

Shire of Bruee Roek

Amnal Report

2011/2012



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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 ten Councillors representing the Bruce Rock District.

Council elections will be held on the third Saturday in October. Council's next Ordinary election will be held in October 2013.

President

Cr SA Strange

Deputy President Cr IS Dolton

Councillors	Telephone	Years of Service	Term Expires
Cr Leslie Keith BULLER	9061 1026	26	2013
Cr Bruce Michael CURRIE	9061 1660	1	2015
Cr Ian Stephen DOLTON	9062 3010	13	2013
Cr Margaret Mary FOSS	9061 1747	17	2015
Cr Jennifer Jean GMEINER	9064 1190	13	2015
Cr Donald Alan HEASMAN	9061 1450	9	2013
Cr Merredith Kym THORNTON	9061 1307	1	2015
Cr Ramesh RAJAGOPALAN	9061 1575	3	2013
Cr Stephen Arthur STRANGE	9061 1324	23	2015
Cr Michael John VERHOOGT	9061 1385	9	2013

Office Hours

8.30am to 4.30pm

SHIRE OF BRUCE ROCK CONTACT NUMBERS

Shire Office CEO's Mobile <i>(After Hours Emerger</i> Shire Office Fax Workshop / Fax Recreation Centre Swimming Pool Harvest Ban Information <i>(Recorded</i>)	9061 1 9061 1 9061 1 9061 1 9061 1 9061 1 9061 1	377 1340 1030 1169 1278			
After Hours					
Chief Executive Officer	Steve O'Halloran		0428 611 377		
Deputy Chief Executive Officer	Darren Mollenoy	ux	0408 383 530		
Manager of Finance & Compliance	Jennifer Bow		0427 611 229		
Works Supervisor	David Holland		0418 745 217		
Works Foreman	Colin Brownley		0428 611 297		
Town Foreman	Peter Elliot		0427 211 104		
Workshop Mechanic	Gary Waight		0427 611 061		
Shire Carpenter	Troy Fazey		0428 61 1401		
Fire Contact Numbers					
Emergency Harvest Ban Information (Recorded	l Message Only)	9061	000 1600		
Emergency Numbers					
Ambulance/Police/Fire Police Station Hospital Doctor's Surgery Dental Surgery Physiotherapist Water Corporation Synergy)222 166 954		

SHIRE OF BRUCE ROCK STATISTICS

Localities

Ardath; Babakin; Belka; Bruce Rock; Shackleton

Significant Local Events

Bruce Rock Agricultural Show – 2013 Back to the Bush Reunion – 1st Weekend November Bruce Rock Centenary Celebrations – 2013 *(main celebrations April)* Wheatbelt Women's Day – every August Rural Youth Cultivators Ball - every February Art Exhibitions

Ordinary Council Meeting

Meets third Thursday of each month except January

Tourist Attractions

Kokerbin Rock Shackleton's World's Smallest Bank Babakin underground orchid Wildflowers Bruce's Rock Bruce Rock Museum Federation Amphitheatre and Sculpture Park Ardath Hotel Railway Dam Ardath Lake Scenic Rural Vistas Old Club – Art Gallery

Local Industries

Wheat and other cereals, steel fabrication, livestock and agricultural support industries.

Council Statistics (2010-11)

SHIRE OF BRUCE ROCK STAFF

Chief Executive Officer	Steve O'Halloran
Deputy Chief Executive Officer	Darren Mollenoyux
Manager Finance & Compliance	Jennifer Bow
Works Supervisor	David Holland
Environmental Health Officer	John Mitchell
Senior Finance Officer	Mandy Butler
Executive Support Officer	Ashleigh Waight
Administration Officer	Melissa Schilling & Malene Brownley
Customer Services Officer	Kayla Creedon
Be-Active Coordinator	Rodney Thornton
Natural Resource Management Officer	Stephen Fry
Swimming Pool Manager	Rodena Lightbody
Federation Amphitheatre Manager	Phil Skipsey
Medical Centre Practice Manager	Sam Aurisch
Receptionist	Trudy Butler & Natalie Barrett-Lennard
Construction Foreman	Colin Brownley
Leading Hand Grader Driver	Ron Yeats
Truck Driver	Glyn Corby
Dozer Driver	Brian Mellet
Loader Driver	Danny Orchard
Truck Driver	Mark Black
Truck Driver	Phil Cumming
Plant Operator	Troy Bond
Plant Operator	Nathan Hayden
Labourer	Clint Houston
Town Foreman	Peter Elliot
Leading Hand	Max Fuchsbichler
Labourer	Des Houston
Labourer	Stephen Leek
Apprentice	Emanuel Dumitrache
Carpenter	Troy Fazey
Trade Assistant	Jack Andrews
Workshop Manager	Gary Waight
Apprentice Mechanic	Jamie Houston
Recreation Centre Manager	Damien Bow
Gardener	John Houston
Gardener	Kaley McGregor
Gardener	Nola Demuth
Cleaner	Robyn Brownley
Cleaners (Part –Time)	Denise Houston & Linda Dudek

PRESIDENT'S REPORT



I am pleased to provide this report on the activities of the Shire of Bruce Rock for the 12 month period ending 30 June 2012. The Shire has experienced another busy year locally whilst dealing with regional matters and the implementation of strategic planning and reform being driven by the Department for Local Government.

The 2011/12 financial year has seen Council forge forward despite the impact of drought and consecutive poor seasons and the effect that it has on our community. Council is mindful of the impacts from poor seasons and found ways to provide the community with

opportunities to feel good about themselves and the community in which we live.

The centrepiece of the past twelve months has been the upgrade of the Bruce Rock Recreation Centre. This facility has already started to draw the community together and create both social and sporting opportunities for locals and visitors to our Shire. The completion and official opening of the facility will occur in July 2012.

Over the past twelve months Councillors and staff have spent considerable time on the following areas that are impacting Bruce Rock and the region:

- Grain Freight Network As a member of the Rail Retention Alliance Council is working hard to retain Tier 3 rail and/or receive adequate time and funding to bring roads on the grain freight network up to a standard.
- Aged Care –Council has identified the importance of aged care services within the shire and is currently working towards a strategic direction that will meet the needs of our community. Part of this strategy has seen Council join the Central East Aged Care Alliance to investigate the best options for addressing aged care in our region.
- Strategic Planning With the Forward Capital Works Plan adopted in 2010/11 Council has turned its focus to the new Strategic Planning Requirements implemented by the Department of Local Government. During 2011/12 Council has commenced its Integrated Strategic Planning, Strategic Community Plan, Community Facilitation Policy and Asset Management Plan.

On the 15th October 2011 Council held its Ordinary Local Government Election. Seven candidates nominated for the five vacancies. I thank those who made the commitment to nominate and appreciate the time, commitment and effort involved.

The results saw Cr Foss, Cr Gmeiner, Cr Lynn and myself re-elected and Mrs Merredith Thornton was successful in her campaign to become a new Councillor. I would also like to thank and acknowledge the dedication of Councillor Graeme Currie (25 years) and Councillor Doug Sedgwick (9 years) who both retired at the election.

With the resignation of Cr Lynn in February 2012, Council resolved to hold an Extraordinary Election on the 4th May 2012. Two candidates nominated for the vacancy with Mr Bruce Currie being the successful candidate. I congratulate and welcome Cr Currie and thank Justin Lynn for his service to Council over the past 6 years.

Councillors have been kept busy attending many meetings and workshops over the past year. In addition to regular monthly Council meetings Councillors and staff have attended or participated in the following;

- Wheatbelt East Regional Organisation of Council's (WEROC) meetings
- WA Local Government Association (WALGA) Zone meetings

- WA Local Government Association Annual Conference
- Regional Road Group meetings
- Local and Regional Health meetings
- Local and District Fire Advisory meetings
- Local Emergency Management meetings
- Structural Reform and Strategic Planning
- Grain Freight Network Meetings
- Central East Aged Care Alliance meetings
- Local community and recreation group meetings

Council continues to provide its community with the infrastructure that supports development of the district and the provision of services that make Bruce Rock an attractive place in which to live, work, invest and play.

Once again Councillors and staff have worked hard to provide for the needs of the community whilst continuing to plan for the long term viability of the shire and its residents and believes that it is well placed both financially and strategically to be sustainable for many years to come.

Council staff have all worked hard over the past twelve months completing works such as road construction and maintenance, building works including the recreation Centre upgrade, town scaping and gardens, the upkeep of facilities like the aquatic centre, civic buildings and medical centre just to name a few.

I thank the staff and community members who have contributed tirelessly to ensure that the Shire of Bruce Rock is the place that we all love and admire.

Finally, I would like to thank my fellow Councillors for their ongoing contribution towards the future of Council. Their commitment and dedication to the role has been outstanding and I thank them for their support in my role as the Shire President.

Cr Stephen Strange PRESIDENT

CHIEF EXECUTIVE OFFICER'S REPORT



This past financial year has been a rewarding period and has seen a number of significant projects and opportunities come to fruition thanks to the hard work and commitment of Council, staff and the community.

Council continues to improve community facilities such as the Men's Shed and Town Hall and while also building new facilities such as the extension to the Bruce Rock Recreation Centre and new staff housing. These projects help the Shire to continue to enhance Bruce Rock as a community where people are proud to live as well as a

place where visitors feel welcome.

Council's financial position remains strong which assists in ensuring the Shire's future and guarantees the retention of facilities and services currently on offer. Council continues to manage its finances well and this is evidenced with a clean audit report.

Staff are committed to continually developing the management of the organisation whilst ensuring the sustainability of the organisation and community that it services. An enhancement to Council's service delivery has been the employment of a full time Environmental Health Officer/Building Surveyor. This appointment will assist in successfully completing major future projects which require expertise in these areas.

In line with the Department of Local Government's reform agenda and new regulations Council's staff has been working on the introduction and implementation of the various components of strategic planning.

MAJOR PROJECTS

The Shire of Bruce Rock has had another busy year with some of the following projects being undertaken by Council staff during the 2011/12 financial year;

- Council completed the construction of a new verandah, pathways and signage at the Bruce Rock Men's Shed.
- Council constructed a new staff residence at 58 Dampier Street, Bruce Rock.
- Council staff have nearly completed the construction works for final stage of the Recreation Centre expansion, it is anticipated this will be completed in July 2012.
- Commenced the planning for the Refuse Site upgrade and implemented the initial works.

PLANT AND EQUIPMENT REPLACEMENT

Council has continued to manage its plant, equipment and changeover of vehicles to maximise the benefits of its assets. In accordance with the budget the following vehicles were replaced;

- Changeover of skid steer loader
- Changeover of administration vehicles
- Purchase new Environmental Health Officer vehicle
- Changeover of Doctor vehicle
- Changeover of NRM and various works crew utilities
- Purchase new weed steamer



• Purchase and install roll away tarps for trucks

MAJOR ROADWORKS

The works crew continued to provide excellent work with the roads construction program during 2011/12. In addition to the construction work the works crew carried out maintenance grading, clearing and minor works on its gravel roads.

The following major road works were carried out during the year:

- Various roads Gravel sheeting and maintenance of gravel roads.
- Cramphorne Road Widen, reconstruct and seal 6 km section.
- Babakin North West Road reseal 4km section.
- Shackleton/Babakin Road reseal 3km section.
- Trehernes Road reseal 3km section.
- Shackleton/Kellerberrin Road culvert and drainage works.
- Strange Street reconstruct, seal and kerb 500m section.
- Dampier Street reconstruct, seal and kerb 500m section.

MAJOR EVENTS

Over the past twelve months Council has been involved in many local community events. These included the following:

• Vietnam Veterans Week – The 2011 Vietnam Veteran's "Back to the Bush Reunion was held from the 31st October to the 6th November 2011. Once again this was a huge success and was well supported by Council, Shire staff assisted, local

Vietnam Veteran's and the community. This year included the dedication and official opening of two new memorials in recognition of Women and Peacekeepers and those who served in Borneo and Korea.

- Annual Sports Awards Night On the 17th September 2011, in conjunction with local sporting groups, Council held its annual Awards Night. The night was highlighted by the guest speaker, Caitlin Bassett, from the West Coast Fever and Australian Netball team.
- Australia Day On 26th January 2012 Council held its annual Australia Day event at the Bruce Rock Aquatic Centre. This event was well attended by the community, with fun and games for people of all ages and a sausage sizzle held for lunch.
- Thank a Volunteer / Welcome to New Residents BBQ In February Council held this event at the Bruce Rock Aquatic Centre. This event recognizes the efforts of local volunteers and their dedication to the community. Council also invites new community members to attend this event, which gives them an opportunity to get to know people and possibly become involved in local volunteer groups.
- The Bruce Rock Districts Agricultural Show Saturday the 29th October 2011 saw the return of the Bruce Rock Districts Agricultural Show. This event was coordinated and run by the Bruce Rock and Districts Agricultural Society and Council provided assistance in the lead up and at the event. For the first time Council ran its own stall with Councillors and staff working shifts throughout the day. The Shire stall provided the community with an opportunity to meet with Councillors and staff, ask various questions, raise any concerns or provide feedback on what is important to them.





THE YEAR AHEAD

Council's town and building crews will be extremely busy completing the final stage of the Recreation Centre expansion. Other building works will see the construction of a new residence, construction of a storeroom at the Medical Centre and conservation works at the Bruce Rock Museum.

The next twelve months will also include several large events for the community including the Official Opening of the Bruce Rock Recreation Centre and Bruce Rock's 100 year celebrations.

The road construction crew have another busy year ahead. Major roadworks this year include the Bruce Rock Narembeen Road, McCarthy Road, Totadgin Road and Yarding South Road. Council staff and contractors will also be heavily involved in major roadworks for the upgrade of the Grain Freight Network including the Old Beverly Road and Kellerberrin/Shackleton Road.

In line with the Department of Local Governments reform agenda, administration staff will continue with the implementation of Strategic Planning, including asset management, long term financial and workforce planning. Staff will strive to meet the administration and governance requirements, while continuing to develop strategies and resources that will improve the efficiency of the organisation.

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.

Steve O'Halloran CHIEF EXECUTIVE OFFICER

DISABILITIES SERVICE PLAN

Council reviews provision of facilities and services on a regular basis to identify barriers that may prevent the effective delivery of the services to people with a disability.

As Council continues to build new facilities and improve others it is always mindful of improving access for people with disabilities. A draft 2012 - 2017 Access and Inclusion plan has been prepared and will be advertised shortly for public comment and review.

Recent initiatives to support people with disabilities within Bruce Rock include:

• Disabled access to ablutions and viewing areas at the upgraded Recreation Centre;

- Automatic opening and closing doors at the District Club;
- Wheelchair accessibility at the Bruce Rock Men's Shed;
- Footpath improvements to Railway Parade and to connect the recreational facilities of the Aquatic Centre, Caravan Park and Recreation centre to the town centre.

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 requires Local Governments to report on the six outcomes relating to DAIPs to the public annually.

• 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. Events such as the Veteran's Week progress because the Council ensures that adequate and proper facilities are provided. These facilities include level ground for caravan parking, new footpaths to the town centre from temporary overflow facilities and new access to the heated pool facilities.

• 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 has also included disability access to all parts of the redeveloped Recreation Centre and ensured that there is disabled access to all parts of the new Bruce Rock Men's Shed, including the ablutions.

• 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. Council also has a website which enables ease of access to public documents, information and other Council related data.

• 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. The proposed draft 2012 – 2017 DAIP is also available on the website for public comment.



Recreation Centre Upgrade allowed for ease of access



Main street after upgrade – removed kerbs for ease of access



Hydro pool with chair lift for disabled access



The new Men's Shed was built to enable access for everyone

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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.

In September 2009 Council adopted its new "Plan for the Future" 2010 - 2014. This plan builds on the innovations and achievements of Bruce Rock – our success in attracting new businesses and residents to the Shire, the quality of our facilities and lifestyle, the financial sustainability of the Shire Council, and most importantly, the strengths, energy and commitment of our community.

Key highlights for the community that will be delivered by the Plan for the Future 2010 - 2014 are:

- Increased availability of land, including the development of an industrial park and new residential subdivision, to encourage growth of existing businesses, attract new businesses and residents and increase employment opportunities.
- Further expansion of the recreation centre as a hub of community activity with completion of the bowling green, indoor court and change rooms, introduction of a Sports Council and development of programs for local, regional and State events.
- The continued high standard of community facilities together with better roads.
- Ongoing support for community groups and the wide range of community events that bring people together and profile Bruce Rock.
- Taking a key role in the Voluntary Regional Organisation of Councils (VROC) to bring benefits to our community including Royalties for Regions funding and implementation of economic development, tourism and natural resource management initiatives.
- Celebration of the Bruce Rock Centenary in 2013 recognising our past, looking to the future and promoting the distinctiveness of the Bruce Rock identity and lifestyle.

Council identified four priority areas, these being;

- 1. Leadership, Innovation and Identity
- 2. Lifestyle
- 3. Infrastructure
- 4. Organisational Management

Major Initiatives proposed or continuing during 2012/13 are;

- The completion and official opening of stage 3 of the Bruce Rock Recreation Centre.
- Finalisation of the Town Planning Scheme.
- Development of the residential subdivision north of the recreation ground.
- Implementation of waste management strategies including refuse site upgrade and expansion.
- Commencement and implementation of improved strategic planning, asset management and intergraded planning.

- Work towards solutions on the current shortage of long and short term accommodation within Bruce Rock.
- Continue to investigate options regarding the demand and requirements to further develop facilities for retirees, aged and frail aged.
- Review of elected members saw Councillors reduce from 11 to 10 in October 2011 and will reduce to 9 in October 2013.

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

Forward Capital Works Plan

As part of the requirements of the Royalties for Regions Country Local Government Fund Council has also developed a Forward Capital Works Plan, which currently compliments our Plan for the Future of the District. This Plan was adopted in 2010/11 and has been reviewed during the 12 month period ending 30 June 2012.

NATIONAL COMPETITION POLICY

National Competition Policy (NCP) is designed to enhance the efficiency and effectiveness of public sector agencies and lead to more efficient use of all economic resources. There are a number of specific requirements placed on Local Government in the areas of competitive neutrality, legislation review and structural reform. Each Local Government is required to report its progress in achieving NCP reforms in its annual report.

In respect to Council's responsibility in relation 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 2011/12 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.

A review of Council's Local Laws commenced during the 2011/12 financial year. During the reporting period Council amended the Cemetery Local Laws to reflect the new fees and charges that had been adopted.

STATE RECORDKEEPING ACT

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

The Shire of Bruce Rock carried out a review of its Record Keeping Plan in November 2009 with amendments finalised in November 2010.

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 of 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 taken.

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.

The Shire of Bruce Rock had no Public Interest Disclosures during the reporting period 2011/12.

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. This Information Statement was adopted in 2007 and reviewed in 2010.

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

EMPLOYEE PAYMENTS

For the purpose of Regulation 19B of the *Local Government (Administration) Regulations* 1996 the following is required to be contained in Council's Annual Report;

The number of employees of the Local Government entitled to an annual salary of \$100,000 or more, and

The number of those employees with an annual salary entitlement that fall within each band of \$10,000 over \$100,000.

The Shire of Bruce Rock has the following employees entitled to an annual salary more than \$100,000:

Salary Range	2011	2012
\$120,000 - \$129,999	1	1

REGISTER OF CERTAIN COMPLAINTS FOR MINOR BREACHES

For the purpose of Section 5.121 of the *Local Government Act 1995* Council must report entries recorded in the Register of Complaints during the financial year.

Council did not receive any complaints during the financial year.

FINANCIAL STATEMENTS FOR YEAR ENDING 30TH JUNE 2012

SHIRE OF BRUCE ROCK

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

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SHIRE OF BRUCE ROCK

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Bruce Rock being the annual financial report and other information for the financial year ended 30th June 2012 are in my opinion properly drawn up to present fairly the financial position of the Shire of Bruce Rock at 30th June 2012 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 17th day of October 2012.



Steve O'Halloran Chief Executive Officer

SHIRE OF BRUCE ROCK STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE FOR THE YEAR ENDED 30TH JUNE 2012

	NOTE	2012 \$	2012 Budget \$	2011 \$
Revenue				
Rates	22	996,967	995,271	960,989
Operating Grants, Subsidies and				
Contributions	28	2,708,728	1,548,689	2,208,117
Fees and Charges	27	589,553	0	565,808
Service Charges	24	0	0	0
Interest Earnings	2(a)	59,630	72,725	81,333
Other Revenue		81,289	0	73,148
		4,436,167	2,616,685	3,889,395
Expenses				
Employee Costs		(1,404,794)	(1,358,325)	(1,481,828)
Materials and Contracts		(1,097,017)	(1,209,383)	(1,170,805)
Utility Charges		(268,070)	(345,050)	(274,163)
Depreciation on Non-Current Assets	2(a)	(1,991,744)	(1,925,660)	(1,951,965)
Interest Expenses		0	0	0
Insurance Expenses		(236,871)	(202,155)	(200,183)
Other Expenditure		(13,655)	0	(16,746)
		(5,012,151)	(5,040,573)	(5,095,690)
		(575,984)	(2,423,888)	(1,206,295)
Non-Operating Grants, Subsidies and				
Contributions	28	2,061,029	2,130,800	493,609
Profit on Asset Disposals	20	27,054	0	217,535
Loss on Asset Disposal	20	(139,704)	0	(32,212)
Net Result		1,372,395	(293,088)	(527,363)
Other Comprehensive Income		0	0	0
Total Other Comprehensive Income	9	0	0	0
Total Comprehensive Income		1,372,395	(293,088)	(527,363)

SHIRE OF BRUCE ROCK STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM FOR THE YEAR ENDED 30TH JUNE 2012

	NOTE	2012 \$	2012 Budget \$	2011 \$
Revenue	2(a)		Ŧ	
Governance	()	41,682	55,710	38,441
General Purpose Funding		2,552,545	1,897,133	2,161,337
Law, Order, Public Safety		18,442	10,800	14,587
Health		85,774	80,142	76,857
Education and Welfare		1,904	2,278	2,177
Housing		99,568	103,515	203,014
Community Amenities		64,901	67,983	58,313
Recreation and Culture		65,083	48,739	144,505
Transport		1,108,639	671,362	846,058
Economic Services		210,965	183,980	153,056
Other Property and Services		228,772	201,463	191,053
_	- ()	4,478,275	3,323,105	3,889,398
Expenses	2(a)	()	()	<i>(</i>
Governance		(521,052)	(532,798)	(484,421)
General Purpose Funding		(127,332)	(63,091)	(95,269)
Law, Order, Public Safety		(80,674)	(89,122)	(81,593)
Health		(226,960)	(262,810)	(202,879)
Education and Welfare		(39,038)	(43,206)	(81,751)
Housing		(142,796)	(183,686)	(210,822)
Community Amenities		(120,470)	(129,318)	(103,904)
Recreation and Culture		(879,862)	(969,258)	(932,292)
Transport Economic Services		(2,252,724)	(2,108,173)	(2,086,562)
Other Property and Services		(449,739) (213,613)	(470,091) (189,020)	(500,594) (347,817)
Other Property and Dervices		(5,054,260)	(5,040,573)	(5,127,904)
Finance Costs	2(a)	(3,034,200)	(0,040,070)	(3,127,304)
Community Amenities		0	(7,349)	0
		0	(7,349)	0
Non-Operating Grants, Subsidies and Contributions				
General Purpose Funding		897,268	912,115	0
Education and Welfare		0	10,000	4,446
Recreation and Culture		370,000	430,000	30,000
Transport		793,761	778,685	459,163
		2,061,029	2,130,800	493,609
Profit/(Loss) on Disposal of Assets				
Governance		(5,521)	6,000	0
Health		(291)	0	604
Housing		0	0	0
Recreation & Culture		(110,132)	0	0
Transport		(9,205)	(3,000)	111,622
Economic Services		12,500	0	105,308
		(112,649)	3,000	217,534
Net Result Other Comprehensive Income		1,372,395 0	408,983 0	(527,363) 0
Total Comprehensive Income		1,372,395	408,983	(527,363)
		.,,		(-=-,)

SHIRE OF BRUCE ROCK STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2012

CURRENT ASSETS 3 1,912,681 1,392,358 Cash and Cash Equivalents 3 1,912,681 1,392,358 Trade and Other Receivables 4 134,017 183,099 Inventories 5 23,715 15,981 TOTAL CURRENT ASSETS 2,070,413 1,591,438 NON-CURRENT ASSETS 0 0 Property, Plant and Equipment 6 13,429,821 12,044,215 Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 CURRENT LIABILITIES 23,893 112,108 Long Term Borrowings 9 0 0 Provisions 10 21,623 18,474 TOTAL CURRENT LIABILITIES 6470,061 364,475 NET ASSETS 33,108,495 </th <th></th> <th>NOTE</th> <th>2012 \$</th> <th>2011 \$</th>		NOTE	2012 \$	2011 \$
Trade and Other Receivables 4 134,017 183,099 Inventories 5 23,715 15,981 TOTAL CURRENT ASSETS 2,070,413 1,591,438 NON-CURRENT ASSETS 5 0 0 Inventories 5 0 0 Inventories 5 0 0 Property, Plant and Equipment 6 13,429,821 12,044,215 Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 CURRENT LIABILITIES 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364	CURRENT ASSETS			
Inventories 5 23,715 15,981 TOTAL CURRENT ASSETS 2,070,413 1,591,438 NON-CURRENT ASSETS 4 0 0 Inventories 5 0 0 Property, Plant and Equipment 6 13,429,821 12,044,215 Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 NON-CURRENT LIABILITIES 21,623 18,474 TOTAL CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097	Cash and Cash Equivalents	3	1,912,681	1,392,358
TOTAL CURRENT ASSETS 2,070,413 1,591,438 NON-CURRENT ASSETS 0 0 Inventories 5 0 0 Property, Plant and Equipment 6 13,429,821 12,044,215 Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Cash Backed 11 418,090 651,38	Trade and Other Receivables	4	134,017	183,099
NON-CURRENT ASSETS Other Receivables 4 0 0 Inventories 5 0 0 Property, Plant and Equipment 6 13,429,821 12,044,215 Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 CURRENT LIABILITIES 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 18,474 10 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Cash Backed </td <td></td> <td>5</td> <td></td> <td></td>		5		
Other Receivables 4 0 0 Inventories 5 0 0 Property, Plant and Equipment 6 13,429,821 12,044,215 Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 33,108,495 31,736,097 EQUITY 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 6	TOTAL CURRENT ASSETS		2,070,413	1,591,438
Inventories 5 0 0 Property, Plant and Equipment 6 13,429,821 12,044,215 Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 33,108,495 31,736,097 EQUITY 33,108,495 31,736,097 Retained Surplus 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	NON-CURRENT ASSETS			
Property, Plant and Equipment 6 13,429,821 12,044,215 Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	Other Receivables	-	0	0
Infrastructure 7 18,278,322 18,464,919 TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 670,061 364,475 33,108,495 31,736,097 EQUITY 33,108,495 31,736,097 31,084,713 651,387 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0		5	Ũ	0
TOTAL NON-CURRENT ASSETS 31,708,143 30,509,134 TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0		-		
TOTAL ASSETS 33,778,556 32,100,572 CURRENT LIABILITIES 33,778,556 32,100,572 Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0		7		
CURRENT LIABILITIES Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	TOTAL NON-CURRENT ASSETS		31,708,143	30,509,134
Trade and Other Payables 8 373,392 112,108 Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 0 0 Provisions 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	TOTAL ASSETS		33,778,556	32,100,572
Long Term Borrowings 9 0 0 Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 0 0 Long Term Borrowings 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	CURRENT LIABILITIES			
Provisions 10 275,046 233,893 TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 9 0 0 Provisions 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	Trade and Other Payables	8	373,392	112,108
TOTAL CURRENT LIABILITIES 648,438 346,001 NON-CURRENT LIABILITIES 648,438 346,001 Long Term Borrowings 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0		9	0	-
NON-CURRENT LIABILITIES 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0		10		
Long Term Borrowings 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	TOTAL CURRENT LIABILITIES		648,438	346,001
Long Term Borrowings 9 0 0 Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0				
Provisions 10 21,623 18,474 TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY Retained Surplus Reserves - Cash Backed 32,690,405 31,084,713 Reserves - Asset Revaluation 12 0 0		q	0	0
TOTAL NON-CURRENT LIABILITIES 21,623 18,474 TOTAL LIABILITIES 670,061 364,475 NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	0		•	-
NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	TOTAL NON-CURRENT LIABILITIES			
NET ASSETS 33,108,495 31,736,097 EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	TOTAL LIABILITIES		670,061	364,475
EQUITY 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0			· · ·	,
Retained Surplus 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	NET ASSETS		33,108,495	31,736,097
Retained Surplus 32,690,405 31,084,713 Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0	EQUITY			
Reserves - Cash Backed 11 418,090 651,387 Reserves - Asset Revaluation 12 0 0			32,690,405	31,084,713
Reserves - Asset Revaluation 12 0 0	•	11		
TOTAL EQUITY 33,108,495 31,736,100				
	TOTAL EQUITY		33,108,495	31,736,100

SHIRE OF BRUCE ROCK STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2012

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	ASSET REVALUATION RESERVE \$	TOTAL EQUITY \$
Balance as at 1 July 2010		31,797,736	465,724	0	32,263,460
Net Result		(527,360)	0	0	(527,360)
Total Other Comprehensive Income		0	0	0	0
Reserve Transfers		(185,663)	185,663	0	0
Balance as at 30 June 2011		31,084,713	651,387	0	31,736,100
Net Result		1,372,395	0	0	1,372,395
Total Other Comprehensive Income		0	0	0	0
Reserve Transfers		233,297	(233,297)	0	0
Balance as at 30 June 2012		32,690,405	418,090	0	33,108,495

SHIRE OF BRUCE ROCK STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2012

	NOTE	2012 \$	2012 Budget	2011 \$
Cash Flows From Operating Activities Receipts			\$	
Rates		988,323	995,271	957,238
Operating Grants, Subsidies and				
Contributions		2,708,728	1,548,689	2,208,117
Fees and Charges		612,279	660,718	547,885
Interest Earnings		59,630	72,725	81,333
Goods and Services Tax		35,000	0	0
Other Revenue		81,289	50,000	73,148
		4,485,249	3,327,403	3,867,721
Payments			(1 000 007)	
Employee Costs		(1,336,184)	(1,363,325)	(1,471,394)
Materials and Contracts		(867,773)	(1,305,602)	(1,170,917)
Utility Charges		(268,070)	(345,050)	(274,163)
Insurance Expenses		(236,871)	(202,155)	(200,183)
Interest expenses		0	(7,349)	0
Goods and Services Tax		0	(50,000)	(32,851)
Other Expenditure		(13,655)	0	(16,746)
Net Ceeh Drewided By (lload In)		(2,722,553)	(3,273,481)	(3,166,254)
Net Cash Provided By (Used In) Operating Activities	12(h)	1,762,696	53,922	701,467
Operating Activities	13(b)	1,702,090	55,922	701,407
Cash Flows from Investing Activities				
Payments for Development of				
Land Held for Resale		0	(450,000)	0
Payments for Purchase of		-	(,,	-
Property, Plant & Equipment		(2,147,179)	(2,116,418)	(1,079,454)
Payments for Construction of		() , - /	() -) -)	()
Infrastructure		(1,246,696)	(1,190,834)	(1,006,259)
Non-Operating Grants,				
Subsidies and Contributions		2,061,029	2,130,800	493,609
Proceeds from Sale of Plant & Equipment		90,473	179,000	425,850
Net Cash Provided By (Used In)				
Investing Activities		(1,242,373)	(1,447,452)	(1,166,254)
Cash Flows from Financing Activities			()	
Repayment of Debentures		0	(6,808)	0
Proceeds from New Debentures		0	300,000	0
Net Cash Provided By (Used In)		0	000 400	0
Financing Activities		0	293,192	0
Net Increase (Decrease) in Cash Held		520,323	(1,100,338)	(464,787)
Cash at Beginning of Year		1,392,358	1,392,358	1,857,145
Cash and Cash Equivalents		1,002,000	1,002,000	1,007,140
at the End of the Year	13(a)	1,912,681	292,020	1,392,358
	10(4)	1,012,001		1,002,000

SHIRE OF BRUCE ROCK RATE SETTING STATEMENT FOR THE YEAR ENDED 30TH JUNE 2012

		NOTE	2012 Actual	2012 Budget	2011 Actual
			\$	\$	\$
	Revenue		40.00-	o / - / o	
	Governance		43,237	61,710	38,441
	General Purpose Funding		2,410,747	1,858,477	1,193,641
	Law, Order, Public Safety		18,442	10,800	14,587
	Health		85,774	80,142	77,461
	Education and Welfare		1,904	12,278	6,623
	Housing		99,568	103,515	203,014
	Community Amenities		64,901	67,983	58,313
	Recreation and Culture		435,083	478,739	174,505
	Transport		1,915,400	1,451,047	1,416,843
	Economic Services		223,465	183,980	258,364
	Other Property and Services		228,772	432,163	191,053
	F		5,527,293	4,740,834	3,632,845
	Expenses		(500 407)	(522,700)	(404 404)
	Governance		(528,127)	(532,798)	(484,421)
	General Purpose Funding		(85,222)	(107,591)	(95,251)
	Law, Order, Public Safety		(80,674)	(89,122)	(81,593)
	Health Education and Welfare		(227,251)	(262,810)	(202,879)
			(39,038)	(43,206)	(81,751)
	Housing Community Amenities		(142,796)	(183,686)	(210,822)
	Recreation and Culture		(120,470)	(136,667)	(103,904)
			(989,994)	(969,258)	(932,292)
	Transport Economic Services		(2,274,929) (449,739)	(2,112,173) (470,091)	(2,086,562) (500,594)
	Other Property and Services		(213,613)	(419,719)	(347,817)
	Other Property and Services		(5,151,853)	(5,327,121)	(5,127,886)
	Net Result Excluding Rates		375,440	(586,287)	(1,495,041)
	Adjustments for Cash Budget Requirements:				
	Non-Cash Expenditure and Revenue	20	110 010	(2,000)	(405 202)
	(Profit)/Loss on Asset Disposals	20	112,649	(3,000)	(185,323)
	Change in Non-Current Employee Provisions	Q(z)	3,149	0	(1,713)
	Depreciation and Amortisation on Assets	2(a)	1,991,744	1,925,660	1,951,965
	Capital Expenditure and Revenue		0	(450,000)	0
	Purchase Land Held for Resale		(1,869,150)	(450,000) (1,701,078)	0 (456,563)
	Purchase Land and Buildings		(1,246,696)	(1,190,834)	(1,006,259)
	Purchase Infrastructure Assets - Roads		(1,240,090) (245,768)	(375,550)	(1,000,259) (581,518)
	Purchase Plant and Equipment		(32,261)	(39,790)	(41,371)
	Purchase Furniture and Equipment	20	90,471	179,000	425,850
	Proceeds from Disposal of Assets Repayment of Debentures	20 21(a)	90,471	(6,808)	425,850
		21(a) 21	0	300,000	0
	Proceeds from New Debentures	11	(31,631)	(38,755)	(230,844)
	Transfers to Reserves (Restricted Assets)	11	264,927	409,487	(230,044)
	Transfers from Reserves (Restricted Assets)		,		Ũ
ADD	Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	594,043	594,049	1,202,009
LESS	Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	1,003,884	11,365	548,870
	Amount Required to be Raised from Rates	22(a)	(996,967)	(995,271)	(967,678)
	•	~ /	<u>, </u>	<u>, </u>	<u>, , , , , , , , , , , , , , , , , ,</u>

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

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

Critical Accounting Estimates

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

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

The Local Government Reporting

(b) 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

Revenues, expenses and assets capitalised are stated net of any GST recoverable.

Receivables and payables in the statement of financial position are stated inclusive of applicable GST. 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)

(g) Fixed Assets (Continued)

Revaluation

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

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

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

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

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.

Depreciation of Non-Current

Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

1. (Continued)

(g) Fixed Assets (Continued)

Depreciation of Non-Current Assets (Continued)

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

Buildings Furniture and Equipment	30 to 50 years 4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
 asphalt surfaces 	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	40 years
Water supply piping and drainage	
systems	75 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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Capitalisation Threshold (i) Valuation of Non-Current

<u>Assets</u>

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.

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
- visable/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.

Property, plant and equipment and infrastructure assets are brought to account at cost or independent or management valuation less, where applicable, any accumulated depreciation,

amortisation or impairment losses.

The value of all infrastructure assets (other than land under roads) has been recorded in the

Balance Sheet.

(h) Financial Instruments

Initial Recognition and Measurement

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments

(h) (Continued)

Classification and Subsequent Measurement

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

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

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;

(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and

(d) less any reduction for impairment.

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

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

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

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

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments 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.

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

(iv) Available-for-sale financial assets

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

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

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

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

De-recognition

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment

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

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

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

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

(j) Trade and Other Payables

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

(k) Employee Benefits

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

(I) Borrowing Costs

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

(m) Provisions

Provisions are recognised when:

a) the Council has a present legal or constructive obligation as a result of past events;

b) for which it is probable that an outflow of economic benefits will result;

and

c) that outflow can be reliably measured.

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Leases

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

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

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

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

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

(o) Joint Venture

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

(p) Rates, Grants, Donations and Other Contributions

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) 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.

(r) Current and Non-Current Classification

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

(s) Rounding Off Figures

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

(t) Comparative Figures

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

(u) Budget Comparative Figures

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2012.

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

	Title and Topic	Issued	Applicable (*)	Impact
(i)	AASB 9 – Financial Instruments	December 2009	01 January 2013	Nil – The objective of this Standard is to improve and simplify the approach for classification and
				measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
(ii)	AASB 1053 - Application of	June 2010	01 July 2013	
	Tiers of Australian Accounting Standards			Nil - Due to its nature and statutory requirements the Council will be deemed a Tier 1 entity and will continue to prepare general purpose financial statements.
(iii)	AASB 2009– 11 Amendments to Australian Accounting Standards arising from AASB 9	December 2009	01 January 2013	Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
	[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12)			

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Title and Topic	Issued	Applicable (*)	Impact
(iv)	AASB 2010 - 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050, & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052]	June 2010	01 July 2013	Nil - None of these amendments will have any effect on the financial report as the standard does not apply in the case of general purpose financial statements.
(v)	AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	December 2010	01 January 2013	Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
	[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12,19 & 127]			
(vi)	AASB 2010 - 8 Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets [AASB 112]	December 2010	01 January 2012	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.

SHIRE OF BRUCE ROCK NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30TH JUNE 2012

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Title and Topic	Issued	Applicable (*)	Impact
(vii)	AASB 2010 - 10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters	December 2010	01 January 2013	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
	[AASB 2009 - 11 & 2010 - 7]			
	AASB 2011 - 2 Amendments to Australian Accounting Standards - Arising from the Trans-Tasman Consequence Project - Reduced Disclosure Requirements. [AASB 101 & 1054]	May 2011	01 July 2013	
	AASB 2011 - 3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to ABS GFS manual and related Amendments. [AASB 1049]	May 2011	01 July 2012	
	AASB 2011 - 6 Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127,128 & 131]	July 2011	01 July 2013	

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Title and Topic	Issued	Applicable (*)	Impact
(viii	 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 	August 2011	01 January 2013	Nil - None of these, except for AASB 128, are expected to have significant application to the operations of the Council. With respect to AASB 128, where the Council has an interest in a Joint Venture, the requirements of AASB 128 supersede 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.

[AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Title and Topic	Issued	Applicable (*)	Impact
(ix)	AASB 13 - Fair Value Measurement, AASB 2011 - 8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	September 2011	01 January 2013	AASB 13 defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements. AASB 13 requires inputs to all fair value measurements to be categorised in accordance with fair value hierarchy. AASB 13 also requires enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value. AASB 13 will have particular relevance to the process of the Council adopting fair value methodology in relation to its fixed assets as mandated from 1 July 2012. Apart from the changes in value in relation to assets to be revalued (which are mandated by legislation and not changes to the standard) it is not expected to significantly impact the Council as the framework embodied in AASB 13 does not differ significantly from that which is present in existing standards. The amendments to the legislation requires the phasing in of fair value in relation to fixed assets over the three years from 1 July 2012. It is not possible to estimate the likely amount of any revaluations.
(x)	AASB 2011 - 9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]	September 2011	01 July 2013	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 re-classifiable to profit or loss subsequently. It effects presentation only and is not expected to significantly impact the Council.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Title and Topic	Issued	Applicable (*)	Impact
(xi)	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	01 January 2013	The changes in relation to defined benefit plans contained in this standard are not expected to significantly impact the Council nor are the changes to AASB's in relation to termination benefits.
(xii)	AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	September 2011	01 July 2013	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
	AASB 2011 – 12 Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1]	November 2011	01 January 2013	
	AASB 2011 – 13 Amendments to Australian Accounting Standards – Improvements to AASB 1049	December 2011	01 July 2012	
	Notes:			

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Adoption of New and Revised Accounting Standards

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

These new and revised standards were:

AASB 124 AASB 1054 AASB 2009 - 12 AASB 2009 - 14 AASB 2010 - 4 AASB 2010 - 5 AASB 2010 - 6 AASB 2010 - 9 AASB 2011 - 1

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

2.	REVENUE AND EXPENSES		2012 \$	2011 \$
(a)	Net Result			
	The Net Result includes:			
	(i) Charging as an Expense:			
	Auditors Remuneration - Audit - Other Services		15,091 0	9,250 0
	Depreciation Buildings Furniture and Equipment Plant and Equipment Roads Quarry		179,444 35,575 343,432 1,433,293 0 1,991,744	173,321 31,703 340,595 1,406,346 0 1,951,965
	(ii) Crediting as Revenue:	2012 \$	2012 Budget \$	2011 \$
	Interest Earnings Investments		Ŧ	
	- Reserve Funds	31,630	38,755	26,783
	- Other Funds	24,454	30,120	50,270
	Other Interest Revenue (refer note 26)	3,546	3,850	4,280
		59,630	72,725	81,333

2. REVENUE 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.

SHIRE MISSION STATEMENT

Bruce Rock Leads the Way

SHIRE VISION

To maintain and enhance the Bruce Rock Lifestyle, increase business and employment opportunities and achieve population growth.

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

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 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 centre and the provision of accommodation offices and other services to the doctor, dentist, counsellor, infant health nurse and other visiting practitioners.

EDUCATION AND WELFARE

Provision of facilities for local playgroup, senior citizen association, daycare and men's shed.

HOUSING

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

COMMUNITY AMENITIES

Rubbish collection services, operation of refuse site, recycling centre, bulk litter drives and Drum Muster and maintenance of cemetery.

RECREATION AND CULTURE

Maintenance and operation of amphitheatre, halls and the recreation centre, the swimming pool, various courts, cricket pitches and oval. 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 and airstrip maintenance. Vehicle inspections are conducted on behalf of Dept of Transport.

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

ECONOMIC SERVICES

Provision of tourism promotion through caravan park and camping ground, provision of community bus, assistance with Vietnam Veterans Back to the Bush Reunion, building surveyor, saleyards and water stand pipes. Operation of Bruce Rock Natural Resource Management and various landcare projects.

OTHER PROPERTY AND SERVICES

Private works operations, public works overheads, plant repairs and operation costs.

2. REVENUE AND EXPENSES (Continued)

Conditions Over Grants/Contributions (C)

) Condition	s Over Grants/Contributio	ns	Opening Balance	Received	Expended	Closing Balance	Received	Expended	Closing
			(*)	(+)	(#)	(*) 30-Jun-	(+)	(#)	Balance
Gra	int/Contribution	Function/ Activity	1-Jul-10 \$	2010/11 \$	2010/11 \$	11 \$	2011/12 \$	2011/12 \$	30-Jun-12 \$
WA Local	Govt Grants Comm	Gen Pur Rev	0	1,073,166	(1,073,166)	0	1,412,742	(1,412,742)	0
Royalties f	or Regions - CLGF	Gen Pur Rev	35,000	0	(18,344)	16,656	0	Ó	16,656
	or Regions - CLGF	Gen Pur Rev	0	0	Ó	, 0	897,268	(805,123)	92,145
FESA - ES		Law, O & PS	0	7,964	(7,964)	0	10,203	(10,203)	0
Office Crin	ne Prevention	Law, O & PS	16,500	0	(10,124)	6,376	0	(6,376)	0
DVA - Mer	ns Shed	Ed & Welfare	22,135	4,446	(26,581)	0	0	Ó	0
Lotterywes	st - Mens Shed	Ed & Welfare	22,000	0	(22,000)	0	0	0	0
RLCIP 200)9/10 - Bowls Shade	Rec & Culture	30,000	0	(30,000)	0	0	0	0
RLCIP 201	10/11 - Hall	Rec & Culture	0	30,000	(30,000)	0	0	0	0
DSR - Rec	c Centre	Rec & Culture	0	0	Ó	0	370,000	(370,000)	0
State Rev	Office - Pool Sub	Rec & Culture	0	6,000	(6,000)	0	3,000	(3,000)	0
Lotterywes	st - Cultural Heritage	Rec & Culture	0	96,729	(96,729)	0	0	0	0
Main Road	ls - Cramphorne Rd	Transport	0	239,370	(239,370)	0	240,000	(240,000)	0
FAGS Roa	ads	Transport	0	711,659	(711,659)	0	937,560	(937,560)	0
Main Road	ls - Direct Grant	Transport	0	111,682	(111,682)	0	119,002	(119,002)	0
Roads to F	Recovery	Transport	186,849	219,793	(406,642)	0	453,761	(390,435)	63,326
	ls - St Light Subsidy Is - Grain Freight	Transport	0	2,199	(2,199)	0	2,205	(2,205)	0
Network	3	Transport	0	0	0	0	100,000	(100,000)	0
Healthway	- Vets	Ec Services	0	2,500	(2,500)	0	3,000	(3,000)	0
Lotterywes		Ec Services	0	22,889	(22,889)	0	14,978	(14,978)	0
DCD - Tha	ank a Volunteer	Ec Services	0	895	(895)	0	0	Ó	0
Dept of Ag	- Skeleton Weed	Ec Services	15,022	38,305	(48,022)	5,305	0	(5,305)	0
Indigenous		Ec Services	0	8,880	(1,844)	7,036	0	(7,036)	0
Dry Seaso	n Assistance	Ec Services	0	20,000	(5,550)	14,450	0	(14,450)	0
Dept of Fo		Ec Services	0	1,400	(1,400)	0	0	Ó	0
Total			327,506	2,597,877	(2,875,560)	49,823	4,563,719	(4,441,415)	172,127

Notes:

- (*) Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.
- (+) New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (#) Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

		2012	2011
2		\$	\$
3.	CASH AND CASH EQUIVALENTS		
	Unrestricted	1,322,464	691,148
	Restricted	590,217	701,210
		1,912,681	1,392,358
	The following restrictions have been imposed by regulations or other externally imposed requirements:		
	Long Service Leave Reserve Be-Active Long Service Leave	90,061	84,983
	Reserve	7,684	7,251
	Plant Reserve	4,911	4,634
	Housing Reserve	178,119	168,075
	Recreation Centre Upgrade Reserve	0	113,249
	Council Housing Reserve	137,315	273,195
	Unspent Grants	172,127	49,823
		590,217	701,210
4.	TRADE AND OTHER RECEIVABLES		
	Current		
	Rates Outstanding	39,893	31,249
	Sundry Debtors	94,124	116,850
	GST Receivable	0	35,000
		134,017	183,099
5.	INVENTORIES		
	Current	00 745	15 004
	Fuel and Materials	23,715	15,981
		23,715	15,981

		2012 \$	2011 \$
6.	PROPERTY, PLANT AND EQUIPMENT		
	Land - Cost	94,822	63,187
		94,822	63,187
	Buildings - Cost	13,042,590	11,354,699
	Less Accumulated Depreciation	(2,462,548)	(2,322,095)
	·	10,580,042	9,032,604
	Furniture and Equipment - Cost	360,905	343,493
	Less Accumulated Depreciation	(199,603)	(172,396)
	·	161,302	171,097
	Plant and Equipment - Cost	5,376,319	5,279,146
	Less Accumulated Depreciation	(2,782,664)	(2,501,819)
		2,593,655	2,777,327
		13,429,821	12,044,215

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

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

	Land	Buildings	Furniture &	Plant &	
	\$	\$	Equipment \$	Equipment \$	Total \$
Balance as at the beginning of the year	63,187	9,032,604	171,097	2,777,327	12,044,215
Additions	32,135	1,837,015	32,261	245,768	2,147,179
(Disposals)	(500)	(149,123)	(14,849)	(148,593)	(313,065)
Revaluation - Increments - (Decrements)	0 0	0 0	0 0	0 0	0 0
Impairment - (Losses) - Reversals	0 0	0 0	0 0	0 0	0 0
Depreciation (Expense)	0	(140,454)	(27,207)	(280,847)	(448,508)
					0
Carrying amount at the	94,822	10,580,042	161,302	2,593,655	13,429,821

7.	INFRASTRUCTURE	2012 \$	2011 \$
	Roads - Cost Less Accumulated Depreciation	46,237,143 (27,959,821) 18,277,322	44,990,447 (26,526,528) 18,463,919
	Quarry - Cost Less Accumulated Depreciation	42,500 (41,500) 1,000	42,500 (41,500) 1,000
		18,278,322	18,464,919

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

This policy also accords with AASB 116.

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 \$	Quarry \$	Total \$
Balance at the beginning of the year	18,463,919	1,000	18,464,919
Additions	1,246,696	0	1,246,696
(Disposals)	0	0	0
Revaluation - Increments - (Decrements)	0 0	0 0	0 0
Impairment - (Losses) - Reversals	0 0	0 0	0 0
Depreciation (Expense)	(1,433,293)	0	(1,433,293)
Carrying amount at the end of year	18,277,322	1,000	18,278,322

		2012 \$	2011 \$
8.	TRADE AND OTHER PAYABLES		
	Current		
	Sundry Creditors	330,210	93,234
	Accrued Salaries and Wages	43,182	18,874
		373,392	112,108

9. LONG-TERM BORROWINGS

The Shire of Bruce Rock did not have any long term borrowings as at 30th June 2012.

Additional detail on borrowings is provided in Note 21.

10. PROVISIONS

Current		
Provision for Annual Leave	90,044	82,554
Provision for Long Service Leave	185,002	151,339
	275,046	233,893
Non-Current		
Provision for Long Service Leave	21,623	18,474
	21,623	18,474

		2012 \$	2012 Budget \$	2011 \$
11.	RESERVES - CASH BACKED		¥	
(a)	Leave Reserve Opening Balance Amount Set Aside / Transfer to Reserve Amount Used / Transfer from	84,983 5,078	84,983 5,050	81,770 3,213
	Reserve	00	0 90,033	0 84,983
(b)	Be-Active Long Service Leave Reserve Opening Balance Amount Set Aside / Transfer to Reserve Amount Used / Transfer from Reserve	7,251 433 0 	7,251 430 0 	6,978 273 0 7,251
(c)	Plant Reserve Opening Balance Amount Set Aside / Transfer to Reserve Amount Used / Transfer from Reserve	4,634 277 0 4,911	4,634 270 0 4,904	4,459 175 0 4,634
(d)	Housing Reserve Opening Balance Amount Set Aside / Transfer to Reserve Amount Used / Transfer from Reserve	168,075 10,044 <u>0</u> 178,119	168,075 9,962 0 178,037	155,100 12,975 0 168,075
(e)	Rec Centre Upgrade Reserve Opening Balance Amount Set Aside / Transfer to Reserve Amount Used / Transfer from Reserve	113,249 1,678 (114,927) 0	113,249 6,750 (119,999) 0	106,810 6,439 0 113,249
(f)	Council Housing Reserve Opening Balance Amount Set Aside / Transfer to Reserve Amount Used / Transfer from Reserve	273,195 14,120 (150,000) 137,315	273,195 16,293 (289,488) 0	110,608 162,587 0 273,195
	TOTAL CASH BACKED RESERVES	418,090	280,655	651,387

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

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

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. Plant Reserve - to be used for the purchase of major plant. Housing Reserve - to be used for the construction of a new joint venture housing. Recreation Centre Upgrade Reserve - to be used for the upgrade of the Recreation Centre. Council Housing Reserve - to be used for the construction of a new housing for Council.

The Leave, Plant and Housing Reserves are not expected to be used within a set period as further

transfers to the reserve accounts are expected as funds are utilised.

The Council Housing Reserve is expected to be utilised in 2012/13.

RESERVES - ASSET 12. REVALUATION

The Shire of Bruce Rock did not revalue any assets during 2011/12 financial year.

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:

		2012 \$	2012 Budget \$	2011 \$
	Cash and Cash Equivalents	1,912,681	292,020	1,392,358
(b)	Reconciliation of Net Cash Provided By Operating Activities to Net Result			
	Net Result	1,372,395	408,983	(527,363)
	Depreciation (Profit)/Loss on Sale of Asset (Increase)/Decrease in Receivables (Increase)/Decrease in Inventories Increase/(Decrease) in Payables Increase/(Decrease) in Employee Provisions Grants/Contributions for the Development of Assets Net Cash from Operating Activities	1,991,744 112,649 49,082 (7,734) 261,287 44,302 (2,061,029) 1,762,696	1,925,660 (3,000) (45,702) (7,948) (88,271) (5,000) <u>(2,130,800)</u> <u>53,922</u>	1,951,965 (185,323) (54,525) 4,609 (1,175) 6,888 (493,609) 701,467
(c)	Undrawn Borrowing Facilities Credit Standby Arrangements Bank Overdraft limit Bank Overdraft at Balance Date Credit Card limit Credit Card Balance at Balance Date Total Amount of Credit Unused	0 0 5,000 0 5,000		0 0 5,000 0 5,000
	Loan Facilities Loan Facilities - Current Loan Facilities - Non-Current Total Facilities in Use at Balance Date Unused Loan Facilities at Balance Date	0 0 0		0 0 0

14. CONTINGENT LIABILITIES

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

15. CAPITAL AND LEASING COMMITMENTS

(a) Finance Lease Commitments

The Shire of Bruce Rock has no Finance 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.

16. JOINT VENTURE

The Shire of Bruce Rock was not involved in any Joint Venture Projects for the 2011/12 financial year.

TOTAL ASSETS CLASSIFIED BY FUNCTION AND

17. ACTIVITY

	2012 \$	2011 \$
Governance	101,814	104,681
General Purpose Funding	0	0
Law, Order, Public Safety	285,283	327,226
Health	657,141	677,123
Education and Welfare	193,334	148,053
Housing	2,861,890	2,506,700
Community Amenities	64,722	39,786
Recreation and Culture	6,188,464	4,461,457
Transport	18,253,226	18,436,826
Economic Services	850,612	873,239
Other Property and Services	2,114,167	2,336,269
Unallocated	137,490	597,774
	31,708,143	30,509,134

18.	FINANCIAL RATIOS	2012	2011	2010		
	Current Ratio	2.283	3.53	3.6		
	Untied Cash to Unpaid Trade Creditors Ratio	4.005	7.46	11.1		
	Debt Ratio	0.021	0.01	0.01		
	Debt Service Ratio	0	0	0		
	Gross Debt to Revenue Ratio	0	0	0		
	Gross Debt to Economically Realisable					
	Assets Ratio	0	0	0		
	Rate Coverage Ratio	0.223	0.21	0.21		
	Outstanding Rates Ratio	0.04	0.03	0.03		
	The above ratios are calculated as follows:					
	Current Ratio		t assets minus restricted abilities minus liabilities			
		current lia	with restricted assets	associated		
			with restricted assets			
	Untied Cash to Unpaid Trade Creditors Ratio	io untied cash				
			unpaid trade creditors			
	Debt Ratio	total liabilities total assets				
	Debt Service Ratio		debt service cost			
		a	vailable operating rever			
		a				
	Gross Debt to Revenue Ratio		gross debt			
			total revenue			
	Gross Debt to		gross debt			
	Economically Realisable Assets Ratio	eco	onomically realisable as	sets		
		net rate				
	Rate Coverage Ratio	revenue				
		operating revenue				
	Outstanding Rates Ratio		rates outstanding			
			rates collectable	_		

19. TRUST FUNDS

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

	Balance	Amounts	Amounts	Balance 30-Jun-	
	1-Jul-11	Received	Paid	12	
	\$	\$	(\$)	\$	
Nomination Fees	0	720	(720)	0	
Factory Unit & Housing Bonds	9,417	1,458	(1,112)	9,763	
Cemetery Donations Indigenous Women's	973	0	0	973	
Grant	(457)	0	0	(457)	
Hydro Pool Key Deposit	445	165	(60)	550	
Kwolyin Progress Assoc	671	0	0	671	
Sale of Land Deposits	5,050	0	(550)	4,500	
Bruce Rock Museum Funds	34	0	0	34	
Overpayment of Rates	381	0	(261)	120	
Community Rec Centre	25	0	0	25	
Tidy Towns	1,512	0	0	1,512	
Vietnam Veterans	41,234	18,475	(45,585)	14,124	
Wind Up Committee	175	0	(50)	125	
Wheatbelt Women	14,506	0	(6,167)	8,339	
Unspent Grant Funding	5,305	0	0	5,305	
	79,272	-		45,585	

20. DISPOSALS OF ASSETS - 2011/12 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Boo	k Value	Sale	Price	Profit	(Loss)
	Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$
Governance						
CEO Vehicle BK1	20,885	22,000	20,000	25,000	(885)	3,000
DCEO Vehicle BK2	22,082	22,000	23,636	25,000	1,554	3,000
B & W Photocopier	6,030	0	0	0	(6,030)	0
Olympus Digital Camera	160	0	0	0	(160)	0
Health						
Doctor's Vehicle BK 09	0	28,000	0	28,000	0	0
B & W Photocopier	291	0	0	0	(291)	0
Recreation & Culture						
Be-Active Vehicle BK010	0	0	0	0	0	0
Pig Pens @ Rec Centre	500	0	0	0	(500)	0
BBQ Area at Rec Centre	59,135	0	0	0	(59,135)	0
Temporary Ablutions at Rec Centre	50,497	0	0	0	(50,497)	0
Horse & Cattle Stalls @ Rec Centre	0		0		0	0
Transport						
Skid Steer Loader	21,875	24,000	19,835	25,000	(2,040)	1,000
Construction Foreman's Vehicle						
BK02	0	20,000	0	19,000	0	(1,000)
Town Foreman's Vehicle BK08	0	20,000	0	19,000	0	(1,000)
Workshop Manager's Vehicle BK3	20,165	20,000	0	19,000	(20,165)	(1,000)
Works Supervisor's Vehicle BK398	0	20,000	0	19,000	0	(1,000)
Grader CAT 12E BK2771	1,000	0	14,000	0	13,000	0
Economic Services						
Lot 143 Butcher Street	500	0	13,000	0	12,500	0
	203,120	176,000	90,471	179,000	(112,649)	3,000

21. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

The Shire of Bruce Rock has no debentures for the year ended 30th June 2012.

(b) New Debentures - 2011/12

The Shire of Bruce Rock did not take out any new debentures for the year ended 30th June 2012.

(c) Unspent Debentures

The Shire of Bruce Rock had no unspent debentures as at the 30th June 2012.

(d) Overdraft

The Shire of Bruce Rock does not have an overdraft facility in place at 30th June 2012, nor was the Council in overdraft during the year.

22. RATING INFORMATION - 2011/12 FINANCIAL YEAR

(a) Rates

(a) Nales	Rate in	Number	Rateable	Rate	Interim	Back	Total	Budget	Budget	Budget	Budget
	\$	of	Value	Revenue	Rates	Rates	Revenue	Rate	Interim	Back	Total
		Properties	\$	\$	\$	\$	\$	Revenue	Rate	Rate	Revenue
RATE TYPE		-						\$	\$	\$	\$
Differential General Rate											
GRV - Bruce Rock	0.051675	250	1,892,777	97,809	(289)	0	97,520	97,809	0	0	97,809
UV - Rural	0.008067	333	111,976,000	903,311	(632)	0	902,679	903,311	0	0	903,311
UV - Mining	0.008067	1	49,110	396	227	0	623	396	0	0	396
Sub-Totals		584	113,917,887	1,001,516	(694)	0	1,000,822	1,001,516	0	0	1,001,516
	Minimum										
Minimum Rates	\$. <u></u>
GRV - Bruce Rock	255	103	215,038	26,265		0	26,265	26,265	0	0	26,265
UV - Rural	255	13	175,500	3,315		0	3,315	3,315	0	0	3,315
UV - Mining	255	7	39,038	1,785		0	1,785	1,785	0	0	1,785
Sub-Totals		123	429,576	31,365	0	0	31,365	31,365	0	0	31,365
							1,032,187				1,032,881
Ex-Gratia Rates							6,890				6,890
Specified Area Rate (refer note							_				
23)							0				0
							1,039,077				1,039,771
Discounts (refer note 25)							(42,110)				(44,500)
Totals							996,967				995,271

22.	RATING INFORMATION - 2011/12 FINANCIAL YEAR	2012 (1 July 2011	2011 (30 June 2011
(b)	Information on Surplus/(Deficit) Brought Forward	Brought Forward) \$	Carried Forward) \$
	Surplus/(Deficit) 1 July 2011 Brought Forward	594,043	548,870
	Comprises:		
	Cash - Unrestricted	691,148	691,148
	Cash - Restricted	701,210	701,210
	Investments - Restricted	0	0
	Rates - Current	31,249	31,249
	Sundry Debtors	116,850	116,850
	GST Receivable	9,907	9,907
	Inventories		
	- Fuel and Materials	15,981	15,981
	Less:		
	Reserves - Restricted Cash		
	- Leave Reserve	(84,983)	(84,983)
	- Be-Active Leave Reserve	(7,251)	(7,251)
	- Plant Reserve	(4,634)	0
	- Housing Reserve	(168,075)	(168,075)
	- Recreation Centre Upgrade		
	Reserve	(113,249)	(113,249)
	- Council Housing Reserve	(273,195)	(273,195)
	- Restricted Funds	0	(49,823)
	Sundry Creditors	(93,234)	(93,234)
	Accrued Interest on Debentures	0	0
	Accrued Salaries and Wages	(18,874)	(18,874)
	GST Payable	25,093	25,093
	Current Employee Benefits Provision	(233,893)	(233,893)
	Rounding	(7)	9
	Surplus/(Deficit)	594,043	548,870

Difference:

There was a difference between the Surplus/(Deficit) 1 July 2011 Brought Forward position used in the 2012 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2011 audited financial report.

This appears to be the inclusion of unspent grant funds and omission of Plant Reserve Funds in the calculation of the Surplus Carried Forward as at 1 July 2011. However as this is the first year that this note has been required in the annual financial statements, and without reference to the previous calculations, the calculation is unable to be verified.

23. SPECIFIED AREA RATE - 2011/12 FINANCIAL YEAR

The Shire of Bruce Rock did not have any specificed area rates for the year ended 30th June 2012.

24. SERVICE CHARGES - 2011/12 FINANCIAL YEAR

The Shire of Bruce Rock did not have any service charges for the year ended 30th June 2012.

25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2011/12 FINANCIAL YEAR

	Туре	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	5.00%	42,110	44,500
			42,110	44,500
Rate Assessment	Write-Off		948	0

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.

26. INTEREST CHARGES AND INSTALMENTS - 2011/12 FINANCIAL YEAR

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid				
Rates	11.00%		3,111	2,500
Interest on Instalments Plan	5.50%		435	1,000
Charges on Instalment Plan		21	588	800
			4,134	4,300

Ratepayers had the option of paying rates in four equal instalments, due on 5th September 2011, 7th November 2011, 9th January 2012 & 12th March 2012. Administration charges and interest applied for the final three instalments.

27.	FEES & CHARGES	2012 \$	2011 \$
	Governance	5,049	4,921
	General Purpose Funding	2,432	8,683
	Law, Order, Public Safety	1,638	1,523
	Health	83,271	75,112
	Education and Welfare	1,832	1,875
	Housing	92,532	84,584
	Community Amenities	63,434	55,987
	Recreation and Culture	49,770	39,956
	Transport	26,035	26,832
	Economic Services	105,679	101,860
	Other Property and Services	157,881	164,475
		589,553	565,808

There were changes during the year to the amount of the fees or charges detailed in the original budget.

A fee was set for an annual connection fee to the sewerage pit of \$1,100 (inc GST).

A fee was also set for the instant drug testing which is being conducted at the Bruce Rock Medical Centre of \$55.00 (inc GST).

These were advertised prior to be charged in accordance with Local Government Act.

28. GRANT REVENUE

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

	2012	2011
By Nature and Type:	\$	\$
Operating Grants, Subsidies and Contributions	2,708,728	2,208,117
Non-Operating Grants, Subsidies and Contributions	2,061,029	493,609
	4,769,757	2,701,726
By Program:		
Governance	36,635	33,520
General Purpose Funding	2,310,010	1,073,166
Law, Order, Public Safety	16,804	13,064
Health	0	0
Education and Welfare	72	4,747
Housing	7,036	6,808
Community Amenities	1,466	2,326
Recreation and Culture	385,313	134,550
Transport	1,876,365	1,284,703
Economic Services	81,996	137,876
Other Property and Services	54,060	10,966
	4,769,757	2,701,726

29.	ELECTED MEMBERS REMUNERATION	2012 \$	2012 Budget \$	2011 \$
	The following fees, expenses and allowances were paid to council members and/or the president.			
	Meeting Fees	1,123	3,000	0
	President's Allowance	10,908	10,000	9,850
	Telecommunications Allowance	0	0	0
		12,031	13,000	9,850
30.	EMPLOYEE NUMBERS	2012		2011
	The number of full-time equivalent	07		20
	employees at balance date	37	=	30

31. MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions during the 2011/12 financial year.

32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2011/12 financial year.

FINANCIAL RISK 33. 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:

	Carryin	g Value	Fair Value	
	2012	2011	2012	2011
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	1,912,681	1,392,358	1,912,682	1,392,358
Receivables	134,017	183,099	134,017	183,099
	2,046,698	1,575,457	2,046,699	1,575,457
Financial Liabilities				
Payables	373,392	112,108	376,092	112,108
Borrowings	0	0	0	0
	373,392	112,108	376,092	112,108

Fair value is determined as follows:

 Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.

 Borrowings — estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

33. FINANCIAL RISK MANAGEMENT (Continued)

Cash and Cash

(a)

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

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

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

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

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

	2012 \$	2011 \$
Impact of a 10% (*) movement in interest rates on cash and investments:		
 Equity Statement of Comprehensive Income 	191,268 191,268	139,236 139,236

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 and investments:

- Equity	19,127	13,924
- Statement of Comprehensive Income	19,127	13,924

33. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

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

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

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

	2012	2011
Percentage of Rates and Annual Charges		
- Current - Overdue	55.00% 45.00%	53.00% 47.00%
Percentage of Other Receivables		
- Current	42.00%	65.00%
- Overdue	58.00%	35.00%

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	Due between 1 & 5	Due after	Total contractual	Carrying values
<u>2012</u>	1 year \$	years \$	5 years \$	cash flows \$	\$
Payables Borrowings	373,392 0 373,392	0 0 0	0 0 0	373,392 0 373,392	332,910 0 332,910
<u>2011</u>					
Payables Borrowings	112,108 0 112,108	0 0 0	0 0 0	112,108 0 112,108	112,108 0 112,108

(c) Payables

Borrowings (Continued)

The Shire of Bruce Rock did not have any borrowings as at 30th June 2012.



Anderson Munro & Wyllie

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

Scope

We have audited the financial report of Shire of Bruce Rock for the year ended 30 June 2012. The financial report comprises the Statement by Chief Executive Officer, Statements of Comprehensive Income, Balance Sheet, Statement of Changes 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 Bruce Rock. 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 Bruce Rock.

Independence

Anderson Munro & Wyllie are independent of the Shire of Bruce Rock, 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 Bruce Rock are properly drawn up;

- So as to give a true and fair view of the state of affairs of the Shire as at 30 June 2012 and the results of its operations and cash flows for the year then ended;
- b) In accordance with the requirements of the Local Government Act 1995; and
- c) In Accordance with Applicable Australian Accounting Standards.

Statutory Compliance

- a) We did not during the course of the audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.
- b) There were no material or significant adverse trends in financial position or financial management practices revealed during the course of our audit.
- c) We have obtained all necessary information and explanations in relation to our audit.
- d) Our audit procedures were all satisfactorily completed.

Dated the 26th day of October 2012 in Perth, Western Australia

BILLY-JOE THOMAS Director

ANDERSON MUNRO & WYLLIE Chartered Accountants