

SHIRE OF LEONORA

NOTICE OF AN ORDINARY COUNCIL MEETING



**MINUTES OF ORDINARY MEETING HELD
IN SHIRE CHAMBERS, LEONORA
ON TUESDAY 17th SEPTEMBER, 2013
COMMENCING AT 9:30 AM**

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

President: _____

1.1 President JF Carter declared the meeting open at 9:30 am

1.2 Visitors or members of the public in attendance

At 10:30 am: Ms Connie Cocksey, Mining Registrar, Department of Mines and Petroleum, Leonora

1.3 Financial Interests Disclosure

Nil

2.0 DISCLAIMER NOTICE

3.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

3.1 Present

President

Deputy President

Councillors

JF Carter

P Craig

G W Baker

MWV Taylor

R A Norrie

LR Petersen

Chief Executive Officer

Deputy Chief Executive Officer

Visitors

JG Epis

TM Browning

C Cocksey (from 10:38am to 11:10am)

3.2 Apologies

Cr S J Heather

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

8.0 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETINGS

Moved Cr GW Baker, Seconded Cr RA Norrie that the Minutes of the Ordinary Meeting held on 20th August, 2013 be confirmed as a true and accurate record.

CARRIED (6 VOTES TO 0)

Cr JF Carter announced that:

President: _____

- Correspondence has been received from the Shire of Laverton requesting advice whether the Shire of Leonora support the recent motion by the Shire of Laverton of a vote of no confidence in the Goldfields Esperance Development Commission (GEDC) and the establishment of a North Eastern Goldfields Development Commission. The CEO circulated this information to the council, requesting comment.
- Comments received included that although there had been some issues experienced in recent times by the Shire of Leonora with the GEDC, these issues were administrative matters that were dealt with by staff, and overall this Council does not have any standing issues with the GEDC.
- Although the Council understands that there are administrative and communication problems within the GEDC, these problems are not an issue between the Shire of Leonora and the GEDC. Given the Council's advice on the matter, the Shire President is directing the CEO to advise the Shire of Laverton that it does not support the motion of no confidence in the GEDC, nor the establishment of a North Eastern Goldfields Development Commission.
- WALGA President, Troy Pickard, recently visited Leonora and met with some Councillors and staff, discussing matters such as structural reform, CLGF and R4R funding etc.
- Met with Justine Hyams, Project Interface and Regulatory Approvals Manager, OSD Limited on 16th September 2013, where areas were discussed re: possible gas power expansion options.

10.0 REPORTS OF OFFICERS**10.1 CHIEF EXECUTIVE OFFICER****10.1(A) TENDER – AUDIT CONTRACT**

President: _____

SUBMISSION TO: Meeting of Council
Meeting Date: 17th September 2013

AGENDA REFERENCE: 10.1 (A) SEP 13

SUBJECT: Tender – Audit Contract

LOCATION / ADDRESS: Leonora

NAME OF APPLICANT: Not Applicable

FILE REFERENCE: Audits – Reports and Minutes 1.10

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: James Gregory Epis

OFFICER: Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 30th August, 2013

BACKGROUND

The audit contract awarded to Anderson Munro and Wyllie, Chartered Accountants expired 30th June, 2013. As a consequence, a new auditor needs to be engaged.

Interested firms in preparing their quotation will need to provide detail in regards the following:

- objectives of the audit;
- the scope of the audit;
- a plan for the audit;
- detailed remuneration and expenses to be paid for their services;
- the method Council is to use when communicating and supplying information to the auditor; and
- details in regards their proven performance.

STATUTORY ENVIRONMENT

In accordance with Section 7.2 to 7.13 of the Local Government Act 1995 and Local Government Audit Regulations 4 to 8.

Section 7.3 of the Local Government Act 1995 states:

1. A Local Government is to, from time to time whenever such an appointment is necessary or expedient, appoint a person to be its auditors.
2. The Local Government may appoint one or more persons as its auditors.
3. The Local Government's auditors is to be a person who is:
 - (a) a registered company auditor; or
 - (b) an approved auditor.

POLICY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

The issue under review will not impact on Council's current finances and will have no major impact in future years. _____
President:

STRATEGIC IMPLICATIONS

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

RECOMMENDATIONS

That expressions of interest be invited from Qualified Registered Company Auditors for the purpose of the Local Government Act 1995 to provide audit services to the Shire of Leonora for three (3) consecutive financial years with an option of a further two (2) consecutive financial years commencing 1st July, 2013

VOTING REQUIREMENT

Simple majority required.

COUNCIL DECISION

Moved Cr MWV Taylor, Seconded Cr GW Baker that expressions of interest be invited from Qualified Registered Company Auditors for the purpose of the Local Government Act 1995 to provide audit services to the Shire of Leonora for three (3) consecutive financial years with an option of a further two (2) consecutive financial years commencing 1st July, 2013

CARRIED (6 VOTES TO 0)

10.0 REPORTS OF OFFICERS**10.1 CHIEF EXECUTIVE OFFICER****10.1(B) COMMUNITY GRANTS**

President: _____

SUBMISSION TO: Meeting of Council
Meeting Date: 17th September 2013

AGENDA REFERENCE: 10.1 (B) SEP 13

SUBJECT: Community Grants

LOCATION / ADDRESS: Leonora

NAME OF APPLICANT: Not Applicable

FILE REFERENCE: Grants Leonora/Leinster 1.16

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: James Gregory Epis

OFFICER: Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 9th September, 2013

BACKGROUND

In the past, the Shire of Leonora has made an annual financial contribution of \$40,000.00 directly to community and sporting organisations at both Leinster and Leonora. The following flyer was distributed within both the Leonora and Leinster Communities during August/September, 2013.

GRANT: Assisting your Community

PROVIDER: Shire of Leonora

CLOSES: 6th September, 2013

FUNDING POOL: \$40,000.00

FUNDING ALLOCATION: Maximum \$10,000 - Minimum \$500.00

PURPOSE: To provide the additional resources often needed by community groups to develop their own projects and find their own ways of getting people to work together for the common goal of promoting and benefiting the whole community.

ACTIVITIES SUPPORTED:

- Development Projects
 - Talent identification and development.
 - Developing sport and recreation within the community.
 - Creating school – community links.
 - Skill development clinics.
 - Coaches/ officials course
- Participation Projects
 - Outdoor and indoor recreation
 - Community Participation
 - Annual events at local level
 - Introduction of new competitions

- Community Service Groups

President: _____

WHO CAN APPLY:

To be eligible for funding, organisations must be:

- Not for profit
- Incorporated
- Community based

Community organisations which are not incorporated should approach an incorporated community based organisation to auspice the project.

Since the 1st July, 2004 the following organisations/clubs at Leinster have been allocated \$360,000.00, details below.

Leinster Community Library	\$ 63,050.00
Leinster Race Club	\$ 55,700.00
Leinster Golf Club	\$ 43,721.00
Leinster Community Resource Centre	\$ 37,185.00
Leinster Sports Recreation Association	\$ 34,100.00
Leinster Community Day Care	\$ 26,435.00
Leinster Drive-In	\$ 25,981.00
Leinster St John Ambulance	\$ 23,500.00
Leinster Craft Group	\$ 10,000.00
Leinster P & C Association	\$ 9,023.00
Leinster Play Group	\$ 8,450.00
Leinster Charity Ball	\$ 6,000.00
Leinster Toy Library	\$ 5,000.00
Northern Goldfields Sport	\$ 4,000.00
Leinster Community Ball	\$ 3,000.00
Leinster Swimming Club	\$ 2,500.00
Leinster Kindergym	\$ 2,355.00
TOTAL	<u>\$360,000.00</u>

Since the 1st July, 2005 the following organisations/clubs at Leonora have been allocated \$320,000.00, details below.

Leonora Clay Target Club	\$ 40,271.00
Leonora Race Club	\$ 35,992.00
Leonora St John Ambulance	\$ 29,300.00
Leonora Child Care Centre	\$ 21,105.00
Leonora RSL Club	\$ 20,828.45
Leonora Bush Mission	\$ 19,400.00
Leonora Golf Club	\$ 18,000.00
Leonora Aquatic Centre	\$ 17,905.00
Leonora Community Resource Centre	\$ 16,824.00
Leonora Rifle Club	\$ 16,722.00
Leonora Auskick	\$ 16,490.00
Leonora Information Centre/Library	\$ 8,898.00
Leonora Motocross	\$ 6,500.00
Leonora Milo IN2 Program	\$ 5,825.00
Leonora P & C Association	\$ 5,500.00
Walkatjorra Cultural Centre	\$ 5,400.00
Leonora Youth Services	\$ 5,000.00
Leonora Police Rangers	\$ 5,000.00
Leonora Recreation Centre	\$ 5,000.00
Gwalia Reference Group	\$ 5,000.00
Leonora Bowls Club	\$ 4,907.00
Leonora Health Service	\$ 4,532.55
Tower Street Times	\$ 2,600.00
Aboriginal Football Training Squad	\$ 2,000.00
Leonora Playgroup	\$ 1,000.00
TOTAL	<u>\$320,000.00</u>

LEINSTER

Leinster Blue Light	\$ 12,500.00
Leinster Drive-In	\$ 10,000.00
Leinster Golf Club	\$ 10,000.00
Leinster Art and Craft	\$ 10,000.00
Leinster Community Library	\$ 10,000.00
Leinster St John Ambulance	\$ 10,000.00
Leinster Community Resource Centre	\$ 10,000.00
Leinster Race Club	\$ 7,085.00
Leinster Play Group	<u>\$ 5,000.00</u>
TOTAL	<u>\$ 84,585.00</u>

Unfortunately for Leinster, the total amount sought exceeds the funding pool by \$44,585.00. To assist in the allocation of funding, the Leinster Community Resource Centre has withdrawn their application.

The Leinster Blue Light has not received funding in the past, however the amount claimed has been reduced by \$2,500.00 so as not to exceed maximum grant amount. The Leinster Community Library, the Leinster Race Club, the Leinster Golf Club and the Leinster Sports and Recreation Association have in the past received funding of \$63,050.00, \$55,700.00, \$43,721.00 and \$34,100.00 respectively. I think it fair and reasonable that the request for funds from all four organisations be reduced substantially to allow funding for other groups who have been less fortunate in the past.

LEONORA

Marlarthunda Aboriginal Corporation	\$ 10,000.00
Tjupan Ngalia Tribal Land Council	\$ 8,500.00
Leonora Bowls Club	\$ 6,400.00
Leonora Bush Mission	\$ 5,400.00
Leonora Community Xmas Committee	\$ 5,000.00
Leonora Information Centre/Library	\$ 2,500.00
Leonora Local Drug Action Group	\$ 2,000.00
AusKick Football Program	\$ 1,350.00
Milo Cricket Program	<u>\$ 1,250.00</u>
TOTAL	<u>\$ 42,400.00</u>

Unfortunately for Leonora the total amount sought exceeds the funding pool by \$2,400.00. To make the allocation of funds “fit” and because the Tjupan Ngalia Tribal Land Council application is incomplete, I have reduced their request for funding by \$2,400.00

STATUTORY ENVIRONMENT

Section 3.1 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 its district.”

POLICY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

An amount of \$80,000.00 is contained within the current budget for expenditure as detailed.

STRATEGIC IMPLICATIONS

To provide the additional resources often needed by community groups and sporting organisations to develop their own projects and to find ways of getting people to work together for the common goal of promoting and benefiting the whole community.

RECOMMENDATIONS

That Council approve the allocation of funding to the following sporting groups/organisations:

President: _____

LEINSTER

Leinster Blue Light	\$ 10,000.00
Leinster Drive-In	\$ 7,500.00
Leinster St John Ambulance	\$ 6,000.00
Leinster Golf Club	\$ 3,500.00
Leinster Art and Craft	\$ 3,500.00
Leinster Race Club	\$ 3,500.00
Leinster Play Group	\$ 3,500.00
Leinster Community Library	<u>\$ 2,500.00</u>
TOTAL	<u>\$ 40,000.00</u>

LEONORA

Marlarthunda Aboriginal Corporation	\$ 10,000.00
Leonora Bowls Club	\$ 6,400.00
Tjupan Ngalia Tribal Land Council	\$ 6,100.00
Leonora Bush Mission	\$ 5,400.00
Leonora Community Xmas Committee	\$ 5,000.00
Leonora Information Centre/Library	\$ 2,500.00
Leonora Local Drug Action Group	\$ 2,000.00
AusKick Football Program	\$ 1,350.00
Milo Cricket Program	<u>\$ 1,250.00</u>
TOTAL	<u>\$ 40,000.00</u>

VOTING REQUIREMENT

Simple majority required.

COUNCIL DECISION

Moved Cr P Craig, Seconded Cr GW Baker that Council approve the allocation of funding to the following sporting groups/organisations:

LEINSTER

Leinster Blue Light	\$ 5,000.00
Leinster Drive-In	\$ 7,500.00
Leinster St John Ambulance	\$ 6,000.00
Leinster Residents Association Inc	\$ 5,000.00
Leinster Golf Club	\$ 3,500.00
Leinster Art and Craft	\$ 3,500.00
Leinster Race Club	\$ 3,500.00
Leinster Play Group	\$ 3,500.00
Leinster Community Library	<u>\$ 2,500.00</u>
TOTAL	<u>\$ 40,000.00</u>

LEONORA

Marlarthunda Aboriginal Corporation	\$ 10,000.00
Leonora Bowls Club	\$ 6,400.00
Tjupan Ngalia Tribal Land Council	\$ 6,100.00
Leonora Bush Mission	\$ 5,400.00
Leonora Community Xmas Committee	\$ 5,000.00
Leonora Information Centre/Library	\$ 2,500.00
Leonora Local Drug Action Group	\$ 2,000.00
AusKick Football Program	\$ 1,350.00
Milo Cricket Program	<u>\$ 1,250.00</u>
TOTAL	<u>\$ 40,000.00</u>

CARRIED (6 VOTES TO 0)

REASON FOR ALTERATION TO RECOMMENDATION:

CEO omitted an application received prior to the closing date advertised. The Council considered the submission a valuable project and should be included in the 2013 Community Grants Scheme.

President: _____

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

President: _____

SUBMISSION TO: Meeting of Council
Meeting Date: 17th September, 2013

AGENDA REFERENCE: 10.2 (A) SEP 13

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: 10th September, 2013

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 – 31st August, 2013
- (b) Compilation Report
- (c) Material Variances – 31st August, 2013

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.

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 — President: _____*
- (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.

RECOMMENDATIONS

That the Monthly Financial Statements for the month ended 31st August, 2013 consisting of:

- (a) Statement of Financial Activity – 31st August, 2013
- (b) Compilation Report
- (c) Material Variances – 31st August, 2013

be accepted.

COUNCIL DECISION

Moved Cr LR Petersen, Seconded Cr RA Norrie that Monthly Financial Statements for the month ended 31st August, 2013 consisting of:

- (a) Statement of Financial Activity – 31st August, 2013
- (b) Compilation Report
- (c) Material Variances – 31st August, 2013

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 31st August 2013. 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

10 September 2013

Shire of Leonora
MONTHLY FINANCIAL REPORT
For the Period Ended 31st August 2013

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

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Shire of Leonora
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31st August 2013

President: _____

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(b)	Var.
Operating Revenues		\$	\$	\$	\$	%	
Governance		2,320	200	124	(76)	(61.29%)	
General Purpose Funding		964,671	494,267	12,180	(482,087)	(3958.17%)	▼
Law, Order and Public Safety		13,470	5,985	1,422	(4,563)	(320.89%)	
Health		84,693	6,720	30,867	24,147	78.23%	▲
Education and Welfare		191,211	27,548	36,416	8,868	24.35%	
Housing		48,960	8,164	8,397	233	2.77%	
Community Amenities		165,464	156,624	158,804	2,180	1.37%	
Recreation and Culture		179,400	7,126	26,392	19,266	73.00%	▲
Transport		1,165,885	394,107	373,246	(20,861)	(5.59%)	▼
Economic Services		576,960	48,684	70,628	21,944	31.07%	▲
Other Property and Services		124,270	20,629	16,001	(4,628)	(28.92%)	
Total (Ex. Rates)		3,517,304	1,170,054	734,477	(435,577)		
Operating Expense							
Governance		(498,465)	(115,121)	(77,455)	37,666	48.63%	▼
General Purpose Funding		(341,685)	(63,448)	(61,079)	2,369	3.88%	
Law, Order and Public Safety		(112,075)	(17,762)	(58,595)	(40,833)	(69.69%)	▲
Health		(694,900)	(106,489)	(119,879)	(13,390)	(11.17%)	
Education and Welfare		(506,656)	(94,440)	(92,061)	2,379	2.58%	
Housing		0	(5)	0	5	100.00%	
Community Amenities		(216,959)	(37,509)	(29,506)	8,003	27.12%	
Recreation and Culture		(1,246,660)	(196,382)	(207,843)	(11,461)	(5.51%)	
Transport		(4,001,498)	(678,076)	(499,086)	178,990	35.86%	▼
Economic Services		(1,645,916)	(195,850)	(215,535)	(19,685)	(9.13%)	▲
Other Property and Services		(70,005)	(7,433)	(106,790)	(99,357)	(93.04%)	▲
Total		(9,334,819)	(1,512,515)	(1,467,829)	44,686		
Funding Balance Adjustment							
Add back Depreciation		1,718,196	(286,371)	234,854	521,225	221.94%	▲
Adjust (Profit)/Loss on Asset Disposal	8	6,683	0	1,499	1,499	100.00%	
Adjust Provisions and Accruals		0	0	0	0		
Net Operating (Ex. Rates)		(4,092,636)	(628,832)	(496,999)	131,833		
Capital Revenues							
Grants, Subsidies and Contributions	11	803,243	0	0	0		
Proceeds from Disposal of Assets	8	252,726	0	62,727	62,727	100.00%	▲
Transfer from Reserves	7	90,000	0	0	0		
Total		1,145,969	0	62,727	62,727		
Capital Expenses							
Land and Buildings	8	(638,610)	(41,000)	(23,529)	17,471	74.25%	▼
Plant and Equipment	8	(805,833)	0	(119,227)	(119,227)	(100.00%)	▲
Furniture and Equipment	8	(520,049)	(24,407)	0	24,407	100.00%	▼
Infrastructure Assets - Roads	8	(511,000)	0	(3,873)	(3,873)	(100.00%)	
Infrastructure Assets - Other	8	(330,553)	(13,044)	(7,775)	5,269	67.77%	
Transfer to Reserves	7	(330,798)	0	(2,056)	(2,056)	(100.00%)	
Total		(3,136,843)	(78,451)	(156,460)	(78,009)		
Net Capital		(1,990,874)	(78,451)	(93,733)	(15,282)		
Total Net Operating + Capital		(6,083,510)	(707,283)	(590,732)	116,551		
Opening Funding Surplus(Deficit)	3	1,083,479	1,083,479	1,134,984	51,505	4.54%	▲
Rate Revenue	9	5,000,031	4,983,417	4,961,032	(22,385)	(0.45%)	▼
Closing Funding Surplus(Deficit)	3	0	5,359,613	5,505,284	145,671		

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 31st August 2013

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 31st August 2013

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 31st August 2013

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 31st August 2013

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 31st August 2013

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 31st August 2013

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 31st August 2013

President: _____

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 31st August 2013

President: _____

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.

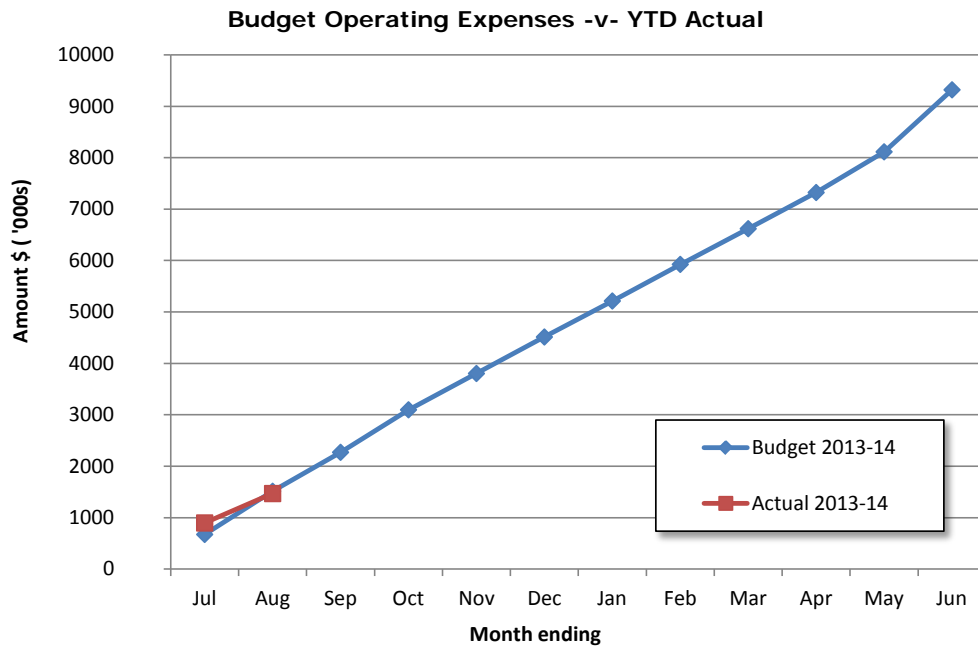
OTHER PROPERTY & SERVICES

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

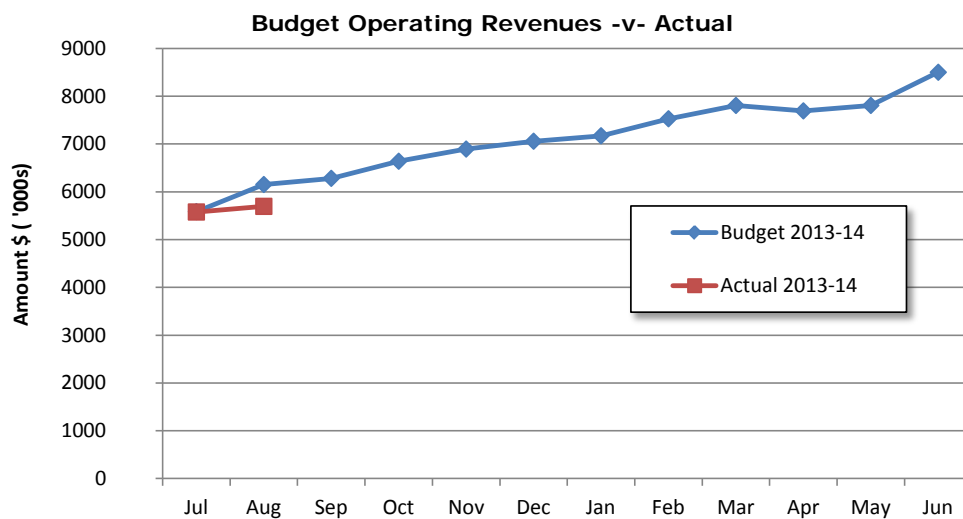
Costing allocation pools including administration, overheads, plant operation costs and salaries and wages which are all individually detailed and then allocated throughout all previously mentioned operating activities, works and services.

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

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

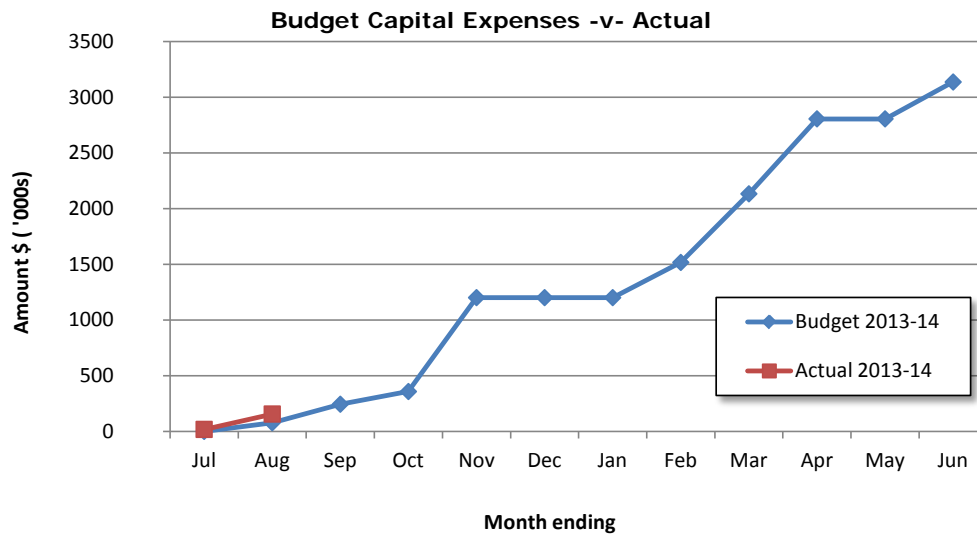
No significant activity to report (currently tracking close to budget estimates)

**Comments/Notes - Operating Revenues**

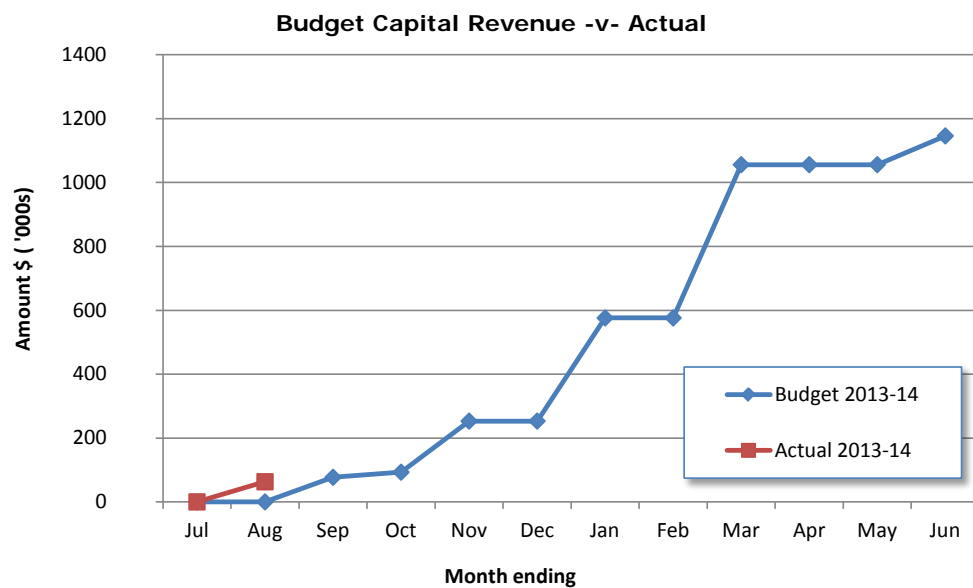
No significant activity to report (currently tracking close to budget estimates)

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

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

No significant activity to report (currently tracking close to budget estimates)

**Comments/Notes - Capital Revenues**

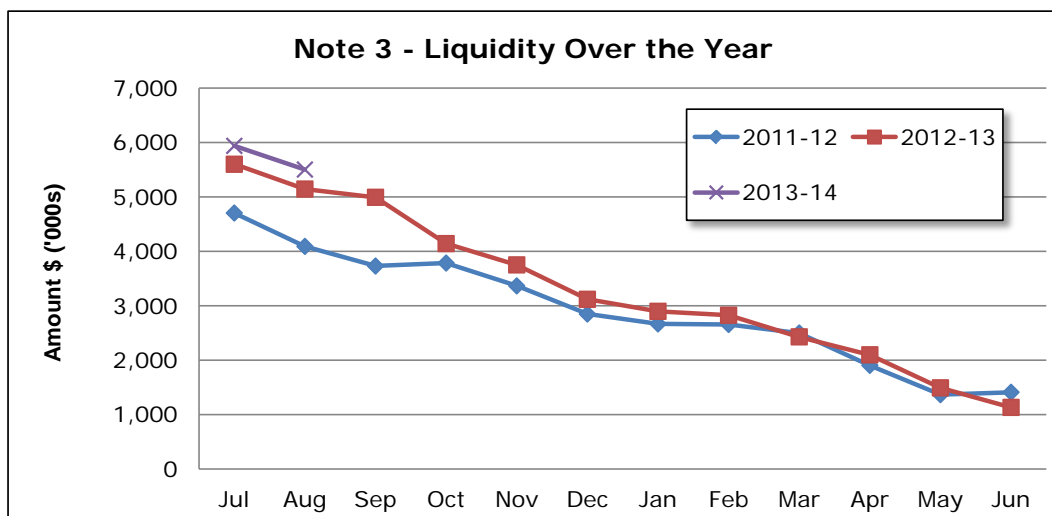
No significant activity to report (currently tracking close to budget estimates)

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

Note 3: NET CURRENT FUNDING POSTION

		Positive=Surplus (Negative=Deficit)		
		2013-14		
	Note	YTD 31st August 2013	30th June 2013	YTD 31st August 2012
		\$	\$	\$
Current Assets				
Cash Unrestricted	4	4,514,206	1,195,818	3,330,523
Cash Restricted	4	472,523	470,467	392,971
Receivables - Rates	6	1,165,461	58,144	2,024,508
Receivables -Other	6	141,370	222,813	114,016
Inventories		79,230	48,918	53,455
		6,372,790	1,996,160	5,915,473
Less: Current Liabilities				
Payables		(394,983)	(390,709)	(373,646)
Provisions		(295,761)	(295,761)	(311,403)
		(690,744)	(686,470)	(685,049)
Less: Cash Reserves	7	(472,523)	(470,467)	(392,971)
Add: Cash Backed Provisions		295,761	295,761	308,153
Net Current Funding Position		5,505,284	1,134,984	5,145,606

**Comments - Net Current Funding Position**

Net Current Funding Position is \$360,000 higher than this time in the previous reporting period.

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

Note 4: CASH AND INVESTMENTS

	Interest Rate	Unrestricted \$	Restricted \$	Total Amount \$	Institution	Maturity Date
(a) Cash Deposits						
Municipal Account	Variable	4,512,936		4,512,936	NAB	Cheque Acc.
LSL Maximiser	Variable		123,967	123,967	NAB	Cheque Acc.
Fire Maximiser	Variable		13,679	13,679	NAB	Cheque Acc.
Plant Maximiser	Variable		51,350	51,350	NAB	Cheque Acc.
Annual Leave Maximiser	Variable		151,697	151,697	NAB	Cheque Acc.
Gwalia Precinct Maximiser	Variable		91,549	91,549	NAB	Cheque Acc.
Building Maintenance Maximiser	Variable		40,281	40,281	NAB	Cheque Acc.
Cash On Hand	Nil	1,270		1,270	NAB	On Hand
(b) Term Deposits						
N/A				0		
(c) Other Investments						
N/A				0		
Total		4,514,206	472,523	4,986,729		

Comments/Notes - Investments

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

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
				\$ 0	\$ 0	\$ 0	\$ 0
Closing Funding Surplus (Deficit)				0	0	0	0

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

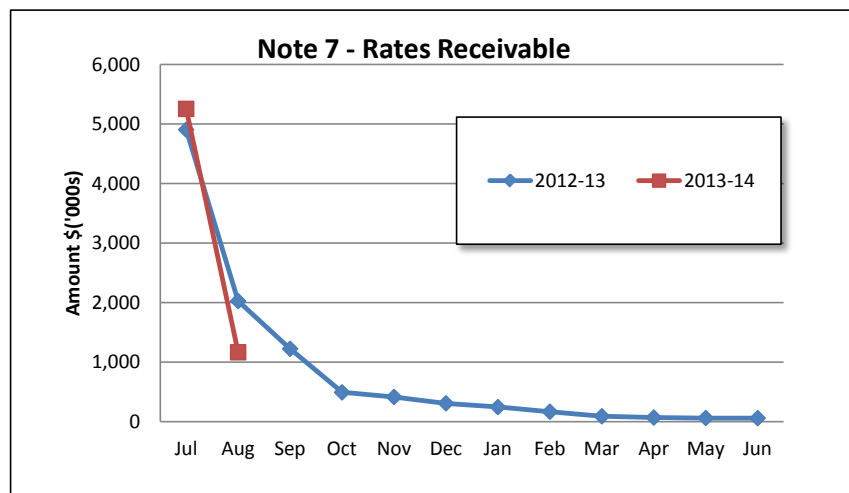
Note 6: RECEIVABLES**Receivables - Rates Receivable**

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

Net Rates Collectable

% Collected

	YTD 31st August 2013	YTD 30th June 2012
	\$	\$
Opening Arrears Previous Years	58,144	41,773
Levied this year	5,255,178	4,977,405
Less Collections to date	(4,147,861)	(4,961,034)
Equals Current Outstanding	1,165,461	58,144
Net Rates Collectable	1,165,461	58,144
% Collected	78.07%	98.84%

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

Rates for the 2013-14 period were due at the end of August 2013. Recovery has been tracking well, with final notices issued for unpaid rates (those not on instalments)

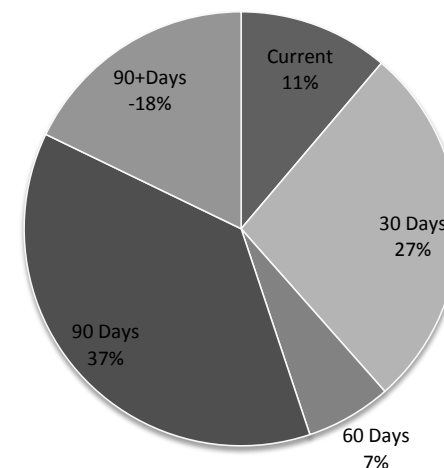
Receivables - General

Receivables - General

Total Receivables General Outstanding

Amounts shown above include GST (where applicable)

	Current	30 Days	60 Days	90 Days	90+Days
	\$	\$	\$	\$	\$
Receivables - General	24,579	59,989	14,040	81,961	(39,199)
Total Receivables General Outstanding	141,370				

Note 7 - Accounts Receivable (non-rates)**Comments/Notes - Receivables General**

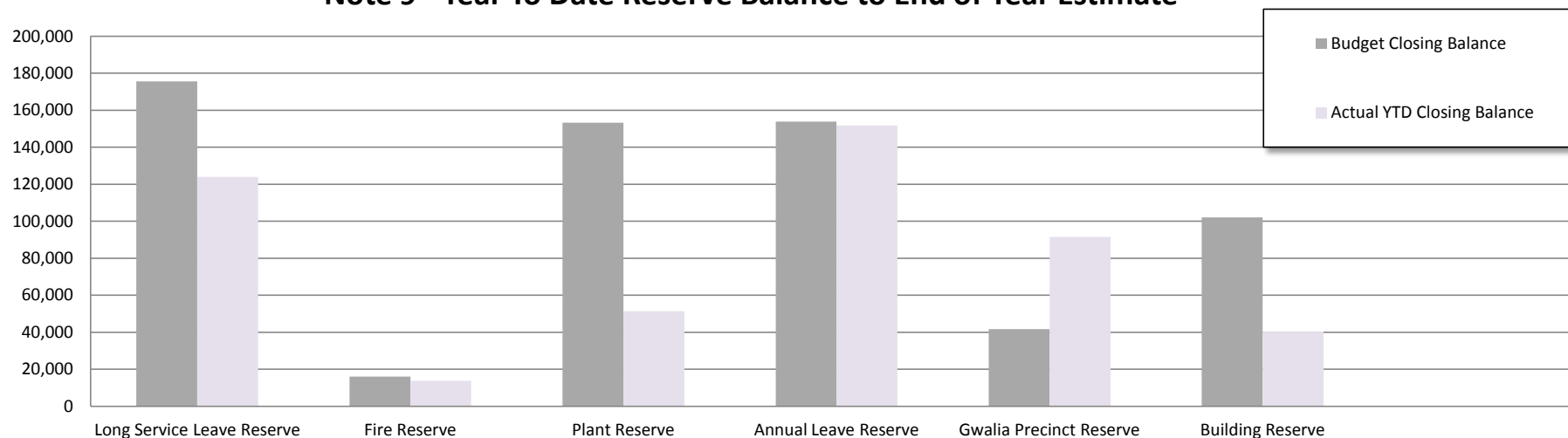
Outstanding debtors are followed up periodically (every fortnight), with reminders and final demands issued on bad debtors. Collection agency is engaged on long overdue bills.

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

Note 7: Cash Backed Reserve

2013-14											
Name	Budget Opening Balance	Actual 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	172,725	123,428	2,777	539	0	0	0	0		175,502	123,967
Fire Reserve	11,566	13,620	396	60	4,000	0	0	0		15,962	13,680
Plant Reserve	992	51,127	2,275	223	150,000	0	0	0		153,267	51,350
Annual Leave Reserve	150,391	151,037	3,398	660	0	0	0	0		153,789	151,697
Gwalia Precinct Reserve	65,801	91,150	925	399	65,000	0	(90,000)	0		41,726	91,549
Building Reserve	0	40,105	2,027	175	100,000	0	0	0		102,027	40,280
	401,475	470,467	11,798	2,056	319,000	0	(90,000)	0		642,273	472,523

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

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

Note 8: CAPITAL DISPOSALS AND ACQUISITIONS

Actual YTD Profit(Loss) of Asset Disposal				Disposals	Current Budget		
					YTD 31st August 2013		
Cost	Accum Depr	Proceeds	Profit (Loss)		Annual Budget Profit/(Loss)	Actual Profit/(Loss)	Variance
\$	\$	\$	\$	Plant and Equipment	\$	\$	\$
24,200	(312)	22,727	(1,161)	Asset 319 2011 Ford FG Falcon	(15,597)	(1,161)	14,436
25,300	(3,258)	24,545	2,503	Asset 504 2012 Ford Territory TX	(16,812)	2,503	19,315
			0	Asset 19 P819 1994 Roadwest Low Loader	30,000	0	(30,000)
			0	Asset 11 P289 2006 Cat 12H Grader	38,324	0	(38,324)
			0	Asset 301 Nissan Navara King Cab	(26,092)	0	26,092
			0	Asset 502 2012 Ford Territory Titanium	(16,506)	0	16,506
21,000	(2,704)	15,455	(2,841)	Asset 310 2010 Ford Ranger PK XL	0	(2,841)	(2,841)
70,500	(6,274)	62,727	(1,499)		(6,683)	(1,499)	5,184

Comments - Capital Disposal/Replacements

Comments	Summary Acquisitions	Current Budget		
		YTD 31st August 2013		
		Budget	Actual	Variance
	Plant & Equipment	\$ 805,833	\$ 119,227	\$ (686,606)
	Land and Buildings	638,610	23,529	(615,081)
	Furniture and Equipment	520,049	0	(520,049)
	Infrastructure Roads	511,000	3,873	(507,127)
	Infrastructure Other	330,553	7,775	(322,778)
	Capital Totals	2,806,045	154,404	(2,651,641)

Comments	Land & Buildings	Current Budget		
		YTD 31st August 2013		
		Budget	Actual	Variance
		\$	\$	\$
Project to commence approximately September 2013	Youth Centre External Refurb	60,000	0	(60,000)
Project already commenced (shed ordered)	Complete Construction Staff Housing	41,000	23,529	(17,471)
Architect has been engaged to assist with design	Upgrade Rec Centre (Gym)	100,000	0	(100,000)
Not yet commenced	Solar Panels	100,000	0	(100,000)
Project to commence September/October	Building for Vintage Hearse & Truck	337,610	0	(337,610)
			0	
	Capital Totals	638,610	23,529	(615,081)

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

Note 8: CAPITAL DISPOSALS AND ACQUISITIONS

Comments	Plant & Equipment	Current Budget		
		YTD 31st August 2013		
		Budget	Actual	Variance (Under)Over
Complete	2013 Ford Territory TX RWD 4L	\$ 35,778	\$ 35,778	\$ 0
Complete	2013 Ford Territory TX RWD 3L	35,098	35,098	0
Complete	Nissan Dualis ST Hatch (Mgr Ed)	24,478	24,478	0
Not yet ordered	Drop Deck/Float	90,000	0	(90,000)
Not yet ordered	14 tonne Padfoot Roller	150,000	0	(150,000)
Not yet ordered	Grader	400,000	0	(400,000)
Complete	2013 Ford Ranger Utility	23,873	23,873	0
Vehicle has been ordered (due September 2013)	DCEO Vehicle	46,606	0	(46,606)
	Capital Totals	805,833	119,227	(686,606)

Comments	Furniture & Equipment	Current Budget		
		YTD 31st August 2013		
		Budget	Actual	Variance (Under)Over
Project commenced (to be completed Sep 2013)	Upgrade FM Radio to ABC Country	\$ 15,642	\$ 0	\$ (15,642)
Dependent on grant approval	Security Screening Equipment	480,000	0	(480,000)
Project to be completed in September	Server Upgrade	24,407	0	(24,407)
	Capital Totals	520,049	0	(520,049)

Comments	Roads	Current Budget		
		YTD 31st August 2013		
		Budget	Actual	Variance (Under)Over
Part of R2R project to commence approx Feb 2014	Resealing Town Streets (inc Kerb renewal)	\$ 416,000	\$ 3,873	\$ (412,127)
Project to commence early 2014	Footpath Renewal	95,000	0	(95,000)
	Capital Totals	511,000	3,873	(507,127)

Comments	Other Infrastructure	Current Budget		
		YTD 31st August 2013		
		Budget	Actual	Variance (Under)Over
Ordered, awaiting completion	Dual Purpose Pound Facility	\$ 30,000	\$ 0	\$ (30,000)
Not yet commenced	Refuse Recycling	10,000	0	(10,000)
Not yet commenced	Playground Fitness Equipment	24,000	0	(24,000)
Ordered in September 2013	Event Marquee	13,044	0	(13,044)
Not yet commenced	Upgrade Apron lights & Standby Genset	88,509	0	(88,509)
Not yet commenced	Gwalia Headframe Renewal	90,000	0	(90,000)
Not yet commenced	Restoration Leonora Electric Tram	75,000	0	(75,000)
Completed	Extension to Street Lighting	0	7,775	7,775
	Capital Totals	330,553	7,775	(322,778)

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

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 \$
General Rates											
GRV	0.0610	588	16,665,696	1,016,607	0	0	1,016,607	1,009,101	1,500	0	1,010,601
UV	0.1340	1,107	28,001,802	3,746,425	(89,089)	0	3,657,336	3,775,665	15,000	0	3,790,665
Sub-Totals		1,695	44,667,498	4,763,032	(89,089)	0	4,673,943	4,784,766	16,500	0	4,801,266
Minimum Rates	Minimum \$										
GRV	279	104	160,751	29,016	0	0	29,016	27,342	0	0	27,342
UV	279	928	1,046,448	285,072	(26,999)	0	258,073	261,423	0	0	261,423
Sub-Totals		1,032	1,207,199	314,088	(26,999)	0	287,089	288,765	0	0	288,765
Concession							4,961,032				5,090,031
							0				(90,000)
							4,961,032				5,000,031
Written Back							0				(15,000)
Totals							4,961,032				4,985,031

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 2013/14 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 31st August 2013

President: _____

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.

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

President: _____

Note 11: GRANTS AND CONTRIBUTIONS

Program/Details GL	Grant Provider	Approval	2013-14 Budget	Variations Additions (Deletions)	Operating	Capital	Recoup Status	
							Received	Not Received
		(Y/N)	\$	\$	\$	\$	\$	\$
GENERAL PURPOSE GRANTS								
I030019- Grants Commission	WALGGC	Y	307,857	0	307,857	0	0	307,857
I030021- Federal Roads	WALGGC	Y	272,188	0	272,188	0	0	272,188
Royalties for Regions	Dept. of RDL		0				0	0
RLGIP	Gov, Arts & Sports		0				0	0
I030031- Country Local	RDL	Y	337,610	0	337,610	0	0	337,610
GOVERNANCE								
Structural Reform	Dept of LG		0				0	0
HEALTH								
I076475-Medical Centre Equipment	Munara	Y	23,125	0	23,125	0	23,125	0
I076473- Aged Care Feasibility	Lotterywest	N	20,000	0	20,000	0	0	20,000
LAW, ORDER, PUBLIC SAFETY								
I053402- Fire Prevention Grant	DFES	Y	7,220	0	7,220	0	988	6,232
WELFARE SERVICES								
I080009 - Graffiti Hotspot	DPC	N	2,500		2,500		0	2,500
I080002- Childcare sustainability	DWEER	Y	53,110		53,110		13,278	39,832
I080014- Childcare	Minara	Y	10,981	380	11,361	0	11,361	0
I082002-Youth Programs	DCP	Y	38,318	0	38,318	0	0	38,318
RECREATION AND CULTURE								
I114467 - Recreation Centre	DTF	Y	3,000	0	3,000	0	0	3,000
I117001-CRC Operational Wages	RDL	Y	60,000	0	60,000	0	0	60,000
I117002-CRC Equipment	RDL	Y	10,000	0	10,000	0	0	10,000
I117003-CRC Other	RDL	Y	20,000	0	20,000	0	0	20,000
I117010-CRC Other	RDL	N	20,000	0	20,000	0	0	20,000
ECONOMIC SERVICES								
I134458- Gwalia Historial (Projects)	Various	N	117,500	0	117,500	0	3,600	113,900
I134461- Heritage Advisory Services	State Heritage	Y	5,000	0	5,000	0	0	5,000
I134462- Gwalia 50th Anniversary								
Fundraising	Office	N	7,500	0	7,500	0	2,700	4,800
I138002 - Golden Gift Contribution	Various	N	115,000	0	115,000	0	0	115,000
I138005- Golden Gift Contribution	Various	N	55,000	0	55,000	0	0	55,000
I137001- R4R Business Case Funding	RDL	Y	22,500	0	22,500	0	0	22,500
TRANSPORT								
MRWA ROAD FUNDING								
I122214/15/16- Project Grants	RRG	Y	428,693	0	428,693	0	206,853	221,840
I122042/52/200- Direct Grants	MWRA	Y	106,223	2,168	108,391	0	108,391	0
OTHER ROAD/STREETS GRANTS								
I122206- Roads To Recovery	Building Program	Y	323,243	0	0	323,243	0	323,243
I126496- Security Screening Equipment	Dept Inf. & Transport	N	480,000	0	0	480,000	0	480,000
TOTALS			2,846,568	2,548	2,045,873	803,243	370,296	2,478,820

Operating
Non-Operating

2,043,325
803,243
2,846,568

370,296
0
370,296

Shire of Leonora
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2013

Note 12: TRUST FUND

Council holds no funds on behalf of other entities.

President: _____

Shire of Leonora
Material Variances as at 31st August 2013

ACCOUNT	NAME	ACTUAL	Year To Date	BUDGET	DIFFERENCE	REASON FOR VARIATION
Income						
I030009	· Rates - Additional UV	\$ (21,588.01)	\$	1,250.00	\$ (22,838.01)	Alteration to timing of programme
I030019	· Grant Equalisation	\$ -	\$	76,962.00	\$ (76,962.00)	Grant funds not yet received
I030021	· Grant - Roads (Untied)	\$ -	\$	68,047.00	\$ (68,047.00)	Grant funds not yet received
I030031	· Grant - CLGF 12/13	\$ -	\$	337,610.00	\$ (337,610.00)	FAA has been executed, awaiting payment of funds for projects to commence
I076475	· Grant Medical Centre Equipment	\$ 23,125.00	\$	-	\$ 23,125.00	Alteration to timing of project
I122200	· Grants - MRWA Direct Grant	\$ 108,391.00	\$	-	\$ 108,391.00	Project now complete, final reports and recoups submitted earlier than expected
I122215	· RRG Improve Old Agnew 2012-13	\$ -	\$	81,840.00	\$ (81,840.00)	Reallocation required from A/C I122216
I122216	· RRG 2013/14 Old Agnew	\$ 93,333.20	\$	-	\$ 93,333.20	Reallocation required to A/C I122215
I126410	· Fees - Landing at airport	\$ 14,010.38	\$	33,666.00	\$ (19,655.62)	Alteration to timing of programme
I134451	· Museum Entry	\$ 11,165.65	\$	5,000.00	\$ 6,165.65	Alteration to timing of programme
I134452	· Hoover House Accommodation	\$ 9,093.64	\$	8,334.00	\$ 759.64	Alteration to timing of programme
I134458	· Gwalia Historical Precinct-Grant Income (Projects)	\$ 3,600.00	\$	-	\$ 3,600.00	Grant funds received earlier than expected
		<u>\$ 241,130.86</u>	<u>\$</u>	<u>612,709.00</u>	<u>\$ (371,578.14)</u>	

Expenditure

E041187	· Strategic Plan Development	\$ -	\$	12,000.00	\$ (12,000.00)	Alteration to timing of programme
E041189	· GVROC Project Participation	\$ 13,500.00	\$	23,572.00	\$ (10,072.00)	Alteration to timing of programme
E052014	· Salaries-Ranger	\$ 38,089.92	\$	-	\$ 38,089.92	Includes final payment to retiring ranger
E074085	· Medical Centre Equipment	\$ 15,365.04	\$	1,957.00	\$ 13,408.04	Alteration to timing of programme
E113114	· Goodwill Games Contribution	\$ 14,611.37	\$	-	\$ 14,611.37	Paid earlier than expected
E115040	· TV & Radio Maintenance	\$ 17,389.69	\$	2,000.00	\$ 15,389.69	Some reallocation required to capital account
E122040	· Roadworks - Maintenance	\$ 216,756.75	\$	178,520.00	\$ 38,236.75	Alteration to timing of programme
E122043	· Bush Grading	\$ 15,285.00	\$	46,666.00	\$ (31,381.00)	Alteration to timing of programme
E122044	· Depn Road Infrastructure	\$ -	\$	162,158.00	\$ (162,158.00)	Alteration to timing of programme
E122214	· RRG 2013-14 Old Agnew Road	\$ 3,758.70	\$	58,334.00	\$ (54,575.30)	Alteration to timing of programme
E126021	· Insurance Aerodrome	\$ -	\$	22,204.00	\$ (22,204.00)	Some reallocation required
E132040	· Donation Golden Quest Trail	\$ 36,500.00	\$	11,500.00	\$ 25,000.00	Payment made earlier than original budget estimate
E132065	· Native Title Expenses	\$ 10,593.38	\$	-	\$ 10,593.38	Higher than expected costs
E134021	· Insurance	\$ 22,922.86	\$	3,698.00	\$ 19,224.86	Paid earlier than expected
E142011	· Salaries - Admin	\$ 88,718.53	\$	107,042.00	\$ (18,323.47)	Alteration to timing of programme
E142030	· Insurance Admin	\$ 54,232.13	\$	9,142.00	\$ 45,090.13	Some adjustment to budget split required
E143040	· Insurance on Works	\$ 46,201.56	\$	8,204.00	\$ 37,997.56	Some adjustment to budget split required
E144050	· Insurance & Licences	\$ 52,077.68	\$	8,304.00	\$ 43,773.68	Some adjustment to budget split required
		<u>\$ 646,002.61</u>	<u>\$</u>	<u>655,301.00</u>	<u>\$ (9,298.39)</u>	

Capital Revenue (See Statement of Financial Activity)

N/A	·		\$	-
	·		\$	-
		<u>\$ -</u>	<u>\$</u>	<u>-</u>

Capital Expenditure (See Statement of Financial Activity)

Note 8	· Land & Buildings	\$ 23,529.00	\$	41,000.00	\$ (17,471.00)	Alteration to timing of programs
Note 8	· Plant & Equipment	\$ 119,227.00	\$	-	\$ 119,227.00	Some purchases occurred earlier than budgeted
Note 8	· Furniture & Equipment	\$ -	\$	24,407.00	\$ (24,407.00)	Some reallocation required from operating account
	·			\$ -		
	·			\$ -		
	·			\$ -		
		<u>\$ 142,756.00</u>	<u>\$</u>	<u>65,407.00</u>	<u>\$ 77,349.00</u>	

- (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 —* President: _____
 (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.

RECOMMENDATIONS

That the Monthly Financial Statements for the month ended 31st August, 2013 consisting of:

- (a) Statement of Financial Activity – 31st August, 2013
- (b) Compilation Report
- (c) Material Variances – 31st August, 2013

be accepted.

COUNCIL DECISION

Moved Cr LR Petersen, Seconded Cr RA Norrie that Monthly Financial Statements for the month ended 31st August, 2013 consisting of:

- (a) Statement of Financial Activity – 31st August, 2013
- (b) Compilation Report
- (c) Material Variances – 31st August, 2013

CARRIED (6 VOTES TO 0)

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

President: _____

SUBMISSION TO: Meeting of Council
Meeting Date: 17th September, 2013

AGENDA REFERENCE: 10.2 (B) SEP 13

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: 10th September, 2013

BACKGROUND

Attached statement consists of accounts paid by Delegated Authority and Direct Bank Transactions represented by **Cheques 17622 to 17664** and totalling **\$408,294.82** and accounts paid by Council Authorisation represented by **Cheques 17665 to 17739** totalling **\$211,179.68** 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 17622 to 17664** and totalling **\$408,294.82** and accounts paid by Council Authorisation represented by **Cheques 17665 to 17739** totalling **\$211,179.68** be authorised for payment.

VOTING REQUIREMENT

Simple Majority

COUNCIL DECISION

Moved Cr MWV Taylor, Seconded Cr GW Baker that accounts paid by Delegated Authority and Direct Bank Transactions represented by **Cheques 17622 to 17664** and totalling **\$408,294.82** and accounts paid by Council Authorisation represented by **Cheques 17665 to 17739** totalling **\$211,179.68** be authorised for payment..

CARRIED (6 VOTES TO 0)

Shire of Leonora

President: _____

Monthly Report - List of Accounts Paid by Delegated Authority

Submitted to Council on the 17th September, 2013

The following list of accounts has been paid via **direct bank transactions** since the previous list of accounts, totalling **\$5,250.11**

CHIEF EXECUTIVE OFFICER

Direct Deposits	Date	Name	Item	Payment
1 DD	15/08/2013	Toyota Financial Services	GEDC Vehicle – August 2013 B/S	1,476.05
1 DD	22/08/2013	National Australia Bank	Bank Fee – August 2013 B/S	126.00
1 DD	23/08/2013	National Australia Bank	Bank Fee – August 2013 B/S	70.00
1DD	30/08/2013	National Australia Bank	Bank Fee – August 2013 B/S	202.40
1DD	30/08/2013	National Australia Bank	Bank Fee (EFTPOS)– August 2013 B/S	124.93
1 DD	10/09/2013	National Australia Bank	Master Card Fees – September 2013 B/S	3120.73
1 DD	10/09/2013	National Australia Bank	Bank Fee – September 2013 B/S	119.00
1 DD	10/09/2013	Westnet Pty Ltd	CRC Internet – September 2013 B/S	11.00
			GRAND TOTAL	\$5,250.11

Shire of Leonora				President: _____
Monthly Report - List of Accounts Paid by Delegated Authority				
Submitted to Council on the 17th September, 2013				
<p>The following list of accounts has been paid under delegation, by the Chief Executive Officer, since the previous list of accounts. Cheques numbered from 17622 to 17664 and totaling \$403,044.71</p> <p>_____</p> <p>CHIEF EXECUTIVE OFFICER</p>				
Cheque	Date	Name	Item	Payment by Delegated Authority
17622	19/08/2013	Australian Taxation Office	June 2013, BAS	36,933.00
17623	20/08/2013	Ms Natalie Evans	Door Prize – Garden Wise Seminar (To be spent on Water saving garden materials)	200.00
1DD	21/08/2013	Shire of Leonora	Salaries & Wages – PPE: 21.08.2013	65,673.00
17624	21/08/2013	L.G.R.C.E.U.	Union Fee – PPE: 21.08.2013	19.40
17625	21/08/2013	Shire of Leonora	Tax/Rent – PPE: 21.08.2013	21,140.99
17626	21/08/2013	W.A.L.G.S. Plan	Superannuation – PPE: 21.08.2013	7,498.61
17627	21/08/2013	Child Support Agency	Child Support – PPE: 21.08.2013	99.47
17628	21/08/2013	CBUS Super	Superannuation – PPE: 21.08.2013	386.65
17629	21/08/2013	Host Plus	Superannuation – PPE: 21.08.2013	142.91
17630	21/08/2013	Sun Super	Superannuation – PPE: 21.08.2013	463.98
17631	21/08/2013	Australian Super	Superannuation – PPE: 21.08.2013	190.57
17632	21/08/2013	Asteron Super	Superannuation – PPE: 21.08.2013	99.43
17633	21/08/2013	Garry Agnew (CANCELLED CHQ)	Health & Building Contract	9,861.41
17634	22/08/2013	Department of transport	Vehicle Registrations – Various	1,834.50
17635	28/08/2013	John Oxley	Contract Grading	880.00
17636	29/08/2013	Clover Downs Station	Payment associated with 28 Bulls and 43 Cows	1,367.57
17637	29/08/2013	Eagle Petroleum	Fuel Purchases and Motorcharge Costs	1,316.02
17638	29/08/2013	GJS Machinery	Goods for Resale at CRC	131.16
17639	29/08/2013	Goldfields Nissan	New Nissan Dualis St Hatch	27,245.70
17640	29/08/2013	Kalgoorlie Furniture	Single mattress for P843 and P500	598.00
17641	29/08/2013	Leonora Pharmacy	Supplies for First Aid Kit – Leonora Youth Centre	202.00
17642	29/08/2013	MWV Taylor	Payment for Costs associated with 2 Bulls	1,064.71
17643	29/08/2013	Pipeline Mining and Civil Contracting	Concrete Slab for Shed at 144 Gwalia Street and Repairs to Post Office Roof (Damaged by Street Sweeper)	8,904.78
17644	29/08/2013	Reliance Petroleum	Bulk Fuel Purchase – 30,000L	44,920.50
17645	29/08/2013	Sturt Meadows Station	Payment of Costs associated with 1 Bull and 9 Cows	1,322.35
17646	29/08/2013	Westland Autos	Vehicle Purchases Less trade-in of Old Vehicles	36,195.25
17647	30/08/2013	Satellite Television and Radio Australia	Final Payment for ABC Country Radio FM Installation at TV Hut	8,603.16
17648	30/08/2013	Building Commission	Building Services Levy Fee – B/L No: 06/13	35.50
			Sub Total	\$277,330.62

Cheque	Date	Name	Item	Payment by President: Delegated Authority
			Balance Brought Forward	\$277,330.62
1 DD	04/09/2013	Shire of Leonora	Salaries & Wages – PPE: 4.9.2013	60,018.00
17649	04/09/2013	L.G.R.C.E.U.	Union Fee – PPE: - 4.9.2013	19.40
17650	04/09/2013	Shire of Leonora	Tax/Rent – PPE: - 4.9.2013	18,680.57
17651	04/09/2013	W.A.L.G.S. Plan	Superannuation – PPE: 4.9.2013	7,407.71
17652	04/09/2013	Child Support Agency	Child support – PPE: - 4.9.2013	100.47
17653	04/09/2013	Shire of Leonora	Invoice No: 4405 (M. Krapil)	134.58
17654	04/09/2013	Host Plus	Superannuation – PPE: 4.9.2013	249.62
17655	04/09/2013	Sun Super	Superannuation – PPE: 4.9.2013	179.27
17656	04/09/2013	Australian Super	Superannuation – PPE: 4.9.2013	190.57
17657	03/09/2013	Matthew Jones	Repairs to Fence at CRC (PO 17479)	275.00
17658	04/09/2013	Department of Transport	Vehicle Registrations	851.40
17659	04/09/2013	Horizon Power	Power Usage – July-August, 2013	28,405.57
17660	04/09/2013	Telstra	Phone/Internet Usage – August 2013	383.95
17661	04/09/2013	Netlogic	Fix Mapped Drive Issue with Rates PC and Supply, prepare and install Laptop for MEHS	1,563.00
17662	10/09/2013	ATOM Supply	Various goods as requested by Works	540.28
17663	10/09/2013	Telstra	Phone/Internet Usage – August 2013	5,451.22
17664	10/09/2013	Water Corporation	Water Usage – Standpipe + Oval	1,263.48
			Sub Total	\$403,044.71

Shire of Leonora				President: _____
Monthly Report - List of Accounts Paid by Authorisation of Council				
Submitted to Council on the 17th September, 2013				
<p>Cheques numbered from 17665 to 17739 totaling \$211,179.68 submitted to each member of the Council on 17th September, 2013 have been checked and are fully supported by remittances and duly certified invoices with checks being carried out as to prices, computations and costing.</p>				
CHIEF EXECUTIVE OFFICER				
Cheque	Date	Name	Item	Payment
17665	17/09/2013	Airport Lighting Specialists	Calibration of Papi Clinometer	225.50
17666	17/09/2013	Anne Skinner Media	Writing and compiling text content for Gwalia Website	1,590.00
17667	17/09/2013	Austral Mercantile Collections P/L	Commissions and Charges - Austral	189.97
17668	17/09/2013	Avago Runnning Pty Ltd	Reimbursement of \$600.00 for prize money for heats - Golden Gift 2013	600.00
17669	17/09/2013	BeingThere Solutions Pty Ltd	1 Duet PCS + Logitech C920 Combo (Video Conferencing Equipment)	480.00
17670	17/09/2013	Biggs Butchers	Meat as requested for Youth related events	178.00
17671	17/09/2013	Bitz Australia Pty Ltd	Projecta Solar Panel	242.00
17672	17/09/2013	BOC Limited	Argoshield Universal G Size	363.53
17673	17/09/2013	Bunnings Building Supplies Pty Ltd	Goods for Maintenance of Hoover house/Museum and as requested by Works Manager	1,429.89
17674	17/09/2013	Butsons Building Service	Repairs at Youth Centre and White house at Gwalia	5,225.00
17675	17/09/2013	Canine Control	Ranger Services for 22 - 24th August, 2013	2,612.50
17676	17/09/2013	Carter Jeff F	Airfare costs for Perth - Leo flight	220.00
17677	17/09/2013	Central Hotel	Meals for Beyond Gardening Team and Accommodation/Meals for Auditor's visit	725.00
17678	17/09/2013	Chefmaster Australia	Bin Liner as requested by Works Manager	440.35
17679	17/09/2013	Cheric Leonora	32,000 L Rapid Plastics Polyethylene Tanks	7,442.60
17680	17/09/2013	Chubb Security Services Ltd	ATM Expenses - 23/07 - 20/08 2013	2,054.01
17681	17/09/2013	Comfort Inn Midas	Accommodation for P Warner	163.00
17682	17/09/2013	Department for Child Protection -	\$1000 donation to "Operation Deagon"	1,000.00
17683	17/09/2013	Department of Fire and Emergency Services	2013 ESL Quarter 1 Contribution	30,607.02
17684	17/09/2013	Eagle Petroleum (WA) Pty Ltd	Fuel Costs for August, 2013	1,077.57
17685	17/09/2013	Elite Gym Hire	Gym Equipment Hire - August & September, 2013	726.00
			Sub Total	\$57,591.94

Cheque	Date	Name	Item	Payment
			Balance Brought Forward	\$57,591.94
17686	17/09/2013	Ellex Australia Pty Ltd	Slit Lamp for Medical Centre	7,150.00
17687	17/09/2013	Express Yourself Printing	Goods sold on Consignment - CRC	138.60
17688	17/09/2013	Fitz Gerald Strategies	IR & HR Services 2013/14 Financial Year	3,040.46
17689	17/09/2013	Forman Bros	Plumbing and Maintenance works as requested	3,711.40
17690	17/09/2013	Gail Ross	Reimbursment for goods purchased for Hoover House	252.75
17691	17/09/2013	Galaxy Embroidery and Printing	Goods for resale at Museum	1,156.93
17692	17/09/2013	Goldfields Commercial Security P/L	Security Costs for September, 2013	332.86
17693	17/09/2013	Goldfields Locksmiths	Restricted Keying and Padlocks	1,370.40
17694	17/09/2013	Goldfields Nissan	Repairs to P322 and P6	403.00
17695	17/09/2013	Goldfields Truck Power	Service of Plant Hire Vehicles	1,678.97
17696	17/09/2013	Goldline Distributors	Goods Ordered for Cleaning and Hoover House.Museum	1,579.18
17697	17/09/2013	Halfway Studios	Cakes for Seniors day at Library	110.00
17698	17/09/2013	Hannans Transport Pty Ltd	Delivery - Conduit to Leonora	55.00
17699	17/09/2013	Harvey Norman AV/IT Superstore Kalgoorlie	Inks for Depot Printer	299.90
17700	17/09/2013	Horizon Power	Power Usage - August, 2013	3,327.64
17701	17/09/2013	Ian. D. Mackay	Engineering Services - August, 2013	3,730.00
17702	17/09/2013	Intelara Pty Ltd	Fees for Consulting engineering Services	4,158.00
17703	17/09/2013	J.R. & A. Hersey Pty Ltd	Uniforms as requested	4,204.44
17704	17/09/2013	Kenyon & Company Pty Ltd	12 volt consumables - requested by works manager	991.65
17705	17/09/2013	Kleenwest Distributors	Toilet Tissue Dispensers, Interfold Tissue to suit and rolls of industrial roll towels	713.63
17706	17/09/2013	Leonora Drive Connectors	Hydraulic fittings for watercart - P850	311.41
17707	17/09/2013	Leonora Motor Inn	Accommodation for Ranger and Offsider, 26-28th July, 2013	528.00
17708	17/09/2013	Leonora Post Office	Postage Costs, August 2013	451.87
17709	17/09/2013	Leonora Supermarket and Hardware	Supermarket Costs - August - September	487.89
17710	17/09/2013	LGIS Insurance Broking	2012-2013 Motor Vehicle Premium Adjustment	4,657.65
17711	17/09/2013	Local Government Managers Australia	2013-2014 LGMA Corporate Council Membership Subscription	1,275.00
17712	17/09/2013	McMahon Burnett Transport	Freigh Costs	820.09
17713	17/09/2013	Mukinbudin Agencies July 08	Goods ordered by Works Manager	1,254.41
17714	17/09/2013	Office National Kalgoorlie	Travel Fees and Monthly Printing Costs - CRC and Shire	1,540.82
17715	17/09/2013	Ore Investments Pty Ltd	Transfers 28/09/13 Kalgoorlie - Leonora and Leonora - Kalgoorlie less Goldrush Tours Sponsorship	2,970.00
			Sub Total	\$110,293.89

Cheque	Date	Name	Item	President: Payment
			Balance Brought Forward	\$110,293.89
17716	17/09/2013	Pipeline Mining & Civil Contracting	Works as requested by Works Manager	9,905.03
17717	17/09/2013	Poitier Medical Practice	Medical Services Provisional Fee - 1/7 - 30/9 2013	38,881.99
17718	17/09/2013	Powerchill Electrical & Refrigeration	Supply and install GPO at 240 Hoover Street	237.05
17719	17/09/2013	Red Terra Contracting	D6H Dozer Hire	12,529.00
17720	17/09/2013	RLG Mechanical Services	General Service on Airport Emergency Generator	546.68
17721	17/09/2013	Sarah Zimmermann.	Reimbursement for Payment of Occasional Liquor Application - Gwalia 50th Anniversary	100.00
17722	17/09/2013	Skippers Aviation Pty Ltd	Flights for Stephen Carrick	598.00
17723	17/09/2013	Squire Sanders (AU)	Fees and Disbursements re: Wandering Livestock	963.60
17724	17/09/2013	Staples Australia Pty Limited	Stationery Order - August, 2013	65.63
17725	17/09/2013	Star Track Express	Freight costs	72.32
17726	17/09/2013	Stratco (WA) Pty Ltd	Goods as requested by works manager	7,939.95
17727	17/09/2013	Sunday Times	Publication - Travel Feature in Sunday Times - 50th Anniversary Gwalia Closure	580.00
17728	17/09/2013	Talis	Shire of Leonora Works and EOY Financials	3,080.00
17729	17/09/2013	Tanya Browning -	Utilities, Training and Items for 40b Hoover Street - Reimbursements	2,824.72
17730	17/09/2013	Tennant Australia	Main Brooms and Side Brooms as requested by Works Manager	1,639.44
17731	17/09/2013	Toll Fast	Freight Costs	111.38
17732	17/09/2013	Toll Ipec Pty Ltd	Freight Costs	302.39
17733	17/09/2013	Turbos WA Pty Ltd	2 hrs Labour to carry out repairs to P289	231.00
17734	17/09/2013	UHY Haines Norton	Accounting Service Fee for July + Additional Services expenses	7,975.00
17735	17/09/2013	WA Country Health Service - Goldfields	Rental of Surgery and Consulting rooms - August 2013	417.38
17736	17/09/2013	WA Local Government Association	Subscription fees + Training Course Fees	1,600.00
17737	17/09/2013	Wajon Publishing Company	How to Enjoy WA Wildflowers	130.50
17738	17/09/2013	West Australian Newspapers Ltd	Advertising - August 2013	421.76
17739	17/09/2013	WesTrac Pty Ltd	Service and Parts for Plant Vehicles	9,732.97
			GRAND TOTAL	\$211,179.68

10.0 REPORTS OF OFFICERS**10.2 DEPUTY CHIEF EXECUTIVE OFFICER**

President: _____

10.2(C) ANNUAL REPORT 2013 & GENERAL ELECTORS' MEETING

SUBMISSION TO: Meeting of Council
Meeting Date: 17th September 2013

AGENDA REFERENCE: 10.2 (C) Sep 13

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: 11th September 2013

COMMENT:

In each financial year a local government is to prepare an Annual Report.

The draft Annual Report for the year ended 30th June, 2013 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.

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 31st 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 Ordinary Meeting of Council, on 15th October 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 30th June 2013 be accepted and the General Meeting of Electors be scheduled for 15th October 2013 commencing at 2:30pm in the Council Chamber, Leonora. President: _____

VOTING REQUIREMENT

Simple majority required.

COUNCIL DECISION

Moved Cr P Craig, Seconded Cr RA Norrie that the Annual Report as presented for the year ended 30th June 2013 be accepted and the General Meeting of Electors be scheduled for 15th October 2013 commencing at 2:30pm in the Council Chamber, Leonora.

CARRIED (6 VOTES TO 0)

Meeting Adjourned at 10:26am for a morning tea break.

Meeting resumed at 10:38 am, with all those previously listed in the attendance record present, as well as Ms Connie Cocksey, Mining Registrar, Dept Mines and Petroleum, Leonora.

Cr JF Carter welcomed Ms Cocksey to the meeting, and to Leonora. Some general discussion took place regarding the Leonora Community, recreational activities in town etc.

A question was raised about tourists and prospectors coming to the Shire office complaining about pastoralists not allowing them on their properties. The query also related to the information that should be given to them. Ms Cocksey advised that there is a really good pamphlet produced by the Department which can be provided to the Shire office, Information Centre, Caravan Park and Museum.

Some discussion on the role of JP's, engagement with Clerk of Courts and police etc, as well as court processes in other areas.

Cr JF Carter advised Ms Cocksey on some opportunities to engage with the community and government organisations.

Mr JG Epis enquired about death registers stored at the department of Mines Office, as many tourists and people ask for information in them Ms Cocksey advised that these records are due to be returned to Perth in the next week, in preparation of the local office for major refurbishment. Some information will be sought on what will happen to these records to preserve them.

Cr JF Carter thanked Ms Cocksey for her attendance at the meeting. Ms Cocksey left the meeting at 11:10am.



Shire of Leonora

ANNUAL REPORT

**For the year ending
30th JUNE 2013**

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MESSAGE FROM THE SHIRE PRESIDENT

This year has been a year of consolidation for the council, as the staff have been busy formulating and finishing asset management, corporate business, long term financial & workforce plans, as well as the strategic community plan, with input from the wider community and the councillors. These are all management tools under a new Integrated Planning & Reporting Framework that the state government asked all councils in WA to enact, and under the leadership of CEO Jim Epis, Deputy CEO Tanya Browning and Manager Works Dan Yates, the Shire of Leonora have been working toward achieving these goals. There is likely to be continued effort into now improving these plans, and the practices associated with them. The Shire of Leonora has always prided itself on sound financial and operational management, and has embraced the opportunity to formalise these practices.

During 2012/13, Leonora entered the Tidy Towns competition for the first time and won two awards in the regional competition (General Appearance, Heritage), and also the award for General Appearance at the State competition. I would like to thank the committee who drove this initiative and all people who helped. Thank you for your effort, it reflects well on our community, and you should be congratulated for your work. The shire work force also need to be thanked for the effort they put into keeping the town site and surrounding areas clean, neat and tidy, and as a councillor I receive a lot of positive comments about the presentation of Leonora. As a community that strives to promote tourism in the region, these comments can only help our efforts.

Local services in the community have also been undergoing some change. The Child Care Centre now operates under the National Quality Framework, with a strong focus on education for children in its care. This means not only a focus on education (rather than historic perception of babysitting), but all staff employed by the centre are either qualified in child services, or working toward a qualification. The Shire of Leonora has always been a strong supporter of education and traineeships, and look forward to further improving the care and education available at the centre. To date, increased utilisation of the service supports the positive reception of the improvements.

This is my final year on Council, after twelve years, with four years as Shire President. I have really enjoyed the opportunity to represent the ratepayers and electors, and being involved in setting the future strategic direction for the Shire of Leonora, and thank the Council and staff for their collaboration over the years.

On behalf of the Council and staff, I would like to thank the community for its participation in various events and activities, as we look forward to the coming year of projects and events that will see continued improvement.

Cr Jeff Carter
President

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

An extensive capital works program was undertaken during 2012/13 which included resealing of some town streets, upgrade to digital television, extension to street lighting in industrial and residential areas, construction of new staff housing and further works to apron extension at the Leonora aerodrome. All of these works have been to support increased growth in the area, congruent with the economic growth opportunities within the Shire of Leonora. Continued work on the renewal of heritage infrastructure were also undertaken, as well as other renewal works associated with good asset management practices.

Now that the Shire of Leonora have completed the necessary plans as part of the Integrated Planning and Reporting Framework mandated from the 1st July 2013, work will continue on improving these plans and the practices associated with them. Already, staff are working on improving data collection processes, and implementing recommendations from plans that have been developed. This included a full of review of the existing plant replacement program and building maintenance programs.

A change to the Shire of Leonora's organisation structure was also implemented during the 2012/13 reporting period. Two new mid-level management positions were created to oversee the increasing level of service provision and reporting requirements associated with the services provided by the Shire of Leonora. The new positions are Manager Education & Welfare Services, & Manager Economic & Heritage Services.

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:

COUNCILLOR	MEETING CONVENED	ATTENDED	% ATTENDANCE
J F Carter	11	10	91%
P J Craig	11	9	82%
M W V Taylor	11	9	82%
G W Baker	11	11	100%
S J Heather	11	7	64%
R A Norrie	11	11	100%
L R Petersen	11	9	82%

Once again, the Shire has finished in a strong financial position, and achieved a 'clean' audit report (no points of statutory non-compliance), and as with any good team it's the dedication and commitment of its members that makes a winning combination. 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 2013/14 will present to us.

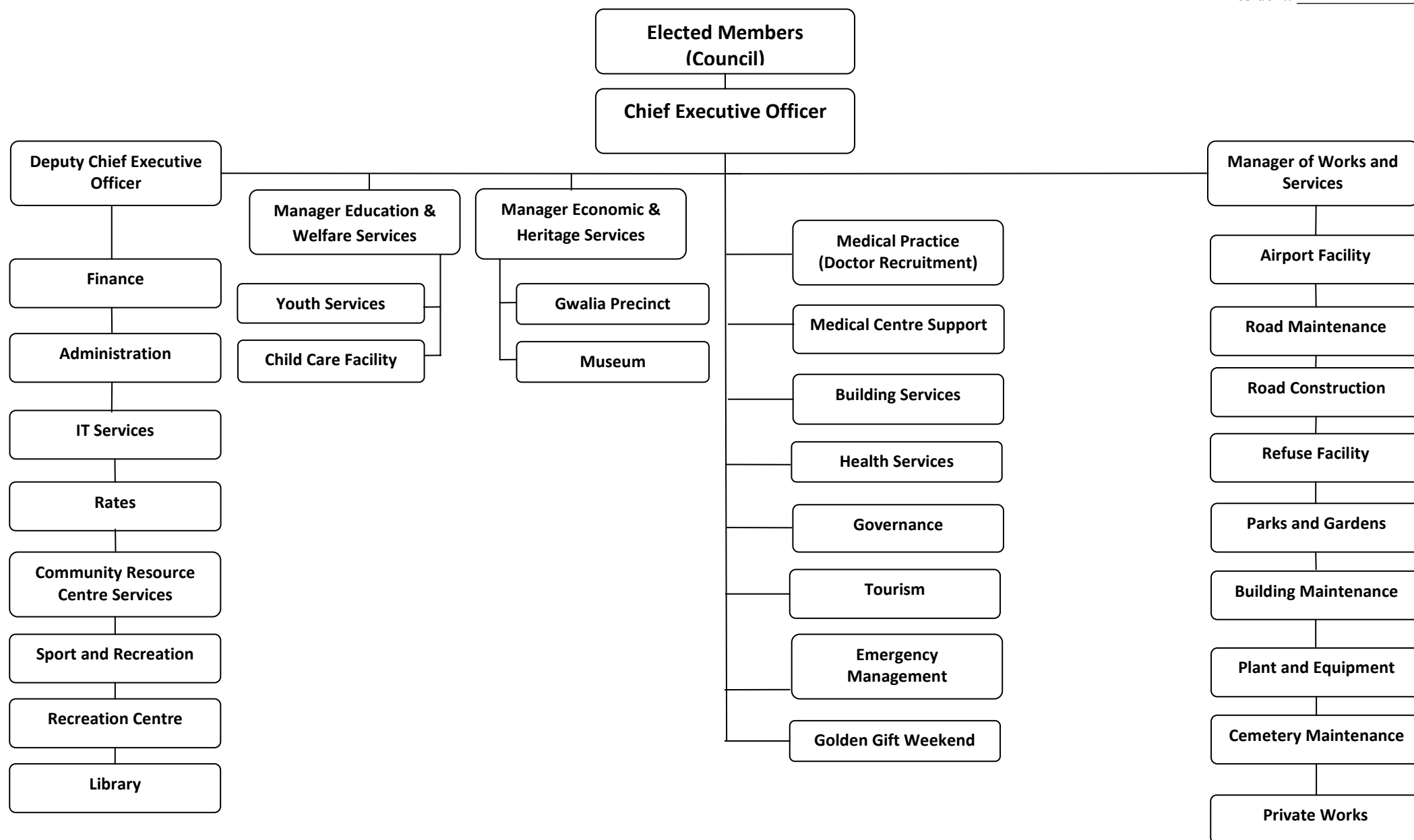
Jim Epis
Chief Executive Officer

President: _____

COUNCILLOR DETAILS

POSITION	WARD	RETIREMENT YEAR	CONTACT	NUMBER
PRESIDENT Mr J F CARTER Clover Downs Station (PO Box 85) LEONORA WA 6438	NORTH	2013	WK HM FAX MOB EMAIL	08 9037 6159 08 9037 6159 0417 981 016 jeff@cloverdowns.com.au
DEPUTY PRESIDENT Mr P CRAIG 9B North Road (PO Box 118) LEINSTER WA 6437	NORTH	2015	WK HM FAX MOB EMAIL	08 9037 9191 08 9037 9054 08 9037 9192 0418 950 572 peter.craig@bagden.com.au
Mr M W V Taylor 10 Forrest Street (PO Box 226) LEONORA WA 6438	SOUTH	2015	WK HM FAX MOB EMAIL	08 6314 4712 0417 976 169 matt@pmcc.com.au
Ms L R PETERSEN Lot 1114 Gwalia Street (PO Box 69) LEONORA WA 6438	SOUTH	2013	WK HM FAX MOB EMAIL	08 9037 6400 08 9037 6404 0419 177 232 Butsonsbs@westnet.com.au
Mr S J HEATHER Lot 8 Gwalia Street (PO Box 223) LEONORA WA 6438	NORTH	2013	WK HM FAX MOB EMAIL	08 9037 6153 08 9037 6153 0408 996 373 jjheather@bigpond.com
Mr R A NORRIE Lot 260 Queen Victoria (PO Box 397) LEONORA WA 6438	SOUTH	2015	WK HM FAX MOB EMAIL	08 9037 6777 08 9037 7389 08 9037 6788 0409 377 386 rosscpa@bigpond.net.au
Mr GW BAKER "Waarnba" LOC 51 Laverton Road (PO Box 90) LEONORA WA 6438	SOUTH	2013	WK HM FAX MOB EMAIL	08 9037 6090 08 9037 6090 08 9037 6090 sixmile6@bigpond.com

President: _____



SHIRE OF LEONORA

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2013

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Principal Place of Business

16 Tower Street,
Leonora WA 6438

**SHIRE OF LEONORA
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013**

President: _____

**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 2013 are in my opinion properly drawn up to present fairly the financial position of the Shire of Leonora at 30th June 2013 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

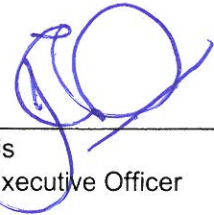
Signed as authorisation of issue on the

30

day of

SEPTEMBER

2013



Jim Epis
Chief Executive Officer

SHIRE OF LEONORA
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

	NOTE	2013 \$	2013 Budget \$	2012 \$
Revenue				
Rates	22	4,787,329	4,710,429	4,788,049
Operating Grants, Subsidies and Contributions	28	2,410,816	4,364,048	2,496,935
Fees and Charges	27	1,127,213	1,267,584	1,083,836
Interest Earnings	2(a)	38,954	79,740	71,230
Other Revenue		<u>124,952</u>	<u>99,317</u>	<u>519,034</u>
		8,489,264	10,521,118	8,959,084
Expenses				
Employee Costs		(2,415,111)	(2,702,900)	(2,313,730)
Materials and Contracts		(3,525,479)	(5,723,371)	(2,974,344)
Utility Charges		(327,079)	(107,040)	(351,758)
Depreciation on Non-Current Assets	2(a)	(1,200,471)	(1,557,338)	(1,326,899)
Interest Expenses	2(a)	(332)	0	0
Insurance Expenses		(271,458)	(250,018)	(251,569)
Other Expenditure		<u>(93,893)</u>	<u>(534,908)</u>	<u>(563,980)</u>
		<u>(7,833,823)</u>	<u>(10,875,575)</u>	<u>(7,782,280)</u>
		655,441	(354,457)	1,176,804
Non-Operating Grants, Subsidies and Contributions	28	358,643	471,643	40,000
Fair value Decrement Furniture and Equipment		(149)	0	0
Profit on Asset Disposals	20	65,000	40,000	3,193
Loss on Asset Disposal	20	<u>(129,495)</u>	<u>(343,023)</u>	<u>(66,733)</u>
Net Result		949,440	(185,837)	1,153,264
Other Comprehensive Income				
Changes on revaluation of non-current assets	12	(4,467,654)	0	(1,950,444)
Total Other Comprehensive Income		(4,467,654)	0	(1,950,444)
Total Comprehensive Income		<u>(3,518,214)</u>	<u>(185,837)</u>	<u>(797,180)</u>

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

SHIRE OF LEONORA
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

	NOTE	2013 \$	2013 Budget \$	2012 \$
Revenue				
Governance		25,730	1,820	395
General Purpose Funding		6,248,204	6,014,979	6,136,703
Law, Order, Public Safety		12,350	15,530	12,999
Health		39,517	74,584	29,813
Education and Welfare		153,471	163,370	84,288
Housing		43,043	46,740	39,898
Community Amenities		90,494	89,771	81,224
Recreation and Culture		175,257	205,579	202,280
Transport		1,034,120	3,246,324	1,243,245
Economic Services		518,562	530,724	535,605
Other Property and Services		148,516	131,697	592,634
2(a)		8,489,264	10,521,118	8,959,084
Expenses				
Governance		(387,985)	(444,302)	(290,688)
General Purpose Funding		(280,805)	(321,990)	(252,700)
Law, Order, Public Safety		(154,444)	(155,837)	(137,886)
Health		(500,139)	(567,033)	(466,281)
Education and Welfare		(366,488)	(446,802)	(357,053)
Housing		(7,238)	(15,000)	(7,765)
Community Amenities		(218,486)	(250,913)	(215,517)
Recreation & Culture		(1,005,649)	(1,065,368)	(896,796)
Transport		(3,642,962)	(6,040,924)	(3,448,370)
Economic Services		(1,285,969)	(1,518,990)	(1,168,150)
Other Property and Services		16,674	(48,416)	(541,074)
2(a)		(7,833,491)	(10,875,575)	(7,782,280)
Financial Costs				
Other Property and Services		(332)	0	0
2(a)		(332)	0	0
Fair value Decrement Furniture and Equipment				
Other Property and Services		(149)	0	0
Non-Operating Grants, Subsidies and Contributions				
Recreation & Culture		0	113,000	0
Transport		358,643	358,643	0
Other Property and Services		0	0	40,000
		358,643	471,643	40,000
Profit/(Loss) on Disposal of Assets				
Health		(8,591)	(9,659)	0
Education and Welfare		(8,137)	(7,276)	(16,626)
Housing		(2,229)	0	0
Community Amenities		0	(143,000)	(20,511)
Recreation & Culture		(19,904)	0	0
Transport		4,523	(121,497)	(10,193)
Other Property and Services		(30,157)	(21,591)	(16,210)
		(64,495)	(303,023)	(63,540)
Net Result		949,440	(185,837)	1,153,264
Other Comprehensive Income				
Changes on revaluation of non-current assets	12	(4,467,654)	0	(1,950,444)
Total Other Comprehensive Income		(4,467,654)	0	(1,950,444)
Total Comprehensive Income		(3,518,214)	(185,837)	(797,180)

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

SHIRE OF LEONORA
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2013

President: _____

	NOTE	2013 \$	2012 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	1,666,285	1,475,983
Trade and Other Receivables	4	281,787	399,297
Inventories	5	48,918	47,364
TOTAL CURRENT ASSETS		<u>1,996,990</u>	<u>1,922,644</u>
NON-CURRENT ASSETS			
Inventories	5	631,535	631,535
Property, Plant and Equipment	6	12,996,969	12,022,111
Infrastructure	7	34,310,902	38,626,344
TOTAL NON-CURRENT ASSETS		<u>47,939,406</u>	<u>51,279,990</u>
TOTAL ASSETS	17	<u>49,936,396</u>	<u>53,202,634</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	409,937	132,019
Provisions	10	277,363	311,403
TOTAL CURRENT LIABILITIES		<u>687,300</u>	<u>443,422</u>
NON-CURRENT LIABILITIES			
Provisions	10	28,849	20,751
TOTAL NON-CURRENT LIABILITIES		<u>28,849</u>	<u>20,751</u>
TOTAL LIABILITIES		<u>716,149</u>	<u>464,173</u>
NET ASSETS		<u>49,220,247</u>	<u>52,738,461</u>
EQUITY			
Retained Surplus		36,772,269	35,902,294
Reserves - Cash Backed	11	470,467	391,002
Revaluation Surplus	12	11,977,511	16,445,165
TOTAL EQUITY		<u>49,220,247</u>	<u>52,738,461</u>

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

**SHIRE OF LEONORA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2013**

President: _____

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2011		34,714,823	308,432	18,395,609	53,418,864
Changes in Accounting Policy		0	0	0	0
Correction of Errors		116,777	0	0	116,777
Restate Balance		<u>34,831,600</u>	<u>308,432</u>	<u>18,395,609</u>	<u>53,535,641</u>
Comprehensive Income		0			
Net Result		1,153,264	0	0	1,153,264
Changes on Revaluation of Non-Current Assets	12	<u>0</u>	<u>0</u>	<u>(1,950,444)</u>	<u>(1,950,444)</u>
Total Other Comprehensive Income		1,153,264	0	(1,950,444)	(797,180)
Reserve Transfers		<u>(82,570)</u>	<u>82,570</u>	<u>0</u>	<u>0</u>
Balance as at 30 June 2012		35,902,294	391,002	16,445,165	52,738,461
Comprehensive Income					
Net Result		949,440	0	0	949,440
Changes on Revaluation of Non-Current Assets	12	<u>0</u>	<u>0</u>	<u>(4,467,654)</u>	<u>(4,467,654)</u>
Total Other Comprehensive Income		949,440	0	(4,467,654)	(3,518,214)
Reserve Transfers		<u>(79,465)</u>	<u>79,465</u>	<u>0</u>	<u>0</u>
Balance as at 30 June 2013		<u>36,772,269</u>	<u>470,467</u>	<u>11,977,511</u>	<u>49,220,247</u>

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 2013

President: _____

	NOTE	2013 \$	2013 Budget \$	2012 \$
Cash Flows From Operating Activities				
Receipts				
Rates		4,770,958	4,710,429	4,800,210
Operating Grants, Subsidies and Contributions		2,511,332	4,364,048	2,427,572
Fees and Charges		1,127,213	1,463,887	1,083,836
Interest Earnings		38,954	79,740	71,230
Goods and Services Tax		354,403	0	487,368
Other Revenue		124,952	99,317	519,034
		<u>8,927,812</u>	<u>10,717,421</u>	<u>9,389,250</u>
Payments				
Employee Costs		(2,480,431)	(2,665,032)	(2,279,069)
Materials and Contracts		(3,209,737)	(5,633,898)	(2,983,719)
Utility Charges		(327,079)	(107,040)	(351,758)
Interest Expenses		(332)	0	0
Insurance Expenses		(271,458)	(250,018)	(251,569)
Goods and Services Tax		(321,038)	0	(524,303)
Other Expenditure		(93,893)	(534,908)	(439,817)
		<u>(6,703,968)</u>	<u>(9,190,896)</u>	<u>(6,830,235)</u>
Net Cash Provided By (Used In) Operating Activities	13(b)	<u>2,223,844</u>	<u>1,526,525</u>	<u>2,559,015</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment		(1,849,432)	(2,280,106)	(1,112,689)
Payments for Construction of Infrastructure		(855,936)	(1,237,103)	(1,197,644)
Non-Operating Grants, Subsidies and Contributions		358,643	471,643	40,000
Proceeds from Sale of Plant & Equipment		313,183	720,800	185,820
Proceeds from Land for Resale		0	0	352,153
Net Cash Provided by (Used in) Investment Activities		<u>(2,033,542)</u>	<u>(2,324,766)</u>	<u>(1,732,360)</u>
Net Increase (Decrease) in Cash Held		190,302	(798,241)	826,655
Cash at Beginning of Year		1,475,983	1,475,983	649,328
Cash and Cash Equivalents at the End of the Year	13(a)	<u>1,666,285</u>	<u>677,742</u>	<u>1,475,983</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 2013**

President: _____

	NOTE	2013 Actual \$	2013 Budget \$	2012 Actual \$
Revenue				
Governance		25,730	1,820	395
General Purpose Funding		1,460,875	1,304,550	1,348,654
Law, Order, Public Safety		12,350	15,530	12,999
Health		39,517	74,584	29,813
Education and Welfare		153,471	163,370	84,288
Housing		43,043	46,740	39,898
Community Amenities		90,494	89,771	81,224
Recreation and Culture		175,257	318,579	202,280
Transport		1,457,763	3,644,967	1,246,074
Economic Services		518,562	530,724	575,605
Other Property and Services		148,367	131,697	592,998
		<u>4,125,429</u>	<u>6,322,332</u>	<u>4,214,228</u>
Expenses				
Governance		(387,985)	(444,302)	(290,688)
General Purpose Funding		(280,805)	(321,990)	(252,700)
Law, Order, Public Safety		(154,444)	(155,837)	(137,886)
Health		(508,730)	(576,692)	(482,907)
Education and Welfare		(374,625)	(454,078)	(357,053)
Housing		(9,467)	(15,000)	(7,765)
Community Amenities		(218,486)	(393,913)	(236,028)
Recreation and Culture		(1,025,553)	(1,065,368)	(896,796)
Transport		(3,703,439)	(6,202,421)	(3,461,392)
Economic Services		(1,285,969)	(1,518,990)	(1,168,150)
Other Property and Services		(13,815)	(70,007)	(557,648)
		<u>(7,963,318)</u>	<u>(11,218,598)</u>	<u>(7,849,013)</u>
Net Result Excluding Rates		(3,837,889)	(4,896,266)	(3,634,785)
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
Fair value Decrement Furniture and Equipment		149	0	0
(Profit)/Loss on Asset Disposals	20	64,495	303,023	63,540
Movement in Accrued Salaries and Wages		5,479	0	6,030
Movement in Employee Benefit Provisions (Non-current)		(25,942)	0	70,526
Movement in Land held for Resale		0	0	476,316
Depreciation and Amortisation on Assets	2(a)	1,200,471	1,557,338	1,326,899
Purchase Land Held for Resale		0	0	0
Purchase Land and Buildings	6	(970,912)	(1,181,796)	(473,031)
Purchase Infrastructure Assets - Roads	7	(527,376)	(323,243)	(508,699)
Purchase Plant and Equipment	6	(28,620)	(862,562)	(633,959)
Purchase Furniture and Equipment	6	(849,900)	(235,748)	(5,699)
Purchase Infrastructure Assets - Other	7	(328,560)	(913,860)	(688,945)
Proceeds from Disposal of Assets	20	313,183	720,800	185,820
Transfers to Reserves (Restricted Assets)	11	(247,531)	(336,740)	(159,309)
Transfers from Reserves (Restricted Assets)	11	168,066	50,000	76,739
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	1,412,542	1,408,625	523,050
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	1,134,984	0	1,412,542
Total Amount Raised from General Rate	22(a)	<u>(4,787,329)</u>	<u>(4,710,429)</u>	<u>(4,788,049)</u>

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

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Preparation

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

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

Critical Accounting Estimates

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

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

(b) The Local Government Reporting Entity

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

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

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

(c) Goods and Services Tax (GST)

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Cash and Cash Equivalents

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

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

(e) Trade and Other Receivables

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

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

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

(f) Inventories

General

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

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

Land Held for Resale

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets

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

Mandatory Requirement to Revalue Non-Current Assets

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

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

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

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

(i) that are plant and equipment; and

(ii) that are -

(I) land and buildings; or-

(II) Infrastructure;

and

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

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

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

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

Land Under Control

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

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

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

Consequently, these assets were initially recognised at cost but revalued along with other items of Land and Buildings at 30 June 2013.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Initial Recognition

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable 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

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

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

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

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

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised as profit and 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 the determined using fair value at reporting date.

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Transitional Arrangement

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

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

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

Early Adoption of AASB 13 - Fair Value Measurement

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

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

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

Land Under Roads

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

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

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Depreciation of Non-Current Assets

All non-current assets having a limited useful life (excluding freehold land) are 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.

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

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

Capitalisation Threshold

The Shire of Leonora has no capitalisation threshold.

(h) Intangible Assets

Easements

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial Instruments

Initial Recognition and Measurement

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

(ii) Loans and receivables

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

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

(iii) Held-to-maturity investments

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

Held-to-maturity investments are included in 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.

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition

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

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

(j) Impairment

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

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

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (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.

(k) 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, are recognised as a current liability and are normally paid within 30 days of recognition.

(l) Employee Benefits

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to 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.

(m) Borrowing Costs

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

Provisions are recognised when:

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

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

(o) Leases

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

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

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

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

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

(p) Investment in Associates

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Joint Venture

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

The Council's interests in joint venture entities are recorded using the equity method of accounting in (refer to Note 1(p) for details) 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 joint venture shall be recognised. The Council recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

(r) Rates, Grants, Donations and Other Contributions

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

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

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

(s) Superannuation

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

(t) Current and Non-Current Classification

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

(u) Rounding Off Figures

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

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(v) Comparative Figures**

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

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

(w) Budget Comparative Figures

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

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

Signed: 15th October, 2013

President: _____

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Title and Topic	Issued	Applicable ⁽¹⁾	Impact
(i) AASB 9 – Financial Instruments AASB 2012 - 6 Amendments to Australian Accounting Standards - Mandatory effective date of AASB 9 and Transition Disclosures	December 2009 September 2012	1 January 2013 Deferred AASB 9 until 1 January 2015	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 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	1 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 2013

Signed: 15th October, 2013

President: _____

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable ⁽¹⁾	Impact
(iii) AASB 2010 - 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	December 2010	1 January 2013	Nil - The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
(iv) AASB 10 – Consolidated Financial Statements, AASB 11 - Joint Arrangements, AASB 12 - Disclosure of Interests in Other Entities, AASB 127 - Separate Financial Statements, AASB 128 - Investments in Associates and Joint Ventures, AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 131, 132, 133, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	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. With respect to AASB 128, where the Council has an interest in a Joint Venture, the requirements of AASB 128 supercede those of the current Joint Venture Standard AASB 131. The new standard more clearly defines the accounting treatment and disclosure in relation to it. Due to the nature of the Joint Venture it is not expected to have a significant impact on the Council.

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

Signed: 15th October, 2013

President: _____

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

Signed: 15th October, 2013

President: _____

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(y) Prior Period Adjustment**

The amount of depreciation on fixed assets at 30 June 2012 has been changed to show the correct figure due to fixed asset disposal amendments.

	Cost \$	Accumulated Depreciation \$	Retained earnings/profit or loss \$
2011			
Unadjusted balance as at 1 July 2011	3,788,636	(1,589,522)	34,714,823
Adjusted balance 1 July 2011	<u>3,799,490</u>	<u>(1,482,512)</u>	<u>34,831,600</u>
Effect of fixed asset amendments	<u>(10,854)</u>	<u>(107,010)</u>	<u>(116,777)</u>
2012			
Unadjusted balance as at 30 June 2012	3,788,636	(1,589,522)	35,785,517
Adjusted balance at 30 June 2012	<u>3,799,490</u>	<u>(1,482,512)</u>	<u>35,902,294</u>
Effect on profit or loss	<u>(10,854)</u>	<u>(107,010)</u>	<u>(116,777)</u>

The change due to the prior period adjustment had no material impact on the entity's financial statements

(z) Adoption of New and Revised Accounting Standards

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

These new and revised standards were:

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

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

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

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

2. REVENUE AND EXPENSES**2013**
\$**2012**
\$**(a) Net Result**

The Net Result includes:

(i) Charging as an Expense:

Auditors Remuneration

- Audit of the annual financial report
 - Other services

22,912
 800

11,527
 750

Depreciation

Land and Buildings
 Furniture and Equipment
 Plant and Equipment
 Roads
 Roads - Other
 Other Infrastructure

183,893
 12,512
 345,233
 509,472
 56,103
 93,258
1,200,471

177,471
 14,800
 319,347
 678,550
 57,604
 79,127
1,326,899

Interest Expenses (Finance Costs)

Other

332
332

0
0

(ii) Crediting as Revenue:

Significant Revenue

General Purpose Funding

577,818

543,688

This significant revenue in both years relates to
 Local Government Financial Assistance Grant
 - payment received early

2013
Actual
\$

2013
Budget
\$

2012
Actual
\$

Interest Earnings

Investments

- Reserve Funds
 - Other Funds

12,474
 26,481
38,954

60,000
 19,740
79,740

13,247
 57,983
71,230

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

The Shire is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

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.

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.

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

2. REVENUE AND EXPENSES (Continued)**(b) Statement of Objective****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.

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.

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

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 2013

President: _____

2. REVENUE AND EXPENSES (Continued)**(c) Conditions Over Grants/Contributions**

Grant/Contribution	Function/ Activity	Opening Balance ⁽¹⁾ 1/07/2011 \$	Received ⁽²⁾ 2011/12 \$	Expended ⁽³⁾ 2011/12 \$	Closing Balance ⁽¹⁾ 30/06/2012 \$	Received ⁽²⁾ 2012/13 \$	Expended ⁽³⁾ 2012/13 \$	Closing Balance 30/06/2013 \$
Grants for Youth Support	Education & Welfare	45,280	0	(45,280)	0	0	0	0
Videoconferencing	Recreation and Culture	1,814	0	(1,814)	0	0	0	0
Northern Goldfields Tourism Group	Recreation and Culture	38,752	0	(9,036)	29,716	0	(4,343)	25,373
Centrelink Operation	Recreation and Culture	0	33,782	(33,782)	0	0	0	0
Child Care Sustainability	Education & Welfare	0	64,440	(64,440)	0	0	0	0
Grant - Community Resource Centre	Recreation and Culture	0	111,500	(111,500)	0	0	0	0
Tqual (Patroni's Guest House)	Economic Services	0	40,000	(40,000)	0	0	0	0
Government Grant	General Purpose Funding	0	5,213	0	5,213	0	0	5,213
CLGF	General Purpose Funding	0	0	0	0	337,610	(277,610)	60,000
Workforce Planning Grant	General Purpose Funding	0	0	0	0	25,000	0	25,000
Total		85,846	254,935	(305,852)	34,929	362,610	(281,953)	115,586

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 2013

President: _____

	Note	2013 \$	2012 \$
3. CASH AND CASH EQUIVALENTS			
Unrestricted		1,080,232	1,050,052
Restricted		<u>586,053</u>	<u>425,931</u>
		<u><u>1,666,285</u></u>	<u><u>1,475,983</u></u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Long Service Leave Reserve	11	123,427	168,216
Fire Disaster Reserve	11	13,621	11,267
Plant Purchase Reserve	11	51,126	992
Annual Leave Reserve	11	151,037	146,465
Gwalia Precinct Reserve	11	91,150	64,062
Building Reserve	11	40,106	0
Unspent Grants	2(c)	<u>115,586</u>	<u>34,929</u>
		<u><u>586,053</u></u>	<u><u>425,931</u></u>
4. TRADE AND OTHER RECEIVABLES			
Current			
Rates Outstanding		58,144	41,773
Sundry Debtors		220,073	320,589
GST Receivable		<u>3,570</u>	<u>36,935</u>
		<u><u>281,787</u></u>	<u><u>399,297</u></u>
5. INVENTORIES			
Current			
Fuel and Materials		<u>48,918</u>	<u>47,364</u>
		<u><u>48,918</u></u>	<u><u>47,364</u></u>
Non-Current			
Land Held for Resale - Cost			
Cost of Acquisition		1,875	1,875
Development Costs		<u>629,660</u>	<u>629,660</u>
		<u><u>631,535</u></u>	<u><u>631,535</u></u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

	2013	2012
	\$	\$
6. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Land - Management Valuation 2010	7,015,429	7,015,429
Buildings - Cost	3,869,109	2,898,197
Less Accumulated Depreciation	<u>(487,250)</u>	<u>(303,357)</u>
	10,397,288	9,610,269
 Furniture and Equipment - Management Valuation 2013	 28,000	 0
Furniture and Equipment - Cost	0	380,664
Less Accumulated Depreciation	<u>0</u>	<u>(349,966)</u>
	28,000	30,698
 Plant and Equipment - Management Valuation 2013	 2,571,681	 0
Plant and Equipment - Cost	0	4,044,084
Less Accumulated Depreciation	<u>0</u>	<u>(1,662,940)</u>
	2,571,681	2,381,144
	<u><u>12,996,969</u></u>	<u><u>12,022,111</u></u>

Furniture and Equipment

The Shire's Furniture and Equipment was revalued at 30 June 2013 by management. All of the valuations were made on the basis of open market values of similar assets adjusted for condition and comparability (Level 3 inputs in the fair value hierarchy).

The revaluation resulted in an overall decrement of \$ 149 in the net value of the Shire's furniture and equipment. All of this decrement was debited to the profit and loss in the Shire's Statement of Comprehensive Income.

Plant and Equipment

The Shire's Plant and Equipment was revalued at 30 June 2013 by management. All of the valuations were made on the basis of open market values of similar assets adjusted for condition and comparability (Level 3 inputs in the fair value hierarchy).

The revaluation resulted in an overall increment of \$ 44,891 in the net value of the Shire's plant and equipment. All of this increase was credited to the revaluation surplus in the Shire's equity (refer Note 12(c) for further details) and was recognised as changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

6. PROPERTY, PLANT AND EQUIPMENT (Continued)**Movements in Carrying Amounts**

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

	Land and Buildings \$	Furniture and Equipment (Level 3) \$	Plant and Equipment (Level 3) \$	Total \$
Balance as at the beginning of the year	9,610,269	30,698	2,381,144	12,022,111
Additions	970,912	28,620	849,900	1,849,432
(Disposals)	0	(18,657)	(359,020)	(377,677)
Revaluation - Increments	0	0	44,890	44,890
- (Decrements)	0	(149)	0	(149)
Impairment - (Losses)				
- Reversals	0	0	0	0
Initial Recognition of Assets Due to Change to Regulations	0	0	0	0
Depreciation (Expense)	(183,893)	(12,512)	(345,233)	(541,638)
Carrying amount at the end of year	<u>10,397,288</u>	<u>28,000</u>	<u>2,571,681</u>	<u>12,996,969</u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

	2013	2012
	\$	\$
7. INFRASTRUCTURE		
Roads - Management Valuation 2013	42,047,647	0
Roads - Management Valuation 2012	0	49,949,357
Less Accumulated Depreciation	<u>(14,132,306)</u>	<u>(17,539,375)</u>
	27,915,341	32,409,982
 Roads Other - Cost	 2,518,195	 2,518,195
Less Accumulated Depreciation	<u>(674,155)</u>	<u>(618,052)</u>
	1,844,040	1,900,143
 Infrastructure Other - Management Valuation 2010	 4,966,978	 4,638,419
Less Accumulated Depreciation	<u>(415,457)</u>	<u>(322,200)</u>
	4,551,521	4,316,219
	<u><u>34,310,902</u></u>	<u><u>38,626,344</u></u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

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.

	Roads (Level 3) \$	Roads Other \$	Infrastructure Other \$	Total \$
Balance at the beginning of the year	32,409,982	1,900,143	4,316,219	38,626,344
Additions	527,376	0	328,560	855,936
(Disposals)	0	0	0	0
Revaluation - Increments - (Decrements)	(4,512,545)	0	0	(4,512,545)
Impairment - (losses) - Reversals	0	0	0	0
Depreciation (Expense)	(509,472)	(56,103)	(93,258)	(658,833)
				0
Carrying amount at the end of year	<u>27,915,341</u>	<u>1,844,040</u>	<u>4,551,521</u>	<u>34,310,902</u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

	2013	2012
	\$	\$
8. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	391,539	74,243
ATO Liabilities	0	44,857
Accrued Salaries and Wages	18,398	12,919
	<u>409,937</u>	<u>132,019</u>

9. LONG-TERM BORROWINGS

The Shire had no long term borrowings as at the reporting date.

10. PROVISIONS

Analysis of Total Provisions

Current	277,363	311,403
Non Current	28,849	20,751
	<u>306,212</u>	<u>332,154</u>

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2012	150,601	181,553	332,154
Additional provision	1,099	0	1,099
Amounts used	0	(27,041)	(27,041)
Balance at 30 June 2013	<u>151,700</u>	<u>154,512</u>	<u>306,212</u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

	2013 \$	2013 Budget \$	2012 \$
11. RESERVES - CASH BACKED			
(a) Long Service Leave Reserve			
Opening Balance	168,216	168,216	129,055
Amount Set Aside / Transfer to Reserve	55,211	3,546	65,911
Amount Used / Transfer from Reserve	<u>(100,000)</u>	<u>(50,000)</u>	<u>(26,750)</u>
	<u>123,427</u>	<u>121,762</u>	<u>168,216</u>
(b) Fire Disaster Reserve			
Opening Balance	11,267	11,267	12,691
Amount Set Aside / Transfer to Reserve	6,354	2,398	2,576
Amount Used / Transfer from Reserve	<u>(4,000)</u>	<u>0</u>	<u>(4,000)</u>
	<u>13,621</u>	<u>13,665</u>	<u>11,267</u>
(c) Plant Purchase Reserve			
Opening Balance	992	992	992
Amount Set Aside / Transfer to Reserve	50,134	154,530	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>51,126</u>	<u>155,522</u>	<u>992</u>
(d) Bowling Green Reserve			
Opening Balance	0	0	44,720
Amount Set Aside / Transfer to Reserve	0	0	1,269
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>(45,989)</u>
	<u>0</u>	<u>0</u>	<u>0</u>
(e) Annual Leave Reserve			
Opening Balance	146,465	146,465	120,974
Amount Set Aside / Transfer to Reserve	4,572	4,394	25,491
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>151,037</u>	<u>150,859</u>	<u>146,465</u>
(f) Gwalia Precinct Reserve			
Opening Balance	64,062	64,062	0
Amount Set Aside / Transfer to Reserve	91,154	68,872	64,062
Amount Used / Transfer from Reserve	<u>(64,066)</u>	<u>0</u>	<u>0</u>
	<u>91,150</u>	<u>132,934</u>	<u>64,062</u>
(g) Building Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	40,106	103,000	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>40,106</u>	<u>103,000</u>	<u>0</u>
TOTAL RESERVES	<u><u>470,468</u></u>	<u><u>677,743</u></u>	<u><u>391,003</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
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Signed: 15th October, 2013

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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.

Building Reserve

- to be used for the construction and preservation of Council buildings, and urgent repairs and maintenance.

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. REVALUATION SURPLUS

	2013	2012
	\$	\$
Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:		
(a) Roads		
Opening balance	15,202,065	17,152,509
Revaluation Increment	0	0
Revaluation Decrement	(4,512,545)	(1,950,444)
	<u>10,689,520</u>	<u>15,202,065</u>
(b) Other Infrastructure		
Opening balance	1,243,100	1,243,100
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>1,243,100</u>	<u>1,243,100</u>
(c) Plant and Equipment		
Opening balance	0	0
Revaluation Increment	44,891	0
Revaluation Decrement	0	0
	<u>44,891</u>	<u>0</u>
TOTAL ASSET REVALUATION SURPLUS	<u><u>11,977,511</u></u>	<u><u>16,445,165</u></u>

SHIRE OF LEONORA
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13. NOTES TO THE STATEMENT OF CASH FLOWS**(a) Reconciliation of Cash**

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

	2013 \$	2013 Budget \$	2012 \$
Cash and Cash Equivalents	<u>1,666,285</u>	<u>677,742</u>	<u>1,475,983</u>

(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result

Net Result	949,440	(185,837)	1,153,264
Depreciation	1,200,471	1,557,338	1,326,899
(Profit)/Loss on Sale of Asset	64,644	303,023	63,540
(Increase)/Decrease in Receivables	117,510	196,303	(94,137)
(Increase)/Decrease in Inventories	(1,554)	635	121,499
Increase/(Decrease) in Payables	272,439	88,838	38,109
Increase/(Decrease) in Employee Provisions	(20,463)	37,868	(10,159)
Grants Contributions for the Development of Assets	(358,643)	(471,643)	(40,000)
Non-Current Assets recognised due to changes in legislative requirements	0	0	0
Net Cash from Operating Activities	<u>2,223,844</u>	<u>1,526,525</u>	<u>2,559,015</u>

	2013 \$	2012 \$
(c) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
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	6,454	(4,737)
Total Amount of Credit Unused	<u>26,454</u>	<u>15,263</u>
Loan Facilities		
Loan Facilities - Current	0	0
Loan Facilities - Non-Current	0	0
Total Facilities in Use at Balance Date	<u>0</u>	<u>0</u>
Unused Loan Facilities at Balance Date	<u>Nil</u>	<u>Nil</u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

14. CONTINGENT LIABILITIES

There were no known contingent liabilities at the reporting date.

15. CAPITAL AND LEASING COMMITMENTS

	2013	2012
	\$	\$

(a) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts.

Payable:

- not later than one year	20,131	31,347
- later than one year but not later than five years	6,106	26,237
	26,237	57,584

(c) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects	0	371,796
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Payable:

- not later than one year	0	371,796
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The capital expenditure project outstanding at the end of the prior reporting period represents the restoration of Patroni's Guest House.

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

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16. JOINT VENTURE

The Shire together with the Shires of Coolgardie, Dundas, Esperance, Laverton, Menzies, Ngaanyatjaraku, Ravensthorpe and Wiluna have a joint venture arrangement with regard to the provision of a Regional Records Service. The assets included in the joint venture recorded in Council's one-tenth share are as follows:

	2013	2012
	\$	\$
Non-Current Assets		
Land & Buildings	74,688	68,000
Less: Accumulated Depreciation	<u>(1,873)</u>	<u>75</u>
	<u><u>72,815</u></u>	<u><u>68,075</u></u>
 Plant & Machinery	 11,393	 0
Less: Accumulated Depreciation	<u>(868)</u>	<u>0</u>
	<u><u>10,525</u></u>	<u><u>0</u></u>
 Furniture & Equipment	 13,455	 0
Less: Accumulated Depreciation	<u>(762)</u>	<u>0</u>
	<u><u>12,693</u></u>	<u><u>0</u></u>
 Light Vehicles	 3,944	 0
Less: Accumulated Depreciation	<u>(394)</u>	<u>0</u>
	<u><u>3,550</u></u>	<u><u>0</u></u>

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

Governance	60	0
General Purpose Funding	58,144	41,773
Law, Order, Public Safety	48,519	43,624
Health	278,243	313,491
Education and Welfare	86,138	105,215
Housing	1,777,805	1,449,202
Community Amenities	2,105,236	2,215,813
Recreation and Culture	6,159,549	6,254,314
Transport	35,541,532	39,593,166
Economic Services	847,246	442,624
Other Property and Services	1,835,805	1,622,767
Unallocated	<u>1,198,119</u>	<u>1,120,645</u>
	<u><u>49,936,396</u></u>	<u><u>53,202,634</u></u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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President: _____

	2013	2012	2011
18. FINANCIAL RATIOS			
Current Ratio	3.42	11.34	3.47
Asset Sustainability Ratio	1.22	0.87	4.07
Debt Service Cover Ratio	0.00	0.00	0.00
Operating Surplus Ratio	0.10	0.19	0.23
Own Source Revenue Coverage Ratio	0.74	0.76	0.86
The above ratios are calculated as follows:			
Current Ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$		
Asset Sustainability Ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$		
Debt Service Cover Ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$		
Operating Surplus Ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$		
Own Source Revenue Coverage Ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$		

Notes:

Information relating to the **Asset Consumption Ratio** and the **Asset Renewal Funding Ratio** can be found at Supplementary Ratio Information on Page 56 of this document.

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

19. TRUST FUNDS

The Shire of Leonora hold no funds on behalf of other entities.

20. DISPOSALS OF ASSETS - 2012/13 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<u>Furniture and Equipment</u>						
Housing						
Write-offs - revaluation	2,229	0	0	0	(2,229)	0
Recreation and Culture						
Write-offs - revaluation	6,252	0	0	0	(6,252)	0
Transport						
Write-offs - revaluation	126	0	0	0	(126)	0
Other Property and Services						
Write-offs - revaluation	6,284	0	0	0	(6,284)	0
<u>Plant and Equipment</u>						
Education and Welfare						
Asset 300 Great Wall Utility Dual Cab	15,410	17,276	7,273	10,000	(8,137)	(7,276)
Health						
Asset 321 2011 Ford Falcon 4L	37,682	38,750	29,091	29,091	(8,591)	(9,659)
Recreation and Culture						
Write-offs - revaluation	13,652	0	0	0	(13,652)	0
Transport						
Asset 9 2009 Ford Ranger L2229	26,736	27,371	19,091	22,000	(7,646)	(5,371)
Asset 32 2009 Ford Ranger L2169	26,625	31,154	19,091	21,000	(7,534)	(10,154)
Asset 26 Mack Prime Mover P2019	107,190	145,047	85,000	60,000	(22,190)	(85,047)
Asset 326 2011 Nissan Navara 6L	42,846	43,621	22,727	25,000	(20,119)	(18,621)
Asset 38 2009 Nilfisk Sweeper P2253	0	54,304	0	12,000	0	(42,304)
Asset 18 Haulmore Trailer P781	0	0	32,500	20,000	32,500	20,000
Asset 16 Haulmore Trailer P782	0	0	32,500	20,000	32,500	20,000
Write-offs - revaluation	2,862	0	0	0	(2,862)	0
Other Property and Services						
Asset 322 2011 Ford Falcon 2L	38,682	39,439	29,091	29,091	(9,591)	(10,348)
Asset 320 2011 Ford FG Sedan 1L	46,724	48,061	36,819	36,818	(9,905)	(11,243)
Write-offs - revaluation	4,377	0	0	0	(4,377)	0
<u>Infrastructure Other</u>						
Community Amenities						
Sale of Industrial Lots (Asset L211)	0	578,800	0	435,800	0	(143,000)
	377,677	1,023,823	313,183	720,800	(64,495)	(303,023)

Profit	65,000	40,000
Loss	(129,495)	(343,023)
	<u>(64,495)</u>	<u>(303,023)</u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

Signed: 15th October, 2013

President: _____

21. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

The Shire had no borrowings as at the reporting date.

(b) New Debentures - 2012/13

No new debentures were raised during the reporting period.

(c) Unspent Debentures

The Shire had no unspent debentures as at the reporting period.

(d) Overdraft

The Shire does not have an overdraft facility.

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

22. RATING INFORMATION - 2012/13 FINANCIAL YEAR

(a) Rates	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 \$
RATE TYPE											
Differential Rate											
GRV	0.0580	581	16,506,012	957,349	7,086	0	964,435	959,492	2,500	0	961,992
UV Pastoral	0.0480	28	1,294,156	62,119	0	0	62,119	61,724	0	0	61,724
UV Other	0.1280	1,112	26,398,746	3,379,039	21,964	0	3,401,003	3,375,658	15,000	0	3,390,658
Sub-Totals		1,721	44,198,914	4,398,508	29,050	0	4,427,558	4,396,874	17,500	0	4,414,374
Minimum Rates	Minimum \$										
GRV	267	99	155,154	26,433	329	0	26,762	26,700	0	0	26,700
UV Pastoral	267	1,048	1,197,158	279,816	51,324	0	331,140	1,869	0	0	1,869
UV Other	267	7	18,657	1,869	0	0	1,869	282,486	0	0	282,486
Sub-Totals		1,154	1,370,969	308,118	51,653	0	359,771	311,055	0	0	311,055
Mining Tenements Written Back							4,787,329				4,725,429
Totals							0				(15,000)
							4,787,329				4,710,429

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

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

(b) Information on Surplus/(Deficit) Brought Forward

	2013 (1 July 2013 Carried	2013 (1 July 2012 Brought Forward) \$	2012 (30 June 2012 Carried Forward) \$
Surplus/(Deficit) 1 July 2012 Brought Forward	<u>1,412,541</u>	<u>523,050</u>	<u>523,050</u>
<u>Comprises:</u>			
Cash - Unrestricted	1,080,232	1,050,052	1,050,052
Cash - Restricted	586,053	425,931	425,931
Rates Outstanding	58,144	41,773	41,773
Sundry Debtors	220,072	320,588	320,588
GST Receivable	3,570	36,935	36,935
Inventories			
- Fuel and Materials	48,918	47,364	47,364
<u>Less:</u>			
Reserves - Cash Backed	(470,467)	(391,002)	(391,002)
Sundry Creditors	(391,539)	(74,243)	(74,243)
ATO Liabilities	0	(44,857)	(44,857)
Surplus/(Deficit)	<u><u>1,134,983</u></u>	<u><u>1,412,541</u></u>	<u><u>1,412,541</u></u>

Difference

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

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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Signed: 15th October, 2013

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23. SPECIFIED AREA RATE - 2012/13 FINANCIAL YEAR

The Shire did not impose a specific area rate for the 2012/13 financial year.

24. SERVICE CHARGES - 2012/13 FINANCIAL YEAR

The Shire did not impose a service fee charge for the 2012/13 financial year.

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

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

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
Landing Fees	Discount	100.00%	3,000	3,000
Housing Rental	Discount	100.00%	5,200	5,200
			8,200	8,200

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.

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

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Charges on Instalment Plan	0	45	9,435	8,415
			9,435	8,415

Ratepayers had the option of paying rates in four equal instalments, due on 27 August 2012, 27 October 2012, 27 December 2012 and 27 February 2013. Administration charges applied for the final three instalments.

27. FEES & CHARGES	2013 \$	2012 \$
General Purpose Funding	12,267	9,015
Law, Order, Public Safety	5,080	5,719
Health	1,499	19,456
Education and Welfare	71,929	18,348
Housing	29,050	28,941
Community Amenities	87,319	81,224
Recreation and Culture	62,309	53,131
Transport	594,802	512,497
Economic Services	192,766	180,586
Other Property and Services	70,192	174,919
	<u>1,127,213</u>	<u>1,083,836</u>

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

SHIRE OF LEONORA
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President: _____

28. GRANT REVENUE

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

	2013	2012
By Nature and Type:	\$	\$
Operating Grants, Subsidies and Contributions	2,410,816	2,496,935
Non-Operating Grants, Subsidies and Contributions	358,643	40,000
	<u>2,769,459</u>	<u>2,536,935</u>
By Program:		
Governance	25,000	0
General Purpose Funding	1,409,654	1,268,532
Law, Order, Public Safety	7,270	7,280
Health	38,017	10,357
Education and Welfare	81,542	65,940
Housing	0	114
Recreation and Culture	112,948	148,353
Transport	797,961	730,748
Economic Services	297,067	293,807
Other Property and Services	0	11,804
	<u>2,769,459</u>	<u>2,536,935</u>

29. ELECTED MEMBERS REMUNERATION

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

	2013	2013	2012
	\$	Budget	\$
		\$	
Meeting Fees	10,640	14,000	12,040
President's Allowance	12,000	12,000	12,000
Deputy President's Allowance	3,000	3,000	3,000
Travelling Expenses	3,190	9,052	3,920
Telecommunications Allowance	3,220	3,220	3,373
	<u>32,050</u>	<u>41,272</u>	<u>34,333</u>

30. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

2013	2012
<u>28</u>	<u>25</u>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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31. MAJOR LAND TRANSACTIONS**Industrial Land Subdivision**

(a) Details

The purchase and sale of Leonora Lots 1354,1355,944 and 550.

	2013	2013	2012
	\$	Budget	\$
		\$	
Operating Revenue			
- Profit/(Loss) on sale	0	(143,000)	(124,163)
Capital Revenue			
- Sale Proceeds	0	453,800	352,154
Capital Expenditure			
- Purchase of Land	0	0	0
- Development Costs	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>

(c) Expected Future Cash Flows

	2014	2015	2016	2017	Total
	\$	\$	\$	\$	\$
Cash Outflows					
- 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>
Cash Inflows					
- Loan Proceeds	0	0			0
- Sale Proceeds	0	73,600	131,100	378,600	583,300
	<u>0</u>	<u>73,600</u>	<u>131,100</u>	<u>378,600</u>	<u>583,300</u>
Net Cash Flows	<u>0</u>	<u>73,600</u>	<u>131,100</u>	<u>378,600</u>	<u>583,300</u>

The net cash flows to 30 June 2013 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 \$583,800.

32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

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

SHIRE OF LEONORA
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FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

33. FINANCIAL RISK MANAGEMENT

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council.

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2013	2012	2013	2012
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	1,666,285	1,475,983	1,666,285	1,475,983
Receivables	281,787	399,297	285,358	399,297
	<u>1,948,072</u>	<u>1,875,280</u>	<u>1,951,643</u>	<u>1,875,280</u>
Financial Liabilities				
Payables	409,937	132,019	409,937	132,019
	<u>409,937</u>	<u>132,019</u>	<u>409,937</u>	<u>132,019</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
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33. FINANCIAL RISK MANAGEMENT (Continued)**(a) Cash and Cash Equivalents**

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

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

Another risk associated with cash 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.

	2013	2012
	\$	\$
Impact of a 10% movement in interest rates on cash		
- Equity	295,242	272,919
- Statement of Comprehensive Income	295,242 ^(*)	272,919 ^(*)

Notes:

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

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

Impact of a 1% (*) movement in interest rates on cash

- Equity	29,524	27,292
- Statement of Comprehensive Income	29,524 ^(*)	27,292 ^(*)

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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33. FINANCIAL RISK MANAGEMENT (Continued)**(b) Receivables**

Council's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. Council manages this risk by monitoring outstanding debt and employing debt recovery policies.

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:

	2013	2012
Percentage of Rates and Annual Charges		
- Current	0.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of Other Receivables		
- Current	27.02%	81.50%
- Overdue	72.98%	18.50%

SHIRE OF LEONORA
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33. FINANCIAL RISK MANAGEMENT (Continued)**(c) Payables****Borrowings**

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

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
<u>2013</u>					
Payables	409,937	0	0	409,937	409,937
	<u>409,937</u>	<u>0</u>	<u>0</u>	<u>409,937</u>	<u>409,937</u>
<u>2012</u>					
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>

SHIRE OF LEONORA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

President: _____

33. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables
Borrowings (Continued)

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

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

	<1 year \$	>1<2 years \$	>2<3 years \$	>3<4 years \$	>4<5 years \$	>5 years \$	Total \$	Weighted Average Effective Interest Rate %
Year Ended 30 June 2013								
Payables	409,937	0	0	0	0	0	409,937	
Borrowings	0	0	0	0	0	0	0	
Fixed Rate								
Debentures	0	0	0	0	0	0	0	0.00%
Weighted Average Effective Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Year Ended 30 June 2012								
Payables	132,019	0	0	0	0	0	132,019	
Borrowings	0	0	0	0	0	0	0	
Fixed Rate								
Debentures	0	0	0	0	0	0	0	0.00%
Weighted Average Effective Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		


Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS

President:

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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 2013. The financial report comprises the Statement by Chief Executive Officer, Statements 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.



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 2013 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 13th day of September 2013 in Perth, Western Australia

AMW (AUDIT) PTY LTD

Anderson Munro & Wyllie

ANDERSON MUNRO & WYLLIE
Chartered Accountants

/s/

CHRISTOPHER McLAUGHLIN
Registered Company Auditor

**SHIRE OF LEONORA
SUPPLEMENTARY RATIO INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2013**

President: _____

RATIO INFORMATION

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

	2013	2012	2011
Asset Consumption Ratio	0.4933	N/A	N/A
Asset Renewal Funding Ratio	0.3729	N/A	N/A

The above ratios are calculated as follows:

Asset Consumption Ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset Renewal Funding Ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

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

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 2012/2013.

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.

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

PLAN FOR THE FUTURE MAJOR INITIATIVE	COMPLETION	BUDGET
Enhance, develop and promote Golden Gift	Annual	\$400,000
Community Grants Scheme	Annual	\$80,000
Feasibility Study for Aged Care Accommodation	2013-14	\$30,000
Asset Management Planning & Practices	Annual/Ongoing	Various
Develop Workforce Plan	2013	\$25,000
Develop OHS Manuals	2013/14	\$9,000
Upgrade to Rec Centre	2013/14	\$200,000
Footpath & Town Street Renewals	2013/14	\$511,000
Building for Vintage Vehicles	2013/14	\$337,610
Restoration Heritage Infrastructure	2013/14	\$165,000

During the 2012/13 reporting period, the Strategic Community Plan and Corporate Business Plan were both reviewed and amended. This purpose of the review/amendment to these plans (reformatted from existing Strategic Plan etc) was that the reformatted plans did not clearly encompass all aspects of the original document as per community consultation. Projects such as the Leonora Townsite Sewerage Infill Extension Program and Underground Power projects were not easily identified in the Strategic Community Plan, although they were still included in project tables of the Corporate Business Plan and Forward Capital Works Plan. The review and amended plans now provides better clarity and linkages between planning documents.

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 30th June, 2017. This plan resulted from a review of Council's previous plan prior to 8th October, 2012.
- (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.

Salary Range (\$)	No. of Employees
110,000 – 119,999	1
120,000 – 129,999	1
130,000 – 139,999	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 30th June 2013, no complaints were recorded, therefore no action was required to deal with complaints.

10.0 REPORTS OF OFFICERS

10.3 ENVIRONMENTAL HEALTH AND BUILDING SURVEYOR

Nil

President: _____

11.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING.

A. ELECTED MEMBERS

Nil

B. OFFICERS

Nil

12.0 NEXT MEETING

15th October 2013, 9:30 am in the Shire of Leonora Council Chambers.

13.0 CLOSURE OF MEETING

There being no further business, Shire President Cr JF Carter declared the meeting closed at 11:13 am.