpaths - Cost	1,984,671	1,867,686
Less Accumulated Depreciation	<u>(996,376)</u>	<u>(921,399)</u>
	988,295	946,287
Drainage - Cost	2,024,774	1,637,950
Less Accumulated Depreciation	<u>(1,101,883)</u>	<u>(1,086,487)</u>
	922,891	551,463
Bridges - Cost	303,113	281,805
Less Accumulated Depreciation	<u>(44,295)</u>	<u>(34,441)</u>
	258,818	247,364
Airports - Cost	5,581,740	5,581,740
Less Accumulated Depreciation	<u>(1,858,798)</u>	<u>(1,638,250)</u>
	3,722,942	3,943,490
Other Infrastructure - Cost	17,300,898	15,358,376
Less Accumulated Depreciation	<u>(3,505,213)</u>	<u>(2,805,735)</u>
	13,795,685	12,552,641
Work in Progress	<u>801,771</u>	<u>1,913,330</u>
	<u>53,552,754</u>	<u>49,816,170</u>



**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**7. INFRASTRUCTURE (Continued)**

**Movements in Carrying Amounts**

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

	<b>Roads \$</b>	<b>Footpaths \$</b>	<b>Drainage \$</b>	<b>Bridges \$</b>	<b>Airport</b>	<b>Other Infrastructure</b>	<b>Work in Progress</b>	<b>Total \$</b>
Balance at the beginning of the year	29,661,595	946,287	551,463	247,364	3,943,491	12,552,640	1,913,330	49,816,170
Additions	3,247,700	16,218	362,930	21,307	0	1,392,647	604,652	5,645,454
(Disposals)	0	0	0	0	0	0	0	0
Revaluation - Increments	0	0	0	0	0	0	0	0
- (Decrements)	0	0	0	0	0	0	0	0
Impairment - (Losses)	0	0	0	0	0	0	0	0
- Reversals	0	0	0	0	0	0	0	0
Depreciation (Expense)	(1,332,471)	(74,977)	(15,396)	(9,853)	(220,549)	(569,968)	0	(2,223,214)
Reclassifications	1,485,528	100,767	23,894	0	0	420,366	(1,716,211)	314,344
<b>Carrying amount at the end of year</b>	<b><u>33,062,352</u></b>	<b><u>988,295</u></b>	<b><u>922,891</u></b>	<b><u>258,818</u></b>	<b><u>3,722,942</u></b>	<b><u>13,795,685</u></b>	<b><u>801,771</u></b>	<b><u>53,552,754</u></b>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

	<b>2013</b>	<b>2012</b>		
	<b>\$</b>	<b>\$</b>		
<b>8. TRADE AND OTHER PAYABLES</b>				
<b>Current</b>				
Sundry Creditors	1,019,977	1,104,448		
Accrued Interest on Debentures	34,101	28,431		
Accrued Salaries and Wages	138,644	110,804		
Accrued Expenses	7,941	500,331		
ATO Liability	154,257	147,670		
GST Payable	0	74,944		
	<u>1,354,920</u>	<u>1,966,628</u>		
<b>9. LONG-TERM BORROWINGS</b>				
<b>Current</b>				
Secured by Floating Charge Debentures	<u>478,397</u>	<u>249,176</u>		
	<u>478,397</u>	<u>249,176</u>		
<b>Non-Current</b>				
Secured by Floating Charge Debentures	<u>5,267,401</u>	<u>1,849,615</u>		
	<u>5,267,401</u>	<u>1,849,615</u>		
Additional detail on borrowings is provided in <i>Note 21</i> .				
<b>10. PROVISIONS</b>				
Analysis of Total Provisions				
<b>Current</b>				
Provision for Annual Leave	600,978	610,059		
Provision for RDO	107,250	75,914		
Provision for Long Service Leave	352,415	375,678		
	<u>1,060,643</u>	<u>1,061,651</u>		
<b>Non-Current</b>				
Provision for Long Service Leave	<u>100,990</u>	<u>96,654</u>		
	<u>100,990</u>	<u>96,654</u>		
<b>Total</b>	<u><b>1,161,633</b></u>	<u><b>1,158,305</b></u>		
	<b>Provision for RDO</b>	<b>Provision for Annual Leave</b>	<b>Provision for Long Service Leave</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening balance as at 1 July 2012	75,914	610,059	472,332	1,158,305
Additional provisions	0	618,742	81,568	700,310
Amounts used	0	(627,823)	(70,957)	(698,780)
Un-used amounts reversed	0	0	(29,538)	(29,538)
Net Movement	31,336	0	0	31,336
Balance at 30 June 2013	<u>107,250</u>	<u>600,978</u>	<u>453,405</u>	<u>1,161,633</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
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	2013 \$	2013 Budget \$	2012 \$
<b>11. RESERVES - CASH BACKED</b>			
<b>(a) Waste Management</b>			
Opening Balance	553,690	553,690	282,458
Amount Set Aside / Transfer to Reserve	300,877	298,759	271,232
Amount Used / Transfer from Reserve	(559,506)	(334,343)	0
	<u>295,061</u>	<u>518,106</u>	<u>553,690</u>
<b>(b) Airport General</b>			
Opening Balance	4,184,595	4,184,595	5,784,141
Amount Set Aside / Transfer to Reserve	1,004,752	407,826	297,892
Amount Used / Transfer from Reserve	0	0	(1,897,438)
	<u>5,189,347</u>	<u>4,592,421</u>	<u>4,184,595</u>
<b>(c) Plant and Equipment</b>			
Opening Balance	71,705	71,705	33,243
Amount Set Aside / Transfer to Reserve	3,600	3,326	38,462
Amount Used / Transfer from Reserve	0	0	0
	<u>75,305</u>	<u>75,031</u>	<u>71,705</u>
<b>(d) Leisure Centre</b>			
Opening Balance	0	0	42,140
Amount Set Aside / Transfer to Reserve	0	0	1,900
Amount Used / Transfer from Reserve	0	0	(44,040)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(e) Parking</b>			
Opening Balance	279,376	279,376	265,090
Amount Set Aside / Transfer to Reserve	14,026	12,957	14,286
Amount Used / Transfer from Reserve	(59,318)	(250,000)	0
	<u>234,084</u>	<u>42,333</u>	<u>279,376</u>
<b>(f) Non-Potable Water</b>			
Opening Balance	85,288	85,288	80,927
Amount Set Aside / Transfer to Reserve	4,282	3,955	4,361
Amount Used / Transfer from Reserve	0	(88,000)	0
	<u>89,570</u>	<u>1,243</u>	<u>85,288</u>
<b>(g) Civic Buildings</b>			
Opening Balance	7,001	7,001	6,644
Amount Set Aside / Transfer to Reserve	352	325	357
Amount Used / Transfer from Reserve	0	0	0
	<u>7,353</u>	<u>7,326</u>	<u>7,001</u>
<b>(h) East Kimberley Tourism</b>			
Opening Balance	107,691	107,691	100,294
Amount Set Aside / Transfer to Reserve	15,902	14,995	15,338
Amount Used / Transfer from Reserve	(7,112)	(8,518)	(7,941)
	<u>116,481</u>	<u>114,168</u>	<u>107,691</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
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11. RESERVES - CASH BACKED (Continued)	2013 \$	2013 Budget \$	2012 \$
<b>(i) Foreshore Reservation</b>			
Opening Balance	8,750	8,750	41,195
Amount Set Aside / Transfer to Reserve	74,406	55,822	37,555
Amount Used / Transfer from Reserve	0	(25,000)	(70,000)
	<u>83,156</u>	<u>39,572</u>	<u>8,750</u>
<b>(j) Staff Entitlement</b>			
Opening Balance	216,644	216,644	173,441
Amount Set Aside / Transfer to Reserve	10,877	10,047	54,325
Amount Used / Transfer from Reserve	(11,118)	(6,091)	(11,122)
	<u>216,403</u>	<u>220,600</u>	<u>216,644</u>
<b>(k) Staff Housing</b>			
Opening Balance	0	0	158,724
Amount Set Aside / Transfer to Reserve	0	0	7,157
Amount Used / Transfer from Reserve	0	0	(165,881)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(l) Recreation Hardcourts</b>			
Opening Balance	62,976	62,976	59,755
Amount Set Aside / Transfer to Reserve	21,837	24,921	3,221
Amount Used / Transfer from Reserve	(59,687)	(26,667)	0
	<u>25,126</u>	<u>61,230</u>	<u>62,976</u>
<b>(m) Bio Security</b>			
Opening Balance	246,020	246,020	233,439
Amount Set Aside / Transfer to Reserve	12,351	11,410	12,581
Amount Used / Transfer from Reserve	0	0	0
	<u>258,371</u>	<u>257,430</u>	<u>246,020</u>
<b>(n) Childcare</b>			
Opening Balance	106,261	106,261	115,446
Amount Set Aside / Transfer to Reserve	15,835	16,856	18,342
Amount Used / Transfer from Reserve	(3,435)	(10,000)	(27,527)
	<u>118,661</u>	<u>113,117</u>	<u>106,261</u>
<b>(o) Parks</b>			
Opening Balance	329,724	329,724	424,816
Amount Set Aside / Transfer to Reserve	16,554	15,292	21,908
Amount Used / Transfer from Reserve	(49,118)	(54,000)	(117,000)
	<u>297,160</u>	<u>291,016</u>	<u>329,724</u>
<b>(p) Developer Contributions - Egret Close</b>			
Opening Balance	0	0	123,427
Amount Set Aside / Transfer to Reserve	0	0	5,566
Amount Used / Transfer from Reserve	0	0	(128,993)
	<u>0</u>	<u>0</u>	<u>0</u>

**SHIRE OF WYNDHAM-EAST KIMBERLEY**  
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11. RESERVES - CASH BACKED (Continued)	2013 \$	2013 Budget	2012 \$
<b>(q) Legal Fees</b>			
Opening Balance	3,233	3,233	3,068
Amount Set Aside / Transfer to Reserve	162	150	165
Amount Used / Transfer from Reserve	0	0	0
	<u>3,395</u>	<u>3,383</u>	<u>3,233</u>
<b>(r) Youth Bus</b>			
Opening Balance	10,816	10,816	4,095
Amount Set Aside / Transfer to Reserve	7,725	5,502	6,721
Amount Used / Transfer from Reserve	0	0	0
	<u>18,541</u>	<u>16,318</u>	<u>10,816</u>
<b>(s) Footpaths</b>			
Opening Balance	194,685	194,685	184,730
Amount Set Aside / Transfer to Reserve	65,704	57,601	9,955
Amount Used / Transfer from Reserve	0	(20,000)	0
	<u>260,389</u>	<u>232,286</u>	<u>194,685</u>
<b>TOTAL CASH BACKED RESERVES</b>	<u>7,288,403</u>	<u>6,585,580</u>	<u>6,468,455</u>

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

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

**Waste Management**

This reserve is for the upgrade and rationalisation of refuse disposal facilities within the Shire.

**Airport General**

This reserve is for the improvement of Council's airport facilities, and also acts as the 'float' for transferring the profit or loss on the operations of the airports in line with Council Policy F4.

**Plant and Equipment**

This reserve is for the purchase of major plant and equipment.

**Leisure Centre**

This reserve is for the capital maintenance and upgrading of the Kununurra Leisure Centre.

**Parking**

This reserve is for land purchases and/or the construction and maintenance of vehicle parking facilities within the

**Non-Potable Water**

This reserve is for the development of non-potable water supply in Wyndham.

**Civic Buildings**

This reserve is for the construction and or capital maintenance of civic buildings within the shire.

**East Kimberley Tourism**

This reserve is for the capital maintenance and/or upgrading of East Kimberley Tourism House.

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**11. RESERVES - CASH BACKED (Continued)**

**Foreshore Reservation**

This reserve is for maintaining the foreshore of Lake Kununurra, funded from the contributions of leases on portion of reserve 41812.

**Staff Entitlement**

This reserve is to provide for Shire employee entitlements.

**Staff Housing**

This reserve is for the purpose of providing for staff housing requirements.

**Recreation Hardcourts**

This reserve is for the purpose of providing for future capital upgrade of Recreational Hardcourts.

**Bio Security**

To hold funds for use in emergency situations that threaten the bio security of the East Kimberley

**Childcare**

To hold lease payments from Kununurra Childcare Centre to provide for capital maintenance of the building.

**Parks**

To hold funds from the sale of parks provided by the State to undertake major upgrades and to establish new parks and public open spaces in the Shire.

**Developer Contributions - Egret Close**

To hold funds from developers for the construction of Egret Close.

**Legal Fees**

To hold funds not expended in any budget year to accumulate to cover any significant legal costs or expenses related to regulatory prosecution and enforcement matters.

**Youth Bus**

To transfer fees from hire of Youth Buses to provide funds for repairs, maintenance and replacement of the Youth Buses.

**Footpaths**

To hold developer contributions for construction of footpaths after housing construction is completed in new subdivisions

**12. RESERVES - ASSET REVALUATION**

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

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
(a) <b>Plant and Equipment</b>		
Opening Balance	0	0
Revaluation Increment	808,168	0
Revaluation Decrement	0	0
	<u>808,168</u>	<u>0</u>
<b>TOTAL ASSET REVALUATION RESERVES</b>	<u><u>808,168</u></u>	<u><u>0</u></u>

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
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**13. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	2013 \$	2013 Budget \$	2012 \$
Cash and Cash Equivalents	<u>12,550,556</u>	<u>7,468,881</u>	<u>13,713,854</u>
<b>(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net Result	8,116,591	2,606,439	8,776,039
Depreciation	4,166,478	3,160,790	3,327,925
(Profit)/Loss on Sale of Asset	41,674	(876,321)	(297,107)
(Increase)/Decrease in Receivables	1,508,402	1,655,202	(50,648)
(Increase)/Decrease in Inventories	1,260	(3,135)	3,136
Increase/(Decrease) in Payables	(542,434)	857,789	(475,082)
Increase/(Decrease) in GST	(202,420)	0	448,869
Increase/(Decrease) in Interest on Borrowings	5,670	0	(3,418)
Increase/(Decrease) in Employee Provisions	3,328	66,133	165,277
Grants/Contributions for the Development of Assets	(3,190,645)	(5,141,800)	(6,849,310)
Initial Recognition of Assets due to Changes in Regulation	(6,501,992)	0	0
Revaluation Losses Recognised through Expenditure	111,313	0	0
Net Cash from Operating Activities	<u>3,517,225</u>	<u>2,325,097</u>	<u>5,045,681</u>

**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank Overdraft limit	0	0
Bank Overdraft at Balance Date	0	0
Credit Card limit	55,000	65,000
Credit Card Balance at Balance Date	(15,802)	(30,164)
<b>Total Amount of Credit Unused</b>	<u>39,198</u>	<u>34,836</u>

**Loan Facilities**

Loan Facilities - Current	478,397	249,176
Loan Facilities - Non-Current	5,267,401	1,849,615
<b>Total Facilities in Use at Balance Date</b>	<u>5,745,798</u>	<u>2,098,791</u>
<b>Unused Loan Facilities at Balance Date</b>	<u>221,657</u>	<u>0</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
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FOR THE YEAR ENDED 30TH JUNE 2013**

**14. CONTINGENT LIABILITIES**

A claim of \$422,921 for flood damage to a residential property has been lodged against the Shire. The claim is in discovery stage. Based on advice received, it is believed that the likelihood of a judgement against Shire is remote and in any event the Shire is fully insured.

Notice received from lawyers acting for Racing the Planet Events Ltd, organisers of the Kimberley Ultramarathon. If legal action commences then Racing the Planet Events Ltd plan to cross claim the Shire. There being only limited information in the notice this note is to advise that due to extent of injuries suffered by some of the competitors in that event, legal action is expected. Shire is fully insured in any event of judgement against the Shire.

<b>15. CAPITAL AND LEASING COMMITMENTS</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Finance Lease Commitments</b>		
The Shire of Wyndham-East Kimberley has no significant or material finance leasing commitments for the year ended 30 June 2013.		
<b>(b) Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
Payable:		
- not later than one year	194,077	129,118
- later than one year but not later than five years	100,746	22,750
- later than five years	0	0
	<u>294,823</u>	<u>151,868</u>
<b>(c) Capital Expenditure Commitments</b>		
Contracted for:		
- capital expenditure projects	444,572	1,302,064
- plant & equipment purchases	0	0
Payable:		
- not later than one year	444,572	1,302,064
The capital expenditure project outstanding at the end of the current reporting period represents		
Kununurra Pool Liner Replacement	0	78,750
Kalumburu Road Upgrade Crossings/Floodways	0	772,312
Kalumburu Road Reconstruction	0	34,810
Kalumburu Road Resheeting	0	416,192
Waterlily Place -Staff Housing	237,911	0
Wyndham Oval Toilet	80,000	0
Messmate Way Roundabout - Re-construct and seal	111,900	0
Celebrity Tree Boat Ramp -Planning	14,761	0
	<u>444,572</u>	<u>1,302,064</u>



**SHIRE OF WYNDHAM EAST KIMBERLEY  
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FOR THE YEAR ENDED 30TH JUNE 2013**

**16. JOINT VENTURE**

The Shire of Wyndham East Kimberley was not involved in any Joint Ventures in the 2012/13 financial year.

**17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Governance	682,718	917,885
General Purpose Funding	0	
Law, Order, Public Safety	95,473	157,693
Health	12,812	54,265
Education and Welfare	2,289,599	3,515,952
Housing	9,235,907	5,624,117
Community Amenities	4,777,740	2,482,502
Recreation and Culture	15,294,262	15,488,539
Transport	58,818,658	51,754,221
Economic Services	116,175	659,558
Other Property and Services	14,489,200	4,384,819
Unallocated	4,261,804	13,071,411
	<u>110,074,348</u>	<u>98,110,962</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
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<b>18. FINANCIAL RATIOS</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Current Ratio	1.06	1.61	1.37
Asset Sustainability Ratio	1.49	0.92	2.35
Debt Service Cover Ratio	16.66	3.34	12.38
Operating Surplus Ratio	0.32	0.05	0.15
Own Source Revenue Coverage Ratio	0.66	0.66	0.73

The above ratios are calculated as follows:

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

**Notes:**

- (a) Implementation relating to the Assets Consumption Ratio and the Assets Renewal Funding Ratio can be found on page 60 of this document - Supplementary Ratio Information.
- (b) Three of the 2013 ratios disclosed above are distorted by items of significant revenue and expenses relating to:

The initial recognition of Land under the Shire's control in accordance with amendments to the Financial Management Regulations amounting to \$ 6,501,992 (refer to Notes 1(g), 1(h) and 2(a)(ii) for further details). This forms part of operating revenue.

The significant expenses relating to the reduction in the fair value of the Shire's furniture and equipment of amounting to \$ 111,314. (refer to note 1(g) and 2(a)(i) for further details). This form part of operating expenses.

These items form part of operating revenue and expenditure and have been included in the calculations above.

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

	<b>2013</b>
Debt Service Cover Ratio	5.21
Operating Surplus Ratio	(0.10)
Own Source Revenue Coverage Ratio	0.67

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**19. TRUST FUNDS**

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

	<b>Balance 1-Jul-12 \$</b>	<b>Amounts Received \$</b>	<b>Amounts Paid (\$)</b>	<b>Balance 30-Jun-13 \$</b>
Housing Bonds	6,220	400	(5,520)	1,100
ASIC - Airport Security Card	6,540	200	(1,000)	5,740
Terminal Security Access Card	600	615	(500)	715
Footpath Bonds	39,190	15,000	(14,540)	39,650
Hall Hire Bonds - Kununurra Leisure Centre	7,650	9,927	(10,677)	6,900
Hall Hire Bonds - Peter Reid Memorial Hall	100	9,350	(8,310)	1,140
Hire Bonds - Youth Centre	8,500	6,500	(8,000)	7,000
Oval Hire Bonds - Wyndham Oval	200	1,400	(1,400)	200
Cash In Lieu of Public Open Space	387,319	16,935	0	404,254
Lease Bonds	10,000	0	0	10,000
Election Nomination Bonds	0	320	0	320
Kimberley Zone Aboriginal Housing Project	1,841,892	0	(1,831,892)	10,000
Builders Registration Board	2,501	23,416	(2,501)	23,416
Building & Construction Industry Training Fund	5,396	52,978	(39,387)	18,987
Kununurra 50th Birthday	7,305	0	0	7,305
50th Anniversary Number Plates	11,725	0	0	11,725
Transport Clearing Account	0	211,294	(211,294)	0
Other Trust Funds	685	210	(175)	720
	<b>2,335,823</b>	<b>348,545</b>	<b>(2,135,196)</b>	<b>549,172</b>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
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**20. DISPOSALS OF ASSETS - 2012/13 FINANCIAL YEAR**

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Law, Order, Public Safety</b>						
Land Held for Re-sale - Ivanhoe Shed Site	0	70,000	0	250,000	0	180,000
<b>Housing</b>						
LB107/179/234/244 - 29 Boobialla Street	0	43,912	0	400,000	0	356,088
LB108/180/231/266/267/268/269 - 23 Boobialla St.	0	39,214	0	400,000	0	360,786
<b>Other Property and Services</b>						
<i>Light Plant</i>						
P106 - Toyota Hilux Dual Cab	11,308	11,308	20,000	15,000	8,692	3,692
P110 - Toyota Prado VX	27,166	30,758	45,261	43,000	18,095	12,242
P112 - Toyota Prado GXL	24,507	31,039	45,499	37,000	20,992	5,961
P215 - Holden Rodeo DX	6,859	6,858	8,182	9,000	1,323	2,142
P326 - Nissan Navara S Cab	587	587	5,636	2,500	5,049	1,913
P303 - Toyota Hilux 3LTD	0	0	3,636	7,000	3,636	7,000
P327 - Nissan Navara S Cab	581	581	3,818	5,400	3,237	4,819
P471 - Toyota Hilux	12,504	0	10,545	0	(1,959)	0
P468 - Holden Astra Sedan	0	8,208	0	9,000	0	792
<i>Heavy Plant</i>						
P350 - 2008 Caterpillar 924G Loader	156,508	168,854	125,000	109,091	(31,508)	(59,763)
<i>Information Services</i>						
Plotter (i)	0	0	974	0	974	0
Printer - ApeosPort -IV C6680 (ii)	12,007	0	0	0	(12,007)	0
2 Printers- ApeosPort -II C6500 (iii)	19,857	0	0	0	(19,857)	0
<b>Transport</b>						
<i>Airport Plant</i>						
P355 -Kubota Tractor (iv)	30,489	0	0	0	(30,489)	0
P369 - Holden Commodore	0	11,351	0	12,000	0	649
<b>Recreation and Culture</b>						
Kununurra Leisure Centre (v)	7,852	0	0	0	(7,852)	0
	<b>310,225</b>	<b>422,670</b>	<b>268,551</b>	<b>1,298,991</b>	<b>(41,674)</b>	<b>876,321</b>

**Notes:-**

- (i) Trade in old fully depreciated Plotter
- (ii) Damaged printer. \$14,243/- insurance claim received recognized under other income in 2013/14 financial year.
- (iii) Disposal of old printers due to higher maintenance cost
- (iv) Plant number P355 destroyed by fire \$ 43,336.36 insurance claim received recognized in other income.
- (v) Old shade sails disposal - Kununurra Leisure Centre

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
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**21. INFORMATION ON BORROWINGS**

(a) Repayments - Debentures

Particulars	Principal 1-Jul-12 \$	New Loans \$	Principal Repayments		Principal 30-Jun-13		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Governance</b>								
L122 Administration Building Land	413,709	0	41,665	41,665	372,044	372,044	24,447	24,447
L123 New Admin. Building (Bridging)	0	1,500,000	0	0	1,500,000	1,500,000	28,415	30,625
L124 New Admin. Building	0	2,500,000	103,818	102,892	2,396,182	2,397,108	54,464	57,990
<b>Education and Welfare</b>								
L120 Kununurra Childcare Centre	455,034	0	49,343	49,343	405,691	405,691	26,719	26,719
<b>Housing</b>								
L115 Staff Housing	87,210	0	11,290	11,290	75,920	75,920	4,936	4,936
L121 Staff Housing	0	0	0	0	0	0	0	0
<b>Recreation and Culture</b>								
L113 KNX Aquatic Centre Refurbishment	487,289	0	63,084	63,084	424,205	424,204	27,578	27,579
L114 WYN Recreation Centre	204,400	0	26,461	26,461	177,939	177,939	11,568	11,568
L118 KNX Youth Centre	170,799	0	23,614	23,614	147,185	147,185	11,873	11,873
L119 Multi Purpose Courts	280,350	0	33,718	33,718	246,632	246,632	15,193	15,193
<b>Community Amenities</b>								
New Loan - Liquid Waste Facility	0	0	0	0	0	400,000	0	2,333
	<b>2,098,791</b>	<b>4,000,000</b>	<b>352,993</b>	<b>352,067</b>	<b>5,745,798</b>	<b>6,146,723</b>	<b>205,193</b>	<b>213,263</b>

All loan repayments were financed by general purpose revenue.

(b) New Debentures - 2012/13

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Interest Rate %	Amount Used		Balance Unspent \$
	Actual \$	Budget \$						Actual \$	Budget \$	
L123 New Admin. Building (Bridging)	1,500,000	1,500,000	WATC	N/A	2	100,800	3.26	1,500,000	1,500,000	0
L124 New Admin. Building	2,500,000	2,500,000	WATC	N/A	10	545,251	3.82	2,278,343	2,397,108	221,657
New Loan - Liquid Waste Facility	0	400,000	N/A	N/A	N/A	N/A	N/A	N/A	400,000	0
	<b>4,000,000</b>	<b>4,400,000</b>						<b>3,778,343</b>	<b>4,297,108</b>	<b>221,657</b>

(c) Overdraft - Council has no overdraft facility.

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**22. RATING INFORMATION - 2012/13 FINANCIAL YEAR**

(a) Rates

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim Rates \$</b>	<b>Back Rates \$</b>	<b>Total Revenue \$</b>	<b>Budgeted Rate Revenue \$</b>	<b>Budgeted Interim Rates \$</b>	<b>Budgeted Back Rates \$</b>	<b>Budgeted Total Revenue \$</b>
<b>Differential General Rate</b>											
GRV - Townsites	7.9248	1,665	58,420,876	4,619,897	97,272	4,650	4,721,819	4,650,447	15,000	0	4,665,447
GRV - Other	6.3398	1	101,770	6,452	0	0	6,452	6,452	0	0	6,452
UV - Rural Residential	0.7219	172	52,781,600	381,030	0	0	381,030	381,030	0	0	381,030
UV - Other	0.5371	221	173,237,000	930,179	2,147	277	932,603	931,530	10,000	0	941,530
UV - Pastoral	2.6351	22	9,318,039	245,540	(5,834)	0	239,706	245,540	0	0	245,540
UV - Mining	22.0000	93	2,844,686	625,964	(93,399)	(133)	532,432	625,831	0	0	625,831
<b>Sub-Totals</b>		2,174	296,703,971	6,809,062	186	4,794	6,814,042	6,840,830	25,000	0	6,865,830
<b>Minimum Rates</b>	<b>Minimum \$</b>										
GRV - Townsites	925	356	2,682,901	329,300	0	0	329,300	330,225	0	0	330,225
GRV - Other	925	0	0	0	0	0	0	0	0	0	0
UV - Rural Residential	925	0	0	0	0	0	0	0	0	0	0
UV - Other	925	9	788,824	8,325	0	0	8,325	8,325	0	0	8,325
UV - Pastoral	925	3	73,348	2,775	0	0	2,775	2,775	0	0	2,775
UV - Mining	1,275	83	162,079	105,825	0	0	105,824	105,825	0	0	105,825
<b>Sub-Totals</b>		451	3,707,152	446,225	0	0	446,224	447,150	0	0	447,150
<b>Ex Gratia Rates</b>							7,260,266				7,312,980
							4,159				4,000
							7,264,425				7,316,980
<b>Discounts</b>							(199,802)				(165,000)
<b>Excess Rates</b>							(57,867)				(27,830)
<b>Total Amount Raised from General Rate</b>							<b>7,006,756</b>				<b>7,124,150</b>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

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

(b) Information on Surplus/(Deficit) Brought Forward	<b>2013 (30 June 2013 Carried Forward) \$</b>	<b>2013 (1 July 2012 Brought Forward) \$</b>	<b>2012 (30 June 2012 Carried Forward) \$</b>
<b>Surplus/(Deficit)</b>	<u>5,702,346</u>	<u>8,457,035</u>	<u>8,457,035</u>
<b><u>Comprises:</u></b>			
Cash - Unrestricted	1,031,957	1,762,448	1,762,448
Cash - Restricted Reserves	7,288,403	6,468,455	6,468,455
Cash - Restricted Unspent Grants	4,230,196	5,482,951	5,482,951
Rates - Current	521,454	753,344	753,344
Sundry Debtors	1,483,860	2,715,843	2,715,843
Less Provision for Doubtful Debts	(372,825)	(325,843)	(325,843)
Net GST (Payable)/Receivable	127,476	(74,944)	(74,944)
Bonds	17,860	16,371	16,371
Inventories			
- Fuel and Materials	8,720	8,338	8,338
- Leisure Centre Stock	1,886	3,528	3,528
Other Financial Assets	6,682	6,683	6,683
<b><u>Less:</u></b>			
Reserves - Restricted Cash	(7,288,403)	(6,468,455)	(6,468,455)
Sundry Creditors	(1,019,977)	(1,104,448)	(1,104,448)
Accrued Interest on Debentures	(34,101)	(28,431)	(28,431)
Accrued Salaries and Wages	(138,644)	(110,804)	(110,804)
Accrued Expenses	(7,941)	(500,331)	(500,331)
ATO Liability	(154,257)	(147,670)	(147,670)
Current Employee Benefit Provision	(1,060,643)	(1,061,651)	(1,061,651)
Add: Component of Employee Liability not required to be funded	1,060,643	1,061,651	1,061,651
<b>Surplus/(Deficit)</b>	<u>5,702,346</u>	<u>8,457,035</u>	<u>8,457,035</u>

**Difference:**

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**23. SPECIFIED AREA RATE - 2012/13 FINANCIAL YEAR**

The Shire of Wyndham-East Kimberley conducted no specified area rating for the 2012/13 financial year.

**24. SERVICE CHARGES - 2012/13 FINANCIAL YEAR**

The Shire of Wyndham-East Kimberley collected no service charges for the 2012/13 financial year.

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

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	5.00%	199,802	165,000
			199,802	165,000
Rate Assessment	Waiver	N/A	925	925
Rate Assessment	Write-Off	N/A	760	0

A discount on rates is granted to all who pay their rates in full within 14 days of the date of service appearing on the rate notice.

**26. INTEREST CHARGES AND INSTALMENTS - 2012/13 FINANCIAL YEAR**

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%	0	98,564	80,000
Interest on Instalments Plan	5.00%	0	25,067	20,000
			123,631	100,000
Charges on Instalment Plan		5	6,750	5,000
			130,381	105,000

Ratepayers had the option of paying rates in four equal instalments, due on 25th September 2012, 27th November 2012, 29th January 2013 and 2nd April 2013. Administration charges and interest applied for the final three instalments.

<b>27. FEES &amp; CHARGES</b>	<b>2013</b> \$	<b>2012</b> \$
Governance	1,761	2,933
General Purpose Funding	16,698	14,882
Law, Order, Public Safety	18,706	16,548
Health	23,540	57,409
Education and Welfare	127,094	115,315
Housing	190,244	188,625
Community Amenities	1,866,364	1,774,357
Recreation and Culture	466,617	399,937
Transport	3,990,147	3,858,692
Economic Services	149,056	143,927
Other Property and Services	0	0
	<u>6,850,227</u>	<u>6,572,625</u>

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



**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**28. GRANT REVENUE**

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

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>By Nature and Type:</b>		
Operating Grants, Subsidies and Contributions	6,212,650	8,651,691
Non-Operating Grants, Subsidies and Contributions	3,190,645	7,952,478
	<u>9,403,295</u>	<u>16,604,169</u>
<b>By Program:</b>		
Governance	151,885	2,854,043
General Purpose Funding	3,758,417	5,481,230
Law, Order, Public Safety	27,332	24,629
Health	0	0
Education and Welfare	72,377	56,552
Housing	947,764	1,079,268
Community Amenities	617,068	423,399
Recreation and Culture	803,222	1,339,253
Transport	2,865,984	5,180,094
Economic Services	0	100,000
Other Property and Services	159,246	65,701
	<u>9,403,295</u>	<u>16,604,169</u>

<b>29. ELECTED MEMBERS REMUNERATION</b>	<b>2013</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
		<b>\$</b>	

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

Meeting Fees	57,928	64,900	62,400
President's Allowance	19,480	19,480	18,720
Deputy President's Allowance	4,870	4,870	4,680
Travelling Expenses	5,610	5,000	4,527
Technology Allowance	7,833	8,000	9,000
Telecommunications Allowance	18,200	21,600	21,600
	<u>113,921</u>	<u>123,850</u>	<u>120,927</u>

**30. EMPLOYEE NUMBERS**

The number of full-time equivalent employees at balance date

<b>2013</b>	<b>2012</b>
<u>98</u>	<u>89</u>

**31. MAJOR LAND TRANSACTIONS**

Council did not participate in any major land transactions during the 2013/14 financial year.

**32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**33. 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:

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	12,550,556	13,713,854	12,550,556	13,713,854
Receivables	1,777,825	3,159,715	1,777,825	3,159,715
Other Financial Assets	6,682	6,683	6,682	6,683
	<u>14,335,063</u>	<u>16,880,252</u>	<u>14,335,063</u>	<u>16,880,252</u>
<b>Financial Liabilities</b>				
Payables	1,354,920	1,966,628	1,354,920	1,966,628
Borrowings	5,745,798	2,098,791	4,150,265	2,095,672
	<u>7,100,718</u>	<u>4,065,419</u>	<u>5,505,185</u>	<u>4,062,300</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.

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**33. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Cash and Cash Equivalents**

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

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

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

Another risk associated with cash 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.

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% (*) movement in interest rates on cash and investments:		
- Equity	125,506	137,139
- Statement of Comprehensive Income	125,506	137,139

**Notes:**

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**33. 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:

	<b>2013</b>	<b>2012</b>
Percentage of Rates and Annual Charges		
- Current	0.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of Other Receivables		
- Current	73.91%	79.00%
- Overdue	26.09%	21.00%

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**33. 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:

	<b>Due within 1 year \$</b>	<b>Due between 1 &amp; 5 years \$</b>	<b>Due after 5 years \$</b>	<b>Total contractual cash flows \$</b>	<b>Carrying values \$</b>
<b><u>2013</u></b>					
Payables	1,354,920	0	0	1,354,920	1,354,920
Borrowings	478,397	3,675,787	1,591,614	5,745,798	5,745,798
	<u>1,833,317</u>	<u>3,675,787</u>	<u>1,591,614</u>	<u>7,100,718</u>	<u>7,100,718</u>
<b><u>2012</u></b>					
Payables	1,966,628	0	0	1,966,628	1,966,628
Borrowings	374,093	1,496,371	228,327	2,098,791	2,098,791
	<u>2,340,721</u>	<u>1,496,371</u>	<u>228,327</u>	<u>4,065,419</u>	<u>4,065,419</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2013**

**33. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Payables  
Borrowings (Continued)**

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs. Council manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.<sup>7</sup>

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

	<b>&lt;1 year</b>	<b>&gt;1&lt;2 years</b>	<b>&gt;2&lt;3 years</b>	<b>&gt;3&lt;4 years</b>	<b>&gt;4&lt;5 years</b>	<b>&gt;5 years</b>	<b>Total</b>	<b>Weighted Average Effective Interest Rate</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>
<b><u>Year Ended 30 June 2013</u></b>								
Payables								
Borrowings								
<b>Fixed Rate</b>								
Debentures	0	1,500,000	0	0	0	4,245,798	5,745,798	4.42%
Weighted Average Effective Interest Rate	0.00%	3.26%	0.00%	0.00%	0.00%	4.83%		
<b><u>Year Ended 30 June 2012</u></b>								
Payables								
Borrowings								
<b>Fixed Rate</b>								
Debentures	0	0	0	0	0	2,098,791	2,098,791	6.21%
Weighted Average Effective Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	6.14%		

**INDEPENDENT AUDITOR'S REPORT  
TO THE ELECTORS OF THE SHIRE OF WYNDHAM – EAST KIMBERLEY**

**REPORT ON THE FINANCIAL REPORT**

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

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT**

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

**AUDITOR'S RESPONSIBILITY**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Shire'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 Shire'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 Wyndham – East Kimberley is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a. giving a true and fair view of the Shire's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

**INDEPENDENT AUDITOR'S REPORT  
TO THE ELECTORS OF THE SHIRE OF WYNDHAM – EAST KIMBERLEY (CONTINUED)**

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

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

**Investment Policy**

The Council's investment policy regarding the restrictions on investment of money does not comply with Financial Management Regulation 19C.

**Annual Financial Report**

The annual financial report for the year ended 30 June 2012 was not submitted to the Department of Local Government within 30 days of receiving the auditor's report 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 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 matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 60 of this report, we have reviewed the calculation for the Asset Consumption Ratio as presented and nothing has come to our attention to suggest it is not:
  - i) reasonably calculated; and
  - ii) based on verifiable information.

The Asset Renewal Funding Ratio was not calculated and no review was carried out.

- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

Date: 21 January 2014  
Perth, WA

UHY HAINES NORTON  
CHARTERED ACCOUNTANTS



DAVID TOMASI  
PARTNER



**SHIRE OF WYNDHAM EAST KIMBERLEY  
SUPPLEMENTARY RATIO INFORMATION  
FOR THE YEAR ENDED 30TH JUNE 2013**

**RATIO INFORMATION**

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

	2013	2012	2011
Asset Consumption Ratio	0.50	0.55	N/A
Asset Renewal Funding Ratio	**	N/A	N/A

The above ratios are calculated as follows:

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

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

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

\*\* It is not possible to provide an Asset Renewal Funding Ratio in relation to 2013 at this time as the information required is not available.