

President: \_\_\_\_\_

# SHIRE OF LEONORA

## NOTICE OF AN ORDINARY COUNCIL MEETING



**MINUTES OF ORDINARY MEETING HELD  
IN SHIRE CHAMBERS, LEONORA  
ON FRIDAY 14<sup>TH</sup> DECEMBER, 2012  
COMMENCING AT 2:03 PM**

President: \_\_\_\_\_

**1.0 DECLARATION OF OPENING / ANNOUNCEMENTS OF VISITORS / FINANCIAL INTEREST DISCLOSURE**

**1.1 President JF Carter declared the meeting open at 2:03 pm**

**1.2 Visitors or members of the public in attendance**

From 3:00pm – Mr Hugh Lavery, Regional Manager, Water Corporation; Goldfields Agricultural Region

At 3:50pm – Mr Kado Muir and Mrs Deeva Muir, presentation on proposed Walkatjurra Culture Centre Project

**1.3 Financial Interests Disclosure**

Nil

**2.0 DISCLAIMER NOTICE**

**3.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**

**3.1 Present**

President

JF Carter

Deputy President

P Craig

Councillors

G W Baker

R A Norrie

SJ Heather

LR Petersen

Deputy Chief Executive Officer

T M Browning

**3.2 Apologies**

JG Epis

Chief Executive Officer

MWV Taylor

Councillor

**3.3 Leave Of Absence (Previously Approved)**

Nil

**4.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil

**5.0 PUBLIC QUESTION TIME**

Nil

**6.0 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**7.0 PETITIONS / DEPUTATIONS / PRESENTATIONS**

Nil

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**8.0 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETINGS**

**Moved Cr GW Baker, Seconded Cr PJ Craig** that the Minutes of the Ordinary Meeting held on 20<sup>th</sup> November, 2012 be confirmed as a true and accurate record.

**CARRIED (6 VOTES TO 0)**

**9.0 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

Cr JF Carter advised the Council that Mr Peter Hughson passed away earlier this morning. Peter was CEO at the Shire of Leonora for twelve years from 1965 to 1977. Flowers have been sent to Mr Hughson's partner on behalf of the Shire of Leonora.

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**10.0 REPORTS OF OFFICERS**

**10.1 CHIEF EXECUTIVE OFFICER**

**10.1(A) GWALIA REFERENCE GROUP**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 14<sup>th</sup> December, 2012

**AGENDA REFERENCE:** 10.1 (A) DEC 12

**SUBJECT:** Gwalia Reference Group

**LOCATION / ADDRESS:** Not Applicable

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Gwalia Reference Group 8.14a

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 29<sup>th</sup> November, 2012

**BACKGROUND**

The Gwalia Reference Group (GRG) met on the 13<sup>th</sup> November, 2012. Minutes of this meeting are attached to this report. As detailed previously, matters raised at GRG meetings and detailed in the Minutes are to be considered by Council at its next monthly meeting. From the 13<sup>th</sup> November, 2012 Minutes, no issues required the attention of Council.

**STATUTORY ENVIRONMENT**

Section 3.1(2) of the Local Government Act 1995 states that the general function of a local government is to provide for the good government of persons in the district.

**POLICY IMPLICATIONS**

There are no Policy Implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

There are no Financial Implications resulting from the recommendations of this report.

**STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

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**RECOMMENDATIONS**

That the Minutes of the Gwalia Reference Group Meeting of the 13<sup>th</sup> November, 2012 be noted.

**VOTING REQUIREMENT**

Simple majority required.

**COUNCIL DECISION**

**Moved Cr GW Baker, Seconded Cr PJ Craig** that the Minutes of the Gwalia Reference Group Meeting of the 13<sup>th</sup> November, 2012 be noted.

**CARRIED (6 VOTES TO 0)**

**GWALIA REFERENCE GROUP**  
**DRAFT MINUTES OF MEETING**

Tuesday, 13 November 2012 at Hoover House, Gwalia

**The meeting opened at 2.35 pm**

**1. Attendance/Apologies**

Attendance: Jeff Carter; Judy Carter; Tralee Cable; Matt Taylor; Gail Ross; Jacqui Sherriff; Debbie Bell (St Barbara).

Apologies: Jeff Waddington; Elaine Labuschangne

Sarah Mazza joined the meeting at 3.00 pm.

**2. Confirmation of Minutes of Previous Meeting**

The minutes of the previous meeting, held on 18 September 2012, were confirmed.

*Moved: Gail Ross; Seconded: Tralee Cable. Carried.*

**3. Business Arising**

**3.1 Gwalia State Hotel**

Jacqui reported that she had met with Amanda Rukuwi and Debbie Bell from St Barbara in Perth to discuss heritage requirements and planned works to the Gwalia State Hotel. They have since got in touch with a conservation architect to assist with the works. *Progressing*

**3.2 Light at Entrance Gate**

A solar light has been purchased and is awaiting installation. *Action: Gail*

**3.3 50<sup>th</sup> Anniversary of the Closure of the Mine Gala Weekend**

Members went through the planning document and discussed a number of items. The issue of securing volunteers for the weekend was discussed. Gail advised that she is collating a list of potential volunteers and has contacted the accommodation providers who have agreed to block out the dates.

It was agreed that individual peoples should take on the responsibility for specific activities and events. This is to be discussed further.

It was agreed that the \$5,000 Shire grant be spent on a media article and the small exhibition on the closure of the mine. *Action: Jacqui*

Tralee offered to do up a flyer, put up notices around town and write an article for the Tower Street Times advising of the event and calling for assistance. Jeff will request that the Shire print and distribute it. *Action: Tralee*

Sarah agreed to contact Macca (ABC) regarding broadcasting live from Gwalia and to investigate transport options. *Action: Sarah*

**3.4 Friends Group & Newsletter**

Draft content for the newsletter was briefly discussed and approved. *Action: Jacqui to circulate draft letter to Friends Group and draft newsletter.*

**3.5 CLGF Building (archives, hearse & truck)**

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It was agreed that this will be addressed in the Masterplan.

#### **4. Promotion and Publicity**

##### 4.1 Logo

The logo was approved and stationary design was approved.

##### 4.2 Website

Amendments have been drafted. *Action: Jacqui*

Still awaiting advice from Lotterywest regarding grant for new website.

##### 4.3 Media

Jeff Carter agreed to talk to ABC Regional Radio. It was agreed that Gail and perhaps others with a long association with the area (Eric Omoedi, Maxine Cable) could also be involved.

*Action: Jeff*

##### 4.4 Advertising Brochures

Jacqui and Gail have commenced drafting revised brochures. They will be printed as soon as the new logo is available. *Action: Jacqui/Gail/CEO*

#### **5. Visitor Services**

##### 5.1 Museum Visitor Numbers

Museum visitors for the month of September 2012: 442 adults (up from 397 last year); 46 children

Museum visitors for the month of October 2012: 375 (up from 346 last year); 38 children

##### 5.2 Hoover House B&B & Function Venue

B&B guests for the month of September 2012: 63 guests; 35 rooms

Functions: 5 BBQ

Meetings: 3

Coaches: 1

Cooked breakfast: 1

B&B guests for the month of October 2012: 57 guests; 31 rooms

Functions: 4 lawn hire

Meeting: 1

Coaches: 1

##### 5.3 RV Site

Nil visitors to date.

#### **6. Projects**

##### 6.1 Gwalia Townsite Interpretation Project

It was noted that the work is progressing and a report will be completed in time for consideration at the next meeting.

##### 6.2 Woodline Engine (Midland/Ken) Preservation Project

It was noted that Terry Demasson is to paint the engine before it is put back together. It was agreed that the work requires checking before painting. *Action: Jeff*

Bob Biggs is due to return in March 2013.

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**7. Building Collection****7.1 Townsite Conservation**

It was noted that grant applications have been submitted to Lotterywest for conservation works to Pink Camp and De Rubeis Camp. These two cottages have been selected as they are relatively small and provide good test cases for the proposed approach. Pink Camp requires considerable work while De Rubies Camp is a good example of a cottage requiring minimal work.

**7.2 Headframe**

It was noted that the structural engineer has completed 3D laser scanning of the headframe and that we are awaiting a report.

**7.3 Mine Manager's House**

Swimming pool site, pergola and hitching rail

Lani Peterson has advised that none of her workers are suitably experienced to undertake the work.

Debbie Bell offered to inquire whether JuWest would be able to undertake the work. *Action: Debbie*

**Verandah**

Gail advised that the floor boards are to be sanded this coming weekend. The machines are being provided for at no cost and the work will be undertaken by volunteers. All we have to pay for are the sanding sheets. *Noted*

**7.4 Swimming Pool**

Stabilisation of the Swimming Pool was discussed. Ownership/responsibility was also raised.

*Action: Debbie to investigate whether it forms part of the mining lease and to advise re access for inspection.*

**8. Object Collection****8.2 Audit of small objects**

The audit of the small objects in the collection has been completed.

**8.2 Cataloguing and documenting**

Awaiting installation of computer and cataloguing software.

**9. Archives and Photographs Collection****9.1 Review of documents and photographs**

Emma is now working on the photographs. *Noted*

**10. Professional Development**

No report.

**11. Other Business****11.1 Masterplan**

It was also noted that following the visit of the Regional Heritage Advisor in September and officers from the State Heritage Office in October that it has been agreed that a Masterplan be prepared for the site. Jacqui briefly outlined the content of the plan and requested that members provided input as the document is progressed. *Action: Jacqui*



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### 11.2 100<sup>th</sup> Anniversary of WWI Exhibition

Jacqui advised that an approach had been made by the Development Services (outreach) department of Western Australian Museum regarding participation in a programme providing assistance to regional museums to stage small exhibitions to mark the 100<sup>th</sup> anniversary of World War I. WAM propose to provide the design and panels, with each museum providing their own content. The idea is that each museum will exhibit their panels during the anniversary years (2014-2018) and that in 2018, WAM will bring the individual exhibitions together as a travelling exhibition. The panels will later be returned to the individual museums for permanent display. It was agreed that this was a good opportunity. *Action: Jacqui*

### 11.3 Grant List

Jacqui reported that she has compiled a list of grants and will circulate to members. A letter received from Gold Fields was briefly discussed. It was agreed that further information is required. *Action: Jacqui*

### 11.4 Mine Model

Jeff Carter advised that no response has been received from St Barbara (Jeff Waddington) regarding partial funding of conservation of the Mine Model and asked Debbie to investigate. *Action: Debbie*

In relation to this, Gail advised that visitors often have questions regarding current mining activity by St Barbara. *Action: Debbie to email Gail monthly statistics regarding depth, tonnage, machinery and so on.*

### 11.5 Hearse

Matt advised that the hearse needs a new clutch and Bob Crofts has offered to get one from another vehicle at Gwalia (known to have no significance to Gwalia and in very poor condition) and have it reconditioned. Agreed. *Action: Matt*

### 11.6 Tram

Matt advised that the Tram Restoration Group at Whiteman Park was offered to restore the tram. The work will take about 18 months, after which time the Group would like to display the tram for a four month period before it is returned to Gwalia. The proposal was supported in principle, noting that a Conservation Report has been completed. *Action: Matt to follow up; Jacqui to provide copy of report.*

## 12. Date of next meeting

2.30pm on Tuesday, 18 December 2012 at Hoover House.

**The meeting closed at 4.20 pm.**

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## GWALIA REFERENCE GROUP Action List

Following meeting held on Tuesday, 13 November 2012

| Item |   | Action  | Responsible |
|------|---|---|-------------|
| 3.2  | Light at entrance gate                          | To be installed   | Gail        |
| 3.3  | 50 <sup>th</sup> Anniversary of Closure of Mine | Flyers, notices and article for Tower Street Times            | Tralee      |
|      |   | Contact Macca (ABC radio) re broadcasting from Gwalia         | Sarah       |
|      |   | Investigate transport options                                 | Sarah       |
| 3.4  | Supporters group & newsletter                   | Circulate draft letter to supporters for comment/input        | Jacqui      |
|      |   | Circulate draft newsletter                                    | Jacqui      |
| 4.2  | Website   | Update Shire website  | Jacqui      |
| 4.3  | Media   | Contact ABC Regional Radio re history segments                | Jeff        |
| 4.4  | Advertising brochures                           | Draft and design  | Jacqui/Gail |
| 6.2  | Woodline engine                                 | Check work prior to painting                                  | Jeff        |
| 7.3  | Maintenance work at Hoover House                | Ask JuWest if they can assist                                 | Debbie      |
| 7.4  | Swimming Pool                                   | Investigate ownership/responsibility and access               | Debbie      |
| 11.1 | Masterplan                                      | Continue drafting document and circulate for input            | Jacqui      |
| 11.3 | Grant list                                      | Complete and circulate  | Jacqui      |
| 11.4 | Mine Model                                      | Investigate contribution from St Barbara                      | Debbie      |
| 11.5 | Hearse  | Liaise with Bob Croft re reconditioning of replacement clutch | Matt        |
| 11.6 | Tram  | Liaise with Whiteman Park re restoration of tram              | Matt        |

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Updated following GRG Meeting, 13 November 2012

**Social events**

|                          | <b>Details</b>                       | <b>Location</b>   | <b>Time</b>        | <b>Status</b>   | <b>Person/s responsible</b> | <b>Costs/Budget</b>  | <b>Overall profit/loss</b> |
|--------------------------|--------------------------------------|---|--------------------|---|-----------------------------|--|----------------------------|
| Dinner Dance             | Themed 1960s                         | State Hotel<br><br>Alternative venues under consideration:<br>Barnes Theatre;<br>Open Air in marquee at Gwalia (RV site?) | Saturday evening   | St Barbara has been approached re use of State Hotel<br><br>Format and expenses to be determined.<br><br>Entertainment to be determined |                             | Need to put together a plan and budget<br><br>Sale of tickets to cover costs | Profit                     |
| AFL Football Grand final | Big screen(s) for the football match | To be determined<br><br>Marquee?<br>Central Hotel?  | Saturday afternoon | Determine location and source big screens, seating etc.<br><br>Sell drinks and some snacks?<br><br>Alcohol licence?                     |                             | Big screens?   | Nil                        |

**Openings/launches**

|                                    | <b>Details</b>   | <b>Location</b>      | <b>Time</b>   | <b>Status</b>   | <b>Person/s responsible</b> | <b>Cost/Budget</b> | <b>Overall profit/loss</b> |
|------------------------------------|--|----------------------|---------------|---|-----------------------------|--------------------|----------------------------|
| Re-opening of Patroni's Guest Home | Small ceremony to mark completion of the conservation works to Patroni's Guest Home (if not done before) | Patroni's Guest Home | To be decided | Hold until know completion time of building<br><br><i>Could be 'opened during Golden Gift weekend</i> |                             | No cost            | Nil                        |
| Italian Girls of Gwalia            | Premier and/or showings of the film  | State Hotel.         | Over w/end    | Ascertain if launch can be held on that   |                             | No cost?           | Profit from sales of       |

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|--|--|---|--|---|--|--|-------|
|  |  | Room in Patroni's if State Hotel not available? |  | weekend.<br><br>Where are discussions at with RR? |  |  | DVD ? |
|--|--|---|--|---|--|--|-------|

**Tours, talks and demonstrations**

|  | Details  | Location                    | Time                   | Status  | Person/s responsible | Cost/Budget         | Overall profit/loss            |
|--|--|-----------------------------|------------------------|---|----------------------|---------------------|--------------------------------|
| Guided tours mine and townsite precincts | Invite locals and ex-residents to provide tours of 'their' Gwalia precincts  | Mine and townsite precincts | Over w/end @ set times | Need to identify suitable people to be approached.  | Jacqui               | No cost             | Nil                            |
| Gwalia Deeps Mine                        | Tours of the Gwalia Deeps surface plant  | St Barbara                  | Over w/end @ set times | St Barbara has been approached.   |                      | No cost             | Nil                            |
| Old Timers Remember LIVE                 | Interviews with old timers<br>Denton/Parkinson style on stage set up with armchair, lamp etc<br><br>Invite audience members to ask questions and participate.<br><br>Film and sell copies (take orders on the day) | To be determined            | At set time            | Need to identify suitable person to be the interviewer.<br><br>Need to identify suitable people to be interviewed | Jacqui               | DVDs for recording  | Profit from sale of recording  |
| Antique Road Show<br><br>Show and Tell   | People to bring in objects or photographs to share their history and stories   | To be determined            | At set time            | Need to advertise to gauge interest; people to register to participate?   | Jacqui               | DVDs for recording? | Profit from sale of recording? |

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|--------------|--|----------|------------------------|---|--|---|------------------|
|              | <i>Way of identifying potential acquisitions for collections</i><br><br>Combine with Old Timers Remember LIVE? |          |                        | Need to identify someone to host the session<br><br>How to deal with photographs so people can see? |  |   |                  |
| Mine rescue  | Demonstration of traditional and modern methods  | Townsite | At set time            | St Barbara has been approached.<br><br>Department of Mines and Petroleum may also be able to assist |  | To be determined                                  | To be determined |
| Gold panning | Demonstration of traditional gold panning  | Townsite | Over w/end @ set times | Demonstrators to be sourced.<br><br>Equipment?  |  | No cost ?   | Nil              |
| Dry blowing  | Demonstration of mechanical dry blowing  | Townsite | Over w/end @ set times | Local demonstrator & equipment to be sourced?<br><br>Elaine has informally approached EGHS.         |  | No cost ?<br><br>EGHS – transport & accommodation |                  |

**Exhibitions**

|                     | <b>Details</b>   | <b>Location</b>  | <b>Time</b> | <b>Status</b>   | <b>Person/s responsible</b> | <b>Cost/Budget</b> | <b>Overall profit/loss</b> |
|---------------------|--|--|-------------|---|-----------------------------|--------------------|----------------------------|
| Old Timers Remember | Videod oral histories from past residents and workers running on a loop.<br><br>Geoff Pratt has volunteered to | To be determined – possibly State Hotel<br><br>Alternatively, Patroni's for another location | Over w/end  | Need to identify suitable people for interviewing – particularly underground workers and people still living in Gwalia when the | Jacqui                      | No cost            | Nil                        |

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|                             |  |  |   |  |        |                        |             |
|-----------------------------|--|--|---|--|--------|------------------------|-------------|
|                             | undertake this project in conjunction with the GRG   | at Gwalia  |   | mine closed.   |        |                        |             |
| End of the Mine             | Exhibition on events leading up to and closure of the mine in 1963<br><br>Text and images on pop up banners and some objects | Possibly State Hotel<br><br>Alternative location at Gwalia | Over w/end<br><br>To be perm display            | Information and objects to be identified.<br><br>Terry D - whistle   | Jacqui | \$4,700<br>Shire grant | Shire grant |
| Modern mining machinery     | Display of modern mining machinery and techniques  | Townsite   | Through out weekend                             | Need to identify and approach mining companies to participate<br><br>St Barbs has been approached  |        | No cost                | Nil         |
| 'People's Choice' Art Award | Theme - history of Gwalia mine and town<br><br>Entries to stay in Hoover House over an extended period (approx 3 weeks)      | Hoover House dining room and lawn                          | Through out weekend<br><br>Prize awarded Sun pm | Need to develop guidelines for:<br><br><ul style="list-style-type: none"> <li>• No professionals</li> <li>• 2D artworks (in specific media and size?) for HH</li> <li>• Sculptures/ outdoor works for lawn area</li> <li>• Source prize(s)</li> <li>• Consider adult and children's categories?</li> </ul> |        | Display furniture?     | Nil         |
| Do you know what this is?   | Display of select photographs and objects on which we  | Mrs Patroni's dining room                                  | At set times                                    | Need to identify suitable objects  | Jacqui | Nil                    | Nil         |

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|--|----------------------------------|--|--|--|--|--|--|
|  | are seeking further information. |  |  |  |  |  |  |
|--|----------------------------------|--|--|--|--|--|--|

**Entertainment**

|                                   | Details   | Location | Time          | Status  | Person/s responsible | Cost/Budget      | Overall profit/loss |
|-----------------------------------|---|----------|---------------|---|----------------------|------------------|---------------------|
| Music                             | Roaming buskers   | Townsite | To be decided | Need to source suitable entertainment<br><br>Buskers?<br>Banjo players?<br>Italian singers? |                      | To be determined | Loss                |
| Local radio broadcast from Gwalia | Breakfast with Macca or Regional ABC broadcasting live. | Townsite | To be decided | Determined that RedFM charge for advertising. Approach ABC only.                            | CEO                  | Nil ?            | Nil                 |

**Sports day and traditional side show – Sunday**

|                           | Details   | Location | Time | Status   | Person/s responsible | Cost/Budget | Overall profit/loss |
|---------------------------|---|----------|------|--|----------------------|-------------|---------------------|
| Chocolate wheel           | Small raffles   | Townsite |      | Secure donations of small prizes   |                      | Nil ?       | Profit              |
| Two up                    | <i>Two Up regularly played behind the dumps over the railway line near the Rec Ground</i> | Townsite |      | Check process for permits with Race Club / Shire                             |                      | Permit ?    | Profit ?            |
| Rock drilling competition |   | Townsite |      | Secure donations for prizes  |                      | Nil ?       | Nil ?               |
| Traditional games         | Ideas:<br>• Wheel chair race<br>• Dunny pan race<br>• Boot toss<br>• Sack race            |          |      | Decide on games and what is involved<br><br>Secure prizes through donations? |                      | Nil ?       | Nil ?               |

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|                                  |   |          |  |   |  |                               |        |
|----------------------------------|---|----------|--|---|--|-------------------------------|--------|
|                                  | <ul style="list-style-type: none"> <li>• Tug of War</li> <li>• Horseshoe toss</li> <li>• Three legged race</li> <li>• Egg and spoon race</li> </ul> |          |  |   |  |                               |        |
| Dunk tank                        | Get local politicians and identities to volunteer for a dunking!  | Townsite |  | Cost of getting a dunk tank to Leonora?   |  | Hire cost and transport costs | Profit |
| Coin toss                        | Person who tosses coin nearest to prize (usually a bottle of grog) wins. \$2 (?) to play. Have set number of players for each game.                 | Townsite |  | Secure donations for small prizes. Could have things other than alcohol so children can play as well. |  | Nil ?                         | Profit |
| Costume photographs              | Range of 5 or 6 costumes and set; photograph and print out immediately.<br><br>People pay.  | Townsite |  | Costume and set makers?   |  | Materials?                    | Profit |
| Raffles                          | <i>Could be at Dinner Dance as well</i>   | Townsite |  | Secure donations  |  | Nil                           | Profit |
| Silent auctions                  | Bids on items<br><br><i>Could be at Dinner Dance as well</i>  | Townsite |  | Secure larger donations   |  | Nil                           | Profit |
| Guess the Weight of the Gold Bar | <i>Could be at Dinner Dance as well</i>   | Townsite |  | Real gold bar (St Barbara?) or dummy bar – at Hoover House and Terry D also has one                   |  | Nil                           | Profit |
| Children's activities            | Ideas included: <ul style="list-style-type: none"> <li>• Themed historic</li> </ul>   | Townsite |  | Need to pin down and book activities  |  | Hire costs for some           | Profit |



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|--|--|--|--|---|--|---|--|
|  | <ul style="list-style-type: none"> <li>activities</li> <li>• Children's entertainer</li> <li>• Sci Tech</li> <li>• Leinster lass (tractor rides)</li> <li>• Best dressed bike competition</li> </ul> |  |  | Promote through schools, youth centre, rec centre etc |  | <ul style="list-style-type: none"> <li>activities</li> <li>To be recovered through sale of 'tickets' for participation</li> </ul> |  |
|--|--|--|--|---|--|---|--|

**Community Market – at same time as Sports – Sunday**

|                          | Details   | Location | Time | Status   | Person/s responsible | Cost/Budget | Overall profit/loss |
|--------------------------|---|----------|------|--|----------------------|-------------|---------------------|
| Traditional craft stalls | <p>Traditional homemade crafts that rather than modern 'show' offerings</p> <p>Stall holders to pay a fee</p>                           |          |      | <p>Identify suitable crafts in region and elsewhere</p> <p>Target local associations such as P&amp;C, St John's and RSL as a fund raising opportunity for their own groups</p> |                      | ?           | Profit              |
| Traditional food stalls  | <p>Traditional foods such as:</p> <p>Cakes<br/>Preserves<br/>Toffee apples<br/>'Crib Box lunches'</p> <p>Stall holders to pay a fee</p> |          |      | <p>Target local associations such as P&amp;C, St John's and RSL as a fund raising opportunity for their own groups</p>   |                      | ?           | Profit              |
| Community promotions     | Heath, education displays etc   |          |      | Identify groups to target  |                      | Nil         | Nil                 |

**Publications**

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|  | Details   | Time/<br>location | Status  | Person/s<br>responsible | Cost/<br>Budget   | Overall<br>profit/loss |
|--|---|-------------------|---|-------------------------|---|------------------------|
| 2014 Calendar                                | <p>Commemorative calendar using historic photographs from collection.</p> <p>Invite people with strong association with Gwalia (ex residents, curators, community members etc) to select favourite image and write a short caption to go with it. A short description of the individual's involvement with Gwalia to be included as way of acknowledgement of past and ongoing support for Gwalia.</p>  | Over<br>w/end     | <p>Judy to nominate the 12 people to be invited</p> <p>Secure sponsorship for design and printing of calendar – include logos etc by way of acknowledgement</p> | Seek<br>sponsorship     | <p>\$4,000 estimate</p> <p>Cost to be recovered through sales and sponsorship</p> | Profit                 |
| Reprint of 1948 'Back to Gwalia' publication | <p>The 1948 Back to Gwalia was held to mark the 50th anniversary of the establishment of the first mines in the district. It is quite a substantial booklet with short summaries of Leonora and Gwalia, mining, pastoral and commerce and a number of photographs.</p> <p>Reprint for sale or reprint as an edited version with a 'then and now' theme.</p> <p>Copyright will need to be determined</p> |                   | <p>Investigate quality of original and copyright</p> <p>Secure sponsorship for printing</p>   | Jacqui                  | Cost to be recovered through sales and sponsorship                                | Profit                 |

### Marketing

|                      | Details  | Status   | Person/s<br>responsible | Cost/<br>Budget | Overall<br>profit/loss |
|----------------------|--|--|-------------------------|-----------------|------------------------|
| Major media articles | <p>Regional Lifestyle supplement magazine Distributed to 16 newspapers (including Kalgoorlie Miner and West Australian) with approx 200,000 readers</p> <p><i>March 2013 edition (if it doesn't make that one, there is another in June)</i></p> | Need to determine if we wish to engage Anne Skinner (ex editor of Kalgoorlie Miner) to write article and use her contacts to get it in the paper | Jacqui                  | \$300           | Shire grant            |

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|                                   |  |  |        |                                   |      |
|-----------------------------------|--|--|--------|-----------------------------------|------|
| Press releases/<br>media articles | Articles in Tower Street Times, Kalgoorlie Miner, West Australian and Sunday Times | In house<br><br>Need to determine if we wish to engage Anne Skinner to write some and use her contacts to circulate                        | Jacqui | \$300 per article written by Anne | Loss |
| Direct mail outs                  | Email and postal contact with anyone that may be interested in attending           | In house<br><br>• Mailing list from launch of 110°<br>• Supporters list<br>• Gail gathering names from visitors                            |        | Post                              | Loss |
| Websites                          | Promote on Shire and other websites  | In house   |        | Nil                               | Nil  |
| Past residents and workers etc    | Keep Perth and Esperance past residents groups informed of our activities          |  |        | Nil                               | Nil  |
| Initial flyer and media article   | Inform local residents   | Flyer, notices and media article to inform locals of the event and to gauge interest in assisting in planning and helping over the weekend | Tralee | Post                              | Loss |

### Transport

|                                     | Details   | Status   | Person/s responsible | Cost/Budget               | Overall profit/loss |
|-------------------------------------|---|--|----------------------|---------------------------|---------------------|
| Train/bus from Perth via Kalgoorlie | Contact has been made with Guy Brownlie, Goldrush Tours, re prices. | Waiting response<br><br>Cost to be recovered through sales | CEO                  |                           | Nil / Profit?       |
| Buses to and from Perth             | Guy Browline Goldrush Tours has provided a quote                    | Quote received<br><br>Cost to be recovered through sales   | CEO                  | \$                        |                     |
| Flights to and from Perth           | Alliance Airlines has provided a quote.                             | Quote received.  | CEO                  | \$30,000 plus accommodati | Nil / Profit ?      |

President: \_\_\_\_\_

|                           |  |  |  |                     |                |
|---------------------------|--|--|--|---------------------|----------------|
|                           | Easy to organise but need as much notice as possible<br><br>Regular updates as planning progresses | Cost to be recovered through sales.<br><br>Require accommodation and meals for crew on Saturday night  |  | on & meals for crew |                |
| Passenger train to Gwalia | Secure passenger service from Kalgoorlie to Gwalia and return                                      | Investigating train provider and what it might involve   |  |                     | Nil / Profit ? |
| Local transport           | Between Leonora and Gwalia over the weekend  | Free taxi service at designated times and from designated points<br><br>Vehicles and drivers to be sourced – school buses; community buses?? |  |                     |                |
| Very local transport      | Getting elderly people between the townsite and the mine precincts                                 | Vehicles and drivers to be sourced.<br><br>Suitability of Leinster Lass?   |  |                     |                |

**Accommodation**

|                               | Details   | Status  | Person/s responsible | Cost/Budget | Overall profit/loss |
|-------------------------------|---|---|----------------------|-------------|---------------------|
| Central reservations          | Set up a central reservations service   | To be set up  |                      | Nil         | Nil                 |
| Local accommodation providers | Leonora Motor Lodge<br>Central Hotel<br>Leonora Lodge<br>Caravan Park<br><i>Etc etc</i>                                 | Book out accommodation for the weekend.   |                      | Nil         | Nil                 |
| Hoover House                  | Reserve the three rooms for VIP guests  | Dates blocked out   |                      | Nil         | Profit              |
| Patroni's Guest Home rooms    | Hire out rooms as basic accommodation.<br>Provide lighting (battery operated camp lights)<br>Bring your own bedding etc | Pending completion of the works<br><br>Could accommodate approx 40 people (2/room in detached camps; 4/room in rooms behind main house) | Jacqui               | Lights ?    | Profit              |

President: \_\_\_\_\_

|                                  |  |  |  |     |     |
|----------------------------------|--|--|--|-----|-----|
|                                  |  | Any Health issues associated with this?                                  |  |     |     |
| Engineer's House (Ross' Retreat) | Reserve for out of town volunteers<br>Bring own bedding etc other than that already there. | Dates blocked out<br>Accommodate approx 12 (Jacqui, Elaine and friends!) |  | Nil | Nil |
| Garage or Exhibition Shed        | Reserve for out of town volunteers if required<br>Bring own bedding etc                    | If required  |  | Nil | Nil |

**Volunteers**

|                        | Details  | Status  | Person/s responsible | Cost/Budget | Overall profit/loss |
|------------------------|--|---|----------------------|-------------|---------------------|
| Register of volunteers | People to man stalls, exhibitions, taxi service etc etc etc  | Keep a register of interested people and what they may like to do   |                      | Nil         | Nil                 |
|                        | Curtin Volunteers  | Book for weekend.<br>Determine accommodation and transport requirements (usually stay in Leinster?)         |                      | Nil         | Nil                 |
|                        | Other volunteer groups?  | Identify other groups that might like to be involved  |                      | Nil         | Nil                 |
| Volunteer incentive    | Consider a prize for volunteering – essentially a raffle. Everyone who volunteers goes into the running to win a prize | Secure donation that is attractive to all<br><br>(at our Victoria Park Primary School Fete – it's an iPad!) |                      | Nil         | Nil                 |

**Funding opportunities**

| Organisation | Grant     | Details                  | Amount available | What we can apply for | Status |
|--------------|-----------|--------------------------|------------------|-----------------------|--------|
| Lotterywest  | Community | Administrative needs and | \$20,000         |                       |        |

President: \_\_\_\_\_

|   |   |   |                      |  |  |
|---|---|---|----------------------|--|--|
|   | Events  | salaries; Entertainment; Publicity and advertising; Hire of venue or equipment; Consumables   |                      |  |  |
| Eventscorp; partly funded by Royalties for Regions                | Regional Events Scheme                                      | Must bring additional tourism income; involve and inspire the local community (social benefits); attract media coverage that will help raise the profile of the region as a tourist destination | \$5,000 - \$50,000   |  |  |
| Office of Multicultural Interests; Department of Local Government | Community Grants Program - Community Initiatives & Projects | Encourage participation, equity and promotion of projects and events that remove barriers and enhance cross cultural engagement   | Up to \$15,000       |  |  |
| Office of Multicultural Interests; Department of Local Government | Community Grants Program - Small Projects                   | Encourage participation, equity and promotion of projects and events that remove barriers and enhance cross cultural engagement.  | Up to \$5,000        |  |  |
| Minara Community Foundation                                       | Minara Community Foundation Grants                          | Economic, social, cultural and heritage benefits;   | \$1,000 to \$100,000 |  |  |
| Shire of Leonora  | Assisting your Community –                                  | Community participation events  | \$500 to \$10,000    | Application made for 2012/13 for Mine Closure exhibition, media support and calendar | Applied for \$10,000<br>Granted \$5,000<br><br><i>Make another application for \$10,000 in early 2013/14</i> |

*Also consider:*

- St Barbara
- Minara Resources

President: \_\_\_\_\_

- Navigator Resources
- Silver Lake Resources
- Pacrim Energy
- Barrick
- Cameco Corp (Yeelirrie)
- Goldfields

President: \_\_\_\_\_

**10.0 REPORTS OF OFFICERS****10.2 DEPUTY CHIEF EXECUTIVE OFFICER****10.2(A) MONTHLY FINANCIAL STATEMENTS**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 14<sup>th</sup> December, 2012

**AGENDA REFERENCE:** 10.2 (A) DEC 12

**SUBJECT:** Monthly Financial Statements

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Nil

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Tanya Browning

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 14<sup>th</sup> November, 2012

**BACKGROUND**

In complying with the Local Government Financial Management Regulations 1996, a monthly statement of financial activity must be submitted to an Ordinary Council meeting within 2 months after the end of the month to which the statement relates. The statement of financial activity is a complex document but gives a complete overview of the “cash” financial position as at the end of each month. The statement of financial activity for each month must be adopted by Council and form part of the minutes.

It is understood that parts of the statement of financial activity have been submitted to Ordinary Council meetings previously. In reviewing the Regulations the complete statement of financial activity is to be submitted, along with the following reports that are not included in the statement.

Monthly Financial Statements submitted for adoption include:

- (a) Statement of Financial Activity – 30<sup>th</sup> November, 2012
- (b) Compilation Report
- (c) Material Variances – 30<sup>th</sup> November, 2012

**STATUTORY ENVIRONMENT*****Part 4 — Financial reports— s. 6.4***

34. *Financial activity statement report – s. 6.4*

(1A) *In this regulation —*

***committed assets*** means revenue unspent but set aside under the annual budget for a specific purpose.



President: \_\_\_\_\_

34. (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*
- (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
  - (b) *budget estimates to the end of the month to which the statement relates;*
  - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
  - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
  - (e) *the net current assets at the end of the month to which the statement relates.*
34. (2) *Each statement of financial activity is to be accompanied by documents containing —*
- (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
  - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
  - (c) *such other supporting information as is considered relevant by the local government.*
34. (3) *The information in a statement of financial activity may be shown —*
- (a) *according to nature and type classification; or*
  - (b) *by program; or*
  - (c) *by business unit.*
34. (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
- (a) *presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
  - (b) *recorded in the minutes of the meeting at which it is presented.*
34. (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*

**POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

**STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

President: \_\_\_\_\_

## **RECOMMENDATIONS**

That the Monthly Financial Statements for the month ended 30<sup>th</sup> November, 2012 consisting of:

- (a) Statement of Financial Activity – 30<sup>th</sup> November, 2012
- (b) Compilation Report
- (c) Material Variances – 30<sup>th</sup> November, 2012

be accepted.

## **VOTING REQUIREMENT**

Simple Majority

## **COUNCIL DECISION**

**Moved Cr RA Norrie, Seconded Cr LR Petersen**, that the Monthly Financial Statements for the month ended 30<sup>th</sup> November, 2012 consisting of:

- (a) Statement of Financial Activity – 30<sup>th</sup> November, 2012
- (b) Compilation Report
- (c) Material Variances – 30<sup>th</sup> November, 2012

be accepted.

**CARRIED (6 VOTES TO 0)**

The Chief Executive Officer  
Shire of Leonora  
PO Box 56  
LEONORA WA 6438

### COMPILATION REPORT TO THE SHIRE OF LEONORA

We have compiled the accompanying Local Government special purpose financial statements of the Shire of Leonora, which comprise the Statement of Financial Activity, a summary of significant accounting policies and other explanatory notes for the period ending 30th November 2012. The financial statements have been compiled to meet compliance with the Local Government Act 1995 and associated Regulations.

### THE RESPONSIBILITY OF THE SHIRE OF LEONORA

The Shire of Leonora are solely responsible for the information contained in the special purpose financial statements and are responsible for the maintenance of an appropriate accounting system in accordance with the relevant legislation.

### OUR RESPONSIBILITY

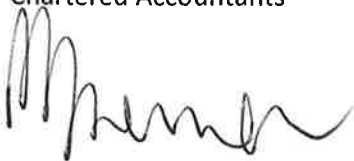
On the basis of information provided by the Shire of Leonora we have compiled the accompanying special purpose financial statements in accordance with the requirements of the Local Government Act 1995, associated Regulations and APES 315 Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Shire of Leonora provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The Local Government special purpose financial statements were compiled exclusively for the benefit of the Shire of Leonora. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

*UHY Haines Norton (WA) Pty Ltd.*

UHY Haines Norton (WA) Pty Ltd  
Chartered Accountants



Paul Breman  
Director

7 December 2012

# **Shire of Leonora**

## **MONTHLY FINANCIAL REPORT**

**For the Period Ended 30th November 2012**

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

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President: \_\_\_\_\_

**Shire of Leonora**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(Statutory Reporting Program)**  
**For the Period Ended 30th November 2012**

|   | Note | Amended<br>Annual Budget | YTD Amended<br>Budget<br>(a) | YTD<br>Actual<br>(b) | Var. \$<br>(b)-(a) | Var. %<br>(b)-(a)/(b) | Var. |
|---|------|--------------------------|------------------------------|----------------------|--------------------|-----------------------|------|
| <b>Operating Revenues</b>               |      | \$                       | \$                           | \$                   | \$                 | %                     |      |
| Governance                              |      | 1,820                    | 0                            | 171                  | 171                | 100.00%               |      |
| General Purpose Funding                 |      | 1,304,550                | 649,788                      | 278,136              | (371,652)          | (133.62%)             | ▼    |
| Law, Order and Public Safety            |      | 15,530                   | 2,820                        | 8,168                | 5,348              | 65.48%                |      |
| Health                                  |      | 74,584                   | 35,768                       | 18,552               | (17,216)           | (92.80%)              | ▼    |
| Education and Welfare                   |      | 163,370                  | 66,750                       | 79,265               | 12,515             | 15.79%                |      |
| Housing                                 |      | 46,740                   | 19,485                       | 17,449               | (2,036)            | (11.67%)              |      |
| Community Amenities                     |      | 89,771                   | 81,816                       | 86,367               | 4,551              | 5.27%                 |      |
| Recreation and Culture                  |      | 205,579                  | 91,750                       | 32,270               | (59,480)           | (184.32%)             | ▼    |
| Transport                               |      | 3,286,324                | 1,338,431                    | 180,576              | (1,157,855)        | (641.20%)             | ▼    |
| Economic Services                       |      | 530,724                  | 134,330                      | 162,271              | 27,941             | 17.22%                | ▲    |
| Other Property and Services             |      | 131,697                  | 53,415                       | 70,905               | 17,490             | 24.67%                | ▲    |
| <b>Total (Ex. Rates)</b>                |      | <b>5,850,689</b>         | <b>2,474,353</b>             | <b>934,130</b>       | <b>(1,540,223)</b> |                       |      |
| <b>Operating Expense</b>                |      |                          |                              |                      |                    |                       |      |
| Governance                              |      | (444,302)                | (206,021)                    | (192,961)            | 13,060             | 6.77%                 |      |
| General Purpose Funding                 |      | (321,990)                | (140,195)                    | (133,538)            | 6,657              | 4.99%                 |      |
| Law, Order and Public Safety            |      | (155,837)                | (68,689)                     | (49,978)             | 18,711             | 37.44%                | ▼    |
| Health                                  |      | (576,692)                | (299,677)                    | (238,665)            | 61,012             | 25.56%                | ▼    |
| Education and Welfare                   |      | (454,078)                | (186,928)                    | (159,862)            | 27,066             | 16.93%                | ▼    |
| Housing                                 |      | (15,000)                 | (1,755)                      | (5,125)              | (3,370)            | (65.76%)              | ▼    |
| Community Amenities                     |      | (393,913)                | (214,338)                    | (56,465)             | 157,873            | 279.59%               | ▼    |
| Recreation and Culture                  |      | (1,065,368)              | (440,021)                    | (415,052)            | 24,969             | 6.02%                 | ▼    |
| Transport                               |      | (6,202,421)              | (2,585,011)                  | (1,771,475)          | 813,536            | 45.92%                | ▼    |
| Economic Services                       |      | (1,518,990)              | (491,265)                    | (441,898)            | 49,367             | 11.17%                | ▼    |
| Other Property and Services             |      | (70,007)                 | (82,191)                     | 23,720               | 105,911            | (446.51%)             |      |
| <b>Total</b>                            |      | <b>(11,218,598)</b>      | <b>(4,716,091)</b>           | <b>(3,441,299)</b>   | <b>1,274,792</b>   |                       |      |
| <b>Funding Balance Adjustment</b>       |      |                          |                              |                      |                    |                       |      |
| Add back Depreciation                   |      | 1,557,338                | 648,182                      | 689,591              | 41,409             | 6.00%                 | ▲    |
| Adjust (Profit)/Loss on Asset Disposal  | 8    | 303,023                  | 126,260                      | 67,100               | (59,160)           | (88.17%)              | ▼    |
| Adjust Provisions and Accruals          |      | 0                        | 0                            | (15,329)             | (15,329)           | (100.00%)             | ▼    |
| <b>Net Operating (Ex. Rates)</b>        |      | <b>(3,507,548)</b>       | <b>(1,467,296)</b>           | <b>(1,765,807)</b>   | <b>(298,510)</b>   |                       |      |
| <b>Capital Revenues</b>                 |      |                          |                              |                      |                    |                       |      |
| Grants, Subsidies and Contributions     | 11   | 471,643                  | 148,400                      | 0                    | (148,400)          | 100.00%               |      |
| Proceeds from Disposal of Assets        | 8    | 720,800                  | 300,333                      | 155,910              | (144,423)          | (92.63%)              | ▼    |
| Transfer from Reserves                  | 7    | 50,000                   | 0                            | 4,000                | 4,000              | 100.00%               |      |
| <b>Total</b>                            |      | <b>1,242,443</b>         | <b>448,733</b>               | <b>159,910</b>       | <b>(288,823)</b>   |                       |      |
| <b>Capital Expenses</b>                 |      |                          |                              |                      |                    |                       |      |
| Land and Buildings                      | 8    | (1,381,796)              | (575,748)                    | (360,706)            | 215,042            | 59.62%                | ▼    |
| Plant and Equipment                     | 8    | (862,562)                | (359,401)                    | (384,758)            | (25,357)           | (6.59%)               | ▲    |
| Furniture and Equipment                 | 8    | (235,748)                | (98,228)                     | 0                    | 98,228             | 100.00%               | ▼    |
| Infrastructure Assets - Roads           | 8    | (323,243)                | (134,685)                    | (39,210)             | 95,475             | 243.50%               | ▼    |
| Infrastructure Assets - Other           | 8    | (913,860)                | (380,775)                    | (9,737)              | 371,038            | 3810.60%              | ▼    |
| Transfer to Reserves                    | 7    | (136,740)                | 0                            | (9,500)              | (9,500)            | (100.00%)             |      |
| <b>Total</b>                            |      | <b>(3,853,949)</b>       | <b>(1,548,837)</b>           | <b>(803,911)</b>     | <b>744,926</b>     |                       |      |
| <b>Net Capital</b>                      |      | <b>(2,611,506)</b>       | <b>(1,100,104)</b>           | <b>(644,001)</b>     | <b>456,103</b>     |                       |      |
| <b>Total Net Operating + Capital</b>    |      | <b>(6,119,054)</b>       | <b>(2,567,400)</b>           | <b>(2,409,808)</b>   | <b>157,592</b>     |                       |      |
| Opening Funding Surplus(Deficit)        | 3    | 1,408,625                | 1,408,625                    | 1,412,542            | 3,917              | 0.28%                 |      |
| Rate Revenue                            | 9    | 4,710,429                | 4,708,837                    | 4,749,953            | 41,116             | 0.87%                 | ▲    |
| <b>Closing Funding Surplus(Deficit)</b> | 3    | <b>0</b>                 | <b>3,550,062</b>             | <b>3,752,687</b>     | <b>202,625</b>     |                       |      |

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. ▲ ▼

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Accounting**

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

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

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

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 statement, but a separate statement of those monies appears at Note 12.

**(c) Rounding Off Figures**

All figures shown in this statement are rounded to the nearest dollar.

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

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

**(e) Goods and Services Tax**

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

**(f) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

**(g) Trade and Other Receivables**

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

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

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

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

**(h) Inventories**

**General**

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated Closing Funding Surplus(Deficit)

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

**Land Held for Resale**

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

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

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

**(i) Fixed Assets**

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 local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value 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.

**(j) Depreciation of Non-Current Assets**

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

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

|                           |                |
|---------------------------|----------------|
| Buildings                 | 30 to 50 years |
| Furniture and Equipment   | 2 to 15 years  |
| Plant and Equipment       | 5 to 15 years  |
| Roads - Aggregate         | 25 years       |
| Roads - Unsealed - Gravel | 35 years       |
| Drains and Sewers         | 75 years       |
| Airfield - Runways        | 12 years       |

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

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

**(k) Trade and Other Payables**

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

**(l) Employee Benefits**

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

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

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

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

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

**(m) Interest-bearing Loans and Borrowings**

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

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

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

***Borrowing Costs***

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

**(n) Provisions**

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

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



**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

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

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

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

**(p) Nature or Type Classifications**

**Rates**

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

**Operating Grants, Subsidies and Contributions**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

**Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**Fees and Charges**

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

**Service Charges**

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies the These are television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**Interest Earnings**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**Other Revenue / Income**

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

**Employee Costs**

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

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

**(q) Nature or Type Classifications (Continued)**

**Materials and Contracts**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

**Utilities (Gas, Electricity, Water, etc.)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**Insurance**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

**Loss on asset disposal**

Loss on the disposal of fixed assets.

**Depreciation on non-current assets**

Depreciation expense raised on all classes of assets.

**Interest expenses**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

**Other expenditure**

Statutory fees, taxes, provision for bad debts, member's fees or levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

**(r) Statement of Objectives**

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

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

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

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

**GOVERNANCE**

Includes costs and revenues associated with the President and Councillors in the exercise of their obligations as a governing body. Items of expenditure include conference, travel, meeting attendance fees, presidential allowance, receptions, donations, subscriptions and phone rentals. Costs of advertising and conducting elections are also included. Revenues include election nomination fees and reimbursements by members for private expenses.

An administration cost is also allocated which enables staff to process Council Meeting procedures, implement all government decisions and conduct Council meetings. Cost of conducting audit of Council books of accounts and procedures is also include under this heading.

**GENERAL PURPOSE FUNDING**

*1 Rates*

- (a) GRV (gross rental value) refers to property rates for Leonora, Gwalia, Leinster and Agnew town sites and operational mines and associated infrastructure.
- (b) UV (unimproved value) refers to mining properties and tenements (other than mines and other associated infrastructure) and includes prospecting licences, exploration licences and mining leases. It also refers to broad acre rural pastoral properties.
- (c) Additional rates and rates written back refer mainly to mining rates where tenements are granted or surrendered following the adoption of the budget.
- (d) Administration charge refers to the charge levied on ratepayers electing to make payment of rates on the offered instalment plan and is based on the actual cost involved in administering this process
- (e) Administration costs allocated are the costs of maintaining records, levying and collecting all rates.

*2 Grants*

- (a) Grants Commission - a general purpose grant allocated annually by the Federal Government to all local governments. The amount is determined by various formulae devised by the Grants Commission, with a significant component being based on population.
- (b) Roads Grant - An untied road grant allocated by the Federal Government and again distributed by the Grants Commission utilising a pre-determined formula.
- (c) Administration costs allocated to grants refers to the costs associated in collection of Federal Government grants including provision and updating of data used in grants commission formula.

*3 Interest from Investments*

Includes interest received on surplus funds invested throughout the year from both operating and reserve accounts.

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

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

**(r) STATEMENT OF OBJECTIVE (Continued)**

**LAW, ORDER, PUBLIC SAFETY**

Costs and revenues associated with animal control within the Shire and also includes fire insurance, dog control and registration.

**HEALTH**

Costs and revenues associated with compliance with the Health Act including inspections and approvals, food quality control, mosquito control, septic tank inspection/control, food hygiene inspection/control, contribution to doctors expenses, Royal Flying Doctor donation and notification of disease.

**EDUCATION AND WELFARE**

Provision of support for education and aged and disabled facilities within the district for the betterment of the residents.

**HOUSING**

Costs of maintaining Council owned accommodation units and collection of rentals paid by staff for use of those buildings. Costs that can be accurately attributed to other programs are allocated. Revenue associated with a State Government owned house by way of loan repayments to Council are also included.

Accommodation units include 3 houses, 2 duplexes and a single persons quarters.

**COMMUNITY AMENITIES**

Costs of collection and disposal of domestic and commercial refuse for town site of Leonora and Gwalia and maintenance of the landfill refuse site. Revenue collection by way of an annual fee for this service which is included on rate assessment notices.

Costs associated with review and administration of Council's Town Planning Scheme.

Provision of Christmas decorations in Leonora Town site.

Operation of the Leonora Cemetery.

**RECREATION AND CULTURE**

Provision and maintenance of Council owned parks, gardens and grassed oval/recreation ground at Leonora and a contribution to similar facilities within Leinster town site.

Costs of operation and maintenance of a purpose built recreation centre which includes indoor basketball court, two squash courts, kitchen, gymnasium and associated facilities and revenues collected from the public for use of these facilities.

Costs of maintenance of Council owned and provided television and radio re-transmission service which includes GWN, WIN and SBS television and WAFM and ABC fine music radio.

Costs and revenues associated with the operation and maintenance of library facilities at Leonora in conjunction with the Library Board of Western Australia.

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

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

**(r) STATEMENT OF OBJECTIVE (Continued)**

**TRANSPORT**

Maintenance and improvements of 1,300 kilometres of Council controlled unsealed roads, town site footpaths and streets, drainage control, street cleaning and provision and maintenance of street trees. Costs of providing electricity for steel lights in the Leonora/Gwalia town sites and maintenance of Council's works depot and associated infrastructure.

Operation, maintenance and management of Leonora Aerodrome including runways, runway lighting, tarmac and terminal building and gardens. Purchase of aviation fuel for resale to aircraft operators.

Revenues by way of landing fees and Head Tax charges charged to all aircraft with the exception of the Royal Flying Doctors Service, lease/renting of building to all users of facilities and charges for fuel supplied to aircraft.

**ECONOMIC SERVICES**

Costs associated with tourism promotion throughout the Shire including employment of a Curator/Promotion Officer at the Gwalia Museum and historic precinct.

Contribution to employment of a Goldfields/Esperance Development Officer operating from Shire Offices - Leonora.

Costs and revenues associated with building control under building regulations, including inspections and issuing building permits.

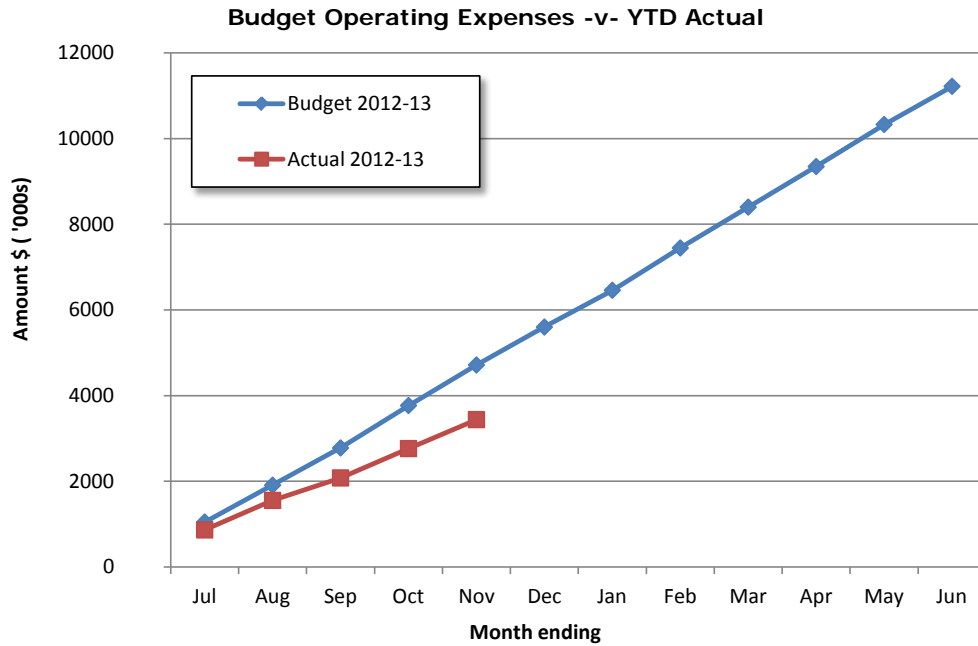
**OTHER PROPERTY & SERVICES**

Costs and revenues for private hire of Council machinery and operators for completion of private works for ratepayers and others.

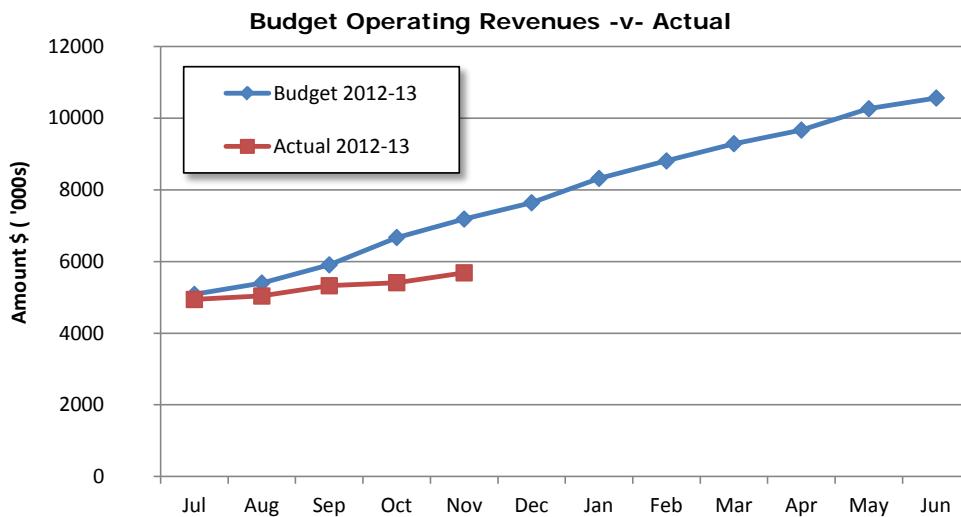
Costing allocation pools including administration, overheads, plant operation costs and salaries and wages which are all individually detailed and then allocated throughout all previously mentioned operating activities, works and services.

President: \_\_\_\_\_

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 2 - Graphical Representation - Source Statement of Financial Activity****Comments/Notes - Operating Expenses**

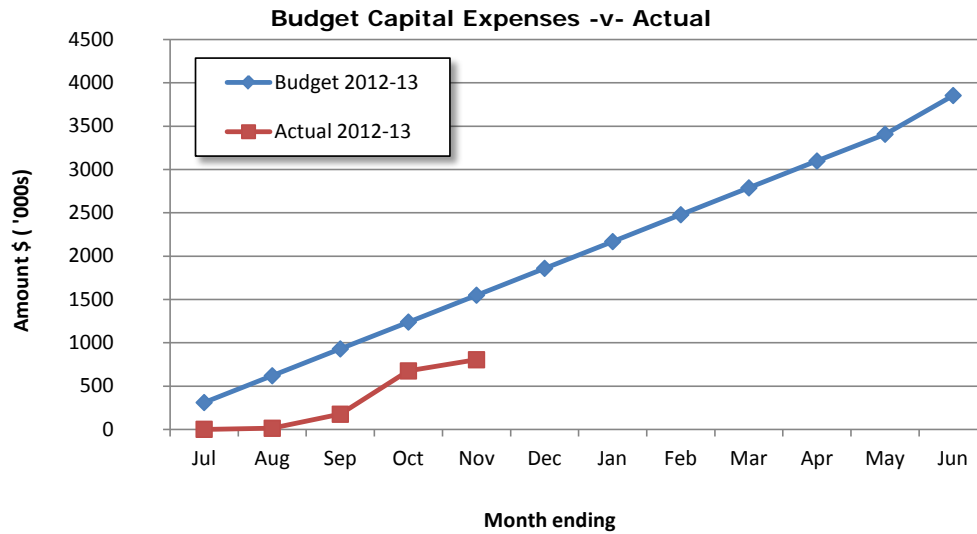
Generally tracking below budget estimates.

**Comments/Notes - Operating Revenues**

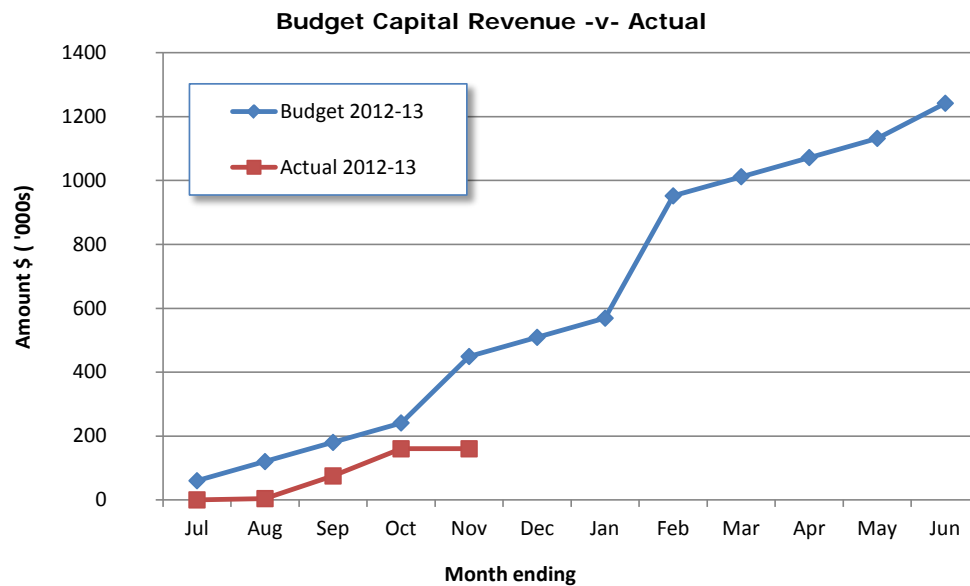
YTD revenue is below budget expectation, largely due to delay in the timing of receipt of some grants. For more detail on specific accounts, please refer to Note 13.

President: \_\_\_\_\_

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 2 - Graphical Representation - Source Statement of Financial Activity****Comments/Notes - Capital Expenses**

Capital budget has been allocated at 1/12 for each month. This requires review and adjustment.

**Comments/Notes - Capital Revenues**

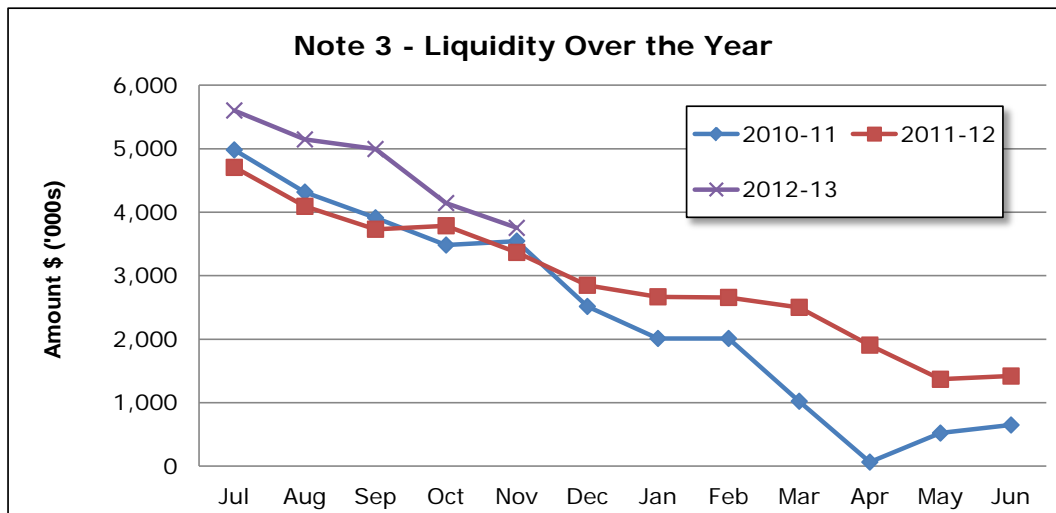
YTD revenue is below budget expectation, but considered to be a timing issue. For more detail on specific accounts, please refer to Note 13.

President: \_\_\_\_\_

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 3: NET CURRENT FUNDING POSITION**

|                                     |                              | Positive=Surplus (Negative=Deficit) |                              |                  |
|-------------------------------------|------------------------------|-------------------------------------|------------------------------|------------------|
|                                     |                              | 2012-13                             |                              |                  |
| Note                                | YTD 30th<br>November<br>2012 | 30th June<br>2012                   | YTD 30th<br>November<br>2011 |                  |
|                                     |                              | \$                                  | \$                           | \$               |
| <b>Current Assets</b>               |                              |                                     |                              |                  |
| Cash Unrestricted                   | 4                            | 3,452,576                           | 1,084,981                    | 3,582,546        |
| Cash Restricted                     | 4                            | 396,502                             | 391,002                      | 314,553          |
| Receivables - Rates                 | 6                            | 413,595                             | 41,773                       | 300,991          |
| Receivables -Other                  | 6                            | 94,332                              | 357,524                      | 118,723          |
| Inventories                         |                              | 43,550                              | 47,364                       | (14,245)         |
|                                     |                              | 4,400,555                           | 1,922,644                    | 4,302,568        |
| <b>Less: Current Liabilities</b>    |                              |                                     |                              |                  |
| Payables                            |                              | (248,956)                           | (119,100)                    | (277,060)        |
| Provisions                          |                              | (311,403)                           | (324,322)                    | (343,633)        |
|                                     |                              | (560,359)                           | (443,422)                    | (620,693)        |
| Less: Cash Reserves                 | 7                            | (396,502)                           | (391,002)                    | (314,553)        |
| Add: Cash Backed Provisions         |                              | 308,993                             | 324,322                      | 0                |
| <b>Net Current Funding Position</b> |                              | <b>3,752,687</b>                    | <b>1,412,542</b>             | <b>3,367,322</b> |

**Comments - Net Current Funding Position**

Net Current Funding Position is \$385,000 higher than this time in the previous reporting period.



**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 4: CASH AND INVESTMENTS**

|                              | Interest Rate | Unrestricted \$  | Restricted \$  | Total Amount \$  | Institution | Maturity Date |
|------------------------------|---------------|------------------|----------------|------------------|-------------|---------------|
| <b>(a) Cash Deposits</b>     |               |                  |                |                  |             |               |
| Municipal Account            | Variable      | 3,451,306        |                | 3,451,306        | NAB         | Cheque Acc.   |
| LSL Maximiser                | Variable      |                  | 170,653        | 170,653          | NAB         | Cheque Acc.   |
| Fire Maximiser               | Variable      |                  | 11,426         | 11,426           | NAB         | Cheque Acc.   |
| Plant Maximiser              | Variable      |                  | 992            | 992              | NAB         | Cheque Acc.   |
| Annual Leave Maximiser       | Variable      |                  | 148,587        | 148,587          | NAB         | Cheque Acc.   |
| Gwalia Precinct Maximiser    | Variable      |                  | 64,844         | 64,844           | NAB         | Cheque Acc.   |
| Cash On Hand                 | Nil           | 1,270            |                | 1,270            | NAB         | On Hand       |
| <b>(b) Term Deposits</b>     |               |                  |                |                  |             |               |
| N/A                          |               |                  |                | 0                |             |               |
| <b>(c) Other Investments</b> |               |                  |                |                  |             |               |
| N/A                          |               |                  |                | 0                |             |               |
| <b>Total</b>                 |               | <b>3,452,576</b> | <b>396,502</b> | <b>3,849,078</b> |             |               |

**Comments/Notes - Investments**

Reserve funds are held in interest bearing accounts, and are available to be called upon at any time.

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note5: BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

| GL Account Code                          | Description  | Council Resolution | Classification   | Non Cash Adjustment | Increase in Available Cash | Decrease in Available Cash | Amended Budget Running Balance |
|--|--|--------------------|------------------|---------------------|----------------------------|----------------------------|--------------------------------|
|  | <b>Surplus/(Deficit) on Budget Adoption 17/07/2012</b>           |                    |                  | \$<br><b>0</b>      | \$<br><b>0</b>             | \$<br><b>0</b>             | \$<br><b>0</b><br><b>0</b>     |
| A01339                                   | <b>Plant Replacement Reserve</b> - Reduce transfer to Reserve    | 10.2(C) Sep 12     | Capital Expenses |                     | 100,000                    |                            | <b>100,000</b>                 |
| A01343                                   | <b>Gwalia Reserve</b> - Reduce transfer to Reserve               | 10.2(C) Sep 12     | Capital Expenses |                     | 40,000                     |                            | <b>140,000</b>                 |
| TBA                                      | <b>Building Maintenance Reserve</b> - Reduce Transfer to Reserve | 10.2(C) Sep 12     | Capital Expenses |                     | 60,000                     |                            | <b>200,000</b>                 |
| E320002                                  | <b>New Staff Housing</b> -reduce capital expenditure             | 10.2(C) Sep 12     | Capital Expenses |                     | 40,000                     |                            | <b>240,000</b>                 |
| E320005                                  | <b>Lot 58-60a Tower Street</b> - increase capital expenditure    | 10.2(C) Sep 12     | Capital Expenses |                     |                            | (240,000)                  | <b>0</b>                       |
| <b>Closing Funding Surplus (Deficit)</b> |  |                    |                  | <b>0</b>            | <b>240,000</b>             | <b>(240,000)</b>           | <b>0</b>                       |

President: \_\_\_\_\_

**Shire of Leonora  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 30th November 2012**

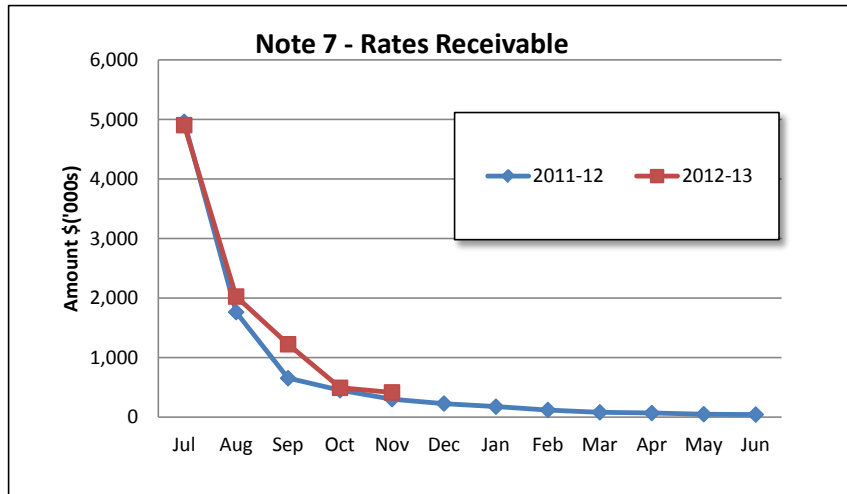
**Note 6: RECEIVABLES**

**Receivables - Rates Receivable**

Opening Arrears Previous Years  
Levied this year  
Less Collections to date  
Equals Current Outstanding

**Net Rates Collectable**  
% Collected

|                                | YTD 30th November 2012 | YTD 30th June 2012 |
|--------------------------------|------------------------|--------------------|
|                                | \$                     | \$                 |
| Opening Arrears Previous Years | 41,773                 | 53,938             |
| Levied this year               | 4,939,820              | 5,037,515          |
| Less Collections to date       | (4,567,998)            | (5,049,680)        |
| Equals Current Outstanding     | <b>413,595</b>         | <b>41,773</b>      |
| <b>Net Rates Collectable</b>   | <b>413,595</b>         | <b>41,773</b>      |
| % Collected                    | 91.70%                 | 99.18%             |



**Comments/Notes - Receivables Rates and Rubbish**

Rates recovery is progressing very well to date, with final notices issued, and a strong recovery rate to the end of October. Legal action is commencing on outstanding rates.

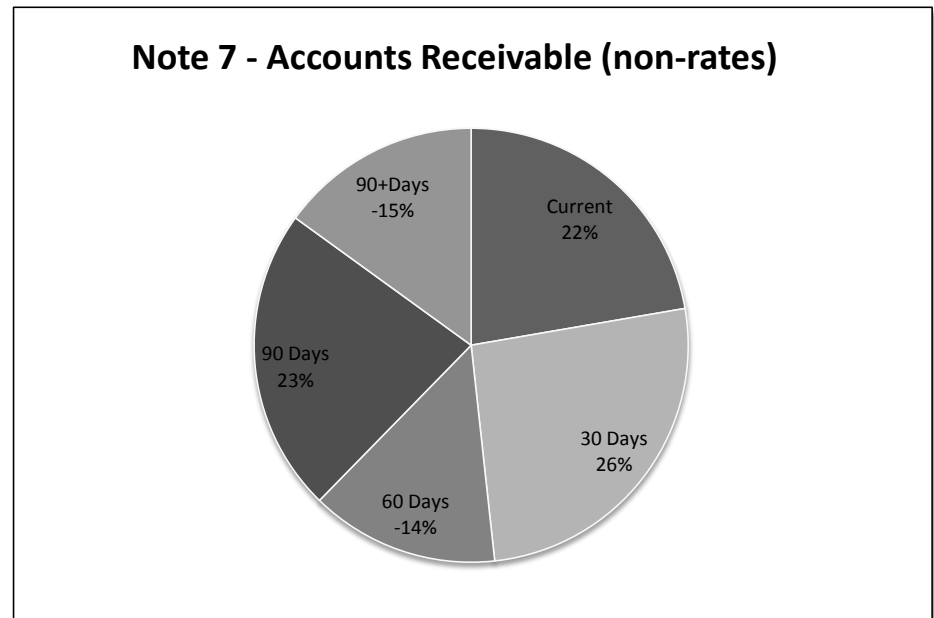
**Receivables - General**

Receivables - General

**Total Receivables General Outstanding**

Amounts shown above include GST (where applicable)

|  | Current | 30 Days | 60 Days  | 90 Days | 90+Days       |
|--|---------|---------|----------|---------|---------------|
|  | \$      | \$      | \$       | \$      | \$            |
| Receivables - General                        | 50,233  | 58,553  | (31,672) | 51,074  | (33,856)      |
| <b>Total Receivables General Outstanding</b> |         |         |          |         | <b>94,332</b> |



**Comments/Notes - Receivables General**

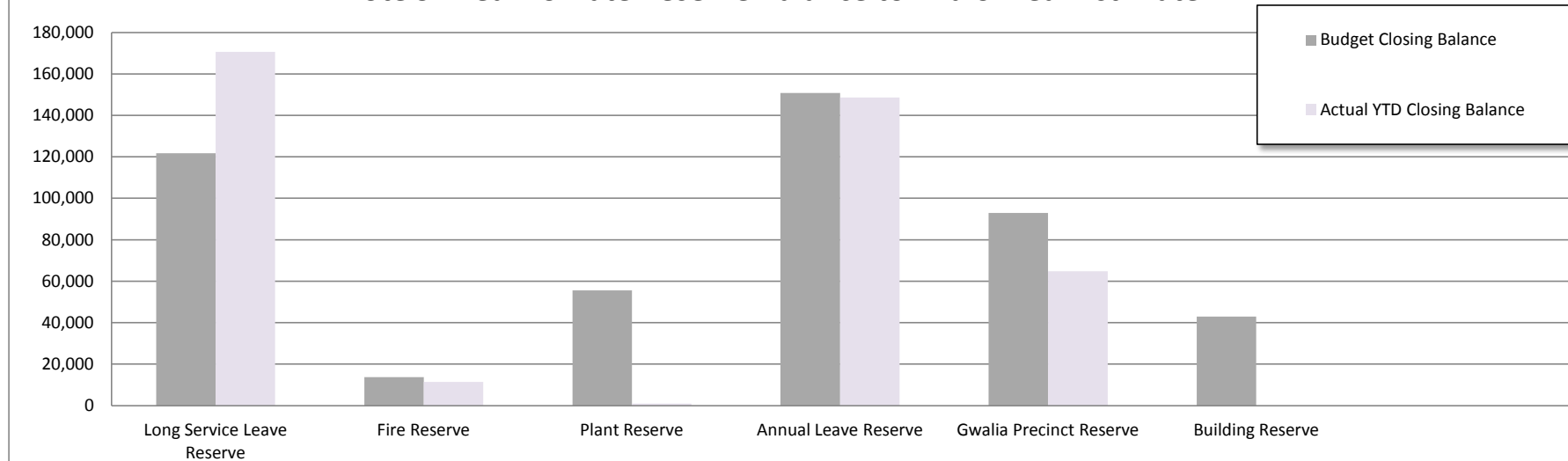
Outstanding debtors are followed up periodically (every two weeks), with reminders and final demands issued on bad debtors. Collection agency is engaged on long overdue

President: \_\_\_\_\_

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 7: Cash Backed Reserve**

| 2012-13                    |                 |                        |                        |                         |                         |                          |                          |                        |                        |                            |
|----------------------------|-----------------|------------------------|------------------------|-------------------------|-------------------------|--------------------------|--------------------------|------------------------|------------------------|----------------------------|
| Name                       | Opening Balance | Budget Interest Earned | Actual Interest Earned | Budget Transfers In (+) | Actual Transfers In (+) | Budget Transfers Out (-) | Actual Transfers Out (-) | Transfer out Reference | Budget Closing Balance | Actual YTD Closing Balance |
| Long Service Leave Reserve | \$ 168,216      | \$ 0                   | \$ 2,436               | \$ 3,546                | \$ 0                    | \$ (50,000)              | \$ 0                     |                        | \$ 121,762             | \$ 170,652                 |
| Fire Reserve               | 11,267          | 0                      | 160                    | 2,398                   | 4,000                   | 0                        | (4,000)                  |                        | 13,665                 | 11,427                     |
| Plant Reserve              | 992             | 0                      | 0                      | 54,530                  | 0                       | 0                        | 0                        |                        | 55,522                 | 992                        |
| Annual Leave Reserve       | 146,465         | 0                      | 2,122                  | 4,394                   | 0                       | 0                        | 0                        |                        | 150,859                | 148,587                    |
| Gwalia Precinct Reserve    | 64,062          | 0                      | 782                    | 28,872                  | 0                       | 0                        | 0                        |                        | 92,934                 | 64,844                     |
| Building Reserve           | 0               | 0                      | 0                      | 43,000                  | 0                       | 0                        | 0                        |                        | 43,000                 | 0                          |
|                            |                 |                        |                        |                         |                         |                          |                          |                        | 0                      | 0                          |
|                            | <b>391,002</b>  | <b>0</b>               | <b>5,500</b>           | <b>136,740</b>          | <b>4,000</b>            | <b>(50,000)</b>          | <b>(4,000)</b>           |                        | <b>477,742</b>         | <b>396,502</b>             |

**Note 9 - Year To Date Reserve Balance to End of Year Estimate**

President: \_\_\_\_\_

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 8: CAPITAL DISPOSALS AND ACQUISITIONS**

| Actual YTD Profit(Loss) of Asset Disposal |                 |                |                 | Disposals                           | Current Budget              |                      |                |
|---|-----------------|----------------|-----------------|-------------------------------------|-----------------------------|----------------------|----------------|
| Cost                                      | Accum Depr      | Proceeds       | Profit (Loss)   |                                     | YTD 30th November 2012      |                      |                |
|   |                 |                |                 |                                     | Annual Budget Profit/(Loss) | Actual Profit/(Loss) | Variance       |
| \$  | \$              | \$             | \$              | \$                                  | \$                          | \$                   |                |
|   |                 |                |                 | <b>Plant and Equipment</b>          |                             |                      |                |
|   |                 |                | 0               | Asset 300 Great Wall Utility D/Cab  | (7,276)                     | 0                    | 7,276          |
| 41,923                                    | (4,241)         | 29,091         | (8,591)         | Asset 321 2011 Ford Falcon 4L       | (9,659)                     | (8,591)              | 1,068          |
|   |                 |                | 0               | Asset 9 2009 Ford Ranger L2229      | (5,371)                     | 0                    | 5,371          |
| 36,852                                    | (6,401)         | 19,091         | (11,360)        | Asset 310 2010 Ford Ranger L2293    | 0                           | (11,360)             | (11,360)       |
| 37,064                                    | (10,439)        | 19,091         | (7,534)         | Asset 32 2009 Ford Ranger L2169     | (10,154)                    | (7,534)              | 2,620          |
|   |                 |                | 0               | Asset 26 Mack Prime Mover P2019     | (85,047)                    | 0                    | 85,047         |
| 44,884                                    | (2,038)         | 22,727         | (20,119)        | Asset 326 2011 Nissan Navara 6L     | (18,621)                    | (20,119)             | (1,498)        |
|   |                 |                | 0               | Asset 38 2009 Nilfisk Sweeper P2253 | (42,304)                    | 0                    | 42,304         |
|   |                 |                | 0               | Asset 18 Haulmore Trailer P781      | 20,000                      | 0                    | (20,000)       |
|   |                 |                | 0               | Asset 16 Haulmore Trailer P 782     | 20,000                      | 0                    | (20,000)       |
| 41,876                                    | (3,194)         | 29,091         | (9,591)         | Asset 322 2011 Ford Falcon 2L       | (10,348)                    | (9,591)              | 757            |
| 52,509                                    | (5,785)         | 36,819         | (9,905)         | Asset 320 2011 Ford FG Sedan 1L     | (11,243)                    | (9,905)              | 1,338          |
|   |                 |                | 0               |                                     |                             |                      |                |
|   |                 |                | 0               | <b>Land and Buildings</b>           |                             |                      |                |
|   |                 |                | 0               | Asset L211 Industrial Land          | (143,000)                   | 0                    | 143,000        |
|   |                 |                | 0               |                                     |                             |                      |                |
| <b>255,108</b>                            | <b>(32,098)</b> | <b>155,910</b> | <b>(67,100)</b> |                                     | <b>(303,023)</b>            | <b>(67,100)</b>      | <b>235,923</b> |

**Comments - Capital Disposal/Replacements**

| Comments | Summary Acquisitions           | Current Budget   |                |                    |
|----------|--------------------------------|------------------|----------------|--------------------|
|          |                                | Budget           | Actual         | Variance           |
|          |                                | \$               | \$             | \$                 |
|          | <b>Plant &amp; Equipment</b>   | 862,562          | 384,758        | (477,804)          |
|          | <b>Land and Buildings</b>      | 1,381,796        | 360,706        | (1,021,090)        |
|          | <b>Furniture and Equipment</b> | 235,748          | 0              | (235,748)          |
|          | <b>Infrastructure</b>          |                  |                |                    |
|          | Roadworks                      | 323,243          | 39,210         | (284,033)          |
|          | Drainage                       | 0                | 0              | 0                  |
|          | Bridges                        | 0                | 0              | 0                  |
|          | Footpath & Cycleways           | 0                | 0              | 0                  |
|          | Parks, Gardens & Reserves      | 0                | 0              | 0                  |
|          | Airports                       | 0                | 0              | 0                  |
|          | Sewerage                       | 0                | 0              | 0                  |
|          | Other Infrastructure           | 913,860          | 9,737          | (904,123)          |
|          | <b>Capital Totals</b>          | <b>3,717,209</b> | <b>794,411</b> | <b>(2,922,798)</b> |

| Comments  | Land & Buildings                      | Current Budget   |                |                    |
|---|---------------------------------------|------------------|----------------|--------------------|
|   |                                       | This Year        |                |                    |
|   |                                       | Budget           | Actual         | Variance           |
|   |                                       | \$               | \$             | \$                 |
| Awaiting final CLGF approval                          | Youth Centre - External Refurbishment | 60,000           | 0              | (60,000)           |
| Contract issued for project to commence               | Construct New Staff Housing           | 410,000          | 7,634          | (402,366)          |
| Progressing in consultation with heritage consultants | Patroni's Guest House Restoration     | 371,796          | 111,192        | (260,604)          |
| Awaiting final CLGF approval                          | Building for Vintage Hearse and Truck | 300,000          | 0              | (300,000)          |
| Finalised.  | Lots 58-60a Tower Street              | 240,000          | 241,880        | 1,880              |
|   |                                       |                  |                | 0                  |
|   | <b>Capital Totals</b>                 | <b>1,381,796</b> | <b>360,706</b> | <b>(1,021,090)</b> |

President: \_\_\_\_\_

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 8: CAPITAL DISPOSALS AND ACQUISITIONS**

| Comments                                 | Plant & Equipment               | Current Budget |                |                      |
|--|---------------------------------|----------------|----------------|----------------------|
|  |                                 | This Year      |                |                      |
|  |                                 | Budget         | Actual         | Variance (Under)Over |
| Finalised                                | Health Vehicle 4L               | \$ 41,737      | \$ 41,401      | (336)                |
| Finalised                                | Maintenance Grading Camp Genset | 17,500         | 17,135         | (365)                |
| Finalised                                | Utility Vehicle                 | 65,000         | 65,149         | 149                  |
| Finalised                                | Utility Vehicle                 | 38,000         | 36,558         | (1,442)              |
| Finalised                                | Utility Vehicle                 | 46,000         | 45,258         | (742)                |
| Finalised                                | Street Sweeper                  | 80,463         | 80,463         | 0                    |
| Quotations being sourced                 | Side Tipper Trailer             | 105,000        | 0              | (105,000)            |
| Quotations being sourced                 | Side Tipper Trailer             | 105,000        | 0              | (105,000)            |
| Tender documents being prepared          | Prime Mover                     | 240,000        | 0              | (240,000)            |
| Finalised                                | DCEO Vehicle 2L                 | 41,737         | 46,557         | 4,820                |
| Finalised                                | CEO Vehicle 1L                  | 52,237         | 52,237         | 0                    |
| Awaiting outcome of position/restructure | CDO Vehicle                     | 29,888         | 0              | (29,888)             |
|  |                                 |                |                | 0                    |
|  | <b>Capital Totals</b>           | <b>862,562</b> | <b>384,758</b> | <b>(477,804)</b>     |

| Comments   | Furniture & Equipment                        | Current Budget |          |                      |
|--|--|----------------|----------|----------------------|
|  |  | This Year      |          |                      |
|  |  | Budget         | Actual   | Variance (Under)Over |
| Funding application through R4R successful. Tender documents being prepared at regional level. Currently liaising with suppliers | TV Radio - Upgrade self help site to digital | \$ 139,748     | \$ 0     | (139,748)            |
|  | Accounting Software Upgrade                  | 96,000         | 0        | (96,000)             |
|  |  |                |          | 0                    |
|  | <b>Capital Totals</b>                        | <b>235,748</b> | <b>0</b> | <b>(235,748)</b>     |

| Comments  | Roads                        | Current Budget |               |                      |
|---|------------------------------|----------------|---------------|----------------------|
|   |                              | This Year      |               |                      |
|   |                              | Budget         | Actual        | Variance (Under)Over |
| Scheduled to commence 2013                            | R2R - Townsite Reseal        | \$ 323,243     | \$ 0          | (323,243)            |
| Project progressing, been reallocated from Inf. Other | Extension to Street Lighting | 0              | 19,724        | 19,724               |
| Project progressing, been reallocated from Inf. Other | Footpath Renewal             | 0              | 19,486        | 19,486               |
|   | <b>Capital Totals</b>        | <b>323,243</b> | <b>39,210</b> | <b>(284,033)</b>     |

| Comments  | Other Infrastructure               | Current Budget |              |                      |
|---|------------------------------------|----------------|--------------|----------------------|
|   |                                    | This Year      |              |                      |
|   |                                    | Budget         | Actual       | Variance (Under)Over |
|   |                                    | \$             | \$           | \$                   |
|   | Extend Rubbish Tip Boundary Fence  | 20,000         | 0            | (20,000)             |
|   | Main Street Verandah Refurbishment | 10,000         | 544          | (9,456)              |
| Awaiting final CLGF approval                                | Town Entry Statements              | 57,610         | 0            | (57,610)             |
| Reallocated to Infrastructure Roads                         | Footpath Renewal                   | 320,164        | 0            | (320,164)            |
| Reallocated to Infrastructure Roads                         | Extension to Street Lighting       | 220,000        | 0            | (220,000)            |
| Will be progressing by end of 2012                          | Aerodrome - Bitulastic Seal Apron  | 71,400         | 0            | (71,400)             |
| Progressing (heritage engineer recently on site to inspect) | Gwalia Headframe Renewal           | 67,000         | 2,302        | (64,698)             |
| Progressing   | Restoration Ken Locomotive         | 15,000         | 6,891        | (8,109)              |
| Awaiting outcome of funding applications                    | Restoration Leonora Electric Tram  | 75,000         | 0            | (75,000)             |
| Currently being investigated                                | Stock Yards                        | 57,686         | 0            | (57,686)             |
|   |                                    |                |              | 0                    |
|   | <b>Capital Totals</b>              | <b>913,860</b> | <b>9,737</b> | <b>(904,123)</b>     |

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 9: RATING INFORMATION**

| RATE TYPE                 |                 | Rate in \$        | Number of Properties | Rateable Value \$ | Rate Revenue \$ | Interim Rates \$ | Back Rates \$ | Total Revenue \$ | Budget Rate Revenue \$ | Budget Interim Rate \$ | Budget Back Rate \$ | Budget Total Revenue \$ |
|---------------------------|-----------------|-------------------|----------------------|-------------------|-----------------|------------------|---------------|------------------|------------------------|------------------------|---------------------|-------------------------|
| <b>Differential Rates</b> |                 |                   |                      |                   |                 |                  |               |                  |                        |                        |                     |                         |
| GRV                       | Residential     | 0.0580            | 483                  | 6,440,356         | 373,541         | (435)            | 0             | 373,106          | 373,541                | 2,500                  | 0                   | 376,041                 |
|                           | Industrial      | 0.0580            | 47                   | 3,537,480         | 205,174         | 0                | 0             | 205,174          | 205,174                | 0                      | 0                   | 205,174                 |
|                           | Commercial      | 0.0580            | 29                   | 3,460,322         | 200,699         | 4,898            | 0             | 205,597          | 200,699                | 0                      | 0                   | 200,699                 |
|                           | Town Centre     | 0.0580            | 4                    | 246,770           | 14,313          | 0                | 0             | 14,313           | 14,313                 | 0                      | 0                   | 14,313                  |
|                           | Vacant          | 0.0580            | 1                    | 17,368            | 1,007           | 0                | 0             | 1,007            | 1,007                  | 0                      | 0                   | 1,007                   |
|                           | Miscellaneous   | 0.0580            | 11                   | 404,468           | 23,459          | 0                | 0             | 23,459           | 25,602                 | 0                      | 0                   | 25,602                  |
|                           | Mining Tenement | 0.0580            | 6                    | 2,399,248         | 139,156         | 0                | 0             | 139,156          | 139,156                | 0                      | 0                   | 139,156                 |
| UV                        | Mining Tenement | 0.1280            | 1,112                | 26,398,746        | 3,379,039       | 24,562           | 0             | 3,403,601        | 3,375,658              | 0                      | 0                   | 3,375,658               |
|                           | Pastoral        | 0.0480            | 26                   | 1,244,156         | 59,719          | 0                | 0             | 59,719           | 59,800                 | 0                      | 0                   | 59,800                  |
|                           | Rural           | 0.0480            | 2                    | 50,000            | 2,400           | 0                | 0             | 2,400            | 1,924                  | 0                      | 0                   | 1,924                   |
| <b>Sub-Totals</b>         |                 |                   | 1,721                | 44,198,914        | 4,398,508       | 29,025           | 0             | 4,427,533        | 4,396,874              | 2,500                  | 0                   | 4,399,374               |
| <b>Minimum Rates</b>      |                 | <b>Minimum \$</b> |                      |                   |                 |                  |               |                  |                        |                        |                     |                         |
| GRV                       | Residential     | 267               | 19                   | 0                 | 5,073           | 458              | 0             | 5,531            | 5,073                  | 0                      | 0                   | 5,073                   |
|                           | Industrial      | 267               | 11                   | 0                 | 2,937           | 0                | 0             | 2,937            | 2,937                  | 0                      | 0                   | 2,937                   |
|                           | Commercial      | 267               | 4                    | 0                 | 1,068           | 0                | 0             | 1,068            | 1,068                  | 0                      | 0                   | 1,068                   |
|                           | Town Centre     | 267               | 3                    | 0                 | 801             | 0                | 0             | 801              | 801                    | 0                      | 0                   | 801                     |
|                           | Vacant          | 267               | 59                   | 0                 | 15,753          | (1,137)          | 0             | 14,616           | 16,020                 | 0                      | 0                   | 16,020                  |
|                           | Miscellaneous   | 267               | 3                    | 0                 | 801             | 0                | 0             | 801              | 801                    | 0                      | 0                   | 801                     |
| UV                        | Mining tenement | 267               | 1,048                | 0                 | 279,816         | 14,981           | 0             | 294,797          | 282,486                | 15,000                 | 0                   | 297,486                 |
|                           | Pastoral        | 267               | 4                    | 0                 | 1,068           | 0                | 0             | 1,068            | 1,068                  | 0                      | 0                   | 1,068                   |
|                           | Rural           | 267               | 3                    | 0                 | 801             | 0                | 0             | 801              | 801                    | 0                      | 0                   | 801                     |
| <b>Sub-Totals</b>         |                 |                   | 1,154                | 0                 | 308,118         | 14,302           | 0             | 322,420          | 311,055                | 15,000                 | 0                   | 326,055                 |
| Written Back              |                 |                   |                      |                   |                 |                  |               | 4,749,953        |                        |                        |                     | 4,725,429               |
|                           |                 |                   |                      |                   |                 |                  |               | 0                |                        |                        |                     | (15,000)                |
|                           |                 |                   |                      |                   |                 |                  |               | 4,749,953        |                        |                        |                     | 4,710,429               |
| Discounts                 |                 |                   |                      |                   |                 |                  |               | 0                |                        |                        |                     | 0                       |
| <b>Totals</b>             |                 |                   |                      |                   |                 |                  |               | 4,749,953        |                        |                        |                     | 4,710,429               |

**Comments - Rating Information**

All land except exempt land in the Shire of Leonora is rated according to its Gross Rental Value (GRV) in town sites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2012/13 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**10. INFORMATION ON BORROWINGS**

(a) Debenture Repayments

The Shire of Leonora has no borrowings.

(b) New Debentures

No new debentures were raised during the reporting period.



President: \_\_\_\_\_

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 11: GRANTS AND CONTRIBUTIONS**

| Program/Details<br>GL                | Grant Provider         | Approval | 2012-13<br>Budget | Variations<br>Additions<br>(Deletions) | Operating        | Capital        | Recoup Status  |                  |
|--------------------------------------|------------------------|----------|-------------------|--|------------------|----------------|----------------|------------------|
|                                      |                        |          |                   |  |                  |                | Received       | Not Received     |
|                                      |                        | (Y/N)    | \$                | \$                                     | \$               | \$             | \$             | \$               |
| <b>GENERAL PURPOSE GRANTS</b>        |                        |          |                   |  |                  |                |                |                  |
| Grants Commission                    | WALGCC                 | Y        | 276,986           |  | 276,986          |                | 128,694        | 148,292          |
| Federal Roads                        | WALGCC                 | Y        | 263,589           |  | 263,589          |                | 118,420        | 145,169          |
| Country Local                        |                        |          | 675,220           |  | 675,220          |                | 0              | 675,220          |
| <b>HEALTH</b>                        |                        |          |                   |  |                  |                |                |                  |
| Medical Centre                       |                        |          | 20,000            |  | 20,000           |                | 0              | 20,000           |
| EHO Contributions                    | Various Shires         | Y        | 0                 | 10,691                                 | 10,691           |                | 14,363         | (3,672)          |
| Aged Care Feasibility                |                        |          | 20,000            |  | 20,000           |                | 0              | 20,000           |
| <b>LAW, ORDER, PUBLIC SAFETY</b>     |                        |          |                   |  |                  |                |                |                  |
| Fire Prevention Grant                |                        |          | 7,280             |  | 7,280            |                | 0              | 7,280            |
| <b>WELFARE SERVICES</b>              |                        |          |                   |  |                  |                |                |                  |
| Childcare                            | Dept. Comm & Welfare   |          | 61,552            |  | 61,552           |                | 24,094         | 37,458           |
| Youth Programs                       | Dept. Child Protect.   |          | 65,518            |  | 65,518           |                | 30,260         | 35,258           |
| <b>RECREATION AND CULTURE</b>        |                        |          |                   |  |                  |                |                |                  |
| Recreation Centre                    | Dept. of Sports & Rec. |          | 113,000           |  |                  | 113,000        | 0              | 113,000          |
| Centrelink Agent                     | Centrelink             |          | 37,779            |  | 37,779           |                | 15,742         | 22,037           |
| CRC                                  |                        |          | 111,500           |  | 111,500          |                | 0              | 111,500          |
| <b>ECONOMIC SERVICES</b>             |                        |          |                   |  |                  |                |                |                  |
| Contract building Surveyor           | Various Shires         | Y        | 0                 | 14,358                                 | 14,358           |                | 14,358         | 0                |
| GEDC Officer                         | Various Shires         | Y        | 0                 | 13,636                                 | 13,636           |                | 13,636         | 0                |
| Gold Treat Plant                     | Shire of Menzies       | Y        | 0                 | 10,000                                 | 10,000           |                | 10,000         | 0                |
| Tidy Towns                           |                        |          | 0                 | 970                                    | 970              |                | 970            | 0                |
| Golden Gift Contribution             | Various                | Y        | 0                 | 13,060                                 | 13,060           |                | 13,060         | 0                |
| <b>TRANSPORT</b>                     |                        |          |                   |  |                  |                |                |                  |
| <b>MRWA ROAD FUNDING</b>             |                        |          |                   |  |                  |                |                |                  |
| Project Grants                       | MRWA Funding           |          | 132,099           |  | 96,699           | 35,400         | 3,801          | 128,298          |
| Direct Grants                        | MRWA RRG               |          | 373,257           |  | 373,257          | 0              | 0              | 373,257          |
| <b>OTHER ROAD/STREETS GRANTS</b>     |                        |          |                   |  |                  |                |                |                  |
| Roads To Recovery                    | Building Program       |          | 2,586,411         |  | 2,263,168        | 323,243        | 0              | 2,586,411        |
| <b>OTHER PROPERTY &amp; SERVICES</b> |                        |          |                   |  |                  |                |                |                  |
| Grant - Projects                     |                        |          | 91,500            |  | 91,500           | 0              | 0              | 91,500           |
| <b>TOTALS</b>                        |                        |          | <b>4,835,691</b>  | <b>62,715</b>                          | <b>4,426,763</b> | <b>471,643</b> | <b>387,398</b> | <b>4,511,008</b> |

|               |                  |                |
|---------------|------------------|----------------|
| Operating     | 4,364,048        | 387,398        |
| Non-Operating | 471,643          | 0              |
|               | <u>4,835,691</u> | <u>387,398</u> |

President: \_\_\_\_\_

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 12: TRUST FUND**

Council holds no funds on behalf of other entities.

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 13: MAJOR VARIANCES****Comments/Reason for Variance****13.1 OPERATING REVENUES****13.1.2 GENERAL PURPOSE FUNDING***I030019 - Grant Equalisation*

Reduction in allocation from data provided at budget preparation (\$19,601 less than advised for 12/13)

*I030021 - Grant Roads (Untied)*

Reduction in allocation from data provided at budget preparation (\$26,749 less than advised for 12/13)

*I030028 - Grant - CLGF 11-12*

Quotes now in for projects and can be submitted to RDL. Also need to forward reviewed FCWP.

*I030009 - Rates Additional UV*

Higher than original budget estimate (currently \$30,694 over budget estimate). Any decrease in valuations on mining tenements throughout the year could still affect this figure with reduced income.

**13.1.4 HEALTH***I076475 - Grant Medical Centre Equip*

\$20,000 grant not yet applied for, therefore no funds received to date.

**13.1.7 RECREATION AND CULTURE***I117001 - CRC Operational Wages Grant*

Grant acquittals submitted, awaiting payment authorisation (\$25,000) which requires audit report (received recently) to be included

*I117002 - Grant - CRC Equipment*

Grant acquittals submitted, awaiting payment authorisation (\$10,000) which requires audit report (received recently) to be included

*I117003 - Grant - CRC Other*

Grant acquittals submitted, awaiting payment authorisation (\$20,000) which requires audit report (received recently) to be included

**13.1.8 TRANSPORT***I122200 - MRWA Direct Grant*

Claim not yet submitted (\$91,199)

*I122211 - RRG Kookynie Malcolm Road*

Claim to be submitted for first 40% of funds

*I122212 - RRG Leonora Mt Ida Road*

Claim to be submitted for first 40% of funds

*I122213 - Natural Disaster Reinstatement*

Claims being submitted progressively on these works

**13.1.9 ECONOMIC SERVICES***I134 Gwalia Historical Precinct*

Higher income than budget estimate (&gt;\$13,000) with the exception of grant funds not yet received (applications being prepared and submitted for these)

*I133451 Contract Building Surveyor*

More activity than originally budgeted in relation to works undertaken that are billed out to other LGs (~\$11k)

**13.1.10 OTHER PROPERTY AND SERVICES***I145500 Suspense*

Temporary account which is offset by E149999.

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 13: MAJOR VARIANCES****Comments/Reason for Variance****13.2 OPERATING EXPENSE****13.2.3 LAW, ORDER AND PUBLIC SAFETY***E052 Animal Control*

Expenses down ~ \$15,000 due to general dog control expenses being slightly lower than YTD budget, as well as costs associated with Cat Act Implementation and Contrib. to Animal Welfare Officer not being utilised.

**13.2.4 HEALTH***E074075 Doctor Top Up Salary*

Payment made for six months (\$70,695) rather than monthly payments of \$11,782

*E07022 Aged Care Feasibility Study*

Project has not yet commenced, therefore no expenditure

*E074068 Doctor Recruitment*

\$10,000 provision exists, but no action/expenditure to date.

**13.2.5 EDUCATION & WELFARE***E082 Youth Services*

Operating with less staff than budgeted at youth centre until appointment of new officer, therefore less expenditure to date than budgeted.

**13.2.6 COMMUNITY AMENITIES***E101020 Domestic Refuse Collection*

YTD budget should be allocated at 1/12 per month, not as full allocation at this point.

*E102020 Commercial Refuse Collection*

YTD budget should be allocated at 1/12 per month, not as full allocation at this point.

*E107042 Othe Community Amenities Insurance*

YTD budget should be allocated at 1/12 per month, not as full allocation at this point.

**13.2.8 TRANSPORT***E122209 - Natural Disaster Reinstatement*

Claims now being submitted and works progressing.

*E122040 Roadworks Maintenance*

Alteration to timing of programme

*E122043 Bush Grading*

Alteration to timing of programme

*E122044 Depn Road Infrastructure*

Alteration to timing of programme

*E122207 RRG Kookynie Malcolm Road*

Alteration to timing of programme

*E122160 Street Cleaning*

Alteration to timing of programme

*E122212 RRG 12-13 Preservation Old Agnew*

Alteration to timing of programme

*E122213 RRG 12-13 Improvement Old Agnew*

Alteration to timing of programme

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 13: MAJOR VARIANCES**

| Comments/Reason for Variance |
|------------------------------|
|------------------------------|

**13.2.9 ECONOMIC SERVICES***E132076 - NG Tourism Working Group*

Alteration to timing of programme

*E134013 - Museum Maintenance*

Alteration to timing of programme

*E134026 - Website Maintenance*

Alteration to timing of programme (project has not yet commenced)

*E134031 - Gwalia Buildings Maintenance*

Alteration to timing of programme

**13.2.10 OTHER PROPERTY AND SERVICES***E142011 Salaries Admin*

Some payouts in leave entitlements etc has altered this figure. When provisions for leave are adjusted, this will come back in line with budget figure.

*E142030 Insurance Admin*

YTD Budget allocation should be amended to reflect full allocation at this point

*E143040 Insurance on Works*

YTD Budget allocation should be amended to reflect full allocation at this point

*E144010 Fuels and Oils*

Alteration to timing of program

*E144030 Parts and Repairs*

Alteration to timing of program

**Shire of Leonora**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30th November 2012**

**Note 13: MAJOR VARIANCES**

**Comments/Reason for Variance**

**13.3 CAPITAL REVENUE**

**13.3.2 PROCEEDS FROM DISPOSAL OF ASSETS**

Alteration to timing of program

**13.4 CAPITAL EXPENSES**

**13.4.2 LAND AND BUILDINGS**

Alteration to timing of program

**13.4.3 PLANT AND EQUIPMENT**

Alteration to timing of program

**13.4.4 FURNITURE AND EQUIPMENT**

Alteration to timing of program

**13.4.5 INFRASTRUCTURE ASSETS - ROADS**

Alteration to timing of program

**13.4.6 INFRASTRUCTURE ASSETS - OTHER**

Alteration to timing of program

**13.5 OTHER ITEMS**

**13.5.1 RATE REVENUE**

*1030009 - Rates Additional UV*

Higher than original budget estimate (currently \$30,694 over budget estimate). Any decrease in valuations on mining tenements throughout the year could still affect this figure with reduced income.

President: \_\_\_\_\_

**10.0 REPORTS OF OFFICERS****10.2 DEPUTY CHIEF EXECUTIVE OFFICER****10.2(B) ACCOUNTS FOR PAYMENT**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 20th November, 2012

**AGENDA REFERENCE:** 10.2 (B) DEC 12

**SUBJECT:** Accounts for Payment

**LOCATION / ADDRESS:** Nil

**NAME OF APPLICANT:** Nil

**FILE REFERENCE:** Nil

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Tanya Browning

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 10<sup>th</sup> December, 2012

**BACKGROUND**

Attached statement consists of accounts paid by Delegated Authority and Direct Bank Transactions represented by **Cheques 16576 to 16631** and totalling **\$515,597.00**, and accounts paid by Council Authorisation represented by **Cheques 16632 to 16675** totalling **\$196,833.59** be authorised for payment.

**POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

**STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

**RECOMMENDATIONS**

That accounts paid by Delegated Authority and Direct Bank Transactions represented by **Cheques 16576 to 16631** and totalling **\$515,597.00**, and accounts paid by Council Authorisation represented by **Cheques 16632 to 16675** totalling **\$196,833.59** be authorised for payment.

**VOTING REQUIREMENT**

Simple Majority

President: \_\_\_\_\_

**COUNCIL DECISION**

**Moved Cr SJ Heather Seconded Cr GW Baker**, that accounts paid by Delegated Authority and Direct Bank Transactions represented by **Cheques 16576 to 16631** and totalling **\$515,597.00**, and accounts paid by Council Authorisation represented by **Cheques 16632 to 16675** totalling **\$196,833.59** be authorised for payment.

**CARRIED (6 VOTES TO 0)**



President: \_\_\_\_\_

| <b>Shire of Leonora</b>  |             |                            |                                      |                   |
|--|-------------|----------------------------|--------------------------------------|-------------------|
| <b>Monthly Report - List of Accounts Paid by Delegated Authority</b>   |             |                            |                                      |                   |
| <b>Submitted to Council on the 14<sup>th</sup> December, 2012</b>  |             |                            |                                      |                   |
| <p>The following list of accounts has been paid via <b>direct bank transactions</b> since the previous list of accounts, totalling <b>\$8,897.97</b></p> |             |                            |                                      |                   |
| <p>_____</p> <p><b>CHIEF EXECUTIVE OFFICER</b></p>   |             |                            |                                      |                   |
| <b>Direct Deposits</b>   | <b>Date</b> | <b>Name</b>                | <b>Item</b>                          | <b>Payment</b>    |
| 1 (D/D)  | 15/11/2012  | National Australia Bank    | Bank Fee – Nov 2012 B/S              | 112.00            |
| 1 (D/D)  | 16/11/2012  | Toyota Financial Services  | GEDC Vehicle – Nov 2012 B/S          | 1,476.05          |
| 1 (D/D)  | 21/12/2012  | Alliance Equipment Finance | Lease on Office P/Copier             | 1,121.55          |
| 1 (D/D)  | 29/11/2012  | National Australia Bank    | Bank Fee – Nov 2012 B/S              | 115.50            |
| 1 (D/D)  | 29/11/2012  | National Australia Bank    | Master Card Fees – Nov 2012 B/S      | 5,807.72          |
| 1 (D/D)  | 30/11/2012  | National Australia Bank    | Bank Fee – Nov 2012/B/S              | 146.00            |
| 1 (D/D)  | 07/12/2012  | National Australia Bank    | Ban Fee (EFTPOS) – December 2012 B/S | 108.15            |
| 1 (D/D)  | 07/02/2012  | Westnet Pty Ltd            | CRC Internet – December 2012 B/S     | 11.00             |
|  |             |                            | <b>GRAND TOTAL</b>                   | <b>\$8,897.97</b> |

President: \_\_\_\_\_

| <b>Shire of Leonora</b>  |             |                                       |  |                                       |
|--|-------------|---------------------------------------|--|---------------------------------------|
| <b>Monthly Report - List of Accounts Paid by Delegated Authority</b>   |             |                                       |  |                                       |
| <b>Submitted to Council on the 14<sup>th</sup> December, 2012</b>  |             |                                       |  |                                       |
| The following list of accounts has been paid under delegation, by the Chief Executive Officer, since the previous list of accounts. Cheques numbered from <b>16576</b> to <b>16631</b> and totalling <b>\$506,699.03</b> |             |                                       |  |                                       |
| <hr/>  |             |                                       |  |                                       |
| <b>CHIEF EXECUTIVE OFFICER</b>   |             |                                       |  |                                       |
| <b>Cheque</b>  | <b>Date</b> | <b>Name</b>                           | <b>Item</b>  | <b>Payment by Delegated Authority</b> |
| 16576  | 19/11/2012  | Custom Creative Carpentry             | Replace Lock on Toilet Door at CRC and Completely renovate Bathroom at 29 Hoover Street  | 7,840.00                              |
| 16577  | 19/11/2012  | Navigator (Bronzewing) P/L            | Refund of Rates P36/01765 and P37/07278  | 398.67                                |
| 16578  | 19/11/2012  | Tanya Browning                        | Reimbursement for Utility Expenses as per Contract and Train Fares/Meals for WFP Meeting | 1,948.03                              |
| 16579  | 19/11/2012  | Garry J Agnew (CANCELLED CHQ)         | Health & Building Contract   | 5,227.88                              |
| 16580  | 21/11/2012  | Pipeline Mining and Civil Contracting | Grade Darlot-Weebo Road and Supply and Place Rock Armour along Old Agnew South Road      | 27,274.00                             |
| 16581  | 26/11/2012  | Building Commission                   | Building Commission Fee – B/L No: 14/12  | 116.50                                |
| 16582  | 26/11/2012  | Construction Training Fund            | Construction Training Fund Fee – B/L No: 14/12   | 261.75                                |
| 16583  | 26/11/2012  | Duncan Smith                          | Reimbursement for Dog food Purchased   | 66.88                                 |
| 1 (D/D)  | 28/11/2012  | Shire of Leonora                      | Salaries & Wages – PPE: 28.11.2012   | 57,088.00                             |
| 16584  | 28/11/2012  | L.G.R.C.E.U.                          | Union Fee – PPE: 28.11.2012  | 19.40                                 |
| 16585  | 28/11/2012  | Shire of Leonora                      | Tax/Rent – PPE: 28.11.2012   | 18,748.66                             |
| 16586  | 28/11/2012  | W.A.L.G.S. Plan                       | Superannuation – PPE: 28.11.2012   | 9,873.40                              |
| 16587  | 28/11/2012  | Child Support Agency                  | Child Support – PPE: 28.11.2012  | 754.70                                |
| 16588  | 28/11/2012  | Asgard Super                          | Superannuation – PPE: 28.11.2012   | 75.24                                 |
| 16589  | 28/11/2012  | Plum Super                            | Superannuation – PPE: 28.11.2012   | 139.05                                |
| 16590  | 28/11/2012  | Care Super                            | Superannuation – PPE: 28.11.2012   | 60.64                                 |
| 16591  | 28/11/2012  | R F Young                             | Contract Grading   | 7,851.80                              |
| 16592  | 28/11/2012  | Air-Born amusements                   | Entertainment for Children's Xmas Festivities at Leonora Oval, 9th December, 2012        | 5,987.30                              |
| 16593  | 28/11/2012  | BOC Limited                           | 8.5kg LPG Cylinder   | 34.51                                 |
| 16594  | 28/11/2012  | Horizon Power                         | Design Fee for Leonora Townsite - Street Lighting and Power Usage - Oval                 | 23,559.18                             |
| 16595  | 28/11/2012  | J L Sherriff                          | Provision of Consultancy services - October, 2012  | 10,692.00                             |
| 16596  | 28/11/2012  | J.R. & A. Hersey Pty Ltd              | 8kg Base Bollard and Reflective Cones  | 1,269.40                              |
| 16597  | 28/11/2012  | Leonora Drive Connectors              | Make up 2 Hoses for P2019  | 555.15                                |
|  |             |                                       | <b>Sub Total</b>   | <b>\$179,842.14</b>                   |

President: \_\_\_\_\_

| Cheque | Date       | Name                               | Item  | Payment by Delegated Authority |
|--------|------------|------------------------------------|---|--------------------------------|
|        |            |                                    | <b>Balance Brought Forward</b>  | <b>\$179,842.14</b>            |
| 16598  | 28/11/2012 | Mine Trades and Maintenance        | Dig up and isolate main retic supply to West side of Tower Street   | 500.50                         |
| 16599  | 28/11/2012 | Netlogic Information Technology    | Remote and onsite services at Shire Sites   | 6,793.00                       |
| 16600  | 28/11/2012 | Pegi Williams Bookshop             | Books purchased using Leinster Community Grant - Leinster Library.  | 277.87                         |
| 16601  | 28/11/2012 | PGC Irrigation Contractors Pty Ltd | Sprinklers and parts as requested by Works Manager  | 1,491.38                       |
| 16602  | 28/11/2012 | Reliance Petroleum                 | Oils for Depot and Fuel Purchases for P4  | 985.33                         |
| 16603  | 28/11/2012 | Reynolds Graphics Pty Ltd          | Gwalia Logo Design and associated costs - First Instalment  | 1,650.00                       |
| 16604  | 28/11/2012 | Taylor Burrell Barnett             | Liase with Leonora CEO regarding fee proposal and advice regarding Scheme Amendment   | 2,607.00                       |
| 16605  | 28/11/2012 | Telstra                            | Phone/Internet Usage  | 345.00                         |
| 16606  | 28/11/2012 | Tennant Australia                  | 1 x Tennant Model 520 Ride on Sweeper   | 88,509.30                      |
| 16607  | 28/11/2012 | Westland Autos No1 Pty Ltd         | 10000K Service on P6 and Service and Repairs on P33   | 1,059.05                       |
| 16608  | 28/11/2012 | Fitz Gerald Strategies             | Bullying, Harassment and Discrimination Workshops, Mediation and Recommendations into Staff complaints  | 4,486.00                       |
| 16609  | 29/11/2012 | Building Commission Fee            | Building Commission Fee – B/L No: 15/12   | 35.50                          |
| 16610  | 30/11/2012 | Building Commission Fee            | Building Commission Fee – B/L No: 16/12   | 35.50                          |
| 16611  | 30/11/2012 | Shire of Leonora                   | Petty Cash Recoup   | 309.50                         |
| 16612  | 3/12/2012  | Bridgestone                        | Tyres and Parts for Depot   | 2,528.57                       |
| 16613  | 3/12/2012  | Rylan Pty Ltd                      | Extrude Semi Mountable Kerb from Goldfields Highway to the Hospital   | 17,617.60                      |
| 16614  | 3/12/2012  | Sparlon Electrical                 | Work on Oval Retic Pump, Pump at Pool in Pump Room, Trailer Mounted Auxiliary Power Box on Grader P843, Fix Power outage at Leonora Youth Centre, Install Extra Inlet Wall Plug on Grader P500, Install New RCD To Depot Yard Power Box, Fix Problems with Lights at Airport, Test and repair Remote Power Supply Boxes at Gwalia Museum and investigate and repair fluro lights at Shire Office. | 4,114.00                       |
| 16615  | 03/12/2012 | Garry J Agnew (CANCELLED CHQ)      | Health & Building Contract  | 7,421.50                       |
| 16616  | 7/12/2012  | Curtin Villa                       | Curtin Installation at Information Centre And CEO's House   | 13,056.48                      |
| 16617  | 7/12/2012  | Gail Ross                          | Reimbursement for Goods Purchased for Hoover House  | 209.00                         |
| 16618  | 7/12/2012  | Gil Leslie                         | Reimbursement for expenses incurred during Conference Attendance  | 642.35                         |
|        |            |                                    | <b>Sub Total</b>  | <b>\$334,516.57</b>            |

President: \_\_\_\_\_

| <b>Cheque</b> | <b>Date</b> | <b>Name</b>                           | <b>Item</b>   | <b>Payment by Delegated Authority</b> |
|---------------|-------------|---------------------------------------|---|---------------------------------------|
|               |             |                                       | <b>Balance Brought Forward</b>  | <b>\$334,516.57</b>                   |
| 16619         | 7/12/2012   | Jonox                                 | Grading on Old Agnew Road and Albion-Yeelirrie Road                   | 3,700.00                              |
| 16620         | 7/12/2012   | Pipeline mining and civil Contracting | Reinstatement of Floodways in Doyles Well Area – Old Agnew Road South | 58,148.75                             |
| 16621         | 7/12/2012   | Tanya Browning                        | Reimbursement for Expenses Incurred at Conference                     | 100.00                                |
| 16622         | 7/12/2012   | Westland Autos Pty Ltd                | 10,000km Service for P6   | 350.90                                |
| 16623         | 10/12/2012  | Leonora Supermarket and Hardware      | Purchases for October – November                                      | 2,278.19                              |
| 16624         | 11/12/2012  | Leonora Supermarket and Hardware      | Amount outstanding for Supermarket Purchases                          | 1,258.20                              |
| 1 (D/D)       | 12/12/2012  | Shire of Leonora                      | Salaries & Wages – PPE: 12.12.2012                                    | 68,667.00                             |
| 16625         | 12/12/2012  | L.G.R.C.E.U.                          | Union Fee – PPE: 12.12.2012   | 19.40                                 |
| 16626         | 12/12/2012  | Shire of Leonora                      | Tax/Rent – PPE: 12.12.2012  | 26,245.03                             |
| 16627         | 12/12/2012  | W.A.L.G.S. Plan                       | Superannuation – PPE: 12.12.2012                                      | 9,967.92                              |
| 16628         | 12/12/2012  | Child Support Agency                  | Child Support – PPE: 12.12.2012                                       | 754.70                                |
| 16629         | 12/12/2012  | Asgard Super                          | Superannuation – PPE: 12.12.2012                                      | 489.06                                |
| 16630         | 12/12/2012  | Plum Super                            | Plum Superannuation – PPE: 12.12.2012                                 | 139.05                                |
| 16631         | 12/12/2012  | Care Super                            | Superannuation – PPE: 12.12.2012                                      | 64.26                                 |
|               |             |                                       | <b>GRAND TOTAL</b>  | <b>\$506,699.03</b>                   |

President: \_\_\_\_\_

| <b>Shire of Leonora</b>   |             |   |  |                    |
|---|-------------|---|--|--------------------|
| <b>Monthly Report - List of Accounts Paid by Authorisation of Council</b>   |             |   |  |                    |
| <b>Submitted to Council on the 14<sup>th</sup> December, 2012</b>   |             |   |  |                    |
| Cheques numbered from <b>16632</b> to <b>16675</b> totaling <b>\$196,833.59</b> submitted to each member of the Council on 20th November, 2012 have been checked and are fully supported by remittances and duly certified invoices with checks being carried out as to prices, computations and costing. |             |   |  |                    |
| <b>CHIEF EXECUTIVE OFFICER</b>  |             |   |  |                    |
| <b>Cheque</b>   | <b>Date</b> | <b>Name</b>                               | <b>Item</b>  | <b>Payment</b>     |
| 16632   | 14/12/2012  | Anderson Munro & Wyllie                   | Final Fee for Shire of Leonora Audit, Roads to Recovery Acquittal and Disbursements                        | 11,026.95          |
| 16633   | 14/12/2012  | Austral Mercantile Collections P/L        | Legal Costs - Outstanding Rates Debtor Blackaxe Investments and Brutus Constructions                       | 169.18             |
| 16634   | 14/12/2012  | Central Hotel                             | Accommodation for P Brennan and B Gawronski, Meals for Aerodrome Exercise and Pensioner Cups               | 1,907.00           |
| 16635   | 14/12/2012  | Chubb Security Services Ltd               | ATM Expenses - November, 2012  | 1,892.44           |
| 16636   | 14/12/2012  | Coffee Shrine Pty Ltd                     | Coffee Supplies - Airport Coffee Machine   | 188.00             |
| 16637   | 14/12/2012  | Comfort Inn Midas                         | Accommodation, Meals and Incidentals for G Leslie  | 182.00             |
| 16638   | 14/12/2012  | Coyles Mower & Chainsaw Centre            | Whipper Snipper Head   | 105.00             |
| 16639   | 14/12/2012  | Department of Finance                     | 28 Gift Books for the better beginnings 2012/2013 Financial Year   | 154.00             |
| 16640   | 14/12/2012  | Department of Fire and Emergency Services | 2012/13 ESL Quarter 2 Payment  | 28,229.14          |
| 16641   | 14/12/2012  | Express Yourself Printing                 | Car Magnets for Depot and Toner for Resale at CRC  | 913.50             |
| 16642   | 14/12/2012  | Globe Australia Pty Ltd                   | Dynafoq Fogger Model 1200/6  | 21,120.00          |
| 16643   | 14/12/2012  | Goldfields Locksmiths                     | 3 Mortice Lock Oval Cylinder, 7 Restricted Keying, 4 Padlocks and 11 Restricted Cut Keys as Per ...        | 670.41             |
| 16644   | 14/12/2012  | Goldfields Truck Power                    | Carry out Service on Rubbish truck   | 1,151.31           |
| 16645   | 14/12/2012  | Goldline Distributors                     | Cleaning Products for Rec Centre, Shire, Airport, Public Toilets and Hoover House + Goods for Hoover House | 2,569.96           |
| 16646   | 14/12/2012  | Horizon Power                             | Power Usage - Streetlights   | 3,211.25           |
| 16647   | 14/12/2012  | Intelara Pty Ltd                          | Fees for Consulting Engineering Services - Gwalia Headframe Restoration                                    | 4,930.06           |
| 16648   | 14/12/2012  | J.R. & A. Hersey Pty Ltd                  | Supplies as requested by Works Manager   | 3,014.83           |
| 16649   | 14/12/2012  | Kleenheat Gas                             | Facility Fees for 2012   | 596.30             |
| 16650   | 14/12/2012  | Landgate                                  | Mining Tenements and Gross Rental Valuations Chargeable  | 1,694.98           |
|   |             |   | <b>Sub Total</b>   | <b>\$83,726.31</b> |

President: \_\_\_\_\_

| <b>Cheque</b> | <b>Date</b> | <b>Name</b>                            | <b>Item</b>   | <b>Payment</b>      |
|---------------|-------------|--|---|---------------------|
|               |             |  | <b>Balance Brought Forward</b>  | <b>\$83,726.31</b>  |
| 16651         | 14/12/2012  | Leinster Art and Craft Group           | Reimbursement for Goods purchased for Leinster Art and Craft Group - Leinster Community Grant       | 393.99              |
| 16652         | 14/12/2012  | Leonora Pharmacy -                     | Restock First Aid Kits at Child Care Centre to Comply with Quality Improvement Framework            | 245.70              |
| 16653         | 14/12/2012  | Leonora Post Office                    | Postage Costs - November, 2012  | 372.15              |
| 16654         | 14/12/2012  | Mackay Projects Pty Ltd                | Engineering Services for November, 2012   | 23,595.00           |
| 16655         | 14/12/2012  | McMahon Burnett Transport              | Freight Costs   | 852.15              |
| 16656         | 14/12/2012  | MOR Corporation Australia              | Goods for Resale at Info Centre   | 571.56              |
| 16657         | 14/12/2012  | Mukinbudin Agencies July 08            | Trough Blocks and Chlorine Tablets as requested by Works Manager                                    | 1,420.00            |
| 16658         | 14/12/2012  | National Pen                           | Pens for Resale at Museum   | 251.14              |
| 16659         | 14/12/2012  | Office National Kalgoorlie             | Monthly Copy Charge for CRC + Shire + Travel costs for Service                                      | 1,834.18            |
| 16660         | 14/12/2012  | Onsite Rental Group                    | Plant Hire - October, 2012  | 7,843.59            |
| 16661         | 14/12/2012  | Skippers Aviation Pty Ltd              | Flights for Jacqui Sherriff   | 598.00              |
| 16662         | 14/12/2012  | WesTrac Pty Ltd                        | Parts and Repairs as requested by Works Manager   | 13,391.57           |
| 16663         | 14/12/2012  | Western Australian Museum              | 24 x 110 in the Waterbag Books - Museum + Info Centre   | 615.05              |
| 16664         | 14/12/2012  | Western Australian Cricket Association | Participant Registrations, Have a Go and Have a Game Packs for Milo in2Cricket competition - Leo... | 650.00              |
| 16665         | 14/12/2012  | West Australian Newspapers Ltd         | Advertising Costs - November, 2012  | 158.56              |
| 16666         | 14/12/2012  | Water Corporation                      | Water Usage - Shire Properties  | 22,859.75           |
| 16667         | 14/12/2012  | WA Local Government Association        | Advertising Fees  | 2,566.95            |
| 16668         | 14/12/2012  | WA Country Health Service - Goldfields | Rental of Surgery and Consulting Rooms - November, 2012   | 408.80              |
| 16669         | 14/12/2012  | Toll Ipec Pty Ltd                      | Freight Costs   | 60.64               |
| 16670         | 14/12/2012  | Toll Fast                              | Freight Costs   | 57.91               |
| 16671         | 14/12/2012  | Telstra                                | Phone/Internet Usage for Shire owned Properties   | 3,962.98            |
| 16672         | 14/12/2012  | Staples Australia Pty Limited          | Stationery Order, November, 2012  | 1,821.26            |
| 16673         | 14/12/2012  | Squire Sanders (AU)                    | Advice Regarding Dog Control  | 768.35              |
| 16674         | 14/12/2012  | Specialised Tree Lopping               | Prune all Street Trees to Western Power Specifications. Remove Dead Trees and Grind Stumps          | 27,808.00           |
| 16675         | 14/12/2012  | Skippers Aviation                      | Cancelled Cheque (Misprint)   | 0.00                |
|               |             |  | <b>GRAND TOTAL</b>  | <b>\$196,833.59</b> |

President: \_\_\_\_\_

**10.0 REPORTS OF OFFICERS**

**10.2 DEPUTY CHIEF EXECUTIVE OFFICER**

**10.2(C) POLICY REVIEW**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 14 December 2012

**AGENDA REFERENCE:** 10.2 (C) 12 DEC

**SUBJECT:** Policy Review

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** N/A

**FILE REFERENCE:** 1.40

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Tanya Browning

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 27<sup>th</sup> November 2012

**BACKGROUND**

The Policy Manual was extensively reviewed in close consultation with the Chief Executive Officer and other relevant staff in 2011. Since that review, there have been some new policies adopted by Council, which have been included in the enclosed document.

Some minor amendments have been also been undertaken with the Fitness for Work and Bullying, Harassment and Discrimination Policy, under the advice of Council's Industrial Relations consultant, which are also included within the policy manual document.

**STATUTORY ENVIRONMENT**

There is no statutory requirement to the policy manual however it is considered good practice to review the manual once per year.

**POLICY IMPLICATIONS**

Policy Review.

**FINANCIAL IMPLICATIONS**

There are no financial implications that have not been considered in the current budget resulting from the recommendation of this report.

**STRATEGIC IMPLICATIONS**

The policies have been assessed in relation to their implications to the strategic community plan and there does not appear to be any conflicts.

President: \_\_\_\_\_

**RECOMMENDATIONS**

That the Council adopt the Policy Manual as attached.

**VOTING REQUIREMENT**

Simple Majority

**COUNCIL DECISION**

**Moved Cr LR Petersen Seconded Cr RA Norrie**, that the Council adopt the Policy Manual as attached.

**CARRIED (6 VOTES TO 0)**





# Shire of Leonora

# POLICY MANUAL

Reviewed  
14<sup>th</sup> December, 2012

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**A.1.1****AGENDA ITEMS**Policy Adopted 16<sup>th</sup> December 2011**Objective**

To ensure that reports and agendas are able to be prepared and circulated to members in a manner that will enable the Council to give appropriate consideration to the issue under consideration.

**Policy Statement**

1. Items for inclusion on the Council's Agenda's for an ordinary meeting must be in writing, and be in the hands of administration staff at the administration office of the Shire no later than 4pm on the Friday at least one week prior to the meeting.
2. Any matters which come to the attention of the CEO requiring the Shire to take action prior to the next following Council meeting will be received up to 4pm on Monday at least one week prior to a Council meeting for inclusion on the agenda, provided that any necessary research can be completed in time for the meeting.
3. Where considered urgent, the CEO may prepare a late item for presentation to the Council meeting and at the discretion of the Shire President or a majority of Councillors in accordance with standing orders, the Council may consider the items received.

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*Reviewed 14th December 2012*

**A.1.2****CHAMBERS**Policy Adopted 15<sup>th</sup> July 1997 and amended 16<sup>th</sup> December 2011**Objective**

To ensure that the Council Chambers are used only for appropriate purposes.

**Policy Statement**

The Council Chambers are only to be used during working hours for meeting purposes when there is a Councillor or Shire Officer present and/or by the invitation of the Shire President or Chief Executive Officer.

The Chief Executive is empowered to approve the use of the Council Chamber for other functions and meetings when special circumstances exist, however, it is Council's Policy that the Council Chambers are used only for Council functions and meetings, and community groups or other organisations should not use the Council Chambers but should be directed to other Council owned public buildings.

Smoking is not permitted within the confines of the Council Chambers, meeting room or foyer.

**A.1.3****LEGAL REPRESENTATION**Policy Adopted 22<sup>nd</sup> November 2000**Objectives**

This policy is designed to protect the interests of Council members and Shire employees (including past members and former employees) where they become involved in civil legal proceedings because of their official functions.

**Policy Statement**

The Shire may assist individual Councillors and Staff in meeting reasonable legal expenses and any liabilities incurred in relation to those proceedings where they become involved in civil legal proceedings because of their official functions.

The Shire may provide financial assistance to members and employees in connection with the performance of their duties provided that the member or employee has acted reasonably and has not acted illegally, dishonestly, against the interests of the local government or otherwise in bad faith.

The Shire may provide such assistance in the following types of legal proceedings:

- proceedings brought by members and employees to enable them to carry out their local government functions (eg where a member or employee seeks a restraining order against a person using threatening behaviour);
- proceedings brought against members or employees [this could be in relation to a decision of Council or an employee which aggrieves another person (eg refusing a development application) or where the conduct of a member or employee in carrying out his or her functions is considered detrimental to the person (eg defending defamation actions)]; and
- statutory or other inquiries where representation of members or employees is justified.

The Shire will not support any defamation actions seeking the payment of damages for individual members or employees in regard to comments or criticisms levelled at their conduct in their respective roles. Members or employees are not precluded, however, from taking their own private action. Further, the Shire may seek its own advice on any aspect relating to such comments and criticisms of relevance to it.

The legal services the subject of assistance under this policy will usually be provided by the Shire's solicitors. Where this is not appropriate for practical reasons or because a conflict of interest, then the service may be provided by other solicitors approved by the Shire.

**Applications for Financial Assistance**

- (a) Subject to item (e), decisions as to financial assistance under this policy are to be made by the Council.

*Reviewed 14th December 2012*

- (b)** A member or employee requesting financial support for legal services under this policy is to make an application in writing, where possible in advance, to the Council providing full details of the circumstances of the matter and the legal services required.
- (c)** An application to the Shire is to be accompanied by an assessment of the request and with a recommendation which has been prepared by, or on behalf, of the Chief Executive Officer (CEO).
- (d)** A member or employee requesting financial support for legal services, or any other person who might have a financial interest in the matter, should take care to ensure compliance with the financial interest provisions of the *Local Government Act 1995*.
- (e)** Where there is a need for the provision of urgent legal services before an application can be considered by the Council, the CEO may give an authorisation to the value of \$5000 provided that the power to make such an authorisation has been delegated to the CEO in writing under section 5.42 of the *Local Government Act 1995*.
- (f)** Where it is the CEO who is seeking urgent financial support for legal services the Council shall deal with the application.

#### Repayment of Assistance

- (a)** Any amount recovered by a member or employee in proceedings, whether for costs damages, will be offset against any moneys paid or payable by the local government.
- (b)** Assistance will be withdrawn where the Council determines, upon legal advice, that a person has acted unreasonably, illegally, dishonestly, against the interests of the local government or otherwise in bad faith; or where information from the person is shown to have been false or misleading.
- (c)** Where assistance is so withdrawn, the person who obtained financial support is to repay any moneys already provided. The local government may take action to recover any such moneys in a court of competent jurisdiction.

**A.1.4****DISCLAIMER**Policy adopted 15<sup>th</sup> July 1997 and amended 16<sup>th</sup> December 2011**Objective.**

This policy is to advise that an applicant cannot rely on any verbal advice and prior to undertaking any action in relation to that advice should have written confirmation of that advice Council has adopted as policy the following Disclaimer which is to be displayed in the Administration Office in a prominent position. Visitors to the Shire and customers must be made aware of the Disclaimer.

**Policy Statement**

No responsibility whatsoever is implied or accepted by the **Shire of Leonora** for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with Staff. The **Shire of Leonora** disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee meetings or discussions. Any person or legal entity that acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the **Shire of Leonora** during the course of any meeting is not intended to be and is not taken as notice of approval from the **Shire of Leonora**. The **Shire of Leonora** warns that anyone who has an application lodged with the **Shire of Leonora** must obtain and should only rely on Written Confirmation of the outcome of the application, and any conditions attaching to the decision made by the **Shire of Leonora** in respect of the application.

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Reviewed 14th December 2012



**A.1.5****WELL WISHES FROM COUNCIL**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To provide guidance for the conveyance of well wishes from Council.

**Policy Statement**

It is the Council's Policy to send flowers, cards or small gifts and insert suitable notices in the local paper to recognise personal events in the lives of staff members, Councillors, past Councillors, close affiliates of Council or their Families.

In so doing, assistance with the procedure is to be encouraged from staff and Councillors, but due regard is to be had always to such things as length of service (staff or Councillors), community attitudes, input and involvement from others.

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*Reviewed 14th December 2012*

**A.1.6 MEETINGS OF COUNCIL – GUEST SPEAKERS**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To define appropriate parameters for guest speakers at Council meetings.

**Policy Statement**

Council's Policy is to support the scheduling of guest speakers at Council meetings where the subject matter is one of guest speakers at Council meetings where the subject matter is one of general information for all Councillors and not requiring any Council decision.

Guest speakers will be limited to approximately twenty minutes duration with an allowance of approximately ten minutes for questions from Councillor's.

This Policy is not to be construed so as to allow persons to make submission for or against items on the agenda, or canvas issues that may be addressed by Council in the near future.

The Shire President be authorised to approve or disapprove requests to address Council meetings.

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*Reviewed 14th December 2012*

**A.1.7 PUBLIC RELATIONS – PRESS RELEASES**  
Policy Adopted 15<sup>th</sup> July 1997**Objective**

To clearly set out persons authorised to address the media on behalf of the Shire of Leonora.

**Policy Statement**

The Local Government Act 1995 provides that the role of the Shire President is to speak on behalf of the Local Government and accordingly, the Shire President is the official spokesperson for the Council. If approached by the media for formal comment on any issue, Councillors and staff are in the first instance, to suggest that the media make direct contact with the Shire President as the Council's official spokesperson.

When the media does not make direct contact with the Shire President and a member of staff is asked to respond/comment to the media, the staff member will direct the enquiry to the Chief Executive Officer who will liaise with Shire president to determine who will respond/comment on the nature of the response/comment. If the Shire President is unable to be contacted, the Chief Executive Officer will determine who is to respond and the nature of the response.

Without express authority from the Shire President, staff and Councillors are not to offer a Council view, attitude, stance, etc. on any issue, this clearly being the function of the Shire President

A Councillor's right to express a personal opinion on any issue of public interest is recognised.

**A.1.8**

**EXECUTION OF DOCUMENTS**

Policy Adopted 15<sup>th</sup> July 1997

**Objective**

Provides guidance on procedure for ensuring that documents are properly executed.

**Policy Statement**

It is Council's Policy that, for a document to be validly executed, the common seal is to be affixed to the document and the President and the Chief Executive Officer attest the affixing of the seal

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*Reviewed 14th December 2012*

**A.2.1****INVESTMENTS**Policy Adopted 17<sup>th</sup> November 1998 and amended 16<sup>th</sup> December 2011**Objective**

This policy outlines the requirements for investing the Shires funds in accordance with the Financial Management Regulation 19

**Policy Statement**

The following processes & procedures are the policy of the Shire in relation to the establishment & documentation of internal control over the Shires investments. All investments are to be made within the scope of the Act & Regulations governing the types of investments and institutions local government is permitted to hold investments in.

1. All funds surplus to the day to day operations of the Shire, in the opinion of the CEO, are to be placed in a cash management account with the Shire's bank. Funds withdrawn from the facility can only be deposited directly into the Shires bank account.
2. Funds in Reserves are to be placed in term deposits with the bank or other interest bearing on call accounts. The term is to be determined by when the funds are most probably going to be required to be used and the best interest available for a given term.
3. Deposits into investments are to be made by cheque or electronic transfer. A letter showing amount and term is to be presented with the cheque/transfer request to the bank establishing the deposit. The receipt is to be matched with the letter on file.
4. All deposits are to be recorded in the cashbook each month.
  - Renewals of deposits are to be made under the same conditions laid out in 2.
  - The renewal is to be recorded in the cashbook in a manner that can be traced from one deposit to the next.
  - The record is to show maturity details, transfers, interests and charges.
  - Each investment must be separately shown.
  - Bank receipts & renewals are to be kept on file to match the investments as recorded.
  - All deposits are to have a different number.
5. Where there is a proposed change to investment strategy or process, a report is to be prepared for consideration by the Council.

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*Reviewed 14th December 2012*

**A.2.2****CORPORATE CREDIT CARDS**Policy adopted 20<sup>th</sup> May 2008**Objective**

This policy is to outline the requirements and conditions for the issue and use of any Shire credit card

**Policy Statement**

The Council shall have sole discretion in issuing a credit card and the limitation of credit available on the card to the CEO and the credit card will only be issued with the following conditions.

1. The CEO shall have sole discretion in issuing a credit card to other staff and the limitation of credit available on the card. Such discretion should not exceed the limits set by the Council in the issuing of a credit card to the CEO.
2. Credit cards should only be used for purchasing goods and services on behalf of the Shire of Leonora.
3. When prior arrangements can be made a Purchase Order should be used in preference to the credit card.
4. Personal expenditure on a corporate credit card is prohibited.
5. The credit card is not to be used for cash withdrawals.
6. A transaction slip for every transaction on a credit card must be provided to the Payroll Administration Officer upon returning to the office.
7. The Payroll/Administration Officer shall maintain records of credit cards issued including expiry date, credit limit and details of purchases on the cards.
8. If a credit card holder ceases employment with the Shire of Leonora for any reason the card shall be handed to the Deputy Chief Executive Officer prior to departure. The Deputy Chief Executive Officer will cancel and destroy the card and make a file note on the employees file to the effect of the action taken.
9. If a credit card is lost or misplaced the holder must immediately notify the Payroll/Administration Officer.
10. Credit cards are not to be transferred to other users.
11. In the event that a "reward scheme" operates in conjunction with the credit card, then the rewards are not to be used privately by the card holder. If reward credits do accumulate, where possible they should be used to the advantage of the Shire of Leonora.

*Reviewed 14th December 2012*

12. Non compliance with the above processes will result in the cancellation of the credit card at the discretion of the Council or the CEO as appropriate.

13. Credit card holders are to sign an acknowledgement of the above conditions as shown below.

I acknowledge and understand that having been issued with a corporate credit card by the Shire of Leonora, in accordance with the above policy statements, that should the above conditions not be complied with then the credit card can be cancelled at any time by the Council or the CEO as appropriate.

.....  
Name of Card Holder

.....  
Signature of Card Holder

...../...../.....  
Date

**A.2.3****PURCHASING POLICY**Policy Adopted 20<sup>th</sup> February 2007 and amended 16<sup>th</sup> December 2011**Objective**

This policy is to deliver a best practice approach and procedures to internal purchasing for the Shire and to ensure consistency for all purchasing activities that integrates within all the Shires operational areas. The policy is to ensure that the Shire complies with the Local Government Act, 1995 and the Local Government Act (Functions and General) Regulations, 1996 (as amended in March 2007).

**Policy Statement**

The Shire is committed to setting up efficient, effective, economical and sustainable procedures in all purchasing activities. This policy:

- Provides the Local Government with a more effective way of purchasing goods and services.
- Ensures that purchasing transactions are carried out in a fair and equitable manner.
- Strengthens integrity and confidence in the purchasing system.
- Ensures that the Local Government receives value for money in its purchasing.
- Ensures that the Local Government considers the environmental impact of the procurement process across the life cycle of goods and services.
- Ensures the Local Government is compliant with all regulatory obligations.
- Promotes effective governance and definition of roles and responsibilities.
- Uphold respect from the public and industry for the Local Government's purchasing practices that withstand probity.

All officers and employees of the Local Government shall observe the highest standards of ethics and integrity in undertaking purchasing activity and act in an honest and professional manner that supports the standing of the Local Government.

The following principles, standards and behaviours must be observed and enforced through all stages of the purchasing process to ensure the fair and equitable treatment of all parties:

- full accountability shall be taken for all purchasing decisions and the efficient, effective and proper expenditure of public monies based on achieving value for money;
- all purchasing practices shall comply with relevant legislation, regulations, and requirements consistent with the Local Government policies and code of conduct;
- purchasing is to be undertaken on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently;
- all processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies and audit requirements;
- any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed; and

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*Reviewed 14th December 2012*



•any information provided to the Local Government by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation.

Value for money is an overarching principle governing purchasing that allows the best possible outcome to be achieved for the Local Government. It is important to note that compliance with the specification is more important than obtaining the lowest price, particularly taking into account user requirements, quality standards, sustainability, life cycle costing, and service benchmarks.

An assessment of the best value for money outcome for any purchasing should consider:

- all relevant whole-of-life costs and benefits whole of life cycle costs(for goods) and whole of contract life costs (for services) including transaction costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, maintenance and disposal.
- the technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality;
- financial viability and capacity to supply without risk of default. (Competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history);
- a strong element of competition in the allocation of orders or the awarding of contracts. This is achieved by obtaining a sufficient number of competitive quotations wherever practicable.

Where a higher priced conforming offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer.

Sustainable Procurement is defined as the procurement of goods and services that have less environmental and social impacts than competing products and services.

Local Government is committed to sustainable procurement and where appropriate shall endeavour to design quotations and tenders to provide an advantage to goods, services and/or processes that minimise environmental and negative social impacts. Sustainable considerations must be balanced against value for money outcomes in accordance with the Local Government's sustainability objectives.

Practically, sustainable procurement means the Local Government shall endeavour at all times to identify and procure products and services that:

- Have been determined as necessary;
- Demonstrate environmental best practice in energy efficiency / and or consumption which can be demonstrated through suitable rating systems and eco-labelling.
- Demonstrate environmental best practice in water efficiency.
- Are environmentally sound in manufacture, use, and disposal with a specific preference for products made using the minimum amount of raw materials from a sustainable resource, that are free of toxic or polluting materials and that consume minimal energy during the production stage;
- Products that can be refurbished, reused, recycled or reclaimed shall be given priority, and those that are designed for ease of recycling, re manufacture or otherwise to minimise waste.

- For motor vehicles — select vehicles featuring the highest fuel efficiency available, based on vehicle type and within the designated price range;
- For new buildings and refurbishments — where available use renewable energy and technologies.

## **PURCHASING THRESHOLDS**

Where the value of the procurement (excluding GST) for the value of the contract over the full contract period (including options to extend) is, or is expected to be:-

|                         |   |
|-------------------------|---|
| Up to \$10,000          | Direct purchase from suppliers requiring only two verbal quotations (can be arranged by delegated officers) |
| \$10,001 to \$ \$25,000 | Obtain at least two verbal or written quotes (Deputy CEO delegated to approve)                              |
| \$25,001 to \$99,999    | Obtain at least three written quotations (CEO delegated to approve)   |
| \$100,000 and above     | Conduct a public tender process (full Council to approve)   |

Capital and Operating expenditure - that local suppliers be the first preference followed by regional suppliers;

## **LIMITS OF AUTHORITY**

The following staff members are authorised to sign purchase orders on behalf of the Shire, with limitations as indicated:

| Officer:                       | Limit of Authority:   |
|--------------------------------|---|
| Manager Works                  | As per the adopted annual budget, or by decision of Council for items not included in the budget, relating to expenditure within the relevant department. |
| Deputy Chief Executive Officer | As per the adopted annual budget, or by decision of Council for items not included in the budget, relating to expenditure within the relevant department. |
| Chief Executive Officer        | As per the adopted annual budget, or by decision of Council for items not included in the budget, relating to expenditure within the organisation.        |

**A.2.4****RATES RECOVERY**Policy adopted 16<sup>th</sup> December 2011**Objective**

This policy outlines the Shires process in relation to the payment by instalment and the collection of outstanding rates.

**Policy Statement**

Rates may be paid by instalments and will be recovered in accordance with the following

**(1) Instalments:**

- 1.1 The Shire will accept that there are ratepayers who cannot meet the mandatory instalment options as provided by under section 6.45 of the Local Government Act 1995.
- 1.2 The Shire will allow the Rates Clerk to accept, by application in writing, an alternative payment schedule (an 'Agreement') at the Rates Clerk discretion. The ratepayer is to specify the dates when, and the amounts that are to be paid.
- 1.3 Any agreements will ensure that rates are paid in full prior to the end of the current financial year.
- 1.4 Upon acceptance of any agreement, written confirmation will be provided to the applicant to formalise the agreement and commit the ratepayer to the payment schedule.
- 1.5 Failure by the applicant to adhere to the payment schedule will result in the issue of a Final Notice for the total of the amount outstanding.

**(2) Overdue & Final Notices**

- 2.1 Final Notices will be issued during a period generally not exceeding 30 days after the due date of a notice for payment of rates.
- 2.2 Final Notices will be issued when:
  - No payment has been made
  - No 'Agreement' has been made
  - Where there is no current valid instalment option (i.e. persons who have paid their first instalment option late).
- 2.3 Final Notices will indicate:
  - Rates are now overdue & payable; and
  - That penalty interest is being charged at the rate set by the Council

**(3) Letters of Demand**

- 3.1 Mining Tenements
  - A Letter of Demand will be issued, generally no later than 30 days after Final Notices have been generated, to the current owners of any registered lease within the Shire where no payments have been made.

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*Reviewed 14th December 2012*

- The Letter of Demand will give the owner up to 14 days to respond at which time details will be forwarded to the Shire's debt collection agency without further notice.

### 3.2 General and Other Property

- A Letter of Demand will be issued no later than 31<sup>st</sup> January of the current financial year to all owners of property (excluding eligible pensioners) who have failed to make any payment within the financial year, and who have not contacted the Shire to make any special arrangement for payment, or have defaulted on an approved payment option.

## **(4) Issue of Summons**

- Rates remaining unpaid after the due date shown on the Letter of Demand will be examined by Shire staff determining whether a summons will be issued. Shire's Collection Agency may be used to issue a Summons to those ratepayers who failed to pay by the date indicated on the Letter of Demand.
- Costs incurred as a result of the issue of a Summons will be applied to the ratepayers' assessment immediately as per section 6.56 of the Act.
- Following the issue of a summons, a reasonable offer to clear a rate account (including the costs incurred through the issue of a summons) should be accepted.
- Where a Summons has been issued and remains outstanding, action will be taken to pursue that summons by what ever means necessary to secure payment of the debt.
- Legal proceedings will continue until payment of rates and any other outstanding costs are secured. This includes the issue of a Warrant of Execution against goods and land if necessary.

## **(5) Collection of Rent Due**

In cases where the owner of a leased or rented property on which rates are outstanding cannot be located or the owner refuses to settle the amount outstanding, notice will be served on the lessee. The lessee will then, under section 6.60 of the Local Government Act 1995, be required to pay the Shire any rent due until such time as the amount in arrears has been fully paid.

**A.2.5**

**INSURANCE**

Policy Adopted 16<sup>th</sup> December 2011

**Objective**

To ensure that the Shires assets are adequately protected

**Policy Statement**

It is Shire policy that all of the Shire's insurances are to be updated progressively during each financial year so that the acquisition or disposal of any insurable plant, equipment, building or other thing is appropriately noted on the Shire's insurance policies.

The Chief Executive Officer is to ensure an annual review of all the Shire's insurances by July of each year or earlier is carried out.

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*Reviewed 14th December 2012*

**A.2.6 BUDGET MANAGEMENT – CAPITAL ACQUISITIONS**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure that proper consideration is given to cash flow management when making large scale purchases.

**Policy Statement**

Owing to interim overdraft conditions which usually prevail in the early and closing parts of the financial year, it is Council's Policy to:

- i. Defer procurement of new budgeted plant items until approximately November each year.
- ii. Discourage the programming of materials intensive works in the early and closing parts of each financial year.
- iii. Require officers needing to order capital item in closely with the Chief Executive Officer.

Not to procure fixed assets within the last fiscal month of the year unless extenuating circumstance exist.

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*Reviewed 14th December 2012*

**A.2.7****TAXATION EXEMPTIONS**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure that local government exemptions from duties and any other relevant taxes are not misused.

**Policy Statement**

Under no circumstances is Council to become involved in the purchase of goods or assets of behalf of any group or organisation, unless those bodies are procuring fixed assets of a non-removable nature, which become the property of Council and the transaction complies in full with the legislation granting Council exemption from taxes such as stamp duty, i.e. the goods are for use in local government and are not for re-sale.

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*Reviewed 14th December 2012*

**A.2.8****ASSETS ACCOUNTING**Policy Adopted 15<sup>th</sup> July 1997, amended 16<sup>th</sup> December 2011**Objective**

To set out thresholds under which the Shire of Leonora will capitalise and depreciate assets.

**Policy Statement**1. Depreciation of Assets

Council's Policy is to depreciate only buildings, plant and equipment, furniture and tool on the basis of straight line depreciation over their estimated useful lives in accord with the following:

|                            |             |
|----------------------------|-------------|
| Building                   | 30-50 Years |
| Plant and Equipment        | 5-15 Years  |
| <u>Furniture equipment</u> |             |
| i. Basic item              | 2-15 Years  |
| ii. E.D.P Network          | 10 Years    |
| Tools                      | 10 Years    |

2. Capitalisation of Assets

The Shire of Leonora does not have any capitalisation threshold. Capitalisation of assets will be at the discretion of the Chief Executive Officer in accordance with good asset management practices and considerations.

3. Valuation Assets

Assets recognised, using AAS27 criteria, will be recorded at historical cost, until and unless disposed of. Where re-valuations on some asset classes are able to be consistently and regularly carried out, these assets shall be recorded at fair value.

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*Reviewed 14th December 2012*



**A.2.9****LOANS – SELF SUPPORTING**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure that Council recoups all fees associated with the provision of self supporting loans to third parties.

**Policy Statement**

Council's Policy is in respect of self-supporting loans raised on behalf of any external organisation, is to apply the following charges:

1. A legal agreement drafting fee;
2. A general administration fee on each loan or re-negotiation of a loan.

For the recoup of all other direct costs, e.g. stamp duty, draw down fees, advertising etc.

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*Reviewed 14th December 2012*

**A.2.10****ASSET MANAGEMENT POLICY**Policy Adopted 21<sup>st</sup> August 2012**Objective**

The objective of this policy is to ensure that the Shire has sufficient structure, systems, processes, resources and organisational commitment in place to deliver service outcomes on a financially sustainable basis.

Service delivery may be via the provision of Shire owned Infrastructure Assets, in which case assets are to be optimally managed to support financially sustainable service delivery outcomes for the lowest whole of life cost.

Alternatively service delivery may be by via third party, in which case the Shire has a role in ensuring third party Infrastructure Assets are optimally provided and managed to achieve financially sustainable service delivery outcomes without the need commit the shire to significant capital expenditure.

The policy also assists the Shire to comply with the provisions of the State Government's Integrated Planning & Reporting Framework (IPR) by having an integrated approach to Planning for the Future.

**Policy Statement***Scope & Limitations*

This policy covers all asset service delivery of the Shire and relates specifically to the management of infrastructure assets under the care, control and responsibility of the Shire that are used to deliver services and the infrastructure management regime of third parties where the Shire facilitates service delivery by a third party. This may include but is not limited to;

- Government Agencies
- Private Enterprise
- Contractors

*Background*

The community relies on the Shire to deliver services. The Shire has finite resources and limited income streams that can be targeted to fund service delivery. The Shire must ensure that service delivery is well targeted and aligns with the Community's aspirations identified via the development of the Strategic Community Plan.

To ensure that scarce resources are optimally allocated, it is important informed decisions are made when considering the acquisition, ongoing ownership, management and disposal of infrastructure assets. The Shire also needs to continuously consider whether it needs to provide and / or own assets in order to deliver services or whether it can simply facilitate the provision of the service by a third party, i.e. non-asset ownership service delivery.

To assist with making informed decisions in relation to this issue, the Shire will put in place the following;

*Reviewed 14th December 2012*

- An Asset Management Framework that is consistent with national standards in Asset Management.
- Maintain a contemporary Asset Management Policy that is regularly reviewed (this Policy).
- Develop, maintain and regularly review an Asset Management Improvement Framework that clearly articulates a sustainable path for continuous improvement and identifies resources to implement via the budget process.
- Develop, maintain and regularly review Asset Management Plans.
- Asset Management Plans will document the Council adopted level of service that applies to Infrastructure Assets which will be derived from the Service Levels determined via community engagement and the Corporate Business Plan.
- Ensure processes are in place to train Councillors and Officers in key aspects of asset management.

### Guiding Statement

## **KEY COMMITMENTS**

Prior to making a decision to either deliver a new service, vary the current level of service (up or down) or cease the delivery of a service, the following key commitments are to be adhered to;

- The need for the service will be reviewed.
- The service must align with the Strategic Community Plan and fit within the Corporate Business Plan (Capital evaluation process to be developed and utilised to assess this).
- Options for the Shire to facilitate delivery of the service by a third party are to be identified and considered.
- If the service is needed, and the Shire or a third party cannot deliver the service, infrastructure assets that are required to deliver the service will be identified along with;
  - The whole of life cost of delivering the service
  - The whole of life planning, maintenance, operation, renewal and disposal cost of the asset required to support the service delivery.
- The service delivery and asset whole of life costs must fit within the 10 Year Long Term Financial Plan (once developed).
- Options to renew infrastructure asset before acquiring a new infrastructure assets are to be considered.
- Options to rationalise assets will be considered.
- A cross-functional, multidisciplinary team will be established and maintained to develop the systems and processes to comply with the above key commitments.

## **RESPONSIBILITY AND REPORTING**

**Council** - is responsible for approving (including amendments to) the following documents;

- Asset Management Policy
- Asset Management Improvement Strategy
- Asset Management Plans

Council is also responsible for ensuring (upon recommendation of the CEO) that resources are allocated to achieve the objectives of the above documents.

In adopting asset management plans, Council is also determining the Level of Service for each asset class.

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*Reviewed 14th December 2012*

**Chief Executive Officer (CEO)** - is responsible for ensuring that systems are in place to develop, maintain and regularly review Council's AM Policy, AM Improvement Strategy, AM Plans. The CEO reports to Council on all matters relating to Asset Management.

**Executive Management Group (EMG)** – is responsible for monitoring the implementation of asset management across the organisation. The EMG will ensure that strategies are put in place to remove barriers to the successful implementation of Asset Management. The Executive Management Group reports to the CEO on all matters relating to Asset Management.

**Asset Management Working Group (AMWG)** – the Asset Management Working Group will be responsible for ensuring that Council's Asset Management Improvement Strategy is achieved and that Asset Management Plans are prepared and maintained in line with Council's Policy on Asset Management. Where changes to Council's AM Policy, Improvement Strategy or Plans are identified, the AM Working Group is responsible for reporting this to the EMG for consideration. Where aspects of Council's Policy, Improvement Strategy or Plans are not being achieved or adhered to, the AM Working Group is responsible for reporting non-compliances to the EMG for corrective action. The AMWG reports to the Executive Management Group on all matters relating to Asset Management.

**Director Infrastructure Services (DIS)** – is responsible for resource allocation (from Council approved resources) associated with achieving Council's Asset Management Improvement Strategy. The DIS reports to the CEO in relation to Asset Management resource allocation.

**Asset Management Co-ordinator (AMC)** – is responsible for supporting the AMWG and ensuring that resources are commissioned (where appropriate) to assist the AMWG achieves its asset management objectives. The Asset Co-ordinator role is currently being fulfilled by the DIS.

**All Directors** – are responsible for ensuring that resources under their control are appropriately allocated to resource asset management and in particular the AMWG.

## **POLICY DEFINITIONS**

“Asset” means a physical item that is owned or controlled by the Shire, and provides or contributes to the provision of service to the community (in this context excluding financial, intellectual, and non-tangible assets).

“Asset Management” means the processes applied to assets from their planning, acquisition, operation, maintenance, replacement and disposal, to ensure that the assets meet the priorities of the Corporate Business Plan for service delivery.

“Asset Management Plan” means a plan developed for the management of an infrastructure asset or asset category that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset.

“Council” means the elected council (comprising Councillors) of the Shire.

“Infrastructure Assets” are fixed assets that support the delivery of services to the community. These include the broad asset classes of Roads, Drainage, Buildings, Parks and Bridges.

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*Reviewed 14th December 2012*

“Level of Service” means the combination Function, Design and Presentation of an asset. The higher the Level of Service, the greater to cost to deliver the service. The aim of asset management is to match the asset and level of service of the asset to the community expectation, need and level of affordability.

“Life Cycle” means the cycle of activities that an asset goes through while it retains an identity as a particular asset.

“Whole of life cost(s)” means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, and rehabilitation and disposal costs.

“Maintenance” means regular ongoing day-to-day work necessary to keep asset operating and to achieve its optimum life expectancy.

“Operations” – means the regular activities to provide public health, safety and amenity and to enable the assets to function e.g. road sweeping, grass mowing, cleaning, street lighting and graffiti removal.

“New” means creation of a new asset to meet additional service level requirements.

“Resources” means the combination of plant, labour and materials, whether they be external (contractors/consultants) or internal (staff/day labour).

“Renewal” means restores, rehabilitates, replaces existing asset to its original capacity. This may include the fitment of new components necessary to meet new legislative requirements in order that the asset may achieve compliance and remain in use.

“Risk” means probability and consequence of an event that could impact on the Council’s ability to meet its corporate objectives.

“Shire” means the collective Shire organisation. The Chief Executive Officer of the Shire is responsible for ensuring the Shire’s obligations and commitments are met.

“Stakeholders” are those people/sectors of the community that have an interest or reliance upon an asset and who may be affected by changes in the level of service of an asset.

“Upgrade” means enhances existing asset to provide higher level of service.

### Outcomes

Adherence to this policy will ensure that the Shire will continue to deliver (or facilitate the delivery) of financially sustainable services aligned with the aspirations of the community.

**A.3.1****GRATUITY PAYMENTS**Policy Adopted 17<sup>th</sup> February 1998**Objective**

This policy is to determine the manner in which the Council may grant a gratuity payment to contract or award employees at the completion of their service with the Shire.

**Policy Statement**

Section 5.50(1) of the Local Government Act states that:

“A local government is to prepare a policy in relation to employees, whose employment with the local government is finishing, setting out:

- (a) The circumstances in which the local government will pay an employee an amount in addition to any amount to which the employee is entitled under a contract of employment or award relating to the employee; and
- (b) The manner of assessment of the additional amount, and cause local public notice to be given in relation to the policy

Section 5.50(2) of the Act states that a local government may make a payment:

- (a) To an employee whose employment with the local government is finishing; and
- (b) That is more than the additional amount set out in the policy prepared by the local government under section (1), but local public notice is to be given in relation to the payment made.”

At a meeting of Council held on 17 February 1998 it was resolved that no payment be made to any employee irrespective of that person’s length of service with the Council.

**A.3.2****CONFERENCES - STAFF  
ATTENDANCE AND REPRESENTATION**Policy Adopted 16<sup>th</sup> December 2011**Objectives**

To determine the nature and extent of Shire employee's attendance at international, national and interstate conferences, study tours, seminars or conventions.

**Policy Statement**

The following guidelines are to be considered for any proposal for representatives of the Shire to attend conferences, study tours, seminars or conventions:

1. When it is considered desirable that the Shire be represented at an international national or interstate conference, study tour, seminar or convention, a maximum of one officer may attend;
2. In considering officers attendance at a conference, study tour, seminar or convention or the like, consideration should be taken into the possible benefits to the Shire, staff training requirements and professional development opportunities;
3. In recommending officers attendance, the Chief Executive Officer will take the appropriate budget allocation into consideration;
4. Following attendance at such a conference, study tour, seminar or convention , the officer shall within thirty days of their return submit a report (verbal or written as directed by the CEO);
5. A list of officers attendance at conferences and the like is to be maintained on the officers personal records;
6. All conference papers and/or information relating to the conference and the like become the property of the Shire and are to remain at the Shire in the event that the officer ceases employment with the Shire of Leonora;

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*Reviewed 14th December 2012*

**A.3.3****CONFERENCES STAFF  
TRAVEL & ACCOMMODATION EXPENSES**Policy Adopted 16<sup>th</sup> December 2011**Objectives**

To determine the travel and accommodation expenses payable in respect of officers travelling on official Shire business (eg conferences, seminars, study tours, conventions and the like).

**Policy Statement**

Officers travelling on official Shire business are to be reimbursed substantiated expenses in accordance with the following guidelines:

1. Approval for travel must, where appropriate and possible, be sought two months prior to departure;
2. Travel and accommodation will be arranged by the Chief Executive Officer and the appropriate Shire discount for travel and accommodation will be arranged;
3. Travel and accommodation standards will apply as follows unless varied with the prior approval of the Chief Executive Officer where circumstances necessitate eg international travel:
  - (i) An advance of up to \$75/day to cover meals, and incidentals where costs cannot be charged back to the Shire;
  - (ii) Reasonable costs for taxi fares will be reimbursed;
  - (iii) In the case of international travel, where it is necessary for staff to accompany Elected Members, the travel class will be that of the Elected Members;
  - (iv) Where, in particular circumstances, staff desire to travel interstate by private motor vehicle the officer is to be reimbursed up to the equivalent amount that would have been expended had arrangements been made to travel by air;
  - (v) Accommodation at overseas locations will be in accordance with the itinerary approved by the Chief Executive Officer;
  - (v) Advances for international travel will be separately determined by the Chief Executive Officer in each circumstance;

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*Reviewed 14th December 2012*



**A.3.4****INTERNET & EMAIL USEAGE**Policy Adopted 16<sup>th</sup> December 2011**Objective**

To ensure that Shire employees usage of the internet and email is appropriate.

**Policy Statement**

Internet access is provided to employees as a business tool. Its purpose is to assist in research, training, communication and to provide better access to information.

All communication using the Shire's internet and facilities must be undertaken in a professional manner, while responsibly representing the goals, objectives and image of the Shire.

Inappropriate use of this technology is viewed as a serious disciplinary issue and will result in a reassessment of access privileges. Employees and other users of the Shire's internet resources should not access, and should have no cause to access, material considered objectionable or restricted under the Censorship Act 1996.

All files (work related or private) that are downloaded from the internet must be scanned for viruses immediately.

Employees may occasionally access the internet outside of normal working hours for appropriate private use.

Where employees receive electronic mail that is inappropriate, it is their obligation to immediately delete its contents and any attachments, and then advise the sender of its inappropriateness and instruct them not to send such correspondence again.

The Shire may monitor usage of the internet. There can be no expectation of personal privacy in the use of the Shire's internet and or email facilities.

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*Reviewed 14th December 2012*

**A.3.5 OCCUPATIONAL HEALTH AND SAFETY**Policy Adopted 16<sup>th</sup> December 2011**Objective**

A safe and efficient place of work is the Shire of Leonora's goal, and all must be committed to reach this outcome.

**Policy Statement**

The Shire of Leonora regards the development and implementation of best practice Occupational Safety and Health systems as a common objective for the CEO, Managers, Supervisors, Team Leaders, Employees, Contractors and Volunteers.

The Policy of the Shire of Leonora is to ensure that every employee works in an environment where every effort is made to prevent accidents, injury and disruption to employees' health from foreseeable work hazards.

The employer acknowledges a duty of care to:

- Provide and maintaining a safe working environment.
- Providing adequate training, instruction and supervision to enable employees to perform their work safely and effectively.
- Investigating all actual and potentially injurious occurrences in order to identify and control the cause to reduce the level of risk in the workplace
- Comply with AS/NZS 4801-2001 Occupational Health and Safety Management Systems audit requirements.
- Compliance with current Occupational Safety and Health Act 1984, and Regulations 1996, relevant Australian Standards including AS/NZS ISO 31000, 2009, Codes of Practice and Guidance Notes.

Employees have a duty of care to

- Working with care for their own safety and that of other employees, contractors, volunteers and public who may be affected by their acts or omissions.
- Reporting hazards, accidents, incidents and near misses to their supervisor.
- Co-operating positively in the fulfilment of the obligations placed on their employer.
- Assisting in the reporting and investigation of any accidents with the objective of introducing and reviewing controls to prevent re-occurrence.

*Reviewed 14th December 2012*

**A.3.6 ACTING CHIEF EXECUTIVE OFFICER**  
Policy adopted 16<sup>th</sup> December 2011**Objective**

To ensure a measure is in place for an Acting Chief Executive Officer to effectively carry out additional duties undertaken during the absence of the Chief Executive Officer

**Policy Statement**

In the absence of the Chief Executive Officer on periods of leave or absence for five or more consecutive working days then the Deputy Chief Executive Officer will be appointed Acting Chief Executive Officer for the period of the Chief Executive Officer's absence. In these circumstances any higher duties increase/provision in the salary of the Deputy Chief Executive Officer will be advised by the Chief Executive Officer.

In the absence of the Chief Executive Officer for periods of four days or less the deputy Chief Executive Officer will assume the role of Acting Chief Executive Officer for day to day decisions effecting the organisation. In these circumstances there will be no adjustment to the Deputy Chief Executive Officer's salary.

**A.3.7 HARASSMENT, BULLYING AND DISCRIMINATION**Policy Adopted 15<sup>th</sup> July 1997, amended 16<sup>th</sup> December 2011, 21<sup>st</sup> August 2012 & 14<sup>th</sup> December 2012**Objective**

a) The Harassment, Bullying and Discrimination Policy aims to create an environment free from harassment, bullying and unlawful discrimination leading to a productive and positive workplace and educational setting. To achieve this objective the Shire of Leonora will:

- Implement effective procedures to manage complaints based on the principles of natural justice,
- Promote and expect appropriate standards of conduct at all times.

**Scope**

a) The Shire of Leonora does not condone harassment, bullying or unlawful discrimination and values diversity in employment and education. This policy applies to all officers, employees and elected members, as well as contractors or volunteers. Breaches of this policy will be treated as misconduct or serious misconduct and dealt with under the relevant staff policies and procedures.

b) This policy applies in any Council context, including conferences, work functions, social and Christmas parties, as well as business trips.

**Definitions*****Harassment***

a) Harassment is defined as behaviour that is directed at an individual or group of staff or students which, because of its severity and/or persistence, is likely to create a hostile or intimidating environment and detrimentally affect an individual's participation in employment or education. Harassment is determined by reference to the nature and consequences of the behaviour, not the intent of the initiator, and occurs in circumstances where a reasonable person would have expected the behaviour to be offensive, humiliating or intimidating.

***Sexual Harassment***

a) Sexual Harassment is any behaviour of a sexual nature, which is unwelcome. It may involve a single incident or a series of incidents. The Commonwealth Sex Discrimination Act 1984 declares sexual harassment to be unlawful. The Shire of Leonora has a responsibility to protect all staff from sexual harassment. Sexual Harassment may include:

- physical contact - eg touching; patting; pinching; kissing or embracing someone; sexual assault and rape.
- verbal comments - eg innuendo; smutty jokes; suggestive comments about someone's appearance or body; persistently inviting someone out; questions about a person's private life; requests for sexual favours.
- nonverbal actions - eg leers; stares; displays of sexually explicit material; offensive body and hand movements; suggestive letters and drawings, including email; indecent exposure, stalking.

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b) When identifying sexual harassment, the intent of the person whose behaviour caused offence is largely immaterial, as it is the effect of their behaviour that is relevant. If behaviour is unwelcome and is sexually oriented, and occurs in circumstances where a reasonable person would have anticipated the possibility that a person would have been offended, humiliated or intimidated by the conduct, then it is sexual harassment.

c) Sexual harassment is not behaviour which is based on mutual attraction, friendship or respect. If the interaction is consensual, welcome and reciprocated it is not sexual harassment.

### ***Bullying***

a) Bullying is defined as any on-going anti-social or unreasonable behaviour that offends, degrades, intimidates or humiliates a person, and/or has the potential to create a risk to health, safety and wellbeing. Overt or covert bullying refers to activities that create an environment of fear through acts such as:

- cruelty, belittlement or degradation,
- public reprimand or behaviour intended to punish, such as isolation and exclusion from workplace activities,
- ridicule, insult or sarcasm,
- trivialisation of views and opinions, or unsubstantiated allegations of misconduct,
- physical violence such as pushing, shoving or throwing of objects.

### ***Discrimination***

a) Discrimination occurs when a person is treated less favourably than another person because of certain attributes. Under federal and state laws, it is against the law to discriminate against people or to harass them, in various areas of public life because of their:

- race, including colour, ethno-religious background or nationality,
- sex or pregnancy,
- transgender,
- marital status,
- disability,
- carers' responsibilities,
- homosexuality, or
- age.

b) It is also against the law to treat people unfairly, or harass them, because of the age, disability, carers' responsibilities, homosexuality, marital status, race, sex or transgender of any relative, friend or colleague.

c) Direct discrimination is where someone is treated less favourably because of their sex, age, race, disability, pregnancy or any of the other grounds covered by anti-discrimination legislation. Indirect discrimination occurs when a requirement (or rule) that is the same for everyone has an effect or result that is, or is likely to, disadvantage staff because of their sex, race, disability etc.

### **Policy Statement**

*Reviewed 14th December 2012*

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a) Harassment or bullying of or unlawful discrimination against staff or Councillors by any employee or Councillor of the Shire of Leonora is unacceptable. Harassment, bullying and unlawful discrimination may:

- create an intimidating hostile, offensive or distressing work or study environment;
- adversely affect the performance of individual staff;
- adversely affect an individual's recruitment, level of appointment, promotion and progression opportunities;
- adversely affect an individual's access to and/or participation in the range of professional development opportunities, support services, social and recreational facilities provided by the Shire of Leonora;
- adversely reflect on the integrity and standing of the Shire of Leonora;
- increase the risk of the Shire of Leonora as an employer to be exposed as being vicariously liable.

b) The Shire of Leonora expects all members of staff, students, contractors and individuals who enter into particular relationships with the Shire of Leonora, to ensure that their behaviour meets appropriate standards and contributes to a productive workplace and learning environment.

### **Principles, Obligations and Responsibilities**

a) Reports and complaints of harassment, bullying and unlawful discrimination will be treated seriously by the Shire and will be investigated promptly in a sensitive, thorough and confidential manner ensuring that complainants and witnesses are not victimised.

b) The principles of natural justice apply and will guide the application of this policy and associated procedures. This means that before a decision is taken about them, staff have the right to be informed about the nature and content of the issue, have the right to be heard and have the right to have an unbiased decision maker.

c) All managers have a leadership role in ensuring the Harassment, Bullying and Discrimination Policy is adhered to and in taking appropriate action in circumstances where they become aware of existing or possible harassment, bullying or unlawful discrimination.

d) The complaint resolution process is carried out in good faith and complaints that are frivolous, vexatious, misconceived or lacking in substance will be rejected if a preliminary investigation of the facts indicates this.

### **Resolution Options**

a) The Shire of Leonora encourages staff to endeavour to resolve issues directly and informally through a process of discussion and conciliation where possible. This may involve seeking advice from a supervisor, or Senior Manager. At any stage, strategies used to resolve a grievance may include, but need not be limited to, mediation, counselling or conciliation meetings between the parties.

- b) If the informal options do not work or are not appropriate, staff can make a formal complaint in writing under the Grievance Policy for Shire Staff.
- c) Staff may also refer their complaint to an external body at any time.
- d) In cases of assault or other criminal activity, staff should contact the Police.

**Relevant Legislation**

- [Age Discrimination Act 2004](#) (Cth)
- [Disability Discrimination Act 1992](#) (Cth)
- [Equal Opportunity for Women in the Workplace Act 1999](#) (Cth)
- [Equal Opportunity Act 1984 \(WA\)](#)
- [Fair Work Act 2009](#) (Cth)
- [Human Rights and Equal Opportunity Commission Act 1986](#) (Cth)
- [Racial Discrimination Act 1975](#) (Cth)
- [Sex Discrimination Act 1984](#) (Cth)

**A.3.8****SUPERANNUATION**Adopted by Council 16<sup>th</sup> December 2011**Objective**

In order to be competitive in attracting suitable staff the Shire will make additional contributions to employee's superannuation where the employee also makes an additional contribution.

**Policy Statement**

The Shire acknowledges its legal obligations to meet superannuation contributions on behalf of its employees based on the following:

**Superannuation Guarantee:**

The Shire meets its statutory obligation at the rate set by the Superannuation Guarantee Legislation. The contribution is paid by Shire for all employees, determined by applying the set rate to the employee's base salary.

In addition, the Shire will make an additional contribution to employee superannuation based on the following:

**Contributory Superannuation:**

For employees who have elected to become a member of the Contributory Scheme, the Shire will contribute an additional 6% to the scheme where it is matched by a 6% contribution by the employee.

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*Reviewed 14th December 2012*



**A.3.9 PROTECTION FROM THE SUN FOR OUTDOOR WORK**Policy adopted 15<sup>th</sup> July 1997**Objective**

To protect employees from being exposed to long periods of ultra violet radiation from the sun

**Policy Statement**

It is the Shire's policy that employees exposed to long periods of ultra violet radiation from the sun be encouraged to take adequate precautions against its harmful effects. Employees are required to wear appropriate clothing and apply protective measures as follows:

- wear wide brimmed sun hat
- apply sunscreen at least twice daily to all exposed skin
- wear long sleeve light weight collared shirts; sleeves are not to be rolled up.
- wear long trousers or coveralls.

Shire will issue all of the above.

The type of equipment to be selected will be after consultation with all employees.

No less than the minimum standard of U.V. protection is to apply to all clothing and protective equipment selected.

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*Reviewed 14th December 2012*

**A.3.10****EQUAL OPPORTUNITY**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure that the Shire actively promotes equal employment opportunity based solely on merit to ensure that discrimination does not occur on the grounds of gender, age, marital status, pregnancy, race, disability, religious or political convictions.

**Policy Statement**

The Shire recognizes its legal obligations under the Equal Opportunity Act, 1984, and actively promotes equal employment opportunity based solely on merit to ensure that discrimination does not occur on the grounds of gender, marital status, pregnancy, race, disability, religious or political convictions.

All employment training with the Shire is directed towards providing equal opportunity to all employees provided their relevant experience, skills and ability to meet the minimum requirements for such training.

All promotional policies and opportunities with the Shire are directed towards providing equal opportunity to all employees provided their relevant experience, skills and ability meet the minimum requirements for such promotion.

All offers of employment within the Shire are directed towards providing equal opportunity to prospective employees provided their relevant experience, skills and ability meet the minimum requirements for engagements.

The Shire does not tolerate harassment within its workforce. Harassment is defined as any unwelcome, offensive action or remark concerning a person's race, age, sex, colour, language, ethnicity, political or religious convictions, gender, marital status or disability.

The equal employment opportunity goals of the Shire are designed to provide an enjoyable, challenging, involving, harmonious work environment for all employees where each has the opportunity to progress to the extent of their ability.

The Shire in no way deems that the adoption of this policy as meaning that the Shires current attitude, or those of its current employees, as requiring to be changed or modified.

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*Reviewed 14th December 2012*

**A.3.11****STAFF TRAINING**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To improve the services provided by the Shire by training and enhancing the skills of its employees.

**Policy Statement**

In order to enhance the skill of its employees the Shire has adopted the following policy in relation to staff training:

- 1 Management has a responsibility to organise its labour resources in the most efficient manner possible so as to maximise the services provided in an effective, economic and efficient manner.
- 2 The Shires workforce is its most important resource necessary for the achievement of the Shires objectives and the skills of the workforce are of the most fundamental significance.
- 3 Education which is the acquisition of general tertiary and professional skills and qualifications is the responsibility of the individual employee. This does not preclude the Shire from assisting an employee (eg study leave) but such assistance extended at the discretion of the Shire is not an employee right.
- 4 Training is an extension and/or enhancement of skills and knowledge to enable employees to be more effective in their jobs and/or provide for future progression and is the joint responsibility of the Shire and the employee.
- 5 The Shire recognises the need for attention to and investment in staff training and authorises the allocation in each year's draft budget an appropriate amount for staff training.
- 6 The Chief Executive Officer is responsible for the management of the funds allocated for staff training in each department and any expenditure may, subject to provision being made in the budget, be endorsed by the Chief Executive Officer without reference to the Council.
- 7 Funds allocated by the Council for staff training may be directed towards any "training or professional development expenditure" and without limiting the generality of this clause, may include:
  - a) Cost of salaries, registration & course fees, travelling and accommodation involved in attending training courses and where appropriate, exams, seminars or conferences.
  - b) The wages and overheads associated with the employment of training officers and similar appropriate persons for the provision of internal and external training courses and on the job training.
  - c) Purchase of videos, books and other appropriate training & educational aids.

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- d) Other appropriate training and professional development initiatives at the Chief Executive Officer's discretion.
8. As a general guide the Shires preference for staff training activities are:
- a) Utilisation of any local training opportunities or courses.
  - b) Co-ordination with other local training exercises (eg with local businesses and with government departments).
  - c) In-house training activities.

**A.3.12****SMOKE FREE ENVIRONMENT**Policy Adopted 15<sup>th</sup> July 1997**Objectives**

To protect the health of all employees and the public users of the Shire's facilities.

**Policy Statement**

The Shire recognizes that passive smoking is hazardous to health and that non-smokers should be protected from the inhalation of tobacco smoke.

To protect the health of all employees and the public users of Shires facilities, it is the Shires Policy that no one is permitted to smoke in any enclosed Shire work place, meeting room or vehicle.

All employees, public facilities users and visitors to work places where the Shires smoking policy applies must be informed of the Smoke Free Policy and encouraged not to smoke by use of strategically located and well designed signage; or if they wish to smoke, to do so in an open area outside the building or vehicle, but away from open windows or doors.

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*Reviewed 14th December 2012*

**A.3.13**

**STAFF – SENIOR EMPLOYEES**

Policy Adopted 15<sup>th</sup> July 1997

**Objective**

To set out “senior employees” as defined under section 5.37 of the Local Government Act 1995 for the Shire of Leonora.

**Policy Statement**

For the purpose of section 5.37 of the Local Government Act 1995, the Council designates the following employees to be “senior employees”-

Chief Executive Officer  
Deputy Chief Executive Officer  
Manager Works

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*Reviewed 14th December 2012*

**A.3.14 STAFF – PRESENTATIONS ON TERMINATION**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure a consistent approach to presentations on staff terminations is applied across the organisation within reasonable limits.

**Policy Statement**

That the Council present a gift to staff upon termination, and also provide light refreshments and drinks, where appropriate in the opinion of the Chief Executive Officer, but subject to :

- i. Staff contributing also to the gift, or another separate gift.
- ii. Service to Council being not less than two years.

Reference to Council where unusual circumstances are involved.

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*Reviewed 14th December 2012*

### **A.3.15 SALARIES AND WAGES – MODE OF PAYMENT**

Policy Adopted 15<sup>th</sup> July 1997

#### **Objective**

To ensure consistency and efficiency in the issuance of salaries and wages.

#### **Policy Statement**

Council's policy is to pay its employees' salaries and wages by direct lodgement to the employee's bank account. This policy is to be condition of employment.

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*Reviewed 14th December 2012*



## **A.3.16 PAYROLL DEDUCTION OF UNION SUBSCRIPTIONS**

Policy Adopted 15<sup>th</sup> July 1997

### **Objective**

To assist employees to meet their subscription obligations.

### **Policy Statement**

Council's policy is to support the payment of Union fees by employees through a system payroll deduction.

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*Reviewed 14th December 2012*

**A.3.17 STAFF INCENTIVE – SICK LEAVE BONUS**Policy Adopted 15<sup>th</sup> March 2005, amended 16<sup>th</sup> March 2010**Objective**

The sick leave incentive bonus scheme is designed to encourage staff not to take unnecessary sick leave, thereby increasing productivity and minimizing the disruption to Shire operations and unfair burden on employees required to cover for absent fellow workers.

**Policy Statement**

- The sick leave bonus is available to all permanent employees (full-time and part-time)
- The sick leave bonus will comprise a payment of up to one weeks sick leave, based on the employees sick leave history for the preceding 12 months

For example, if an employee has taken no sick leave, they will receive one weeks sick leave bonus

If an employee has taken say, three days sick leave the bonus will be equivalent to 2 days sick leave.

- The bonus cuts out if the employee takes 5 or more day's sick leave in the preceding 12 months.
- The bonus will be paid in the first pay period in December each year. The first bonus payment to be made in December 2005.
- The employee has the right to not accept payment of the bonus and retain the accrual.
- Any such leave bonus payments made to an employee will be deducted from their sick leave accrual.
- The employee is responsible for any taxation implications associated with the payment
- The bonus is not available to any Council employee who takes time off without reason and who does not claim that time off as sick leave.

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*Reviewed 14th December 2012*

## **A.3.18 FITNESS FOR WORK (INCLUDING ALCOHOL, DRUGS & ILLEGAL SUBSTANCE USE IN THE WORKPLACE)**

Policy Adopted 21<sup>st</sup> August 2012, and amended 14<sup>th</sup> December 2012

### **Objective**

The objectives of introducing a Fitness for Work Policy and the associated procedure is to address the risk posed to the Shire's employees by the abuse of alcohol, drugs and substances or impaired work performance. The policy is directed towards the welfare of individual employees and the safety and health of other people.

The purpose of this procedure is to detail the guidelines and actions required to manage fitness for work within the workplace, including:

- Illicit drug use
- Alcohol use
- Prescription medication
- Other medication
- Fatigue
- Any other factors where concentration and agility of an employee is affected.

### **Scope**

It is the intent of the Shire of Leonora that this policy applies to all employees (including office and managerial employees), contractors, volunteers and consultants to the operations. Contractors performing services for the Shire will be required to adhere to these standards to ensure their behaviour does not adversely affect the safety of employees or members of the public.

### **Definitions**

For the purpose of this policy, the abuse of alcohol and/or other drugs includes:

- *Impaired work performance* – sudden or gradual deterioration in a person's ability to function appropriately at work;
- *Unfit for work* – being impaired for work and therefore unable to perform duties in a safe manner;
- *Use* – eating, drinking, inhaling, injecting or dermal absorption of any substance or drug;
- *Misuse* – inappropriate use of a substance on a Shire premise or property, including overdose of a drug or the failure to take a drug in accordance with medical advice;
- *Alcohol* – any beverage containing alcohol;

*Reviewed 14th December 2012*

- *Drugs* – Amphetamines, Cannabinoid's THC, Opiates, Barbiturates, Cocaine, Methadone, Benzodiazepines, alcohol and/or other substances (including, “hangovers” and/or “come downs”, etc);
- *Fit for work* – means that an individual is in a state (physically, mentally and behaviourally) which enables the employee to perform assigned tasks competently and in a manner which does not compromise or threaten the safety or health of themselves or others.

## **Policy Statement**

The Shire recognises there are many factors that have the potential to affect a person's ability to concentrate or function appropriately whilst at work. This risk could adversely affect the safety and health of the direct employee, other employees or members of the public. This procedure outlines guidelines and expectations of the Shire to control the incidence of risk or injury or accident as a result of an employee being unfit for work. All employees of the Shire of Leonora will be subjected to undertake random drug and alcohol screening (paid by the Shire). If the employee refuses to comply with the requirement to undertake drug and alcohol screening then the employee places himself at serious risk of dismissal. Any employee of the Shire found to be under the influence of or suffering from the adverse effects of drugs, alcohol or any other substance whilst at work will be disciplined appropriately. Serious offences will place the employee at serious risk of dismissal.

## **ALCOHOL**

Being under the influence of alcohol will not be permitted whilst working on the premise or property of the Shire. Any employee who records an alcohol reading during a random onsite breath test, will be stood down from their duties and either taken to the nearest police station for a blood alcohol test or to the Shire's medical provider for a blood alcohol test. Should an employee's blood alcohol level be deemed to be 0.05 and over, the employee will be suspended from work without pay for the remainder of the day. As the employee will be over the legal limit to drive, alternative transport will be required.

If the blood alcohol level is under 0.05, employees will be prohibited to operate Shire machinery, plant or equipment until a blood alcohol content of 0.00 is reached. If the employee refuses to comply with the requirement to undertake drug and alcohol screening then the employee places himself at serious risk of dismissal.

There may be occasions where alcohol may be included as part of a work function or other recognised work event. Where management has approved the consumption of alcohol, employees must continue to behave in a sensible and responsible manner with due care for their own and other people's safety and wellbeing. Failure to behave in a sensible and responsible manner with due care, or any failure to follow any directions given by management with regard to the consumption of alcohol may result in disciplinary action. It is a condition of employment at the Shire that employees make alternative arrangements to get home. The Shire accepts no responsibility for employees during travel to and from the function.

## **DRUGS AND PRESCRIPTION MEDICATION**

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*Reviewed 14th December 2012*

**Illicit drugs and other substances**

Illicit drugs and other substances are strictly prohibited by the Shire. Being under the influence of, suffering adverse effects of, in possession of, or found to be cultivating, selling or supplying drugs or other substances whilst on Shire property or premise will result in disciplinary action and the employee being at serious risk of dismissal. All employees of the Shire of Leonora will be subjected to undertake random drug and alcohol screening (paid by the Shire).

If the drug screen proves positive on the first offence, the employee will receive a written warning and will be unable to return to the workplace until a clear reading is obtained and provided to the Shire at the employee's expense. If an employee is found to give a positive result on the second offence, they will receive a second written warning and will be unable to return to the workplace until a clear reading is obtained and provided to the Shire at the employee's expense. On the first and second offence, the employee has up to three months in which to provide a negative test. Failure to provide a negative test will place the employee at serious risk of dismissal. The employee must also agree to be submitted for subsequent drug testing whenever random screening is performed for a period of twelve months following their return to the workplace. The employee will be instantly dismissed if a subsequent test is undertaken with a positive result during this time.

*Repeated offences will place the employee at serious risk of dismissal.*

**Prescription and other medication**

It is an employee's responsibility to inform their supervisor of any medication they are taking. It is also a requirement of employees to advise their supervisor of any adverse effects that may occur whilst taking such medication, including the amount of times at which the medication is taken per day. This information is to be recorded on their personnel file for reference in the event of an emergency. It is also necessary for the employer to record any known allergic reactions to any medication an employee may have (ie penicillin).

Any prescription and other medication must be used in accordance with medical advice. Any non-prescription or other medication must be used in accordance with the manufacturer's recommendations.

*Failure to follow these requirements will result in disciplinary action and will place the employee at serious risk of dismissal.*

**Fatigue**

Fatigue can be the result of many different situations. Due to this, this policy will directly reflect the implications of fatigue through (but not limited to) the following external triggers:

- Lack of sleep;
- Voluntary work; and
- External work commitments.

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*Reviewed 14th December 2012*

In the interests of safety and health it is important that employees remain alert and function at full capacity whilst at work. When affected by fatigue, actions may be impaired through lack of concentration and poor judgment, therefore increasing the potential to cause injury or harm to themselves, other employees or members of the public.

It is the policy of the Shire to provide a safe place of work for its employees. It is an employee's responsibility to report to their supervisors any other work commitments or voluntary commitments outside of their employment with the Shire.

Depending on the circumstances, the Shire may agree to come to a compromise with the employee to ensure there is an equilibrium between regular hours worked at the Shire, sleep / rest and additional hours worked elsewhere (including paid and voluntary work). If this agreement is reneged by the employee, disciplinary action may result.

If deprivation of sleep is the cause of fatigue due to other external circumstances, a drug and alcohol screen will be required. If positive, disciplinary action will result.

In circumstances where the employee is, in the judgement of the Shire, unfit to remain at work, the employee will be stood down from work without pay for the remainder of the day.

### **EMPLOYEE ASSISTANCE PROGRAMME (EAP)**

The Shire understands employees may be experiencing difficulties external to work that may influence their behaviour and health whilst at work. To assist with the recovery of the employee, the Shire has in place a confidential employee assistance programme. For the purpose of this policy, this programme will be offered to first offence employees through ratification of the Chief Executive Officer. This programme will also be offered on the second confirmed screening. The Shire will offer a total of six (6) counselling sessions; if further sessions are required, approval is to be obtained from the Chief Executive Officer.

If an EAP is offered as a result of a first offence and the employee declines the offer, they must attend the EAP on the second offence or face possible dismissal. Due to the confidentiality of the EAP, it is the responsibility of the employee to provide the Shire with proof that the employee attended the EAP.

Employees who have not failed to meet the guidelines of this policy and feel an EAP would benefit them due to personal circumstances may utilise these services. Such employees do not contravene the guidelines of this policy if they volunteer for the EAP service.

### **DISCIPLINARY ACTION**

If this policy is in any way contravened by an employee the following will result.

#### **General guidelines**

Any employee who tests positive to an alcohol breath screen or urine drug screen will be stood down from their work and will not be permitted to resume work until such time as they have proven they are fit for work. Any person who demonstrates the signs of being significantly

*Reviewed 14th December 2012*

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fatigued will be subjected to a random drug and alcohol screen and will be stood down from work until such time as they have proven they are fit for work.

### **First offence**

- The employee will be immediately suspended from duty if found unfit for work.
- The employee will be given the opportunity to state their case. Unless there are convincing arguments to the contrary, this procedure will continue.
- The employee will not be permitted to return to work until they have been tested again and proved negative for all proscribed substances and the results provided to the Shire at the employee's expense. The employee has up to three months to provide a negative test. Failure to provide a negative test will place the employee at serious risk of dismissal.
- The employee will receive a written warning.
- The employee will be counselled by their supervisor focussing on:
  - The unacceptability of the employee's behaviour;
  - The risk that such behaviour creates for the safety of the individual and other employees or members of the public;
  - The employee's responsibility to demonstrate that the problem is being effectively addressed; and
  - The understanding that any future breach of the policy will place the employee at serious risk of dismissal.

The employee will be formally offered the opportunity to contact a professional counsellor. The decision to undertake counselling or other treatment for alcohol or other drug or substance problem is the responsibility of the employee and cannot be made mandatory. However, refusal to accept counselling will place the employee at serious risk of dismissal. The employee will be required to undertake compulsory screening, paid by the Shire, when any random alcohol and/or drug screening is undertaken for the period of twelve months following their return to the workplace.

The Shire will insist that the employee provide satisfactory evidence that the effect of work performance and/or safety has been addressed before they are permitted to return to work.

### **Second and Subsequent Offences**

- The employee will be immediately suspended from duty if found unfit for work.
- The employee will be given the opportunity to state their case. Unless there are convincing arguments to the contrary, this procedure will continue.
- The employee will not be permitted to return to work until they have been tested again and proved negative for all proscribed substances and the results provided to the Shire at the

employee's expense. The employee has up to three months to provide a negative test. Failure to provide a negative test will place the employee at serious risk of dismissal.

- The employee will receive a written warning.
- The employee will be counselled by their supervisor and the Deputy or Chief Executive Officer focussing on:
  - The unacceptability of the employee's behaviour;
  - The risk that such behaviour creates for the safety of the individual and other employees or members of the public;
  - The employee's responsibility to demonstrate that the problem is being effectively addressed; and
  - The understanding that any future breach of the policy will place the employee at serious risk of dismissal.

Counselling will be offered. The employee will be instantly dismissed without notice if he/she declines the offer to the EAP on second offence. Due to the confidentiality of the EAP, it is the responsibility of the employee to provide the Shire with proof that the employee attended the EAP. The employee will be submitted to undertake compulsory screening when any random alcohol and/or drug screening is undertaken for the period of twelve months following their return to the workplace paid by the Shire. If the employee refuses to comply with the requirement to undertake drug and alcohol screening then the employee places himself at serious risk of dismissal. The Shire will insist that the employee provide satisfactory evidence that the effect of work performance and/or safety has been addressed at the sessions before they are permitted to return to work.

### **SUMMARY DISMISSAL**

The following are guidelines to circumstances that will result in summary dismissal without notice:

- Any attempt to falsify the drug and alcohol screen;
- Cultivating, selling or supplying drugs and/or other substances;
- Unauthorised consumption of illicit drugs or alcohol whilst on the work site or during the working period;
- Unlawful behaviour that has the effect of irretrievably damaging the employer/employee relationship.

### **OTHER**

If an employee is found to be heavily intoxicated, above the legal limit to drive, register a positive drug reading, or extremely fatigued and they are to be sent home without pay, it is a requirement of their supervisors to:

- Contact the employee's next of kin to arrange pick up;



- If next of kin is unable to be contacted or unable to take employee home, the supervisor will take them home. The employee is to be advised that their vehicle must be safely collected that day at no responsibility to the Shire. Additionally, the Shire takes no responsibility for any vehicles that are not collected.

## **NEW EMPLOYEES**

All potential new employees will be required to undergo a pre-employment medical examination or complete a pre-employment medical statement. Part of this examination will include a drug and alcohol screen. If a prospective new employee has a positive reading on any of the tested substances, they will not be eligible to be offered the position they have applied for.

**C.4.1 ENVIRONMENT – COUNCIL RECOGNITION**Policy Adopted 15<sup>th</sup> July 1997**Objective**

The good management of the environment is a primary task of the Council and should be considered in all of its conditions.

**Policy Statement**

The term ‘environment’ means living things, their physical, biological and social surroundings, and interaction between all of these.

The council decisions affecting the environment shall be based on the development of sound policies developed through consultation with the community.

A co-ordinated approach to all environmental matters is required. Activities of the Council should be co-ordinated with each other as well as those of outside bodies wherever necessary to ensure that maximum benefit is obtained.

The Council will initiate measures to identify environmental issues important to the residents of the Shire and will take action as necessary to address those issues.

The Council will inform the public of issues concerning the environment through press releases, and other methods as appropriate.

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*Reviewed 14th December 2012*

**C.4.2****LIBRARY CHARGES**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure that appropriate cost recovery is undertaken on a fee for service basis.

**Policy Statement**

The Council supports the principle of a free public library service with no charge being made for obtaining, displaying and lending books and related materials, other than charges levied through the Rates.

Council's Policy is that any additional services provided through its libraries should be paid for by the users of any such services.

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*Reviewed 14th December 2012*

**C.4.3 UNRULY BEHAVIOUR IN COUNCIL FACILITIES**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To provide a safe, enjoyable environment for users of Council owned facilities.

**Policy Statement**

Shire of Leonora officers operating Council owned facilities, such as the Recreation Centre, Swimming Pool, Youth Centre etc, in prior consultation with the Chief Executive Officer have delegated power to ban individuals from using or entering the facility should the officer deem any person to have maliciously caused damage or otherwise behaved in an offensive manner (including verbal or physical assault etc), that person be informed both verbally and by formal correspondence that they are not permitted to enter the facility grounds or building.

Where appropriate, liaison with the offender and/or family (if the offender is a young person), will be undertaken in an effort to prevent future occurrences.

The Chief Executive Officer will have the final determination of the length of time to which persons are prohibited from entering facility grounds or buildings.

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*Reviewed 14th December 2012*

**C.4.4 USE OF COMMUNITY BUS &/OR OTHER VEHICLES**Policy Adopted 16<sup>th</sup> December 2011**Objective**

To ensure that appropriate arrangements are in place for the hire of the community bus and other vehicles that may be available.

**Policy Statement**

The Chief Executive Officer will set out conditions to be imposed on the hire of the community bus and/or other vehicles.

These conditions will consider that properly licensed drivers only operate the vehicle, and that the vehicle is returned in a proper manner.

The Chief Executive Officer will also set out hire fees and bonds etc that will apply to the vehicle.

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*Reviewed 14th December 2012*

**C.4.5****GWALIA COLLECTION POLICY**Policy Adopted 17<sup>th</sup> December 2012**Objective**

This Collection Policy will be implemented as guide for the development and management of Gwalia and the Shire of Leonora heritage collections.

**Background**

Gwalia is owned and operated by the Shire of Leonora and operates under the guidance of the Gwalia Reference Group.

This Policy sets the parameters for collecting activity and is in accordance with the National Standards of Australian Museums and Galleries and the Australia ICOMOS Burra Charter.

This Policy will serve as a guide for the management of the collection and will be a source of information for clients and stakeholders. This Collection Policy was ratified by the Gwalia Reference Group on 10 May 2012

**Policy Statement****1. Vision**

Be a best practice museum, working in partnerships to foster an understanding of the past, to enrich lives and provide a sense of place.

**2. Mission**

To conserve, explore and share the cultural heritage of Gwalia and Leonora.

**3. Aim**

Our aim is to:

3.1 integrate and manage our cultural heritage collections to industry standards;

3.2 interpret Gwalia to engage and inform visitors about life and mining in Gwalia in the context of Western Australian and Australian history, and particularly the history of the immediate region;

3.3 be a repository for items directly relating to mining activities (exploration, extraction, processing, rehabilitation and management), domestic life and commercial enterprises at Gwalia since 1896, together with recognition of the people and stories behind the collection;

5.3 provide a research and educational resource for the public;

5.4 be a repository for items relating to the wider Leonora area, including the town of Leonora, until such time as it is determined they should be transferred elsewhere. This collection will be called the Regional Leonora Collection to distinguish it from the Gwalia Collection.

**4. Principal themes and storylines**

Key themes and storylines are necessary to provide a focussed structure for the Collection.

*Reviewed 14th December 2012*

**4.1 Principal Theme 1: Gwalia** Storyline 1: The Mine Town Storyline 2: Sons of Gwalia Mine(s)  
 Storyline 3: Transient nature of mining and ghost towns, with a focus on those within the Shire of Leonora.

**4.2 Principal Theme 2: Regional Leonora**

Storyline 1: Indigenous  
 Storyline 2: Pastoral  
 Storyline 3: Towns and settlements

**5. Purpose of the Collection**

The purpose of the Collection is to enable us to achieve our aims.

We will achieve this by acquiring, conserving and sharing:

- 5.1 extant buildings and structures from the Sons of Gwalia Mine and Gwalia community;
- 5.2 items (including but not limited to documents, books, textiles, photographs, artwork, machinery, equipment and furniture) related to these buildings and structures, and the people associated with them, as well as items relating to towns, settlements and activities within the Shire of Leonora.

**6. Acquisitions**

Acquisition is the process of obtaining legal possession of an item for the collection.

**6.1 Acquisitions criteria**

Proposed new acquisitions for the collection will:

- 6.1.1 have a clearly established provenance to Gwalia and will contribute to a site-specific collection (the Gwalia Collection) or have a clear connection with Regional Leonora;
- 6.1.2 be in good condition (see Section 6.2 below);
- 6.1.3 only be accepted if the donor has legal and ethical right to transfer ownership;
- 6.1.4 only be accepted without restriction.
- 6.1.5 be adequately displayed, stored and cared for;
- 6.1.6 not duplicate items already in the collection;
- 6.1.7 not endanger health and safety;
- 6.1.8 be significant.

**6.2 Physical condition**

Where possible, we will endeavour to collect items in good physical condition but damaged or incomplete items may be accepted provided that the:

- 6.2.1 item is only held until such time as a like or suitable replacement is acquired;
- 6.2.2 item can be used to provide spare parts for the restoration or repair of similar items;
- 6.2.3 item can be used safely for educational or public outreach activities;
- 6.2.4 item is of significance;
- 6.2.5 cost of conservation and care is not prohibitive. In cases where extensive conservation is required the donor may be asked to fund its conservation prior to transfer of ownership.

**6.3 Accepting items for consideration**

The Shire of Leonora may acquire items by way of donation, bequest, transfer or purchase.

We will not actively seek acquisitions for the Regional Leonora Collection until such time as we have the capacity and resources to effectively manage this collection.

The decision whether to accept an item is made by the Gwalia Reference Group.

If approached by a potential donor (phone, email, in person) staff and volunteers must redirect the enquiry to the Curator.

The Curator has authorisation to accept items for consideration with reference to the criteria above.

In the absence of the curator and if approached by a potential donor on site with the item in hand, staff and volunteers can determine whether to accept the item for consideration (referring to above criteria) and complete the official receipt.

An official receipt in triplicate will be completed on acceptance for every item to be considered for acquisition:

1. one copy is given to the prospective donor;
2. one copy stays with the item. This copy stays with the item until the acquisitions process is completed;
3. one copy remains in the receipt book.

Suitable documentation is to be kept for transfers and purchases.

#### **6.4 Considering items for acquisition**

The Curator will prepare an acquisitions proposal for each item to be considered by the Gwalia Reference Group. The Reference Group will make a recommendation to Council as to whether or not to accept the item.

#### **6.5 Acceptance of items**

A duplicate donation form will be completed for each item acquired through donations and bequests, detailing contact details of the donor, provenance and significance. The form will be signed by the donor and curator:

1. the original goes on file;
2. one copy is given to the donor, along with a letter of appreciation.

#### **6.6 Accession register**

An Accession Register will be kept recording the date, description of the item, accession number, method of acquisition and contact details of donor.

#### **6.7 Catalogue of items**

A cataloguing worksheet will be completed for each item (some fields may not be relevant).

This information is then entered into the electronic collections management database (MOSAiC).

#### **6.8 Object files**

An Object File will be kept documenting all research and transactions for each item.



### **6.9 Decline of offer**

Where an offer is declined, a letter is to be sent formally notifying the prospective donor that the item does not meet the aims and collecting criteria and setting out the reasons.

If in possession of the Shire of Leonora, the item will be returned to the donor by a secure method.

## **7. Loans**

Short term loans can be entered into in order to further the aims of this policy. Items will not be accepted on permanent or long term loans.

The Curator will prepare a Loan Request form for all inward and outward loans to be considered by the Gwalia Reference Group. The Reference Group will make a recommendation to the Shire of Leonora whether to accept the loan or not.

It is the responsibility of the Curator to ensure that all inward and outward loans are managed according to industry standards. One copy of each document (agreement, report etc) is given to the lender and borrower. The Shire's copy is placed in the relevant Loans File (Inward or Outward) and a duplicate copy of each document is placed in the Object File.

### **7.1 Inward loans**

Inward loans will be accepted for exhibition purposes and for a period not exceeding three months with the possibility of a loan extension should it be required.

It is the responsibility of the Curator to manage the items on loan, overseeing the care of the item and to ensure that necessary documentation is completed.

### **7.2 Outward loans**

Outward loans will only be made to collecting organisations (museums, galleries, archives, historical societies and other keeping places). Other organisations may be considered on a case by case basis.

Loans will not be made to individuals.

Outward loans will be made for exhibition purposes and for a period not exceeding three months with the possibility of a loan extension should it be requested.

### **7.3 Loan agreements**

The lender and borrower will enter a Loan Agreement. The Agreement is to be completed prior to the transfer of items and is to be signed by both parties.

Loan agreements will be limited to three months and will stipulate transport, storage, maintenance, insurance and exhibition conditions. The date of commencement of the loan and the date of return will be clearly stated on the form.

The loan agreement will stipulate that the borrower will notify the Curator of any damage and will not have the item repaired without consent.

### **7.4 Condition reports**

For each item loaned or borrowed, a Condition Report will be completed in duplicate at various stages of the loan process:

1. by the lender prior to despatch of item;
2. by the borrower on receipt of item;
3. by borrower prior to return of item;
4. by lender on return of item.

## **8. Access to the collection**

### **8.1 Telephone, email, fax & web enquires**

All enquiries will be:

1. acknowledged and referred to the Curator;
2. responded to in reasonable timeframe;
3. entered into an Enquiries Register.

### **8.2 Physical access**

Access to the collection is to be made by prior arrangement. It is preferable for visits to be arranged when the Curator is on site.

Searching aids will be made available to the researcher who can then request specific items for viewing. Staff will retrieve the items which the researcher may use under supervision.

Researchers are required to complete a User Registration Form prior to being granted access to items.

### **8.3 Requests for copies of material**

Researchers may request copies of material by completing a Materials Request Form.

Requests will be determined by the Curator, taking into account such issues as copyright, ethics and condition.

A fee will be charged for the provision of copies of material.

## **9. Conservation**

Conservation applies to all items in the collection. Preventative conservation for buildings can be described as maintenance.

### **9.1 Preventative conservation**

Preventative conservation will be carried out according to industry standards with regards to:

1. management of exhibition and storage environments;
2. cleaning and handling of items;
3. maintenance work to buildings, structures and large machinery.

The Curator is to ensure that staff and volunteers are adequately trained in preventative conservation methods and have the necessary resources to carry out the work.

### **9.2 Interventive conservation**

Interventive conservation work will only be done by trained professionals in line with conservation principles and standards.

Statutory approvals will be sought prior to the commencement of work

## **10. Disposal and de-accessioning**

Effective collection management requires the ability to dispose of items which are unable to be used now or in the future. This process is potentially controversial and must be carefully managed if it is not to create unwelcome publicity and deter donors and supporters.

Decisions to dispose of items will be made by the Shire of Leonora, taking into account the advice and recommendations of the Curator and Reference Group.

Items can only be disposed of in the following ways:

1. return to the owner or their successors (preferred method);
2. transfer to another collecting organisation or charity;
3. use for educational activities;
4. destruction of the object will only be considered as a last resort.

### **10.1 Disposal criteria**

An item can be disposed of and de-accessioned if it meets the following criteria:

- 10.1.1 it does not meet the mission and aims of this policy;
- 10.1.2 it is damaged or deteriorated beyond repair;
- 10.1.3 the cost of conservation would be far in excess of the value of the item for display or research;
- 10.1.3 it has been stolen with no possibility of return;
- 10.1.4 the item is so lacking in provenance and documentation that it is of no value for display or use;
- 10.1.5 it can be replaced by a duplicate or better quality item;
- 10.1.6 it cannot be stored or cared for properly;
- 10.1.7 the collection includes a large number of identical or very similar items, far in excess of possible future requirements.

### **10.2 De-accessioning procedures**

10.2.1 The Curator will prepare a De-Accessioning Proposal for consideration by the Gwalia Reference Group. The Reference Group will then make a recommendation to Council for decision.

10.2.2. A De-Accessioning File will be kept, containing the De-Accessioning Proposal and a photograph of the item. A copy of the relevant minutes of both the Reference Group and Council decision will also be placed on the file.

10.2.3 Electronic records of the item are not to be deleted but instead marked 'De-accessioned'.

10.2.4 A copy of the relevant documentation will be placed in the Object File and the Cataloguing Sheet marked 'De-Accessioned'.

10.2.5 A note is also to be made in the Accession Register that the item has been de-accessioned (usually a line through the entry with date and reason).

10.2.6 If the Council determines not to dispose of the item, a copy of the De-Accessioning Proposal and relevant minutes will be kept in the Object File for information.

## **11. Winding up of operations**

In the event of the Shire of Leonora determining that it can no longer be responsible for management of the collection and after due consideration by Council, the collection shall be distributed:

- (1) to an incorporated association or statutory body having compatible aims to this policy; or,
- (2) for charitable or benevolent purposes.

Under no circumstances shall any part of the collection be sold to individuals or profit making ventures.

## **12. Disaster preparedness**

A Disaster Plan will be prepared and adopted by the Shire of Leonora.

The Disaster Plan will direct the recovery and salvage of the collection in the event of a disaster.

The Disaster Plan will be updated every two years.

## **13. Collection and policy review**

13.1 This Collection Policy will be circulated to staff and volunteers, and made available to members of the public and potential donors.

13.2 This Collection Policy will be revised and updated annually.

**M.5.1****CONFERENCES – MEMBERS  
ATTENDANCE AND REPRESENTATION**Policy Adopted 16<sup>th</sup> December 2011**Objectives**

To determine the nature and extent of the Shires attendance at international, national and interstate conferences, study tours, seminars or conventions.

**Policy Statement**

The following guidelines are to be considered for any proposal for representatives of the Shire to attend conferences, study tours, seminars or conventions:

1. When it is considered desirable that the Shire be represented at an international national or interstate conference, study tour, seminar or convention, a maximum of one Elected Member and one officer may attend;
2. Following attendance at such a conference, study tour, seminar or convention , the Elected Member shall within thirty days of their return submit a report detailing the proceedings for the Shire's information and records;
3. In considering Elected Members attendance at a conference, study tour, seminar or convention or the like, the Council will take into consideration previous attendance at similar events and possible benefits to the Shire for an elected member to attend the event;
4. All conference papers and/or information relating to the proceedings become the property of the Shire and will be returned to administration staff should the Elected Member no longer remain a Councillor.

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*Reviewed 14th December 2012*

**M.5.2****CONFERENCES - MEMBERS  
TRAVEL & ACCOMMODATION EXPENSES**Policy Adopted 15<sup>th</sup> July 1997 and amended 16<sup>th</sup> December 2011**Objectives**

To determine the travel and accommodation expenses payable in respect of members of the Council travelling on official Shire business (eg conferences, seminars, study tours, conventions).

**Policy Statement**

Members of the Council travelling on official Shire business are to be reimbursed substantiated expenses in accordance with the following guidelines:

1. Approval for travel must, where appropriate and possible, be sought with reasonable notice prior to departure;
2. Travel and accommodation will be arranged by the Chief Executive Officer and the appropriate Shire discount for travel and accommodation will be arranged;
3. Travel and accommodation standards will apply as follows unless varied with the prior approval of the Chief Executive Officer where circumstances necessitate eg international travel:
  - (i) An advance of up to \$75/day to cover meals, and incidentals where it is not practicable for the elected member to incur costs and submit a reimbursement claim;
  - (ii) Reasonable costs for taxi fares will be reimbursed.
  - (iii) Where, in particular circumstances, the Elected Member desire to travel interstate by private motor vehicle, the Elected Member is to be reimbursed up to the equivalent amount that would have been expended had arrangements been made to travel by air;
  - (iv) Accommodation at overseas locations will be in accordance with the itinerary approved by the Chief Executive Officer;
  - (v) Advances for international travel will be separately determined by the Chief Executive Officer in each circumstance;

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*Reviewed 14th December 2012*

**M.5.3****PUBLIC QUESTION TIME**Policy Adopted 17<sup>th</sup> November 1998 and amended 16<sup>th</sup> December 2011**Objective**

To provide a process which will address questions by the public in a timely manner?

**Policy Statement****(1) Prior to the meeting.**

The Shire will provide a register and question form for people who wish to ask a question at public question time. The register and forms will be available at least 30 minutes prior to commencement of the meeting.

**(2) During the meeting**

The procedure for dealing with question from the public during the meeting will be as follows-

- (a) The presiding person opens question time with a brief statement on the rules including-
  - (i) the period of time set aside for public question time;
  - (ii) the availability of the written rules in the chamber;
  - (iii) the Shire policy that people will be called to ask their question in the order they have registered;
  - (iv) any person who has not registered will be given an opportunity to ask a question after those who have registered;
  - (v) the Shire policy that each person is allowed a certain number of questions or a set amount of time;
  - (vi) the right of each person, if they have further questions, to return to the end of the queue;
- (b) persons are requested to come forward in the order they have registered;
- (c) give their name;
- (d) read out their question;
- (e) before or during the meeting each person is requested to provide a written form of their question to the CEO;
- (f) the presiding member will determine who is to respond to the question;
- (g) the question is responded to, taken on notice or not accepted;
- (h) the person having used up their allowed number of questions or time is asked by the presiding member if they have more questions; if they do then the presiding member notes the request and places them at the end of the queue; the person resumes their seat in the gallery;
- (i) the next person on the registration list is called;
- (j) the original registration list is worked through until exhausted; after that the presiding member calls upon any other persons who did not register if they have a question. (people may have arrived after the meeting opened);
- (k) when such people have asked their questions the presiding member may, if time permits, provide an opportunity for those who have already asked a question to ask further questions;

*Reviewed 14th December 2012*

- (l) public question time is declared closed following the expiration of the allocated time period or where there are no further questions.

**3) Following the meeting**

It is a requirement that the minutes of the meeting contain a summary of each question asked and the response given. Questions taken on notice will be researched and a written response provided to the questioner, assuming they have provided a name and contact details. Responses to questions taken on notice must be included in the minutes of the following meeting.



**T.6.1 PLANT AND VEHICLE REPLACEMENT PROGRAM**Policy Adopted 16<sup>th</sup> December 2011**Objective**

To determine a plant and vehicle replacement program that provides for the economical replacement of, or purchase of additional, plant and vehicles.

**Policy Statement**

To ensure that the Shire has the most advantageous process for the replacement of, or purchase of additional, plant and vehicles, senior staff shall prepare a ten year purchase and replacement program.

The ten year programme shall be prepared in time to allow Council consideration for inclusion for long term planning documents for the ensuing 9 years and draft budget etc.

In determining the Vehicle Purchase and Replacement Programme of plant, machinery and light vehicles, the Manager of Works should use the guide below to determine their changeover date.

Plant is to be sold, replaced or changed over when:

- An optimum return is possible.
- The cost of maintenance, repairs and parts are considered excessive.
- The plant has reached the end of its useful life.
- It no longer meets the operational requirements of the Shire

Generally, graders and other heavy duty items (e.g. loaders) will be changed over every five years, prime mover and other trucks every ten years, light vehicles (except administration sedans) every two years or 40,000km, and administration sedans every year or 20,000km.

The Shire will purchase ANCAP four (4) and five (5) star rated motor vehicles where practicable.

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*Reviewed 14th December 2012*

**T.6.2****SHIRE PLANT AND EQUIPMENT  
AFTER HOURS USE**Policy adopted 16<sup>th</sup> December 2011**Objective**

To establish the criteria for the after hours use of Shire plant and equipment where it is to be used for a local community organisation or sporting body.

**Policy Statement**

The Chief Executive Officer is authorised to permit the after hour's use of the Shires plant and equipment at no cost provided that the plant and equipment:

1. Is used to facilitate works for a local community organisation or sporting body;
2. Is operated by appropriately trained and authorised Shire employees only;
3. Does not leave the Shire of Leonora;
4. Is available at the relevant depot and does not involve unnecessary transportation.
5. Is returned to the relevant depot in time for normal Shire operations.

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*Reviewed 14th December 2012*

**T.6.3**

**OPERATION OF SHIRE PLANT**

Policy Adopted 16<sup>th</sup> December 2011

**Objective**

To ensure the appropriate use of Shire plant and equipment

**Policy Statement**

That all Shire plant and equipment is to be operated only by authorised personnel, and that the Chief Executive Officer and / or Manager of Works are the only persons permitted to provide that authorisation.

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*Reviewed 14th December 2012*

**T.6.4 REFUSE COLLECTION CHARGES**Policy Adopted 16<sup>th</sup> December 2011**Objective**

To set guidelines for the imposition of refuse collection charges on properties in the Shire of Leonora.

**Policy Statement**

Refuse collection charges are used to offset the costs of the waste collection and disposal service operated by the Shire. These costs include but are not limited to the following:

|                                    |                                  |
|------------------------------------|----------------------------------|
| • Wages of refuse truck driver     | • Refuse site annual maintenance |
| • Replacement of collection trucks | • Dozer hire for new trenches    |
| • Refuse truck operating costs     | • Landfill license from the DEC  |
| • Supervision by Manager of Works  | • Covering waste with fill       |
| • Administration of refuse service | • Provision of fencing           |
| • Street bin refuse collection     | • Litter cleanup around site     |
| • Maintenance of street bins       | • Burning green waste            |
| • Cost of providing a refuse site  |                                  |

The Shire will identify the costs of providing the refuse collection and disposal service and impose fees and charges that reflect the cost of providing the waste management service.

When determining the fees, the Council will take into consideration that the income received from the refuse collection fees should offset the annual cost for the provision of waste management within the Shire.

In order to ensure that all landowners contribute equitably to the provision of the waste management service, the following category of fees will apply.

| <b>Category</b>         | <b>Rate</b>                 | <b>Number</b>    |
|-------------------------|-----------------------------|------------------|
| Vacant Residential Land | N/A                         | Nil              |
| Vacant Commercial Land  | N/A                         | Nil              |
| Vacant Industrial Land  | N/A                         | Nil              |
| Residential Property    | Residential collection rate | Min 1 - 240L bin |
| Commercial Property     | Commercial collection rate  | Min 1 - 240L bin |
| Industrial Property     | Commercial collection rate  | Min 1 - 240L bin |

Note: Fees are set by the Council annually at the adoption of the budget

Caretaker's residences on commercial or industrial property will require an additional bin to service the residence.

A reduction in refuse collection charges will not be considered.

*Reviewed 14th December 2012*

**T.6.5****VENDOR / TRADING LICENCE**Policy Adopted 15<sup>th</sup> July 1997, amended 20<sup>th</sup> October 1998**Objective**

To set out guidelines for the issuance of Vendor/Traders Licences.

**Policy Statement**

The applicant should firstly submit an application for a Traders/Vendors Licence in writing addressed to:

The Chief Executive Officer  
PO Box 56  
Leonora WA 6438

Giving details of:

Name (Owner/Proprietor)  
Business Name  
Business Address and Postal Address  
Nature of Business and type of goods sold  
Duration of stay (usually no more than three days)

Then the Application and details are presented to the next Ordinary Meeting of Council held on the third Tuesday of every month. It is therefore important to make application no later than one week prior to the Council Meeting to allow the Council Staff to prepare the submission into the regular format for presentation to Council for consideration.

After the meeting day presentation, the applicant will be advice of Council's decision by telephone / fax and also in writing. The applicant will be advised if the submission is rejected and the reasons for rejection.

Fees: an annual fee set by Council each year in its schedule of fees and charges is payable to the Shire of Leonora.

Location for trading: Currently the vacant land south of the Leonora Motor Inn car park is suitable for trading, however this can be subject to Council discretion and may change from time to time.

Reviewed at Council meeting held on 20<sup>th</sup> October 1998 to include:

The Chief Executive Officer is delegated authority to negotiate with traders/vendors and when considering an application the Chief Executive Officer is to consider:

- i. The nature of business and type of goods sold;
- ii. The effect the business has local traders;
- iii. The duration of the stay

If a trader/vendor is unable to obtain suitable premises from which to operate within the central business area, the Chief Executive Officer is delegated authority to approve suitable location within the town site provided no nuisance is created by the nature of that business.

*Reviewed 14th December 2012*

**T.6.6 BUILDING CONTROL**  
**FREE STANDING GARDEN SHEDS, PATIOS AND PERGOLAS**  
 Policy Adopted 15<sup>th</sup> July 1997

### Objective

To set out guidelines for ratepayers as to whether a building permit is required or not.

### Policy Statement

The Council does not require the submission of an application for Building Licence for the following structure provided they are constructed in new materials and in a workmanlike manner.

#### 1. Free Standing Garden Sheds

Garden sheds of a maximum area not exceeding 15m<sup>2</sup>, subject to the following conditions:

- a) To be located at the rear of the dwelling or unit;
- b) To be located at least 1m from the rear and side boundaries. In the case of a corner block, to be located no less than 6m from the secondary street;
- c) To be a maximum height of 2.1m;
- d) To be located no less than 1.8m from the dwelling or unit

Where there already exists two separate outbuildings on the site, Council approval is the required for a garden shed.

#### 2. Patios

A “patio” is a structure attached to the exterior of a dwelling or unit and is roofed, but not enclosed.

Patios located at the rear of the dwelling or unit will permitted provided the structure does not exceed the area occupied in length by the rear of the dwelling or unit and no wider than 2.4m.

The structure is to be no wider than 1.2 to any boundary.

#### 3. Pergolas

A “pergola” is a structure attached to the exterior of a dwelling and is partially roofed, but not enclosed.

Open-sided pergolas are not to be permitted at the rear of the dwelling under the same conditions as patios.

*Reviewed 14th December 2012*

**T.6.7 BUILDING CONTROL - DURATION**  
Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure that building applications are carried out in a timely manner, so as not to impose long term on the amenity of the area.

**Policy Statement**

It is Councils Policy that all Building Licences issued are to be valid for a maximum period of 24 months.

An extension of time or renewal of Building Licence is to be limited to 12 months per extension.

The fee payable on the renewal of a Building Licence is to be in proportion to the extent of the building to be completed, eg:

If 50% completed then 50% of fee charged

If 75% completed then 25% of fee charged

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*Reviewed 14th December 2012*

**T.6.8****BUILDING CONTROL  
BUILDINGS – SET OUT BY LICENSED SURVEYOR**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure buildings are correctly set out within lot boundaries.

**Policy Statement**

It is the Council's policy that the following condition be imposed on all building licences issued for all developments, excluding single residential buildings, outbuildings, etc. That is, the condition is to be imposed on duplexes, group residential, commercial, industrial and the like.

All buildings are to be set out by a licensed surveyor. The set out is not to occur unless the boundaries of the lot have been re-established by a licensed surveyor who confirms that they pegs determining the lot boundaries are correctly positioned.

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*Reviewed 14th December 2012*



**T.6.9****BUILDING CONTROL  
RELOCATED DWELLINGS**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure that second hand dwellings are of a quality standard and do not impose negatively on the amenity of the area.

**Policy Statement**

This policy is to apply for any dwellings proposed for relocation into any part of the Shire.

All relocated dwellings are to comply with relevant provisions of the Building Code of Australia, Health Act and Town Planning Scheme.

The dwellings are to be inspected by a Council Building Surveyor at the expense of the applicant (to be paid in advance) and a list of required work will be made. Alternatively, Council will consider a written report from the appropriate Local Authority Building Services Department or a Structural Engineer.

For the assessment of the proposed relocation, the Council requires the submission of a Building Licence Application, together with plans, site plans and photographs of the dwelling.

The council may seek comment from adjoining and affected landowners.

If any approval is granted, the following additional requirements may be imposed and applicants are to be advised accordingly:

1. The formal submission of an application for both a building licence and septic tank (where applicable).
2. The building is to be completely restumped.
3. The underside of the building is to be enclosed.
4. The exterior claddings, walls and roof are to be brought up to as new standard (this may entail brick veneering).
5. Council will consider the effect on surrounding properties and may require alterations to the design and site location so as to complement the surrounding properties.
6. The applicant will be required to complete all specified required works within 12 weeks of the relocated building being placed on site.
7. A bank guarantee to the value of \$5,000 will be required to be lodged with Council, which will be released when the work is either completed or on a pro rata basis and refunded at the discretion of the Building Surveyor
8. Asbestos to be removed prior to transporting the dwelling to the Shire.

*Reviewed 14th December 2012*

**T.6.10****BUILDING LICENCES**Policy Adopted 15<sup>th</sup> July 1997**Objective**

To ensure that the customer is aware of fees that may be incurred when lodging a building application.

**Policy Statement**

It is Council policy that Building Licence applications be assessed before approval to determine the estimated value of the proposed construction in accordance with Regulation 24 of the Building Regulations 1989, for the purpose of setting Building Licence fees. Council's Building Surveyor is authorised to set minimum estimated rates for various methods of construction to assist in its assessment of applications.

If an applicant does not agree with the estimated value which has been calculated, the applicant may be required to submit such things such supporting evidence on construction value as considered necessary by the Building Surveyor to enable a revision of the estimated value.

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*Reviewed 14th December 2012*

## **T.6.11 CONDITIONS FOR SURFACE CLEARING AND DRILLING ACTIVITIES WITHIN THE LEONORA TOWNSITE**

Policy Adopted 21<sup>st</sup> July 1998

### **Objective**

To ensure minimal disruption occurs when clearing and drilling activities within the Leonora townsite are carried out.

### **Policy Statement**

1. Drilling is to be conducted during daylight hours between the hours of 7.00am and 5.00pm excluding Sundays and Public Holidays.
2. The residents living within 500 metres of any drill site to be consulted prior to the commencement of any drilling.
3. The Department of Environmental Protection Regulations in regards to noise and dust are complied with.
4. Implementation of appropriate compliance audit to ensure compliance with DME guidelines, Mining Act 1978 and Regulations 1981 requirements.
5. All drill holes on land to be developed are to be backfilled with sand.
6. Clearing lines of vegetation for access should be done after reasonable alternatives accesses have been considered. Where clearing is necessary, equipment blades are to be above ground level so as to minimise soil displacement and erosion potential.
7. Grid lines and cross that have been cleared are to be closed off at the completion of the programme to prevent them being used as thoroughfare by vehicles. Cleared vegetative material can be used as a barrier for this purpose.
8. Damage to the environment is to be kept to a minimum.
9. Should groundwater be incepted whilst drilling, appropriate measure must be taken to contain the material being ejected/discharged (ie, sumps, or tanks). Drilling must cease immediately upon the discharge of water until appropriate and approved containment facilities have been implemented.
10. Prevention of hydrocarbon discharge and removal with suitable remediation of all contaminated soils.
11. At the completion of any drilling, all drill holes are to be securely capped immediately and plugged below ground level (preferably with conical concrete plugs) within three months of completion of the approved drilling programme.
12. Within three months of completion of the approved drilling programme, all plastic bags, grid pegs and other artificial debris and waste are to be removed from the site and compacted areas ripped on the contour and seeded with locally occurring native flora species.

*Reviewed 14th December 2012*

President: \_\_\_\_\_

**10.0 REPORTS OF OFFICERS**  
**10.3 ENVIRONMENTAL HEALTH AND BUILDING OFFICER**  
**10.3(A) FOOD PREMISE STANDARD**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 14<sup>th</sup> December, 2012

**AGENDA REFERENCE:** 10.3(A) DEC 12

**SUBJECT:** Food Premise Standard

**LOCATION / ADDRESS:** Lot 338 #80 Tower Street, Leonora

**NAME OF APPLICANT:** N/A

**FILE REFERENCE:** 33.1.0

**AUTHOR:** Garry Agnew

**OFFICER:** Principal Environmental Health Officer/Building Surveyor

**INTEREST DISCLOSURE:** Nil

**DATE:** 27<sup>th</sup> November 2012

**BACKGROUND:****SUMMARY**

Council is informed of an attempt to encourage voluntary upgrade of food safety and food facility standards at the Leonora Butcher Shop; and to clarify statutory accountability in respect to application of enforcement measures under the *Food Act 2008*.

**COMMENT**

Council is advised that an inspection of the Leonora Butcher Shop on the 19 April 2012 revealed a number of structural and facility matters requiring attention to satisfy the minimum requirements of a food business under the Food Standards Code of Australia – **see Attachment 10.3(A) 1**.

A follow-up inspection of the food premise on the 4 July 2012 evidenced that the proprietor had only attempted to address some minor issues and had not responded to the more serious matters highlighted in the April 2012 correspondence. Further, cleanliness of the shop had degraded and the proprietor's choice of clothing whilst handling food was unacceptable – **see Attachment 10.3(A) 2**.

My last visit was on the 19 November 2012 and it contributed to my impression that the proprietor was indifferent to any effort to encourage serious improvement to food safety and food premise facility at the Leonora Butchers; as a consequence the proprietor of the Leonora Butchers has been given until the 31 January 2013 to make significant progress towards addressing the more serious structural items mentioned in correspondence to him – **see Attachment 10.3(A) 3**.

For information, Council is advised that Shire records show that all matters detailed in the April 2012, July 2012 and November 2012 letters were similarly mentioned in correspondence to the Leonora Butchers going back to the 1980's.

Council is advised that under the *Food Act 2008* the local government (Council) is the agency charged with the responsibility of administering the *Food Act 2008*, and enforcement of its provisions.

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For noting, the Leonora Butchers is **not registered** as a Food Business under the *Food Act 2008* because of its lack of compliance with the provisions of the Food Standards Codes. This is in clear contravention of the *Food Act 2008* and with the statutory accountability of the Shire, therefore this food business is not authorised as such.

It has now been over 8 months since the April 2012 inspection and there are still serious outstanding cleanliness and facility issues at the Leonora Butchers.

As the aforementioned letters were only “requests” they have not resulted in an obvious commitment to the eventual upgrade of the food premise, consequently the proprietor has been given until the 31 January 2013 to address all outstanding issues. If the required work is not completed by the 31 January 2013 an Improvement Notice under Section 62 of the *Food Act 2008* is to be served.

Council is reminded that should the service of an Improvement Notice be warranted and should its terms not be satisfied by 30 June 2013 then Council must endorse the service of a Prohibition Order – closure of food business.

## STATUTORY ENVIRONMENT

### *Food Act 2008*

#### *Section 8*

**enforcement agency means —**

- (a) *the CEO;*
- (b) *a local government; or*
- (c) *a person or body, or a person or body within a class of persons or bodies, prescribed by the regulations for the purposes of this definition;*

#### *Section 118*

##### *Functions of enforcement agencies and delegation*

- (1) *An enforcement agency has the functions in relation to the administration of this Act that are conferred or imposed on the agency by or under this Act or are delegated to the agency under this Act.*
- (2) *A function conferred or imposed on an enforcement agency may be delegated —*
  - (a) *if the enforcement agency is the CEO — in accordance with section 117; or*
  - (b) *if the enforcement agency is a local government or a person or body, or a person or body within a class of persons or bodies, prescribed by the regulations — subject to subsections (3) and (4), in accordance with the regulations.*

#### *Section 107*

##### *Notification of conduct of a food business*

- (1) *The proprietor of a food business must not conduct the food business at any premises unless the proprietor has given written notification in respect of those premises to the appropriate enforcement agency, in the approved form, of the specified information.*

**Penalty:**

- (a) *for an individual — a fine of \$10 000;*
- (b) *for a body corporate — a fine of \$50 000.*

President: \_\_\_\_\_

*Section 109**Conduct of unregistered food business*

- (1) *The proprietor of a food business, other than an exempted food business, must not conduct the food business at any premises unless the food business is registered in respect of those premises under this Part.*

*Penalty:*

- (a) *for an individual — a fine of \$10 000;*  
 (b) *for a body corporate — a fine of \$50 000.*

*Improvement Notices and Prohibition Orders**Section 62 - Grounds for serving improvement notice*

*An authorised officer may serve an improvement notice on the proprietor of a food business in accordance with this Division if the authorised officer believes, on reasonable grounds, that —*

- (a) *any premises used by the food business in connection with the handling of food intended for sale are, or any equipment or food transport vehicle is, in an unclean or insanitary condition or otherwise unfit for the purpose for which the premises are, or the equipment or vehicle is, designed or intended to be used;*
- (b) *any premises used by the food business in connection with the handling of food intended for sale do not, or any equipment or food transport vehicle does not, comply with a provision of the Food Safety Standards with which the food business is required to comply;*
- (c) *in relation to any premises used by the food business in connection with the handling of food for sale or any food transport vehicle — any relevant food safety program prepared in accordance with the regulations is not being implemented adequately by the food business; or*
- (d) *any provision of the Food Standards Code with which the food business is required to comply is being contravened in relation to the handling of food intended for sale on any premises, or in any food transport vehicle, used by the food business in connection with the handling of food intended for sale.*

*Section 63 – Improvement notice may require certain action to be taken*

- (1) *An improvement notice must take the form of an order that, within the period of 24 hours (or any longer period that is specified in the notice) after the service of the notice on the proprietor of the food business —*
- (a) *premises, equipment or a food transport vehicle be put into a clean and sanitary condition, or be repaired, to the satisfaction of an authorised officer;*
- (b) *equipment or a vehicle be replaced;*
- (c) *a food safety program be prepared if required by the regulations;*
- (d) *a food safety program required by the regulations be revised so as to comply with the requirements of the regulations;*
- (e) *in relation to the handling of food intended for sale — measures be taken to implement the provisions of any relevant food safety program required by the regulations to be prepared; or*

President: \_\_\_\_\_

- (f) *in relation to the handling of food intended for sale — measures be taken to implement the requirements of the Food Safety Standards.*
- (2) *Before the end of the period specified in the improvement notice, the authorised officer who issued the notice may, on his or her own motion or on the application of the proprietor of the food business, extend the period within which the proprietor of the food business is to take action in accordance with the notice.*
- (3) *An improvement notice must state that it is issued under this section.*
- (4) *An improvement notice may include ancillary or incidental directions.*

#### *Section 65 – Prohibition order*

- (1) *If the CEO or another enforcement agency believes on reasonable grounds —*
  - (a) *that any of the circumstances specified in section 62(a), (b), (c) or (d) exist; and*
  - (b) *that —*
    - (i) *the proprietor of a food business has not complied with an improvement notice within the time required by section 63 for compliance; or*
    - (ii) *the issue of the order is necessary to prevent or mitigate a serious danger to public health,*

*the CEO or other enforcement agency may serve a prohibition order on the proprietor of the food business in accordance with this Part.*

- (2) *A prohibition order must take the form of an order that —*
  - (a) *no food intended for sale is to be handled on specified premises or a specified part of specified premises;*
  - (b) *no food intended for sale is to be conveyed in a specified vehicle;*
  - (c) *specified equipment is not to be used in connection with food intended for sale;*
  - (d) *no food intended for sale is to be handled by a food business in a specified way or for a specified purpose; or*
  - (e) *no other specified activities in relation to food intended for sale are to be carried out on specified premises or a specified part of specified premises,*

*until the proprietor of the food business has been given a certificate of clearance under section 66 stating that —*

- (f) *the premises, part of the premises, vehicle or equipment may be used for the handling or conveyance of food intended for sale, or in connection with such food;*
- (g) *food intended for sale may be handled in the specified way or for the specified purpose; or*
- (h) *the specified activities in relation to food intended for sale may be carried out,*

*as the case may be.*

#### *Section 68 – Contravention of prohibition order*

President: \_\_\_\_\_

*A person must not contravene or fail to comply with a prohibition order served on the person under this Division.*

*Penalty:*

- (a) for an individual — a fine of \$50 000;*
- (b) for a body corporate — a fine of \$250 000.*

#### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

#### **FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

#### **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

#### **RECOMMENDATIONS**

That it is acknowledged that should the requested upgrade to the Leonora Butcher Shop in terms of statutory requirements under the *Food Act 2008* (Food Safety Standards 3.2.2 and 3.2.3) not be completed by the 31 January 2013 then the service of a formal Improvement Notice pursuant to Section 62 of the Food Act 2008 is endorsed.

#### **VOTING REQUIREMENT**

Simple majority required.

#### **COUNCIL DECISION**

**Moved Cr GW Baker Seconded Cr PJ Craig**, that it is acknowledged that should the requested upgrade to the Leonora Butcher Shop in terms of statutory requirements under the *Food Act 2008* (Food Safety Standards 3.2.2 and 3.2.3) not be completed by the 31 January 2013 then the service of a formal Improvement Notice pursuant to Section 62 of the Food Act 2008 is endorsed.

**CARRIED (6 VOTES TO 0)**





Our Ref: Leonora Butchers  
Enquiries: Garry Agnew

Neil Biggs  
Leonora Butchers  
Tower Street  
(PO Box 3)  
LEONORA WA 6438

Dear Neil,

### LEONORA BUTCHER SHOP - INSPECTION (*FOOD ACT 2008*)

I refer to my inspection of your Leonora Butcher Shop on the 19 April 2012.

As advised, there are numerous structural and facility matters at your Butcher Shop that do not satisfy the minimum requirements for an approved food business under the Food Safety Standards Code of Australia and I example for you the following.

1. The concrete floor surface throughout the work areas of your premise is pitted and not sealed to be fully impervious water - Clause 10, Standard 3.2.3. requires, inter-alia, that floors must:
  - (a) be able to be effectively cleaned;
  - (b) be unable to absorb grease, food particles or water; and
  - (c) be laid so that there is no ponding of water.
2. Numerous sections of the sausage room wall rendering have fallen away with small pieces of broken rendering and grit allowed to accumulate on the floor beneath. All walls and ceilings of food premises must be complete, smooth, impervious to moisture and light coloured - Clause 11, Standard 3.2.3.
3. You are using an old top display box fridge in the sausage room as a bench/shelf and for drying used cleaning rags. This is not only a bad food safety practice it is contrary to the requirements of Clause 12 of Standard 3.2.3. as all fixtures, fittings and equipment must be used for the purpose they are intended.
4. The hand basin in the sausage room is coming away from the wall - not flashed to wall as required.
5. The old air compressor on the floor in the sausage room that services the sausage maker is old dirty and does not appear to have been moved for cleaning purpose for some considerable time.

President: \_\_\_\_\_

6. The use of absorbent material beneath food trays in your counter display cabinet is inappropriate and unacceptable in a food premise for presentation and hygiene reasons.
7. The fact that your cluttered office has direct unobstructed access from the food preparation area makes it part of the food handling area therefore the opening should be closed to provide structural separation between the food handling/serving activity and your private area.
8. The old cool room is in need of major repair/refurbishment. The metal floor is corroded, the door frame is badly rusted with a significant amount of flaking of surface rust and the cool room door is in a similar state of structural and surface degradation, also cause by extensive and deep rusting. The sub-standard condition of the cool room is in contravention of the minimum requirements of Standard 3.2.3. of the Food Safety Standards Code.
9. Cool room shelving is also substandard due to substantial corrosion, the use of those blood stained pieces of box cardboard for shelf surfaces is illegal as are the pallets on the floor. The pallets used as low shelving must be removed. All storage in the cool room should be at least 150mm above the floor to allow ease of cleaning beneath.

Additionally, Shire records do not show that you have been granted a "Certificate of Registration of a Food Business" as required under the Food Act 2008.

Section 107 of the Food Act 2008 states inter-alia:

**107. Notification of conduct of food businesses**

- (1) *The proprietor of a food business must not conduct the food business at any premises unless the proprietor has given written notification in respect of those premises to the appropriate enforcement agency, in the approved form, of the specified information.*

*Penalty:*

- (a) *for an individual — a fine of \$10 000;*
- (b) *for a body corporate — a fine of \$50 000.*

- (2) In subsection (1) —

***specified information*** means the information specified in the Food Safety Standards that is to be notified to the appropriate enforcement agency before the food business is conducted.

Section 109 of the Food Act 2008 states:

**109. Conduct of unregistered food businesses**

- (1) *The proprietor of a food business, other than an exempted food business, must not conduct the food business at any premises unless the food business is registered in respect of those premises under this Part.*

President: \_\_\_\_\_

*Penalty:*

- (a) *for an individual — a fine of \$10 000;*
- (b) *for a body corporate — a fine of \$50 000.*

(2) *In subsection (1) —*

*exempted food business means a food business, or a food business within a class of food businesses, prescribed by the regulations for the purposes of this section.*

I advise I am unable to issue a “Certificate of Registration of a Food Business” under the *Food Act 2008* unless/until the business in question is in compliance with the provisions of the Food standards Code of Australia and because of the above mentioned the Leonora Butcher Shop is clearly not.

It is important that you now give priority to progressively address all the issues of non-compliance specified above to avoid the service of an “Improvement Notice” under Section 62 of the *Food Act 2008*.

Your positive and enthusiastic response to the above is encouraged **in the short term** as total disregard may inevitably result in the service of a “Prohibition Order”.

For your information and record the service of a “Prohibition Order” under Section 65 of the *Food Act 2008* will direct that no food intended for sale is to be handled on the specified premises until a “Certificate of Clearance” has been granted under Section 66 of the *Food Act 2008*.

Should you have any query or require clarification or wish to discuss a program of progressive upgrade of your butcher shop do not hesitate to contact me through the Shire of Leonora Office.

Yours faithfully



Garry Agnew F.E.H.A.

**PRINCIPAL ENVIRONMENTAL HEALTH OFFICER/BUILDING SURVEYOR**

(Authorised Officer – Food Act 2008)

Date: 20 April 2012

Encl:



Our Ref: Leonora Butchers  
Enquiries: Garry Agnew

Neil Biggs  
Leonora Butchers  
Tower Street  
(PO Box 3)  
LEONORA WA 6438

Dear Neil,

### LEONORA BUTCHER SHOP – FOOD PREMISE CONSTRUCTION STANDARD

I refer to my correspondence to you dated the 20<sup>th</sup> April 2012 and my follow up inspection of the Leonora Butcher Shop yesterday the 4<sup>th</sup> July 2012.

It is with disappointment that my inspection yesterday did not provide evidence to indicate that you had seriously responded to the matters highlighted in my 20<sup>th</sup> April 2012 correspondence. The provision of only 2 new small sections of shelving in the cool room and the covering up of some fretting wall rendering in the sausage room does not constitute a serious positive response in my view.

Notwithstanding the outstanding non-compliance issues specified in my 20<sup>th</sup> April correspondence yesterday's inspection identified additional matters for your attention, for example:

- the completely corroded base of the s/s bench beside the trough in the sausage room;
- the location of your meat box-freezers in the cluttered and dusty general store room at the rear of your shop,
- you have replaced the old top display box fridge mentioned in item 3 of my April correspondence with just an old domestic table;
- your wearing of uncovered absorbent clothing (track suit bottom and jumper) whilst working in a food handling premise (contrary to Food Standard 3.2.2.); and
- that my inspection yesterday found your shop in a less clean state than it was during my April 2012 inspection.

As advised in my April 2012 correspondence the Leonora Butcher Shop is **not registered** as a Food Business under the *Food Act 2008* consequently you are currently in contravention of Section 109 of the Act.

Section 109 of the Food Act 2008 states:

President: \_\_\_\_\_

**109. Conduct of unregistered food businesses**

- (1) *The proprietor of a food business, other than an exempted food business, must not conduct the food business at any premises unless the food business is registered in respect of those premises under this Part.*

*Penalty:*

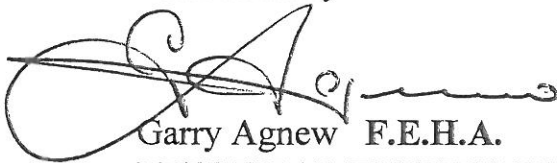
- (a) *for an individual — a fine of \$10 000;*  
(b) *for a body corporate — a fine of \$50 000.*

For your record, I am professionally and morally unable to issue a “Certificate of Registration of a Food Business” unless the premise conforms to at least the minimum requirements specified in the Food Standards Code 3.2.2. and 3.2.3. as well AS 4674-2004 “Design, construction and fit-out of food premises”; a copy of the 3 is enclosed.

It is now particularly important that you immediately commence work to address all the matters mentioned above and in my 20<sup>th</sup> April 2012 correspondence as should my next visit show further disregard the matter will be reported to Council and you being exposed to prosecution under 109 of the *Food Act 2008*.

I have also enclosed a copy of my 20<sup>th</sup> April 2012 letter in case you have mislaid the original.

Yours faithfully



Garry Agnew F.E.H.A.

**PRINCIPAL ENVIRONMENTAL HEALTH OFFICER/BUILDING  
SURVEYOR**

(Authorised Officer – Food Act 2008)

Date: 5 July 2012

Encl:



Our Ref: Leonora Butchers  
Enquiries: Garry Agnew

Neil Biggs  
Leonora Butchers  
Tower Street  
(PO Box 3)  
LEONORA WA 6438

Dear Neil,

**REGISTRATION OF A FOOD BUSINESS – FOOD STANDARDS CODE OF AUSTRALIA (*FOOD ACT 2008*)**

I confirm my visit to your food premise (Leonora Butchers) on the 19 November 2012 and advise as follows.

As you know, the Leonora Butcher Shop is **not registered** as a food business as required by Section 109 of the *Food Act 2008*; and a “Certificate of Registration of a Food Business” cannot be issued unless that business is in compliance with provisions of the Food Standards Code, as per Section 22 of the *Food Act 2008*.

Further -

Section 109 of the *Food Act 2008* states:

**109. Conduct of unregistered food businesses**

- (1) *The proprietor of a food business, other than an exempted food business, must not conduct the food business at any premises unless the food business is registered in respect of those premises under this Part.*

*Penalty:*

- (a) *for an individual — a fine of \$10 000;*  
(b) *for a body corporate — a fine of \$50 000.*

On the 20 April 2012 I corresponded to you confirming the above as well as detailing structural and facility matters requiring your attention (a copy of that letter is enclosed).

A follow up inspection of your butcher shop was carried out on the 4 July 2012 which showed that you had not seriously responded to matters identified by my 19 April 2012 inspection (a copy of the letter confirming my 4 July 2012 inspection is enclosed).

President: \_\_\_\_\_

My visit and our discussion yesterday (19 November 2012) gave the impression that you still have not accepted the gravity of the situation and this was emphasised by your indifference to the fact that your chopping block is actually illegal (a chopping block has been banned from use in butcher shops for decades).

I acknowledge that the shop floor has been painted however it seems that you have not placed adequate priority towards addressing other matters highlighted for your attention and I refer to the structurally degraded, substandard and unhygienic cool room in this regard.

Though I concede that there is difficulty finding suitable trade's persons within our remote district this is not an acceptable excuse for continued disregard of the minimum food safety and food storage standards for a business offering food to the public.

It has been seven months since my visit in April 2012, consequently if I do not receive verification by the end of January 2013 that you have progressed towards addressing all remaining issues specified in my letters (including removal of the illegal chopping block) and arranged for the upgrade of your substandard cool room, a formal "Improvement Notice" under Section 62 of the *Food Act 2008* will be served.

Failure to comply with an "Improvement Notice" may result in the service of a "Prohibition Order" under Section 65 of the *Food Act 2008*.

For your information -

## ***Division 2 — Prohibition orders***

### **65. Prohibition Order**

(1) *If the CEO or another enforcement agency believes on reasonable grounds —*

(a) *that any of the circumstances specified in section 62(a), (b), (c) or (d) exist; and*

(b) *that —*

(i) *the proprietor of a food business has not complied with an improvement notice within the time required by section 63 for compliance,*

*the CEO or other enforcement agency may serve a prohibition order on the proprietor of the food business in accordance with this Part.*

(2) *A prohibition order must take the form of an order that —*

(a) *no food intended for sale is to be handled on specified premises or a specified part of specified premises;*

President: \_\_\_\_\_

- (b) *no food intended for sale is to be conveyed in a specified vehicle;*
- (c) *specified equipment is not to be used in connection with food intended for sale;*
- (d) *no food intended for sale is to be handled by a food business in a specified way or for a specified purpose; or*
- (e) *no other specified activities in relation to food intended for sale are to be carried out on specified premises or a specified part of specified premises,*

*until the proprietor of the food business has been given a certificate of clearance under section 66 stating that —*

- (f) *the premises, part of the premises, vehicle or equipment may be used for the handling or conveyance of food intended for sale, or in connection with such food;*
- (g) *food intended for sale may be handled in the specified way or for the specified purpose; or*
- (h) *the specified activities in relation to food intended for sale may be carried out,*

*as the case may be.*

Should you require clarification on any matter mentioned above do not hesitate to contact me through the Shire of Leonora Office.

Yours faithfully



**Garry Agnew F.E.H.A.**

**PRINCIPAL ENVIRONMENTAL HEALTH OFFICER/  
BUILDING SURVEYOR**

**(Authorised Officer – Food Act 2008)**

Date: 20 November 2012

Enc:



President: \_\_\_\_\_

**10.0 REPORTS OF OFFICERS****10.3 ENVIRONMENTAL HEALTH AND BUILDING OFFICER****10.3(B) UNFIT FOR HUMAN HABITATION NOTICE – HEALTH ACT 1911**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 14<sup>th</sup> December, 2012

**AGENDA REFERENCE:** 10.3(B) DEC 12

**SUBJECT:** Unfit for Human Habitation Declaration

**LOCATION / ADDRESS:** Lot 453 #19 Rochester Street Leonora

**NAME OF APPLICANT:** Donna Michelle Jolly

**FILE REFERENCE:** Lot 453 Rochester Street

**AUTHOR:** Garry Agnew

**OFFICER:** Principal Environmental Health Officer/Building Surveyor

**INTEREST DISCLOSURE:** Nil

**DATE:** 7<sup>th</sup> December 2012

**BACKGROUND:****SUMMARY**

Application for an extension of time to comply with the terms of the *Health Act 1911* Notice served on Ms Donna Jolly in respect to her vacant substandard dwelling situated at Lot 453 H/No. 19 Rochester Street Leonora.

**COMMENT**

Council is referred to the determination at its July 2012 Ordinary Monthly Meeting declaring the vacant, derelict and vandalised old residence situated at Lot 453 H/No. 19 Rochester Street Leonora “Unfit for Human Habitation”; and requiring work to be carried out to address its substandard state by the 31<sup>st</sup> December 2012.

Council will recall that the Notice also required demolition of the building in the event of failure to comply.

As there had been no communication from the Donna Jolly since the 10 August 2012 and that no maintenance work had commenced on the house a request was made for advice on:

- her current plan for the property; and
- her intention in respect to compliance with the maintenance items detailed in the 31 July 2012 *Health Act* Notice.

In response to that request Donna Jolly e-mailed as follows.

*Hello Garry,*

*Would you please let the council know that I have tried to sell the property by advertising in the local paper and notices on various boards around Leonora. I had an offer for \$58,000 which would have paid out my loan, but the Bank would not grant finance to the buyer. I contacted Larnie Butson a few weeks ago to get a quote for repairs from her husband, but had to leave that for a little while as there was a death in her family. I am contacting Larnie this week and once I have a repair figure, I am going to the Bank to try to obtain finance to fix the property. I am*

President: \_\_\_\_\_

*doing all within my means and I hope the council will see and understand this, and give me an extension on the December deadline as you and I discussed. I will keep you informed as to the outcome and hopefully it will be not much longer.*

*I thank you and the council for your patience,*

*Sincerely,*

*Donna Jolly*

It is suggested that an extension of time till the 30 June 2012 would be acceptable.

Please note that the Unfit for Human Habitation declaration and other terms of the Notice remain valid.

#### **STATUTORY ENVIRONMENT**

Health Act 1911

#### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

#### **FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

#### **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

#### **RECOMMENDATIONS**

That Donna Michelle Jolly is granted an extension of time till the 30 June 2013 to comply with the terms of the *Health Act 1911* Notice served on the 31 July 2012 in respect to the vacant, derelict and vandalised house situated at Lot 453 H/No. 19 Rochester Street Leonora.

The house remains Unfit for Human Habitation pursuant to Section 135 of the *Health Act 1911*.

#### **VOTING REQUIREMENT**

Simple majority required.

#### **COUNCIL DECISION**

**Moved Cr PJ Craig Seconded Cr SJ Heather**, that Donna Michelle Jolly is granted an extension of time till the 30 June 2013 to comply with the terms of the *Health Act 1911* Notice served on the 31 July 2012 in respect to the vacant, derelict and vandalised house situated at Lot 453 H/No. 19 Rochester Street Leonora.

The house remains Unfit for Human Habitation pursuant to Section 135 of the *Health Act 1911*.

**CARRIED (6 VOTES TO 0)**

President: \_\_\_\_\_

**10.0 REPORTS OF OFFICERS****10.3 ENVIRONMENTAL HEALTH AND BUILDING OFFICER****10.3(C) APPLICATION FOR PLANNING APPROVAL – SATELLITE DISH**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 14<sup>th</sup> December, 2012

**AGENDA REFERENCE:** 10.3(c) DEC 12

**SUBJECT:** Application for Planning Approval – Satellite Dish

**LOCATION / ADDRESS:** 3 km east of Leonora at Malcolm Loc 31, Plan 183532

**NAME OF APPLICANT:** Broadcast Australia Pty Ltd

**FILE REFERENCE:** 21.1.0

**AUTHOR:** Garry Agnew

**OFFICER:** Principal Environmental Health Officer/Building Surveyor

**INTEREST DISCLOSURE:** Nil

**DATE:** 7<sup>th</sup> December 2012

**BACKGROUND:****SUMMARY**

To consider an Application for Planning Approval from Broadcast Australia Pty Ltd to install a satellite dish for ABC digital television at the Leonora communications site approximately 3 km east of Leonora.

**COMMENT**

Application for Planning Approval has been received from Broadcast Australia to install a 4.6m diameter ground-mounted satellite dish on concrete footing for ABC digital TV services (receiver only), and extend security fencing to include the new dish at Malcolm Location 31 on Plan 183532 off the Laverton-Leonora Road approximately 3km east of Leonora – see Attachment 10.3 (C).1.

Council is informed that the existing site consists of an equipment hut, 3.7m ground-mounted satellite dish and a 62m tall guyed mast with antennas attached. The site is reserved for communication purpose and has sufficient area to accommodate an extension of the security fencing.

As the proposal is in accord with the requirements of the Shire of Leonora Town Planning Scheme and will improve TV service to the region it is recommended that Planning Approval be granted.

**STATUTORY ENVIRONMENT**

Shire of Leonora Town Planning Scheme No.1

**POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

President: \_\_\_\_\_

### **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

### **RECOMMENDATIONS**

That Planning Approval is granted to Broadcast Australia Pty Ltd, 9 Thynne Street Bruce ACT 2617, for the installation of a 4.6m diameter ground-mounted satellite dish for ABC digital Television together with an extension to existing security fencing, at communications reserve Malcolm Location 31 on Plan No. 183532 approximately 3 kilometres east of Leonora off the Laverton-Leonora Road.

### **VOTING REQUIREMENT**

Simple majority required.

### **COUNCIL DECISION**

**Moved Cr PJ Craig Seconded Cr SJ Heather**, that Planning Approval is granted to Broadcast Australia Pty Ltd, 9 Thynne Street Bruce ACT 2617, for the installation of a 4.6m diameter ground-mounted satellite dish for ABC digital Television together with an extension to existing security fencing, at communications reserve Malcolm Location 31 on Plan No. 183532 approximately 3 kilometres east of Leonora off the Laverton-Leonora Road.

**CARRIED (6 VOTES TO 0)**

President: \_\_\_\_\_

**11.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**  
**11.0 (A) ELECTED MEMBERS**  
**11.0(A)(i) ST BARBARA MINE APPLICATION FOR ADDITIONAL AIRCRAFT CHARTER**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 14 December 2012

**AGENDA REFERENCE:** 11.0 (A)(i) DEC 2012

**SUBJECT:** St Barbara Mine-Application for Addition Air Charter

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** N/A

**FILE REFERENCE:**

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Tanya Browning

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 14<sup>th</sup> December 2012

**BACKGROUND**

On 14<sup>th</sup> November 2012, details were forwarded to the Shire of Leonora with regard to an application made to the Minister for Transport by St Barbara for an additional air charter service, being a 100 seat jet with Alliance Airlines. Since this application was received, correspondence has been received from Skippers Aviation detailing a reduction in RPT service to the Leonora community if the application was approved.

Given the potential impact to the community, and the necessity to discuss the matter with other stakeholders, a meeting was held Thursday afternoon, via teleconference between various stakeholders. Present from the Shire of Leonora were President, Cr JF Carter, Deputy President, Cr PJ Craig and CEO Mr JG Epis. Several items were discussed at the meeting and a verbal report will be presented by elected members who were present.

**STATUTORY ENVIRONMENT**

Section 3.1 (2) of the Local Government Act 1995 states that the general function of a local government is to provide for the good governance of persons in the district.

**POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

**STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

President: \_\_\_\_\_

**RECOMMENDATIONS**

That the Shire of Leonora advise the Minister for Transport that it agrees in principle to the application from St Barbara Mine for an additional 100 seat jet air charter service on Tuesdays, subject to Skippers Aviation agreeing to trial a continued RPT air service between Perth and Leonora on Thursdays for a period of twelve weeks, and that a meeting with the Department of Transport, Skippers Aviation and the Shire of Leonora be held eight weeks into the trial to discuss the future of the RPT service.

**VOTING REQUIREMENT**

Simple Majority

**COUNCIL DECISION**

**Moved Cr PJ Craig, Seconded Cr SJ Heather**, that the Shire of Leonora advise the Minister for Transport that it agrees in principle to the application from St Barbara Mine for an additional 100 seat jet air charter service on Tuesdays, subject to Skippers Aviation agreeing to trial a continued RPT air service between Perth and Leonora on Thursdays for a period of twelve weeks, and that a meeting with the Department of Transport, Skippers Aviation and the Shire of Leonora be held eight weeks into the trial to discuss the future of the RPT service.

**CARRIED (6 VOTES TO 0)**

**11.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING****11.0(B) OFFICERS****11.0(B)(i) ANNUAL REPORT & GENERAL ELECTORS' MEETING**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 14 December 2012

**AGENDA REFERENCE:** 11.0 (B)(i) Dec 12

**SUBJECT:** Annual Report & General Electors' Meeting

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** N/A

**FILE REFERENCE:** 1.8

**AUTHOR:** Tanya Browning

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 14<sup>th</sup> December, 2012

**COMMENT:**

In each financial year a local government is to prepare an Annual Report.

The draft Annual Report for the year ended 30<sup>th</sup> June, 2012 is attached for consideration and adoption, and a date for the Annual Meeting of Electors should be set.

The Annual Report is included as a separate attachment in agenda envelopes.

President: \_\_\_\_\_

## **BACKGROUND**

Section 5.54 (1 & 2) of the Local Government Act states that the Annual Report for a financial year is to be accepted by the Local Government no later than 31<sup>st</sup> December in that year, or where the auditor's report is not available until after that date, no later than two (2) months after the auditor's report becomes available.

With regard to the Annual Electors Meeting, Section 5.27 of the Local Government Act states that at least fourteen (14) days public notice must be given and the meeting must be held no later than 56 days after Council accepts the Annual Report.

It is recommended that the Annual Electors Meeting be held after the Australia Day public holiday, on 29<sup>th</sup> January 2013, at 2:30pm.

## **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

## **FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

## **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

## **RECOMMENDATIONS**

That the Annual Report as presented for the year ended 30<sup>th</sup> June 2012 be accepted and the General Meeting of Electors be scheduled for 29<sup>th</sup> January 2013 commencing at 2:30pm in the Council Chamber, Leonora.

## **VOTING REQUIREMENT**

Simple majority required.

## **COUNCIL DECISION**

**Moved Cr PJ Craig, Seconded Cr RA Norrie**, that the Annual Report as presented for the year ended 30<sup>th</sup> June 2012 be accepted and the General Meeting of Electors be scheduled for 29<sup>th</sup> January 2013 commencing at 2:30pm in the Council Chamber, Leonora.

**CARRIED (6 VOTES TO 0)**



# **Shire of Leonora**

# **ANNUAL REPORT**

**For the year ending  
30<sup>th</sup> JUNE 2012**



President:



# ANNUAL REPORT 2011-2012

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# ANNUAL REPORT 2011-2012

## **MESSAGE FROM THE SHIRE PRESIDENT**

The Shire of Leonora has been continuing with rigour with the Integrated Planning and Reporting (IPR) framework during 2011-12, in an effort to be compliant with new regulations and legislation at the end of the next reporting period. This work has been undertaken in collaboration with the Goldfields Esperance Regional Collaborative Group, who engaged KPMG to assist all member Councils with the development of plans. Included with the IPR framework is a workforce planning document. This document will see the Shire consider and address many of the issues that are experienced with attracting and retaining skilled staff, a task that continues to prove most challenging in the current economic climate. Council remains committed to a dedicated and professional team to deliver services and achieve the aspirations of the community as set out in the Strategic Community Plan, and will continue its endeavours in a high calibre workforce.

Significant efforts have also been directed at the Gwalia Historical Precinct, following the Shire of Leonora taking over management of this area in the previous reporting period. Capital works, such as the restoration of Patroni's Guest House, have commenced, as well as tending to other operational matters such as curatorial services at the museum and management plans for various operations. This has been conducted in collaboration with the Gwalia Reference Group. Although it is acknowledged that the level of resources allocated during 2011-12 may not be able to be continued long into the future, it will certainly allow for the operations and management at Gwalia to be well placed to ensure that this unique/valued area is looked after as best is possible.

At the 2011 Local Government Election, the Shire of Leonora implemented a reduction in elected membership, from nine members to seven. This resulted in the departure of two members who contributed and served the community well during their time on Council, and I would like to take this opportunity to express my sincere gratitude to Cr NG (Neale) Johnson, and Cr JC (Joe) Kennedy for their efforts over the years, and wish them well in their future endeavours.

The Leonora Golden Gift continues to grow in popularity, and with the addition of the Goldfields Cyclclassic to the weekend, I am certain that improved opportunities for increased tourism and economic development within the community will continue to flow from such an event.

I am pleased to note that once again the Shire of Leonora has received a 'clean' (no points of statutory non compliance) audit report from its independent auditor, and congratulate the management staff for their contribution to this.

On behalf of the Council and staff, I would like to thank the community for its participation in various events and activities, and we can look forward to the coming year of projects and events that will see continued improvement.

**Cr Jeff Carter**  
**President**



# ANNUAL REPORT 2011-2012

## **MESSAGE FROM THE CHIEF EXECUTIVE OFFICER**

The 2011/12 reporting period has been an extremely industrious time for staff at the Shire of Leonora. As part of structural reform initiatives, staff have been busy working with the Goldfields Esperance Regional Collaborative Group (GERCG) to develop first drafts of a variety of plans required for compliance with the Integrated Planning and Reporting framework. Completion of the Strategic Community Plan and Corporate Business Plan at the end of the reporting period has enabled staff to ensure that objectives identified in the Strategic Community Plan have been adequately resourced as we move into the next reporting period. First drafts of the Asset Management Plan, Long Term Financial Plan and Workforce Plan were nearing completion at the end of the reporting period also.

The sale of industrial land in August 2011 saw four of the lots released for sale sold at auction. Since then, many enquiries on the remaining lots have been received, which signifies the opportunities for economic development within the Shire of Leonora. In fact, Leonora continues to grow, and capital works to support this growth was undertaken during 2011/12, such as the extension to the apron at the Leonora Aerodrome, to support the increase in air traffic and demands for parking of aircraft.

Dedication of the membership ensures the Shire of Leonora operates as one complete team, being able to achieve anything. Council's support has remained steadfast and progressive throughout the year and is demonstrated by meeting attendances as highlighted below.

| <b>COUNCILLOR</b> | <b>MEETING<br/>CONVENED</b> | <b>ATTENDED</b> | <b>% ATTENDANCE</b> |
|-------------------|-----------------------------|-----------------|---------------------|
| J F Carter        | 11                          | 11              | 100%                |
| P J Craig         | 11                          | 9               | 82%                 |
| M W V Taylor      | 11                          | 11              | 100%                |
| G W Baker         | 11                          | 11              | 100%                |
| S J Heather       | 11                          | 10              | 91%                 |
| N G Johnson *     | 3                           | 0               | 0%                  |
| R A Norrie        | 11                          | 10              | 91%                 |
| L R Petersen      | 11                          | 10              | 91%                 |
| J C Kennedy *     | 3                           | 3               | 100%                |

*\* No longer an elected member from October 2011. Attendance has been calculated based on meetings convened whilst still on Council.*

Once again, the Shire has finished in a strong financial position, and as with any good team it's the dedication and commitment of its members that makes a winning combination, and I would like to thank all the staff and Councillors for their perseverance and loyalty over the year in review, and I look forward to the challenges and rewards that 2012/13 will present to us.

**Jim Epis**  
**Chief Executive Officer**

President:

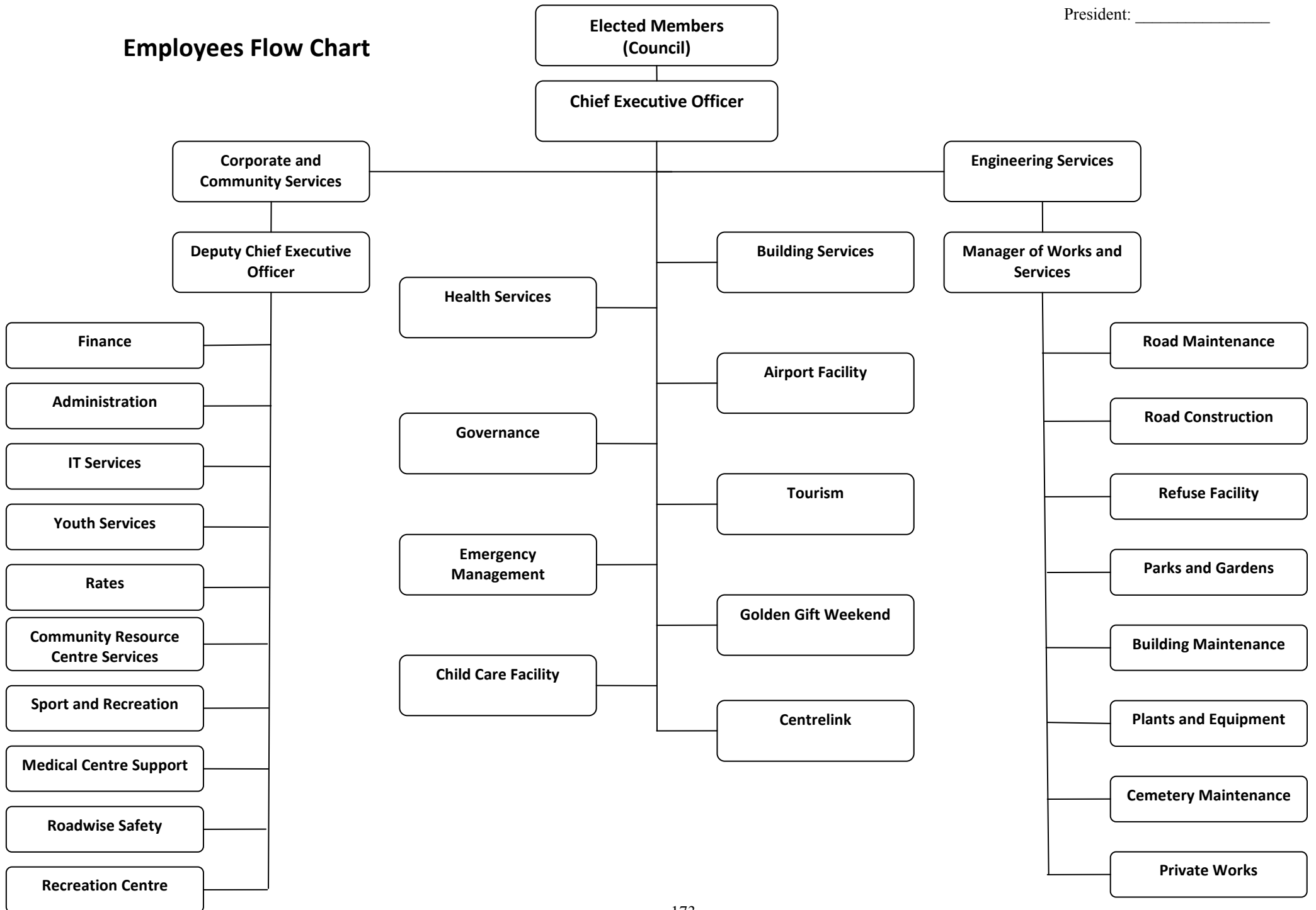


# ANNUAL REPORT 2011-2012

## COUNCILLOR DETAILS

| POSITION  | WARD  | RETIREMENT YEAR | CONTACT                         | NUMBER  |
|---|-------|-----------------|---------------------------------|---|
| <b>PRESIDENT</b><br>Mr J F CARTER<br>Clover Downs Station<br>(PO Box 85)<br>LEONORA WA 6438             | NORTH | 2013            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6159<br>08 9037 6159<br>0417 981 016<br>jeff@cloverdowns.com.au                   |
| <b>DEPUTY PRESIDENT</b><br>Mr P CRAIG<br>9B North Road<br>(PO Box 118)<br>LEINSTER WA 6437              | NORTH | 2015            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 9191<br>08 9037 9054<br>08 9037 9192<br>0418 950 572<br>peter.craig@bagden.com.au |
| Mr M W V Taylor<br>10 Forrest Street<br>(PO Box 226)<br>LEONORA WA 6438                                 | SOUTH | 2015            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 6314 4712<br>0417 976 169<br>matt@pmcc.com.au  |
| <b>(Until October 2011)</b><br>Mr N G JOHNSON<br>Lot 146 Gwalia Street<br>(PO Box 2)<br>LEONORA WA 6438 | SOUTH | 2011            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6131<br>08 9037 6264<br>0418 958 418<br>ngpjohno@bigpond.com                      |
| Ms L R PETERSEN<br>Lot 1114 Gwalia Street<br>(PO Box 69)<br>LEONORA WA 6438                             | SOUTH | 2013            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6400<br>08 9037 6404<br>0419 177 232<br>Butsonsbs@westnet.com.au                  |
| Mr S J HEATHER<br>Lot 8 Gwalia Street<br>(PO Box 223)<br>LEONORA WA 6438                                | NORTH | 2013            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6153<br>08 9037 6153<br>0408 996 373<br>jjheather@bigpond.com                     |
| Mr R A NORRIE<br>Lot 260 Queen Victoria<br>(PO Box 397)<br>LEONORA WA 6438                              | SOUTH | 2015            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6777<br>08 9037 7389<br>08 9037 6788<br>0409 377 386<br>rossepa@bigpond.net.au    |
| <b>(Until October 2011)</b><br>Mr J C KENNEDY<br>5 Wildara Way<br>(PO Box 246)<br>LEINSTER WA 6437      | NORTH | 2011            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 0737<br>08 9037 0737<br>0439 680 404<br>mariejoe@bigpond.com                      |
| Mr GW BAKER<br>"Waarnba"<br>LOC 51 Laverton Road<br>(PO Box 90)<br>LEONORA WA 6438                      | SOUTH | 2013            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6090<br>08 9037 6090<br>08 9037 6090<br>sixmile6@bigpond.com                      |

# Employees Flow Chart



**SHIRE OF LEONORA**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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**Principal Place of Business:**  
16 Tower Street,  
Leonora WA 6438

President: \_\_\_\_\_

**SHIRE OF LEONORA**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30TH JUNE 2012**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Leonora being the annual financial report and other information for the financial year ended 30th June 2012 are in my opinion properly drawn up to present fairly the financial position of the Shire of Leonora at 30th June 2012 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the *22<sup>ND</sup>* day of *NOVEMBER* 2012



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Jim Epiš  
Chief Executive Officer

**SHIRE OF LEONORA**      President: \_\_\_\_\_  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

|   | NOTE | 2012<br>\$                | 2012<br>Budget<br>\$      | 2011<br>\$                |
|---|------|---------------------------|---------------------------|---------------------------|
| <b>Revenue</b>                                    |      |                           |                           |                           |
| Rates   | 22   | 4,788,049                 | 4,697,743                 | 4,591,575                 |
| Operating Grants, Subsidies and Contributions     | 28   | 2,496,935                 | 4,335,129                 | 2,144,095                 |
| Fees and Charges                                  | 27   | 1,083,836                 | 1,116,058                 | 1,415,723                 |
| Interest Earnings                                 | 2(a) | 71,230                    | 49,569                    | 105,283                   |
| Other Revenue                                     |      | 519,034                   | 212,686                   | 374,887                   |
|   |      | <u>8,959,084</u>          | <u>10,411,185</u>         | <u>8,631,563</u>          |
| <b>Expenses</b>                                   |      |                           |                           |                           |
| Employee Costs                                    |      | (2,313,730)               | (2,889,676)               | (2,407,834)               |
| Materials and Contracts                           |      | (2,974,344)               | (5,052,438)               | (2,882,352)               |
| Utility Charges                                   |      | (351,758)                 | (371,550)                 | (321,665)                 |
| Depreciation on Non-Current Assets                | 2(a) | (1,326,899)               | (1,443,137)               | (992,365)                 |
| Insurance Expenses                                |      | (251,569)                 | (231,466)                 | (214,783)                 |
| Other Expenditure                                 |      | (563,980)                 | (323,151)                 | (179,681)                 |
|   |      | <u>(7,782,280)</u>        | <u>(10,311,418)</u>       | <u>(6,998,680)</u>        |
|   |      | 1,176,804                 | 99,767                    | 1,632,883                 |
| <br>  |      |                           |                           |                           |
| Non-Operating Grants, Subsidies and Contributions | 28   | 40,000                    | 88,322                    | 763,238                   |
| Profit on Asset Disposals                         | 20   | 3,193                     | 21,311                    | 0                         |
| Loss on Asset Disposal                            | 20   | (66,733)                  | (184,396)                 | (122,943)                 |
|   |      | <u>                  </u> | <u>                  </u> | <u>                  </u> |
| <b>Net Result</b>                                 |      | <b>1,153,264</b>          | <b>25,004</b>             | <b>2,273,178</b>          |
| <br>  |      |                           |                           |                           |
| <b>Other Comprehensive Income</b>                 |      |                           |                           |                           |
| <br>  |      |                           |                           |                           |
| Changes on revaluation of non-current assets      | 12   | (1,950,444)               | 0                         | (12,949)                  |
|   |      | <u>(1,950,444)</u>        | <u>0</u>                  | <u>(12,949)</u>           |
| <b>Total Other Comprehensive Income</b>           |      | <b>(1,950,444)</b>        | <b>0</b>                  | <b>(12,949)</b>           |
|   |      | <u>                  </u> | <u>                  </u> | <u>                  </u> |
| <b>Total Comprehensive Income</b>                 |      | <b>(797,180)</b>          | <b>25,004</b>             | <b>2,260,229</b>          |

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



**SHIRE OF LEONORA**      President: \_\_\_\_\_  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

|  | NOTE        | 2012<br>\$              | 2012<br>Budget<br>\$ | 2011<br>\$              |
|--|-------------|-------------------------|----------------------|-------------------------|
| <b>Revenue</b>   | <b>2(a)</b> |                         |                      |                         |
| Governance   |             | 395                     | 1,900                | 2,754                   |
| General Purpose Funding                                  |             | 6,136,703               | 5,802,948            | 5,891,063               |
| Law, Order, Public Safety                                |             | 12,999                  | 15,080               | 17,069                  |
| Health   |             | 29,813                  | 34,328               | 14,905                  |
| Education and Welfare                                    |             | 84,288                  | 97,352               | 113,070                 |
| Housing  |             | 39,898                  | 42,920               | 42,481                  |
| Community Amenities                                      |             | 81,224                  | 86,760               | 80,948                  |
| Recreation and Culture                                   |             | 202,280                 | 209,453              | 269,542                 |
| Transport  |             | 1,243,245               | 3,367,407            | 905,603                 |
| Economic Services  |             | 535,605                 | 607,837              | 427,031                 |
| Other Property and Services                              |             | 592,634                 | 145,200              | 867,097                 |
|  |             | <u>8,959,084</u>        | <u>10,411,185</u>    | <u>8,631,563</u>        |
| <b>Expenses</b>  | <b>2(a)</b> |                         |                      |                         |
| Governance   |             | (290,688)               | (401,765)            | (210,948)               |
| General Purpose Funding                                  |             | (252,700)               | (292,867)            | (383,053)               |
| Law, Order, Public Safety                                |             | (137,886)               | (160,682)            | (140,382)               |
| Health   |             | (466,281)               | (475,266)            | (433,807)               |
| Education and Welfare                                    |             | (357,053)               | (418,181)            | (223,136)               |
| Housing  |             | (7,765)                 | 0                    | 0                       |
| Community Amenities                                      |             | (215,517)               | (274,940)            | (224,986)               |
| Recreation & Culture                                     |             | (896,796)               | (974,913)            | (920,780)               |
| Transport  |             | (3,448,370)             | (5,836,246)          | (2,655,934)             |
| Economic Services  |             | (1,168,150)             | (1,425,664)          | (1,141,713)             |
| Other Property and Services                              |             | (541,074)               | (50,894)             | (663,941)               |
|  |             | <u>(7,782,280)</u>      | <u>(10,311,418)</u>  | <u>(6,998,680)</u>      |
| <b>Non-Operating Grants, Subsidies and Contributions</b> |             |                         |                      |                         |
| Recreation & Culture                                     |             | 0                       | 0                    | 414,062                 |
| Transport  |             | 0                       | 88,322               | 343,858                 |
| Economic Services  |             | 40,000                  | 0                    | 1,500                   |
| Other Property and Services                              |             | 0                       | 0                    | 3,818                   |
|  |             | <u>40,000</u>           | <u>88,322</u>        | <u>763,238</u>          |
| <b>Profit/(Loss) on Disposal of Assets</b>               |             |                         |                      |                         |
| Health   |             | (16,626)                | (18,324)             | (10,383)                |
| Community Amenities                                      |             | (20,511)                | (131,148)            | 0                       |
| Transport  |             | (10,193)                | 5,501                | (26,998)                |
| Other Property and Services                              |             | (16,210)                | (19,114)             | (85,562)                |
|  |             | <u>(63,540)</u>         | <u>(163,085)</u>     | <u>(122,943)</u>        |
| <b>Net Result</b>  |             | <u>1,153,264</u>        | <u>25,004</u>        | <u>2,273,178</u>        |
| <b>Other Comprehensive Income</b>                        |             |                         |                      |                         |
| Changes on revaluation of non-current assets             | 12          | (1,950,444)             | 0                    | (12,949)                |
| <b>Total Other Comprehensive Income</b>                  |             | <u>(1,950,444)</u>      | <u>0</u>             | <u>(12,949)</u>         |
| <b>Total Comprehensive Income</b>                        |             | <u><u>(797,180)</u></u> | <u><u>25,004</u></u> | <u><u>2,260,229</u></u> |

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

**SHIRE OF LEONORA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2012**

President: \_\_\_\_\_

|                                      | NOTE | 2012<br>\$        | 2011<br>\$        |
|--------------------------------------|------|-------------------|-------------------|
| <b>CURRENT ASSETS</b>                |      |                   |                   |
| Cash and Cash Equivalents            | 3    | 1,475,983         | 649,328           |
| Trade and Other Receivables          | 4    | 399,297           | 305,160           |
| Inventories                          | 5    | 47,364            | 44,700            |
| <b>TOTAL CURRENT ASSETS</b>          |      | <u>1,922,644</u>  | <u>999,188</u>    |
| <b>NON-CURRENT ASSETS</b>            |      |                   |                   |
| Inventories                          | 5    | 631,535           | 1,107,851         |
| Property, Plant and Equipment        | 6    | 11,905,333        | 11,553,622        |
| Infrastructure                       | 7    | 38,626,344        | 40,194,425        |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <u>51,163,212</u> | <u>52,855,898</u> |
| <b>TOTAL ASSETS</b>                  | 17   | <u>53,085,856</u> | <u>53,855,086</u> |
| <b>CURRENT LIABILITIES</b>           |      |                   |                   |
| Trade and Other Payables             | 8    | 132,019           | 87,880            |
| Provisions                           | 10   | 311,403           | 336,744           |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <u>443,422</u>    | <u>424,624</u>    |
| <b>NON-CURRENT LIABILITIES</b>       |      |                   |                   |
| Provisions                           | 10   | 20,751            | 11,599            |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <u>20,751</u>     | <u>11,599</u>     |
| <b>TOTAL LIABILITIES</b>             |      | <u>464,173</u>    | <u>436,223</u>    |
| <b>NET ASSETS</b>                    |      | <u>52,621,683</u> | <u>53,418,863</u> |
| <b>EQUITY</b>                        |      |                   |                   |
| Retained Surplus                     |      | 35,785,516        | 34,714,822        |
| Reserves - Cash Backed               | 11   | 391,002           | 308,432           |
| Reserves - Asset Revaluation         | 12   | 16,445,165        | 18,395,609        |
| <b>TOTAL EQUITY</b>                  |      | <u>52,621,683</u> | <u>53,418,863</u> |

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

President: \_\_\_\_\_

**SHIRE OF LEONORA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2012**

| NOTE                              | RETAINED<br>SURPLUS<br>\$ | RESERVES<br>CASH<br>BACKED<br>\$ | ASSET<br>REVALUATION<br>RESERVES<br>\$ | TOTAL<br>EQUITY<br>\$    |
|-----------------------------------|---------------------------|----------------------------------|--|--------------------------|
| Balance as at 1 July 2010         | 31,496,649                | 1,253,427                        | 18,408,558                             | 51,158,634               |
| Net Result                        | 2,273,178                 | 0                                | 0                                      | 2,273,178                |
| Total Other Comprehensive Income  | 0                         | 0                                | (12,949)                               | (12,949)                 |
| Reserve Transfers                 | 944,995                   | (944,995)                        | 0                                      | 0                        |
|                                   | <hr/>                     | <hr/>                            | <hr/>                                  | <hr/>                    |
| <b>Balance as at 30 June 2011</b> | <b>34,714,822</b>         | <b>308,432</b>                   | <b>18,395,609</b>                      | <b>53,418,863</b>        |
| Net Result                        | 1,153,264                 | 0                                | 0                                      | 1,153,264                |
| Total Other Comprehensive Income  | 0                         | 0                                | (1,950,444)                            | (1,950,444)              |
| Reserve Transfers                 | (82,570)                  | 82,570                           | 0                                      | 0                        |
|                                   | <hr/>                     | <hr/>                            | <hr/>                                  | <hr/>                    |
| <b>Balance as at 30 June 2012</b> | <b><u>35,785,516</u></b>  | <b><u>391,002</u></b>            | <b><u>16,445,165</u></b>               | <b><u>52,621,683</u></b> |

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

**SHIRE OF LEONORA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

|   | NOTE  | 2012<br>\$         | 2012<br>Budget<br>\$ | 2011<br>\$         |
|---|-------|--------------------|----------------------|--------------------|
| <b>Cash Flows From Operating Activities</b>             |       |                    |                      |                    |
| <b>Receipts</b>   |       |                    |                      |                    |
| Rates   |       | 4,800,210          | 4,697,743            | 4,650,882          |
| Operating Grants, Subsidies and Contributions           |       | 2,427,572          | 4,835,129            | 2,050,472          |
| Fees and Charges  |       | 1,083,836          | 1,145,169            | 1,415,723          |
| Interest Earnings                                       |       | 71,230             | 49,569               | 105,283            |
| Goods and Services Tax                                  |       | 487,368            | 300,000              | 97,568             |
| Other Revenue   |       | 519,034            | 212,686              | 374,887            |
|   |       | <u>9,389,250</u>   | <u>11,240,296</u>    | <u>8,694,815</u>   |
| <b>Payments</b>   |       |                    |                      |                    |
| Employee Costs  |       | (2,279,069)        | (2,889,676)          | (2,363,185)        |
| Materials and Contracts                                 |       | (2,983,719)        | (4,944,275)          | (2,811,023)        |
| Utility Charges   |       | (351,758)          | (371,550)            | (321,665)          |
| Insurance Expenses                                      |       | (251,569)          | (231,466)            | (214,783)          |
| Goods and Services Tax                                  |       | (524,303)          | (800,000)            | 0                  |
| Other Expenditure                                       |       | (439,817)          | (323,151)            | (179,681)          |
|   |       | <u>(6,830,235)</u> | <u>(9,560,118)</u>   | <u>(5,890,337)</u> |
| <b>Net Cash Provided By Operating Activities</b>        | 13(b) | <u>2,559,015</u>   | <u>1,680,178</u>     | <u>2,804,478</u>   |
| <b>Cash Flows from Investing Activities</b>             |       |                    |                      |                    |
| Payments for Development of Land Held for Resale        |       | 0                  | 0                    | (921,048)          |
| Payments for Purchase of Property, Plant & Equipment    |       | (1,112,689)        | (2,136,196)          | (3,122,846)        |
| Payments for Construction of Infrastructure             |       | (1,197,644)        | (1,184,553)          | (913,715)          |
| Non-Operating Grants, Subsidies and Contributions       |       | 40,000             | 88,322               | 763,238            |
| Proceeds from Sale of Plant & Equipment                 |       | 185,820            | 1,231,453            | 280,364            |
| Proceeds from Land for Reseale                          |       | 352,153            | 0                    | 0                  |
| Proceeds from Advances                                  |       | 0                  | 0                    | 0                  |
| <b>Net Cash Used in Investing Activities</b>            |       | <u>(1,732,360)</u> | <u>(2,000,974)</u>   | <u>(3,914,007)</u> |
| <b>Net Increase (Decrease) in Cash Held</b>             |       | 826,655            | (320,796)            | (1,109,529)        |
| Cash at Beginning of Year                               |       | 649,328            | 649,328              | 1,758,857          |
| <b>Cash and Cash Equivalents at the End of the Year</b> | 13(a) | <u>1,475,983</u>   | <u>328,532</u>       | <u>649,328</u>     |

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

**SHIRE OF LEONORA**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

|  | NOTE         | 2012<br>\$                | 2012<br>Budget<br>\$      | 2011<br>\$                |
|--|--------------|---------------------------|---------------------------|---------------------------|
| <b>Revenue</b>                                   |              |                           |                           |                           |
| Governance                                       |              | 395                       | 1,900                     | 2,754                     |
| General Purpose Funding                          |              | 1,348,654                 | 1,105,205                 | 1,299,488                 |
| Law, Order, Public Safety                        |              | 12,999                    | 15,080                    | 17,069                    |
| Health   |              | 29,813                    | 34,328                    | 14,905                    |
| Education and Welfare                            |              | 84,288                    | 97,352                    | 113,070                   |
| Housing  |              | 39,898                    | 42,920                    | 42,481                    |
| Community Amenities                              |              | 81,224                    | 86,760                    | 80,948                    |
| Recreation and Culture                           |              | 202,280                   | 209,453                   | 683,604                   |
| Transport  |              | 1,246,074                 | 3,477,040                 | 1,249,461                 |
| Economic Services                                |              | 575,605                   | 607,837                   | 428,531                   |
| Other Property and Services                      |              | 592,998                   | 145,200                   | 870,915                   |
|  |              | <u>4,214,228</u>          | <u>5,823,075</u>          | <u>4,803,226</u>          |
| <b>Expenses</b>                                  |              |                           |                           |                           |
| Governance                                       |              | (290,688)                 | (401,765)                 | (210,948)                 |
| General Purpose Funding                          |              | (252,700)                 | (292,867)                 | (383,053)                 |
| Law, Order, Public Safety                        |              | (137,886)                 | (160,680)                 | (140,382)                 |
| Health   |              | (482,907)                 | (493,590)                 | (444,190)                 |
| Education and Welfare                            |              | (357,053)                 | (418,181)                 | (223,136)                 |
| Housing  |              | (7,765)                   | 0                         | 0                         |
| Community Amenities                              |              | (236,028)                 | (406,090)                 | (224,986)                 |
| Recreation and Culture                           |              | (896,796)                 | (974,913)                 | (920,780)                 |
| Transport  |              | (3,461,392)               | (5,852,056)               | (2,682,932)               |
| Economic Services                                |              | (1,168,150)               | (1,425,664)               | (1,141,713)               |
| Other Property and Services                      |              | (557,648)                 | (70,008)                  | (749,503)                 |
|  |              | <u>(7,849,013)</u>        | <u>(10,495,814)</u>       | <u>(7,121,623)</u>        |
| <b>Net Result Excluding Rates</b>                |              | <b>(3,634,785)</b>        | <b>(4,672,739)</b>        | <b>(2,318,397)</b>        |
| <b>Adjustments for Cash Budget Requirements:</b> |              |                           |                           |                           |
| <b>Non-Cash Expenditure and Revenue</b>          |              |                           |                           |                           |
| (Profit)/Loss on Asset Disposals                 | 20           | 63,540                    | 163,085                   | 122,943                   |
| Movement in Accrued Salaries and Wages           |              | 6,030                     | 0                         | 6,889                     |
| Movement in Employee Benefit Provisions          |              | 70,526                    | 0                         | (7,145)                   |
| Movement in Land held for Resale                 |              | 476,316                   | 0                         | 0                         |
| Depreciation and Amortisation on Assets          | 2(a)         | 1,326,899                 | 1,443,137                 | 992,365                   |
| <b>Capital Expenditure and Revenue</b>           |              |                           |                           |                           |
| Purchase Land Held for Resale                    |              | 0                         | 0                         | (921,048)                 |
| Purchase Land and Buildings                      | 6            | (473,031)                 | (1,293,000)               | (2,425,165)               |
| Purchase Infrastructure Assets - Roads           | 7            | (508,699)                 | (323,243)                 | (809,893)                 |
| Purchase Infrastructure Assets - Other           | 7            | (688,945)                 | (861,310)                 | 0                         |
| Purchase Plant and Equipment                     | 6            | (633,959)                 | (828,196)                 | (684,785)                 |
| Purchase Furniture and Equipment                 | 6            | (5,699)                   | (15,000)                  | (12,896)                  |
| Proceeds from Disposal of Assets                 | 20           | 185,820                   | 1,231,453                 | 280,364                   |
| Transfers to Reserves (Restricted Assets)        | 11           | (159,309)                 | (91,570)                  | (58,328)                  |
| Transfers from Reserves (Restricted Assets)      | 11           | 76,739                    | 71,470                    | 1,003,323                 |
| ADD Estimated Surplus/(Deficit) July 1 B/Fwd     | 22(b)        | 523,050                   | 478,170                   | 867,070                   |
| LESS Estimated Surplus/(Deficit) June 30 C/Fwd   | 22(b)        | 1,412,542                 | 0                         | 523,050                   |
| <b>Amount Required to be Raised from Rates</b>   | <b>22(a)</b> | <b><u>(4,788,049)</u></b> | <b><u>(4,697,743)</u></b> | <b><u>(4,487,753)</u></b> |

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



President: \_\_\_\_\_

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

**(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.

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

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

**(g) Fixed Assets**

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

***Initial Recognition***

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

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

***Revaluation***

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

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 in 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.

**SHIRE OF LEONORA** President: \_\_\_\_\_  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

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

***Land under Roads***

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

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

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

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

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

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

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

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

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

|                         |                |
|-------------------------|----------------|
| Buildings               | 30 to 50 years |
| Furniture and Equipment | 2 to 15 years  |
| Plant and Equipment     | 5 to 15 years  |
| Infrastructure          | 10 to 40 years |

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



**SHIRE OF LEONORA** President: \_\_\_\_\_  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

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

***Depreciation of Non-Current Assets (Continued)***

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

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

***Capitalisation Threshold***

The Shire of Leonora has no capitalisation threshold.

**(h) Financial Instruments**

***Initial Recognition and Measurement***

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

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

***Classification and Subsequent Measurement***

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

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

Amortised cost is calculated as:

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

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

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

**(h) Financial Instruments (Continued)**

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

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

*(ii) Loans and receivables*

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

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

*(iii) Held-to-maturity investments*

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

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

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

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

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

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

*(v) Financial liabilities*

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

***Impairment***

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

**Derecognition**

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

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or 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.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

**(i) Impairment**

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

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

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

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

**(j) Trade and Other Payables**

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

**(k) 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 the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**(l) Borrowing Costs**

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

**(m) 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 the end of the reporting period.

**SHIRE OF LEONORA** President: \_\_\_\_\_  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

**(n) Leases**

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

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

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

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

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

**(o) Joint Venture**

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

The Council's interests in joint venture entities are recorded using the equity method of accounting in the financial report.

Where the Council contributes assets to the joint venture or if the Council purchases assets from the joint venture, only the portion of the gain or loss that is not attributable to the Council's share of the 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.

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

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

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

**(q) Superannuation**

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

**SHIRE OF LEONORA** President: \_\_\_\_\_  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

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

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

**(s) Rounding Off Figures**

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

**(t) Comparative Figures**

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

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

**(u) Budget Comparative Figures**

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

**SHIRE OF LEONORA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(v) New Accounting Standards and Interpretations for Application in Future Periods**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2012.

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

| Title and Topic   | Issued        | Applicable <sup>(1)</sup> | Impact   |
|---|---------------|---------------------------|--|
| (i) AASB 9 – Financial Instruments  | December 2009 | 01 January 2013           | Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect. |
| (ii) AASB 1053 - Application of Tiers of Australian Accounting Standards  | June 2010     | 01 July 2013              | Nil - Due to its nature and statutory requirements the Council will be deemed a Tier 1 entity and will continue to prepare general purpose financial statements.   |
| (iii) 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 LEONORA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

| Title and Topic  | Issued        | Applicable <sup>(1)</sup> | Impact  |
|--|---------------|---------------------------|---|
| (iv) AASB 2010 - 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements<br>[AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050, & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] | June 2010     | 01 July 2013              | Nil - None of these amendments will have any effect on the financial report as the standard does not apply in the case of general purpose financial statements.   |
| (v) AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)<br>[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 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). |
| (vi) AASB 2010 - 8 Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets<br>[AASB 112]   | December 2010 | 01 January 2012           | Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.  |

**SHIRE OF LEONORA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

| Title and Topic  | Issued        | Applicable <sup>(1)</sup> | Impact   |
|--|---------------|---------------------------|--|
| (vii) AASB 2010 - 10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009 - 11 & 2010 - 7]  | December 2010 | 01 January 2013           | Nil - None of these amendments will have any effect on the financial report as non of the topics are relevant to the operations of the Council.  |
| (viii) AASB 2011 - 2 Amendments to Australian Accounting Standards - Arising from the Trans - Tasman Consequence Project - Reduced Disclosure Requirements. [AASB 101 & AASB 1054]                           | May 2011      | 1 July 2013               | Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council. |
| AASB 2011 - 3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to ABS GFS manual and related Amendments. [AASB 1049]  | May 2011      | 1 July 2012               |  |
| AASB 2011 - 6 Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, 128 & 131] | July 2011     | 1 July 2013               |  |



**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

| Title and Topic   | Issued         | Applicable <sup>(1)</sup> | Impact   |
|---|----------------|---------------------------|--|
| (ix) AASB 10 - Consolidated Financial Statements<br>AASB 11 - Joint Arrangements<br>AASB 12 - Disclosure of Interests in Other Entities<br>AASB 127 - Separate Financial Statements<br>AASB 128 - Investments in Associates and 101,107,112,118,121,124, 132,133,131,138,139,1023 & 1038 and Interpretations 5,9,16 & 17]<br><br>Joint Ventures<br>AASB 2011 - 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards<br>[AASB 1,2,3,5,7,9,2009-11] | August 2011    | 1 January 2013            | Nil - None of these except for AASB 128, are expected to have significant application to the operations of the Council.<br>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.<br>Due to the nature of the Joint Venture, it is not expected to have a significant impact on the Council.  |
| (x) AASB 13 - Fair Value Measurements<br>AASB 2011 - 8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]  | September 2011 | 1 January 2013            | AASB 13 defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements.<br>AASB 13 requires:<br>- Inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and<br>- Enhanced disclosures regarding all assets and liabilities (including, but not limited to financial assets and financial liabilities) measured at fair value.<br>AASB 13 will have particular relevance to the process of the Council adopting fair value methodology in relation to its fixed assets as mandated from 1 July 2012. Apart from the changes in value in relation to assets to be revalued (which are mandated by legislation and not changes to the standard) it is not expected to significantly impact the Council as the framework embodied in AASB 13 does not differ significantly from that which is present in existing standards.<br>The amendments to the legislation requires the phasing in of fair value in relation to fixed assets over the three years from 1 July 2012. It is not possible to estimate the likely amount of any revaluations.C131 |

**SHIRE OF LEONORA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

| Title and Topic  | Issued         | Applicable <sup>(1)</sup> | Impact  |
|--|----------------|---------------------------|---|
| (xi) AASB 2011 - 9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income<br>[AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] | September 2011 | 1 July 2013               | The main change embodied in this standard is the requirement to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. It effects presentation only and is not expected to significantly impact the Council. |
| (xii) AASB 119 - Employee Benefits<br>AASB 2010 - 10 Amendments to Australian Accounting Standards arising from AASB 119<br>[AASB 1,8,101,124,134,1049 & 2011-8 and Interpretation 14]   | September 2011 | 1 January 2013            | 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.  |
| (xiii) AASB 2011 - 11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements   | September 2011 | 1 July 2013               | Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.  |
| AASB 2011 - 12 Amendments to Australian Accounting Standards arising from Interpretation 20<br>[AASB 1]  | November 2011  | 1 January 2013            |   |
| AASB 2011 - 13 Amendments to Australian Accounting Standards - Improvements to AASB 1049   | December 2011  | 1 July 2012               |   |

**Notes:**

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

**SHIRE OF LEONORA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

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

**(w) 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 124
- AASB 1054
- AASB 2009 - 12
- AASB 2010 - 4
- AASB 2010 - 5
- AASB 2010 - 6
- AASB 2010 - 9
- AASB 2010 - 14
- AASB 2011 - 1

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.



**SHIRE OF LEONORA** President: \_\_\_\_\_  
**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**

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

**GOVERNANCE**

Includes costs and revenues associated with the President and Councillors in the exercise of their obligations as a governing body. Items of expenditure include conference, travel, meeting attendance fees, presidential allowance, receptions, donations, subscriptions and phone rentals. Costs of advertising and conducting elections are also included. Revenues include election nomination fees and reimbursements by members for private expenses.

An administration cost is also allocated which enables staff to process Council Meeting procedures, implement all government decisions and conduct Council meetings. Cost of conducting audit of Council books of accounts and procedures is also include under this heading.

**GENERAL PURPOSE FUNDING**

*1 Rates*

- (a) GRV (gross rental value) refers to property rates for Leonora, Gwalia, Leinster and Agnew town sites and operational mines and associated infrastructure.
- (b) UV (unimproved value) refers to mining properties and tenements (other than mines and other associated infrastructure) and includes prospecting licences, exploration licences and mining leases. It also refers to broad acre rural pastoral properties.
- (c) Additional rates and rates written back refer mainly to mining rates where tenements are granted or surrendered following the adoption of the budget.
- (d) Administration charge refers to the charge levied on ratepayers electing to make payment of rates on the offered instalment plan and is based on the actual cost involved in administering this process
- (e) Administration costs allocated are the costs of maintaining records, levying and collecting all rates.

*2 Grants*

- (a) Grants Commission - a general purpose grant allocated annually by the Federal Government to all local governments. The amount is determined by various formulae devised by the Grants Commission, with a significant component being based on population.
- (b) Roads Grant - An untied road grant allocated by the Federal Government and again distributed by the Grants Commission utilising a pre-determined formula.
- (c) Administration costs allocated to grants refers to the costs associated in collection of Federal Government grants including provision and updating of data used in grants commission formula.

*3 Interest from Investments*

Includes interest received on surplus funds invested throughout the year from both operating and reserve accounts.

**LAW, ORDER, PUBLIC SAFETY**

Costs and revenues associated with animal control within the Shire and also includes fire insurance, dog control and registration.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**2. REVENUE AND EXPENSES (Continued)****(b) Statement of Objective (Continued)****HEALTH**

Costs and revenues associated with compliance with the Health Act including inspections and approvals, food quality control, mosquito control, septic tank inspection/control, food hygiene inspection/control, contribution to doctors expenses, Royal Flying Doctor donation and notification of disease.

**EDUCATION AND WELFARE**

Provision of support for education and aged and disabled facilities within the district for the betterment of the residents.

**HOUSING**

Costs of maintaining Council owned accommodation units and collection of rentals paid by staff for use of those buildings. Costs that can be accurately attributed to other programs are allocated. Revenue associated with a State Government owned house by way of loan repayments to Council are also included.

Accommodation units include 3 houses, 2 duplexes and a single persons quarters.

**COMMUNITY AMENITIES**

Costs of collection and disposal of domestic and commercial refuse for town site of Leonora and Gwalia and maintenance of the landfill refuse site. Revenue collection by way of an annual fee for this service which is included on rate assessment notices.

Costs associated with review and administration of Council's Town Planning Scheme.

Provision of Christmas decorations in Leonora Town site.

Operation of the Leonora Cemetery.

**RECREATION AND CULTURE**

Provision and maintenance of Council owned parks, gardens and grassed oval/recreation ground at Leonora and a contribution to similar facilities within Leinster townsite.

Costs of operation and maintenance of a purpose built recreation centre which includes indoor basketball court, two squash courts, kitchen, gymnasium and associated facilities and revenues collected from the public for use of these facilities.

Costs of maintenance of Council owned and provided television and radio re-transmission service which includes GWN, WIN and SBS television and WAFM and ABC fine music radio.

Costs and revenues associated with the operation and maintenance of library facilities at Leonora in conjunction with the Library Board of Western Australia.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**2. REVENUE AND EXPENSES (Continued)****(b) Statement of Objective (Continued)****TRANSPORT**

Maintenance and improvements of 1,300 kilometres of Council controlled unsealed roads, town site footpaths and streets, drainage control, street cleaning and provision and maintenance of street trees. Costs of providing electricity for steel lights in the Leonora/Gwalia town sites and maintenance of Council's works depot and associated infrastructure.

Operation, maintenance and management of Leonora Aerodrome including runways, runway lighting, tarmac and terminal building and gardens. Purchase of aviation fuel for resale to aircraft operators.

Revenues by way of landing fees and Head Tax charges charged to all aircraft with the exception of the Royal Flying Doctors Service, lease/renting of building to all users of facilities and charges for fuel supplied to aircraft.

**ECONOMIC SERVICES**

Costs associated with tourism promotion throughout the Shire including employment of a Curator/Promotion Officer at the Gwalia Museum and historic precinct.

Contribution to employment of a Goldfields/Esperance Development Officer operating from Shire Offices - Leonora.

Contribution to costs of North Eastern Goldfields Land care Organisation.

Costs and revenues associated with building control under building regulations, including inspections and issuing building permits.

**OTHER PROPERTY AND SERVICES**

Costs and revenues for private hire of Council machinery and operators for completion of private works for ratepayers and others.

Costing allocation pools including administration, overheads, plant operation costs and salaries and wages which are all individually detailed and then allocated throughout all previously mentioned operating activities, works and services.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**2. REVENUE AND EXPENSES (Continued)****(c) Conditions Over Grants/Contributions**

| <b>Grant/Contribution</b>         | <b>Function/<br/>Activity</b> | <b>Opening<br/>Balance <sup>(1)</sup><br/>1/07/2010<br/>\$</b> | <b>Received <sup>(2)</sup><br/>2010/11<br/>\$</b> | <b>Expended <sup>(3)</sup><br/>2010/11<br/>\$</b> | <b>Closing<br/>Balance <sup>(1)</sup><br/>30/06/2011<br/>\$</b> | <b>Received <sup>(2)</sup><br/>2011/12<br/>\$</b> | <b>Expended <sup>(3)</sup><br/>2011/12<br/>\$</b> | <b>Closing<br/>Balance<br/>30/06/2012<br/>\$</b> |
|-----------------------------------|-------------------------------|--|---|---|---|---|---|--|
| Grants for Youth Support          | Education & Welfare           | 103,471  | 0   | (58,191)  | 45,280  | 0   | (45,280)  | 0  |
| Grant for Crime Prevention        | Law, Order & Public Safety    | 4,847  | 0   | (4,847)   | 0   | 0   | 0   | 0  |
| Videoconferencing                 | Recreation and Culture        | 4,888  | 0   | (3,074)   | 1,814   | 0   | (1,814)   | 0  |
| Roadwise Project                  | Law, Order & Public Safety    | 4,976  | 0   | (4,976)   | 0   | 0   | 0   | 0  |
| Northern Goldfields Tourism Group | Recreation and Culture        | 36,702   | 45,000  | (42,950)  | 38,752  | 0   | (9,036)   | 29,716   |
| Centrelink Operation              | Recreation and Culture        | 0  | 36,005  | (36,005)  | 0   | 33,782  | (33,782)  | 0  |
| GEDC - Lawn Bowling Facility      | Recreation and Culture        | 0  | 125,000   | (125,000)   | 0   | 0   | 0   | 0  |
| RLCIP - Lawn Bowling Facility     | Recreation and Culture        | 0  | 30,000  | (30,000)  | 0   | 0   | 0   | 0  |
| Royalties for Regions             | General Purpose Funding       | 0  | 384,062   | (384,062)   | 0   | 0   | 0   | 0  |
| Sport & Rec - Tennis Courts       | Recreation and Culture        | 0  | 37,366  | (37,366)  | 0   | 0   | 0   | 0  |
| Grant - Telecentre Website        | Recreation and Culture        | 0  | 2,000   | (2,000)   | 0   | 0   | 0   | 0  |
| Child Care Sustainability         | Education & Welfare           | 0  | 50,790  | (50,790)  | 0   | 64,440  | (64,440)  | 0  |
| Youth Centre Refurbishment        | Education & Welfare           | 0  | 30,046  | (30,046)  | 0   | 0   | 0   | 0  |
| Grant - Community Resource Centre | Recreation and Culture        | 0  | 0   | 0   | 0   | 111,500   | (111,500)   | 0  |
| Tqual (Patroni's Guest House)     | Economic Services             | 0  | 0   | 0   | 0   | 40,000  | (40,000)  | 0  |
| Government Grant                  | General Purpose Funding       | 0  | 0   | 0   | 0   | 5,213   | 0   | 5,213  |
| <b>Total</b>                      |                               | <b>154,884</b>   | <b>740,269</b>                                    | <b>(809,307)</b>                                  | <b>85,846</b>   | <b>254,935</b>                                    | <b>(305,852)</b>                                  | <b>34,929</b>                                    |

**Notes:**

- (1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.
- (2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.



**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

|   | Note | 2012<br>\$              | 2011<br>\$              |
|---|------|-------------------------|-------------------------|
| <b>3. CASH AND CASH EQUIVALENTS</b>   |      |                         |                         |
| Unrestricted  |      | 1,050,052               | 255,050                 |
| Restricted  |      | <u>425,931</u>          | <u>394,278</u>          |
|   |      | <u><u>1,475,983</u></u> | <u><u>649,328</u></u>   |
| The following restrictions have been imposed by regulations or other externally imposed requirements: |      |                         |                         |
| Long Service Leave Reserve  | 11   | 168,216                 | 129,055                 |
| Fire Disaster Reserve   | 11   | 11,267                  | 12,691                  |
| Plant Purchase Reserve  | 11   | 992                     | 992                     |
| Bowling Green Reserve   | 11   | 0                       | 44,720                  |
| Annual Leave Reserve  | 11   | 146,465                 | 120,974                 |
| Gwalia Precinct Reserve   | 11   | 64,062                  | 0                       |
| Unspent Grants  | 2(c) | <u>34,929</u>           | <u>85,846</u>           |
|   |      | <u><u>425,932</u></u>   | <u><u>394,278</u></u>   |
| <b>4. TRADE AND OTHER RECEIVABLES</b>   |      |                         |                         |
| <b>Current</b>  |      |                         |                         |
| Rates Outstanding   |      | 41,773                  | 53,934                  |
| Sundry Debtors  |      | 320,589                 | 251,226                 |
| GST Receivable  |      | <u>36,935</u>           | <u>0</u>                |
|   |      | <u><u>399,297</u></u>   | <u><u>305,160</u></u>   |
| <b>5. INVENTORIES</b>   |      |                         |                         |
| <b>Current</b>  |      |                         |                         |
| Fuel and Materials  |      | <u>47,364</u>           | <u>44,700</u>           |
|   |      | <u><u>47,364</u></u>    | <u><u>44,700</u></u>    |
| <b>Non-Current</b>  |      |                         |                         |
| Land Held for Resale - Cost   |      |                         |                         |
| Cost of Acquisition   |      | 1,875                   | 2,500                   |
| Development Costs   |      | <u>629,660</u>          | <u>1,105,351</u>        |
|   |      | <u><u>631,535</u></u>   | <u><u>1,107,851</u></u> |

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

|  | 2012               | 2011               |
|--|--------------------|--------------------|
|  | \$                 | \$                 |
| <b>6. PROPERTY, PLANT AND EQUIPMENT</b>        |                    |                    |
| Land and Buildings - Management Valuation 2010 | 7,015,429          | 7,015,429          |
| Land and Buildings - Cost                      | 2,898,197          | 2,425,165          |
| Less : Accumulated Depreciation                | <u>(303,357)</u>   | <u>(125,885)</u>   |
|  | 9,610,269          | 9,314,709          |
| <br>   |                    |                    |
| Furniture and Equipment - Cost                 | 380,664            | 378,964            |
| Less Accumulated Depreciation                  | <u>(349,966)</u>   | <u>(339,165)</u>   |
|  | 30,698             | 39,799             |
| <br>   |                    |                    |
| Plant and Equipment - Cost                     | 4,033,230          | 3,788,636          |
| Less Accumulated Depreciation                  | <u>(1,768,864)</u> | <u>(1,589,522)</u> |
|  | 2,264,366          | 2,199,114          |
|  | <u>11,905,333</u>  | <u>11,553,622</u>  |

Council have adopted a policy of re-valuing with sufficient regularity to ensure the carrying amount of each building asset is fairly stated at reporting date. This policy also accords with AASB 116.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**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 1 of the current financial year.

|   | <b>Land<br/>&amp;<br/>Buildings<br/>\$</b> | <b>Furniture<br/>&amp;<br/>Equipment<br/>\$</b> | <b>Plant<br/>&amp;<br/>Equipment<br/>\$</b> | <b>Total<br/>\$</b>      |
|---|--|---|---|--------------------------|
| Balance as at the beginning of the year   | 9,314,709                                  | 39,799  | 2,199,114                                   | 11,553,622               |
| Additions                                 | 473,031                                    | 5,699   | 633,959                                     | 1,112,689                |
| (Disposals)                               | 0  | 0   | (249,360)                                   | (249,360)                |
| Revaluation - Increments/(decrements)     | 0  | 0   | 0   | 0                        |
| Impairment - (losses)/reversals           | 0  | 0   | 0   | 0                        |
| Depreciation (Expense)                    | (177,471)                                  | (14,800)  | (319,347)                                   | (511,618)                |
| <b>Carrying amount at the end of year</b> | <b><u>9,610,269</u></b>                    | <b><u>30,698</u></b>                            | <b><u>2,264,366</u></b>                     | <b><u>11,905,333</u></b> |

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

|                                   | <b>2012</b>              | <b>2011</b>              |
|-----------------------------------|--------------------------|--------------------------|
|                                   | <b>\$</b>                | <b>\$</b>                |
| <b>7. INFRASTRUCTURE</b>          |                          |                          |
| Roads - Management Valuation 2012 | 49,949,357               | 0                        |
| Roads - Management Valuation 2011 | 0                        | 49,892,728               |
| Less Accumulated Depreciation     | <u>(17,539,375)</u>      | <u>(15,362,451)</u>      |
|                                   | <u>32,409,982</u>        | <u>34,530,277</u>        |
| <br>                              |                          |                          |
| Roads Other - Cost                | 2,518,195                | 2,518,194                |
| Less Accumulated Depreciation     | <u>(618,052)</u>         | <u>(560,447)</u>         |
|                                   | <u>1,900,143</u>         | <u>1,957,747</u>         |
| <br>                              |                          |                          |
| Other - Management Valuation 2010 | 4,638,419                | 3,949,474                |
| Less Accumulated Depreciation     | <u>(322,200)</u>         | <u>(243,073)</u>         |
|                                   | <u>4,316,219</u>         | <u>3,706,401</u>         |
|                                   | <u><u>38,626,344</u></u> | <u><u>40,194,425</u></u> |

Council have adopted a policy of re-valuing with sufficient regularity to ensure the carrying amount of each road asset is fairly stated at reporting date. This policy also accords with AASB 116.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**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>Roads</b>            | <b>Other</b>            | <b>Total</b>             |
|---|--------------------------|-------------------------|-------------------------|--------------------------|
|   | <b>\$</b>                | <b>Other</b>            | <b>\$</b>               | <b>\$</b>                |
|   | <b>_____</b>             | <b>_____</b>            | <b>_____</b>            | <b>_____</b>             |
| Balance at the beginning of the year      | 34,530,277               | 1,957,747               | 3,706,401               | 40,194,425               |
| Additions                                 | 508,699                  | 0                       | 688,945                 | 1,197,644                |
| (Disposals)                               | 0                        | 0                       | 0                       | 0                        |
| Revaluation - Increments/(decrements)     | (1,950,444)              | 0                       | 0                       | (1,950,444)              |
| Impairment - (losses)/reversals           | 0                        | 0                       | 0                       | 0                        |
| Depreciation (Expense)                    | (678,550)                | (57,604)                | (79,127)                | (815,281)                |
|   |                          |                         |                         | 0                        |
| <b>Carrying amount at the end of year</b> | <b><u>32,409,982</u></b> | <b><u>1,900,143</u></b> | <b><u>4,316,219</u></b> | <b><u>38,626,344</u></b> |

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

|   | <b>2012</b>    | <b>2011</b>    |
|---|----------------|----------------|
|   | <b>\$</b>      | <b>\$</b>      |
| <b>8. TRADE AND OTHER PAYABLES</b>                            |                |                |
| <b>Current</b>  |                |                |
| Sundry Creditors  | 74,243         | 80,954         |
| ATO Liabilities   | 44,857         | 37             |
| Accrued Salaries and Wages                                    | 12,919         | 6,889          |
|   | <u>132,019</u> | <u>87,880</u>  |
| <b>9. LONG-TERM BORROWINGS</b>                                |                |                |
| The Shire had no long term borrowings for the financial year. |                |                |
| <b>10. PROVISIONS</b>   |                |                |
| <b>Current</b>  |                |                |
| Provision for Annual Leave                                    | 150,601        | 142,273        |
| Provision for Long Service Leave                              | 160,802        | 194,471        |
|   | <u>311,403</u> | <u>336,744</u> |
| <b>Non-Current</b>  |                |                |
| Provision for Long Service Leave                              | 20,751         | 11,599         |
|   | <u>20,751</u>  | <u>11,599</u>  |

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

|  | 2012<br>\$            | 2012<br>Budget<br>\$  | 2011<br>\$            |
|--|-----------------------|-----------------------|-----------------------|
| <b>11. RESERVES - CASH BACKED</b>      |                       |                       |                       |
| <b>(a) Long Service Leave Reserve</b>  |                       |                       |                       |
| Opening Balance                        | 129,055               | 129,055               | 123,196               |
| Amount Set Aside / Transfer to Reserve | 65,911                | 64,869                | 5,859                 |
| Amount Used / Transfer from Reserve    | <u>(26,750)</u>       | <u>(26,750)</u>       | <u>0</u>              |
|  | <u>168,216</u>        | <u>167,174</u>        | <u>129,055</u>        |
| <b>(b) Fire Disaster Reserve</b>       |                       |                       |                       |
| Opening Balance                        | 12,691                | 12,691                | 12,115                |
| Amount Set Aside / Transfer to Reserve | 2,576                 | 2,441                 | 3,899                 |
| Amount Used / Transfer from Reserve    | <u>(4,000)</u>        | <u>0</u>              | <u>(3,323)</u>        |
|  | <u>11,267</u>         | <u>15,132</u>         | <u>12,691</u>         |
| <b>(c) Plant Purchase Reserve</b>      |                       |                       |                       |
| Opening Balance                        | 992                   | 992                   | 992                   |
| Amount Set Aside / Transfer to Reserve | 0                     | 30                    | 0                     |
| Amount Used / Transfer from Reserve    | <u>0</u>              | <u>0</u>              | <u>0</u>              |
|  | <u>992</u>            | <u>1,022</u>          | <u>992</u>            |
| <b>(d) Bowling Green Reserve</b>       |                       |                       |                       |
| Opening Balance                        | 44,720                | 44,720                | 1,001,642             |
| Amount Set Aside / Transfer to Reserve | 1,269                 | 0                     | 43,078                |
| Amount Used / Transfer from Reserve    | <u>(45,989)</u>       | <u>(44,720)</u>       | <u>(1,000,000)</u>    |
|  | <u>0</u>              | <u>0</u>              | <u>44,720</u>         |
| <b>(e) Annual Leave Reserve</b>        |                       |                       |                       |
| Opening Balance                        | 120,974               | 120,974               | 115,482               |
| Amount Set Aside / Transfer to Reserve | 25,491                | 24,230                | 5,492                 |
| Amount Used / Transfer from Reserve    | <u>0</u>              | <u>0</u>              | <u>0</u>              |
|  | <u>146,465</u>        | <u>145,204</u>        | <u>120,974</u>        |
| <b>(f) Gwalia Precinct Reserve</b>     |                       |                       |                       |
| Opening Balance                        | 0                     | 0                     | 0                     |
| Amount Set Aside / Transfer to Reserve | 64,062                | 0                     | 0                     |
| Amount Used / Transfer from Reserve    | <u>0</u>              | <u>0</u>              | <u>0</u>              |
|  | <u>64,062</u>         | <u>0</u>              | <u>0</u>              |
| <b>TOTAL CASH BACKED RESERVES</b>      | <u><u>391,003</u></u> | <u><u>328,532</u></u> | <u><u>308,432</u></u> |

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

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**11. RESERVES - CASH BACKED (continued)**

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

Long Service Leave Reserve

- This reserve is to offset Council's leave liability to it's employees.

Fire Disaster Reserve

- This reserve will assist in the provision of emergency contingencies in the case of fire disaster.

Plant Purchase Reserve

- to be used for the purchase of major plant.

Bowling Green Reserve

- to be used for the maintenance of the bowling green.

Annual Leave Reserve

- this reserve is to offset council's annual leave liability to it's employees.

Gwalia Precinct Reserve

- To be used for the restoration of historical projects in the Gwalia precinct.

None of the above reserves are expected to be used within a set period as further transfers to the reserve accounts are expected before funds are utilised.

**12. RESERVES - ASSET REVALUATION****2012****2011****\$****\$**

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

**(a) Roads**

Opening Balance

17,152,509

17,165,458

Revaluation Decrement

(1,950,444)

(12,949)

15,202,06517,152,509**(b) Other Infrastructure**

Opening Balance

1,243,100

1,243,100

Revaluation Increment

0

0

Revaluation Decrement

0

0

1,243,1001,243,100

**TOTAL ASSET REVALUATION RESERVES**

16,445,16518,395,609



**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**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:

|                           | <b>2012</b><br><b>\$</b> | <b>2012</b><br><b>Budget</b><br><b>\$</b> | <b>2011</b><br><b>\$</b> |
|---------------------------|--------------------------|---|--------------------------|
| Cash and Cash Equivalents | <u>1,475,983</u>         | <u>328,532</u>                            | <u>649,328</u>           |

**(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result**

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| Net Result   | 1,153,264        | 25,004           | 2,273,178        |
| Depreciation                                       | 1,326,899        | 1,443,137        | 992,365          |
| (Profit)/Loss on Sale of Asset                     | 63,540           | 163,085          | 122,943          |
| (Increase)/Decrease in Receivables                 | (94,137)         | 29,111           | 63,252           |
| (Increase)/Decrease in Inventories                 | 121,499          | (4,968)          | (4,055)          |
| Increase/(Decrease) in Payables                    | 38,109           | 113,131          | 33,574           |
| Increase/(Decrease) in Employee Provisions         | (10,159)         | 0                | 86,459           |
| Grants Contributions for the Development of Assets | (40,000)         | (88,322)         | (763,238)        |
| Net Cash from Operating Activities                 | <u>2,559,015</u> | <u>1,680,178</u> | <u>2,804,478</u> |

|   | <b>2012</b><br><b>\$</b> | <b>2011</b><br><b>\$</b> |
|---|--------------------------|--------------------------|
| <b>(c) Undrawn Borrowing Facilities</b>       |                          |                          |
| <b>Credit Standby Arrangements</b>            |                          |                          |
| Bank Overdraft limit                          | 0                        | 0                        |
| Bank Overdraft at Balance Date                | 0                        | 0                        |
| Credit Card limit                             | 20,000                   | 20,000                   |
| Credit Card Balance at Balance Date           | (4,737)                  | (3,720)                  |
| <b>Total Amount of Credit Unused</b>          | <u>15,263</u>            | <u>16,280</u>            |
| <b>Unused Loan Facilities at Balance Date</b> | <u>Nil</u>               | <u>Nil</u>               |

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**14. CONTINGENT LIABILITIES**

There were no known contingent liabilities at balance date.

| <b>15. CAPITAL AND LEASING COMMITMENTS</b>   | <b>2012</b>   | <b>2011</b>   |
|--|---------------|---------------|
|  | <b>\$</b>     | <b>\$</b>     |
| <b>(a) Operating Lease Commitments</b>   |               |               |
| Non-cancellable operating leases contracted for but not capitalised in the accounts. |               |               |
| Payable:   |               |               |
| - not later than one year  | 31,347        | 28,337        |
| - later than one year but not later than five years                                  | 26,237        | 46,801        |
| - later than five years  | 0             | 0             |
|  | <u>57,584</u> | <u>75,138</u> |

**(b) Capital Expenditure Commitments**

|                                |         |         |
|--------------------------------|---------|---------|
| Contracted for:                |         |         |
| - capital expenditure projects | 371,796 | 320,000 |
| Payable:                       |         |         |
| - not later than one year      | 371,796 | 320,000 |

The capital expenditure project outstanding at the end of the current reporting period represents the Restoration of Patroni's Guest House (the prior year commitment was for completion of the Leonora Lawn Bowling Facility).

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**16. JOINT VENTURE**

The Shire together with the Shires of Coolgardie, Esperance, Laverton, Menzies, Ngaanyatjaraku, Ravensthorpe and Wiluna have a joint venture arrangement with regard to the provision of a Regional Records Service. The only asset is a building. Council's one-tenth share of this asset is included in Land & Buildings as follows:

|                                | <b>2012</b>          | <b>2011</b>     |
|--------------------------------|----------------------|-----------------|
|                                | <b>\$</b>            | <b>\$</b>       |
| <b>Non-Current Assets</b>      |                      |                 |
| Land & Buildings               | 68,000               | 0               |
| Less: Accumulated Depreciation | <u>75</u>            | <u>0</u>        |
|                                | <u><u>68,075</u></u> | <u><u>0</u></u> |

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

|                             |                          |                          |
|-----------------------------|--------------------------|--------------------------|
| Governance                  | 0                        | 53,938                   |
| General Purpose Funding     | 41,773                   | 0                        |
| Law, Order, Public Safety   | 43,624                   | 48,323                   |
| Health                      | 313,491                  | 314,627                  |
| Education and Welfare       | 105,215                  | 103,349                  |
| Housing                     | 1,449,202                | 1,381,025                |
| Community Amenities         | 2,215,813                | 2,073,665                |
| Recreation and Culture      | 6,254,314                | 6,059,456                |
| Transport                   | 39,476,388               | 41,408,662               |
| Economic Services           | 442,624                  | 417,231                  |
| Other Property and Services | 1,622,767                | 1,655,183                |
| Unallocated                 | <u>1,120,645</u>         | <u>339,627</u>           |
|                             | <u><u>53,085,856</u></u> | <u><u>53,855,086</u></u> |

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

|  | 2012  | 2011 | 2010  |
|--|-------|------|-------|
| <b>18. FINANCIAL RATIOS</b>                        |       |      |       |
| Current Ratio                                      | 11.34 | 3.47 | 15.85 |
| Untied Cash to Unpaid Trade Creditors Ratio        | 8.82  | 3.15 | 7.39  |
| Debt Ratio   | 0.01  | 0.01 | 0.01  |
| Debt Service Ratio                                 | 0.00  | 0.00 | 0.00  |
| Gross Debt to Revenue Ratio                        | 0.00  | 0.00 | 0.00  |
| Gross Debt to Economically Realisable Assets Ratio | 0.00  | 0.00 | 0.00  |
| Rate Coverage Ratio                                | 0.54  | 0.53 | 0.52  |
| Outstanding Rates Ratio                            | 0.01  | 0.01 | 0.01  |

The above ratios are calculated as follows:

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

President: \_\_\_\_\_

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**19. TRUST FUNDS**

The Shire of Leonora hold no funds on behalf of other entities.

**20. DISPOSALS OF ASSETS - 2011/12 FINANCIAL YEAR**

The following assets were disposed of during the year.

|                                    | Net Book Value |                  | Sale Price     |                  | Profit (Loss)   |                  |                  |
|------------------------------------|----------------|------------------|----------------|------------------|-----------------|------------------|------------------|
|                                    | Actual<br>\$   | Budget<br>\$     | Actual<br>\$   | Budget<br>\$     | Actual<br>\$    | Budget<br>\$     |                  |
| <b>Land and Buildings</b>          |                |                  |                |                  |                 |                  |                  |
| Industrial Land                    | 0              | 186,803          | 0              | 147,500          | 0               | (39,303)         |                  |
| U/G Powered Lots                   | 0              | 921,048          | 0              | 848,500          | 0               | (72,548)         |                  |
| <b>Plant and Equipment</b>         |                |                  |                |                  |                 |                  |                  |
| <b>Health</b>                      |                |                  |                |                  |                 |                  |                  |
| Ford Sedan                         | 38,764         | 38,901           | 30,909         | 29,090           | (7,855)         | (9,811)          |                  |
| Ford Falcon                        | 37,862         | 39,422           | 29,091         | 30,909           | (8,771)         | (8,513)          |                  |
| <b>Transport</b>                   |                |                  |                |                  |                 |                  |                  |
| Haulmore Trailer                   | 0              | 0                | 0              | 20,000           | 0               | 20,000           |                  |
| Ford Ranger                        | 32,113         | 34,850           | 19,091         | 25,000           | (13,022)        | (9,850)          |                  |
| Kubota Tractor                     | 8,058          | 13,689           | 10,455         | 15,000           | 2,397           | 1,311            |                  |
| Isuzu Tip Truck                    | 17,750         | 25,960           | 18,182         | 20,000           | 432             | (5,960)          |                  |
| <b>Community Amenities</b>         |                |                  |                |                  |                 |                  |                  |
| Isuzu Garbage Truck                | 32,784         | 49,297           | 12,273         | 30,000           | (20,511)        | (19,297)         |                  |
| <b>Other Property and Services</b> |                |                  |                |                  |                 |                  |                  |
| Ford Falcon - CEO                  | 44,386         | 45,146           | 36,364         | 36,364           | (8,022)         | (8,782)          |                  |
| Ford Falcon - DCEO                 | 37,643         | 39,422           | 29,091         | 29,090           | (8,552)         | (10,332)         |                  |
| <b>Furniture and Fittings</b>      |                |                  |                |                  |                 |                  |                  |
| Chairs x 10                        | 0              | 0                | 364            | 0                | 364             | 0                |                  |
|                                    | <b>249,360</b> | <b>1,394,538</b> | <b>185,820</b> | <b>1,231,453</b> | <b>(63,540)</b> | <b>(163,085)</b> |                  |
|                                    |                |                  |                |                  | Profit          | 3,193            | 21,311           |
|                                    |                |                  |                |                  | Loss            | (66,733)         | (184,396)        |
|                                    |                |                  |                |                  |                 | <u>(63,540)</u>  | <u>(163,085)</u> |

**SHIRE OF LEONORA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

**21. INFORMATION ON BORROWINGS**

(a) Repayments - Debentures

The Shire has no borrowings.

(b) New Debentures - 2011/12

No new debentures were raised during the financial year.

(c) Unspent Debentures

The Shire had no unspent debentures for the financial year.

(d) Overdraft

The Shire of Leonora does not have an overdraft facility.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**22. RATING INFORMATION - 2011/12 FINANCIAL YEAR****(a) Rates**

| <b>RATE TYPE</b>                  | <b>Rate in<br/>\$</b> | <b>Number<br/>of<br/>Properties</b> | <b>Rateable<br/>Value<br/>\$</b> | <b>Rate<br/>Revenue<br/>\$</b> | <b>Interim<br/>Rates<br/>\$</b> | <b>Back<br/>Rates<br/>\$</b> | <b>Total<br/>Revenue<br/>\$</b> | <b>Budget<br/>Rate<br/>Revenue<br/>\$</b> | <b>Budget<br/>Interim<br/>Rate<br/>\$</b> | <b>Budget<br/>Back<br/>Rate<br/>\$</b> | <b>Budget<br/>Total<br/>Revenue<br/>\$</b> |
|-----------------------------------|-----------------------|-------------------------------------|----------------------------------|--------------------------------|---------------------------------|------------------------------|---------------------------------|---|---|--|--|
| <b>Differential/ General Rate</b> |                       |                                     |                                  |                                |                                 |                              |                                 |   |   |  |  |
| GRV                               | 0.0561                | 581                                 | 16,358,816                       | 918,302                        | 6,586                           | 0                            | 924,888                         | 912,708                                   | 0   | 0                                      | 912,708                                    |
| UV Pastoral                       | 0.0464                | 26                                  | 1,239,156                        | 57,435                         | 0                               | 0                            | 57,435                          | 57,435                                    | 0   | 0                                      | 57,435                                     |
| UV Other                          | 0.1236                | 1,190                               | 28,177,605                       | 3,482,752                      | 35,008                          | 0                            | 3,517,760                       | 3,453,960                                 | 35,000                                    | 0                                      | 3,488,960                                  |
| <b>Sub-Totals</b>                 |                       | 1,797                               | 45,775,577                       | 4,458,489                      | 41,594                          | 0                            | 4,500,083                       | 4,424,103                                 | 35,000                                    | 0                                      | 4,459,103                                  |
| <b>Minimum Rates</b>              | <b>Minimum<br/>\$</b> |                                     |                                  |                                |                                 |                              |                                 |   |   |  |  |
| GRV                               | 258                   | 95                                  | 131,444                          | 24,510                         | 258                             | 0                            | 24,768                          | 25,284                                    | 0   | 0                                      | 25,284                                     |
| UV Pastoral                       | 258                   | 4                                   | 15,156                           | 1,032                          | 0                               | 0                            | 1,032                           | 0   | 0   | 0                                      | 0  |
| UV Other                          | 258                   | 997                                 | 1,140,705                        | 257,226                        | 13,865                          | 0                            | 271,091                         | 253,356                                   | 0   | 0                                      | 253,356                                    |
| <b>Sub-Totals</b>                 |                       | 1,096                               | 1,287,305                        | 282,768                        | 14,123                          | 0                            | 296,891                         | 278,640                                   | 0   | 0                                      | 278,640                                    |
| Writeoffs                         |                       |                                     |                                  |                                |                                 |                              | 4,796,974                       |   |   |  | 4,737,743                                  |
| <b>Totals</b>                     |                       |                                     |                                  |                                |                                 |                              | (8,925)                         |   |   |  | (40,000)                                   |
|                                   |                       |                                     |                                  |                                |                                 |                              | 4,788,049                       |   |   |  | 4,697,743                                  |

**TEMPLATE AUDIT PROGRAMS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

**22. RATING INFORMATION - 2011/12 FINANCIAL YEAR (Continued)**

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

|   | <b>2012<br/>(1 July 2011<br/>Brought Forward)<br/>\$</b> | <b>2011<br/>(30 June 2011<br/>Carried Forward)<br/>\$</b> |
|---|--|---|
| Surplus/(Deficit) 1 July 2011 Brought Forward |  |   |
| <b><u>Comprises:</u></b>                      |  |   |
| Cash and Cash Equivalents                     | 649,328  | 649,328   |
| Investments - Restricted                      | 0  | 0   |
| Rates - Current                               | 53,934   | 53,934  |
| Sundry Debtors                                | 251,226  | 251,226   |
| GST Receivable                                | 0  | 0   |
| Inventories                                   | 44,700   | 44,700  |
| <b><u>Less:</u></b>                           |  |   |
| Reserves - Restricted Cash                    | (308,432)  | (308,432)   |
| Sundry Creditors                              | (80,954)   | (80,954)  |
| ATO Liabilities                               | (37)   | (37)  |
| Net Staff Leave Liability                     | (86,715)   | (86,715)  |
| <b>Surplus</b>                                | <b>523,050</b>   | <b>523,050</b>  |

**Difference**

There was no difference between the Surplus 1 July 2011 Brought Forward position used in the 2012 audited financial report and the Surplus Carried Forward position as disclosed in the 2011 audited financial report.



**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**23. SPECIFIED AREA RATE - 2011/12 FINANCIAL YEAR**

The Shire did not impose a specified area rate for the 2011/12 financial year.

**24. SERVICE CHARGES - 2011/12 FINANCIAL YEAR**

The Shire did not impose a service charge for the 2011/12 financial year.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS**  
**- 2011/12 FINANCIAL YEAR**

|                 | Type      | Disc %  | Total Cost/<br>Value<br>\$ | Budget Cost/<br>Value<br>\$ |
|-----------------|-----------|---------|----------------------------|-----------------------------|
| Landing Fees    | Discount  | 100.00% | 3,000                      | 3,000                       |
| Housing Rental  | Discount  | 100.00% | 5,200                      | 5,200                       |
|                 |           |         | 8,200                      | 8,200                       |
| Rate Assessment | Write-Off |         | 8,925                      | 40,000                      |

**Landing Fees**

The Royal Flying Doctor Service (RFDS) has been granted a continuous waiver on landing fees at the airport. This waiver is in recognition of the valuable community service provided by the RFDS to the district.

**Housing Rental**

The Shire of Leonora provides housing to the local Doctor who resides in Leonora and all rent is waived as per an agreement between the Doctor and Council.

**Mining Tenements**

Council resolved (by absolute majority) during the reporting period to write off \$ 8,925 outstanding rates. Each recommendation made to write off rates is assessed on a case by case basis.

**26. INTEREST CHARGES AND INSTALMENTS - 2011/12 FINANCIAL YEAR**

|                            | Interest Rate<br>% | Admin. Charge<br>\$ | Revenue<br>\$ | Budgeted Revenue<br>\$ |
|----------------------------|--------------------|---------------------|---------------|------------------------|
| Charges on Instalment Plan |                    | 45                  | 8,415         | 4,050                  |
|                            |                    |                     | 8,415         | 4,050                  |

Ratepayers had the option of paying rates in four equal instalments, due on 2nd September 2011, 2nd November 2011, 2nd January 2012 and 2nd March 2012. Administration charge of \$ 45 was levied per assessment for the pay in four instalment option.

| <b>27. FEES &amp; CHARGES</b> | <b>2012</b><br>\$ | <b>2011</b><br>\$ |
|-------------------------------|-------------------|-------------------|
| General Purpose Funding       | 9,015             | 4,421             |
| Law, Order, Public Safety     | 5,719             | 4,617             |
| Health                        | 19,456            | 2,615             |
| Education and Welfare         | 18,348            | 29,233            |
| Housing                       | 28,941            | 31,553            |
| Community Amenities           | 81,224            | 80,948            |
| Recreation and Culture        | 53,131            | 77,502            |
| Transport                     | 512,497           | 471,239           |
| Economic Services             | 180,586           | 124,233           |
| Other Property and Services   | 174,919           | 589,362           |
|                               | <u>1,083,836</u>  | <u>1,415,723</u>  |

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

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**28. GRANT REVENUE**

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

|   | <b>2012</b>      | <b>2011</b>      |
|---|------------------|------------------|
| <b>By Nature and Type:</b>                        | <b>\$</b>        | <b>\$</b>        |
| Operating Grants, Subsidies and Contributions     | 2,496,935        | 2,144,095        |
| Non-Operating Grants, Subsidies and Contributions | 40,000           | 763,238          |
|   | <u>2,536,935</u> | <u>2,907,333</u> |
| <b>By Program:</b>                                |                  |                  |
| Governance  |                  | 1,500            |
| General Purpose Funding                           | 1,268,532        | 1,191,037        |
| Law, Order, Public Safety                         | 7,280            | 12,452           |
| Health  | 10,357           | 8,711            |
| Education and Welfare                             | 65,940           | 83,836           |
| Housing   | 114              | 5,013            |
| Recreation and Culture                            | 148,353          | 605,324          |
| Transport   | 730,748          | 778,222          |
| Economic Services                                 | 293,807          | 205,322          |
| Other Property and Services                       | 11,804           | 15,916           |
|   | <u>2,536,935</u> | <u>2,907,333</u> |

**29. ELECTED MEMBERS REMUNERATION**

| <b>2012</b> | <b>2012</b>   | <b>2011</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                 | 12,040        | 17,000        | 13,720        |
| President's Allowance        | 12,000        | 12,000        | 12,000        |
| Deputy President's Allowance | 3,000         | 3,000         | 3,000         |
| Travelling Expenses          | 3,920         | 6,500         | 7,183         |
| Telecommunications Allowance | 3,373         | 4,200         | 4,140         |
|                              | <u>34,333</u> | <u>42,700</u> | <u>40,043</u> |

**30. EMPLOYEE NUMBERS**

| <b>2012</b> | <b>2011</b> |
|-------------|-------------|
|-------------|-------------|

The number of full-time equivalent employees at balance date

|           |           |
|-----------|-----------|
| <u>25</u> | <u>25</u> |
|-----------|-----------|

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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President: \_\_\_\_\_

**31. MAJOR LAND TRANSACTIONS****Industrial Land Subdivision**

(a) Details

The purchase and sale of Leonora Lots 1354,1355,944 and 550.

| (b) Current year transactions | <b>2012</b> | <b>2012</b>   | <b>2011</b>    |
|-------------------------------|-------------|---------------|----------------|
|                               | <b>\$</b>   | <b>Budget</b> | <b>\$</b>      |
|                               |             | <b>\$</b>     |                |
| <b>Operating Expenditure</b>  |             |               |                |
| - Loss on sale                | (124,163)   | (111,851)     | 0              |
| <b>Capital Revenue</b>        |             |               |                |
| - Sale Proceeds               | 352,154     | 996,000       | 0              |
| <b>Capital Expenditure</b>    |             |               |                |
| - Purchase of Land            | 0           | 0             | 0              |
| - Development Costs           | 0           | 0             | 921,048        |
|                               | <u>0</u>    | <u>0</u>      | <u>921,048</u> |

The above capital expenditure is included in land held for resale (refer Note 6 to this financial report).  
 are no liabilities in relation to this land transaction as at 30 June 2012.

(c) Expected Future Cash Flows

|                       | <b>2013</b>    | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>Total</b>   |
|-----------------------|----------------|-------------|-------------|-------------|----------------|
|                       | <b>\$</b>      | <b>\$</b>   | <b>\$</b>   | <b>\$</b>   | <b>\$</b>      |
| <b>Cash Outflows</b>  |                |             |             |             |                |
| - Development Costs   | 0              | 0           | 0           | 0           | 0              |
| - Loan Repayments     | 0              | 0           | 0           | 0           | 0              |
|                       | <u>0</u>       | <u>0</u>    | <u>0</u>    | <u>0</u>    | <u>0</u>       |
| <b>Cash Inflows</b>   |                |             |             |             |                |
| - Loan Proceeds       | 0              | 0           | 0           | 0           | 0              |
| - Sale Proceeds       | 435,800        | 0           | 0           | 0           | 435,800        |
|                       | <u>435,800</u> | <u>0</u>    | <u>0</u>    | <u>0</u>    | <u>435,800</u> |
| <b>Net Cash Flows</b> | <u>435,800</u> | <u>0</u>    | <u>0</u>    | <u>0</u>    | <u>435,800</u> |

The net cash flows to 30 June 2012 in relation to this subdivision is an outflow (or cost) of \$nil. The net cash flows of the entire land transaction is expected to result in an inflow/income of \$435,800.

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

Council did not participate in any trading undertakings or major trading undertakings during the 2011/12 financial year.

**33. POST BALANCE DATE EVENT**

There were no post balance sheet date events.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**34. FINANCIAL RISK MANAGEMENT**

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

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

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

The Council held the following financial instruments at balance date:

|                              | <b>Carrying Value</b> |                | <b>Fair Value</b> |                |
|------------------------------|-----------------------|----------------|-------------------|----------------|
|                              | <b>2012</b>           | <b>2011</b>    | <b>2012</b>       | <b>2011</b>    |
|                              | <b>\$</b>             | <b>\$</b>      | <b>\$</b>         | <b>\$</b>      |
| <b>Financial Assets</b>      |                       |                |                   |                |
| Cash and cash equivalents    | 1,475,983             | 649,328        | 1,475,983         | 649,328        |
| Receivables                  | 399,297               | 305,160        | 399,297           | 305,160        |
|                              | <u>1,875,280</u>      | <u>954,488</u> | <u>1,875,280</u>  | <u>954,488</u> |
| <b>Financial Liabilities</b> |                       |                |                   |                |
| Payables                     | 132,019               | 87,880         | 132,019           | 87,880         |
| Borrowings                   | 0                     | 0              | 0                 | 0              |
|                              | <u>132,019</u>        | <u>87,880</u>  | <u>132,019</u>    | <u>87,880</u>  |

Fair value is determined as follows:

Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**34. FINANCIAL RISK MANAGEMENT (Continued)**  
**(a) Cash and Cash Equivalents**

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

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

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

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

|  | <b>2012</b>           | <b>2011</b>           |
|--|-----------------------|-----------------------|
|  | <b>\$</b>             | <b>\$</b>             |
| Impact of a 1% <sup>(1)</sup> movement in interest rates on cash |                       |                       |
| - Equity   | 27,292                | 27,713                |
| - Statement of Comprehensive Income                              | 27,292 <sup>(2)</sup> | 27,713 <sup>(2)</sup> |

*Notes:*

- (1) Sensitivity percentages based on management's expectation of future possible market movements.
- (2) Maximum impact.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

President: \_\_\_\_\_

**34. FINANCIAL RISK MANAGEMENT (Continued)**  
**(b) Receivables**

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

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

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

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

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

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

|   | <b>2012</b> | <b>2011</b> |
|---|-------------|-------------|
| <b>Percentage of Rates and Annual Charges</b> |             |             |
| - Current                                     | 0.00%       | 1.19%       |
| - Overdue                                     | 100.00%     | 98.81%      |
| <b>Percentage of Other Receivables</b>        |             |             |
| - Current                                     | 81.50%      | 8.53%       |
| - Overdue                                     | 18.50%      | 91.47%      |

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**34. FINANCIAL RISK MANAGEMENT (Continued)****(c) Payables****Borrowings**

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

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

|                    | <b>Due<br/>within<br/>1 year<br/>\$</b> | <b>Due<br/>between<br/>1 &amp; 5 years<br/>\$</b> | <b>Due<br/>after<br/>5 years<br/>\$</b> | <b>Total<br/>contractual<br/>cash flows<br/>\$</b> | <b>Carrying<br/>values<br/>\$</b> |
|--------------------|---|---|---|--|-----------------------------------|
| <b><u>2012</u></b> |   |   |   |  |                                   |
| Payables           | 132,019                                 | 0   | 0                                       | 132,019  | 132,019                           |
|                    | <u>132,019</u>                          | <u>0</u>  | <u>0</u>                                | <u>132,019</u>                                     | <u>132,019</u>                    |
| <b><u>2011</u></b> |   |   |   |  |                                   |
| Payables           | 87,880                                  | 0   | 0                                       | 87,880   | 87,880                            |
|                    | <u>87,880</u>                           | <u>0</u>  | <u>0</u>                                | <u>87,880</u>                                      | <u>87,880</u>                     |



President: \_\_\_\_\_



## Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS

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*Liability limited by a scheme approved under Professional Standards Legislation*

### INDEPENDENT AUDIT REPORT TO THE ELECTORS OF THE SHIRE OF LEONORA

#### Scope

We have audited the financial report of Shire of Leonora for the year ended 30 June 2012. The financial report comprises the Statement by Chief Executive Officer, Statement of Comprehensive Income, Statement of Financial Position, Statement of Change in Equity, Cash Flow Statement, Rate Setting Statement and accompanying notes to the financial statements.

The Council is responsible for the preparation of a financial report which provides a true and fair view of the financial performance and position of the council in accordance with the Local Government Act 1995, and Regulations. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for accounting policies and estimates inherent to the financial report.

#### Audit Approach

We conducted an independent audit of the financial report in order to express an opinion on it to the electors of the Shire of Leonora. Our audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore an audit cannot guarantee that all misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995, and Regulations, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Council's financial position, and of their performance which is represented by the results of operations and cash flows.

We formed our opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence, supporting the amounts and disclosures in the financial report.
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the directors.

Whilst we considered the effectiveness of managements internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

President: \_\_\_\_\_



We performed procedures to assess whether the substance of business transactions were accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the executive and management of the Shire of Leonora.

### Independence

Anderson Munro & Wyllie are independent of the Shire of Leonora, and have met the independence requirements of Australian professional ethical pronouncements and the Local Government Act 1995.

The audit opinion expressed in this report has been formed on the above basis.

### Audit Opinion

In our opinion, the financial statements of the Shire of Leonora are properly drawn up:

- a) So as to give a true and fair view of the state of affairs of the Shire as at 30 June 2012 and the results of its operations and cash flows for the year then ended;
- b) In accordance with the requirements of the Local Government Act 1995; and
- c) In Accordance with Applicable Australian Accounting Standards.

### Statutory Compliance

- a) We did not during the course of the audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.
- b) There were no material or significant adverse trends in financial position or financial management practices revealed during the course of our audit.
- c) We have obtained all necessary information and explanations in relation to our audit.
- d) Our audit procedures were all satisfactorily completed.

Dated the 23<sup>rd</sup> day of November 2012 in Perth, Western Australia

**AMW (AUDIT) PTY LTD**

*Anderson Munro & Wyllie*

**ANDERSON MUNRO & WYLLIE**  
Chartered Accountants

*CM*

**CHRISTOPHER McLAUGHLIN**  
Registered Company Auditor



# ANNUAL REPORT 2011-2012

## **7.0 NATIONAL COMPETITION POLICY STATEMENT**

The Competition Principals Agreement is an Inter-government Agreement between the Commonwealth and State/Territory Governments that sets out how government will apply National Competition Policy principle to public sector organisations within their jurisdiction.

The State Government released a Policy Statement effective from July 1996 called the Clause 7 Statement which forms part of the Competition Principles Agreement. The clause 7 policy document sets out nominated principles from the Agreement that now apply to Local Government. The provisions of Clause 7 of the Competition Principles Agreement require local government to report annually as to the implementation, application and effects of the Competition Policy.

The Competition Principles Agreement, under Clause 7, specifies three broad areas of reporting, they are:

- Competitive Neutrality
- Structural Review of Public Monopolies; and
- Legislative Review

In accordance with the requirements of the National Competition Policy the Shire of Leonora makes the following disclosure for 2011/2012.

### **7.1 COMPETITIVE NEUTRALITY**

The objective of competitive neutrality is the elimination of resource allocation distortions arising out of local government ownership of significant business activities.

The Shire of Leonora has assessed its operations and considers that it does not have a business activity that would be classed as significant under the current guidelines. Also the Shire of Leonora does not operate a business enterprise that has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or Public Financial Enterprise.

The number of activities to which competitive neutrality principles have been applied in the reporting period is: NIL.

The number of activities to which competitive neutrality principles have been considered but not applied in the reporting period is: NIL.

Under the implementation timetable required by the National Competition Policy Statement the Shire of Leonora was required to undertake a cost benefit analysis to determine which significant business activities would be subject to competitive neutrality principles by June 1, 1997. This analysis was not undertaken by the Shire as no significant activities have been identified as part of its operations.

During the reporting period the Shire of Leonora did not become aware of any allegations of non compliance with the competitive neutrality principles made by a private entity against the Shire.

### **7.2 STRUCTURAL REVIEW OF PUBLIC MONOPOLIES**

In relation to Structural Review of Public Monopolies the Shire of Leonora discloses the following:

Structural reform principles have been applied to the following number of activities in the reporting period: NIL.



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Structural reform principles have been considered but not applied to the following number of activities in the reporting period: NIL.

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.

## **8.0 OVERVIEW OF THE PLAN FOR THE FUTURE**

| <b>PLAN FOR THE FUTURE<br/>MAJOR INITIATIVE</b> | <b>COMPLETION</b> | <b>BUDGET</b> |
|---|-------------------|---------------|
| Bowling Club Facility                           | 2011-12           | \$2,000,000   |
| Industrial Land Development                     | 2011-12           | \$900,000     |
| Heating Swimming Pool                           | 2011-12           | \$250,000     |
| Plant Replacement As Per Policy                 | 2011-12           | \$828,000     |
| New Council House                               | 2012-12           | \$400,000     |

| <b>NEW INITIATIVES NOT IN<br/>THE PLAN FOR THE FUTURE</b> | <b>COMPLETION</b> | <b>BUDGET</b> |
|---|-------------------|---------------|
| Extension to CRC Meeting Room                             | 2011-12           | \$120,000     |
| Youth Centre – External<br>Refurbishment                  | 2011-12           | \$60,000      |
| Restoration Patroni's Guest House                         | 2011-12           | \$285,000     |

## **9.0 DISABILITY ACCESS INCLUSION PLAN (DIAP)**

- (A) The Shire of Leonora is required to comply with the State Government imposed Disability Services Act (1993).
- (B) A Disability Access Inclusion Plan 2011-2015 has been approved with the following principal intent.
  - (i) Existing services are adapted to ensure they meet the needs of people with disabilities.
  - (ii) Access to buildings and facilities are improved.
- (C) The following delivery of services was implemented in the reporting year.

NIL

## **10.0 RECORD KEEPING PLAN**

### STATE RECORDS ACT 2000

- (A) The Shire of Leonora is required to comply with the abovementioned State Government imposed Legislation.
- (B) A Record Keeping Plan has been produced and approved by the State Records Commission for a period of 5 years to the 30<sup>th</sup> June, 2017. This plan resulted from a review of Council's previous plan prior to 8<sup>th</sup> October, 2012.



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(C) In accordance with minimum compliance requirements of Principle 6 of the State Records Commission – Standard 2, the following has been implemented:

1. The efficiency and effectiveness of Councils Record Keeping Systems is evaluated not less than once every three years.
2. The Council conducts a Record Keeping Training program.
3. The efficiency and effectiveness of the Record Keeping Training program is reviewed from time to time.
4. The Council's induction program addresses employee roles and responsibilities in regard to their compliance with Council's Record Keeping Plan.

## **11.0 EMPLOYEES'S REMUNERATION**

Pursuant to Section 5.53 (2)(g) of the Local Government Act 1995, and Administration Regulation 19B, set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$100,000 or more.

| <b>Salary Range (\$)</b> | <b>No. of Employees</b> |
|--------------------------|-------------------------|
| 110,000 – 119,999        | 1                       |
| 120,000 – 129,999        | 1                       |
| 220,000 – 229,999        | 1                       |

## **12.0 OFFICIAL CONDUCT – COMPLAINTS REGISTER**

Pursuant to S.5.121 of the Local Government Act 1995, a complaints register has been maintained. As at the 30<sup>th</sup> June 2012, no complaints were recorded, therefore no action was required to deal with complaints.

President: \_\_\_\_\_

The meeting was adjourned at 3pm for an afternoon tea break.

The meeting resumed at 3:10pm, with all those previously listed in attendance present, as well as Mr Hugh Lavery, Regional Manager, Water Corporation, Goldfields Agricultural Region.

Cr JF Carter welcomed Mr Lavery and invited him to address the Council. Mr Lavery provided some information about the sewerage treatment plant in Leonora, and the partnership in place so that the Water Corporation can dispose of surplus water at the plant, and the Shire of Leonora can use the excess water on the Leonora town oval. In recent times, some issues with the electrics have presented some problems with watering the town oval, which has resulted in some overflow from the ponds, but this has since been rectified and is working well. There is also a possibility in the future that growth of the townsite could see a need for additional water to be utilised, and projects such as irrigating some sections of the golf course could be investigated further.

Mr Lavery further advised that he may be back in Leonora in March/April 2013, and may address the Council again at that time. Cr JF Carter thanked Mr Lavery for his presentation to the Council and attendance at the meeting.

Mr Lavery left the meeting at 3:40pm.

Cr LR Petersen left the meeting at 3:45pm to attend to personal business. Cr LR Petersen returned to the meeting at 3:48pm, as well as Mr Kado Muir and Mrs Deeva Muir.

Cr JF Carter welcomed Mr & Mrs Muir to the meeting and invited them to address the Council. Mr Muir provided an overview on a proposed cultural centre, which would include a dedicated arts space. Some discussion ensued on lack of options for arts projects. Some funding applications have been submitted with Regional Development Australia, for the project. At this point in this time, only in principle support is being sought from the Council. The main aim at this point in time is to build up smaller projects to the point where the proposed cultural centre is a necessity, and funding opportunities should in turn increase.

Cr JF Carter thanked Mr & Mrs Muir for their attendance. Mr & Mrs Muir left the meeting at 4:22pm.

**12.0 NEXT MEETING**

19<sup>th</sup> February, 2013, 9:30 am in the Shire of Leonora Council Chambers.

**13.0 CLOSURE OF MEETING**

There being no further business, President JF Carter declared the meeting closed at 4:25pm