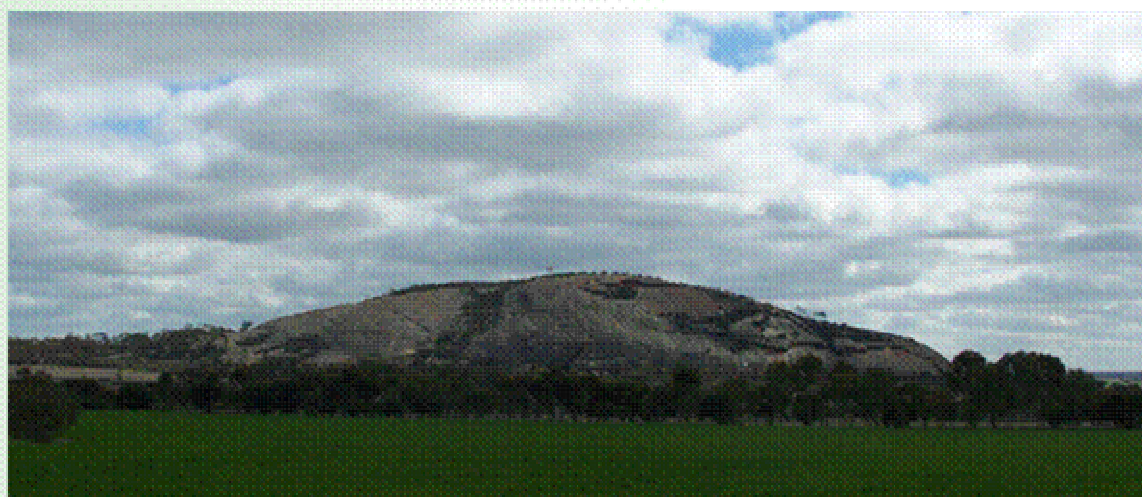


Shire of Bruce Rock Annual Report 2008-09



Including Financial Statements for year ending 30th June 2009

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THE COUNCIL

Council meets on every third Thursday of the month, except January, to discuss local and regional issues of importance to the district.

The Council is made up of eleven Councillors representing the Bruce Rock ward as the five ward system was replaced in 2004/05.

Council's elections have now been changed to occur in October rather than May. Therefore, Council elections will be held on the third Saturday in October. Council's next Ordinary election will be held on Saturday 17th October 2009.

President

Cr SA Strange

Deputy President

Cr IS Dolton

Councillors	Telephone	Years of Service	Term Expires
Cr Leslie Keith BULLER	9061 1026	23	2009
Cr Patricia Gertrude COAKLEY	9064 1176	14	2009
Cr Graeme John CURRIE	9061 1042	23	2011
Cr Ian Stephen DOLTON	9062 3010	10	2009
Cr Margaret Mary FOSS	9065 1034	14	2011
Cr Jennifer Jean GMEINER	9064 1190	10	2011
Cr Donald Alan HEASMAN	9065 1020	6	2009
Cr Justin Ryan LYNN	9061 1556	3	2011
Cr Douglas Edwin SEDGWICK	9065 2031	7	2011
Cr Stephen Arthur STRANGE	9061 1324	20	2011
Cr Michael John VERHOOGT	9061 1385	6	2009

SHIRE OF BRUCE ROCK CONTACT NUMBERS

Office Hours

8.30am to 4.30pm

Shire Office	9061 1377
CEO's Mobile (<i>After Hours Emergency Contact</i>)	0428 611 377
Shire Office Fax	9061 1340
Workshop / Fax	9061 1030
Recreation Centre	9061 1169
Swimming Pool	9061 1278
Harvest Ban Information (<i>Recorded Message Only</i>)	9061 1600

After Hours

Chief Executive Officer	Steve O'Halloran	9061 1230 0428 611 377
Manager of Finance & Compliance	Jennifer Bow	9061 1919 0427 611 229
Works Foreman	Colin Brownley	9061 1297 0428 611 297
Town Foreman	Peter Elliot	9061 1104 0427 211 104
Workshop Mechanic	Gary Waight	9061 1072 0427 611 061
Shire Builder	Jeff Dunning	042861 1401

Fire Contact Numbers

Emergency	000
Harvest Ban Information (<i>Recorded Message Only</i>)	9061 1600

Emergency Numbers

Ambulance/Police/Fire	000
Police Station	9061 1035
Hospital	9061 0222
Doctor's Surgery	9061 1166
Dental Surgery	9061 1954
Physiotherapist	9041 1500
Water Authority	13 13 75
Synergy	13 13 53

SHIRE OF BRUCE ROCK STATISTICS

Localities

Ardath; Babakin; Belka; Bruce Rock; Shackleton

Significant Local Events

Bruce Rock Agricultural Show – Bi-Annual September
Back to the Bush Reunion – 1st Weekend November

Ordinary Council Meeting

Meets third Thursday of each month except January

Tourist Attractions

Kokerbin Rock	Federation Amphitheatre & Sculpture
Shackleton's World's Smallest Bank	Park
Babakin underground orchid	Ardath Hotel
Wildflowers	Railway Dam
Bruce's Rock	Ardath Lake
Bruce Rock Museum	Scenic Rural Vistas

Local Industries

Wheat and other cereals, steel fabrication, machinery manufacturing, sheep, pigs and cattle.

Council Statistics (2008-09)

Distance from Perth (km)	244
Area (sq km)	2,772
Length of Sealed Roads (km)	496.1
Length of Unsealed Roads (km)	762.6
Population	1,100
Number of Electors	733
Number of Dwellings	556
Total Rates Levied	\$930,541
Total Revenue	\$5,338,667
Number of Employees	36

SHIRE OF BRUCE ROCK STAFF

Chief Executive Officer	Steve O'Halloran
Manager Finance & Compliance	Jennifer Bow
Environmental Health Officer	Gary Tucker
Senior Finance Officer	Mandy Butler
Project Officer	Hannah George
Executive Support Officer	Brooke Perez
Senior Administration Officer	Melissa Haythornthwaite
Administration Officer	Ashleigh Waight
Admin Officers - Maternity Leave	Natasha Robinson & Marlene Vad Brownley
Be-Active Coordinator	Rodney Thornton
Natural Resource Management Officer	Sally Rayner
Swimming Pool Manager	Tammy Hudson
Federation Amphitheatre Manager	Phil Skipsey
Medical Centre Practice Manager	Sam Aurisch
Practice Nurse/ Receptionist	Sue O'Halloran
Receptionist	Trudy Butler
Construction Foreman	Colin Brownley
Grader Driver	Robert Findlay
Truck Driver	Glyn Corby
Dozer Driver	Brian Mellet
Loader Driver	Danny Orchard
Truck Driver	Mark Black
Patching Truck Driver	David Reynolds
Town Foreman	Peter Elliot
Leading Hand	Max Fuchsbichler
Plant Operator	Jamie Houston
Labourer	Scott Hancock
Labourer	Des Houston
Builder	Jeff Dunning
Trades Assistant	Phil Cumming
Trades Assistant	Luke Henderson
Apprentice	Ricky Aurisch
Workshop Manager	Gary Waight
Apprentice	Ashley Griffiths
Recreation Centre Manager	Damien Bow
Gardener	John Houston
Gardener	Eric Schmollengruber
Gardener	Stephen Leek
Cleaner	Laurel Fuchsbichler

PRESIDENT'S REPORT



I am proud to announce that 2008-2009 has been yet another exciting and successful year for the Shire of Bruce Rock. The growth and success our Council has achieved is a testament to the continuing hard work by both Councillors and Shire staff.

This year has ensured that our community is well served with excellent facilities. Continued support for significant development projects helps position Bruce Rock as a Shire that continues to *Lead the Way* in the region and State.

One of the great achievements of this past year has been the construction of the District Club and function facilities at the Bruce Rock Recreation Centre. It is an impressive rebuild and extension. Our community is now privileged to have a marvellous state-of-the-art facility which will become the backbone of future sporting and community activities.

The Shire of Bruce Rock remains in a very strong financial position with solid reserve levels and long term plans are either in place or are being developed to help ensure high quality and affordable services and facilities are available for all residents and visitors.

On 5 February 2009, the Minister for Local Government, Hon John Castrilli announced a suite of Local Government reforms which threatens the future of the Shire of Bruce Rock. The Minister wants to see Structural Reform throughout the State and a drastic reduction in the number of Councils. With this real threat to Bruce Rock's future, it is vital that Council maintains its strong financial position.

Council maintains a firm position that Bruce Rock will not amalgamate with surrounding Shires and is determined to remain the productive, effective and efficient local government that is admired by many Councils throughout the region and State.

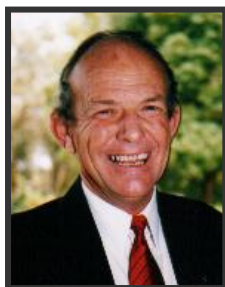
I thank the Staff at the Shire of Bruce Rock and the members of the community who have contributed tirelessly to ensure that the Shire of Bruce Rock is the place that we all love and admire. The efforts of such people are gratefully appreciated and have not gone unnoticed.

Finally, I wish to convey my thanks to all my fellow Councillors for their continued support, assistance and hard work throughout the year.

A handwritten signature in black ink, appearing to read 'S. Strange', written in a cursive style.

Cr Stephen Strange
PRESIDENT

CHIEF EXECUTIVE OFFICER'S REPORT



It is with great pleasure that I present my report on the activities of the Shire of Bruce Rock during 2008-2009. The year was another highly productive year which saw the continued development of community facilities.

Council has continued to develop community facilities with the continuation of the redevelopment of the Recreation Centre with construction of the District Club and function area, resealing another one third of the town's streets and reconstruction of Foss Road, Hines Hill Road and Babakin East Road. These facilities and projects are a credit to the town and create a friendly environment

for tourists and the residents in Bruce Rock.

MAJOR ACHIEVEMENTS FOR 2008-2009

- Construction of Stage 2 of the Recreation Centre redevelopment, including function and kitchen areas.
- Reseal of 1/3 of town streets
- Roads to Recovery funded projects including reconstruction and sealing of Foss Road, Babakin East Road and Hines Hill Road
- Replaced Trencher
- New 6 Wheeler Truck
- Upgraded Fire Truck for Shackleton Bush Fire Brigade (funded through Emergency Services Levy from FESA)

Council staff report to many different State and Federal Authorities and must report and be accountable to these entities. Council's Town Planning Scheme is in the final stages of development and public comment will be sought soon. This will regulate the development of not only the town of Bruce Rock but the whole of the shire.

Council continues to remain in a healthy financial position and in these times of uncertainty with regards to structural reform, Council's strong financial position should ensure its future and guarantee the residents of the Shire the retention of facilities and services currently on offer.

Council has continued to upgrade roads in the district and is continuing its plan to maintain a high standard of both bitumen and gravel roads throughout the entire shire.

ROAD WORKS BUDGET 2008-2009

Hines Hill Road

Reconstruct and reseal various sections
Funding Roads to Recovery

Bruce Rock – Doodlakine Road

Reconstruct and widen 7km section
Funding Dept of Infrastructure & Planning

Foss Road

Reconstruct and widen various sections
Funding Roads to Recovery

Town Streets

Reseal various town streets
Funding Roads to Recovery

2009-2010

Council's workforce will continue to be extremely busy with construction work on Stage 3 of the Extension of the Recreation Centre, construction of a synthetic bowling green, final stage of reconstruction of Doodlakine-Bruce Rock Road, reconstruction on Cramphorne Road, construction of a further \$50,000 of concrete footpaths in town and expansion and upgrade of the refuse site.

I take great pleasure in taking this opportunity to thank Council for its continued support over the past year.

Finally, I would like to extend my sincerest thanks to the Staff of the Shire of Bruce Rock. I give them praise and congratulate them for their dedication and the high level of work they completed throughout the year.

A handwritten signature in blue ink, appearing to read 'Steve O'Halloran', with a stylized, overlapping loop structure.

Steve O'Halloran
CHIEF EXECUTIVE OFFICER

NATIONAL COMPETITION POLICY

In respect to Council's responsibility in relations to the National Competition Policy, the Shire reports as follows:

- No business enterprise of the Shire has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not been applied to any activities undertaken by the Shire in this reporting period.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private enterprise.
- The principles of competitive neutrality will be implemented in respect of any relevant activities undertaken during the 2008/09 year.

A further requirement of the National Competition Policy is that all Council Local Laws are reviewed every 8 years to determine whether they are in conflict with competitive neutrality and comply with the Local Government Act 1995. No Local Laws were amended during the period.

DISABILITIES SERVICE PLAN

Council reviews its facilities and services on an annual basis to identify barriers that may prevent the effective delivery of the services to those people.

In 2003/04, Council engaged an Occupational Therapist to develop a strategy to improve the access to the shops in Johnson Street. This plan is being examined by Council to determine the most effective way to remove all obstacles that hinder the access to essential services.

Council reconstructed the footpath along the Main Street CBD and installed drainage underneath the footpath and parking area during 2006/07. The improvements will improve the quality of life for all who were impeded by unsuitable facilities.



From this in December 2006



To this in February 2007

DISABILITY ACCESS AND INCLUSION PLAN

The *Disability Services Act 1993* was amended in December 2003, creating a requirement for public authorities to develop and implement Disability Access and Inclusion Plans (DAIPs). These plans replace and build on the achievements of the Disability Services Plans (DSPs).

The Disability Services Commission accepted our DAIP in July 2007. Council is required to report on the six outcomes relating to DAIPs.

- **Outcome 1: Services and Events**

Council is continually adapting our existing services to give people with disabilities the same opportunities as other people to access the services of, and any events organised by the Shire.

Council ensures people with disabilities are given access to all Shire events and to access the services of the Shire.

- **Outcome 2: Buildings and Other Facilities**

Council also continues with improvements to buildings and footpath infrastructure to assist with both wheelchair and gopher access.

Council has reconstructed the footpath along the Main Street which gives people with disabilities greater access to shops and facilities. Council have also included disability access to all parts of the redeveloped Recreation Centre.

- **Outcome 3: Information**

Wherever possible people with disabilities can receive information from the Shire in a format that will enable them to access the information readily as other people are able to access it.

People with disabilities can access information produced by the Shire of Bruce Rock in different formats. Anyone requiring a different format are encouraged to contact the Shire Office.

- **Outcome 4: Level and Quality of Service**

The staff is always encouraged to be aware of the needs of people with disabilities to ensure they receive the same level and quality of service as other people receive.

Staff at the Shire of Bruce Rock are made aware that people with disabilities may have different needs. Staff are encouraged to ensure that people with disabilities receive the same level and quality of service as other people receive.

- **Outcome 5: Complaints Process**

People with disabilities have the same opportunities as other people to make complaints to staff, and can be via written letters, email, SMS or verbally.

People with disabilities are able to make complaints and can do this via written letters, email, SMS or verbally.

- **Outcome 6: Public Consultation Process**

Council provides many ways for people to participate in public consultation and we are more than happy to discuss any grievances community members may have regarding the services available to the disabled.

Council has made the DAIP available on the website for the community to access. The community was also given the opportunity to comment on the DAIP prior to it being adopted by Council.

PLAN FOR THE FUTURE OF THE DISTRICT

The changes to the Local Government Act 1995 have replaced the need for the Principal Activities Plan with the requirement for a Plan for the Future of the District.

A detailed copy of the Plan for the Future is available from the Shire Office or can be downloaded from Council's website at www.brucerock.wa.gov.au

FREEDOM OF INFORMATION

Part 5 of the *Freedom of Information Act 1992* requires an agency such as a local government to prepare and publish an Information Statement.

The Shire of Bruce Rock has developed an Information Statement which can be inspected via Council's website or by contacting the Shire Office.

The Shire of Bruce Rock did not receive any applications under the *Freedom of Information Act 1992*.

STATE RECORDKEEPING ACT

The State Records Act 2000 requires that the Shire maintains and disposes of all records in the prescribed manner.

Standard 2, Principle 6 – Compliance: Government organisations ensure their employees comply with the record keeping plan.

Rationale:

An organisation and its employees must comply with the organisation's record keeping plan. Organisations should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities.

Minimum Compliance Requirements:

The record keeping plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisation's record keeping system is evaluated not less than once every 5 years.
2. The organisation 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 organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's record keeping plan.

The Shire of Bruce Rock has complied with items 1-4.

PUBLIC INTEREST DISCLOSURES

The *Public Interest Disclosure Act 2003* facilitates the disclosure of public interest information, and provides for the protection for those making such disclosure and those who are subject of the disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be action.

The Chief Executive Officer has complied with the obligation under the Act, including;

- Appointing the Deputy Chief Executive Officer as the PID Officer for the Shire of Bruce Rock and publishing an internal procedure manual relating to the Shire's obligations.
- Providing protection from detrimental action or the threat of detrimental action for any employee of the Shire who makes an appropriate disclosure of public interest information.

FINANCIAL STATEMENTS FOR YEAR ENDING 30TH JUNE 2009

SHIRE OF BRUCE ROCK
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

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SHIRE OF BRUCE ROCK
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Bruce Rock being the annual financial report and other information for the financial year ended 30th June 2009 are in my opinion properly drawn up to present fairly the financial position of the Shire of Bruce Rock at 30th June 2009 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 regulations under that Act.

Signed on the 15th day of September 2009.



Steve O'Halloran
Chief Executive Officer

SHIRE OF BRUCE ROCK

INCOME STATEMENT

BY NATURE OR TYPE

FOR THE YEAR ENDED 30TH JUNE 2009

	NOTE	2009 \$	2009 Budget \$	2008 \$
REVENUES FROM ORDINARY ACTIVITIES				
Rates	23	930,541	930,641	893,084
Grants and Subsidies	29	2,192,293	2,845,058	1,856,066
Contributions Reimbursements and Donations		103,651	625,810	325,050
Service Charges	25	0	0	0
Fees and Charges	28	651,123	555,998	400,496
Interest Earnings	2(a)	108,558	139,284	129,224
Other Revenue		53,122	20,000	32,692
		<u>4,039,288</u>	<u>5,116,791</u>	<u>3,636,612</u>
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs		(1,258,905)	(1,196,330)	(1,240,065)
Materials and Contracts		(927,878)	(1,370,679)	(955,047)
Utilities		(162,558)	(169,450)	(163,759)
Depreciation	2(a)	(1,884,609)	(1,852,856)	(1,804,289)
Interest Expenses	2(a)	(204)	-	0
Insurance		(166,740)	(165,399)	(155,312)
Other Expenditure		(83,032)	(42,439)	(74,663)
		<u>(4,483,926)</u>	<u>(4,797,153)</u>	<u>(4,393,135)</u>
		(444,638)	319,638	(756,523)
Grants and Subsidies - non-operating	29	1,189,405	0	494,511
Contributions Reimbursements and Donations - non-operating		0	0	0
Fair value adjustments to financial assets at fair value through profit or loss		0	0	0
Profit on Asset Disposals	21	109,974	0	352,085
Loss on Asset Disposals	21	(51,850)	0	(182,939)
		<u>802,891</u>	<u>319,638</u>	<u>(92,866)</u>
NET RESULT		<u>802,891</u>	<u>319,638</u>	<u>(92,866)</u>

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

SHIRE OF BRUCE ROCK

INCOME STATEMENT

BY PROGRAM

FOR THE YEAR ENDED 30TH JUNE 2009

	NOTE	2009 \$	2009 Budget \$	2008 \$
REVENUES FROM ORDINARY ACTIVITIES				
Governance		39,997	35,972	2,395
General Purpose Funding		2,645,298	2,020,042	1,927,948
Law, Order, Public Safety		206,479	285,849	57,549
Health		85,212	87,170	89,892
Education and Welfare		8,284	7,190	7,252
Housing		133,755	563,780	246,290
Community Amenities		51,664	67,164	61,583
Recreation and Culture		58,247	140,120	185,175
Transport		1,655,842	1,523,931	1,438,437
Economic Services		149,022	185,573	251,713
Other Property and Services		304,867	200,000	214,974
	2 (a)	<u>5,338,667</u>	<u>5,116,791</u>	<u>4,483,208</u>
EXPENSES FROM ORDINARY ACTIVITIES EXCLUDING BORROWING COSTS EXPENSE				
Governance		(430,790)	(694,744)	(411,583)
General Purpose Funding		(109,197)	(58,950)	(95,829)
Law, Order, Public Safety		(64,314)	(61,326)	(90,563)
Health		(194,813)	(217,275)	(194,498)
Education and Welfare		(24,300)	(48,610)	(40,357)
Housing		(136,929)	(202,344)	(176,016)
Community Amenities		(89,994)	(118,624)	(96,532)
Recreation & Culture		(761,070)	(732,776)	(739,315)
Transport		(2,072,761)	(2,203,763)	(2,072,314)
Economic Services		(422,067)	(326,890)	(453,806)
Other Property and Services		(229,541)	(131,851)	(205,261)
	2 (a)	<u>(4,535,776)</u>	<u>(4,797,153)</u>	<u>(4,576,074)</u>
BORROWING COSTS EXPENSE				
		0	0	0
	2 (a)	<u>0</u>	<u>0</u>	<u>0</u>
NET RESULT		<u>802,891</u>	<u>319,638</u>	<u>(92,866)</u>

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

SHIRE OF BRUCE ROCK**BALANCE SHEET****AS AT 30TH JUNE 2009**

	NOTE	2009 \$	2008 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	1,698,299	1,423,146
Investments	4	0	0
Trade and Other Receivables	5	133,741	184,810
Inventories	6	24,292	20,787
TOTAL CURRENT ASSETS		<u>1,856,332</u>	<u>1,628,743</u>
NON-CURRENT ASSETS			
Other Receivables	5	0	0
Inventories	6	0	0
Property, Plant and Equipment	7	11,012,934	9,879,810
Infrastructure	8	19,357,112	19,736,267
TOTAL NON-CURRENT ASSETS		<u>30,370,046</u>	<u>29,616,077</u>
TOTAL ASSETS		<u>32,226,378</u>	<u>31,244,820</u>
CURRENT LIABILITIES			
Trade and Other Payables	9	292,266	136,685
Long Term Borrowings	10	0	0
Provisions	11	217,135	201,374
TOTAL CURRENT LIABILITIES		<u>509,401</u>	<u>338,059</u>
NON-CURRENT LIABILITIES			
Long Term Borrowings	10	0	0
Provisions	11	27,644	20,319
TOTAL NON-CURRENT LIABILITIES		<u>27,644</u>	<u>20,319</u>
TOTAL LIABILITIES		<u>537,045</u>	<u>358,378</u>
NET ASSETS		<u>31,689,333</u>	<u>30,886,442</u>
EQUITY			
Retained Surplus		31,124,410	29,877,411
Reserves - Cash/Investment Backed	12	564,923	1,009,031
Reserves - Asset Revaluation	13	0	0
TOTAL EQUITY		<u>31,689,333</u>	<u>30,886,442</u>

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

SHIRE OF BRUCE ROCK
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2009

	NOTE	2009 \$	2008 \$
RETAINED SURPLUS			
Balance as at 1 July 2008		29,877,411	29,913,779
Net Result		802,891	(92,866)
Transfer from/(to) Reserves		444,108	56,498
Balance as at 30 June 2009		<u>31,124,410</u>	<u>29,877,411</u>
RESERVES - CASH BACKED			
Balance as at 1 July 2008		1,009,031	1,065,529
Amount Transferred (to)/from Retained Surplus		(444,108)	(56,498)
Balance as at 30 June 2009	12	<u>564,923</u>	<u>1,009,031</u>
RESERVES - ASSET REVALUATION			
Balance as at 1 July 2008		0	0
Revaluation Increment		0	0
Revaluation Decrement		0	0
Balance as at 30 June 2009	13	<u>0</u>	<u>0</u>
TOTAL EQUITY		<u><u>31,689,333</u></u>	<u><u>30,886,442</u></u>

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

**SHIRE OF BRUCE ROCK
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2009 \$	2009 Budget \$	2008 \$
Cash Flows From Operating Activities				
Receipts				
Rates		916,887	930,641	897,768
Grants and Subsidies - operating		2,192,293	2,845,058	1,856,066
Contributions, Reimbursements & Donations		103,651	625,810	325,050
Service Charges		0	0	0
Fees and Charges		710,028	555,998	568,820
Interest Earnings		108,558	139,284	129,224
Goods and Services Tax		5,819	0	203,408
Other		53,122	20,000	32,692
		<u>4,090,358</u>	<u>5,116,791</u>	<u>4,013,028</u>
Payments				
Employee Costs		(1,223,558)	(1,166,774)	(1,206,366)
Materials and Contracts		(788,065)	(1,317,979)	(968,604)
Utilities (gas, electricity, water, etc)		(162,557)	(169,450)	(163,759)
Insurance		(166,740)	(165,399)	(155,312)
Interest		(204)	-	0
Goods and Services Tax		0	-	(209,226)
Other		(83,031)	(42,440)	(74,664)
		<u>(2,424,155)</u>	<u>(2,862,042)</u>	<u>(2,777,931)</u>
Net Cash Provided By (Used In)				
Operating Activities	14(b)	<u>1,666,203</u>	<u>2,254,749</u>	<u>1,235,097</u>
Cash Flows from Investing Activities				
Payments for Development of Land Held for Resale		0	0	0
Payments for Purchase of Property, Plant & Equipment		(2,184,522)	(1,965,500)	(2,737,299)
Payments for Construction of Infrastructure		(990,383)	(1,332,320)	(742,947)
Advances to Community Groups		0	0	0
Payments for Purchase of Investments		0	0	0
Grants/Contributions for the Development of Assets		1,189,405	0	494,511
Proceeds from Sale of Plant & Equipment		594,450	555,000	734,765
Proceeds from Advances		0	0	0
Proceeds from Sale of Investments		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
Net Cash Provided By (Used In)				
Investing Activities		<u>(1,391,050)</u>	<u>(2,742,820)</u>	<u>(2,250,970)</u>
Cash Flows from Financing Activities				
Repayment of Debentures		0	0	0
Repayment of Finance Leases		0	0	0
Proceeds from Self Supporting Loans		0	0	0
Proceeds from New Debentures		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
Net Cash Provided By (Used In)				
Financing Activities		<u>0</u>	<u>0</u>	<u>0</u>
Net Increase (Decrease) in Cash Held		275,153	(488,071)	(1,015,873)
Cash at Beginning of Year		1,423,146	1,725,332	2,439,019
Cash and Cash Equivalents				
at the End of the Year	14(a)	<u><u>1,698,299</u></u>	<u><u>1,237,261</u></u>	<u><u>1,423,146</u></u>

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

**SHIRE OF BRUCE ROCK
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2009 \$	2009 Budget \$
REVENUES			
Governance		39,997	35,972
General Purpose Funding		1,724,458	1,127,401
Law, Order, Public Safety		206,479	285,849
Health		85,212	87,170
Education and Welfare		8,284	7,190
Housing		133,755	563,780
Community Amenities		51,664	67,164
Recreation and Culture		58,247	140,120
Transport		1,655,842	1,523,931
Economic Services		149,022	185,573
Other Property and Services		304,867	200,000
		<u>4,417,827</u>	<u>4,224,150</u>
EXPENSES			
Governance		(430,790)	(694,744)
General Purpose Funding		(82,037)	(58,950)
Law, Order, Public Safety		(64,314)	(61,326)
Health		(194,813)	(217,275)
Education and Welfare		(24,300)	(48,610)
Housing		(136,929)	(202,344)
Community Amenities		(89,994)	(118,624)
Recreation & Culture		(761,070)	(732,776)
Transport		(2,072,761)	(2,203,763)
Economic Services		(422,067)	(326,890)
Other Property and Services		(229,541)	(131,851)
		<u>(4,508,616)</u>	<u>(4,797,153)</u>
Adjustments for Cash Budget Requirements:			
Non-Cash Expenditure and Revenue			
(Profit)/Loss on Asset Disposals		(58,123)	0
Movement in Employee Benefit Provisions		7,326	0
Depreciation and Amortisation on Assets		1,884,609	1,852,856
Capital Expenditure and Revenue			
Purchase Land		0	(15,000)
Purchase Buildings		(1,303,643)	(446,700)
Purchase Infrastructure Assets - Roads		(990,383)	(1,332,320)
Purchase Plant and Equipment		(840,839)	(1,442,300)
Purchase Furniture and Equipment		(40,041)	(61,500)
Purchase of Investments		0	0
Proceeds from Disposal of Investments		0	0
Proceeds from Disposal of Assets		594,449	555,000
Repayment of Debentures		0	0
Proceeds from New Debentures		0	0
Self-Supporting Loan Principal Income		0	0
Transfers to Reserves (Restricted Assets)		(298,895)	(476,984)
Transfers from Reserves (Restricted Assets)		743,004	213,100
ADD Estimated Surplus/(Deficit) July 1 B/Fwd		281,653	834,210
LESS Estimated Surplus/(Deficit) June 30 C/Fwd		782,008	0
Amount Required to be Raised from Rates	23	<u><u>(893,680)</u></u>	<u><u>(892,641)</u></u>

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

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Preparation

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

The report has also been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of non-current assets.

Critical Accounting Estimates

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

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

(b) The Local Government Reporting Entity

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

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

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

(c) Goods and Services Tax

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

(d) Cash and Cash Equivalents

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

For the purposes of the 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 on the balance sheet.

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Trade and Other Receivables

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

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

(f) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held 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 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 Income 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 intention to release for sale.

(g) Fixed Assets

Initial Recognition

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

(i) Valuation of Non-Current Assets

Property, plant and equipment are brought to account at cost, or if acquired other than by purchase, as valued by the Chief Executive Officer, less where applicable any accumulated depreciation or amortisation.

Property, plant, equipment and infrastructure is capitalised if the cost or valuation exceeds:

• Land	Nil
• Buildings	Nil
• Plant and Equipment	\$1,000
• Furniture and Equipment	\$500

Assets which, at the time of acquisition, there are reasonable expectations that they may last for more than one accounting period, yet because their cost is below the declared thresholds for capitalisation, are recorded in quantitative terms to ensure a record of ownership and location exists.

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2008**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(ii) Infrastructure Assets

Infrastructure assets are the amenities, structures or facilities which assist Local Government in providing services to the community and may have the following characteristics:

- a long life
- require substantial capital outlays
- does not necessarily have a realisable value
- usually a fixture - sometimes not readily visible/noticable
- consists of a number of components of an overall system
- provides public facilities or deliver services

Council will capitalise Infrastructure Assets with a threshold value of \$5,000.

Revaluation

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

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

Land under Roads

Land under roads is excluded from infrastructure in accordance with the transition arrangements available under AASB 1045 and in accordance with legislative requirements.

(h) Depreciation of Non-Current Assets

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

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

Buildings	50 to 100 years
Furniture and Equipment	10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and	
major re-surfacing	
- bituminous seals	20 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	12 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - concrete	40 years

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Investments and Other Financial Assets

Classification

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

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

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

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

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

(iv) Available-for-sale financial assets

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

Recognition and derecognition

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

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

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Investments and Other Financial Assets (Continued)

Subsequent measurement

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

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

Impairment

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

(j) Estimation of Fair Value

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

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

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

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

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

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment

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

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

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

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

(l) Trade and Other Payables

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

(m) Employee Benefits

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

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

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

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

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

(n) Interest-bearing Loans and Borrowings

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

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

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

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

(o) Provisions

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

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

(p) Leases

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

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

(q) 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.

(r) Superannuation

The Shire of Bruce Rock contributes to the Local Government Superannuation Scheme and the Occupational Superannuation Fund. Both funds are defined contribution schemes.

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

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Rounding Off Figures

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

(t) Comparative Figures

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

(u) 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.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2009.

Title and Topic	Issued	Applicable (*)	Impact
(i) AASB-I 12 Service Concession Arrangements, AASB 2007-1 Amendments to Australian Accounting Standards arising from AASB Interpretation 12, revised UIG 4 Determining whether an Arrangement contains a Lease and revised UIG 129 Service Concession Arrangements:	February 2007	1 January 2008	Nil – Council is not party to any Service Concession Arrangements.
(ii) AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8	February 2007	1 January 2009	Nil – The Standard is not applicable to not-for-profit entities.
(iii) Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	June 2007	1 January 2009	Nil – The revised Standard has removed the option to expense all borrowing costs and, when adopted, will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of the Council as the council already capitalises borrowing costs relating to qualifying assets.
(iv) AASB-I 13 Customer Loyalty Programmes	August 2007	1 July 2008	Nil – Council has no Customer Loyalty Programmes.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations (Continued)

Title and Topic	Issued	Applicable (*)	Impact
(v) AASB-I 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	August 2007	1 January 2008	Nil – The Interpretation provides guidance on the maximum amount that may be recognised as an asset in defined benefit plans. Council does not currently contribute to any defined benefit plans. Consequently, there is not expected to be any impact on the financial statements.
(vi) Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101	September 2007 and December 2007	1 January 2009	Nil – The revised Standard requires the presentation of a Statement of comprehensive income and makes changes to the Statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If Council has made a prior period adjustment or has reclassified items in the financial statements, it is likely it will need to disclose a third balance sheet (Statement of financial position), being as at the beginning of the comparative period.
(vii) AASB 1049 Whole of Government and General Government Sector Financial	October 2007	1 July 2008(+)	Nil – The Standard is not applicable to Local Governments.

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations (Continued)

Title and Topic	Issued	Applicable (*)	Impact
(viii) AASB 1050 Administered Items: AASB 1051 Land Under Roads, AASB 1052 Disaggregated Disclosures, revised AASB 1004 Contributions, AASB 2007-9 Amendments to Australian Accounting Standards arising from the review of AAS 27, AAS 29 and AAS 31 and revised interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities	December 2007	1 July 2008(+)	<ul style="list-style-type: none"> • AASB 1050 is only applicable to Government departments and will have no impact on Council. • AASB 1051 will allow Council to recognise or not recognise land under roads acquired before 30 June 2008. Land under roads acquired after 30 June 2008 must be recognised. • AASB 1052 requires disclosure of financial information by function or activity. Council already provides this information so there will be no additional impact on the financial statements. • This Standard will have a significant impact on the Council's financial statements. • AASB 1004 requires contributions made to Council to be recognised at fair value when they are controlled and to be appropriately disclosed. Council already accounts for contributions in this manner so there will be no additional impact on the financial statements.

Notes:

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

(+) - Applicable to not-for-profit and/or public sector entities only.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

2. REVENUES AND EXPENSES	2009	2008
	\$	\$
(a) Result from Ordinary Activities		
The Result from Ordinary Activities includes:		
(i) Charging as an Expense:		
Auditors Remuneration		
- Audit	4,900	4,650
- Other Services	250	650
Depreciation		
Buildings	(151,108)	(134,469)
Furniture and Equipment	(25,459)	(18,872)
Plant and Equipment	(338,504)	(295,346)
Roads	(1,368,413)	(1,354,477)
Quarry	(1,125)	(1,125)
	<u>(1,884,609)</u>	<u>(1,804,289)</u>
Interest Expenses		
Finance Lease Charges	0	0
Debentures (<i>refer Note 22(a)</i>)	0	0
	<u>0</u>	<u>0</u>
Rental Charges		
- Operating Leases	0	0
	<u>0</u>	<u>0</u>
(ii) Crediting as Revenue:		
	2009	2009
	\$	Budget
		\$
Interest Earnings		
Investments		
- Reserve Funds	71,696	101,984
- Other Funds	32,738	35,700
Other Interest Revenue (<i>refer note 27</i>)	4,124	1,600
	<u>108,558</u>	<u>139,284</u>
		<u>129,224</u>

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective

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

MISSION STATEMENT

Bruce Rock "Leads the Way"

GOVERNANCE

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

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Assistance to the Shire's Fire Brigade and Bush Fire Services, fire prevention, animal control, crime prevention and community safety and the supervision of various by-laws.

HEALTH

Food quality and pest control, operation of medical clinic and the provision of accommodation offices and other services to the doctor, dentist, infant health nurse and physiotherapist.

EDUCATION AND WELFARE

Assistance to senior citizens, playgroups and other community and voluntary services.

HOUSING

Maintenance of the shire aged, single and community and staff houses.

COMMUNITY AMENITIES

Rubbish collection services, operation of refuse site, recycling centre, bulk litter drives and the Tidy Towns' Project. Administration of the Town Planning Scheme, maintenance of cemetery and control of public toilets and rest centres.

RECREATION AND CULTURE

Maintenance and operation of halls and the amphitheatre, recreation centre, the swimming pool, tennis courts, cricket pitches, oval, netball courts, basketball courts and TV rebroadcasting. Maintenance of Council's parks and gardens and various reserves. Operation and control of Library and Museum and heritage inventory.

TRANSPORT

Construction and maintenance of streets, roads, drainage works, lighting of streets, depot maintenance, vehicle licensing and airstrip maintenance.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

ECONOMIC SERVICES

Provision of tourism promotion through caravan park and camping ground, railway barracks and community bus. The provision of services, building surveyor, saleyards and water stand pipes. Employment of Bruce Rock Natural Resource Mangement Officer and various landcare projects.

OTHER PROPERTY & SERVICES

Private works operations, plant repairs and operation costs.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

2. REVENUES AND EXPENSES (Continued)

	2009	2008
	\$	\$
(c) Conditions Over Contributions		
Grants recognised as revenues in a previous reporting period which were not expended at the close of the previous reporting period (ie opening balances).		
Roads to Recovery Annual Funding	68,297	
Roads to Recovery Supplementary Funding	284,361	344,196
Department of Environment & Heritage		26,059
Dept of Local Govt & Community Development		6,000
Office of Crime Safety		16,200
	352,658	392,455
Add:		
New grants which were recognised as revenues during the reporting period and which had not yet been fully expended by the contributor.		
Royalties to Regions	378,736	
Dept of Local Govt Grant	10,673	
Roads to Recovery Annual Funding	130,732	68,297
Office of Crime Prevention	19,000	
Less:		
Grants which were recognised as revenues in a previous reporting period and which were expended in the current reporting period in the manner specified by the contributor.		
Roads to Recovery Annual Funding	(68,297)	
Roads to Recovery Supplementary Funding	(284,361)	(59,835)
Department of Environment & Heritage		(26,059)
Dept of Local Govt & Community Development		(6,000)
Office of Crime Safety		(16,200)
Closing balances of unexpended grants	539,141	352,658
Comprises:		
Royalties to Regions	378,736	
Dept of Local Govt Grant	10,673	
Office of Crime Prevention	19,000	
Roads to Recovery Annual Funding	130,732	68,297
Roads to Recovery Supplementary Funding	284,361	284,361
	539,141	352,658

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

	2009	2008
	\$	\$
3. CASH AND CASH EQUIVALENTS		
Unrestricted	594,235	61,456
Restricted	1,104,064	1,361,690
	1,698,299	1,423,146

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

Long Service Leave Reserve	77,673	73,063
Be-Active Long Service Leave Reserve	5,508	5,181
Plant Reserve	4,235	3,984
Housing Reserve	376,052	138,586
Recreation Centre Upgrade Reserve	101,455	788,218
Roads to Recovery Annual Funding	130,732	68,297
Roads to Recovery Supplementary Funding	0	284,361
Royalties to Regions	378,736	0
Dept of Local Govt Grant	10,673	0
Office of Crime Prevention	19,000	0
	1,104,064	1,361,690

4. INVESTMENTS

The Shire of Bruce Rock did not have any investments other than Cash Bearing Deposits during 2008/ Details regarding investments are as follows;

(a) General Reserve

Details of Investment	Expiry Date	Term	Interest Rate
Bendigo Bank (133 939 199)	10-Aug-09	3 Months	4.10%
Fund Consists of;			
Leave Reserve	83,181		
Plant Reserve	4,235		
Housing Reserve	376,053		
	463,469		

(b) Rec Centre Upgrade Reserve

Details of Investment	Expiry Date	Term	Interest Rate
Westpac Bank (036-105 14-6289)	19-Sep-09	4 Months	4.10%
Fund Consists of;			
Rec Centre Upgrade Reserve	101,455		
	101,455		

(c) Surplus Municipal Funds

Details of Investment	Amt Invested at 30-Jun-09	Term	Interest Rate
Westpac Bank (036-105 13-7921)	1,098,401	At Call	3.00%

SHIRE OF BRUCE ROCK

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

	2009	2008
	\$	\$
5. TRADE AND OTHER RECEIVABLES		
Current		
Rates Outstanding	28,561	14,907
Sundry Debtors	105,180	164,084
GST Receivable	0	5,819
Loans - Clubs/Institutions	0	0
	<u>133,741</u>	<u>184,810</u>
Non-Current		
Rates Outstanding - Pensioners	0	0
Loans - Clubs/Institutions	0	0
	<u>0</u>	<u>0</u>
6. INVENTORIES		
Current		
Fuel and Materials	24,292	20,787
	<u>24,292</u>	<u>20,787</u>
Non-Current		
Land Held for Resale - Cost		
Cost of Acquisition	0	0
Development Costs	0	0
	<u>0</u>	<u>0</u>
7. PROPERTY, PLANT AND EQUIPMENT		
Land	63,229	64,391
	<u>63,229</u>	<u>64,391</u>
Buildings - Cost	9,810,078	8,846,208
Less Accumulated Depreciation	(2,049,777)	(1,926,378)
	<u>7,760,301</u>	<u>6,919,830</u>
Furniture and Equipment - Cost	271,197	233,482
Less Accumulated Depreciation	(114,519)	(90,110)
	<u>156,678</u>	<u>143,372</u>
Plant and Equipment - Cost	5,147,478	4,701,403
Less Accumulated Depreciation	(2,114,752)	(1,949,186)
	<u>3,032,726</u>	<u>2,752,217</u>
	<u>11,012,934</u>	<u>9,879,810</u>

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

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

	Land	Buildings	Furniture & Equipment	Plant & Equipment	Total
	\$	\$	\$	\$	\$
Balance as at 1 July 2008	64,391	6,919,829	143,372	2,752,217	9,879,809
Additions	0	1,303,643	40,041	840,839	2,184,523
(Disposals)	(1,162)	(339,772)	(2,325)	(394,764)	(738,023)
Revaluation - Increments - (Decrements)	0	0	0	0	0
Impairment - (losses) - reversals	0	0	0	0	0
Depreciation (Expense)	0	(151,108)	(25,459)	(338,504)	(515,071)
Other Movements	0	27,709	1,049	172,938	201,696
Balance as at 30 June 2009	<u>63,229</u>	<u>7,760,301</u>	<u>156,678</u>	<u>3,032,726</u>	<u>11,012,934</u>

SHIRE OF BRUCE ROCK

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

	2009	2008
	\$	\$
8. INFRASTRUCTURE		
Roads - Cost	43,087,879	42,097,495
Less Accumulated Depreciation	<u>(23,731,767)</u>	<u>(22,363,353)</u>
	19,356,112	19,734,142
Quarry Equipment - Cost	42,500	65,000
Less Accumulated Depreciation	<u>(41,500)</u>	<u>(62,875)</u>
	1,000	2,125
	<u>19,357,112</u>	<u>19,736,267</u>

Council have adopted a policy of re-valuing roads with sufficient regularity to ensure the carrying amount of each road asset is fairly stated at reporting date. This policy accords with the requirements of AASB 116.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

8. INFRASTRUCTURE (Continued)**Movements in Carrying Amounts**

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

	<u>Roads</u> \$	<u>Quarry</u> \$	<u>Total</u> \$
Balance as at 1 July 2008	19,734,142	2,125	19,736,267
Additions	990,383	0	990,383
(Disposals)	-	(22,500)	(22,500)
Revaluation - Increments			0
- (Decrements)	0	0	0
Impairment - (losses)			0
- reversals	0	0	0
Depreciation (Expense)	(1,368,413)	(1,125)	(1,369,538)
Other Movements	0	22,500	22,500
Balance as at 30 June 2009	<u>19,356,112</u>	<u>1,000</u>	<u>19,357,112</u>

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

	2009 \$	2008 \$
9. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	280,005	136,685
Accrued Interest on Debentures	0	0
Accrued Salaries and Wages	12,261	0
	292,266	136,685
10. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge		
Debentures	0	0
Lease Liability	0	0
	0	0
Non-Current		
Secured by Floating Charge		
Debentures	0	0
Lease Liability	0	0
	0	0
Additional detail on borrowings is provided in Note 22.		
11. PROVISIONS		
Current		
Provision for Annual Leave	84,013	75,886
Provision for Long Service Leave	133,122	125,488
	217,135	201,374
Non-Current		
Provision for Annual Leave	0	0
Provision for Long Service Leave	27,644	20,319
	27,644	20,319

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

	2009 \$	2009 Budget \$	2008 \$
12. RESERVES - CASH BACKED			
(a) Leave Reserve			
Opening Balance	73,063	78,244	67,949
Amount Set Aside / Transfer to Reserve	4,610	6,260	5,114
Amount Used / Transfer from Reserve	0	0	0
	<u>77,673</u>	<u>84,504</u>	<u>73,063</u>
(b) Be-Active Long Service Leave Reserve			
Opening Balance	5,181	0	2,934
Amount Set Aside / Transfer to Reserve	327	0	2,247
Amount Used / Transfer from Reserve	0	0	0
	<u>5,508</u>	<u>0</u>	<u>5,181</u>
(c) Plant Reserve			
Opening Balance	3,984	3,984	3,705
Amount Set Aside / Transfer to Reserve	251	319	279
Amount Used / Transfer from Reserve	0	0	0
	<u>4,235</u>	<u>4,303</u>	<u>3,984</u>
(d) Housing Reserve			
Opening Balance	138,586	138,586	128,886
Amount Set Aside / Transfer to Reserve	237,466	411,000	9,700
Amount Used / Transfer from Reserve	0	0	0
	<u>376,052</u>	<u>549,586</u>	<u>138,586</u>
(e) Community Development Reserve			
Opening Balance	0	0	131,940
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	0	0	(131,940)
	<u>0</u>	<u>0</u>	<u>0</u>
(f) Recreation Centre Upgrade Reserve			
Opening Balance	788,218	742,563	730,116
Amount Set Aside / Transfer to Reserve	56,241	59,405	199,972
Amount Used / Transfer from Reserve	(743,004)	(213,100)	(141,870)
	<u>101,455</u>	<u>588,868</u>	<u>788,218</u>
	<u>564,923</u>	<u>1,227,261</u>	<u>1,009,032</u>

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

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

12. RESERVES - CASH BACKED (cont.)

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

Long Service Leave Reserve

- to be used to fund long service leave requirements

Be-Active Long Service Leave Reserve

- to be used to fund long service leave requirements for the Be-Active Scheme

Plant Reserve

- to be used for the purchase of major plant

Housing Reserve

- to be used for the construction of housing

Community Development Reserve

- to be used for community development

Recreation Centre Upgrade Reserve

- to be used for the upgrade of the Recreation Centre

13. RESERVES - ASSET REVALUATION

The Shire of Bruce Rock did not revalue any assets during 2008/09 financial year.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

14. NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of Cash

For the purposes of the cash flow statement, cash includes cash on hand and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the balance sheet as follows:

	2009 \$	2008 \$
Cash and Cash Equivalents	<u>1,698,299</u>	<u>1,423,146</u>

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

Net Result	802,891	(92,866)
Depreciation	1,884,609	1,804,289
(Profit)/Loss on Sale of Asset	(58,123)	(169,148)
(Increase)/Decrease in Receivables	45,251	167,190
(Increase)/Decrease in Inventories	(3,504)	3,382
Increase/(Decrease) in Payables	149,138	(16,935)
Increase/(Decrease) in Employee Provisions	35,346	33,696
Grants/Contributions for the Development of Assets	<u>(1,189,405)</u>	<u>(494,511)</u>
Net Cash from Operating Activities	<u>1,666,203</u>	<u>1,235,097</u>

**(c) Undrawn Borrowing Facilities
Credit Standby Arrangements**

Bank Overdraft limit	0	0
Bank Overdraft at Balance Date	0	0
Credit Card limit	5,000	5,000
Credit Card Balance at Balance Date	0	0
Total Amount of Credit Unused	<u>5,000</u>	<u>5,000</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>0</u>	<u>0</u>

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

15. CONTINGENT LIABILITIES

The Shire of Bruce Rock does not have any impending Contingent Liabilities.

16. CAPITAL AND LEASING COMMITMENTS

(a) Finance Lease Commitments

The Shire of Bruce Rock has no Financial Lease Commitments.

(b) Operating Lease Commitments

The Shire of Bruce Rock has no Operating Lease Commitments.

(c) Capital Expenditure Commitments

The Shire of Bruce Rock has no Major Capital Expenditure Commitments other than those detailed in the Budget.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

17. JOINT VENTURE

The Shire of Bruce Rock was not involved in any Joint Venture Projects for the financial year 2007-08.

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2009	2008
	\$	\$
Governance	176,695	98,892
General Purpose Funding	0	0
Law, Order, Public Safety	334,768	162,217
Health	724,393	708,655
Education and Welfare	68,186	69,997
Housing	2,361,951	2,655,687
Community Amenities	44,953	49,877
Recreation and Culture	4,039,574	2,859,409
Transport	19,320,355	19,694,087
Economic Services	834,541	842,548
Other Property and Services	2,463,630	2,474,708
Unallocated	1,000	
	<u>30,370,046</u>	<u>29,616,077</u>

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

	2009	2008	2006
19. FINANCIAL RATIOS			
Current Ratio	1.48	0.79	4.34
Untied Cash to Trade Creditors Ratio	2.12	3.03	6.39
Debt Ratio	0.02	0.01	0.01
Debt Service Ratio	0.00	0.00	0.00
Gross Debt to Revenue Ratio	0.00	0.00	0.00
Gross Debt to Economically Realisable Assets Ratio	0.00	0.00	0.00
Rate Coverage Ratio	0.18	0.21	0.19
Outstanding Rates Ratio	0.03	0.02	0.02

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$
Untied Cash to Trade Creditors Ratio	$\frac{\text{Untied cash}}{\text{Unpaid trade creditors}}$
Debt Ratio	$\frac{\text{Total liabilities}}{\text{Total assets}}$
Debt Service Ratio	$\frac{\text{Debt Service Cost (Principal \& Interest)}}{\text{Available operating revenue}}$
Gross Debt to Revenue Ratio	$\frac{\text{Gross debt}}{\text{Total revenue}}$
Gross Debt to Economically Realisable Assets Ratio	$\frac{\text{Gross debt}}{\text{Economically realisable assets}}$
Rate Coverage Ratio	$\frac{\text{Net rate revenue}}{\text{Operating revenue}}$
Outstanding Rates Ratio	$\frac{\text{Rates outstanding}}{\text{Rates collectable}}$

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

20. TRUST FUNDS

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

	Balance 1-Jul-08	Amounts Received	Amounts Paid	Balance 30-Jun-09
	\$	\$	(\$)	\$
Nomination Deposits	0	0	0	0
Factory Unit & Housing Bonds	7,135	920	0	8,055
Cemetery Donations	973	0	0	973
Hydro Pool & Other Key Deposits	20	30	0	50
Kwolyin Progress Association	671	0	0	671
Sale of Land Deposits	5,550	0	(500)	5,050
Bruce Rock Museum Funds	34	0	0	34
Community Rec Centre	0	25	0	25
Tidy Towns	1,513	0	0	1,513
Vietnam Veterans	16,644	33,202	(38,001)	11,845
Wind Up	(229)	9,538	(9,169)	140
Fundraisers	0	73	(73)	0
Wheatbelt Women	2,598	1,862	(891)	3,569
LGMA	2,622	623	(3,245)	0
	<u>37,531</u>			<u>31,925</u>

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

21. DISPOSALS OF ASSETS - 2008/09 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Land						
Lot 15 Collier St, Bruce Rock	42	0	455.00	0	413	0
Lot 51 Hammond St, Shackleton	120	0	455.00	0	335	0
Lot 416 Westral St, Bruce Rock	500	0	0	0	(500)	0
Lot 417 Westral St, Bruce Rock	500	0	0	0	(500)	0
Buildings						
40-42 Westral Street	283,099	0	313,587	0	30,488	0
46 Johnson Street	28,964	11,000	11,000	11,000	(17,964)	0
Plant & Equipment						
Trencher	0	20,000	17,500	20,000	17,500	0
Ford Falcon Be Active BK010	23,905	0	16,858	0	(7,047)	0
Holden Rodeo Ute BK08	21,209	20,000	20,909	20,000	(300)	0
PJ Ranger Crewcab BK02	23,054	19,500	19,545	19,500	(3,509)	0
BK604	9,396	23,000	20,910	23,000	11,514	0
BK608	11,536	20,000	24,091	20,000	12,555	0
BK731	10,022	23,000	20,910	23,000	10,888	0
BK730	8,708	20,000	19,090	20,000	10,382	0
BK1018	0	10,000	4,540	10,000	4,540	0
BK1	44,029	41,500	32,842	41,500	(11,187)	0
BK123	25,669	23,000	24,000	23,000	(1,669)	0
BK3	21,046	19,000	16,852	19,000	(4,194)	0
BK08	23,251	20,000	19,545	20,000	(3,706)	0
BK1	0	41,500	0	41,500	0	0
BK2	0	78,000	0	78,000	0	0
BK3	0	19,000	0	19,000	0	0
BK02	0	19,500	0	19,500	0	0
BK09	0	46,000	0	46,000	0	0
BK51	0	21,000	0	21,000	0	0
Sale of Surplus Plant	0	35,000	0	35,000	0	0
Toyota Coaster Bus	0	20,000	0	20,000	0	0
Furniture & Equipment						
DCEO Laptop	1,276	0	0	0	(1,276)	0
Quarry Assets						
BK856	0	5,000	11,360	5,000	11,360	0
	536,326	555,000	594,449	555,000	58,123	0

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

22. INFORMATION ON BORROWINGS

(a) Debenture Repayments

The Shire of Bruce Rock does not have any loans as at 30th June 2009.

(b) New Debentures - 2008/09

The Shire of Bruce Rock does not have any loans as at 30th June 2009.

(c) Unspent Debentures

The Shire of Bruce Rock does not have any loans as at 30th June 2009.

(d) Overdraft

The Shire of Bruce Rock did not have an overdraft facility as at 30th June 2009.

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

23. RATING INFORMATION - 2008/09 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential General Rate											
GRV - Bruce Rock	0.080830	247	1,100,848	88,982	146	0	89,128	88,983	0	0	88,983
UV - Rural	0.012158	320	66,987,500	814,419	0	0	814,419	814,434	0	0	814,434
UV - Mining	0.012158	1	44,765	544	0	0	544	544	0	0	544
Sub-Totals		568	68,133,113	903,945	146	0	904,091	903,961	0	0	903,961
Minimum Rates	Minimum \$										
GRV - Bruce Rock	230.00	90	108,669	20,700	0	0	20,700	20,700	0	0	20,700
UV - Rural	230.00	22	217,600	5,060	0	0	5,060	5,060	0	0	5,060
UV - Mining	230.00	3	6,424	690	0	0	690	920	0	0	920
Sub-Totals		115	332,693	26,450	0	0	26,450	26,680	0	0	26,680
Specified Area Rate (refer note 24)							930,541				930,541
Discounts (refer note 26)							930,541				930,541
Totals							(36,861)				(38,000)
							893,680				892,641

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

24. SPECIFIED AREA RATE - 2008/09 FINANCIAL YEAR

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$	Applied to Costs \$	Budget Applied to Costs \$
The Shire of Bruce Rock has no Specified Area Rates.				0	0	0	0

25. SERVICE CHARGES - 2008/09 FINANCIAL YEAR

	Amount of Charge \$	Revenue Raised \$	Budget Revenue \$	Applied to Service Costs \$	Budget Applied to Costs \$
The Shire of Bruce Rock has no Service Charges.		0	0	0	0

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS
- 2008/09 FINANCIAL YEAR

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	5.00%	36,861	38,000
			36,861	38,000

A discount on rates is granted to all who pay their rates in full within 35 days of the date of service appearing on the rate notice.

27. INTEREST CHARGES AND INSTALMENTS - 2008/09 FINANCIAL YEAR

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		3,121	1,250
Interest on Instalments Plan	5.50%		814	0
Charges on Instalment Plan		\$15	555	350
			4,490	1,600

Ratepayers had the option of paying rates in four equal instalments, due on 4th September 2008, 5th November 2008, 7th January 2009 and 9th March 2009. Administration charges and interest applied for the final three instalments.

28. FEES & CHARGES	2009	2008
	\$	\$
Governance	608	0
General Purpose Funding	7,543	7,259
Law, Order, Public Safety	5,108	2,013
Health	85,213	88,925
Education and Welfare	6,853	6,944
Housing	69,930	66,995
Community Amenities	50,401	53,927
Recreation & Culture	27,891	40,467
Transport	20,515	5,139
Economic Services	98,145	70,015
Other Property & Services	278,916	58,812
	<u>651,123</u>	<u>400,496</u>

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

**SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

29. GRANT REVENUE	2009	2008	
	\$	\$	
By Nature and Type:			
Grants and Subsidies - operating	2,192,293	1,856,066	
Grants and Subsidies - non-operating	1,189,405	494,511	
	<u>3,381,698</u>	<u>2,350,577</u>	
By Program:			
General Purpose Funding	1,571,496	877,729	
Governance	0	0	
Law, Order, Public Sector	196,557	42,809	
Education and Welfare	0		
Housing	25,000	25,000	
Community Amenities	0	0	
Recreation and Culture	2,727	133,531	
Transport	1,556,588	1,232,592	
Economic Services	29,330	38,916	
	<u>3,381,698</u>	<u>2,350,577</u>	
30. COUNCILLORS' REMUNERATION	2009	2009	2008
	\$	Budget	\$
		\$	
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	0	0	0
President's Allowance	10,300	10,300	7,300
Deputy President's Allowance	0	0	0
Travelling Expenses	0	0	0
Telecommunications Allowance	0	0	0
	<u>10,300</u>	<u>10,300</u>	<u>7,300</u>
31. EMPLOYEES' REMUNERATION			
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	2009	2008	
\$			
100,000 - 109,999	0	1	
110,000 - 119,999	1	0	
32. EMPLOYEE NUMBERS	2009	2008	
The number of full-time equivalent employees at balance date	<u>35</u>	<u>36</u>	

SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2009

33. MAJOR LAND TRANSACTIONS

Council has not undertaken any major land transactions during the 2008/09 financial year.

34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2008/09 financial year.

SHIRE OF BRUCE ROCK**INDEPENDENT AUDIT REPORT****TO THE ELECTORS OF THE SHIRE OF BRUCE ROCK****SCOPE**

We have audited the financial report of the Shire of Bruce Rock for the year ended 30 June 2009. The Council is responsible for the preparation and presentation of the financial report and the information contained therein. We have conducted an independent audit of the financial report in order to express an opinion on it to the electors of the Shire of Bruce Rock.

Our audit has been conducted in accordance with Australian Auditing Standards to provide a reasonable level of assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the requirements of Local Government Act, the Local Government Financial Management Regulations and Australian Accounting Standards and other mandatory professional reporting requirements so as to present a view of the Shire which is consistent with our understanding of its financial position and the results of its operations and cashflows.

The audit opinion expressed in this report has been formed on the above basis.


AUDIT OPINION

In our opinion, the financial report presents fairly the financial position of the Shire of Bruce Rock as at 30 June 2009 and the results of its operations and cashflows for the year then ended in accordance with the requirements of the Local Government Act, the Local Government Financial Management Regulations, applicable Accounting Standards and other mandatory professional reporting requirements.

STATUTORY COMPLIANCE

We did not become aware of any instances where the Council did not comply substantially with the requirements of the Local Government Act and the Local Government Financial Management Regulations.

Gregory Froomes Wyllie
Certified Practising Accountants



Greg Wyllie CPA
Partner
Perth WA
29 September 2009

