



Annual Report

2012 - 2013

Shire
of East
Pilbara



Welcome

On the cover, above and throughout this Annual Report: Bugai Whyoulter, Kurta Kurta, Wantili, Kalpa and Katarru, 2012 (152 x 304cm, acrylic on linen (diptych)).

This diptych by Bugai Whyoulter was selected for the 29th Telstra National Aboriginal & Torres Strait Islander Art Award (NATSIAA) 2012, held in Darwin in August 2012. The works depict Kurta Kurta, Wantili, Kalpa and Katarru, in the artist's country. The artist lived nomadically for a lot of her life, travelling extensively around the western desert from her birth place near Balfour Downs Station, west of Parnngurr right up through Jigalong, the Canning Stock Route and up to Well 33 (Kunawarritji), where she now lives.



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Our History

Shire of East Pilbara

The Shire of East Pilbara is considered the heart of the Pilbara, covering approximately 372,000 square kilometres, larger than the state of Victoria.

Its main townsites are Newman, Marble Bar and Nullagine, with a number of Aboriginal Communities inhabiting the Shire, including Jigalong, Punmu, Parngurr, Irrungadgi and Parnpajinya.

The Shire of East Pilbara was formed in 1972 from the amalgamation of the Shires of Marble Bar and Nullagine. Prior to that, Marble Bar was part of the Bamboo Road Board, which was established in 1896. In 1904 the name of the Road Board was changed to the Marble Bar Road Board. Prior to the Shire of Nullagine, Nullagine was also part of a Road Board which was established in 1898.

Nowadays, the Shire's administration centre is located in Newman. Council retains a sub office at Marble Bar and the works construction crew operates from that location. A small work force is also operated at Nullagine.

The estimated population of the Shire is 25,000 of which (including fly in, fly out) 9,000 live in Newman, which is the home of BHP Iron Ore's major Pilbara Iron Ore

mine; Mt Whaleback. The Shire history is rich in mining and pastoral activities and provides a significant part of the State and Federal wealth.

Newman

Newman was named after the Newman Homestead. The homestead and nearby Mt Newman were named in honour of Aubrey Woodward Newman, an early explorer. The town of Newman was built by Mt Newman Mining Company Pty Ltd to accommodate its employees and their families. From July 1981, the company began gradually handing over responsibilities for the town to the Shire of East Pilbara. In 1982 the town of Newman was changed from a closed mining town to a "normalised" town.

Newman is home to the largest single cut iron ore mine in the world and was built after export restrictions on iron ore were lifted. It is surrounded by the Ophthalmia Ranges and is the southern gateway to the magnificent Karijini National Park which boasts some of Western Australia's most spectacular scenery.

Marble Bar

Marble Bar has the dubious reputation of being Australia's hottest town. It is located 1,476 kilometres north of Perth along the Great Northern Highway, with a population of approximately 410 people.

Marble Bar is another Pilbara town which sprang up during the gold rush period, with the settlement officially declared a town in 1893. It derives its

name from the immense bar of jasper, similar in appearance to marble, which cuts through the Coongan River about six kilometres from the town.

Visitors to Marble Bar can visit the famous Iron Clad Hotel or explore the surrounding gorges such as Coppin's Gap, Kitty's Gap and Doolena Gorge.

Nullagine

Nullagine is located on the Nullagine River, approximately 200 kilometres north of Newman and 100 kilometres from Marble Bar along a gravel road.

Settled originally by graziers, Nullagine became a thriving town during the gold rush of the 1880's. Its population peaked between 1895 and 1914 at 3,000 people. During this period, the town boasted three hotels and a number of stores.

Nullagine was the site of Australia's first diamond discovery and has since attracted prospectors and gold miners looking to find their fortunes in this mineral rich town.



Report from the President

Cr Lynne Craigie

Thank you for taking the time to read the Shire of East Pilbara Annual Report for 2012-13.

It's been a historic year for the Shire and in particular for the town of Newman which saw the completion and opening of many large scale infrastructure projects this past year.

In November 2012, the Junior Sports Pavilion and lighting upgrade at Newman's largest sporting area, the Capricorn Sporting Precinct was officially opened. The Shire of East Pilbara provided \$2.4 million for the Capricorn Sporting Precinct which has been a fantastic investment for our sports loving community in Newman. The State Government and BHP Billiton have also provided \$1.6 million and \$1.5 million respectively and it is always a pleasure partnering with them.

It was a very exciting time in December when the new main road into Newman Town Centre; Iron Ore Parade; opened to traffic. This was truly a significant event for the Shire not only because it created a main road into town but because it was a major project of the Newman Town Centre Revitalisation Plan. The new road creates a new main entrance into Newman through the southern end

of Boomerang Oval and connects the intersection of Kalgan and Newman Drives.

We were also thrilled with the completion of the multipurpose facility at Boomerang Sports Pavillion this year. This project and Iron Ore Parade were officially opened by the Minister for Regional Development Brendon Grylls and myself with a small fun fair for the community of Newman.

In January the town of Newman was affected by several fires and I would like to offer my sincere thanks to those who offered their time to help extinguish the fires and offer help when required. It's moments like this that really bring a town together and I was extraordinarily proud of the effort that our residents offered when it really counted.

January also saw the announcement of the Australia Day Honours and Chief Executive Officer Allen Cooper was awarded a Public Service Medal, recognised for his outstanding commitment to the East Pilbara. Allen has dedicated over 18 years to the East Pilbara region and is unquestionably deserving of this prestigious award.

Another major milestone of the past financial year was the introduction of paid parking at all Short Term and Long Term car parks at the Newman Airport which began in February. The implementation of controlled parking was necessitated by the increasing demand for short and long term parking at Newman Airport, and the associated high cost involved in establishing and maintaining such facilities.

Although these are just a few of the many achievements seen this year, I can't help but reflect on how I have personally seen the Shire of East Pilbara progress over the past 12 years. When I first joined Council 12 years ago, we had a budget of \$16 million which today has risen to \$65 million- this is unprecedented growth for Local Governments in our country. I share this with you to emphasise the economic strength of the East Pilbara and to remind all residents how fortunate we are to live in such a prosperous and of course, beautiful region.

I would like to offer my sincere thanks to Chief Executive Officer Allen Cooper for his leadership of the Shire and the diligent team who support him. I would also like to acknowledge my fellow councillors for their support and dedication to our wonderful East Pilbara.

Lynne Craigie
Shire President



From the CEO

Mr Allen Cooper

It's been another year of growth and progression for the East Pilbara and I am proud to share some of the highlights from 2012-13.

As predicted, Newman Airport continued to grow in passenger numbers, reaching an all-time high of 40,168 for the month of October. This represents a 41% growth in numbers compared to 2011/12. If this tendency continues we are forecasting 445,000 passengers for 2012/13, and should pass the 500,000 mark during the third quarter of 2013.

During February, Tropical Cyclone Rusty made his way ominously towards the East Pilbara. Whether you are a new or long-time resident of the East Pilbara, events such as this can be stressful and worrying and strong community support is vital. Although Rusty's bark was much worse than his bite, I was thrilled with the way our community came together during this time providing assistance, relief and security in various forms when it was needed across the East Pilbara.

Sadly, we have seen an increase of reported damage to council property in recent months. Vandalism of public property is a despicable offence especially when it's rate payer funds that are used to clean and repair damage. So this year past year we have been reminding residents to help keep our public facilities in clean and in excellent working order by reporting vandals to police. The Shire also reminded

residents of the \$1000 reward offered, aimed to encourage residents to help police catch vandals.

The year also saw the Shire of East Pilbara continuing its commitment to providing quality community facilities to its residents with the completion of the sporting ovals lighting upgrade in Newman; the first of its kind to be used by local government in Western Australia.

The upgrades to the lights on Boomerang Oval and the ovals on the Capricorn Reserve are fitted with a wireless communication system to enable remote switching, scheduling and monitoring of the lights. The Shire is the first local government to have adopted such an advanced lighting system, which can be controlled using a mobile phone. So advanced is the system that at the touch of the app on a mobile phone, the lights can be turned off when weather conditions such as lighting and cyclones warrant such action.

I'd also like to thank those who took part in the Community Survey for the Shire. These surveys are so important to conduct as the answers assist in creating the future path for the Shire and provide invaluable information about where we are doing a great job and where we need to improve. Resident satisfaction with the Shire of East Pilbara is continuing to improve, according to the results of the latest Community Survey. The survey found that 94% of survey respondents indicated they were satisfied with the overall performance of the Shire, compared to 88% in 2011 and 87% in 2010; and over seven out of ten survey respondents (72%) indicated that they felt the Shire of East Pilbara was either an 'excellent' or 'good' place to

live, only slightly lower than 75% who indicated this in 2011.

The Council of the Shire of East Pilbara adopted the Repeal Local Law at its Ordinary Meeting on 15 March 2013, after public consultation was completed. The purpose of this local law is to repeal superfluous, defunct and obsolete local laws. The effect of this local law is to be a more efficient and effective local government by removing out dated local laws from the public record.

It's also important for me to mention that this year the Shire was recognised with a Platinum Award from the Water Corporation for the Water Efficiency Management Program and I congratulate all those involved in this. The Platinum Award recognised more than 50 per cent improvement in water efficiency and is testimony to the Shire's commitment to making simple changes to save water.

Another major event this year included Councillor Lang Coppin awarded the Medal of the Order of Australia for his services to the East Pilbara. Cr Coppin has committed himself to his local government since 1977. He is the Shire of East Pilbara's longest serving member having served Council for 33 years continuously (with the exception of a one year absence in 1985).

We move forward in 2013-2014 with our focus on the continuing growth of Newman and taking a measured and long-term approach to intelligent and sustainable planning of Marble Bar and Nullagine.

I would like to thank all of the staff for the contributions and effort throughout the year.

Allen Cooper
Chief Executive Officer

Elected Members

South Ward



Cr Lynne Craigie
Shire President
Term Expires 2015

South Ward



Cr Shane Carter
Term Expires 2017

South Ward



Cr Anita Grace
Term Expires 2017

South Ward



Cr Craig Hoyer
Term Expires 2015

South Ward



Cr Gerry Parsons
Term Expires 2015

South Ward



Cr Doug Stead
Term Expires 2017

North Ward



Cr Lang Coppin
Shire Deputy President
Term Expires 2017

North West Ward



Cr Stephen Kiernan
Term Expires 2015

Lower Central Ward



Cr Darren Bennetts
Resigned 2013

East Ward



Cr Kevin Danks
Term Expires 2017

Central Ward



Cr Dean Hatwell
Term Expires 2017

Councillor's Meeting Attendance

	Ward	Retire	27-Jul-12	24-Aug-12	28-Sep-12	26-Oct-12	07-Dec-12	
Cr Lynne Craigie	South	2015	Yes	Yes	Apology	Yes	Yes	
Cr Stephen Kiernan	North West	2015	Yes	Yes	Yes	Yes	Yes	
Cr Gerry Parson	South	2015	Yes	Yes	Yes	Yes	Yes	
Cr Craig Hoyer	South	2015	Yes	Yes	Apology	Yes	Yes	
Cr Darren Bennett	Lower Central	2015	Apology	Yes	Apology	Yes	Apology	
Cr Anita Grace	South	2013	Yes	Yes	Yes	No	Yes	
Cr Shane Carter	South	2013	Yes	Yes	Yes	Yes	Yes	
Cr Doug Stead	South	2013	Yes	Yes	Yes	Yes	Yes	
Cr Lang Coppin	North	2013	Yes	Yes	Yes	Yes	Yes	
Cr Kevin Danks	East	2013	Yes	Yes	Yes	Yes	Yes	
Cr Sue Owen	Central	2013	Yes	Apology	Apology	Resigned		
Cr Dean Hatwell	Central	2013						
Location			Newman	Newman	Marble Bar	Newman	Newman	

	08-Feb-13	15-Mar-13	19-Apr-13	24-May-13	28-Jun-13
Cr Lynne Craigie	Yes	Yes	Yes	Yes	Yes
Cr Stephen Kiernan	Yes	Yes	Yes	Apology	Apology
Cr Gerry Parson	Yes	Yes	Yes	Yes	Yes
Cr Craig Hoyer	Yes	Yes	Apology	Yes	Yes
Cr Darren Bennett	Yes	Yes	Apology	Leave of Absence	Resigned
Cr Anita Grace	Yes	Yes	Yes	Yes	Yes
Cr Shane Carter	Yes	Yes	Yes	Yes	Apology
Cr Doug Stead	Yes	Apology	Yes	Yes	Yes
Cr Lang Coppin	Yes	Yes	Yes	Yes	Yes
Cr Kevin Danks	Yes	Yes	Apology	Yes	Yes
Cr Sue Owen					
Cr Dean Hatwell		Yes	Yes	Yes	Apology
Location	Newman	Marble Bar	Newman	Newman	Newman

Councillor's meeting attendance for 10 meetings in the financial year are as follows:

Cr Lynne Craigie	9
Cr Anita Grace	9
Cr Shane Carter	9
Cr Doug Stead	9
Cr Lang Coppin	10
Cr Stephen Kiernan	8
Cr Kevin Danks	9
Cr Sue Owen	1
Cr Darren Bennett	4
Cr Gerry Parsons	10
Cr Craig Hoyer	8
Cr Dean Hatwell	3

Organisational Chart



Allen Cooper
Chief Executive Officer



Sian Appleton
Deputy Chief
Executive Officer



Rick Miller
Director Technical and
Development Services



Angela McDonald
Manager Finance and
Administration Services



David Kular
Manager Human
Resources



Adam Majid
Manager Development
Services - Planning



Sharon Walsh
Manager Community
Well being



Leon Burger
Manager Airport Services



Edmore Masaka
Manager Development
Services - Health



Gary Grapes
Manager Building Assets



Oliver Schaer
Manager Technical
Services - Rural

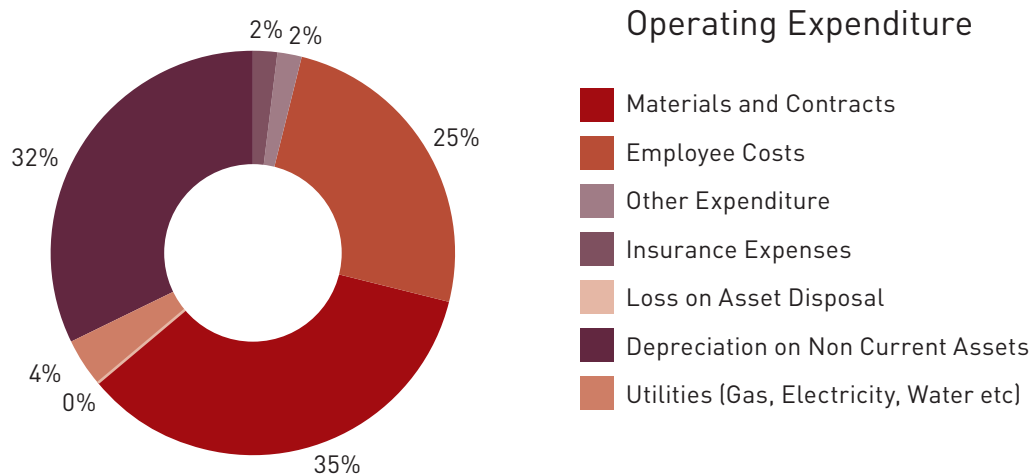
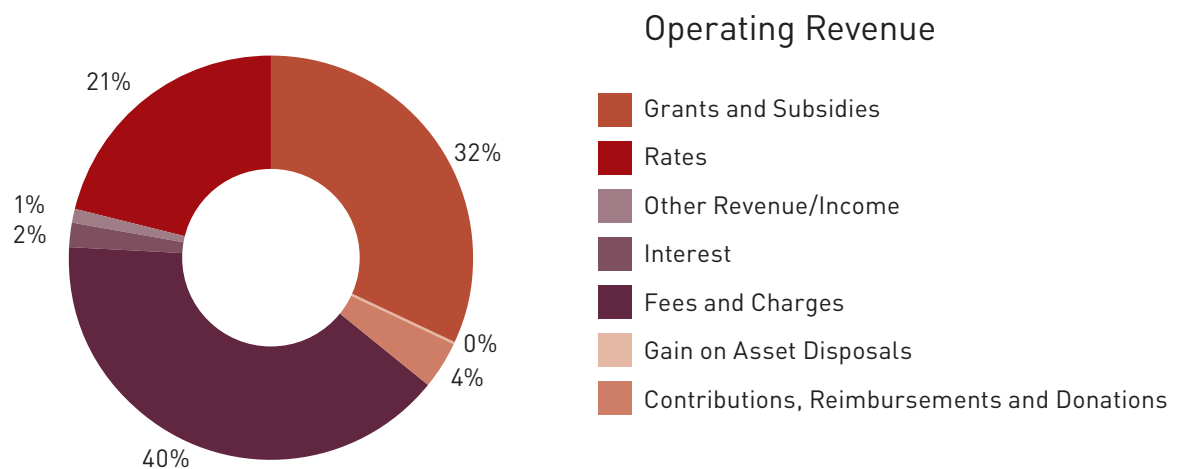


Gabrielle Sullivan
Manager Martumilli
Artists



Sources and Applications of Operating Funds

(Excluding Capital)





Human Resources

Deputy CEO's Office:

Deputy CEO	1
Managers	4
Coordinators	10
Staff	12

Technical/ Development:

Director	1
Managers	7
Coordinators	2
Staff	30

As at the 30th June 2013 Council had 70 permanent positions split as follows:

Executive Services:

CEO	1
Deputy CEO	1
Director	1
Managers	1
Coordinators	0
Staff	1

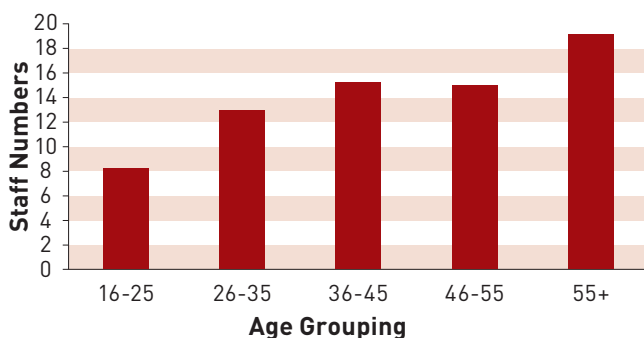
Recruitment:

The following positions were vacant as at the 30th June 2013.

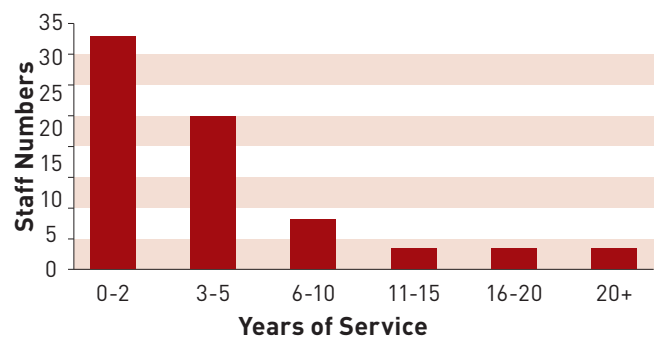
- Coordinator Executive Services
- Research Officer/Media Relations Officer
- Manager Project Development
- Human Resources Officer
- Asset Management Officer
- Recreation Admin Officer
- Administration Officer
- Indigenous Services Officer
- Community Liason Officer
- Martumili Field Officer
- Coordinator Recreation Services
- Marble Bar Recreation Officer
- Marble Bar Pool Manager
- Administration Officer
- Senior Aquatic Officer
- Senior Recreation Administration Officer
- Customer Service Officer – Marble Bar
- Diesel Mechanic – Marble Bar
- Coordinator Airport Asset Maintenance
- Occupational Health Officer
- Parks and Gardens Crew
- Report Officer/Groundsperson
- Shire Ranger
- Shire Ranger
- Manager Risk & Compliance
- Coordinator Commercial Development & Compliance Officer
- Parks and Gardens Crew – Marble Bar

Staff turnover for 2012/2013 financial year was 27% for permanent part time and full time positions.

Age of Permanent Staff



Length of Service for Permanent Staff





Administration Report

Corporate Business Plan

The Corporate Business Plan Addresses all of the Shire's operations – including services, assets (capital works and ongoing operating) and projects. It also identifies how the Shire's operations link to the Strategic Community Plan through strategies and outcomes.

The Corporate Business Plan is based on the Shires Operational and Service plans, which were developed by Shire management and key staff. During this process, service related actions and projects are identified through alignment with the Strategic Community Plan and Informing Strategies.

Strategic Community Plan

Pursuant to section 5.56 of the Local Government Act 1995, council is required to prepare a plan for the Future of the District. During the 2012/2013 financial year council endorsed the adoption of the Strategic Community Plan document.

The Shire's commitment to the future of all its towns is reflected in this plan, which outlines a vision, strategies, initiatives and proposed outcomes for the coming decades. In framing this plan, the Shire is fulfilling legislative obligations whilst paying due attention

to the needs and aspirations of residents, now and in the future.

The plan aims to meet our community needs, whilst also addressing the expectations of State Government – requiring all local government authorities to develop a strategy and planning document that reflects community and local government aspirations and priorities over a period of 10+ years.

The Shire intends to utilise the Strategic Community Plan to do the following:

- Guide Council decision making
- Inform and target the allocation of resourcing
- Guide local planning initiatives
- Inform potential partners and investors of the ways in which we want to grow and develop
- Engage industry, business, government agencies, non-government organisations, community groups and residents in various ways to contribute to the Shire's future
- Form mutually beneficial partnerships with other organisations
- Monitor progress against our vision and priorities.

Four strategic priorities have been developed that cover the key aspects of community life, these being – Social; Economic; Environmental and Civic Leadership.

Records Management

The update of the Shires Record Keeping Plan (RKP) was due for review in late 2012, due to numerous changes with our records management a whole new plan will be submitted to the State Records Office. This is due for completion in late 2013.

As mentioned in last years report our style guide is unfortunately not yet completed or in use. We hope to have this implemented in the next reporting period.

Complaints

The Shire of East Pilbara has not received any complaints as defined by Section 5.121 of the Government Act 1995 during the reportable period.

Policy Manual

During the reportable period the following new policies were added to the policy manual;

- Formal Communication Policy – Elected Members
- Public Art Policy
- Authority to Issue Section 23 and 40 Certificates under the Liquor Control Act 1988
- Mining Act 1978
- Native title Act 1993
- Annual Community Survey
- Housing Tenancy Agreements



Policy Manual cont.

The following Policies were amended;

Accounting Policy – Changes reflect significant changes in legislations and current shire practise.

Purchasing and Tender Policy – Changes reflect the current operational needs of the Shire.

Stall Holder and Street Trading Policy – Changes to ensure that policy is aligned with current shire local laws.

Citizenship Ceremonies Policy – Changes required to bring the policy in line with current legislation.

Vandalism Reward – Council required to set reward for information leading to successful conviction of vandals.

Disability Access and Inclusion Plan 2010-2014

The Disability Access and Inclusion Plan 2010-2014 is close to being under review with the exciting progress of setting up a DAIP committee to review, implement and partner with to ensure the outcomes are meeting community needs. This financial year saw a great progress in long term goals being achieved by electronic doors in the progress of being installed at the Marble Bar Administration office and Marble Bar Civic Centre. This is an outstanding milestone for the Shire of East Pilbara and we do recognise the challenges of ensuring that local businesses, community centres and public buildings are easily accessible for members with a disability. Please find below all the outcomes stated in the D.A.I.P 2010-2014.

Outcome 1: People with Disabilities have the same opportunities as other people to access the services of, and any events organised by, a public authority.	The DAIP has being included into the Public Events Application forms for all event organisers and are working on material at the local library to improve access to information.
Outcome 2: People with disabilities have the same opportunities as other people to access the buildings and other facilities of a public authority	Parking at the Shire Administration office have established easily access and exit of disability parking and are looking at public building facility audit for disability access in the new financial year.
Outcome 3: People with disabilities receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.	Establishment of a local committee group to have a say in the progress and renewal of the plan to ensure community awareness.
Outcome 4: People with Disabilities receive the same level and quality of services from the employees of a public authority as other people receive from employees of that public authority.	A bi monthly progress report is sent to council in which all shire staff and workers have access to.
Outcome 5: People with Disabilities have the same opportunities as other people to make complaints to a public authority.	The new establishment of the Shire Website allows access to make a complaint online or directs members to these services and processes.
Outcome 6: People with Disabilities have the same opportunities as other people to participate in any public consultation by a public authority.	Disability services and groups are part of the DAIP committee.
Outcome 7: People with disabilities have the same opportunities as other people to access employment at the Shire of East Pilbara	This is a new outcome that was not compulsory for DAIPS until 2013. This outcome will be updated to the new plan in 2014.



Martumili

Art plays a particularly important role in the cultural and economic life of the Martu communities. Many of the Martu artists are senior custodians of Martu cultural heritage who use their arts practices as a conduit for passing on knowledge of country and culture to younger family members. At the same time, managing the exhibition and sale of artworks is an important way in which Martu artists are carving out a contemporary, engaged and positive livelihood as well as winning new audiences with their beautiful desert country and culture.

Martumili Artists has been generously hosted by the Shire of East Pilbara since 2006, and is governed by a committee of 12 Martu artists living in the communities of Parnpajinya (Newman), Jigalong, Parnngurr, Punmu, Kunawarritji, Irrungadji and Warralong. This Committee provides strategic direction to the Art Centre and Martumili staff. SOEP provides significant support, through the skills and expertise of staff, administrative systems, financial oversight, infrastructure and utilities, and strategic assistance.

2012/2013 has seen the following key achievements:

Services to over 300 artists in 7 communities, support of 5 Language Groups and over 1,300 new artworks

Services delivered to over 300 artists in the Western Desert/East Pilbara region, supporting 5 Indigenous language groups including Martu Wangka, Kartujarra, Manyjilyjarra, Putijarra and Warnman. 1,364 new artworks have been catalogued and are available for sale at Martumili Artists in Newman and partner galleries around Australia and overseas.

14 exhibitions, 3 art awards, 5 marketplaces

Participation in 14 exhibitions across Perth, Sydney, Hobart, Alice Springs, Broome, Moree, Hong Kong, Seoul and Paris.

Selection for 3 industry art awards including the Hedland Art Award, Bankwest Contemporary Art Prize and the 29th Telstra National Aboriginal & Torres Strait Islander Art Award. Judith Samson was awarded "Best Work By An Artist Under 25", Hedland Art Award.

Martu artwork sold at 5 art marketplaces in Newman, Darwin, Perth and Alice Springs.

5 Specialist Workshops

Organised 2 major camps for artists in Kunawarritji and Parnngurr communities.

Facilitated 2 art workshops in partnership with local community organisations including art workshops for clients of East Pilbara Independence

Support and the Youth Week Banner Painting Project with Newman Youth Centre.

5 Events, including visit by Sir Bob Geldof

Sir Bob Geldof visited whilst in Newman. Bob was particularly interested to talk to Martu artists, Billy Atkins and Miriam Atkins, and keen to understand what motivates the artists and how the artists critique their work.

A Sundowner event was held at Martumili in Newman, followed by a 3 day bush trip to Kunawarritji Community for the Friends of the National Gallery of Victoria.

Hosted Chapman & Baileys Canvas Stretching Service and Martumili's annual Christmas Sale.

22 Professional Development Opportunities

Provided access to 22 professional development opportunities for artists, arts workers and staff in painting, animation techniques and voiceover, concept development, 3D artwork development and installation, public speaking, translation and interpretation, curating and installing exhibitions, touring exhibition development, project management, financial literacy, professional artwork stretching and frame construction, defensive driving, 4WD driving and Senior First Aid.

The Wills Project continues

The Wills Project, a partnership between Martumili Artists and Arts Law Centre of Australia, is in its fourth year.



The Project continues to assist artists and their family members with drafting and executing wills and deceased artists' estates.

Presentation at 2nd Indigenous Business Enterprise and Corporations (IBEC) Conference, December 2012

Joint presentation by Martumili Artists and BHP Billiton Iron Ore at the 2nd Indigenous Business Enterprise and Corporations Conference on innovative ways for mining companies and Indigenous organisations to engage, to ensure mutually beneficial partnerships.

Finalist, 2012 Reconciliation Australia Indigenous Governance Awards

Martumili Artists awarded runner-up for a Reconciliation Australia Indigenous Governance Award in the category "Outstanding examples of Indigenous governance in a non-incorporated initiative or project". The Awards recognise, support and celebrate Indigenous owned or managed organisations which are creating and sustaining governance models and structures that are effective, meaningful and legitimate.

We don't need a map: a Martu experience of the Western Desert Exhibition, Fremantle Art Centre

The result of a highly successful partnership between Martumili Artists, Kanyirrinpa Jukurra, Fremantle Art Centre and BHP Billiton Iron Ore, We don't need a map brought the desert to the city to celebrate the lively, robust and enduring culture of the Martu in the Western Desert. The exhibition included stunning Martu paintings, a video work celebrating the public phones in remote communities, aerial desert photography, finely wrought Martu objects and Fremantle Art Centre's Pilbara Garden. Open to the public from November 2012 to January 2013, We don't need a map resulted in record visitor numbers for the Fremantle Art Centre.

The We don't need a map project partnership has been shortlisted for a 2013 Creative Partnerships Australia Award. These awards honour the best in relationships between the creative industries, business and donors. The winners will be announced in September 2013.





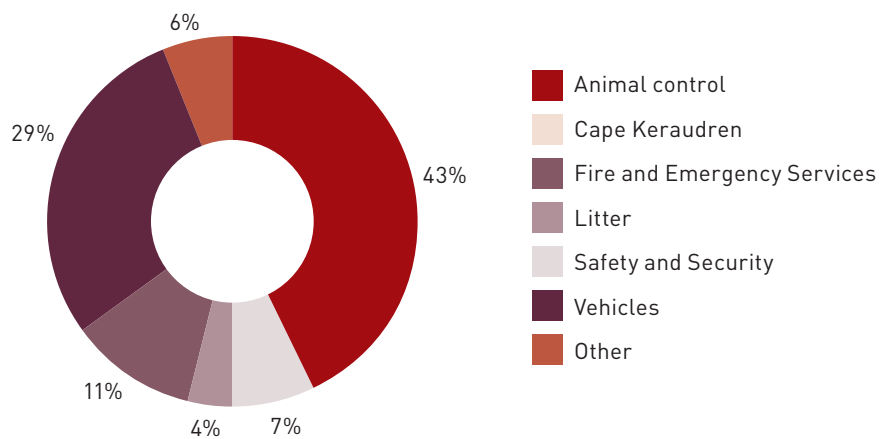
Ranger and Emergency Services

Ranger and Emergency Services have met the challenge of unsettled workforce through the assistance of contract staff from employment agency LOGO services. This has resulted in a considerable over expenditure for staffing costs but has allowed the continued delivery of services for maintaining public safety and security functions.

Despite the staffing issues, a total of 1537 recorded complaints or tasks have been undertaken, this is an increase of about 18 percent. The majority of Ranger tasks were related to vehicle complaints and animal control issues, these two issues took about two thirds of Rangers time. This indicates that we need to continue to work harder to get the message across to people about being responsible with their parking or pets. For a breakdown on how Rangers were engaged over the year please see diagram 1.

There has been no significant change in the number of animals impounded, with a total of 181 dogs impounded in the year. Fortunately Rangers were able to return the majority (115 or 63.5%) of these to their owners. Of the remaining unclaimed animals (66), half were rehomed. Once again SAFE Perth and Australian Air Express donated their time and financial resources to facilitate the rehoming process.

Diagram 1: Ranger Task Allocation



It is noted that a similar number of dog attacks occurred during the year and that no decrease in their prevalence has occurred. With changes to the Dog Act expected later in 2013, they are expected to have significantly higher penalties, which will encourage pet owners to manage their pets. Dog infringements issued during the financial year were similar to the previous twelve months with 163 infringements issued in the 12/13 year as compared to 141 in 2012/2013.

The new Cat Act will have full effect as of 01 November 2013 and all cats will then have to be registered, sterilised and micro-chipped. Penalties have been prescribed for non-compliance. Both Cats and Dogs will shortly be able to have lifetime registration and this will also be as a result of the proposed legislative changes.

The Shire has updated its registration systems to facilitate Cat registrations and will be able to accept Cat registrations from the second week in October. To facilitate the new cat

laws a State Gov't grant of \$80,000 has been secured to assist with the cost of building a suitable facility for impounded cats and an additional grant of \$2,500 was received for the provision of Ranger training and equipment.

Parking and vehicle safety remains high on Rangers list of priority due to the safety and inconvenience issues that are created when drivers fail to comply with the Road Traffic Act and subsidiary legislation. Rangers issued a total of 303 infringements in the 2012/13 financial year with 122 or 40% being for parking offences.

Litter infringements were considerably reduced from the previous year but this is not necessarily a reflection of a decrease in offences. Detection and investigation has decreased as a result of the continuing staffing issues experienced. Rangers have been concentrating litter enforcement at the airport rather than other areas of the district and will continue their previous efforts in coming months. This will include patrolling areas such as the



shopping precinct and the sporting facilities to target lesser offences than just dumping. Trolley abandonment will also be enforced more rigidly and persons are advised not to abandon trolleys or remove them from the shopping precinct.

Total infringements issued by Rangers over the year were down by approximately 30% from the previous year. This is hopefully an indication of improved compliance and regard within the community. Overall the number of cancel infringements has significantly dropped with the introduction of fines registration. Fewer than 4% of infringements now go unpaid; this is a significant reduction from previous years where large numbers of unpaid infringements were written off. A breakdown of infringements is at diagram 2, the direct correlation with diagram 1 (Ranger tasks) is obvious.

Emergency management and response is still an important role for Rangers, and Ranger Services monitored or attended over 30 reported fires during the year. This included the large fire near Newman and several fires near Nullagine and Marble Bar as well as alerting landowners and managers to potential threats to their assets as fires

burnt toward areas with known assets. Fire in the Pardoo area closed the Northwest Coastal Highway for several hours whilst local station owners brought the blaze under control. This fire exceeded 200,000 ha and threatened the Pardoo Roadhouse at one point.

Cyclone events both prior to and after the Newman fire had minimal impact on the three towns but caused damage in the direct path of the track of the eye or centre with damage at Jigalong, Yarri Station and Pardoo Station and Pardoo roadhouse. Emergency Services response was good with several areas of operational management being identified for improvement in relation to future events.

The Shire of East Pilbara Emergency Management Arrangements were reviewed and completely rewritten this year with the main document being ratified by both Council and the three LEMC's.

Development of community risk assessments will be undertaken at a later date. A WALGA consultant was engaged to assist in this process and he travelled through the Shire to facilitate LEMC meetings and present the document as it passed through its various draft stages. Other documents

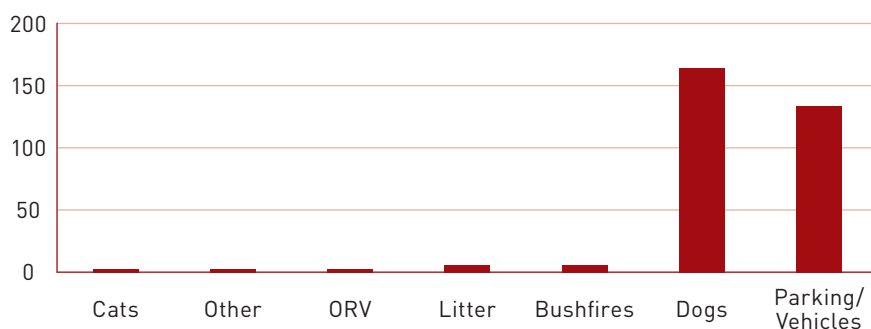
which form part of the arrangements will be prepared in 2013 these being the Recovery and the emergency contact list (in conjunction with Newman Police). The Shire of East Pilbara Fire Management Plan was rewritten previously and updated in December 2012.

Vandalism graffiti and public damage has increased again this year with repeated acts being carried out on shire facilities and assets. Graffiti incidence has particularly risen in its occurrence with damages and graffiti costs ultimately being passed on through higher rates and charges. Persons who witness such acts should report to Ranger Services or the Police as soon as possible to enable action to be taken. Where information from a member of the public leads to a conviction there is the potential for the Council to issue up to a \$1,000 reward to the individual.

Off Road vehicles continue to cause safety and health problems around Newman and Marble Bar. Rangers are now enforcing the provisions of the relevant acts to reduce the incidence of illegal use around Newman. One vehicle accident was reported due to the illegal use of an off-road- vehicle.

The increase in public drinking at areas other than the shopping precinct has continued and this includes the airport. As always littering and a range of other issues continue to follow this behaviour with damage and complaints relating to alcohol consumption coming from all quarters of the community. Of particular concern is the incidence of fires occurring near or at some of the areas being used for drinking. Where public drinking is observed, residents are urged to report the matter to the local police or Ranger Services.

Diagram 2: Ranger Infringements by Category





Community Wellbeing

Community Development

In 2012/2013, the Shire of East Pilbara provided nearly \$32,000 to various Community Assistance Grant recipients, including:

- Newman Netball Association \$5,000
- Newman Jetsprint Club \$5,000
- Centrals Football Club \$5,000
- Newman Tennis Association \$5,000
- Newman Women's Shelter \$2,666.66
- Pioneers Football Club \$2,666.66
- Newman Junior Soccer Association \$2,666.66

This Shire programme also assisted many East Pilbara community associations with in-kind support such as the waiver of hire fees including and the use of equipment. These recipients included Newman Mainstreet Project; Marble Bar Primary School, V-Swans, South Newman Primary School, Newman Filipino Association and the Newman RSL Branch.

Community events such as the Fortescue Festival; Outback Fusion Festival and the Bloody Slow Cup also benefitted from the Shire's in-kind support.

Shire Community Events

This financial year the Shire hosted a variety of annual events in which partnerships were established with various community groups and non-profit organisations. This year the Shire coordinated the following events in Nullagine, Marble Bar and Newman;

- Lighting of the Christmas Tree
- Christmas Lights Competition
- Australia Day
- Thank a Volunteer Awards

These events saw the participation of various community members and the collaboration of organisations establishes events for the wider East Pilbara community. Events such as these enhance community participation and allow the community to enjoy the same benefits as they would receive in suburban locations. It was the first year Nullagine was blessed with their very own community Christmas tree which was installed in the main park on Marble Bar Road. The lighting of the Christmas trees in Nullagine, Marble Bar and Newman was another first for all three towns, where the collaboration

of all the churches in Newman saw the lighting of the Christmas tree and carols by candlelight ignite with over 300 participants. It was a great year of events for the Shire of East Pilbara and we look forward to another prosperous year of collaboration and celebration of the community spirit in the East Pilbara.

Reconciliation Action plan 2012-2013

In 2013 the Shire committed to turning good intentions into positive outcomes by committing to a Shire of East Pilbara Reconciliation Action Plan. The establishment of this year plan was to actively engage staff in positive awareness and outcomes of local Indigenous affairs and events. This financial year was a first of its kind where the Shire engaged Kanyirninpa Jukurrpa (KJ) to host cultural awareness training for selected Shire of East Pilbara employee. This awareness program gave great insight to the specific Indigenous culture in the East Pilbara in which all Shire staff benefited greatly. The Shire of East Pilbara is committed in bridging the cultural gaps in the East Pilbara and looks forward to what we can achieve in the new financial year.



Recreation Services

The Newman Recreation & Fitness Centre is an all year round indoor facility, consisting of well-equipped weights and cardio rooms, two full size sports courts, meeting rooms, performing arts space, a modern crèche zone as well as a welcoming foyer and reception area which houses an impressive retail Pro-Shop.

This year, the Centre serviced over 30,000 customers, who visited the Fitness Centre rooms and about 7,200 customers whom participated in one of the various Les Mills classes offered each week, including Pump, Step, Combat, Attack, Body Balance and CX Workx classes as well as our in-house sessions of Zumba.

The Crèche is very well used by casual visitors and members alike. The morning sessions are always well attended, with lots of activities being offered for those children between the ages of eight weeks to six years of age.

Casual games of badminton, basketball and indoor soccer continue to operate at the Centre and junior programs continue to be well supported and include sessions in Tae Kwon Do and Basketball,

The Centre is available for hire and is used for a variety of special activities. This year we hosted a number of events including: Newman Senior High School Ball; Lions Club Fortescue Ball; BHP Billiton Long Service Awards; Community Expo; Filipino Independence Day Ball and a variety of conferences, seminars and workshops and junior sport sleepovers. More importantly, the facility was used as an Emergency Evacuation Centre in February, due to the effects of Cyclone Rusty.

Youth Services

The Newman Youth Centre in its 2nd year of re-opening and has firmly established itself as a safe environment for all youth to enjoy, interact with others and have the opportunity to be involved with activities and community events.

The building is a joint use facility with Newman Scouts, Newman Playgroup, Newman Toy Library, Tiny Dancers, whom still use designated sections of the facility on a regular basis.

Our mission is to build a connection between youth and the community where people matter and are valued. In doing so we have formulated a group called the Youth Council, which is made up of 6 student members from Newman

Senior High School, who proactively volunteer their time to youth programs and community events.

Two exceptional members of our Youth Council were recognised for winning Youth Volunteer of the Year Award Michael Wilmot and Young Australian of the Year Anthony Jenssen. This is one of many avenues the Newman Youth Centre encourage leadership and positive role models for others.

The Newman Youth Centre continues to strive to offer youth ages 10yr-17yrs a range of activities and programs. Some National and Local events include:

- National Youth Week;
- Clean Up Australia Day, in all 3 schools in Newman;
- Banners in the Terrace;
- Youth Council hosted Thank-A-Volunteer day;
- Drug Action week;
- Career Expo;
- Australia Day;
- Skate Competition;
- NAIDOC.

Newman Youth Centre day to day activities include but are not limited to:

- Cooking;
- Art activities;
- Music lessons;
- Hip Hop including NDC (Newman Dance Crew) and Beat boxing;
- Sporting activities;
- Photography;
- Beauty workshops;
- Weekly recreation competitions.

Our partnership with local service providers continues to strengthen by collaborating together in creating community activities, whilst identifying further opportunities to enhance these activities in the future.

With numbers increasing yearly we look forward to building stronger relationships and having a greater positive influence on our youth in Newman.

Aquatic Services

- Total number of visits to the Newman Aquatic Centre from 1st July 2012 to 30th June 2013 was: 42,349. Up by over 10,000 visits compared to last year.
- Annual income for 2012/2013 financial year was \$256,366
- Newman Aquatic Centre and The Newman Ore'cas Swimming Club held the successful Hancock Medical Foundation Pilbara Swimming Championships where

towns competed from Tom Price, Karratha, Paraburdoo, Port Headland, Broome, Derby, Exmouth, Pannawonica

- Other carnivals included: Newman Primary School, South Newman Primary School and Newman Senior High School.
- Other events included: Newman Community Triathlon, Royal Life Saving Society 'HAVE A GO DAY', Australia Day Celebrations, Virtual Rottneest Channel Swim, BHP staff Christmas function, ESS Staff function. A large number of community groups continue to use the centre and the centre still remains the number one place in Newman to hold children's Birthday parties.
- New features/improvements to the at the centre included: New Perimeter fence completion, freshly painted toddler pool and 50m pool concourse, refurbished swim club room new swim club/shire storage shed, bin compounds, plant room electrical upgrade and facility entrance, pool overflow grating.
- Newman Aquatic Centre continues its affiliation with the Royal Life Saving Society as an endorsed Learn to Swim School and 'WATCH AROUND WATER' recognized aquatic centre. And is also 1 of only 6 aquatic centres in W.A. to run the 'SWIM FOR FRUIT' program
- The Shire employed Swim Teachers ran over 2,800 individual swimming lessons, exclusive of the INTERM and VACSWIM lessons. The Department of Education ran their own INTERM and VACATION Swimming programs.
- A number of courses were ran throughout the year including: Swim Teacher, Bronze Medallion, Resuscitation and Lifeguarding
- All swim teachers are AUSTSWIM members and qualified Teachers.
- All Aquatic Duty Officers and Manger are Leisure Institute of Western Australia (LIWA) Member's and all other aquatic staff have a minimum qualification of Applied First Aid where the majority are additionally Lifeguard qualified.



Technical Services

Roadworks

The Shire maintains a road network comprising of approximately 3,158 kilometres of unsealed roads and 140 kilometres of sealed roads. The road network extends from Cape Keraudren (north of Port Hedland) through to the Northern Territory border.

The Shire's Road Network is maintained by a small dedicated team comprising of a maintenance crew responsible for the operation of three maintenance graders servicing Council's extensive remote road network and a construction crew responsible for the renewal and upgrade of Council's Rural Road Network. Both crews operate out of fully functional modern self-contained camps and are able to service Council's entire remote network extending from the coast at Cape Keraudren to the Western Australia/Northern Territory State Borders.

Council's maintenance grading program focuses on high priority roads servicing Marble Bar and Nullagine as well as Aboriginal Communities to minor access roads servicing pastoral leases and mining tenements. The maintenance graders operate within set perimeters and area boundaries ensuring a continuous coverage is achieved. The maintenance grading budget for the 2012/2013 financial year was \$1,238,800.

The construction program for the 2012/2013 was funded from the federally funded Roads to Recovery program as well as State funding administered by Main Roads Western Australia. In addition Council also undertook extensive flood damage reinstatement works as a result of the passage of Tropical Cyclone Rusty. The cost of the reinstatement works have been recovered under the Western Australian Natural Disaster Relief and Recovery Arrangement (WANDRRA) and totalled \$2,846,124.

The capital improvement and renewal program covered the following roads in the 2012/2013 budget:

Aboriginal Access Roads

Kiwirrkurra Access Road	\$277,323
Punmu Access Road	\$142,000
Talawana Track	\$165,000
Jupiter Well Access Road	\$179,900
Kunawarritji Access Road	\$206,000
Jigalong Road	\$495,000
Total	\$1,465,223

Rural Roads

Marble Bar Woodstock Road	\$350,000
Balfour Downs Road	\$200,000
Muccan Shay Gap Road	\$200,000
Woodie Woodie Road	\$650,000
Goldsworthy Road	\$100,000
Cape Keraudren Access Road	\$400,000
Limestone Marble Bar Road	\$200,000
Total	\$2,100,000

More detailed information can be obtained from the Manager Technical Services – Rural.



Environmental Health

Developmental Services Health

1. Regulatory Compliance and Control

1.1 Food Safety Management

The Shire's Environmental Health Department ensures the safety and suitability of food sold to the community. The department has therefore undertaken a total of 68 onsite food business assessments to check for compliance with applicable food safety standards. 17% of the assessments were follow-up investigations to ensure that recommended improvements had been implemented. This has also been an opportunity to raise awareness on the importance of having a food safety

program in place and for providing advice to each food business. Several improvements have been noted in the food handling practices of food businesses within Newman while Mining facilities have continued to commendably operate well within their food safety programs and standards.

The department managed the registration of 123 premises in the 2012 - 2013 year with the following classification by type of activity:

1.2 Trading in Public Places

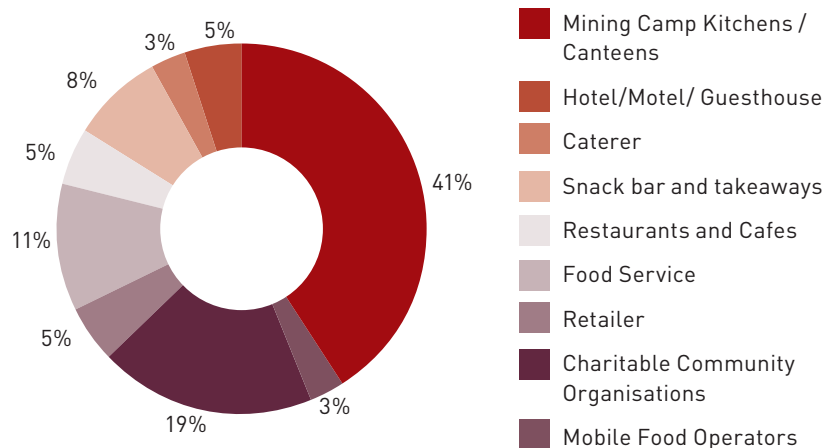
The department has continued to play a key advisory role in the temporary food trader sector. 73% of the total number (93) of traders permits issued were for temporary food trading while non-food traders selling various goods and services made up the remaining 26%. Community groups dominated the total number of temporary food traders applications submitted.

1.3 Lodging Facilities, Licenced Premises, Caravan parks and camping grounds

- Regular inspection of hotels and accommodation facilities in Newman were carried out to monitor the maintenance of health and safety requirements.
- 3 new licenced establishments all located in mining camps were inspected and registered with the Shire bringing the new total to 21 registered premises.

There were no other major reportable issues or concerns in these sectors noted in the applicable year.

SOEP Food Businesses by Principal Activity

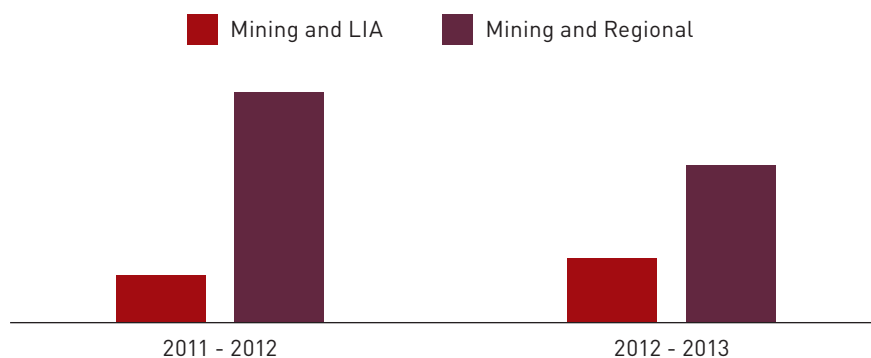


2. Compliance Monitoring

2.1 Water Quality Management

Part of the Environmental Health Departments responsibility is to ensure that wastewater does not pose a threat to the health of both the public and the environment. The department enforced the requirements of the Health (Treatment of Sewage and Disposal of Effluent and Liquid Waste) Regulations 1974, ensuring that all on-site effluent disposal systems are installed, operated and maintained in accordance with the legislative requirements. Over the past year, a total of 55 applications for new septic and waste water treatment systems were processed and registered.

Septic and WWTP Applications



3. Health Promotion and Management

The data below highlights the Health determinants for The Shire of East Pilbara's Health department.

	2008	2009	2010	2011	2012	TOTAL
Barmah Forest virus	0	0	0	1	0	1
Campylobacter	7	9	5	7	4	32
Cryptosporidiosis	7	7	1	6	0	21
Dengue virus	0	0	2	2	0	4
Haemophilus influenzae	0	0	1	0	0	1
Hepatitis B	2	3	4	1	2	12
Hepatitis C	2	0	5	4	2	13
Influenza virus	4	43	6	12	16	81
Invasive pneumococcal disease	1	2	6	4	3	16
Legionella longbeachae	0	1	0	0	0	1
Malaria	1	0	0	0	0	1
Pertussis	0	0	0	0	6	6
Ross River virus	1	2	1	2	2	8
Rotavirus	4	3	6	1	3	17
Salmonella	12	13	9	8	7	49
Shigella	6	3	2	2	0	13
Treponema pallidum	16	2	0	3	2	23
Varicella-Zoster virus	3	3	4	4	3	17
Tuberculosis	2	0	0	0	0	2

DATA FOR POSTCODES 6753, 6758, 6760

3.1 Vector Control: Mosquito Management

Mosquito control is an important function of public health management for the prevention of Mosquito borne diseases such as Murray Valley Encephalitis, Ross River Virus and Barmah forest Virus. The health department initiated and has begun implementing several objectives to address the prevalence of mosquitoes within the Shire. A baseline Survey to document breeding habits species prevalence and seasonal productivity is underway.

3.1.1 Chicken Sentinel Surveillance

The Sentinel Surveillance program continued throughout 2012 – 2013 and the results obtained are copied below. There were no positive results obtained for Murray Valley Encephalitis and Kunjin Viruses.

3.2 Noise Pollution and Control

The department has strengthened the control of After-hours noise issues from construction by ensuring that all complaints are followed up promptly and appropriate permits issued when conditions for noise control are met, such as the mandatory submission of Noise Management plans. Difficulties have been encountered in applicants failing to meet the minimum stipulated time for submission of an application and the department continues to advise applicants accordingly.

3.3 Hazardous Materials Management

A total of four Asbestos samples from Marble Bar and Newman were sent to the Analytical Reference Laboratory for analysis and the results were positive for Chrysotile, Amosite and Crocidolite. The relevant Authorities or site and building managers were alerted and advised to implement measures to protect public health.

4.0 Projects

4.1 Strategic: Public Health Plan

The department is developing through appropriate consultancies, a Public Health Plan which aims to achieve the following outcomes:

- Creates opportunities that support the growth of healthy communities by linking into areas such as the built, physical and social environments
- Introduces and develops areas such as health promotion, food safety management systems, sustainability and other wellbeing programs
- Promotes and strengthens the principle that primary prevention is achieved by viewing health as the product of multiple factors which extend from the individual to the environment in which they live with the interaction and relationship between these factors having a major influence on health
- Creates the opportunities for the establishment of strategic and symbiotic partnerships with other agencies in the achievement of health outcomes in the community, thus reducing unnecessary duplication in several areas
- Creates a framework and methodology for the targeted deployment of hitherto scarce financial, material and human resources to effectively and efficiently deliver outcomes of the Shire's Corporate Strategic Plan

4.2 Operational: Mosquito Management Program

A Mosquito Management Program commenced in the 2012-2013 year. The overall objective of the program is to reduce the incidence of mosquito borne illness while tackling and addressing the prevalence of nuisance mosquitos within the area. The objectives will be attained by

- Carrying out a baseline survey which will document breeding habitats, species prevalence and seasonal productivity
- Establishing a monitoring program for larval and adult mosquito activity. The data collected in such monitoring can be used to estimate health risks to humans, wildlife, or domestic animals, and to make mosquito management decisions based on the level of risk.
- Applying appropriate and more effective treatment to areas affected with all environmental and economic considerations factored in.
- Incorporating a public awareness program as one of the expected outcomes of the baseline survey. The public has to be made aware of their responsibilities for personal preventive measures and backyard mosquito control.
- Continuously improve the management of vector mosquitos within the area using the baseline survey data as a benchmark.

Summary of WA Flavivirus Surveillance program, July to December 2012*.
Sentinel flocks tested for infection with Murray Valley Encephalitis and Kunjin viruses.

Location	Month	July - December 2012												TOTAL	
		July		Aug		Sept		Oct		Nov		Dec		Bled (n)	Positive(+ve)
		n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve		
Marble Bar				10	0	10	0			9	0	6	0	35	0
Ophthalmia		10	0	30	0	10	0	20	0	20	0	19	0	109	0
Newman Shire		12	0	36	0	12	0	23	0	20	0	20	0	123	0

* Flocks sampled fortnightly

Previous (or repeat) positive chickens are not recorded on this summary

n = number of samples, +ve = no. of flavivirus positive samples, M = MVE, K = Kunjin, F = Flavivirus only

These results are the property of UWA Arbovirus Laboratory and Dept of Health, WA and may not be used elsewhere without the permission of both agencies.

Summary of WA Flavivirus Surveillance program, January - June 2013*.
Sentinel flocks tested for infection with Murray Valley Encephalitis and Kunjin viruses.

Location	Month	January - June 2013												TOTAL	
		Jan		Feb		Mar		Apr		May		Jun		Bled (n)	Positive(+ve)
		n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve		
Marble Bar				5	0	6	0							11	0
Ophthalmia		27	0	8	0	18	0	9	0					62	0
Newman Shire		30	0	10	0	20	0	10	0					70	0

* Flocks sampled fortnightly

Previous (or repeat) positive chickens are not recorded on this summary

n = number of samples, +ve = no. of flavivirus positive samples, M = MVE, K = Kunjin, F = Flavivirus only

These results are the property of UWA Arbovirus Laboratory and Dept of Health, WA and may not be used elsewhere without the permission of both agencies.



Development and Regulatory Services

Building

The 2012/13 financial year has seen a dramatic increase in residential development, particularly within Newman. Building Permits were issued for 103 new dwellings compared to 35 in the previous year, an increase of almost 300%.

There was also an increase in the number of applications associated with mining activity - up from 21 to 38, but fewer commercial / industrial applications - down from 92 to 67.

We processed 262 applications for the year with a total value of \$312.5M compared to 215 and \$305.2M for 2011/12.

Building Statistics for the 2012/13 financial year are as follows:

Planning

During the course of the 2012/13 year, growth in Newman continued with the further release of a 22 industrial and 47 residential lots by Landcorp. Furthermore, the private redevelopment of existing housing stock within the Newman townsite also continued to grow resulting in additional housing being made available. A strong working relationship with Landcorp continued over the past year to ensure future

planning is continued to identify additional industrial and residential land to be made available throughout the current and future growth phases. Council also developed and adopted a set of design guidelines, including a style guide, which will be applied to all new developments in the Newman town centre so as to promote interest through built form architecture and landscaping. Both Marble Bar and Nullagine continued to serve the tourism industry which has been noted to be as strong and popular as ever. In comparison to the previous year, the number of applications considered by

the Shire's Town Planning section was less; however, this was a result of fewer applications from the mining industry only. Development still remained strong over the industrial, commercial and residential areas. The breakdown of applications is as follows:

Commercial	39
Industrial	26
Mining	23
Residential	60
Home Business	7
Total	155

MONTH	NEW DWELLINGS	EXTENSIONS, GARAGES, POOLS ETC	COMMERCIAL & INDUSTRIAL	DEMOLITION	MINE CAMP/ EXTENSION/WORKERS QUARTERS	CANCELLED APPLICATIONS	CONSTRUCTION TOTALS
Jul-2012	3	6	5	1	3	0	\$23,777,331
Aug-2012	7	3	7	0	5	0	\$36,121,434
Sep-2012	6	1	1	2	3	0	\$45,794,733
Oct-2012	13	0	7	0	2	0	\$30,994,942
Nov-2012	2	1	4	1	4	0	\$15,895,167
Dec-2012	10	3	3	2	2	0	\$14,906,231
Jan-2013	18	3	2	0	7	0	\$41,513,079
Feb-2013	3	0	4	4	3	0	\$14,663,338
Mar-2013	11	2	7	2	3	0	\$57,642,118
Apr-2013	3	14	7	1	2	0	\$3,085,685
May-2013	10	2	6	1	2	0	\$12,373,271
Jun-2013	17	3	14	2	2	0	\$15,759,328
TOTAL	103	38	67	16	38	0	\$312,526,657



Building and Asset Services

Staff Housing

During 2012-2013 the Shire of East Pilbara purchased land at the East Newman Subdivision and the LIA.

The old infant health clinic building has been demolished and the land is currently being purchased by the Shire for Community Housing.

The Moondoorow Housing Development project will include housing for the Shire of East Pilbara, BHP and Martumili.

Several Shire houses have been refurbished with kitchen upgrades, bathroom refurbishments, new floor and window treatments, painting and new crimsafe security doors.

The Shire of East Pilbara has maintained two houses for accommodation of relief staff, contractors and consultants.



Marble Bar Housing

- Units 5 & 6 have been upgraded at the Piri Smith Retirement Units;
- Lot 5 & 6 have had new sheds installed to the premises;
- Digital TV satellites have been installed to all staff housing.

Nullagine

- The two houses and the Gym in Nullagine received satellite disks.

Reserve Leases/Licences

During 2012-13 Council has completed the following new lease and licence agreements for local Community, Sporting Organisations and commercial businesses

- East Pilbara Independence Support – Gallop Hall;
- Hillview Speedway;
- Newman Motorcycle Club;
- Newman Sporting Shooters Association;
- Newman Pistol Club.

There have been expressions for a variety of community and sporting organisations to enter into lease agreements with Council, these are pending funding approval, and the organisation being able to provide Council with evidence they will be viable and sustainable prior to entering into new lease agreement for Reserves.

The Shire of East Pilbara and the Newman Lions Club are currently looking at the development of an Open Green Space on the Reserve. Council has submitted an application to the Department of Regional Development

and Lands for the amalgamation of two lots to enable Council to provide the following

- Lions Park;
- Open Green Space – for events; and
- Short term caravan park.

Newman Community Hall

The Newman Community Hall currently being leased to Newman Mainstreet Pty Ltd (Beach) will be provided with an upgrade to the toilet facilities to comply with the Disability Act.

Capricorn Oval Grandstand

The Shire of East Pilbara has appointed a structural engineer to conduct a report on the Grandstand roof.

Pilbara Regional Council Funding in 2012-13

Cape Keraudren

The Pilbara Regional Council has provided funding for the following works at Cape Keraudren.

- New Toilets at Sandy Beach and Boat Ramp;
- Shade shelters at Sandy Beach and Boat Ramp; and
- Signage to Cape Keraudren.

Additional funding will be provided for the following works

- Replacement of Rotaloo toilets at the Cape;
- Fish Cleaning beach and shelter; and
- Entrance information shelter.



Nullagine

An application has been submitted for the following in Nullagine

- Tourist Information Shelter;
- Dump Point; and
- New toilet facilities.

Cape Keraudren Reserve

Council has engaged Cliff Winfield and Associates to complete a Cape Keraudren Coastal Management Plan; this is currently out for public comment and will be presented to Council.

An application has been submitted for the installation of a bore at Cape Keraudren.

A proposal has been submitted for the fencing of portion of the Reserve to assist with the Management of the Reserve from cattle entering from adjoining pastoral leases.

Waste Removal program has been put in place at Cape Keraduren, the current site will be terminated.

Funding has also been approved, from the Department of Transport - Recreational Boating Facilities Scheme, to investigate and design the upgrade for the Cape Keraudren boat ramp.

Marble Bar Community Resource Centre

The Shire of East Pilbara is in the process of leasing the old Marble Bar Administration Office to the newly named telecentre, Marble Bar Community Resource Centre, in Francis Street.

The Marble Bar Tourist Centre is now located at the Shire of East Pilbara, Marble Bar Administration Office, Francis Street.

CCTV's

The Shire of East Pilbara received funding from the Office of Crime Prevention and BHP Billiton Iron Ore Pty Ltd to install CCTV's within the Shire of East Pilbara.

This has been approved and during 2013-14 cameras will be installed at the following locations

- Postal Hub;
- Aquatic Centre;
- Boomerang Oval ;
- Miners Promise; and
- Skate Park.

The CCTV to date has assisted the police with anti-social behaviour and vandalism with the town.

All cameras will have infra-red installed which will provide improved images in hot spot areas during the nights.

Marble Bar and Nullagine

Solar System

The Shire of East Pilbara has installed solar systems to the residential properties in Nullagine and Marble Bar.

Houses – 5KVA

Units – 3KVA

Marble Bar Administration Office

The Shire of East Pilbara is in the process of appointing a consultant for the upgrade to the Marble Bar Administration Office, this will include

- Library;
- Tourist Information Area;
- Reception and refurbishment of staff offices; and
- Council Chambers.

In addition, the replacement of the pathway to the Marble Bar Office will be undertaken.

Boomerang Oval Sports Facility

The new Boomerang Oval Sports Facility was completed. This facility is currently being used by the Senior Soccer Association and commercial users hiring the facility.



Airport Report

The aim of this report is to provide an overview of the operational and development activities at Newman Airport and the airstrips at Marble Bar and Nullagine over FY2012/13.

Operational

Aircraft Movements

According to industry definition an aircraft movement is recorded as a take-off or a landing by an aircraft. Whereas the Shire of East Pilbara generally records the number of landings for accounting purposes, overall aircraft movements are essential for determining operational usage, maintenance plans, and possible expansion of infrastructure and facilities to accommodate such movements.

FY2012/13	RPT		Closed Charters		Overall GA				TOTAL
	Code 3C	Code 4C	<Code 2C	Code 2 & 3C	Heli	PC12 (RFDS)	Biz Jets	GA	
Aircraft Movements	1122	3964	270	1762	762	74	3344	11298	11,138
Percentage	9.9	35.1	2.4	15.6	6.8	0.6	29.6	100	100

GA Parking

FY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	MONTHLY AVERAGE	DAILY AVERAGE
10/11	0	61	83	58	88	101	85	76	123	111	123	156	97	3.2
11/12	120	113	153	186	172	137	67	67	146	184	196	215	146	4.8
12/13	134	197	203	200	141	157	86	92	156	94	148	113	144	4.8

Passenger Movements

The growth in passenger numbers of 135,423 as compared to FY11/12 represents a compound growth of 43%. This is equal to the total number of passengers for FY07/08, which incidentally was the year the current RPT Terminal was built to accommodate 200 one-way passengers. The sustained compound growth in passenger numbers since FY04/05 is 28.79%, and over the past three years since the recovery after the GFC it has been 35.4%.



Financial Year Totals

FY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL	% GROWTH
04/05	5087	5082	4951	5049	5260	4595	4369	5084	5662	5501	5996	5778	62414	29.89
05/06	5976	7054	6907	7154	7740	6304	7237	7348	8156	8165	8165	8174	88380	41.60
06/07	8421	9086	8851	9284	8564	6701	7683	8123	8712	9166	10857	10433	105881	19.80
07/08	10968	11414	10879	11800	11888	10339	10255	10628	11187	11858	12183	12252	135651	28.12
08/09	13673	13462	13670	15737	16019	13423	14069	14867	16221	15495	15472	15408	177516	30.86
09/10	16272	14998	15918	15061	15029	12876	13011	13589	16875	15921	16060	16704	182314	2.70
10/11	17872	18401	18807	18287	18418	16846	15931	20412	21918	19434	21465	21515	229306	25.78
11/12	22704	24011	22947	23490	25814	21907	26271	27084	27986	27651	33195	31891	314951	37.35
12/13	34871	37511	35296	40168	36813	30100	33878	35882	38271	41451	44170	41963	450374	43.00
Compound Average													28.79	

Accidents and Incidents

#1: On 15 September 2012 the Aerodrome Emergency Plan was tested and reviewed through a full field exercise.

#2: On the afternoon of 09 April 2013 at around 1634 a Qantas B738 aircraft, call sign QF1101, departed Newman for Perth off RWY 05. During the en route right hand turnout after take-off, while climbing through $\pm 4,000$ ft Above Mean Sea Level (AMSL), one of the cabin crew notice smoke coming from the rear galley area. The Pilot in Command (PIC) immediately declared an emergency and executed a priority precautionary landing at Newman Airport.

The aircraft was stopped on the runway. After confirming that no emergency evacuation of passengers and crew was required, the aircraft was taxied to Bay 1 on the RPT Apron and passengers disembarked using the normal stairs.

There were 136 passengers and 7 crew members on board, including one passenger with a previous medical condition who had to be evacuated using the Disable Persons Lift (DPL).

Revenue Streams

Aviation Related Revenue

Aviation Related Revenue of \$10,310,602.80 for FY12/13 constitutes 90.4% of overall revenue. This revenue stream is primarily sustained by passenger numbers, which increased by 135,432 (43%) when compared to FY11/12.

Non-Aviation Revenue

Non-aviation revenue has increased from 8.0% in the previous FY to 9.6% for FY12/13. This increase would have been more significant, but during FY12/13 the F&C for RPT services were rationalised and the terminal co-user fees rolled into RPT landing fees. This had the effect of diverting some \$85,000 from General Airport Income into aviation related income.

With the industry average of non-aviation income being 42% of total revenue, the past year's trend is moving towards correcting the imbalance. However, the introduction of a Business Plan following acceptance of the Master Plan should create opportunities through which non-aviation income streams can be exploited.



Projects Status

Capital projects undertaken or completed over the past year include:

Extension of the GA Apron to include four dedicated helipads was completed in June 2013. Formal Linemarkings have been included to regulated traffic flow and parking within this area.

Internal configuration changes to the check-in lounge within the RPT Terminal were completed. This necessitated some floor space losses to the NWS offices, but airside extensions were added to accommodate the NWS Management and load control offices.

The introduction of a baggage carousel within the limited footprint available increased baggage handling capacity by 360%

The RPT Departures Lounge was extended by 64%, with the inclusion of two more boarding gates through airlocks. This effectively increased the capacity from 200 to 300 outgoing passengers. Although not as yet



suitable during the peak periods, this is the maximum that could be achieved within the available footprint.

Roads D & G were formed up, asphalted and kerbed. This finally completed the landside development started in 2010, with all available commercial blocks now fully serviced.

This includes the site for the new Airservices Australia (AsA) Aviation Rescue & Fire Fighting station (ARFF) due for completion in June 2014.

Marble Bar & Nullagine

Marble Bar

A fulltime Remote Airstrips ARO was employed in Marble Bar. This person has assumed responsibility for both marble bar and Nullagine, while also performing some support functions to the depots in those towns.

Nullagine

The Nullagine runway has been increase to 1600 meters in length. This was fully funded by Millennium Mines, who also has an ARO available to fill in when the shire employed ARO is not on site.

Major Short and Medium Term Capital Projects

The Master Plan and subsequent Business Plan currently under development is primarily dependent upon the outcomes from the Land Use Plan. The latter is in turn dependent on the outcomes from the application to State Lands for title changes and transfer of



the vested airport land to that of freehold by the Shire of East Pilbara.

In parallel to the above processes some urgent support infrastructure development projects are under development to meet the short term operational demands, and longer term regulatory and additional operational requirements. Briefly, these include (AUD):

Increasing the RPT Apron to include an additional 3 bays:	10M
Construction of a new RPT Terminal to accommodate up to 1,000 one-way passengers:	42M

Landside support infrastructure (roads & car parks): 8M

The medium term vision includes the construction of a parallel runway to meet the revised regulatory requirement of a 45m wide runway for Code 4C operations. Based on additional factors influencing the choice of runway, it is currently accepted that such a new runway may even have to accommodate Code 4D or even 4E traffic. Should this become the design norm, the new runway will have to include the full manoeuvre infrastructure such as taxiways and a dedicated apron. Such a project is estimated to require between AUD 80 – 120M.





Annual Financial Report

For the year ended
30 June 2013

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Schedule 2

Form 1

*Local Government Act 1995
Local Government (Financial Management) Regulations 1969*

Statement by CEO

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

Signed on the 18th December 2013.



Allen R Cooper. CEO



Statutory Statements

For the year ended
30 June 2013

Statement of Financial Position

As At 30 June 2013

DESCRIPTION	NOTE	2012/2013 \$	2011/2012 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3b	31,731,644	21,648,921
Trade and Other Receivables	4	5,001,215	9,550,151
Inventories	5	132,847	185,480
Total Current Assets		36,865,706	31,384,552
CURRENT LIABILITIES			
Trade and Other Payables	8	7,977,313	6,953,061
Provisions	8	844,185	822,950
Long Term Borrowings	9	920,457	870,904
Total Current Liabilities		9,741,955	8,646,915
NET CURRENT ASSETS		27,123,751	22,737,637
NON CURRENT ASSETS			
Property, Plant and Equipment	6	102,316,911	55,259,593
Infrastructure	7	112,940,798	110,721,247
Total Non Current Assets		215,257,709	165,980,840
NON CURRENT LIABILITIES			
Provisions	8	190,229	137,337
Long Term Borrowings	9	6,521,676	7,442,132
Total Non Current Liabilities		6,711,905	7,579,469
NET ASSETS		235,669,555	181,139,008
EQUITY			
Retained Surplus	-	173,756,315	167,874,168
Reserves - Cash/Investment Backed	10	18,836,041	13,264,840
Revaluation Surplus	10a	43,077,200	0
TOTAL EQUITY		235,669,556	181,139,008

This statement is to be read in conjunction with accompanying notes

Statement of Comprehensive Income by Nature or Type For The Year Ending 30 June 2013

DESCRIPTION	NOTE	2012/2013 BUDGET \$	2012/2013 ACTUAL \$	2011/2012 ACTUAL \$
Revenue				
Rates		8,871,900	9,965,265	8,014,174
Grants and Subsidies		16,844,600	15,720,875	14,138,912
Contributions, Reimbursements and Donations		7,774,000	1,933,678	5,870,198
Gain on Asset Disposals		115,100	93,887	10,313
Service Charges		0	0	-
Fees and Charges		14,522,900	18,657,808	14,508,073
Interest		737,400	813,508	1,158,215
Other Revenue/Income		603,000	672,893	941,624
		49,468,900	47,857,914	44,641,509
Expenses				
Employee Costs		8,607,400	8,843,013	7,394,196
Materials and Contracts		12,068,400	12,439,127	11,087,215
Utilities (Gas, Electricity, Water etc)		793,000	1,393,931	1,237,899
Depreciation on Non Current Assets	6b, 7b	9,615,300	11,698,506	9,498,301
Loss on Asset Disposal		134,900	169,095	43,286
Insurance Expenses		601,600	665,093	607,332
Other Expenditure		544,800	712,308	871,738
		32,365,400	35,921,073	30,739,967
Interest Expenses		493,700	483,493	526,844
		32,859,100	36,404,566	31,266,811
		16,609,800	11,453,348	13,374,698
NET PROFIT/(LOSS) RESULT				
Other Comprehensive Income				
<i>Items that will not be reclassified to profit or loss</i>				
Changes on revaluation of non-current assets	10a	-	43,077,200	-
Total Other Comprehensive Income		-	43,077,200	-
TOTAL COMPREHENSIVE INCOME		16,609,800	54,530,548	13,374,698

This statement is to be read in conjunction with accompanying notes

Statement of Comprehensive Income

by Program For The Year Ending 30 June 2013

DESCRIPTION	NOTE	2012/2013 BUDGET \$	2012/2013 ACTUAL \$	2011/2012 ACTUAL \$
Revenue				
General Purpose Funding		12,147,600	13,387,390	11,726,325
Governance		147,900	291,650	201,650
Law, Order & Public Safety		80,500	111,127	91,211
Health		69,000	102,764	66,504
Education & Welfare		171,000	477,559	111,717
Housing		204,600	292,835	221,881
Community Amenities		4,152,900	5,871,084	4,698,923
Recreation & Culture		2,101,600	2,053,196	2,072,657
Transport		10,047,000	15,835,905	12,038,840
Economic Services		1,107,500	782,804	1,381,772
Other Property & Services		104,500	179,342	305,644
Total Operating Revenue		30,334,100	39,385,656	32,917,124
Expenses Excluding Finance Costs				
General Purpose Funding		358,600	449,643	332,492
Governance		2,383,600	2,712,948	1,990,350
Law, Order & Public Safety		694,700	723,967	659,712
Health		422,200	376,148	299,007
Education & Welfare		1,369,300	1,249,886	900,613
Housing		491,400	487,295	503,330
Community Amenities		3,576,500	3,540,214	2,936,654
Recreation & Culture		7,157,000	6,638,962	6,393,803
Transport		14,028,100	18,004,744	14,099,607
Economic Services		1,566,500	1,294,836	1,558,712
Other Property & Services		182,600	273,337	1,022,401
Total Operating Expenditure		32,230,500	35,751,980	30,696,681
Finance Costs				
Governance		45,600	44,229	48,329
Housing		161,000	159,710	166,460
Transport		287,100	279,554	312,055
	17b	493,700	483,493	526,844
Non-Operating Grants, Subsidies and Contributions				
General Purpose Funding		1,036,600	-	1,036,663
Law, Order & Public Safety		500,000	194,226	-
Education & Welfare		-	150,000	-
Housing		-	-	-
Community Amenities		-	-	-
Recreation & Culture		8,695,500	3,619,044	3,500,000
Transport		4,287,600	3,877,829	3,638,065
Economic Services		4,500,000	537,273	3,539,344
		19,019,700	8,378,372	11,714,072
Profit/(Loss) on Disposal of Assets				
Governance		(15,900)	(7,139)	(7,526)
Law, Order & Public Safety		-	-	-
Health		-	(11,511)	-
Education & Welfare		-	-	-
Housing		-	-	-
Community Amenities		-	-	(4,325)
Recreation & Culture		(26,300)	(34,640)	-
Transport		73,700	52,487	(11,861)
Economic Services		(15,800)	(39,342)	5,188
Other Property & Services		(35,500)	(35,062)	(14,449)
		(19,800)	(75,207)	(32,973)
NET PROFIT/(LOSS) RESULT		16,609,800	11,453,348	13,374,698
Other Comprehensive Income				
<i>Items that will not be reclassified to profit or loss</i>				
Changes on revaluation of non-current assets	10a	-	43,077,200	-
Other Comprehensive Income		-	43,077,200	-
TOTAL COMPREHENSIVE INCOME		16,609,800	54,530,548	13,374,698

This statement is to be read in conjunction with accompanying notes

Statement of Changes in Equity

For The Year Ended 30 June 2013

DESCRIPTION	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	ASSET REVALUATION RESERVES \$	TOTAL EQUITY \$
Balance as at 1 July 2011	144,360,587	23,403,723	0	167,764,310
Net Result	13,374,698	0	0	13,374,698
Total Other Comprehensive Income	0	0	0	0
Transfer from/(to) Reserves	10,138,883	(10,138,883)	0	0
Balance as at 1 July 2012	167,874,168	13,264,840	0	181,139,008
Net Result	11,453,348	0	0	11,453,348
Total Other Comprehensive Income	0	0	43,077,200	43,077,200
Transfer from/(to) Reserves	(5,571,201)	5,571,201	0	0
Balance as at 1 July 2013	173,756,315	18,836,041	43,077,200	235,669,555

This statement is to be read in conjunction with accompanying notes

Statement of Cash Flows

For The Year Ended 30 June 2013

DESCRIPTION	NOTE	2012/2013 BUDGET \$	2012/2013 ACTUAL \$	2011/2012 ACTUAL \$
Cash Flows From Operating Activities				
Receipts				
Rates		9,029,300	9,641,775	7,951,575
Grants & Subsidies		6,275,400	8,243,819	7,624,841
Contributions, Reimbursements & Donations		1,503,500	1,254,319	892,156
Service Charges		-	-	-
Fees & Charges		16,807,000	23,411,957	7,072,411
Interest Earnings		737,400	813,508	1,158,216
Goods & Services Tax		700,000	1,057,359	1,591,920
Other Revenue/Income		602,000	672,893	941,624
		35,654,600	45,095,630	27,232,743
Payments				
Employee Costs		(8,364,000)	(8,303,188)	(7,144,876)
Materials & Contracts		(16,077,100)	(11,570,714)	(9,183,620)
Utilities (Gas, Electricity, Water, etc)		(1,424,500)	(1,393,931)	(1,237,899)
Interest Expenses		(543,900)	(493,671)	(540,505)
Insurance Expenses		(632,100)	(665,093)	(607,332)
Goods & Services Tax		(700,000)	(1,408,086)	(1,408,086)
Other Expenditure		(692,000)	(712,308)	(871,738)
		(28,433,600)	(24,546,991)	(20,994,056)
Net Cash Inflows/(Outflows) From Operating Activities	3	7,221,000	20,548,639	6,238,687
Cash Flows From Investing Activities				
Purchase Land and Buildings		(15,878,200)	(3,582,839)	(6,297,527)
Purchase Plant and Equipment		(2,467,000)	(1,644,140)	(1,030,674)
Purchase Furniture and Equipment		(269,900)	(285,388)	(159,466)
Purchase Airport Assets		(4,648,000)	(4,345,395)	(4,572,412)
Purchase Infrastructure Assets		(15,941,100)	(8,520,887)	(17,388,703)
Sale of Plant and Equipment	11	494,500	405,268	204,177
Grants and Contributions for the Development of Assets	23a	19,019,700	8,378,372	11,714,072
Net Cash Inflows/(Outflows) From Investing Activities		(19,690,000)	(9,595,009)	(17,530,533)
Cash Flows From Financing Activities				
Proceeds from New Loans	17c	-	-	-
Repayment of Loans	17b	(870,800)	(870,904)	(824,070)
Less: Proceeds from Self Supporting Loans				-
Net Cash Inflows/(Outflows) From Financing Activities		(870,800)	(870,904)	(824,070)
Net Increase/(Decrease) In Cash Held		(13,339,800)	10,082,726	(12,115,916)
Cash and Cash Equivalents At Beginning Of Year		21,247,700	21,648,921	33,764,837
Cash and Cash Equivalents At End of Year	3b	7,907,900	31,731,647	21,648,921

This statement is to be read in conjunction with accompanying notes

Rate Setting Statement

For The Year Ended 30 June 2013

DESCRIPTION	NOTE	2012/2013 BUDGET \$	2012/2013 ACTUAL \$	2011/2012 ACTUAL \$
REVENUES				
General Purpose Funding		3,275,700	3,422,126	3,712,152
Governance		147,900	291,650	201,650
Law, Order and Public Safety		80,500	111,127	91,211
Health		69,000	102,764	66,504
Education and Welfare		171,000	477,559	111,717
Housing		204,600	292,835	221,881
Community Amenities		4,152,900	5,871,084	4,698,922
Recreation and Culture		2,101,600	2,053,196	2,072,657
Transport		10,047,000	15,835,905	12,038,839
Economic Services		1,107,500	782,804	1,381,772
Other Property and Services		104,500	179,342	305,644
		21,462,200	29,420,392	24,902,949
EXPENSES				
General Purpose Funding		(358,600)	(449,643)	(332,492)
Governance		(2,429,200)	(2,757,177)	(2,038,680)
Law, Order and Public Safety		(694,700)	(723,967)	(659,712)
Health		(422,200)	(376,148)	(299,007)
Education and Welfare		(1,369,300)	(1,249,886)	(900,613)
Housing		(652,400)	(647,006)	(669,790)
Community Amenities		(3,576,500)	(3,540,214)	(2,936,654)
Recreation and Culture		(7,157,000)	(6,638,962)	(6,393,803)
Transport		(14,315,200)	(18,284,297)	(14,411,662)
Economic Services		(1,566,500)	(1,294,836)	(1,558,712)
Other Property and Services		(182,600)	(273,337)	(1,022,401)
		(32,724,200)	(36,235,473)	(31,223,526)
Net Operating Result Excluding Rates		(11,262,000)	(6,815,081)	(6,320,577)
Add:				
Capital Grants and Contributions	23a	19,019,700	8,378,372	11,714,072
Sale of Assets	11	494,500	405,268	204,177
<i>Write Back Depreciation</i>	20	9,903,600	11,698,506	9,498,301
		29,417,800	20,482,146	21,416,550
Less: CAPITAL WORKS PROGRAMME				
Governance		1,509,800	626,421	951,815
Law, Order and Public Safety		550,000	116,291	13,598
Health		-	-	-
Education & Welfare		41,500	43,166	62,953
Housing		4,060,800	1,054,438	1,494,815
Community Amenities		815,000	304,138	738,238
Recreation and Culture		10,924,100	2,995,034	5,591,759
Transport		18,238,000	12,932,898	20,219,383
Economic Services		2,918,000	159,975	293,407
Other Property and Services		147,000	146,288	82,813
		39,204,200	18,378,649	29,448,781
Less: OTHER				
Repayments of Debentures	17b	870,800	870,904	824,070
<i>Less Contributions to Loan Principal</i>		-	-	-
Transfers to Reserves	10	2,170,400	10,078,014	3,614,841
		3,041,200	10,948,918	4,438,911
Add: FUNDING SOURCES				
Reserves Utilised	10	9,549,000	4,506,812	13,753,726
Proceeds From New Debentures	17c	-	-	-
Estimated Surplus/(Deficit) July 1 b/fwd		5,708,500	10,206,364	7,230,183
Sub Total		15,257,500	14,713,176	20,983,909
Estimated (Surplus)/Deficit June 30 c/fwd		(39,800)	(9,017,940)	(10,206,364)
TO BE MADE UP FROM RATES	13	8,871,900	9,965,266	8,014,174

This statement is to be read in conjunction with accompanying notes



Notes to the Financial Reports

For the year ended
30 June 2013

Notes to the Financial Reports

For The Year Ending 30 June 2013

1. Significant Accounting Policies

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

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended). The report has also been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of non-current assets.

(b) 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 judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(c) The Local Government Reporting Entity

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

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

(d) Fixed Assets

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

(i) Mandatory Requirement to Revalue Non-Current Assets

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

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

- (a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and
- (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government
 - (i) that are plant and equipment; and
 - (ii) that are
 - (I) land and buildings; or
 - (II) infrastructure;

and

- (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government. Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

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

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

(ii) Valuation of Fixed Assets

Fixed assets will be recognised in the statements when the value exceeds the following amounts:

Land	\$0
Buildings	\$0
Plant and Equipment	\$1,500
Office Furniture and Equipment	\$1,000

Notes to the Financial Reports

For The Year Ending 30 June 2013

(iii) *Initial Recognition*

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

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

(iv) *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 AASB 1051 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.

(v) *Revaluation of Fixed Assets*

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

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

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

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

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

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

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

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

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

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

Notes to the Financial Reports

For The Year Ending 30 June 2013

The following presents the Shire's assets measured and recognised at fair value at 30 June 2013. Comparative information has not been provided as permitted by the transitional provisions of the new rules.

At 30 June 2013	Notes	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Plant & Equipment	6		11,672		11,672
Furniture & Equipment	6		1,699		1,699
Land	6		13,059		13,059
Buildings	6		16,025	32,656	48,681
Airport	6		19,907	7,298	27,205
Total Assets			62,362	39,954	102,316

(vi) Transitional Arrangement

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

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

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

(vii) Early Adoption of AASB 13 – Fair Value Measurement – Property, Plant and Equipment

Whilst the new accounting standard in relation to fair value, AASB 13 - Fair Value Measurement does not become applicable until 1 July 2013 (in relation to Council), given the legislative need to commence using Fair Value methodology for this reporting period, the Council chose to early adopt AASB 13 for Property, Plant and Equipment in line with note 1(d)(i). AASB 13 will be applied for all other applicable assets and liabilities from 1 July 2013.

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

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

(viii) Depreciation of Non Current Assets

Non current assets having limited useful lives are to be depreciated over such useful lives using the straight-line method to reflect the consumption of the economic benefits embodied in such assets.

Major depreciation periods are:

Buildings	40 years
Plant and Equipment	3 - 10 years
Computer Equipment and Software	3 years
Furniture and Equipment	5 years
Tools	3 years

Notes to the Financial Reports

For The Year Ending 30 June 2013

(ix) Infrastructure Assets

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

- a long life;
- require substantial capital outlays;
- do not necessarily have a realisable value;
- usually a fixture not always readily visible or noticeable;
- consist of a number of components.

Infrastructure assets are capitalised if the threshold value exceeds \$5,000.

Infrastructure assets are depreciated on a straight-line basis over their useful lives as follows:

Bridges	75 years
Car parks	20 years
Culverts	50 years
Cycle ways	50 years
Drains	25 years
Footpath - in situ concrete	50 years
Footpath - slab	20 years
Irrigation	20 years
Kerbs and channel	50 years
Manholes	50 years
Median strips	50 years
Road seals - aggregate	15 years
Road seals - asphalt	25 years
Road (sealed) - pavement	50 years
Road (unsealed) - formed	20 years
Road (unsealed) - gravel	20 years
Street lights	25 years
Street signs	10 years
Water reticulation systems	20 years
Parks and Gardens	20 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.

Notes to the Financial Reports

For The Year Ending 30 June 2013

(e) Employee Benefits

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

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

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

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

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

(f) Superannuation

The superannuation expense for the reporting period is the amount of the statutory contribution Council makes to the WA Local Government Superannuation Plan and other defined contribution schemes as requested by staff and is charged against revenue in the financial year to which the payment relates.

(g) 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 and loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

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

Fair value represent 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 method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payment 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 it.

Notes to the Financial Reports

For The Year Ending 30 June 2013

(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 and liabilities, except for those which are not expected to mature within 12 months after the end of the reporting period. (classified as non-current assets).

(iii) Held-to-maturity investment

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months for the reporting date, which are classified as current assets.

If the Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

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

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period (classified as current assets).

(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 instrument, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

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

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or 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.

(h) Estimation of Fair Value

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

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

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

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

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

Notes to the Financial Reports

For The Year Ending 30 June 2013

(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 estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

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

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

(j) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenue 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 periods or, where earlier, upon receipt of the rates.

Where contributions recognised as revenue 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 report date, the nature of and amounts pertaining those undischarged conditions are disclosed in Note 3(c). That note also discloses the amount of contributions recognised as revenue in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

(k) Trust Funds

Amounts received as tender deposits and retention monies controlled by Council are included in the statements.

Amounts received by Council in a custodial role, such as bonds on Council owned housing, have been excluded from the statements.

(l) Inventories

General

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

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

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development.

Interest and holding charges incurred after development is complete are recognised as expenses.

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

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

(m) Cash and Cash Equivalents

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

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

(n) Trade and Other Receivables

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

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

Notes to the Financial Reports

For The Year Ending 30 June 2013

(o) Comparative Figures & Information

Comparative figures included in the statements are based on previous years' actuals or, where unknown, reasonable estimates have been included. Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

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

(p) Rounding Off Figures

All figures in this annual financial report are concise amounts.

(q) 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.

(r) Trade and Other Payables

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

(s) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Cost

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.

(t) Provisions

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

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

(u) Current and Non-Current Classification

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

(v) 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.

Notes to the Financial Reports

For The Year Ending 30 June 2013

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

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

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

	Title and topic	Issued	Applicable ⁽¹⁾	Impact
(i)	AASB 9 – Financial Instruments	December 2009	01 January 2013	Nil – The objective of this Standard is to improve and simplify the approach for classification and
	AASB 2012 – 6 Amendments to Australian Accounting Standards – Mandatory effective date of AASB 9 and Transition Disclosures	September 2012	Deferred AASB 9 until 1 January 2015	
(ii)	AASB 2009 – 11 Amendments to Australian Accounting Standards arising from AASB 9	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).
(iii)	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).
(iv)	AASB 10 - Consolidated Financial Statements, AASB 11 - Joint Arrangements, AASB 12 - Disclosure of Interests in Other Entities, AASB 127 -Separate Financial Statements, AASB 128 - Investments in Associates and Joint Ventures, AASB 2011 - 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	August 2011	01 January 2013	Nil - None of these, except for AASB 128 , are expected to have significant application to the operations of the Council. With respect to AASB 128, where the Council has an interest in a Joint Venture, the requirements of AASB 128 supercede those of the current Joint Venture Standard AASB 131. The new standard more clearly defines the accounting treatment and disclosure in relation to it. Due to the nature of the Joint Venture, it is not expected to have a significant impact on the Council.
(v)	AASB 2011 - 9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]	September 2011	01 July 2013	The main change embodied in this standard is the requirement to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. It effects presentation only and is not expected to significantly impact the Council.
(vi)	AASB 119 - Employee Benefits, AASB 2011 - 10 Amendments to Australian Accounting Standards arising from AASB 119 [AASB 1, 8, 101, 124, 134, 1049 & 2012-8 and Interpretation 14]	September 2011	01 January 2013	The changes in relation to defined benefit plans contained in this standard are not expected to significantly impact the Council nor are the changes to AASBs in relation to termination benefits.

Notes to the Financial Reports

For The Year Ending 30 June 2013

	Title and topic	Issued	Applicable ⁽¹⁾	Impact
(vii)	AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 32]	June 2012	01 January 2013	Principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. This Standard is not expected to significantly impact on the Council's financial statements.
(viii)	AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]	June 2012	01 January 2014	This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. This Standard is not expected to significantly impact on the Council's financial statements.
(ix)	AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, 101, 116, 132, 134 and Interpretation 2]	June 2012	01 January 2013	Outlines changes to the various standards and interpretations as listed. These topics are not currently relevant to Council, nor are they expected to be in the future. As a consequence, this Standard is not expected to significantly impact on the Council's financial statements.
(x)	AASB 2012-10: Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments. [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 & 2011-7 and Interpretation 12]	December 2012	01 January 2013	Mainly consequential changes relating to transition guidance. It is not expected to have a significant impact on Council.

Notes: (1) Applicable to reporting periods commencing on or after the given date

(x) 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 operation.

These new and revised standards were:

AASB 2010 – 8

AASB 2011 - 3

AASB 2011 - 13

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

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

Notes to the Financial Reports

For The Year Ending 30 June 2013

2. Functions and Activities of the Shire – Statement of Objective

The Shire of East Pilbara is dedicated to provide high quality service to the community through the provision of local government services achieved by the following service oriented functions which it has established:

General Purpose Funding

Rates, general purpose government grants, normalisation grants and interest revenue.

Governance

Members of Council, general governance including administration, finance and other corporate services, computer administration and community liaison.

Law, Order and Public Safety

Supervision of Local Laws, fire prevention, emergency services and animal control.

Health

Maintenance of infant health clinic, health inspection services, food and water quality control and immunisation.

Education & Welfare

Community services and sponsored support of community aged care.

Housing

Aged persons housing, and maintenance of leased properties.

Community Amenities

Rubbish collection services, maintenance of storm water drainage, maintenance of cemeteries and maintenance of the Newman Sewerage Farm.

Recreation and Culture

Maintenance of public halls, Newman and Marble Bar Aquatic Centres, Newman Recreation Centre, public parks and gardens, libraries and recreation services.

Transport

Construction and maintenance of roads, footpaths, drainage works, parking facilities, traffic signs, street lighting, depot operations, street cleaning and operation of the Newman Airport and Marble Bar and Nullagine airstrips.

Economic Services

Tourism support, building services and controls, caravan parks and bus services.

Other Property and Services

Private works carried out by Council and allocations to works and services of all salaries and wages, overheads and plant costs incurred. Miscellaneous unclassified areas.

Notes to the Financial Reports

For The Year Ending 30 June 2013

3. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows Council considers cash and cash equivalents to include cash on hand, cash in bank accounts and cash invested.

(a) Reconciliation of Net Cash and Cash Equivalents Provided By Operating Activities to Change in Net Assets Resulting from Operations

	2012/2013 \$	2011/2012 \$
Net Profit/(Loss) Result	11,453,347	13,374,698
Add/(Less) Non Cash and Non Cash Equivalent Items		
Depreciation	11,698,505	9,498,301
Gain on sale of non current assets	(93,887)	(10,313)
Loss on sale of non current assets	169,095	43,286
Changes in Assets and Liabilities		
(Increase)/Decrease in Trade and other Receivables	4,301,889	(7,092,471)
Increase/(Decrease) in Trade and other Payables	1,228,587	1,913,922
Increase/(Decrease) in Accrued Expenses	63,949	177,028
Increase/(Decrease) in Employee Provisions	52,892	58,633
(Increase)/Decrease in Stock On Hand	52,632	(10,325)
(Less)		
Grants for the Development of Assets	(8,378,372)	(11,714,072)
Net Cash and Cash Equivalents provided by Operating Activities	20,548,637	6,238,687

Notes to the Financial Reports

For The Year Ending 30 June 2013

(b) Total Cash and Cash Equivalents

Cash and Cash Equivalents at the end of the reporting period are reconciled to the related items in the Statement of financial position as follows:

	2012/2013 \$	2011/2012 \$
Restricted Cash - Reserves		
Alice Springs Road	183,423	178,982
Heavy Road Plant	983,920	614,329
Cape Keraudren Development	452,160	145,846
Computer Technology	113,750	110,996
Newman Recreation Centre Maintenance	217,308	212,047
Newman Sewerage Plant	156,714	152,920
Newman Airport	5,555,286	2,104,469
Oval Lights Maintenance	122,567	119,599
Long Service Leave	470,522	310,604
Recreation Facilities	564,260	550,599
Staff Housing	372,759	806,785
Newman Town Centre Revitalisation	59,651	58,207
Waste Management	128,591	125,478
Public Art	93,315	52,701
Town Centre Public Toilet	888	867
Annual Leave	400,842	242,611
Royalties for Regions	3,643,899	6,649,128
Newman House	273,526	167,886
Newman Tomorrow Project Maintenance	33,039	106,556
Public Building Maintenance	567,981	554,230
Moondoorow Housing	3,531,450	
Martumili Operations	910,190	
	18,836,040	13,264,840
Restricted Cash - Unspent Loans	-	-
Restricted Cash - Committed Funds	2,751,922	5,331,652
Restricted Cash - Total	21,587,962	18,596,492
Unrestricted Cash		
Municipal Fund Cash At Bank	1,733,647	802,649
Municipal Fund Cash Invested	8,396,425	2,246,900
Municipal Fund Cash On Hand	13,610	2,880
Unrestricted Cash - Total	10,143,682	3,052,429
Total Cash	31,731,644	21,648,921

Notes to the Financial Reports

For The Year Ending 30 June 2013

(c) Conditions over Contributions

Grants recognised as revenues in a previous reporting period which were not expended at the close of the previous reporting period:

COMMITTED FUNDS:	2012/2013 \$
BHPB Sustainability - Installation of Statues	100,000
NW Planning Program	51,500
CLGF - 10/11	21,507
CLGF - 11/12	850,310
R4R - Sporting Facilities Upgrade	925,467
DLG - Cat Act Implementation	80,000
BHPB - CCTV Cameras & Lighting	149,319
BHPB - Newman Tomorrow 2012/2013	387,768
BHPB - Newman Events	186,051
	2,751,922

4. Trade and Other Receivables

	2012/2013 \$	2011/2012 \$
Current Debtors		
Rates	490,855	167,365
Trade and Other Receivables	3,668,742	9,390,255
ATO - GST Refund	940,022	-
	5,099,619	9,557,620
Provision Bad/Doubtful Debts	(98,404)	(7,469)
	5,001,215	9,550,151
Non Current Debtors		
None	-	-
Total Debtors	5,001,215	9,550,151

5. Inventories

STOCK CATEGORY	2012/2013 \$	2011/2012 \$
Fuels	80,330	115,252
History Books	15,970	17,173
Baskets	36,547	53,055
Total Stock On Hand	132,847	185,480

Notes to the Financial Reports

For The Year Ending 30 June 2013

6. (a) Property, Plant and Equipment Assets

	2012/2013 \$	2011/2012 \$
Land & Buildings		
At Independent Valuation 1996	-	2,000,000
Independent Valuation 2013	61,936,652	30,304,611
Accumulated Depreciation	(196,161)	(7,693,071)
	61,740,491	24,611,540
Plant & Equipment		
Independent Valuation 2013	11,805,125	12,132,231
Accumulated Depreciation	(133,078)	(5,866,480)
	11,672,047	6,265,751
Furniture & Equipment		
Independent Valuation 2013	2,085,344	1,974,134
Accumulated Depreciation	(386,309)	(1,428,503)
	1,699,035	545,631
Newman Airport		
At Council Valuation 1996	2,136,300	2,136,300
Cost	33,733,340	29,434,256
Accumulated Depreciation	(8,664,302)	(7,733,885)
	27,205,338	23,836,671
Total - Property, Plant & Equipment	102,316,911	55,259,593

During the year the Shire revalued all classes of Property, Plant and Equipment in accordance with Note 1(d)(vii) and guidance from the Department of Local Government, the Local Government Act (1995) and Local Government (Financial Management) Regulations 1996.

Land and Buildings:

The Shire's land and buildings were revalued at 30 June 2013 by an independent valuer; AssetVal Pty Ltd – through Mr David Bradford, AAPI, Certified Practising Valuer.

In relation to land and non-specialised buildings, valuations were made on the basis of observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use (Level 2 inputs in the fair value hierarchy).

With regard to specialised buildings, these were valued having regard for their current replacement cost utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 inputs).

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

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

There were no transfers between levels of the fair value hierarchy during the period.

The revaluation resulted in an overall increase of \$35,143,991 in the net value of the Shire's land and buildings. All of this increase was credited to the revaluation surplus in the Shire's equity (refer Note 10 (a) for further details) and was recognised as Changes on Revaluation of non-current Assets in the Statement of Comprehensive Income

Plant and Equipment and Furniture and Equipment

The Shire's Plant and Equipment and Furniture and Equipment was revalued at 30 June 2013 by an independent valuer; AssetVal Pty Ltd – through Mr David Bradford, AAPI, Certified Practising Valuer. All of the valuations were made on the basis of open market values of similar assets adjusted for condition and comparability (Level 2 inputs in the fair value hierarchy). There were no transfers between levels of the fair value hierarchy during the period.

The revaluation resulted in an overall increase of \$6,842,732 in the net value of the Shire's plant and equipment and

Notes to the Financial Reports

For The Year Ending 30 June 2013

\$1,090,477 in the net value of the Shire's furniture and equipment. All of this increase was credited to the revaluation surplus in the Shire's equity and was recognised as changes on Revaluation of non-current assets in the Statement of Profit or Loss and Other Comprehensive Income.

6. (b) Movement in Property, Plant and Equipment Assets

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 \$	PLANT & EQUIPMENT \$	FURNITURE & EQUIPMENT \$	AIRPORT \$	TOTAL \$
Balance as the beginning of the year	24,611,540	6,265,751	545,631	23,836,671	55,259,593
Plus: Acquisitions	3,498,190	1,651,182	284,451	4,345,395	9,779,218
	28,109,730	7,916,933	830,082	28,182,066	65,038,811
Less: Disposals	(1,475,078)	(1,716,429)	(771,539)	(145,635)	(4,108,681)
	26,634,652	6,200,504	58,543	28,036,431	60,930,130
Write Back Depreciation	1,444,259	1,287,416	771,353	125,177	3,628,206
	28,078,911	7,487,920	829,896	28,161,608	64,558,336
Less: Depreciation	5,096,804	4,520,592	265,033	(1,055,056)	8,827,373
	33,175,715	12,008,512	1,094,929	27,106,552	73,385,709
Plus/(Less): Revaluation movements	29,745,530	(336,933)	603,134	96,323	30,108,054
	62,921,245	11,671,579	1,698,063	27,202,875	103,493,763
Plus/(Less): Movement between Asset Class	(1,180,751)	465	971	2,464	(1,176,852)
Balance at 30/06/13	<u>61,740,494</u>	<u>11,672,044</u>	<u>1,699,034</u>	<u>27,205,339</u>	<u>102,316,911</u>

Notes to the Financial Reports

For The Year Ending 30 June 2013

7. (a) Infrastructure Assets

	2012/2013 \$	2011/2012 \$
Roads		
At Cost	161,480,290	157,300,703
Accumulated Depreciation	<u>(76,316,887)</u>	<u>(70,212,517)</u>
	85,163,403	87,088,186
Footpaths		
Cost	5,893,742	5,835,822
Accumulated Depreciation	<u>(2,880,120)</u>	<u>(2,652,299)</u>
	3,013,622	3,183,523
Drainage		
Cost	4,515,441	4,515,441
Accumulated Depreciation	<u>(2,884,455)</u>	<u>(2,702,812)</u>
	1,630,986	1,812,629
Parks & Gardens		
Cost	29,181,965	22,656,668
Accumulated Depreciation	<u>(6,049,178)</u>	<u>(4,019,759)</u>
	23,132,787	18,636,909
Total - Infrastructure Assets	<u>112,940,798</u>	<u>110,721,247</u>

7. (b) Movement in Infrastructure Assets

Movement in the carrying amounts of Infrastructure Assets between the beginning and the end of the current financial year.

	INFRASTRUCTURE ASSETS \$
Balance as the beginning of the year	110,721,247
Plus: Acquisitions	<u>8,598,967</u>
	119,320,214
Less: Disposals	<u>7,229</u>
	119,312,985
Write Back Depreciation	<u>7,229</u>
	119,320,214
Less: Annual Depreciation	<u>7,663,968</u>
	111,656,246
Plus/(Less): Revaluation movements	<u>107,700</u>
	111,763,946
Plus: Movement between Asset Classes	<u>1,176,852</u>
Assets Balance 30/06/13	<u>112,940,798</u>

Notes to the Financial Reports

For The Year Ending 30 June 2013

7. (c) Fixed Assets Classified by Function and Activity

FUNCTION NAME	FUNCTION NO	2012/2013 \$	2011/2012 \$
Governance	4	8,615,976	3,218,137
Law, Order & Public Safety	5	1,518,346	546,940
Health	7	245,000	65,963
Education & Welfare	8	7,842,286	5,851,058
Housing	9	17,798,332	4,151,818
Community Amenities	10	3,836,653	3,285,631
Recreation & Culture	11	29,592,119	15,419,100
Transport	12	132,879,196	132,198,683
Economic Services	13	4,571,354	1,996,412
Other Property & Services	14	8,358,444	(752,902)
		215,257,706	165,980,840

8. Trade and other Payables, Accruals and Provisions

		2012/2013 \$	2011/2012 \$
Current Liabilities			
Trade and Other Payables And Accruals			
Trade and Other Payables	7,739,256		
Accrued Expenses	238,057	7,977,313	6,953,061
Provisions			
Provision For Annual Leave	557,466		
Provision For Long Service Leave	286,719	844,185	822,950
		8,821,498	7,776,011
Non Current Liabilities			
Provision For Long Service Leave		190,230	137,337
		190,230	137,337
Total Trade and other Payables & Provisions		9,011,728	7,913,348

9. Long Term Borrowings

	2012/2013 \$	2011/2012 \$
Current		
Debenture Repayments	920,457	870,904
Non Current		
Debenture Repayments	6,521,676	7,442,132
Total Borrowings	7,442,133	8,313,036

Additional detail on debentures is provided in Note 18.

Notes to the Financial Reports

For The Year Ending 30 June 2013

10. Reserves – Cash/Investment Backed

A schedule of Council's Reserve Funds appears over the next three pages. Disclosure of the purposes for which each reserve account is set aside follows the schedule.

RESERVE FUNDS	2012/2013 ACTUAL \$	2012/2013 BUDGET \$	2011/2012 ACTUAL \$
Alice Springs Road			
<i>Opening Balance</i>	178,982	178,200	171,951
Interest Earned During Year	4,441	7,100	7,031
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	183,423	185,300	178,982
Heavy Road Plant			
<i>Opening Balance</i>	614,329	611,800	367,928
Interest Earned During Year	20,391	24,500	17,601
Transfer From Municipal Fund	349,200	349,200	228,800
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	983,920	985,500	614,329
Cape Keraudren Development			
<i>Opening Balance</i>	145,846	145,200	140,117
Interest Earned During Year	6,314	5,800	5,729
Transfer From Municipal Fund	300,000	-	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	452,160	151,000	145,846
Computer Technology			
<i>Opening Balance</i>	110,996	110,500	58,063
Interest Earned During Year	2,754	4,400	2,933
Transfer From Municipal Fund	-	-	50,000
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	113,750	114,900	110,996
Newman Recreation Centre Maintenance			
<i>Opening Balance</i>	212,047	211,200	106,572
Interest Earned During Year	5,261	8,400	5,475
Transfer From Municipal Fund	-	-	100,000
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	217,308	219,600	212,047
Newman Sewerage Plant			
<i>Opening Balance</i>	152,920	152,300	87,654
Interest Earned During Year	3,794	6,100	4,266
Transfer From Municipal Fund	-	-	61,000
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	156,714	158,400	152,920

Notes to the Financial Reports

For The Year Ending 30 June 2013

RESERVE FUNDS	2012/2013 ACTUAL \$	2012/2013 BUDGET \$	2011/2012 ACTUAL \$
Newman Airport			
Opening Balance	2,104,469	1,444,700	2,027,796
Interest Earned During Year	75,988	57,800	80,168
Transfer From Municipal Fund	4,024,014	793,800	653,712
Transfer To Municipal Fund	(649,185)	-	(657,207)
Closing Balance	5,555,286	2,296,300	2,104,469
Oval Lights Maintenance			
Opening Balance	119,599	119,100	76,043
Interest Earned During Year	2,968	4,800	3,556
Transfer From Municipal Fund	-	-	40,000
Transfer To Municipal Fund	-	-	-
Closing Balance	122,567	123,900	119,599
Long Service Leave			
Opening Balance	310,604	309,300	225,544
Interest Earned During Year	9,918	12,400	10,060
Transfer From Municipal Fund	150,000	150,000	75,000
Transfer To Municipal Fund	-	-	-
Closing Balance	470,522	471,700	310,604
Recreation Facilities			
Opening Balance	550,599	548,300	334,679
Interest Earned During Year	13,661	21,900	15,920
Transfer From Municipal Fund	-	-	200,000
Transfer To Municipal Fund	-	-	-
Closing Balance	564,260	570,200	550,599
Staff Housing			
Opening Balance	806,785	803,400	590,517
Interest Earned During Year	15,974	32,100	26,268
Transfer From Municipal Fund	-	-	490,000
Transfer To Municipal Fund	(450,000)	(450,000)	(300,000)
Closing Balance	372,759	385,500	806,785
Newman Town Centre Revitalisation			
Opening Balance	58,207	58,000	153,066
Interest Earned During Year	1,444	2,300	5,141
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	(100,000)
Closing Balance	59,651	60,300	58,207
Waste Management			
Opening Balance	125,478	125,000	120,549
Interest Earned During Year	3,113	5,000	4,929
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
Closing Balance	128,591	130,000	125,478

Notes to the Financial Reports

For The Year Ending 30 June 2013

RESERVE FUNDS	2012/2013 ACTUAL \$	2012/2013 BUDGET \$	2011/2012 ACTUAL \$
Public Art			
<i>Opening Balance</i>	52,701	52,600	51,697
Interest Earned During Year	614	2,100	1,004
Transfer From Municipal Fund	40,000	40,000	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	93,315	94,700	52,701
Town Centre Public Toilet			
<i>Opening Balance</i>	867	900	25,411
Interest Earned During Year	21	-	756
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	(25,300)
<i>Closing Balance</i>	888	900	867
Annual Leave			
<i>Opening Balance</i>	242,611	241,600	135,934
Interest Earned During Year	8,231	9,700	6,677
Transfer From Municipal Fund	150,000	150,000	100,000
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	400,842	401,300	242,611
Royalties for Regions - Pilbara Revitalisation			
<i>Opening Balance</i>	6,649,128	8,749,000	18,551,542
Interest Earned During Year	325,542	350,000	768,805
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	(3,330,771)	(9,099,000)	(12,671,219)
<i>Closing Balance</i>	3,643,899	-	6,649,128
Newman House			
<i>Opening Balance</i>	167,886	167,200	76,289
Interest Earned During Year	5,640	6,700	4,097
Transfer From Municipal Fund	100,000	100,000	87,500
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	273,526	273,900	167,886
BHP Billiton Maintenance Fund			
<i>Opening Balance</i>	106,556	106,100	102,371
Interest Earned During Year	1,427	4,200	4,185
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	(74,944)	-	-
<i>Closing Balance</i>	33,039	110,300	106,556
Public Building Maintenance Fund			
<i>Opening Balance</i>	554,230	551,900	-
Interest Earned During Year	13,751	22,100	4,230
Transfer From Municipal Fund	-	-	550,000
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	567,981	574,000	554,230

Notes to the Financial Reports

For The Year Ending 30 June 2013

RESERVE FUNDS	2012/2013 ACTUAL \$	2012/2013 BUDGET \$	2011/2012 ACTUAL \$
Moondoorow Housing			
Opening Balance	-	-	-
Interest Earned During Year	31,450	-	-
Transfer From Municipal Fund	3,500,000	-	-
Transfer To Municipal Fund	-	-	-
Closing Balance	3,531,450	-	-
Martumili Operations			
Opening Balance	-	-	-
Interest Earned During Year	906	-	-
Transfer From Municipal Fund	911,197	-	-
Transfer To Municipal Fund	(1,913)	-	-
Closing Balance	910,190	-	-
Totals - All Reserves			
Opening Balance	13,264,840	14,686,300	23,403,723
Interest Earned During Year	553,603	587,400	978,831
Transfer From Municipal Fund	9,524,411	1,583,000	2,636,012
Transfer To Municipal Fund	(4,506,813)	(9,549,000)	(13,753,726)
Closing Balance	18,836,041	7,307,700	13,264,840

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3(b).

Purpose of Reserves

a) Alice Springs Road

To establish a road link to Alice Springs from Marble Bar to the Northern Territory border

b) Heavy Road Plant

To fund the purchase of heavy plant that is needed for the operation of the Shire

c) Cape Keraudren Development

For the maintenance, development & enhancement of the Cape Keraudren Reserve

d) Computer Technology

For the replacement, enhancement and upgrading of computer hardware and software

e) Newman Recreation Maintenance

For the upgrading and enhancement and future extensions of the Newman Recreation Centre

f) Newman Sewerage Treatment Plant

For the maintenance, upgrading and replacement of all Council plant and equipment associated with the treatment of sewage and the distribution of the treated product.

g) Newman Airport

For the upgrading, maintenance and enhancement of the Newman Airport

h) Oval Lights Maintenance

To maintain and upgrade the lights at Capricorn Oval, Newman

i) Recreation Facilities Maintenance

For the upgrading and enhancement of recreation facilities

j) Long Service Leave

Provision for the long service leave entitlements for the employees of the Shire

k) Housing

For the upgrading and maintenance of staff housing assets

Notes to the Financial Reports

For The Year Ending 30 June 2013

- l) Newman Town Centre Revitalisation**
For the revitalisation, upgrade and maintenance of the Newman Town Centre Precinct
- m) Waste Management**
For the development, maintenance & enhancement of waste management facilities
- n) Public Art**
For the development, maintenance & enhancement of Public Art within the three towns of the East Pilbara Shire
- o) Town Centre Public Toilet**
For the development, maintenance & enhancement of Town Centre Public Toilets
- p) Annual Leave**
To provide for the payment of annual leave entitlements for staff
- q) Royalties for Regions – Pilbara Revitalisation**
To hold and utilise the allocation of the Royalties for Regions – Pilbara Revitalisation funds in accordance with funding legislation
- r) Newman House**
For the upgrading, maintenance and enhancement of Newman House.
- s) BHP Billiton Maintenance Fund**
To hold and utilise the allocation of the BHP Billiton Maintenance Fund in accordance with funding legislation
- t) Public Building Maintenance Fund**
For the upgrading, maintenance and enhancement of Public Buildings.
- u) Moondoorow Housing**
For the construction of staff housing on Moondoorow.
- v) Martumili Operations**
To hold and utilise the allocation of Martumili's funds.

10 (a) Revaluation Surplus

	2012/2013 \$	2011/2012 \$
Land and Buildings		
Opening Balance	-	-
Revaluation Increment	35,143,991	-
Revaluation Decrement	-	-
	35,143,991	-
Plant and Equipment		
Opening Balance	-	-
Revaluation Increment	6,842,732	-
Revaluation Decrement	-	-
	6,842,732	-
Furniture and Equipment		
Opening Balance	-	-
Revaluation Increment	1,090,477	-
Revaluation Decrement	-	-
	1,090,477	-
Total Asset Revaluation Surplus	43,077,200	-

Notes to the Financial Reports

For The Year Ending 30 June 2013

11. Disposal of Assets

PROGRAM	NET BOOK VALUE		SALE PROCEEDS		PROFIT/(LOSS)	
	ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$
Governance	54,812	55,900	47,673	40,000	(7,139)	(15,900)
Law, Order & Public Safety	-	-	-	-	-	-
Health	11,511	-	-	-	(11,511)	-
Education & Welfare	-	-	-	-	-	-
Recreation & Culture	42,874	60,300	8,233	34,000	(34,640)	(26,300)
Community Amenities	-	-	-	-	-	-
Transport	167,429	136,800	219,916	210,500	52,487	73,700
Economic Services	125,943	125,800	86,601	110,000	(39,342)	(15,800)
Other Property & Services	77,907	135,500	42,845	100,000	(35,062)	(35,500)
	<u>480,476</u>	<u>514,300</u>	<u>405,268</u>	<u>494,500</u>	<u>(75,207)</u>	<u>(19,800)</u>

12. Budget Comparison

(a) Non Operating Income and Expenditure

The following is a comparison of capital income and expenditure and movements to and from reserve accounts with the amounts contained in the Rate Setting Statement in the Annual Budget.

	2012/2013 ACTUAL \$	2012/2013 BUDGET \$	2011/2012 ACTUAL \$
Non Operating Income			
Proceeds From Sale Of Assets	405,268	494,500	204,177
Loans Raised	0	0	0
Contributions From Self Supporting Loans	0	0	0
Transfers From Reserve Accounts	4,506,812	9,549,000	13,753,726
Total Non Operating Income	<u>4,912,080</u>	<u>10,043,500</u>	<u>13,957,903</u>
Non Operating Expenditure			
Repayment Of Debentures	870,904	870,800	824,070
Transfer To Reserves	10,078,014	2,170,400	3,614,843
Land & Buildings	3,582,839	16,028,200	5,767,333
Furniture & Equipment	285,388	269,900	159,466
Plant & Equipment	1,644,140	2,399,000	1,560,869
Airport Assets	4,345,395	4,648,000	4,572,412
Infrastructure Assets	8,520,887	15,859,100	17,388,702
Total Non Operating Expenditure	<u>29,327,567</u>	<u>42,245,400</u>	<u>33,887,695</u>

(b) Current Position 1st July 2012

The current position balance carried forward from the previous financial year for the purpose of the 2012/2013 budget was \$2,739,792.28. The current position balance shown in the audited financial report as at 30 June 2012 was \$4,141,145.

Notes to the Financial Reports

For The Year Ending 30 June 2013

13. Rating and Valuations

(a) Property Rating

Refer to appendix A for a schedule of all property rates levied.

(b) Sewerage Rates

Where properties in the Newman townsite have the ability to connect to the town's sewerage scheme a rate is raised against that property for the purpose of maintaining and running the Newman Sewerage Treatment Plant.

The Rate imposed for the 2012/2013 year was 0.2573 cents in the dollar on the gross rental value of the property. The total revenue from this rate was \$412,886.12.

14. Service Charges

No service charges were levied by Council during 2012/2013.

15. Discounts, Incentives and Concessions

Council did not allow any discounts or concessions for the early payment of rates during 2012/2013.

An early rates payment incentive was offered consisting of a rates cash back prize from the Shire of East Pilbara and holiday accommodation prizes donated by various organisations. The incentives were awarded by drawing winning rates receipts from a barrel containing rates notices paid in full by the due date.

16. Interest Payments and Additional Charges

(a) Interest on Late Rate Payments

A penalty interest rate of 8% per annum was set and accrued on outstanding rates which were outstanding in excess of 35 days after the date of issue and where the option to pay by instalments had not been taken up.

A total of \$26,555.44 penalty interest was charged during the year.

(b) Instalments Interest and Additional Charges

An administration fee of \$5.00 was set on the second and subsequent payments where the option to pay rates in instalments was taken up. In addition interest at the rate of 4% per annum was applied to outstanding balances under this option.

Administration fees of \$5,020 were received against a budget of \$6,000 and interest of \$10,797.82 against a budget of \$10,000.

17. Borrowings

(a) Unspent Loans

There were no bought forward or unspent borrowings from the 2011/2012 year.

(b) Loan Repayments

Refer to appendix B for a schedule of all loan repayments made during the year and the composition of the outstanding loan principal amount of \$7,442,133.

(c) New Borrowings

There were no new borrowings for the 2012/2013 year.

(d) Overdraft

Council had not established an overdraft facility as at 30 June 2013.

Short term liquidity requirements were catered for from Council's own resources.

Notes to the Financial Reports

For The Year Ending 30 June 2013

18. Fees and Charges

The following fees and charges revenue resulted for each of Council's Functions for the 2012/2013 financial year:

FUNCTION NAME	FUNCTION NO	2012/2013 \$	2011/2012 \$
General Purpose Funding	3	45,493	30,580
Governance	4	218,415	34,840
Law, Order & Public Safety	5	53,442	41,645
Health	7	102,764	66,504
Education & Welfare	8	47,360	20,120
Housing	9	220,753	175,340
Community Amenities	10	5,687,104	4,565,489
Recreation & Culture	11	880,190	794,342
Transport	12	10,690,591	7,427,068
Economic Services	13	668,687	1,279,066
Other Property & Services	14	43,010	73,079
		18,657,809	14,508,073

19. Interest on Investments

	2012/2013 \$	2011/2012 \$
(a) Reserve Investments		
Alice Springs Road	4,441	7,031
Heavy Road Plant	20,391	17,601
Cape Keraudren Development	6,314	5,729
Computer Technology	2,754	2,933
Newman Recreation Centre Maintenance	5,261	5,475
Newman Sewerage Plant	3,794	4,266
Newman Airport	75,988	80,168
Oval Lights Maintenance	2,968	3,556
Long Service Leave	9,918	10,060
Recreation Facilities Maintenance	13,661	15,920
Staff Housing	15,974	26,268
Newman Town Centre Revitalisation	1,444	5,141
Waste Management	3,113	4,929
Public Art	614	1,004
Public Toilet	21	756
Annual Leave	8,231	6,677
Royalties for Regions	325,542	768,805
Newman House	5,640	4,097
BHP Billiton Maintenance Fund	1,427	4,185
Public Building Maintenance Fund	13,751	4,230
Moondoorow Housing	31,450	-
Martumili Operations	906	-
	553,602	978,831
(b) Municipal Fund Investments	259,905	179,384
Total Earnings From Investments	813,507	1,158,215

Notes to the Financial Reports

For The Year Ending 30 June 2013

20. Depreciation

FUNCTION NAME	FUNCTION NO	2012/2013 \$	2011/2012 \$
Governance	4	248,717	234,403
Law, Order & Public Safety	5	68,426	79,352
Health	7	9,199	9,409
Education & Welfare	8	206,390	198,758
Housing	9	141,361	107,527
Community Amenities	10	234,706	214,982
Recreation & Culture	11	850,258	708,330
Transport	12	9,029,018	7,016,856
Economic Services	13	122,200	124,437
Other Property & Services	14	788,230	804,247
		11,698,505	9,498,301

21. Councillors' Remuneration

The following fees, expenses and allowances were paid to council members and the president:

	2012/2013 ACTUAL \$	2012/2013 BUDGET \$	2011/2012 ACTUAL \$
Meeting Fees	78,167	70,000	79,000
President's Allowances	39,667	12,000	12,000
Travelling Expenses	10,209	15,000	10,549
Telecommunication Allowance	6,750	6,000	6,000
	134,793	103,000	107,549

Notes to the Financial Reports

For The Year Ending 30 June 2013

22. Financial Risk Management

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

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

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

Council held the following financial instruments at balance date:

	CARRYING VALUE		FAIR VALUE	
	2012/2013 \$	2011/2012 \$	2012/2013 \$	2011/2012 \$
Financial Assets				
Cash & Cash Equivalents	31,731,644	21,648,920	31,731,644	21,648,920
Receivables	5,001,215	9,502,659	5,001,215	9,502,659
Financial assets at fair value				
through profit and loss	0	0	0	0
Available for sale financial assets	0	0	0	0
Held-to-maturity investments	0	0	0	0
	<u>\$36,732,859</u>	<u>\$31,151,579</u>	<u>\$36,732,859</u>	<u>\$31,151,579</u>
Financial Liabilities				
Payables	7,977,313	3,778,580	7,977,313	3,778,580
Borrowings	7,442,133	8,313,036	7,442,133	8,313,036
	<u>\$15,419,446</u>	<u>\$12,091,616</u>	<u>\$15,419,446</u>	<u>\$12,091,616</u>

Fair Value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.
- Borrowings, Held-to-Maturity Investment – estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles
- Financial Assets at Fair Value through profit and loss, Available for Sale Financial Assets – based on quoted market prices at the reporting date or independent valuation.

(a) Cash and Cash Equivalents

Financial assets at fair value through profit and loss

Available-for-sale financial assets

Held-to-maturity investments

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.

Notes to the Financial Reports

For The Year Ending 30 June 2013

	30/06/2012 \$	30/06/2011 \$
Impact of a 5%⁽¹⁾ movement in price of investments:		
Equity	64,400	60,900
Statement of Comprehensive Income	64,400 ⁽²⁾	60,900 ⁽²⁾
Impact of a 1%⁽¹⁾ movement in interest rates on cash		
Equity	147,400	175,500
Statement of Comprehensive Income	147,400	175,500

Notes:

(1) Sensitivity percentages based on management's expectation of future possible market

(2) Maximum impact.

(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 rate 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 rates is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables.

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:

RECEIVABLES CREDIT RISK	30/06/2012	30/06/2011
Percentage of Rates and Annual Charges		
Current	2%	84%
Overdue	98%	16%
Percentage of Other Receivables (Debtors)		
Current	77%	84%
Overdue	23%	16%

Notes to the Financial Reports

For The Year Ending 30 June 2013

(c) Credit Risk

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.

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

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

	DUE WITHIN ONE YEAR \$	DUE BETWEEN ONE AND FIVE YEARS \$	DUE AFTER FIVE YEARS \$	TOTAL CONTRACTUAL CASH FLOWS \$	CARRYING VALUES \$
2013					
Payables	7,977,313			7,977,313	7,977,313
Borrowings	920,456	4,163,400	3,554,779	8,638,635	7,442,128
	8,897,769	4,163,400	3,554,779	16,615,948	15,419,441
2012					
Payables	6,953,061			6,953,061	6,953,061
Borrowings	870,904	4,354,008	3,587,095	8,812,007	8,313,036
	7,823,965	4,354,008	3,587,095	15,765,068	15,266,097

LOAN NO	EXPIRY DATE	RATE	PRINCIPAL 30/06/2012 \$		YEARS TO RUN AT 30/06/2012	IRR AT 30/06/2012 \$
Year Ended 30 June 2013						
65	1/2/2020	5.99	691,369	8	>5 Years	41,413
66	15/6/2021	6.25	3,225,380	9	>5 Years	201,586
67	1/3/2022	6.47	707,565	10	>5 Years	45,780
70	13/2/2016	4.65	1,170,475	4	1 to 5	54,427
71	1/3/2026	6.49	1,647,339	14	>5 Years	106,912
			<u>7,442,128</u>			<u>450,118</u>
			920,456		<1	
			4,108,973		1 to 5	
			<u>3,159,088</u>		>5	
			8,188,517			<u>6.05%</u>

LOAN NO	EXPIRY DATE	RATE	PRINCIPAL 30/06/2011 \$		YEARS TO RUN AT 30/06/2011	IRR AT 30/06/2011 \$
Year Ended 30 June 2012						
65	1/02/2020	5.99	768,826	9	>5 Years	46,053
66	15/06/2021	6.25	3,528,007	10	>5 Years	220,500
67	1/03/2022	6.47	763,982	11	>5 Years	49,430
70	13/02/2016	4.65	1,526,114	5	1 to 5	70,964
71	1/03/2026	6.49	1,726,107	15	>5 Years	112,024
			<u>8,313,036</u>			<u>498,971</u>
			870,904		<1	
			4,283,044		1 to 5	
			<u>3,159,088</u>		>5	
			8,313,036			<u>6.00%</u>

Notes to the Financial Reports

For The Year Ending 30 June 2013

23. Grants and Contributions

(a) Non Operating Grants For the Development Of Assets

GRANT SOURCE	PURPOSE	2012/2013 ACTUAL \$	2011/2012 ACTUAL \$
State Grants			
Dept LG & Regional Services	Royalties for Regions	-	1,036,663
FESA - SES	Plant	89,226	-
DFES - SES	Cat Act Implementation	80,000	-
Office of Crime Prevention	CCTV Cameras - Town Centre	25,000	2,000,000
Dept Regional Develop & Lands	Martumili Art Centre	750,000	-
Dept Regional Develop & Lands	Sporting Facility Upgrade	2,855,000	-
WA Grants Commission	Aboriginal Access Roads	545,333	518,000
Main Roads WA	Aboriginal Access Roads	341,666	257,899
Main Roads WA	Regional Road Group	1,013,333	713,333
WA Grants Commission	Untied Road Grants	372,800	610,000
Main Roads WA	Direct Road Grants	289,605	251,846
Main Roads WA	Black Spot - Newman Drive	63,887	59,724
Main Roads WA	Black Spot - Hilditch Avenue	48,196	82,320
Dept of Transport	Cape K - Ablution Upgrade	-	39,344
		6,474,046	5,569,129
Federal Grants			
Federal Dep't Of Transport	Roads To Recovery	794,943	794,943
Federal Dep't Of Transport	Roads To Recovery - Special	-	150,000
Regional Airport Development	Apron and Helipad	208,066	-
		1,003,009	944,943
Contributions			
BHPBIO - Sustainability Prog	Sports Lighting Upgrade	-	1,500,000
BHPBIO - Sustainability Prog	CCTV Cameras and Lighting	150,000	-
BHPBIO - Sustainability Prog	Community Housing	-	2,000,000
Fremantle Art Centre	Bouncy Basket	14,044	-
Consolidated Minerals	Woodie Woodie Road	200,000	200,000
BHPBIO - Sustainability Prog	Other Projects	537,273	1,500,000
		901,317	5,200,000
		8,378,372	11,714,072

Notes to the Financial Reports

For The Year Ending 30 June 2013

(b) Operating Grants and Contributions

GRANT SOURCE	PURPOSE	2012/2013 ACTUAL \$	2011/2012 ACTUAL \$
State Grants			
WA Grants Commission	General Purpose Grants	3,116,727	3,502,186
Department of Local Government	Work Force Planning	25,000	30,000
Fire & Emergency Services	Administration Grant	10,940	4,040
Fire & Emergency Services	Nullagine Bush Fire Brigade	4,730	6,963
Department of Local Government	Cat Act Implementation	2,535	-
Population Health	Online Directory	7,273	-
NW Planning Program Fund	Planning	25,000	-
State Treasury	Swimming Pool Subsidies	3,000	3,000
Royal Life Savings	Bronze Medalian	3,000	-
Healthway	Triathlon	5,000	5,000
Art Cultural Activities (RACS)	Martumilli Arts Project	63,000	63,000
Art Enterprise Activities (NACIS)	Martumilli Arts Project	238,000	210,000
WA Govt - Culture and Arts	Martumilli Arts Project	-	7,876
Dept Environ and Heritage	Martumilli Arts Project	31,517	30,350
Main Roads WA	Flood Damage	3,394,413	2,747,174
WA Grants Commission	Untied Road Grants	1,201,992	920,100
State Dep't of Transport	RPT Bus Service Subsidy	106,893	95,150
		8,239,020	7,624,839
Federal Grants			
		-	-
Contributions			
BHPB - Contribution	Events - Newman	340,000	-
Fortescue Metal Groups	Weekly Youth Prize	2,809	-
BHPB - Contribution	Holiday Program	24,477	-
BHPB - Contribution	Rubbish Run	24,000	-
Water Corporation	Newman Sewerage Farm	128,051	123,482
Greenhalgh Contracting	Triathlon	-	909
FMG	Triathlon	-	900
Dept Sport and Recreation	Triathlon	-	1,818
Martu Charitable Trust	Martumili Arts Project	14,050	57,000
BHPB Contribution	Martumili - Community Support	350,000	100,000
BHPB Contribution	Martumili - Community Development	5,299	-
BHPB Contribution	Martumili - Mapping Country	83,000	350,000
		971,686	634,109
		9,210,706	8,258,948

(c) Grants By Program In Operating Statement

PROGRAM	2012/2013 \$	2011/2012 \$
General Purpose Funding	3,116,727	4,538,849
Governance	25,000	30,000
Law, Order & Public Safety	212,431	11,003
Education & Welfare	500,082	1,505,000
Housing	-	-
Community Amenities	177,051	123,482
Recreation & Culture	4,414,910	4,824,853
Transport	9,011,506	8,844,683
Economic Services	106,893	95,150
Other Property & Services	-	-
	17,564,600	19,973,020

Notes to the Financial Reports

For The Year Ending 30 June 2013

24. Performance Measures

The following performance measures are used to compare Council's financial performance for 2012/2013 with the previous two years:

PERFORMANCE MEASURE	HOW CALCULATED	2012/2013	2011/2012	2010/2011
(a) Current ratio	current assets minus restricted assets	1.6478	1.5340	1.5233
	current liabilities minus liabilities associated with restricted assets			
(b) Debt service cover ratio	annual operating surplus before interest and depreciation	11.1810	10.1760	9.3900
	principal and interest			
(c) Own Source Revenue Ratio	own source operating revenue	0.8130	0.7600	0.6980
	operating expense			
(d) Operating Surplus Ratio	operating revenue minus operating expense	0.1020	0.0710	-0.0570
	own source operating revenue			
(e) Asset Consumption Ratio	depreciated replacement cost of assets	0.6650	N/A	N/A
	current replacement cost of depreciated assets			
(f) Asset Renewal Funding Ratio	NPV of planned capital renewals over 10 years	1.0000	N/A	N/A
	NPV of required capital expenditure over 10 years			
(g) Asset Sustainability Ratio	Capital renewal and replacement expenditure	0.6990	N/A	N/A
	depreciation expense			

Notes to the Financial Reports

For The Year Ending 30 June 2013

25. Employees Remuneration

Set out below is the number of employees of the Shire entitled to an annual salary of \$100,000 or more;

SALARY RANGE	2012/2013	2011/2012
100,000 - 109,999	5	5
110,000 - 119,999	5	5
119,999 - 129,999	1	0
140,000 - 149,999	0	0
160,000 - 169,999	1	1
180,000 - 209,999	1	1
210,000 - 259,999	1	1

26. Bad and Doubtful Debts

The following debts were written off during the year:

	2012/2013 \$	2011/2012 \$
Rates	23,180	-
Sundry Debtors	75,225	7,470

27. Auditors Remuneration

Audit fees incurred during 2012/2013 were \$22,347. Comparative fees during 2011/2012 were \$17,500.00.

28. Contingent Liabilities

The Council had no contingent liabilities as at 30 June 2013.

29. Major Land Transactions

The Council undertook no land transactions for the period ending 30 June 2013.

30. Trading Undertakings

The Council had no trading undertakings as at 30 June 2013.

31. Employee Numbers

	2012/2013	2011/2012
The number of permanent employees at balance date	70	68



Independent Audit Report

For the year ended
30 June 2013

Independent Audit Report



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INDEPENDENT AUDITOR'S REPORT

To the Electors of the Shire of East Pilbara

Report on the Financial Report

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

Council's Responsibility for the Financial Report

The Councillors of the Shire of East Pilbara are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Local Government Act 1995 (as amended)*. This responsibility includes such internal control as the Council determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Shire's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms.

Independent Audit Report



Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Opinion

In our opinion, the financial report of the Shire of East Pilbara:

- i. Presents fairly, in all material respects; the financial position of the Shire as at 30 June 2013 and of its performance for the year ended; and
- ii. Complies with Australian Accounting Standards (including the Australian Accounting Interpretation); and
- iii. Is prepared in accordance with the requirements of the Local Government Act 1995 Part 6 (as amended), and Regulations under that act; and
- iv. The following financial ratios included in the annual financial report are supported by verifiable information and reasonable assumptions:
 - a. The asset consumption ratio; and
 - b. The asset renewal funding ratio

Statutory Compliance

I did not, during the course of the audit, become aware of any instances where the Shire did not comply with the requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996 as they relate to the financial statements.

BDO Audit (WA) Pty Ltd

BDO


Chris Burton
Director

Perth, 18 December 2013



Appendices

For the year ended
30 June 2013

Appendices

A Rating and Valuations

RATE TYPE	RATE IN THE DOLLAR (CENTS)	NUMBER OF PROPERTIES	RATEABLE VALUE \$	RATE REVENUE \$	INTERIM RATES \$	TOTAL REVENUE \$	BUDGET		
							RATE REVENUE \$	INTERIM RATES \$	TOTAL REVENUE \$
General Rate									
GRV - Industrial	3.6267	74	10,247,500	162,730	7,884	170,614	162,700	70,000	232,700
GRV - Town Centre	6.1774	31	5,538,520	212,652	-	212,652	212,700		212,700
GRV - Nullagine	8.5274	26	387,400	26,465	(332)	26,133	21,300		21,300
GRV - Marble Bar	8.2931	71	726,576	50,860	(618)	50,242	43,200		43,200
GRV - Transient	6.8124	9	42,823,244	1,306,452	331,440	1,637,892	1,306,500		1,306,500
GRV - Other	3.8313	1,688	125,578,160	2,073,044	151,842	2,224,886	2,072,800		2,072,800
UV - Other	15.2774	383	19,792,256	3,269,762	608,575	3,878,337	3,295,000	160,000	3,455,000
UV - Exploration	13.4442	586	6,646,697	966,423	93,359	1,059,782	973,200		973,200
UV - Prospecting	13.4442	116	234,136	34,043	2,434	36,477	34,000		34,000
UV - Pastoral	3.8950	44	10,130,094	426,730	3,170	429,900	278,900		278,900
Sub Total		3,028	222,104,583	8,529,161	1,197,754	9,726,915	8,400,300	230,000	8,630,300
Minimum Rates									
GRV - Industrial	650.00	16	499,820	10,400		10,400	10,400		10,400
GRV - Town Centre	650.00	0	-	-		-	-		-
GRV - Nullagine	475.00	19	52,396	7,600		7,600	8,000		8,000
GRV - Marble Bar	475.00	19	52,396	7,600		7,600	8,000		8,000
GRV - Transient	650.00	0	-	-		-	-		-
GRV - Other	650.00	131	2,792,195	85,150		82,150	85,200		85,200
UV - Other	250.00	348	212,332	69,600		69,600	69,600		69,600
UV - Exploration	250.00	178	96,637	34,200		34,200	35,600		35,600
UV - Prospecting	250.00	103	71,672	20,000		20,000	20,600		20,600
UV - Pastoral	250.00	19	12,618	3,800		3,800	4,200		4,200
Sub Total		833	3,790,066	238,350	-	238,350	241,600	-	241,600
Total		3,861	225,894,649	8,767,511	1,197,754	9,965,265	8,641,900	230,000	8,871,900

Appendices

B Loan Repayment Schedule

LOAN NO	PARTICULARS	PRINCIPAL 1 JULY 2012 ACTUAL \$	NEW LOANS \$	PRINCIPAL REPAYMENTS MADE		PRINCIPAL OUTSTANDING 30 JUNE 2013		INTEREST REPAYMENTS MADE	
				ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$
Administration									
65	Newman Admin Building Upgrade	768,827	-	77,457	77,400	691,370	691,427	45,617	45,600
Housing									
67	Staff Housing	763,982	-	56,416	56,400	707,566	707,582	49,125	49,100
71	Staff Housing	1,726,107	-	78,767	78,800	1,647,340	1,647,307	111,838	111,900
Transport									
66	Newman Airport Precinct Upgrade	3,528,007	-	302,626	302,600	3,225,381	3,225,407	218,807	218,800
70	Newman Terminal Upgrade	1,526,114	-	355,638	355,600	1,170,476	1,170,514	68,283	68,300
		8,313,037	-	870,904	870,800	7,442,133	7,442,237	493,671	493,700



Shire of East Pilbara

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