



Annual Report

2014 - 2015

Shire
of East
Pilbara



Welcome

On the cover and above this Annual Report:

Artist: Nyarrie Morgan, Untitled
Acrylic on Linen, 152 x 152 cm



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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) 9000 live in Newman which is the home of major Pilbara Iron Ore mine; BHP Billiton's 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

This year has been a tough year for our towns with a slowdown in the mining sector seeing many people forced to leave after losing their jobs.

In 2014, the Shire of East Pilbara launched the Art in the Heart Artist Residency Program. The residency is a four year commitment by the Shire to celebrate and develop the arts and cultural landscape of this unique region. In 2015, we welcomed Japanese installation artist Yasuaki Onishi who spent six weeks living in the East Pilbara, engaging with local communities and working on his own creative practice.



This year also saw the sudden passing of Cr Kevin Danks. Kevin was one of the Shire's longest serving Councillors and will be dearly missed. Kevin dedicated 21 years of service to the Shire of East Pilbara Council, and many more to the community he lived in. Kevin first became a Councillor in Shay Gap 1988 for the North Ward before the boundaries were changed. In 1995 he became Councillor for the Central Ward until 2005 and was most recently a Councillor of the East Ward. In total, Kevin served on the Shire of East Pilbara council for 21 years.

We also farewelled Cr Doug Stead who retired and moved to Perth after 39 years in Newman. I wish Doug all the best in his retirement.

I would like to thank my fellow Councillors for their dedication and their support to myself and the Shire as well as offer sincere thanks to CEO Allen Cooper and his staff for his leadership of the Shire Administration this financial year.

Lynne Craigie.





From the CEO

Mr Allen Cooper

2014/15 has been another big year at the Shire of East Pilbara, with over \$28,500,000 worth of development undertaken in this past financial year. I would personally like to thank all Shire of East Pilbara staff who have worked so hard throughout the year to make these things happen. Without your hard work and dedication, our towns would not see and have the many facilities/events that we have been able to provide this year. Below is a snapshot of the many projects that have taken place over the 2014/15 financial year.

Work continues on the plan for the Town Square. Many years of planning have gone into the redevelopment of the Newman Town Centre, and it is great to see works continuing to progress.

Construction works have also commenced on the much anticipated East Pilbara Arts Centre (EPAC). Works began in mid-2014, with completion due end of 2015; creating a new era of art, culture and creativity in the East Pilbara. This is a fantastic facility designed to appeal to the entire community; a unique and creative resource for everybody!

Our loyal fitness customers are also pleased, with major upgrades being undertaken at the Newman Recreation Centre with the upgrading of equipment and giving the premises a facelift. Members can now enjoy state of the art training equipment, in the comfortable and refreshed surrounds of the Fitness Centre.

Living and working in rural Western Australia, we all know how hard it is to attract and retain essential services in our towns. I am very pleased that this past year, has seen the commencement of three doctor's houses in Newman from funding from BHP Billiton Iron Ore. This will assist in attracting permanent doctors to Newman, who are often only employed here on a fly-in-fly-out basis.

Behind the scenes, many hours of hard work have been spent maintaining and upgrading our roads, plant and equipment. Over one million dollars has been spent ensuring our roads are maintained and kept safe, which is critical in remote areas of our Shire. Our Emergency Services teams have also received funding, with upgrades taking place at the SES Headquarters in Newman and the Nullagine bushfire shed. Rangers have also been busy this year promoting and bringing awareness to changes in the Dog Act. Namely, that from 1 November 2015 all dogs must be microchipped. This places a huge responsibility on dog owners, and our Rangers have been proactive in ensuring that everyone is fully aware of their responsibilities.

As an officer of local government, it is also our role to advocate and be the voice of our community. We have continued to do so this past year by advocating in such areas as the development of irrigated agriculture in the East Pilbara (through our Pilbara Food Bowl Summary Report), and continuing to advocate the State and Federal Governments for upgrades and sealing of the Marble Bar Road (through the revised submission to the West Australian Government on the social and economic benefits of upgrading the Newman/Marble Bar Road September 2014).

I am also pleased to announce that the Shire of East Pilbara stepped into the Social Media world this year and launched its very own Facebook page! The Facebook page has been a great way to interact with the community and distribute information quickly. We are pleased with the way our page is operating so far, but hope to engage more users in the future.

Many thanks must also go to our Councillors for their hard work throughout the year. Special mention goes to our Shire President, Cr Lynne Craigie on her recent appointment as President of the Western Australian Local Government Association (WALGA). On behalf of the Shire of East Pilbara, I would like to congratulate Lynne on her appointment and I know she will continue to be a great advocate for the region and community. Well done Lynne!

Local Government Elections are set to take place in October 2015, and I look forward to welcoming some new faces to the Council then.

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 Biddy Schill
Term Expires 2015

East Ward



Cr Kevin Danks
Term Expires 2017

Central Ward



Cr Dean Hatwell
Term Expires 2017

Councillor's Meeting Attendance

	Ward	Retire	25-Jul-14	22-Aug-14	26-Sep-14	24-Oct-14	12-Dec-14
Cr Lynne Craigie	South	2015	Apology	Yes	Yes	Apology	Yes
Cr Stephen Kiernan	North West	2015	Yes	Yes	Yes	Yes	Apology
Cr Gerry Parson	South	2015	Apology	Yes	Yes	Yes	Yes
Cr Craig Hoyer	South	2015	Yes	Yes	Yes	Apology	Yes
Cr Biddy Schill	Lower Central	2015	Yes	Yes	Yes	Yes	Yes
Cr Anita Grace	South	2017	Yes	Yes	Yes	Yes	Yes
Cr Shane Carter	South	2017	Yes	Yes	Yes	Apology	Yes
Cr Doug Stead	South	2017	Yes	Apology	Yes	Apology	Leave of Absence
Cr Lang Coppin	North	2017	Yes	Yes	Yes	Yes	Yes
Cr Kevin Danks	East	2017	Yes	Yes	Yes	Yes	Yes
Cr Dean Hatwell	Central	2017	Yes	Yes	Yes	Yes	Yes
Location			Newman	Newman	Marble Bar	Newman	Newman

	30-Jan-15	06-Mar-15	24-Apr-15	22-May-15	26-Jun-15
Cr Lynne Craigie	Yes	Yes	Yes	Yes	Yes
Cr Stephen Kiernan	Apology	Yes	Yes	Apology	Yes
Cr Gerry Parson	Apology	Yes	Yes	Yes	Yes
Cr Craig Hoyer	Yes	Yes	Apology	Yes	Yes
Cr Biddy Schill	Yes	Yes	Yes	Yes	Yes
Cr Anita Grace	Yes	Yes	Yes	Yes	Apology
Cr Shane Carter	Yes	Yes	Apology	Apology	Yes
Cr Doug Stead	Leave of Absence	Yes	Vacant Position		
Cr Lang Coppin	Yes	Yes	Apology	Yes	Yes
Cr Kevin Danks	Yes	Yes	Yes	Apology	Vacant Position
Cr Dean Hatwell	Yes	Yes	Yes	Yes	Yes
Location	Newman	Newman	Newman	Newman	Nullagine

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

Cr Lynne Craigie	8
Cr Anita Grace	9
Cr Shane Carter	7
Cr Doug Stead	3
Cr Lang Coppin	9
Cr Stephen Kiernan	7
Cr Kevin Danks	8
Cr Gerry Parsons	8
Cr Craig Hoyer	8
Cr Dean Hatwell	10
Cr Biddy Schill	10

Organisational Chart



Allen Cooper
Chief Executive Officer



Sian Appleton
Deputy Chief
Executive Officer



Rick Miller
Director Technical and
Development Services



David Kular
Manager Human
Resources



Paul Dickson
Manager Community
Safety



Leon Burger
Manager Airport
Services



Solomon Kloppes
Manager Development



Adam Majid
Manager Development
Services - Planning



Edmore Masaka
Manager Development
Services - Health



David Evrett
Manager Development
Services - Building



Glenn Britton
Manager Building Assets
and Procurement



Oliver Schaer
Manager Technical
Services - Rural



Bhavesh Modi
Manager Technical
Services - Newman



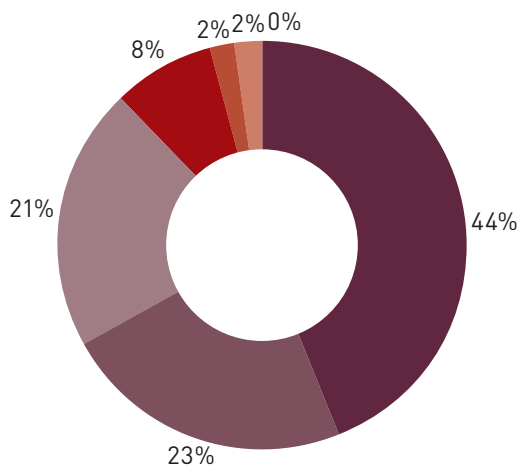
George Christian
Manager Airport
Compliance



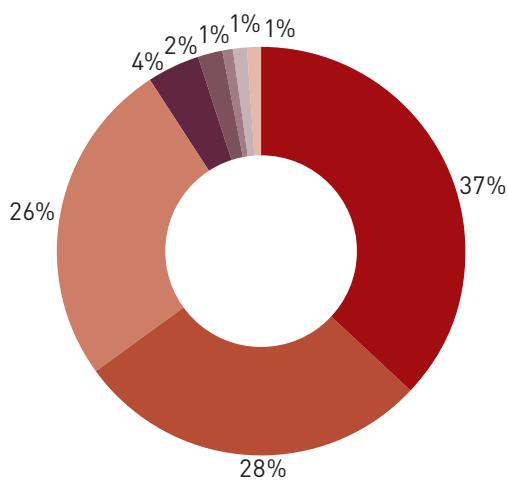
Gabrielle Sullivan
Manager Martumili
Artists



Sources and Applications of Operating Funds (Excluding Capital)



- ### Operating Revenues
- Rates
 - Grants & Subsidies
 - Contributions/Reim/Donations
 - Profit on Asset Disposals
 - Fees & Charges
 - Interest Earnings
 - Other Revenue/Income



- ### Operating Expenditure
- Employee Costs
 - Materials & Contracts
 - Dep'n on non current assets
 - Insurance Expenses
 - Loss on Asset Disposal
 - Interest Expenses
 - Utilities (gas, Electricity, Water etc)
 - Other Expenditure



Human Resources

Deputy CEO's Office:

Deputy CEO	1
Managers	4
Coordinators	9
Staff	24

Technical/ Development:

Director	1
Managers	10
Coordinators	3
Staff	32

As at the 30th June 2015 Council had 91 permanent positions split as follows:

Executive Services:

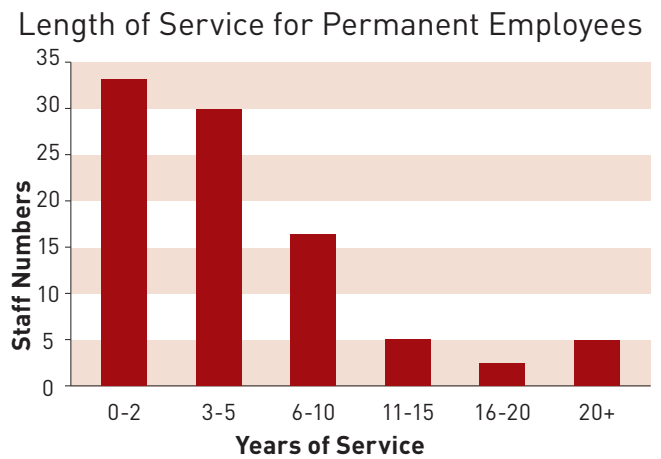
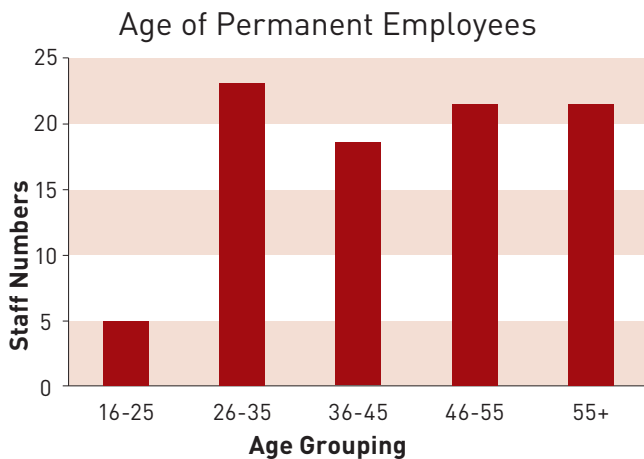
CEO	1
Managers	1
Coordinators	1
Staff	4

Recruitment:

The following positions were vacant as at the 30th June 2015.

- Coordinator Governance
- Manager Recreation Services
- Road Maintenance Crew- Plant Operator
- Coordinator Recreation Services
- Coordinator Recreation and Events
- Manager Projects Development
- Parks & Gardens Crew
- Coordinator Executive Services
- Manager Corporate Services
- Community Development Officer
- Seasonal Duty- Aquatic Officer- M/Bar
- Cape Keraudren Caretaker

Staff turnover for 2014/2015 financial year was 24% for permanent part time and full time positions.





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 Shire is committed to deliver what the community and its elected members have identified as its priorities, together with meeting its legislative obligations as a local government.

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.

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.

Records Management

The Shires updated Record Keeping Plan (RKP) was adopted by Council 26th July 2013. The purpose of a government organisation's Record Keeping Plan is to set out the matters about which records are to be created by the organisation and how it is to keep its records. The Record Keeping Plan is to provide an accurate reflection of the record keeping program within the organisation, including information regarding the organisation's record keeping system(s), disposal arrangements, policies, practices and processes. The Record Keeping Plan is the primary means of providing evidence of compliance with the Act and the implementation of best practice recordkeeping within the organisation.

The Shires style guide was implemented 13th March 2014 and outlines the standards and specifications for the use of the Shire of East Pilbara's identity in a variety of situations. The guide determines how we use the Shire of East Pilbara logo including the crest, wordmark and 'Heart of the Pilbara' illustration.

It also covers the correct use of colours and fonts, taking and choosing suitable photographs and other graphic elements, and layout examples for reference.

Freedom of Information (FOI) statistics

In accordance with Section 10 (1) of the Freedom of Information Act 1992, residents have the right to access documents (which are not otherwise exempt) held by State and Local Government agencies. No Freedom of Information applications were received during the 2014/15 financial year. One personal Freedom of Information application was completed during the 2014/15 financial year.

Official Conduct Report

The Local Government Act 1995 requires the Shire of East Pilbara to report on the number of official conduct complaints recorded under Section 5.121 during a financial year. The Shire of East Pilbara received no complaints of this nature during the 2014/15 financial year.

Policy Manual

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

Junior Community and Sporting Organisations Assistance Policy

During the reportable period the following policies were amended in the policy manual;

Amendments are due to changes in legislation and/or the current operational needs of the Shire.

Purchasing and Tender Procedures

Staff Electricity Subsidy

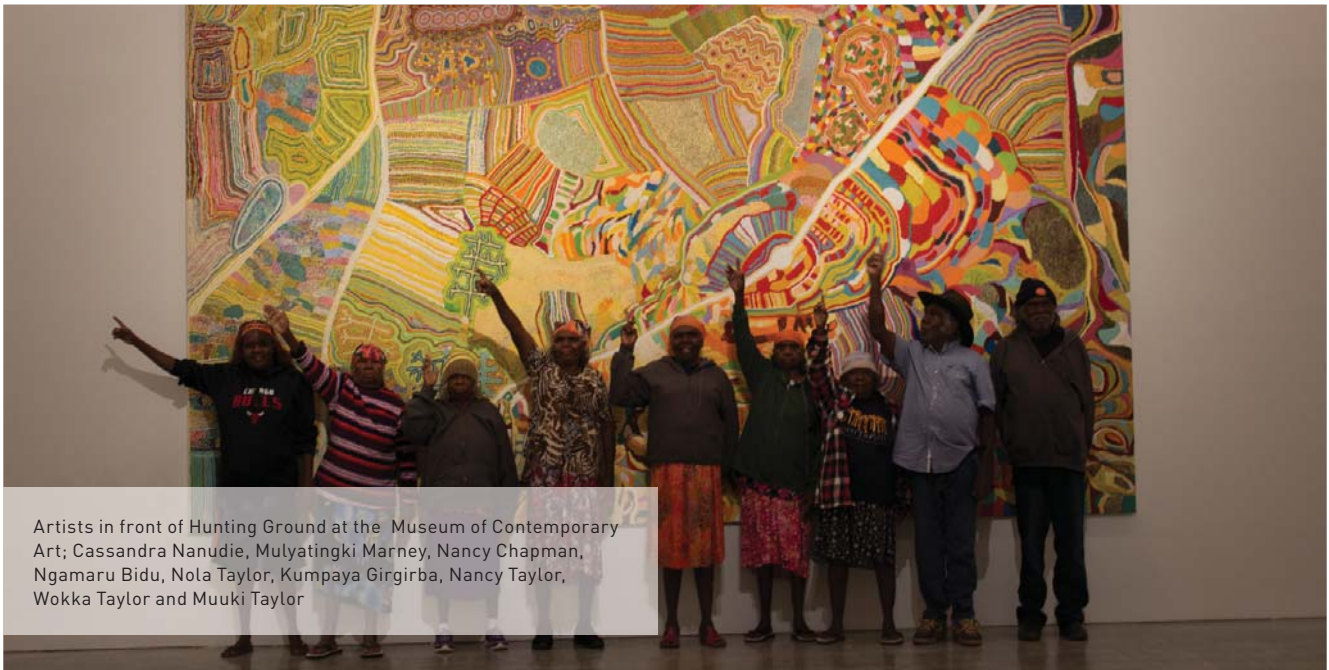


Disability Access and Inclusion Plan 2015-2019

The Disability Access and Inclusion Plan 2015-2019 was adopted by Council 22nd May 2015. We would like to establish a DAIP committee to review, implement and partner with to ensure the outcomes are meeting community needs by December 2015. This financial year the shire partnered with Disability Services Commission and Pilbara Joblink to celebrate International Day of People with Disability to promote awareness and support from the wider community with an inclusive event. The day was celebrated with a dive-in movie at the Newman Aquatic Centre and it will become an annual event. The Shire of East Pilbara will continue to support local initiatives and 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 2015-2019.

<p>Outcome 1: People living with disability have the same opportunities as other people to access the services of, and any events organised, by the Shire of East Pilbara.</p>	<p>The DAIP is included in the Public Events Application forms for all event organisers. Library services throughout the East Pilbara shire have reading materials and have dedicated areas for people with disability ensuring easy access.</p>
<p>Outcome 2: People living with disability have the same opportunities as other people to access the buildings and other facilities owned and/or operated by the Shire of East Pilbara.</p>	<p>All new public building/facilities are accessible for people with disability. Shire of East Pilbara continues to ensure that people living with disability have the same opportunities as other people.</p>
<p>Outcome 3: People living with disability receive information from the Shire of East Pilbara in a format that will enable them to access the information as readily as other people are able to access it.</p>	<p>All Shire documents are being made available in other formats on request.</p>
<p>Outcome 4: People living with disability receive the same level and quality of service from the employees of the Shire of East Pilbara as other people receive.</p>	<p>All Shire employees deliver the same service to everyone regardless if they are a person living with disability.</p>
<p>Outcome 5: People living with disability have the same opportunities as other people to make complaints to the Shire of East Pilbara.</p>	<p>The new Shire Website allows access to make a complaint online or directs members to these services and processes and the website complies with W3C web content guidelines.</p>
<p>Outcome 6: People living with disability have the same opportunities as other people to participate in any public consultation process facilitated or/on behalf of the Shire of East Pilbara</p>	<p>Disability services and groups will be part of the DAIP committee to be established by end 2015.</p>
<p>Outcome 7: People with disability have the same opportunities to obtain and maintain employment with the Shire of East Pilbara</p>	<p>People with disability are offered the same opportunities for employment within the Shire. People with disability are currently employed as staff and will continue to be supported in maintaining their employment.</p>
<p>Outcome 8: The Shire of East Pilbara will undertake initiatives that promote community awareness, accessibility and inclusiveness relating to people living with disability.</p>	<p>The Shire of East Pilbara will celebrate International Day of People with Disability as an annual event and is included in the Event Strategy.</p>



Artists in front of Hunting Ground at the Museum of Contemporary Art; Cassandra Nanudie, Mulyatingki Marney, Nancy Chapman, Ngamaru Bidu, Nola Taylor, Kumpaya Girgirba, Nancy Taylor, Wokka Taylor and Muuki Taylor

Martumili

Over 300 artists in 7 communities, over 50,000kms travelled, 135 days facilitating the production of arts across the Western Desert, and over 1,200 new artworks.

135 days have been spent and over 50,000kms travelled by Martumili field officers facilitating the production of arts in Martu communities across the Western Desert. An additional 105 days were committed to travel and trip preparation.

6 regional, 12 national, 1 international exhibitions, and 3 marketplaces

Participated in 6 regional exhibitions including in Katoomba, Dubbo, Waverley, Langwarrin, Moree and Port Hedland, and 12 exhibitions in cities around Australia including Brisbane, Darwin, Melbourne, Sydney, Perth and Alice Springs.

Inclusion in 1 international exhibition, featuring a Group Exhibition of Martumili work at the Harvey Art Projects USA

Martu artwork sold at 3 art markets in Newman, Perth and Alice Springs, and 1 online Christmas sale at www.martumili.com.au

1 art award and 6 film festivals

Martu artist selected for the Hedland Art Award at the Courthouse Gallery. Bugai Whyoulter was awarded Hedland Art Awards' Best work by an Indigenous artist.

The animated short film by Martu artist Yunkurra Billy Atkins and animator Sohan Ariel Hayes entitled Cannibal Story was selected for 7 film festivals in St Kilda Film Festival (Melbourne) Human Rights Arts & Film Festival (various venues around Melbourne) Oberhausen International Short Film Festival (Germany) Tampere Film Festival (Finland) Boomtown Film & Music Festival (Beaumont, Texas) Human Rights Arts and Film Festival (Northbridge, Perth)

2 artist in residency programs

7 artists participated in a week long residency at the BHP Perth Office alongside the collaborative work Hunting Ground

Billy Atkin's completed 1 week residency at the Christmas Creek site

1 workshop

1 major painting camp organised for Martu artists in addition to regular trips by Martumili field officers and staff. Galliano specialty workshops were completed with artists in Punmu and Kunawarritji

11 Indigenous Employment Opportunities, 17 Volunteer Opportunities

11 Martu arts workers employed for work including one permanent part-time position and 9 casual positions offered in translating, artist support, cataloguing and artist-in-residence work. 17 volunteer opportunities offered in fieldwork, administration support, facilitating arts workshops and assistance in event management.

15 Professional Development Opportunities

3 Martumili Staff, 4 Martu Art workers and 30 Artists were provided access to 15 professional development opportunities in painting techniques, stenciling and portraiture, marketplace presentation and sales, public speaking, and presentation of artist's talks, time management and productivity, website management, artwork documentation and photography, cultural awareness, developing exhibition education packages, Excel software and effective letter and report writing.

Martu – Art from the Far Western Desert

Martu – Art from the Far Western Desert was a very high profile exhibition of Collaborative artwork held at the Museum of Contemporary Art in Sydney. It brought together a selection of collaborative paintings by 29 artists of their Ngurra (Country), a vast area of the Great Sandy, Little Sandy and Gibson Deserts. They depict in intricate detail the desert landscape and its stories, illustrating Martu people's intimate knowledge of the region.



Artists Billy Atkins and Minyawe Miller attending the Martumili Christmas Sale

The award winning exhibition We Don't Need A Map on tour

The highly acclaimed We don't need a map: a Martu experience of the Western Desert exhibition (the result of a highly successful partnership between Martumili Artists, Kanyirninpa Jukurrpa, Fremantle Art Centre and

BHP Billiton Iron Ore) is currently bringing the spirit of the Western Desert to arts centres right throughout regional Australia. The exhibition has embarked on a two year national tour to six regional galleries in Langwarrin (VIC), Katoomba, Dubbo & Moree (NSW), Gold Coast (QLD) and Alice Springs (NT).

Artists participated in the public program and Basket weaving workshops at the We Don't Need a map exhibitions at McClelland Sculpture Park and Gallery in Langwarrin and the Blue Mountains Cultural Centre, Katoomba, Western Plains Cultural Centre, Dubbo and The Moree Plains Gallery, Moree. The public programs are very well attended and always receive positive feedback from both artist and the public.

Karijini Experience May 2015

4 Artists conducted basket making workshops at the Karijini Experience in May 2015. These workshops give the public the opportunity to engage with the artists and learn about Martu culture in a valuable cross cultural exchange.

Revealed 2015

Artist Cyril Whyoulter was selected to exhibit in Revealed 2015, an exhibition that showcases art by emerging Western Australian Indigenous artists across a variety of artistic mediums and with a diverse range of styles. Martumili Staff member Rebecca Macneill was also selected to do a much sought after placement curating this wonderful show.



Miriam Atkins painting at BHP Perth for NAIDOC



Walkway lights on Welsh Drive

Community Safety

The Community Safety Section has responsibility within the Shire of East Pilbara for all aspects of Community Safety, Ranger Services, Emergency Management and Bushfire Management.

The expanded roles and responsibilities and the subsequent opportunities for professional development within the Community Safety Section has led to increased interest in working for Council, to the extent that a full complement of permanent staff has been retained for the duration of 2014 - 2015.

Up until June 30 2015 the Community Safety section had been operational for eighteen months and during that period a number of significant projects have been commenced or completed. The Shire continued to work closely with other agencies such as the Police and developed & implemented strategies which have had some impact on anti-social, inappropriate behaviours and mindless vandalism particularly in those soft target areas such as Miners Promise playground and the Shopping Centre area.

The Community Safety Section will continue working within its four portfolios, with all stakeholders, to identify areas for further development:

Community Safety

There are 34 closed circuit TV cameras throughout Newman, some of which have been upgraded so that they are more robust and vandal resistant these are strategically located. The Community Safety Section works closely with the Police and provided relevant footage to them as requested. It is intended that additional cameras will be installed. Police now have the capacity to monitor the camera feeds from the Police Station on a 24/7 basis, a Policy is being developed whereby Police will be able to download relevant footage immediately.

Council continues to offer a \$1000.00 reward where information from a member of the public leads to a conviction for such things as vandalism, graffiti and public damage.

BHP Billiton provided funding for Council to install walkway lighting along the length of Welsh Drive and Fortescue Avenue walking tracks and also in the exercise nodes on Fortescue Avenue, this project has now been completed and has led to a feeling of greater security in the area and subsequently to a greater take up of physical activity and use of the exercise nodes.

Emergency Management

The Community Safety Section is responsible for ensuring that best practice emergency management is undertaken within the Shire and with this in mind facilitated a number of Local Emergency Management Committee (LEMC) meetings in Marble Bar, Nullagine and Newman where the Local Emergency Management Arrangements were reviewed and confirmation that agency planning for emergency events had been undertaken and tested.

Work continues on the update of the Shire of East Pilbara Emergency Management Arrangements and Recovery Plan and the development of an Integrated Emergency Management Plan (IEMP), which will assist in the identification of assets (public and private) within the Shire, the risk to those assets and how they can be protected during any emergency.

The Local Emergency Management Committees at Marble Bar, Nullagine and Newman have completed emergency risk assessments utilising grant funding received through the "All West Australians Reducing Emergencies" (AWARE) program. These assessments allow for further development of the Local Emergency Management Arrangements and will also inform development of the IEMP.



Ranger Services

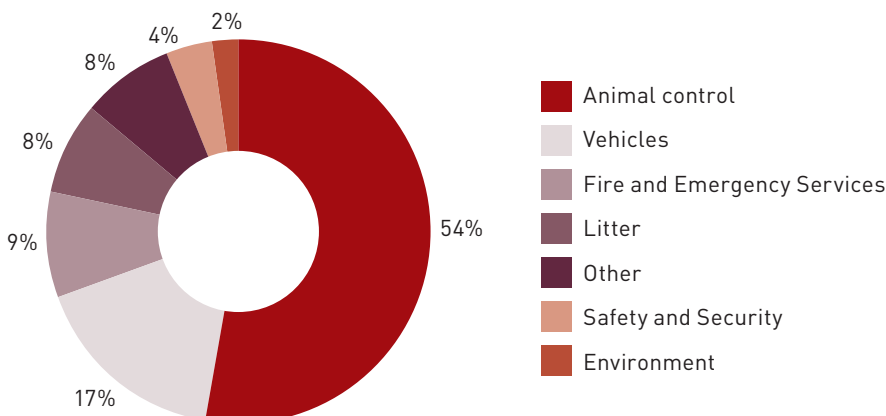
The trend of past years continues with the majority of Ranger time being dedicated to animal control and vehicle complaints. This may be a reflection of the changing population dynamics within the Shire of East Pilbara. Regardless of the cause it appears that people are still not receiving or ignoring the message relating to such issues.

Considerable work has been done to reinforce the pet registration message, given that this is the first year Council has required residents to ensure their dogs are micro-chipped and their cats are de-sexed and micro-chipped prior to registration. There are a total of 1262 animals registered in the Shire, this year 272 dogs and 86 cats were registered for the first time or reregistered.

Illegal dumping and littering issues have not significantly abated despite continuing efforts to lessen such problems.

The graph below identifies the use of Ranger time for the financial year.

Ranger Task Allocation for 2014 - 2015



There has been fall in the number of animals impounded; only 68 dogs were impounded in the year. Due to an increase in the freight cost relating to transporting animals SAFE and Australian Air Express are no longer able to assist in facilitating the rehoming process. This will undoubtedly have an impact on how impounded animals may be dealt with in the immediate future and is likely to have a negative impact on the number of animals that are rehomed from the pound.

Dog attacks are again down this year with 11 Attacks being recorded during the financial year. This continuing downward trend is encouraging but may be due to a decrease in the public reporting of such incidents.

Only 73 infringements were issued in the 2014/15 financial year with the bulk being split between Vehicles and Litter dumping.

Security staff at the Newman Aerodrome were provided significant training in parking control and management during the year. They

have since been given authority under various Local Laws to enforce parking provisions and other Local Government laws.

Bushfires

As is normal within the Shire of East Pilbara multiple fires were detected across the district. Most were only monitored for their potential to impact on assets but several required a response or intervention.

The Nullagine Brigade responded to several fires in and around the town site including at least one car fire. The Brigade has been active conducting fuel reduction burns in and around Nullagine.

The Newman Volunteer Fire & Rescue Service (VFRS) continued to provide vital operational support to the Shire and responded to numerous fires in and around Newman. Given that there is no Bushfire Brigade in Newman the partnership between the Shire and the Newman VFRS developed over the years has proved to be invaluable.

Marble Bar Fire and Emergency Services Unit was also active responding to and monitoring several fires throughout the greater Marble Bar area. Several fires to the North of the town site had potential to impact on town had the weather not provided relief.

Of concern is the number of fires being lit without permits or notification to neighbours, Rangers will seek to improve compliance in this area over the coming year. The re-establishment of a network of trained FCO's throughout the District will also be a focus for the prevention and response aspects of fire management in the coming year.



Community Wellbeing

Community Assistance Grants

In 2014/2015, the Shire of East Pilbara donated nearly \$27,500 to a number of community groups to run a wide range of community activities in the East Pilbara. Organisations who received support were, Punmu Aboriginal Corporation, YMCA Early Learning Centre, Newman Women's Shelter, RSL-Newman, Filipino Association of Newman, East Pilbara Gaelic Australia Association, Newman Thai Community, Veterans Retreats of WA Inc., Newman Motorcycle Club, Newman Junior T-Ball Association, Ngurra Kujunka and the Newman Jetsprint Club.

This Shire Community Assistance Grants program also assisted many East Pilbara community associations with in-kind support such as the waiver of fees for the use of Shire amenities such as ovals, pools and pavilions. Recipients included; Newman Chamber of Commerce and Industry, Marble Bar Primary School, Marble Bar Community Resource Centre, East Pilbara Softball Association, Newman Cricket Association, South Newman Primary School, WA Police Marble Bar, Newman Primary School, St John Ambulance-Newman, Newman Baptist Church, Pioneers Football Club, Newman

Senior High School P&C, RSL Newman, Newman Mainstreet Project, South Newman Primary School P&C, Port Hedland Cadets.

The Shire also provided in-kind and/or financial support to a wide range of community events held throughout the shire including the Fortescue Festival, Outback Fusion Festival, Marble Bar Races, ANZAC Day activities and the Bloody Slow Cup.

At the June Council meeting Councillors resolved to make changes to the Community Assistance Grants Policy and funding criteria. The changes that were adopted are streamlined and 'modernised' to suit the range and concentration of funding applications received in 2014-15.

Community Events

The Shire of East Pilbara was involved in organising many community events in Newman, Nullagine and Marble Bar throughout the year. Highlights of the community event calendar are outlined below.

There were also a number of larger Newman based community events, supported by BHP Billiton and hosted by the Shire held over the last financial year. Examples include the Outback Fusion Festival, the Twilight Movie Series and the Sunday Concert Series, each providing the community of Newman with an array of talented acts and family friendly entertainment, bringing a taste of city cultural life to our remote town.





Lighting of the Christmas Tree

Annual Lighting of the Christmas Tree events were held in the towns of Newman, Nullagine and Marble Bar in December. The Marble Bar and Nullagine events had the support of local businesses offering community BBQs and the distribution of gift bags for the children complete with lollies and toys. In Newman, Santa made a special appearance to hand out gift bags to all the children in attendance followed by the Combined Churches Group Carols by Candlelight followed by a BBQ in the park.

Christmas Lights Competition

The annual Christmas Lights Competition was held with various categories offered for Newman, Nullagine and Marble Bar.

Australia Day Premiers Active Citizenship Awards

Free Community Events were held at the Aquatic Centres in Newman and Marble Bar to celebrate Australia Day 2015 whilst Nullagine held a smaller community event.

In Newman, Shire President Lynne Craigie officiated at a Citizenship Ceremony and the Premier's Active Citizenship Awards. Australia Day Ambassador Stephanie Jackson attended the Newman ceremony to speak on the significance of Australia Day.



Local Premier's Active Citizenship Awards winners were:

- East Pilbara Australian of the Year - Newman: Steve Smoor
- East Pilbara Young Australian of the Year - Newman: Corey Martin
- East Pilbara Community Group/Event of the Year – Marble Bar: Marble Bar CRC
- East Pilbara Australian of the Year – Nullagine: Sharon O'Connor

Newman concluded Australia Day celebrations with an evening fireworks display at Emu Oval.

Harmony Day

Harmony Day events in 2015 were held in both Marble Bar and Newman.

In Marble Bar the celebration was held with a well-attended picnic and shared food by the river, the event was held in collaboration with Marble Bar Community Resource Centre.

In Newman, Harmony Day was hosted on Boomerang Oval by the Shire and Mainstreet Inc. and celebrated with a 'long table of harmony' dinner where meals were prepared by no less than nine different cultural groups, sharing their traditionally prepared meals with all those who attended. The dinner was followed by a screening of short films on multiculturalism presented by media organisation Colourfest.



Welcome to Newman

Following a discussion between BHP Billiton Community Relations Team and Shire President Lynne Craigie, the annual Welcome to Newman event was handed over to the Shire to host with the event continuing with the support of BHP Billiton.

The event was held on 23 April at the Newman Visitor Centre and included the traditional Mount Whaleback mine tour. The event was filled to maximum capacity and there are now plans in place to hold the event bi-annually in the coming year.

Anzac Day

2015 marked 100 years of ANZAC. To commemorate the auspicious occasion, the Shire had special medallions manufactured and distributed to staff,

councillors and all school children throughout the East Pilbara. Shire Councillors, or their representatives, attended commemorative services or special assemblies in Newman, Nullagine, Marble Bar and Jigalong where the medallions were presented to local school children.

In Nullagine, the Shire partnered with WA Police and Millennium Mines where ceremony attendees marched to the Bill Lynas Memorial where there was the traditional laying of wreaths followed by a community gunfire breakfast.

Marble Bar's Anzac Day Ceremony was held at the Marble Bar RSL Memorial Park and included the participation of the Port Hedland based Cadet Corp as part of the Shire arranged commemoration. In the lead up to the ANZAC Day ceremony the National War

Graves Commission in partnership with the family of Walter Ayling installed a headstone acknowledging his service to his country.

Newman saw the annual parade and ceremony hosted by the Newman Returned Services League and supported by the Shire at the War Memorial in the Shire gardens. The very well attended ceremony was followed by a gunfire breakfast and the East Pilbara Army Regiment opened their barracks for further celebration. This year a grant was approved that allowed for a second flag pole to be erected at the memorial which meant the Australian and New Zealand flags were represented at the memorial.

All events were well attended and the Shire will continue to support all memorials across the East Pilbara.





Libraries

Community libraries in Newman, Marble Bar and Nullagine continue to be supported by the Shire.

A new Memorandum of Understanding was signed with the Nullagine Community Resource Centre (CRC) that extends the arrangement of the CRC operating the Nullagine Library on behalf of the Shire by employing a part-time staff member five days per week.

Marble Bar library is situated within the Shire Administration Office Building and continued to be maintained by the Shire's Marble Bar Administration Officer.

Newman Library continued to be formally operated by the Pilbara Institute throughout the last financial year. In 2015 negotiations between the Institute and Shire began on the transfer of the management of the Library to the Shire as the Pilbara Institute confirmed that it would cease to offer a full-time presence at the Newman Campus. With the agreement of the Pilbara Institute and in response to the limited existing staffing options, the Shire employed a casual library assistant to assist with the operation of the Library.

Recreation Services

Newman Recreation & Fitness Centre operates as an all year round indoor facility which also allows access out of hours subject to entry requirements.

The Fitness Centre had an upgrade in May and now consists of a well-equipped Cardio room with the latest equipment from Life Fitness. Dedicated Circuit and Free Weights areas were created and all

the rooms had new flooring and painting. Qualified staff is on hand to conduct personal assessments, programs and PT sessions throughout the day.

The Centre also houses two full size sports courts one of which had a new floor in December, a small Conference room, Performing Arts space, and a modern Crèche zone.

The general public are welcome to come in and purchase protein and sports supplements as well as products from the retail Pro Shop.

Newman Recreation Centre had over 30,000 visitations to its Fitness Centre and services which was an increase of approximately 8,000 on the previous year.

There is an impressive range of classes to participate in. Those of which include Les Mills Body Pump, Body Combat and CX Worx classes and the new small group training program also offered by Les Mills which is the GRIT Series. There is also a number of freestyle classes on offer including Legs Bum and Thighs, boxing and Boot camp. At the end of the year a women's only circuit class was introduced into the newly refurbished circuit area. We also hosted a Les Mills Body Combat training weekend which had a successful outcome of three new Combat Instructors

For the children Funky Movement started this year and has attracted an average of 23 participants per class across two age ranges. This is a balance and agility based class building on children's cognitive learning.

The Crèche is well utilised by casual visitors and members alike.

Casual games of badminton, basketball, indoor soccer and futsal continue to operate and Hapkido and Tae Kwon Do also run from the Centre with Tae Kwon Do being well supported by the community.

Competitions for indoor sports continued this year with Indoor Basketball running for a 10 week season with approximately 140 participants. A Basketball umpire's clinic was also successfully held at the beginning of the season.

The Centre is available for hire all year round and continues to be used for a variety of special activities. This year's events saw the hosting of the annual International Women's Day, Thai Night, Lions Club Fortescue Ball, and the BHP Billiton Long Service Awards; Community Careers Expo; Filipino Independence Day Ball and the Newman Mainstreet Markets. Both Newman Primary and South Newman Primary School also used the Centre to host the Year 6&7 Graduations.

Newman Recreation Centre also hosts junior sport sleepovers including Port Hedland Taekwondo Club, the V-Swans talent camps in conjunction with Newman Senior High School as well as Perth Bayswater Junior Rugby Club who played against our Newman team for the annual Bloody Slow Cup junior game.



Youth Services

The Newman Youth Centre continued to offer a great range of opportunities for young people to participate in community life including regular arts and crafts activities, photography workshops, skate coaching clinics, excursions to Karijini National Park and Port Hedland and contributing to the planning of youth related event such as National youth Week.

In late 2014 Newman Youth Centre established a café space 'That Place' which caters to young people aged 13-17 years of age. This newly extended service to Newman Youth Centre offers a drop in café style space for young people to interact with each other. That Place provides opportunities for a narrower age-specific group of young people to be involved in programs, activities and community events. The new service is a fun and safe environment for the target group to enjoy and make their own. That Place café also provides a menu chosen by young people where they can purchase affordable snacks such as toasties, noodles, shakes, nachos and more.

During the past year Newman Youth Centre has facilitated skate boarding clinics where professional coaches from Perth work with local skaters to enhance skate, scooter and BMX skills, talents and safety in the East Pilbara. To add excitement a number of in-house mini skate competitions were run on a weekly basis throughout the year.

In the past twelve months the Youth Centre has employed four young people who were all enrolled in Newman Senior High School. The Youth Engagement Officers work on a rotating weekly roster and actively engage with the Centre's clients along with assisting in the daily operations of the Centre.

The Newman Youth Centre also conducted a survey seeking young people's interests and ideas relating to events and activities celebrating National Youth Week 2015. As a result Newman's first National Youth Week Festival was held at Boomerang Oval in April. The event was a great success, run over two sessions, the first catering to primary school children and later to high school children. Activities included a three man slide, bucking bull, bungee run, free food and entertainment by a local DJ.

Marble Bar Recreation Shed was open for a range of youth friendly activities throughout 2014-15. Opening five days per week the shed delivered activities including self-development, sport and recreation, healthy lifestyles, art and craft and a drop-in zone. Other activities that have been run through the Recreation Shed have included Movie Nights, Table Tennis Competitions and WA Music Workshops.

In May the new purpose built Skate Park situated next to the Recreation Shed was opened. Skate Clinics with instructors attending from Perth were held within days of the skate infrastructure arriving in Marble Bar.

Disability Access and Inclusion Plan 2015 - 2019

In May the Council adopted the Shire's new Disability Access and Inclusion Plan which was subsequently lodged with the WA Disability Services Commission.

The Disability Access and Inclusion Plan outlines the Shire's strategies to provide equitable access to people of all abilities to all of the Shire's buildings, events, functions and services.

Art at the Heart

In December year two of the four year East Pilbara artist and residence program, Art at Heart kicked off. The Art at the Heart residency is a four year commitment by the Shire to celebrate and develop the arts and cultural landscape of the East Pilbara. With a commission budget of \$40,000 and an artist prize of \$15,000, the Art at the Heart residency is one of the richest of its kind in Australia.

Over 300 artists from throughout Australia and overseas responded to the call for expressions of interest from our program partner, Archipelago Arts. 32 artists formally lodged applications and after a demanding selection process, acclaimed Japanese artist Yasuaki Onishi was selected as the residency prize winner. Yasuaki will take up his residency in the latter half of 2015.



Aquatic Services

Newman Aquatic Centre is an all year round tropical oasis in the heart of the outback mining town of Newman. Amongst the shady palms and spacious green lawns the centre features shaded pools including a crystal clear 6 lane Olympic sized 50 meter pool and toddler's splash pool.

A kiosk and pro swim shop will provide you with your summer needs including hot food and cool drinks with the latest swim equipment for sale.

Have a game of beach volleyball, shoot some basketball hoops or just come and relax and enjoy the free BBQ facility.

Wheelchair friendly, hire of pool inflatables, locker hire and changing rooms with hot showers all made available to our patrons.

Some of the highlights from last year included:

- Total number of patron visits to Newman Aquatic Centre from 1st July 2014 to 30th June 2015 was 38,334.
- Annual Swimming Carnivals were held for Newman Senior High School, Newman Primary School and South Newman Primary School. Cotton Creek, Nullagine and Jigalong remote community schools also visited the centre for recreational use.
- Other events included the Newman Community Triathlon, Royal Life Saving Society 'HAVE A GO DAY', Australia Day Celebrations, Virtual Rottnest Channel Swim, BHP Christmas Party, Martu Christmas

Party, Easter Family Fun Day, Swim School Open Day. A number of aquatic Olympians visited including Lisle Jones as part of the Regional Community BHP 'Billiton Aquatic Super Series' Event.

- The SoEP teamed up with Disability Services Commission and Centrelink to host a movie night to raise awareness for International Day of People with Disability.
- A large number of community groups continue to use the centre including Newman Amateur Swim Club 'The Ore'cas', The SoEP Youth Centre, and YMCA. Newman St. John Ambulance Volunteers used the center for training sessions and the centre also still remain the number one place in Newman to hold children's birthday parties.
- Newman Aquatic Centre continued its affiliation with the Royal Life Saving Society as an endorsed Learn to Swim School and 'WATCH AROUND WATER' recognised aquatic centre. Newman Aquatic Centre is the only facility in the Pilbara to offer the Infants Aquatics, Swim and Survive, Swim for Fruit and Junior Lifeguard Club programs.
- Marble Bar Swimming Pool is also an endorsed 'WATCH AROUND WATER' recognised aquatic centre.
- Newman Aquatic Centre was awarded an endorsement certificate from the Water Corporation on the 'Water Efficiency Management Plan' and is now an endorsed 'Water Wise' centre.
- The RLSS/ Healthway 'SWIM FOR

FRUIT' program continued to run at both aquatic centres with the indigenous youth. This was featured in the official journal of Leisure Institute WA Aquatics. Participants of the Marble Bar 'Swim for Fruit' program recorded over 1,000 swimming laps.

- A number of national recognized public community courses were run including Bronze Medallion, Teacher of Swimming and Water Safety, Infant Aquatics, Resuscitation and Pool Lifeguarding.
- All Swim Teachers are AUSTWIM members and qualified Learn to Swim Instructors with 'Working with Children Checks'.
- All Duty Aquatic Officers are Leisure Institute of Western Australia (LIWA) Members and all other staffs have a minimum qualification of Applied First Aid, Bronze Medallion and Pool Lifeguard.





Newman Townsite

Transport Infrastructure

Newman Townsite Maintenance Team delivers services to keep the town streets and drains good and safe condition for the Community.

Town Roads

Infrastructure Type	Length
Town Streets – Sealed	40km
Town Streets – Road kerb	80km
Town Pathways	71km
Town Piped Drainage	12km
Town Open Drains	14km

Asset preservation works are scheduled to maintain the integrity of road and path network and included road crack sealing, asphalt resealing and concrete works for path and road kerb repairs plus spraying and vegetation removal in the open drains.

Pathway and Road Kerb Construction/Replacement

A total of 2400 m2 street pathway and 2.15 km of kerb works were completed across the various streets in Newman as listed;

- Mindarra Drive (South)- In front of Newman Hospital and near Hilditch Drive intersection up to Rudall Avenue intersection.
- Culldora Street (South and North mix)- From Forrest Ave intersection to the bottom of street.
- Less Tutt Drive (West)- From Kurra Street intersection to the bottom of street.
- Newman Drive (South)- Near Hilditch Ave intersection.
- Also, various small to medium range concrete works at Bondini Dr, Welsh Dr, Bareside Dr, Jabbarup Cr and Giles Avenue.

Open Drain and Drainage Maintenance

Throughout 2014/15, a number of major open drains were cleared (vegetation removed) and sprayed. The shire Newman depot staff was involved in the following major cleaning and spraying activities;

- Mindarra Drive/Newman Drive (N/W)- In front of the shire office, through back of Ambo to Nyabalee Street/Stuart Street/Willara Street to Kurra Street open drain.
- Laver Street (East)- From Welsh drive intersection to the bottom of street.
- On top of above mentioned major jobs, various small to medium scaled cleaning and spraying and culvert and stormwater pits cleaning works were carried out at various streets.

Road Works

Federal Blackspot funding obtained in 2013/14 has allowed for safety improvement works on Kalgan Drive and Newman Drive. The scoping and design documentation was completed in 2014/15 with works scheduled to be completed in December 2015.

Depot based town crew also remain focused on a number of day-to-day town maintenance activities like potholes fixing, removing trip hazards, cleaning rubbish to maintain the amenity of the town to the expectations of the community.

Other Asset preservation works that were undertaken, included Asphalt reseals in the following roads and areas, Brockman St, Brown St, Culldora St, Jabbarup Cres, Warrambucca Cres, Nyabalee St, Les Tutt Dr, Shire office carpark, St Johns Ambulance Carpark.

Works Requests

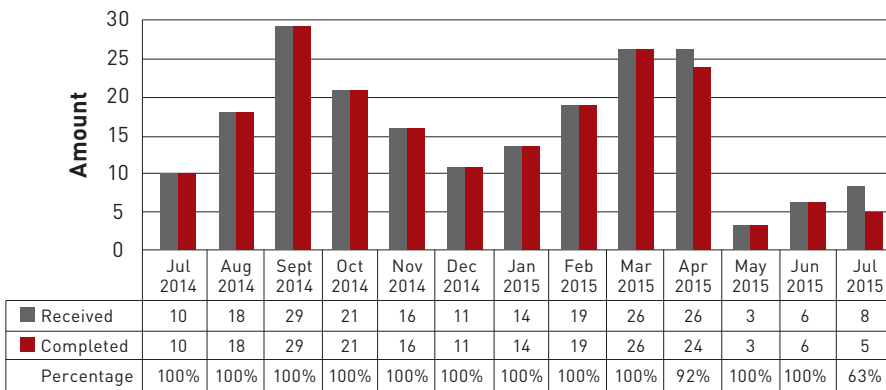
Council aims to be responsive to ratepayers' requests for minor improvements and fault rectification through a recorded works request system. The Shire "works request" system tracks customer service requests from the initial report through to completion of the request.

The works request register allows staff to quickly categorise and prioritise requests.

This provides for an appropriate response in an efficient and timely manner. Requests vary dramatically and can be minor in nature from sweeping a path to major road works/drainage



Work Requests July 2014- June 2015



which needs future budget funding to emergencies such as flooding, oil spills and vandalism. Unresolved issues are monitored until a satisfactory resolution has been reached.

The system is continuously assessed to improve the level of service and response to the Shire's customers.

Recreation, Parks and Ovals

The shire maintains 12.5 hectares of active ovals and playgrounds in the Newman Townsite which is kept green by the dedicated parks team and over 8kms of irrigation pipe. As part of the shire's water conservation measures we utilise recycled water for irrigation of the majority of areas and are trialing subsurface irrigation to further reduce water usage.

Over the 2014-2015 year the Parks and Gardens team have completed mulching of all parks, major verge and drainage slashing and spraying, replanting of parks and streetscapes, repairs to all playground within town and we have implemented a maintenance program for all parks and reserves for fertilising,

wetta-soiling, topdressing, renovating, spraying and general maintenance.

New parks that have been Landscaped and handed over to Parks and Gardens are Dingo Park, Mindarra Park and Town Centre Streetscapes.

Irrigation upgrades with town have been completed in Boorthana park, Boomerang Oval, Youth Centre, Shire Office, Aquatic Centre external garden bed, Daniels Drive

trees, Dingo Park after soft fall installation and SOEP Nursery. We have also recommissioned the pump to Iron Ore Pde, redirected the mainline that went under the cricket wicket on Emu Oval, upgraded the wiring system to East Newman Subdivision Stage 1b – 3b and cleaned up along the reuse pipeline for repairs to the recycled water pipeline.

Waste Management and Recycling

The Shire of East Pilbara supports the states minimisation strategy and continues to progress activities in this area. This includes segregation of waste at the Newman Landfill Site and the ongoing kerbside collection of recyclables in the yellow bin.

The Materials Recovery Facility (MRF) continues to be developed with the Shire successfully obtaining a \$123,000 grant towards the completion of the facility which is expected to be operational in early 2016.

Waste Category	Waste Type	Weight Tonnes
One	Mixed Municipal Waste (Wet)	5685
Two	Kerbside Recyclables	288
Three	Greenwaste	693
Four	Car Bodies	recycled
Five	Steel Products	recycled
Six	Construction and Demolition Waste	9045
Seven	Commercial& Industrial	8039
Eight	Asbestos	270
Nine	Tyres (see below)	120
Ten	Medical	28
Total	Landfill Tonnage	24168
Total	Liquid Waste Tonnage	34,965

Source: SEP Gate receipts converted using standard conversion factors.



Liquid Waste

The Shire operates a liquid waste facility within the Newman Landfill site where licensed controlled waste contractors dispose of waste collected in and around the Pilbara region. The facility has 4 clay lined ponds which utilises a natural three treatment (aerobic, facultative and anaerobic) system to process the septage. This has recently been added to with two aerator pumps to support the

process and maintain consistency of the treatment. Previously the facility was designed for less than 100,000 litres per day but with another pond built a couple of years ago the capacity has increased to up to 250,000 litres per day. As can be seen from the graphs the shire processed just over 40 million litres in 2014/15 which has provided an income of just under \$4 million. The facility provides an important service to the region and provides steady income to the Shire of East Pilbara.

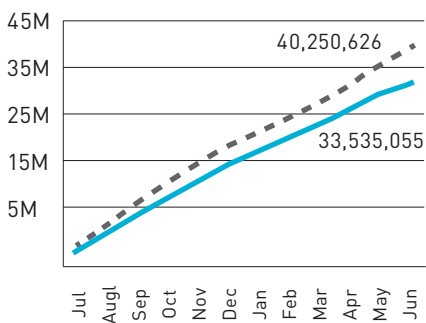
produce a treated effluent (water). The water is chlorinated and used for reticulating the sportsgrounds and a number of community organisations grassed areas (e.g. Lions Animal Park).

The facility is one of a few mechanical wastewater treatment plants in the State and when first installed by BHP it was designed for a nominal town population of around 9,000.

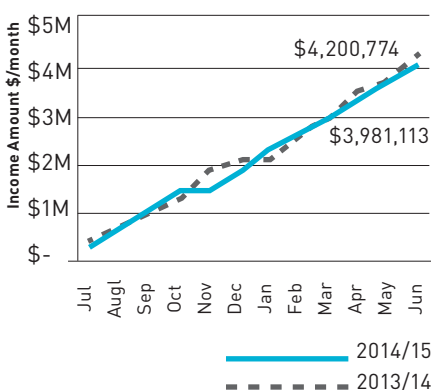
The Shire receives a financial contribution from the Water Corporation and the balance of funds from a levy raised against Newman properties.

The operating expenditure has been increasing with the increase in population and a program of capital improvements has been ongoing to ensure reliability and compliance with environmental and public health licensing requirements.

Septage Pond - Intake



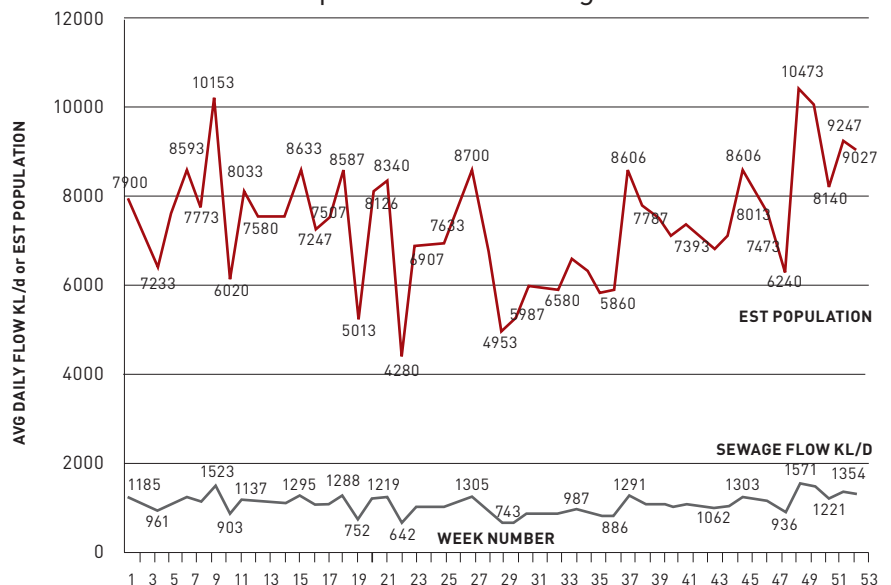
Septage Pond - Income



Waste Water Treatment Plant (WWTP)

The Waste Water (Sewerage) treatment plant is owned and maintained by the Shire. The facility receives untreated sewage from the Water Corporation deep sewer network and treats it to

Newman Population and Sewage Flows 2014-2015





The WWTP is critical infrastructure for the community as it not only treats Townsite sewerage, but value adds by producing recycled water which is used to irrigate town ovals, parks and gardens. This can be up to 900,000 litres/day.

To ensure the facility can process the waste water to a high quality 'Class A' recycled water, the Shire funded \$2 million in 2014/15 to build a new clarifier (does final treatment to produce class A water) and electrical upgrades to automatically monitor and operate the 'Orbal' (does primary treatment of sewerage).

There is a standard calculation that relates discharge to population in town on any given day and that is reflected in the graph that shows inlet flow to the Waste Water Treatment Plant from 1 July 2014 to 30 June 2015.

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 four maintenance graders servicing Council's extensive remote road network and a contract 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. Contract graders are utilised to conduct maintenance grading operations in remote areas servicing the access roads to the Communities of Punmu, Kunawarrtiji and Kiwirrkurra. The maintenance grading budget for the 2014/2015 financial year was \$1,778,400 with actual expenditure coming in under at \$1,359,000.

The construction program for the 2014/2015 was funded from the federally funded Roads to Recovery program as well as State funding administered by Main Roads Western Australia. There were no significant wet weather events as a result of tropical cyclones or tropical lows which impacted the road network hence no flood damage reinstatement costs were expended and or claimed under the Western Australian Natural Disaster Relief and Recovery Arrangement (WANDRRA) during the 2014/2015 financial year.

Additional funding was released and made available to Council through the Roads to Recovery Program for Aboriginal Access Roads in Western Australia. As a result Council commenced the remote access roads

improvement program in the fourth quarter of the 2014/2015 financial year. The additional funding has greatly improved road access to our more remote residences in the Western Desert region including the Communities of Kiwirrkurra, Kunawarrtiji and Punmu.

The capital improvement and renewal program covered the following roads in the 2014/2015 budget:

Aboriginal Access Roads

Kiwirrkurra Access Road	\$153,000
Punmu Access Road	\$625,500
Talawana Track	\$177,000
Jupiter Well Access Road	\$94,000
Desert Road	\$200,000
Kunawarrtiji Road	\$604,500
Jigalong Road	\$529,700
Total	\$2,383,700

Rural Roads

Marble Bar Woodstock / Hillside Road	\$300,000
Boreline Road	\$402,600
Goldsworthy Road	\$402,597
Woodie Woodie Road	\$461,666
Balfour Downs Access Road	\$302,600
Total	\$1,869,463

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



Environmental Health

Developmental Services Health

1. Environmental Health Projects

1.1. Strategic: Public Health Plan

The Shire's Public Health Plan was adopted by council in October 2014. This plan has identified 6 major Priority Areas as informed by a shire wide consultation exercise with workers, community members and agencies involved in one way or another with the delivery of public health services.

The six Priorities are:

- Obesity and healthy food options
- Mental health
- Alcohol and drugs

The Public Health Implementation Plan is now complete and has been funded to commence in the 2015/2016 financial year

1.2. Operational: Mosquito Management Program

The Shire's Mosquito Management Plan was adopted by Council in October 2014. This plan was adequately informed by a scientific research which identified and documented breeding habitats, species prevalence and seasonal productivity. The following objectives will define and make up the activity focus for the coming year,

Sentinel Chicken Surveillance Program

The Shire has continued to actively participate in the Department of Health (WA) sponsored sentinel chickens surveillance program run in conjunction with the University of Western Australia's Arbovirus laboratory. Blood samples from the 2 chicken flocks located at the Ophthalmia Dam and the Shire depot are collected

A summary of the Sentinel Chicken Surveillance Program is shown below:

Accumulated Summary of the Flavivirus Surveillance program 2013-2014

Month	Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		Jun		Total	
	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	Bled (n)	Positive (+ve)
Ophthalmia Dam	16	0	8	0	16	0	16	0	12	0	12	0	24	0	24	0	24	0	24	0	24	1	11	0	211	1
Shire Depot	20	0	10	0	20	0	20	0	12	0	12	0	24	0	24	0	24	0	24	0	24	0	24	0	238	0

Accumulated Summary of the Flavivirus Surveillance Program 2014-2015

Month	Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		Jun		Total	
	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	n	+ve	Bled (n)	Positive (+ve)
Ophthalmia Dam	23	1	14	0	7	0	12	0	24	0	24	0	22	0	11	0	22	0	22	0	22	0	31	0	234	1
Shire Depot	24	0	24	0	12	0	12	0	24	0	24	0	24	0	12	0	24	0	24	1	22	0	33	0	259	1

Two samples out of 449 samples collected sero-converted (tested positive) for Kunjin and MVE virus activity during the 2014/2015 year as compared to 1 sero-conversion out of 493 samples in the 2013/2014 year. These statistics provide anecdotal evidence of the effectiveness of the Shire's mosquito management program, but will require targeted evaluation to confirm this relationship



on a fortnightly basis and sent to the laboratory to be tested for viruses such as those causing Ross River, Kunjin and the deadly Murray Valley encephalitis in man. Once positive results are retained from these samples, the Department of Health in conjunction with the Shire will send out a public health warning to the residents and tourists advising them to take precautions against mosquito bites. Medical personnel and facilities are also advised to keep an eye on possible cases presenting with symptoms for these mosquito-borne diseases. These heroic chickens play a critical behind the scenes role of defending the shire residents and visitors from mosquito borne diseases.

Mosquito Larval Control program

The Shire conducted regular larviciding of the mosquito breeding habitats identified in the Mosquito Baseline Survey and articulated in the Mosquito Management Plan. This activity was regularly conducted in Newman, Nullagine and Marble Bar. Positive feedback has been received from the community, especially in Marble Bar following the commencement of this program.

1.2.1 Progress report on the Marble Bar integrated Mosquito control project

This project incorporated the use of mosquito slayers as shown in the image below, as well as targeted treatment of septic tank systems in Marble Bar and larviciding of the identified breeding habitats in and around the town. The mosquito slayers have continued to trap and kill large populations of the adult female mosquitoes which are responsible for biting humans and animals as they go in search of a blood meal, in the process occasionally transmitting mosquito borne diseases. Community feedback regarding this program has been quite positive. The Shire is planning to conduct a program evaluation of this project during this financial year. The interest shown by other local governments and mining companies operating mining camps in this project has been significant.

Newman Wetland Mosquito Control Program

The wetland lying north of Newman town and close to the BHP Eastern Ridge gatehouse is by far the biggest

and challenging mosquito breeding habitat close to the town. A collaborative approach with BHP in October-November 2014 saw a 24/7 operation being undertaken by BHP to clear the wetland area (4hectares) of reeds to facilitate the access of the site by the shire mosquito control team. The site was treated with long acting ProLink briquettes and has been incorporated into the routine mosquito control program.

Focus areas for the 2015/2016 Mosquito Control Activity

1. Evaluation of the effectiveness of the current control programme
2. Purchase of external expertise to review existing management programs and provide recommendations to enhance mosquito control;
3. Implement public awareness campaigns and the Fight the Bite communication campaign with funding from the Department of Health (WA)'s Funding Initiative for Mosquito Management in Western Australia (FIMMWA) 2015-2015 program





1.3 Operational: Food Safety Programs

During the 2013-2015, the Shire's Environmental Health Unit provided expert guidance and assistance to the facilities falling within the category of food businesses captured under Standard 3.3.1 (Food Safety Programs for Food Service to Vulnerable Persons) of the Australia New Zealand Food Standards Code (the Code).

100% of the food businesses assisted have developed and implemented their food safety management plans which comply with the Food Act 2008 (WA).

Verification of these food safety programs and auditing of the same is planned for the second half of 2015/2016.

1.4 Operational: Tobacco Control

The Shire's Environmental Health Unit managed to secure funding from the Public Health Advocacy Association of Western Australia (PHAA) to install no smoking signs at children's' play areas. The objective of this project is to reduce the exposure of children to second hand smoke and also to raise community awareness and increase compliance. The second phase of this project will be a wider community awareness campaign as part of implementing the Public Health Plan.

2. Regulatory Compliance and Control

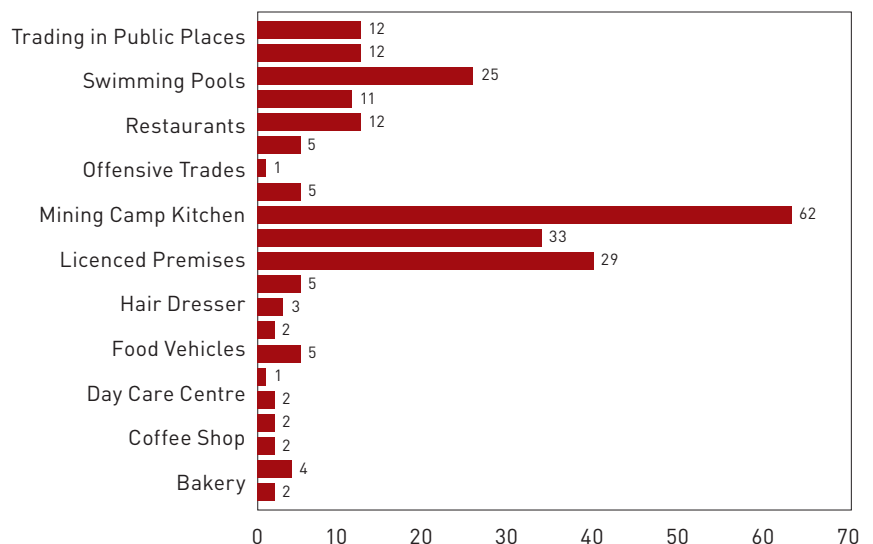
2.1 Food Safety Management

The total number of food businesses registered in the Shire (95) is shown in the table below, arranged by their risk ranking. The number of high risk food premises dropped from 68 to 37 following the sustained closure of a number of mining camp kitchens and the reassessment of the risk rating based on satisfactory food safety assessments during the 2013-2014 year. This trend

was the same with the medium and categories, with a minor reduction in the number of the low risk food premises.

A total of 68 onsite food business assessments to check for compliance with applicable food safety standards were conducted. This equates to about 1.25 inspections per week, falling short of the required number of inspections as shown by the last column of the table below. Staffing issues as well as access during the wet season remain a challenge to achieve the required target.

Risk Classification	Number of Businesses	Routine inspections	Premise coverage	Proportion of required number
Low	17	4	23.5%	23.5%
Medium	29	10	34.5%	17.2%
High	69	39	56.5%	14.1%
Total	115	68	Ave 59%	(Equivalent to 1.25 inspections a week)





SOEP Health Premises by Principal Activity

The number of health premises in the Shire continues to be dominated by remotely located mining camps (62), which tend to contribute immensely to the high risk premises requiring at least 4 inspections per year as per the requirements of the Western Australia (WA) Priority Food Business Risk Ranking Matrix. Staffing challenges have forced the Shire’s Environmental Health Unit to reduce this frequency to at least 1 inspection per year.

Focus for the 2015/2016 year

- The Environmental Health Unit will continue to rely more on the risk based health premises assessment approach in an effort to strategically and effectively use available staff to achieve its goal of ensuring compliance and public health safety for all in the shire.
- The results of health premises assessments conducted during the year have shown the need to improve the general awareness of food business owners in as far as their legal responsibilities and duty of care to their customers go. The inadequacy of pest control and maintenance of health premises has also been a significant finding. The Environmental Health Unit is planning to host 2 environmental health workshops for health premises owners during the 2015/2016 year to discuss and share ideas and information on best strategies to address these anomalies.

- A consultant relief staff will continue to be engaged to conduct assessments of remote health premises as well as back fill for 1 FTE EHO who is on maternity leave.

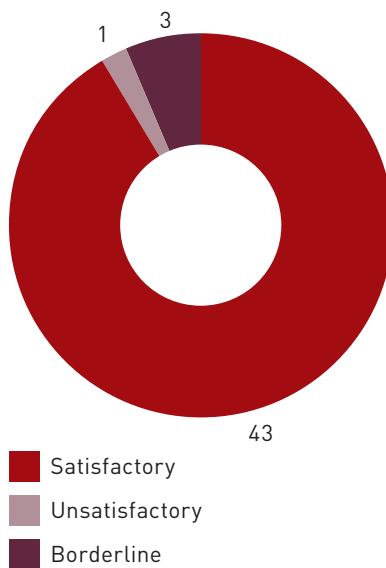
2.1.1 Food sampling and Environmental Swabbing

The Environmental Health Unit successfully implemented a robust food sampling and environmental swabbing of food premises program to evaluate the effectiveness of sanitation and hygiene programs in ensuring that the food prepared and served to the public is safe. About 92% of the swabs collected were satisfactory. About 29% of the food samples collected and tested for Total Viable Count, E. Coli, Salmonella and Listeria monocytogens came out unsatisfactory. These results were used

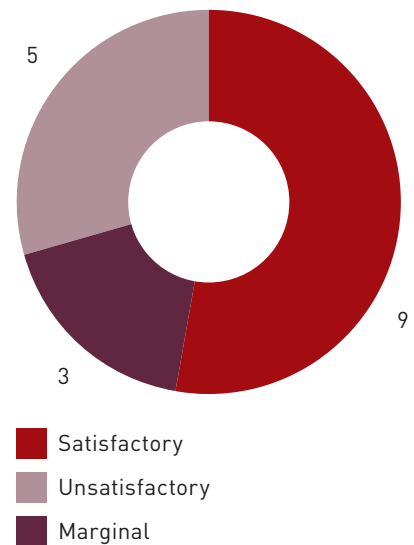
to educate the food business owners on corrective actions required to achieve compliance. The summary results for this program are shown below:

LHAAC Coordinated Food Sampling

The Shire of East Pilbara was commended as one of the regional shires that has been able to successfully and consistently participate in the coordinated food sampling programs initiated by the Local Health Authorities Analytical Committee (LHAAC) The sampling programs target high risk foods and public health issues as well as areas of non-compliance from historic sampling results.



Swab Results: Total Viable Count, E. Coli, Salmonella (n = 47)



Food Sample Results: Aerobic Plate Count, E. Coli, Salmonella, Listeria (n =17)



2.2 Trading in Public Places

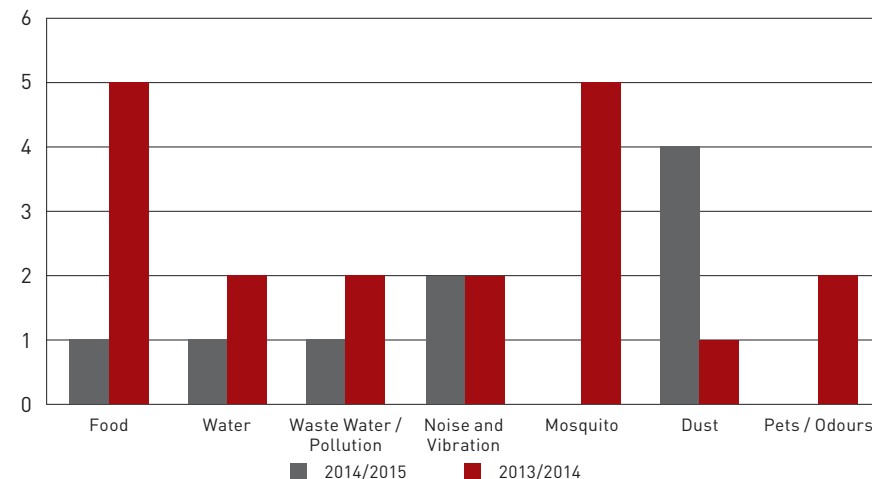
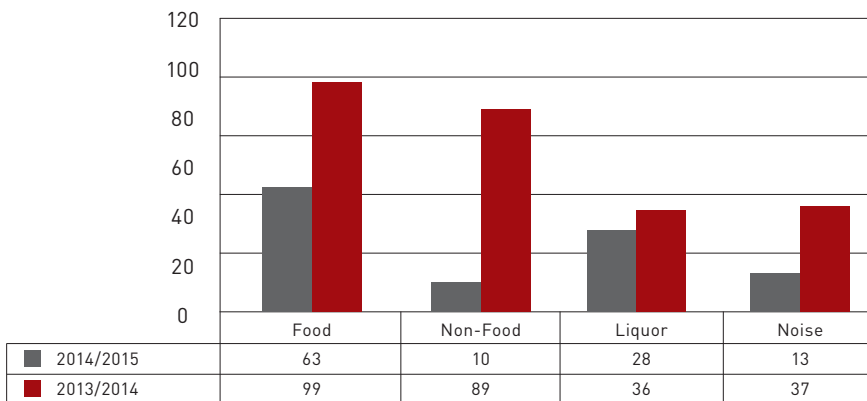
A total of 114 permit applications were received and processed during the 2014/2015. This was only 47% of those processed during the 2013/2014 year. This reduction may be attributed to the slowdown in the mining activity in the town which saw a significant reduction economic activity during the financial year under review. A summary of this data is presented below.

2.3 Public Health Complaints

The unit continued to receive and attend to public health complaints from the public. These complaints are closely monitored to because of their invaluable feedback regarding the level of service being delivered to the community. A summary of the public health complaints received and attended to is shown below. The notable increase in the number of food, mosquito, water, waste

water pollution and pests and odours could be related to the increase public health education program implemented by the environmental health unit as part of its mosquito management plan and the public health plan, since more information is being disseminated to the community via pamphlets, meetings, social media and consultation sessions conducted as part of the development of the public health plan. The data on public health complaints received and handled are shown below.

Permit Applications Processed 2013/14 and 2014/15

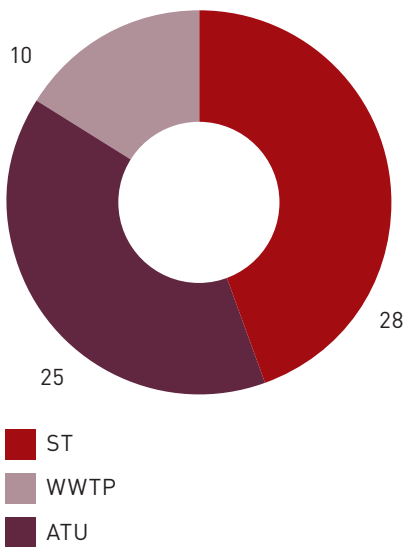
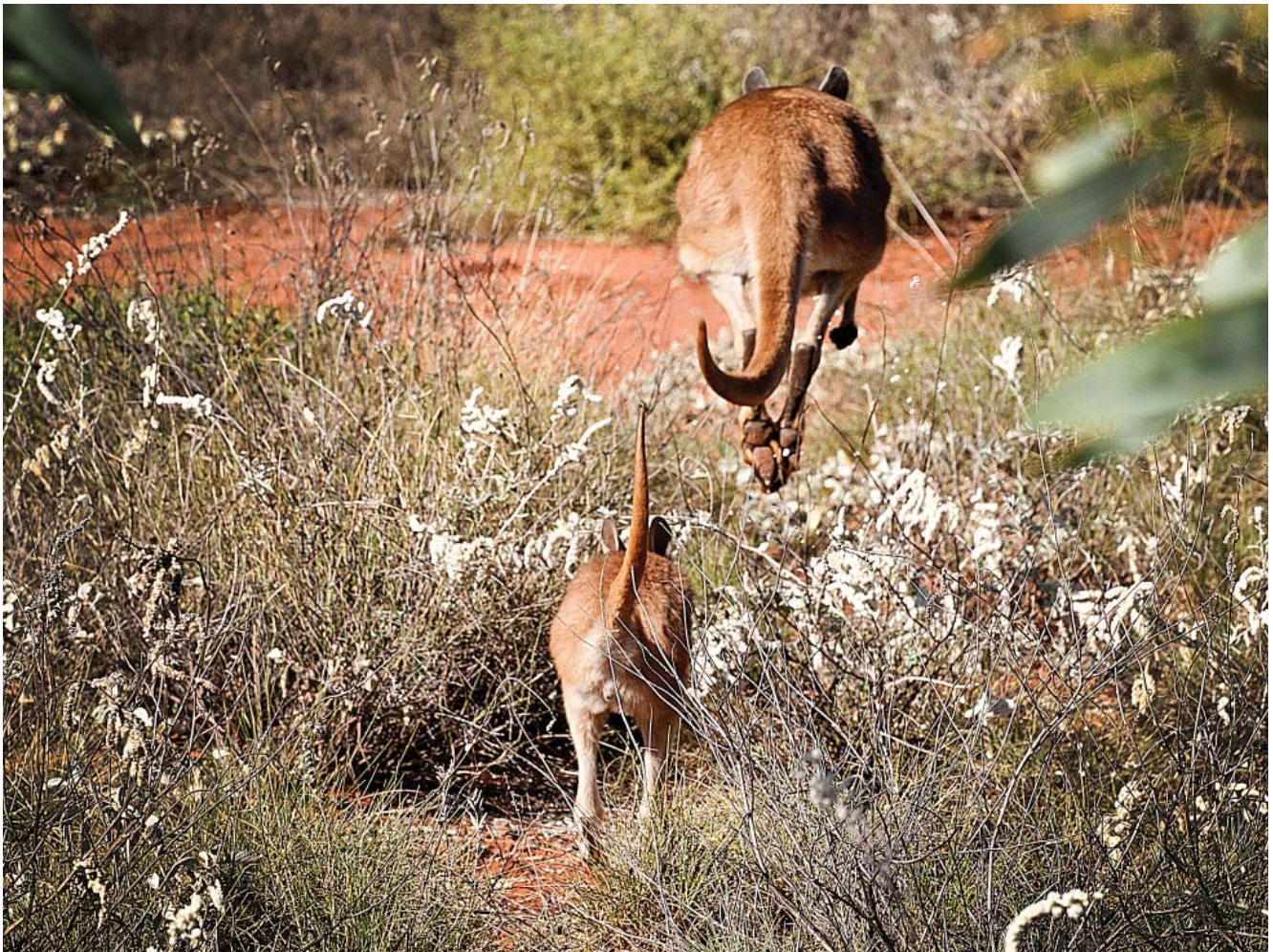


3. Water Quality management

3.1 Potable Water

3.1.1 Liquid waste disposal

Septic Tanks and Waste Water Treatment Plants: In accordance with the requirements of the The department enforced the requirements of the Health (Treatment of Sewage and Disposal of Effluent and Liquid Waste) Regulations 1974, the environmental health unit received and processed a total of 63 applications for the installation of waste water treatment systems (WWTP), Alternative Treatment Units (ATU) and Septic tank systems (ST). This was almost the same as the numbers received and processed in the 2013/2014 year. The data below shows the details and distribution of the applications received and processed during the year under review



3.1.2 Recreational Water monitoring

Recreational waters are monitored to ensure that the bacterial and chemical levels are within national guidelines and are safe for swimming and recreational activities. There were no reportable issues for Newman town site pools while regional pools returned some positive results for Amoeba. Mitigations were implemented forthwith and the results of the final half of the year were consistently compliant.

4. Health Promotion and Management

The department set out a goal at the start of the year to implement strategies that would lower the incidence of disease such as vector borne and food borne illnesses. The methodology employed was of tactical information dissemination campaigns through target audiences such as school children and community groups. The outcomes of the pursuit are yet to be evaluated and reported on. Challenges to this methodology included lack of a local news platform, which the department sees as an opportunity for development of a newsletter and a brand specific to Environmental Public Health Activities.

4.2 Noise Pollution and Control

The department continues to monitor and control After-hours construction activities which have the potential or may inherently emit noise pollution by ensuring that appropriate permits are issued and Noise Management plan stipulations are adhered to. A total of 32 applications were processed for construction activities in and around Newman alone which represents a 42% increase in the number of applications

submitted compared to the previous financial year. This may be attributed to an increase in awareness for the requirement to obtain a permit as well the increase in development and construction projects in residential areas.

4.3 Hazardous Materials Management

No materials were handled or analyzed in this financial year.



Development and Regulatory Services

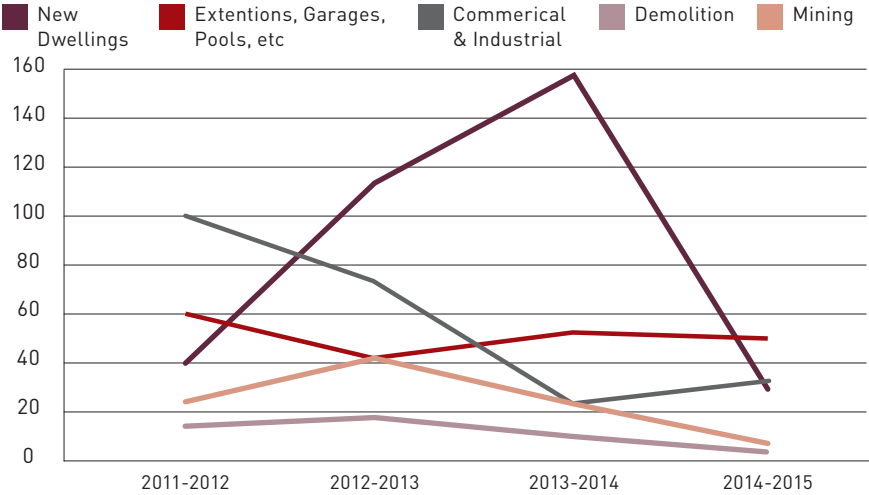
Building

With the ending of the 'boom' years, the 2014/15 financial year has seen a dramatic decrease in residential development compared to the previous year. 24 approvals for new dwellings were issued down from a peak of 146 new dwellings last year.

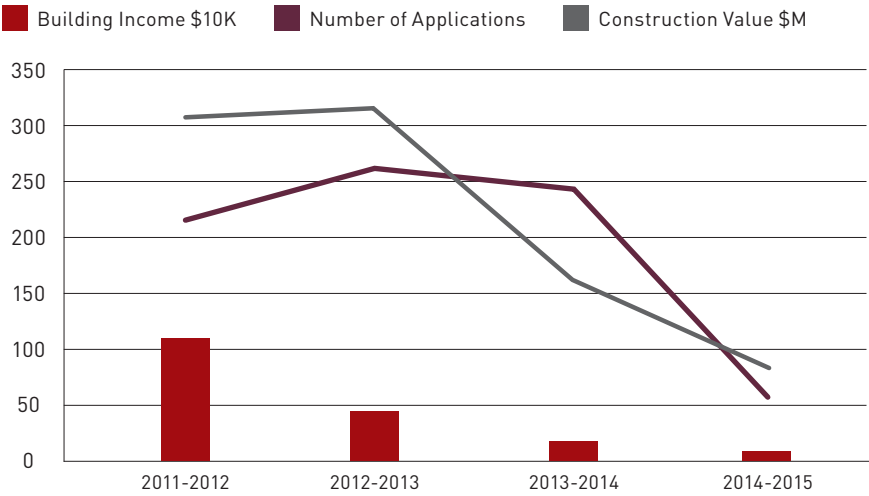
Approvals for buildings associated with mining activity have also decreased while those for other categories have remained steady.

The charts show comparisons in building activity for the past four financial years.

Building Permit Categories



Construction Value Comparison





Planning

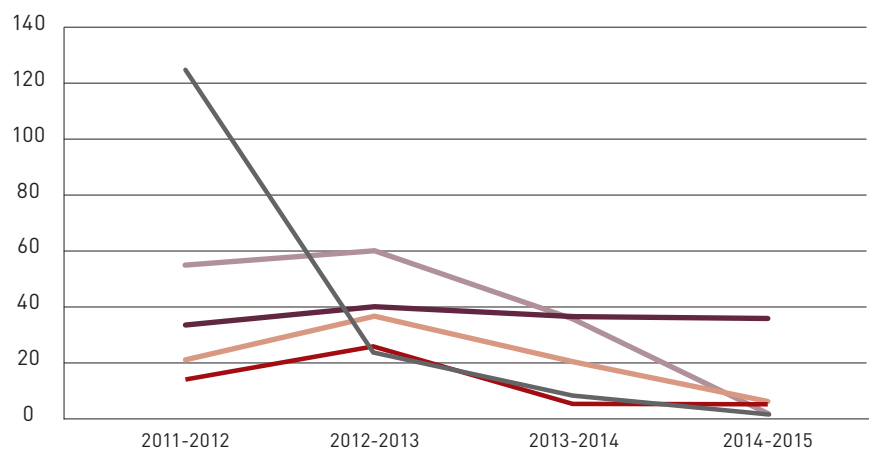
During the 2014/15 year ongoing projects such as the Newman Town Centre Revitalisation plan made further progress in terms of planning and preparation for construction. In collaboration with Landcorp, a more legible and attractive town centre that the community can be proud of, is being developed. The completion of the town square is expected in mid-2016.

The new Local Planning Strategy has continued to be developed. This will provide a strategic land use and economic footprint for a period of ten to fifteen years into the future. This project is expected to be completed in 2015.

The chart identifies the type and number of applications determined by Council during the 2014/15 year in comparison with the previous 3 years. It can be seen that there has been a reduction in residential applications. Combined with a downturn in residential building activity, many of the residential projects have complied with the Residential Design Codes which enabled them to proceed without formal planning approval.

Planning Application Categories

Commercial Industrial Mining Residential Home Business





Building Assets and Procurement Services

The Building and Assets group has been repositioned to meet Shire service needs with respect to:

- Asset Portfolio Management;
- Building Management; and;
- Procurement.

Asset Portfolio Management

Asset Portfolio Management includes asset or property transactions and management of the staff office environment.

Asset Management Projects

The annual review of the Building Asset Management plan was completed and implementation has commenced with links to the asset management module in Synergy. Further development and implementation will continue during the 2015/16 financial year.



The Moondoorow housing site titles were completed and construction of three dwellings was commenced by Megara.

The second and final stage of the Marble Bar War Memorial was completed.

Newman administration building extension was advertised and the contract was awarded to Megara Construction and will start in the new financial year.

Asset Acquisitions

The tender for the new East Pilbara Art Centre was awarded to Pindan and construction commenced.

New public toilets were fabricated and will be installed at Ethel Creek Park

Construction and fitout of three dwellings located in East Newman for general practitioners was completed and lease agreements drafted and executed with Sonic Health.

Construction of two executive houses in East Newman were also completed.



Asset Dispositions

During the 2014/15 year, the following lease and licence agreements have been completed

- Pioneers Football and Sporting Club
- East Pilbara BMX Club
- Newman Lions Club
- Newman Mainstreet
- Newman Baptist Church

The following agreements are under process

- FMG – Wet Pilot Plant – Newman Turf Club
- Martu Christain Fellowship
- Newman Motorcycle Club
- Hillview Speedway
- Department of Education – Marble Bar Aquatic Centre
- Lot 600, Shire of East Pilbara to surrender

The following agreements have been surrendered

- Niche Construction
- Megara Construction
- Royal Antediluvian Order of Buffaloes





Building Management

Building Management includes minor building works, maintenance and contract management of key building contracts.

Newman

Newman Recreation Centre gym was upgraded including the installation of new fitness equipment.

The Newman Youth Centre fencing was replaced.

Miners Promise public toilets were fabricated and installed.

Goanna Oval received a fencing upgrade.

Housing

Continuous improvement to the staff house across the town sites has maintained council's assets to a high standard. Some of the works include:

Several houses have had ceiling fans installed.

5 Brown – construction of new patio, shed and storeroom converted to office.

3 Ella – construction of new shed, fencing and storeroom converted to office.



35 Mullgunbah – construction of rear patio, new kitchen and reticulation

19A Kurra – new flooring coverings throughout.

Tree maintenance required for many residence in Newman.

29 Newman Drive – new bathroom refurbishment

14 Mullgunbah – installation of reticulation throughout

1 Dewar Street – new shade sails and paving

Marble Bar

The replacement of the multi-use courts was completed.

Internal upgrades to the Marble Bar Administration building were completed.

Housing

The staff housing in Marble Bar also had improvement works which included:

All housing in Marble Bar now have new split system air conditioners installed.

6 & 7 Bohemia – new floor coverings, window treatment and 7 Bohemia has been internally painting



5, 6, & 7 Bohemia have new front fencing installed

Piri Smith Retirement Unit (PSRU) – The final two units at PSRU have been completed. New extension of the footpaths has been constructed and all units are fitting with crimsafe door screens.

Green house new carport completed, with extended concrete works. Front fencing completed with refurbished bathroom, laundry and toilet.

Single Persons Quarters Unit 5 and 6 Refurbished

Nullagine

The existing basketball courts were resurfaced as part of the capital program.

Housing

This year 233 Beetson Street had the boundary fence replaced.

Cape Keraudren

Installation of a bore for water usage by visitors.

Housing

Caretakers dwelling had the tropical roof re-sheeted.

Storage area was also re-roofed

Procurement

The Shire has implemented and commenced using a personalised Tenderlink web portal for all our tenders. In the 2014/15 year, 17 tenders were run through the Tenderlink portal with positive feedback from tenderers.



Airport Report

The aim of this report is to provide an overview of the operational, development and business activities at Newman Airport and the airstrips at Marble Bar and Nullagine over FY2014/15.

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, asset management plans, and possible expansion of infrastructure and facilities to accommodate such movements.

	RPT & Screen Closed Charters		Closed Charters	Overall GA				TOTAL
	Code 3C	Code 4C	<Code 3C	Heli	RFDS	Biz Jets	GA	
FY13/14	1,240	4,328	1,450	1,834	744	44	2,432	12,072
FY14/15	2,120	2,846	404	4,896	740	30	2,832	13,868
% Market Share	15.29	20.52	2.91	35.3	5.33	0.2	20.42	100
% Increase/Decrease	70.97	-32.24	-72.14	166.96	-0.53	-31.82	16.45	14.87





With the exception of Royal Flying Doctor Service (RFDS) flights through Newman, aircraft movements in all categories have shown significant changes in performance:

- There is a noticeable shift from Code 4 towards Code 3 aircraft in the RPT and Closed Charter operations. This tendency is as a direct result of the decrease in passenger numbers, with airlines using smaller capacity aircraft with a higher load factor, while maintaining a stable flight schedule.
- The smaller closed charter traffic has reduced to very low numbers. This is primarily due to the cancellation of the twice-daily B200 charter between Newman and Port Hedland (BHP), and the cancellation of Millennium Mines charters through Nullagine when they used Newman as fuel stop.

- The significant increase in helicopter traffic is as a result of two very active resident helicopter operators. Not only do they maintain an active flying schedule out of Newman, but also act as maintenance base. With a possible third helicopter maintenance operator entering the market within the foreseeable future, this growth can be expected to increase.
- RFDS numbers are stable.
- Business jet traffic has never been stable and is expected to vary considerably.
- The increase of General Aviation traffic can be contributed to very active aerial survey operations out of Newman. This involves a resident operator and regularly deployed other survey aircraft. Polar Aviation, as resident charter operator, continues to operate

regularly out of this airport.

As will be noted later in this report, the increase in aircraft movements is not reflected in apron parking numbers. It could be contributed to the following:

- Decrease in transit GA traffic over-nighting in Newman.
- Resident operators are more likely to park their aircraft inside hangars to avoid apron parking fees.

An overall increase of 14.87% in aircraft movements has been recorded. This is primarily in the helicopter and GA movements.

An overall increase of 6.9% in aircraft movements has been recorded.

GA Parking

During the latter half of 2014 apron parking numbers increased to levels last experienced in 2011 and 2012. However, during the first half of 2015 these numbers again declined to what is believed will be a sustainable level for the next year.

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	143	4.7
13/14	133	165	132	152	172	99	51	61	85	56	123	184	118	3.9
14/15	180	195	254	247	267	155	89	33	50	70	84	124	146	4.8

Passenger Movements

The full effect of the softening in the mining industry within the Pilbara is manifested in the decline of 13.72% in passenger numbers as compared to the previous period. This is in line with what is experienced by both other major airports within the region. The annual number of 373,520 is believed to be sustainable within the current economic climate. Short term financial planning will be based on passenger numbers of 370,000/annum for the next three years, with a 6 % growth per annum following that.

In view of the State Department of Transport's strategic intent to improve passenger flow forecasts in WA for planning purposes, this period of three years will ensure that financial planning remains within practical and achievable parameters.

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
13/14	45025	40769	36889	40882	34717	31319	34010	30974	34344	35329	34715	33928	432901	-3.88
14/15	35861	30328	33028	34060	30661	28662	27765	28793	31537	30323	28984	33518	373520	-13.72
Compound Average													21.95	

Revenue Streams

Aviation Related Revenue

Aviation Related Revenue (ARR) of \$7,834,232 for FY14/15 constitutes 85.0% of overall revenue. This revenue stream is primarily sustained by passenger numbers. As a result of the change in passenger numbers, ARR decreased slightly as a proportion of the total revenue compared to FY13/14 when it was 88.0%.

The reduction in passenger numbers of 13.72% had the net effect of reduction in total income of 11.0%.

In view of the fact that aviation fees and charges had been constant since 2010, and the reduction in passenger movements, an increase of 5% in aviation fees and charges was adopted by Council wef 1 July 2015.

Non-Aviation Revenue

Non-aviation revenue has increased from 12% in the previous FY to 15.0% for FY14/15. This increase is mostly due to the relative effect of the decrease in passenger numbers over the FY14/15 and the resultant decrease in aviation related revenue.

Operational

Accidents and Incidents

Security:

- Three separate security incidents were reported during this period. All of them related to screening procedures. These been reported and corrective actions taken and procedures implemented.

Safety:

- Sunday 23 November 2014 a microlight from Mt. Newman Microlites based at the airport suffered a collapsed wheel on landing whereupon the wing mount collapsed and the propeller struck the runway surface. Although there were no injuries the runway was closed for approximately one hour while the microlight was removed. An incident report was submitted to ATSB.
- 26 November 2014: QF 1088 departed Perth to Newman for arrival at 2140, although the runway was closed for works re MOWP YNWN 14/002 Issue 2 and Notam C82/14. The runway closure was effective from 2000 to allow runway overlay works as per the MOWP. Due to this delay no runway works were conducted that night.

- June 2015: An incident was filed with the Aviation Transport Safety Bureau (ATSB) detailing an event where the pilot of an R44 helicopter was observed refuelling his aircraft whilst his engine was running, contravening safety regulations pertaining to safe refuelling procedures.

Audits and Inspections:

- During the annual Civil Aviation Safety Authority aerodrome audit, four non-compliance notices were issued against the airport. Two of these notices involve technical dimensions of apron markings that were never raised during previous audits. These were corrected within 21 days.
- Two more notices, involving processes and procedures, were avoidable and corrective action has been taken and oversight procedures implemented to avoid future occurrences.

Birdstrikes:

- The increased bird activity since January 2014 (mainly Kite Hawks) has necessitated the implementation of a more robust wildlife management program at Newman Airport. The success of this program is manifested in the fact that only one bird strike was reported during FY2014/15, although a number of near misses were reported. The



program is continuing.

Projects Status

Completed

The runway overlay and strip rehabilitation was completed on 24 November 2014 and 24 December 2014 respectively.

Upgrading and expansion of the CCTV coverage was completed, with final feeds to the shire and local police to be completed in FY2015/16.

Commissioning of the Telstra fibre optic link has been completed. This provides a reliable communications link for airport communications, management and control of the following:

- Fall back in the event of failure of the wireless link to the shire servers.
- Car park management and support.
- CCTV feeds.

- WiFi connectivity for airport patrons, tenants and residents.

Acquisition of the airport PA system upgrade hardware was initiated. Full delivery of the balance of the hardware is expected within the first quarter of FY 2015/16, with completion of this project to be completed by November 2015.

Marble Bar & Nullagine

Marble Bar

A back-up generator has been acquired and positioned at the Marble Bar airstrip. Final commissioning is scheduled for October 2015.

Building security has been upgraded with key-pad access control installed on the landside door. The security fence around the building has been upgraded and a similar key-pad access control device installed at the gate.

Nullagine

General maintenance, runway lights and cones replaced as required.

Millennium Minerals no longer uses Nullagine airstrip for their FIFO scheduled flights, but continue assisting with maintenance and ARO support. All their FIFO workers are now routed through Newman Airport.

Strategic Developments

Business Development

Mining tenements affecting airport land has finally been cleared, paving the way for the shire to acquire freehold title of the airport land.

As freehold title of the airport land was identified as the centre of gravity towards developing a comprehensive and executable Airport Master Plan, the Master Plan development was put on hold in October 2013. With resolution of the tenure issue now imminent, the development of the Master Plan, Development Plan, and supporting Business Plan has been reactivated. This will include an Asset Management Plan which, in conjunction with the Master Plan, will become a regulatory requirement in the very near future.

CAPEX Projects for FY 2015/16

The following major CAPEX Projects are planned for FY2015/16:

Completion of drainage, kerbs and footpaths	\$450,000
Reliable water supply to the airport	\$825,000
Power supply and distribution	\$100,000
Security Fences and Gates	\$115,000
RPT Apron & Taxiway A	\$1,855,300
Departures Lounge amenities	\$400,000
Marble Bar runway strip and fence	\$100,000



Annual Financial Report

For the year ended
30 June 2015

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Statement by CEO

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 2015 are in my opinion properly drawn up to present fairly the financial position of the Shire of East Pilbara at 30 June 2015 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 27th November 2015



Allen Cooper
Chief Executive Officer



Statutory Statements

For the year ended
30 June 2015

Statement of Financial Position

As At 30 June 2015

DESCRIPTION	NOTE	2014/2015 \$	2013/2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3b	29,672,839	31,086,914
Trade and Other Receivables	4	3,958,320	5,964,060
Inventories	5	90,720	173,440
Total Current Assets		33,721,879	37,224,414
CURRENT LIABILITIES			
Trade and Other Payables	8	8,343,196	5,975,300
Provisions	8	1,080,238	948,816
Long Term Borrowings	9	1,128,662	1,068,825
Total Current Liabilities		10,552,096	7,992,941
NET CURRENT ASSETS		23,169,783	29,231,473
NON CURRENT ASSETS			
Property, Plant and Equipment	6	97,894,166	93,623,899
Infrastructure	7	315,843,430	288,407,721
Total Non Current Assets		413,737,596	382,031,620
NON CURRENT LIABILITIES			
Provisions	8	158,172	128,388
Long Term Borrowings	9	6,324,189	7,452,852
Total Non Current Liabilities		6,482,361	7,581,240
NET ASSETS		430,425,017	403,681,853
EQUITY			
Retained Surplus	-	191,816,314	177,208,129
Reserves - Cash/Investment Backed	10	18,051,772	22,343,482
Revaluation Surplus	10a	220,556,931	204,130,242
TOTAL EQUITY		430,425,017	403,681,853

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 2015

DESCRIPTION	NOTE	2014/2015 BUDGET \$	2014/2015 ACTUAL \$	2013/2014 ACTUAL \$
Revenue				
Rates		12,500,700	12,824,548	11,491,827
Grants and Subsidies		15,915,200	12,102,364	10,427,175
Contributions, Reimbursements and Donations		6,043,100	4,719,233	3,109,967
Gain on Asset Disposals		85,200	3,286	-
Service Charges		0	0	-
Fees and Charges		19,955,600	25,306,366	20,711,986
Interest		784,800	894,403	961,273
Other Revenue/Income		585,900	1,142,128	743,913
		55,870,500	56,992,328	47,446,141
Expenses				
Employee Costs		11,564,700	12,321,212	9,445,171
Materials and Contracts		17,543,900	17,153,978	14,970,771
Utilities (Gas, Electricity, Water etc)		1,981,250	1,641,999	1,709,805
Depreciation on Non Current Assets	6b, 7b	15,951,400	12,945,362	12,122,137
Loss on Asset Disposal		416,600	281,374	311,734
Insurance Expenses		765,750	669,411	732,970
Other Expenditure		1,021,400	1,192,559	760,345
		49,245,000	46,205,895	40,052,933
Interest Expenses		481,500	469,958	433,953
		49,726,500	46,675,853	40,486,886
NET PROFIT/(LOSS) RESULT		6,144,000	10,316,475	6,959,255
Other Comprehensive Income				
<i>Items that will not be reclassified to profit or loss</i>				
Changes on revaluation of non-current assets	10a	-	16,426,689	161,053,042
Total Other Comprehensive Income		-	16,426,689	161,053,042
TOTAL COMPREHENSIVE INCOME		6,144,000	26,743,164	168,012,297

This statement is to be read in conjunction with accompanying notes

Statement of Comprehensive Income

by Program For The Year Ending 30 June 2015

DESCRIPTION	NOTE	2014/2015 BUDGET \$	2014/2015 ACTUAL \$	2013/2014 ACTUAL \$
Revenue				
General Purpose Funding		15,841,700	16,391,312	15,034,128
Governance		284,300	247,464	292,295
Law, Order & Public Safety		112,200	77,626	105,371
Health		63,900	73,960	51,704
Education & Welfare		141,300	155,300	519,790
Housing		380,600	363,772	378,320
Community Amenities		6,252,700	7,215,842	7,738,276
Recreation & Culture		2,000,400	2,019,114	2,023,063
Transport		13,863,800	13,112,865	13,939,845
Economic Services		928,900	826,575	996,079
Other Property & Services		126,700	5,540,295	235,816
Total Operating Revenue		39,996,500	46,024,125	41,314,687
Expenses Excluding Finance Costs				
General Purpose Funding		563,900	624,635	471,490
Governance		2,146,500	2,114,176	1,308,107
Law, Order & Public Safety		1,068,100	980,390	857,549
Health		653,600	633,150	606,610
Education & Welfare		2,231,500	1,774,001	2,019,464
Housing		777,500	883,695	688,891
Community Amenities		4,550,000	4,355,490	4,087,817
Recreation & Culture		9,119,800	8,204,206	7,576,014
Transport		25,078,900	19,183,241	19,528,131
Economic Services		2,168,100	1,747,651	1,744,962
Other Property & Services		217,900	5,513,669	854,158
Total Operating Expenditure		48,575,800	46,014,304	39,743,193
Finance Costs				
Governance		35,900	34,110	39,210
Housing		142,600	140,145	148,411
Community Amenities		89,800	0	0
Transport		213,200	205,919	244,339
	17b	481,500	380,174	431,960
Non-Operating Grants, Subsidies and Contributions				
General Purpose Funding		1,036,600	1,036,663	0
Law, Order & Public Safety		900,000	99,415	266,861
Community Amenities		2,098,400	-	24,603
Recreation & Culture		6,225,000	5,100,000	1,162,352
Transport		4,399,300	4,673,381	4,178,528
Economic Services		1,129,500	55,457	499,111
		15,788,800	10,964,916	6,131,455
Profit/(Loss) on Disposal of Assets				
Governance		(4,500)	(10,838)	(27,932)
Law, Order & Public Safety		(7,500)	(4,698)	(715)
Health		-	-	(9,343)
Education & Welfare		2,900	1,808	(14,106)
Housing		-	-	-
Community Amenities		-	-	-
Recreation & Culture		-	(36,536)	(146,569)
Transport		(292,600)	(184,247)	(103,874)
Economic Services		(5,600)	(7,903)	-
Other Property & Services		(24,100)	(35,674)	(9,195)
		(331,400)	(278,088)	(311,734)
NET PROFIT/(LOSS) RESULT		6,396,600	10,316,475	6,959,255
<i>Other Comprehensive Income</i>				
Items that will not be reclassified to profit or loss				
Changes on revaluation of non-current assets	10a	-	16,426,689	161,053,042
Other Comprehensive Income		-	16,426,689	161,053,042
TOTAL COMPREHENSIVE INCOME		6,396,600	26,743,164	168,012,297

This statement is to be read in conjunction with accompanying notes

Statement of Changes in Equity

For The Year Ended 30 June 2015

DESCRIPTION	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	ASSET REVALUATION RESERVES \$	TOTAL EQUITY \$
Balance as at 1 July 2013	173,756,315	18,836,041	43,077,200	235,669,555
Net Result	6,959,255	0	0	6,959,255
Total Other Comprehensive Income	0	0	161,053,042	161,053,042
Transfer from/(to) Reserves	(3,507,441)	3,507,441	0	0
Balance as at 1 July 2014	177,208,129	22,343,482	204,130,242	403,681,853
Net Result	10,316,475	0	0	10,316,475
Total Other Comprehensive Income	0	0	16,426,689	16,426,689
Transfer from/(to) Reserves	4,291,710	(4,291,710)	0	0
Balance as at 1 July 2015	191,816,314	18,051,772	220,556,931	430,425,017

This statement is to be read in conjunction with accompanying notes

Statement of Cash Flows

For The Year Ended 30 June 2015

DESCRIPTION	NOTE	2014/2015 BUDGET \$	2014/2015 ACTUAL \$	2013/2014 ACTUAL \$
Cash Flows From Operating Activities				
Receipts				
Rates		12,789,500	13,140,044	11,766,465
Grants & Subsidies		5,455,900	5,042,321	5,141,799
Contributions, Reimbursements & Donations		713,600	1,036,319	2,485,845
Service Charges		-	-	-
Fees & Charges		23,754,300	26,463,074	19,745,357
Interest Earnings		784,800	894,403	961,273
Goods & Services Tax		700,000	1,372,640	956,782
Other Revenue/Income		585,900	1,142,128	743,913
		44,784,000	49,090,929	41,801,434
Payments				
Employee Costs		(11,876,400)	(12,192,090)	(8,484,069)
Materials & Contracts		(18,345,900)	(14,335,860)	(17,963,019)
Utilities (Gas, Electricity, Water, etc)		(1,981,250)	(1,641,999)	(1,709,805)
Interest Expenses		(481,500)	(458,360)	(444,131)
Insurance Expenses		(765,750)	(669,411)	(732,970)
Goods & Services Tax		(700,000)	(1,408,086)	(1,408,086)
Other Expenditure		(1,021,400)	(1,192,550)	(760,345)
		(35,172,200)	(31,898,356)	(31,502,425)
<i>Net Cash Inflows From Operating Activities</i>	3	9,611,800	17,192,573	10,299,009
Cash Flows From Investing Activities				
Purchase Land and Buildings		(18,900,400)	(12,213,636)	(3,407,263)
Purchase Plant and Equipment		(7,026,400)	(2,351,507)	(1,452,538)
Purchase Furniture and Equipment		(328,000)	(219,776)	(105,621)
Purchase Airport Assets		(8,692,600)	-	(4,259,227)
Purchase Infrastructure Assets		(9,600,200)	(14,107,525)	(9,214,882)
Sale of Plant and Equipment	11	919,000	389,705	284,795
Grants and Contributions for the Development of Assets	23a	15,788,800	10,964,916	6,131,455
<i>Net Cash Inflows/(Outflows) From Investing Activities</i>		(27,839,800)	(17,537,823)	(12,023,281)
Cash Flows From Financing Activities				
Proceeds from New Loans	17c	-	-	2,000,000
Repayment of Loans	17b	(1,068,900)	(1,068,825)	(920,456)
Less: Proceeds from Self Supporting Loans				-
<i>Net Cash Inflows/(Outflows) From Financing Activities</i>		(1,068,900)	(1,068,825)	1,079,544
<i>Net Increase/(Decrease) In Cash Held</i>		(19,296,900)	(1,414,075)	(644,730)
Cash and Cash Equivalents At Beginning Of Year		30,833,600	31,086,914	31,731,644
Cash and Cash Equivalents At End of Year	3b	11,536,700	29,672,839	31,086,914

This statement is to be read in conjunction with accompanying notes

Rate Setting Statement

For The Year Ended 30 June 2015

DESCRIPTION	NOTE	2014/2013 BUDGET \$	2014/2013 ACTUAL \$	2013/2014 ACTUAL \$
REVENUES				
General Purpose Funding		3,341,000	3,566,764	3,542,302
Governance		284,300	247,464	292,295
Law, Order and Public Safety		112,200	77,626	105,371
Health		63,900	73,960	51,704
Education and Welfare		141,300	155,300	519,790
Housing		380,600	363,772	378,320
Community Amenities		6,252,700	7,215,843	7,738,276
Recreation and Culture		2,000,400	2,019,115	2,023,063
Transport		13,863,800	13,112,864	13,939,845
Economic Services		928,900	826,575	996,078
Other Property and Services		126,700	5,540,296	235,816
		27,495,800	33,199,579	29,822,860
EXPENSES				
General Purpose Funding		(563,900)	(624,635)	(471,490)
Governance		(2,182,400)	(2,148,286)	(1,347,317)
Law, Order and Public Safety		(1,068,100)	(980,390)	(857,549)
Health		(653,600)	(633,150)	(606,610)
Education and Welfare		(2,231,500)	(1,774,001)	(2,019,464)
Housing		(920,100)	(1,023,841)	(837,302)
Community Amenities		(4,639,800)	(4,355,490)	(4,087,817)
Recreation and Culture		(9,119,800)	(8,204,206)	(7,576,014)
Transport		(25,292,100)	(19,389,160)	(19,772,470)
Economic Services		(2,168,100)	(1,747,651)	(1,744,962)
Other Property and Services		(217,900)	(5,513,669)	(854,158)
		(49,057,300)	(46,394,479)	(40,175,153)
Net Operating Result Excluding Rates		(21,561,500)	(13,194,900)	(10,352,293)
Add:				
Capital Grants and Contributions	23a	15,788,800	10,964,915	6,131,455
Sale of Assets	11	919,000	389,705	284,795
Write Back Depreciation	20	15,951,400	12,945,362	12,122,137
		32,659,200	24,299,982	18,538,387
Less: CAPITAL WORKS PROGRAMME				
Governance		1,257,000	401,827	327,161
Law, Order and Public Safety		1,684,000	943,621	409,605
Health		-	-	114,864
Education & Welfare		372,000	140,868	180,584
Housing		5,610,000	4,209,954	1,839,855
Community Amenities		5,658,000	2,371,757	329,208
Recreation and Culture		10,617,200	8,184,294	2,907,545
Transport		17,351,900	12,186,935	12,191,925
Economic Services		1,764,500	302,265	68,906
Other Property and Services		233,000	150,923	69,879
		44,547,600	28,892,444	18,439,532
Less: OTHER				
Repayments of Debentures	17b	1,068,900	1,068,825	920,456
Less Contributions to Loan Principal		-	-	-
Transfers to Reserves	10	874,800	5,643,679	9,982,970
		1,943,700	6,712,504	10,903,426
Add: FUNDING SOURCES				
Reserves Utilised	10	13,672,200	9,935,389	6,475,528
Proceeds From New Debentures	17c	-	-	2,000,000
Estimated Surplus/(Deficit) July 1 b/fwd		9,308,400	7,828,431	9,017,940
Sub Total		22,980,600	17,763,820	17,493,468
Estimated (Surplus) June 30 c/fwd		(87,700)	(6,088,502)	(7,828,431)
TO BE MADE UP FROM RATES	13	12,500,700	12,824,548	11,491,827

This statement is to be read in conjunction with accompanying notes



Notes to the Financial Reports

For the year ended
30 June 2015

Notes to the Financial Reports

For The Year Ending 30 June 2015

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial report comprises general purpose financial statements which has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

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

Critical Accounting Estimates

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

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

The Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 33 of the financial statements.

(B) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of GST receivable and payable. The net amount of GST recoverable, or payable to, the ATO is included in the 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 are recoverable from, or payable to, the ATO are presented on the cash flows.

(C) Cash and Cash Equivalents

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

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

(D) Trade and Other Receivables

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

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

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

(E) Inventories

General

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

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

Notes to the Financial Reports

For The Year Ending 30 June 2015

Land Held for Sale

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

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

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

(F) Fixed Assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Mandatory Requirement to Revalue Non-Current Assets

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

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

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

and

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

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

In 2013, Council 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.

Land Under Control

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

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

Initial Recognition and Measurement between Mandatory Revaluation Dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

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

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

Notes to the Financial Reports

For The Year Ending 30 June 2015

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.

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

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 2015

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 in the period in which they arise.

When revalued assets are disposed of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Capitalisation Threshold

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

(g) Fair Value of Assets and Liabilities

When performing a revaluation, the Council uses a mix of both independent and management valuations using the following as a guide:

Notes to the Financial Reports

For The Year Ending 30 June 2015

Fair Value is the price that Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (ie the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair Value Hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Council are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

Notes to the Financial Reports

For The Year Ending 30 June 2015

(h) Financial Instruments

Initial Recognition and Measurement

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

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

Classification and Subsequent Measurement

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

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 and any reduction for impairment; and
- (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.

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

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

Assets in this category are classified as current assets

(ii) *Loans and receivables*

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

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

(iii) *Held-to-maturity investment*

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

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

(iv) *Available-for-sale financial assets*

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

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

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

(v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss. Impairment

Notes to the Financial Reports

For The Year Ending 30 June 2015

Impairment

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

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

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

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.

(i) Impairment of Assets

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

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

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

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

(j) Trade and Other Payables

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

(k) Employee Benefit

Short-Term Employee Benefits

Provision is made for the Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Notes to the Financial Reports

For The Year Ending 30 June 2015

Other Long-Term Employee Benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations or service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(l) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

(m) Provisions

Provisions are recognised when the Council has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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

(n) Leases

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

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

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

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

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

(o) Rates, Grants, Donations and Other Contributions

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

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 3(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

(p) Superannuation

The Council contributes to a number of Superannuation Funds on behalf of employees.

All funds to which the Council contributes are defined contribution plans.

(q) Current and Non-Current Classification

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

Notes to the Financial Reports

For The Year Ending 30 June 2015

trading are classified as current even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Council's intentions to release for sale.

(r) Rounding Off Figures

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

(s) Comparative Figures

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

When the Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(t) 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.

(u) 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.

Notes to the Financial Reports

For The Year Ending 30 June 2015

	Title and topic	Issued	Applicable ⁽¹⁾	Impact
(i)	AASB 9 – Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	01 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
(ii)	AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	September 2012	01 January 2018	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 15 Revenue from Contracts with Customers	December 2014	01 January 2018	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Shire has with those third parties it has dealings with. It may or may not be significant.
(iv)	AASB 2013-9: Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part C Financial Instruments – 1 January 2015]	December 2013	Refer Title Column	Part C of this standard makes consequential amendments to AASB 9 and numerous other standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value. As the bulk of changes related either to editorial or reference changes it is not expected to have a significant impact on Council
(v)	AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	August 2014	1 January 2016	This Standard amends AASB 11: Joint Arrangements to require the acquirer to an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Shire's financial statements

Notes to the Financial Reports

For The Year Ending 30 June 2015

	Title and topic	Issued	Applicable ⁽¹⁾	Impact
(vi)	AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	August 2014	1 January 2016	<p>This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.</p> <p>Given the Shire currently uses the expects pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have significant impact.</p>
(vii)	AASB 2014-5 Amendments to Australian Standards arising from AASB 15	December 2014	1 January 2017	<p>Consequential changes to various Standards arising from the issuance of AASB 15.</p> <p>It will require changes to reflect the impact of AASB 15.</p>
(viii)	AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Imitative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]	January 2015	1 January 2016	<p>This standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard purposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.</p> <p>This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column.</p> <p>It is not anticipated it will have any significant impact on disclosures.</p>
(ix)	AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality.	January 2015	1 July 2015	<p>This standard completes the withdrawal of reference to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing it to be completely withdrawn.</p> <p>It is not anticipated it will have a significant impact as the principles of materiality remain largely unchanged.</p>
(x)	AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities. [AASB 10, 124 & 1049]	March 2015	1 July 2016	<p>The objective of this Standard is to extend the scope of AASB 124 Related Party Disclosures to include not-for-profit sector entities.</p> <p>The Standard is expected to have a significant impact on the financial report of the Shire as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.</p>

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

Notes to the Financial Reports

For The Year Ending 30 June 2015

(v) 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 2011-7

AASB 2012-3

AASB 2013-3

AASB 2013-8

AASB 2013-9 Parts A & B

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

Notes to the Financial Reports

For The Year Ending 30 June 2015

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 2015

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

	2014/2015 \$	2013/2014 \$
Net Profit/(Loss) Result	10,316,475	6,959,255
Add/(Less) Non Cash and Non Cash Equivalent Items		
Depreciation	12,945,362	12,122,137
Gain on sale of non current assets	(3,286)	-
Loss on sale of non current assets	281,374	311,734
Changes in Assets and Liabilities		
(Increase)/Decrease in Trade and other Receivables	1,658,716	(921,338)
Increase/(Decrease) in Trade and other Payables	2,735,399	(2,951,656)
Increase/(Decrease) in Accrued Expenses	(20,477)	63,949
Increase/(Decrease) in Employee Provisions	161,207	886,975
(Increase)/Decrease in Stock On Hand	82,720	(40,592)
(Less)		
Grants for the Development of Assets	(10,964,916)	(6,131,455)
Net Cash and Cash Equivalents provided by Operating Activities	17,192,573	10,299,009

Notes to the Financial Reports

For The Year Ending 30 June 2015

(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:

	2014/2015 \$	2013/2014 \$
Restricted Cash - Reserves		
Alice Springs Road	194,588	189,290
Heavy Road Plant	1,711,638	1,666,780
Cape Keraudren Development	326,445	545,522
Computer Technology	120,674	117,388
Newman Recreation Centre Maintenance	233,843	227,476
Newman Sewerage Plant	105,120	161,726
Newman Airport	5,557,545	7,229,234
Oval Lights Maintenance	130,027	126,487
Long Service Leave	600,154	485,571
Recreation Facilities	1,063,930	1,034,963
Staff Housing	727,202	1,397,729
Newman Town Centre Revitalisation	104,938	102,081
Waste Management	1,299,617	1,067,747
Public Art	114,795	114,103
Town Centre Public Toilet	942	917
Annual Leave	425,241	413,663
Royalties for Regions	635,387	806,850
Newman House	398,527	288,561
Newman Tomorrow Project Maintenance	98,567	19,667
Public Building Maintenance	1,144,097	857,644
Moondoorow Housing	2,615,140	3,616,816
Martumili Operations	348,982	246,776
Martumili Infrastructure Project	10,417	1,544,821
Cowra Tourist and Recreation Precinct	83,956	81,670
	18,051,772	22,343,482
Restricted Cash - Unspent Loans	42,538	2,000,000
Restricted Cash - Committed Funds	1,576,545	2,822,935
Restricted Cash - Total	19,670,854	27,166,417
Unrestricted Cash		
Municipal Fund Cash At Bank	2,255,312	1,141,559
Municipal Fund Cash Invested	7,729,151	2,761,345
Municipal Fund Cash On Hand	17,522	17,593
Unrestricted Cash - Total	10,001,985	3,920,497
Total Cash	29,672,839	31,086,914

Notes to the Financial Reports

For The Year Ending 30 June 2015

(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:	2014/2015 \$
CLGF - 2012/2013	754,659
R4R - Sporting Facilities Upgrade	103,141
DLG - Cat Act Implementation	23,605
BHPB - Newman Tomorrow	304,835
BHPB - Newman Events	10,000
MWAA - Mobile Recycling Facility	24,603
BHP - Community Safety Identification Study	1,247
DLG - Marble Bar Talent Show	700
BHP - Newman Community Safety Lighting	0
DoT - Black Spot - Newman Drive	94,733
DoT - Black Spot - Kalgan Drive	124,681
Atlas Mining - Marble Bar Youth Camp	168
Department of Sport and Rec - Aquatic Centre's	64,561
WA Drug & Alcohol - Breaking the Cycle	10,000
Commissioner for Young People	811
Department of Sport and Rec - Governance W/Shop	2,500
PDC - East Pilbara Tourism Project	50,000
Healthway - Triathlon	6,300
	<u>1,576,545</u>

4. Trade and Other Receivables

	2014/2015 \$	2013/2014 \$
Current Debtors		
Rates	590,136	274,639
Trade and Other Receivables	3,147,151	5,231,446
ATO - GST Refund & other receivables	624,952	514,871
	<u>4,362,239</u>	<u>6,020,956</u>
Provision Bad/Doubtful Debts	(403,919)	(56,895)
	<u>5,964,060</u>	<u>5,001,215</u>
Non Current Debtors		
None	-	-
Total Debtors	<u>3,958,320</u>	<u>5,964,060</u>

5. Inventories

STOCK CATEGORY	2014/2015 \$	2013/2014 \$
Fuels	50,266	126,678
History Books	15,172	15,483
Baskets	25,282	31,279
Total Stock On Hand	<u>90,720</u>	<u>173,440</u>

Notes to the Financial Reports

For The Year Ending 30 June 2015

6. (a) Property, Plant and Equipment Assets

	2014/2015 \$	2013/2014 \$
Land & Buildings		
Independent Valuation 2013	73,914,493	73,111,935
Independent Valuation 2013 - Airport		-
Independent Valuation 2015 - Land	(6,586,500)	
Additions after Valuation - Cost	19,075,370	6,093,303
Accumulated Depreciation	(6,451,464)	(2,826,691)
Accumulated Depn - Airport		-
Land Vested & Under Control of Council		
Independent Valuation 2014	1,440,000	-
Independent Valuation 2015	(285,000)	
	81,106,899	77,818,547
Plant & Equipment		
Independent Valuation 2013	13,165,629	14,760,061
Independent Valuation 2013 - Airport		
Additions after Valuation - Cost	5,465,561	2,350,558
Accumulated Depreciation	(3,521,165)	(2,963,810)
Accumulated Depn - Airport		-
	15,110,025	14,146,809
Furniture & Equipment		
Independent Valuation 2013	1,951,094	1,951,094
Transfer between Categories	-	-
Sales/ Disposals	(58,251)	-
Additions after Valuation - Cost	527,243	132,191
Accumulated Depreciation	(742,844)	(424,742)
Accumulated Depn - Airport		
	1,677,242	1,658,543
Total - Property, Plant & Equipment	97,894,166	93,623,899

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of the intervening period the valuation is reviewed and where appropriate fair value is updated to reflect current market conditions.

This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2), which requires property, plant and equipment to be shown at fair value.

Notes to the Financial Reports

For The Year Ending 30 June 2015

1. Land Valuation Overview

Owing to fact that "Newman's property market has witnessed a brisk decline in the wake of the mining boom" the Shire of East Pilbara revalued freehold land and land under the control of the Local Government as per No. 16 of the Local Government (Financial Management) Regulation 1996, in Newman, as at 30 June 2015. This was undertaken by an independent valuer; AssetVal Pty Ltd.

In relation to land, 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).

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

The revaluation resulted in an overall decrease of \$6,871,500 in the net value of the Shire's land. All of this decrease was debited to the revaluation surplus in the Shire's equity (refer Note 10 for further details) and was recognised as Changes on Revaluation of non-current Assets in the Statement Profit or Loss and other Comprehensive Income

Comprehensive Income

Notes to the Financial Reports

For The Year Ending 30 June 2015

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 LAND & BUILDINGS \$	AIRPORT PLANT & EQUIPMENT \$	AIRPORT FURNITURE & EQUIPMENT \$	TOTAL \$
Balance as the beginning of the year	64,387,215	11,545,724	1,467,692	13,431,334	2,601,084	190,851	93,623,900
Plus: Additions since Revaluation							
- Cost	12,195,595	3,273,853	353,825	115,585	312,427	41,226	16,292,511
	76,582,810	14,819,577	1,821,517	13,546,919	2,913,511	232,077	109,916,411
Less: Disposals	-	(792,683)	(58,250)	-	(137,573)	-	(988,506)
	76,582,810	14,026,894	1,763,267	13,546,919	2,775,938	232,077	108,927,905
Write Back Depreciation	-	163,843	20,455	-	136,406	-	320,704
	76,582,810	14,190,737	1,783,722	13,546,919	2,912,344	232,077	109,248,609
Less: Depreciation	(2,177,282)	(1,405,432)	(306,426)	(444,895)	(360,900)	(32,131)	(4,727,065)
	74,405,528	12,785,305	1,477,296	13,102,024	2,551,444	199,946	104,521,544
Plus/(Less): Revaluation movements	(6,871,500)	-	-	-	-	-	(6,871,500)
	67,534,028	12,785,305	1,477,296	13,102,024	2,551,444	199,946	97,650,044
Plus/(Less): Movement between Asset Class	(288,667)	(2,000)	-	759,514	(224,726)		244,122
Balance at 30/06/15	<u>67,245,361</u>	<u>12,783,305</u>	<u>1,477,296</u>	<u>13,861,539</u>	<u>2,326,718</u>	<u>199,946</u>	<u>97,894,166</u>

Notes to the Financial Reports

For The Year Ending 30 June 2015

7. (a) Infrastructure Assets

	2014/2015 \$	2013/2014 \$
Roads		
Independent Valuation 2014	232,031,917	232,031,917.00
At Cost	8,740,700	3,973,147
Accumulated Depreciation	(4,711,911)	-
	236,060,706	236,005,064
Footpaths		
Independent Valuation 2014	10,704,941	10,704,941
Cost	430,495	233,426
Accumulated Depreciation	(637,460)	-
	10,497,976	10,938,367
Drainage		
Independent Valuation 2015	6,143,873	
Cost	-	4,602,714
Accumulated Depreciation	-	(3,067,401)
	6,143,873	1,535,314
Parks & Gardens and other Infrastructure		
Independent Valuation 2015	25,323,534	
Cost	-	32,372,160
Accumulated Depreciation	(42,198)	(5,676,871)
	26,695,288	23,132,787
Airport Infrastructure		
Independent Valuation 2015	37,859,539	
Cost	-	21,462,073
Accumulated Depreciation	-	(8,228,385)
	37,859,539	13,233,688
Total - Infrastructure Assets	315,843,430	288,407,721

The fair value of infrastructure is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of the intervening period the valuation is reviewed and where appropriate fair value is updated to reflect current market conditions.

This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2), which requires property, plant and equipment to be shown at fair value.

During the year the Shire of East Pilbara revalued Drains, other Infrastructure and Parks and Gardens in accordance with Note 1(f) and (g) and guidance from the Department of Local Government, the Local Government Act (1995) and Local Government (Financial Management) Regulations 1996.

Valuation Process

The Shire of East Pilbara engages external, independent and qualified valuers and utilises qualified internal staff as appropriate, to determine Fair Value.

1. Drainage Valuation Overview

At 30 June 2015 Fair Value of \$6,143,873 has been determined by Talis Consultants who undertook a full inventory and condition survey for the drainage network. The valuation has been generated in accordance with AASB13 Fair Value Measurement under the cost approach.

Notes to the Financial Reports

For The Year Ending 30 June 2015

1.1 Basis of Valuation

The valuation techniques considered were

- the cost approach using depreciated replacement costs
- the sales comparison approach

1.2 Methodology

The survey data was collected in GIS format using D Spec. The Replacement cost (RC) is calculated by reference to asset component dimensions stored in the inventory and the application of user defined Standard Replacement Costs (SRC). The SRC's are defined for each of the component types having been calculated with reference to current costs of construction. See Appendix C.

Life expectancies for surfacing, kerbs and paths are by historical performance. The life expectancy of sealed pavements is largely estimated given their long life expectancy. All unit rates as well as life expectancies for all road and path components were reviewed and confirmed as reasonable by industry standards and therefore suitable.

1.3 Depreciation

The Depreciated Replacement Cost (DRC) can be considered the current fair value of the asset component. It considers the condition of the asset component to determine a Remaining Useful Life (RUL) which is expressed as a percentage of the replacement cost of the asset component taking into account financial depreciation due to physical deterioration.

1.4 Residual Value Application

Drainage assets generally do not hold residual value due to the nature of deterioration and replacement requirements.

1.5 Data Confidence

There is a high level of confidence in the relevancy and accuracy of the data.

2. Other Infrastructure Valuation Overview

At 30 June 2015 Fair Value of \$54,159,100 has been determined by Griffin Valuation Advisory who undertook a full inventory and condition survey for the group of assets referred to as Infrastructure Other. The valuation has been generated in accordance with AASB13 Fair Value Measurement under the cost approach.

1.1 Basis of Valuation

The valuation technique was the cost approach using depreciated replacement costs.

1.2 Valuation Methodology

Griffin Valuation Advisory has applied the Cost Approach to non-market-type properties.

The Cost Approach (Depreciated Replacement Cost) "DRC" approach considers the cost (sourced from cost guides such as Rawlinsons, Cordells, professional quantity surveyors and recent construction costs for similar projects throughout Western Australia) to reproduce or replace similar assets with an asset in new condition, including allowance for installation, less an amount for depreciation in the form of accrued physical wear and tear, economic and functional obsolescence. This approach is an accepted method in arriving at a market related value.

All infrastructure assets have been physically inspected in order to ascertain their condition and Remaining Useful Life for the purpose of Fair Value in accordance with AASB13 & AASB 16. All properties capable of being transacted upon in an "open market" have been valued for Fair Value on comparable sales evidence, consistent with a Level 2 input as outlined in AASB 13.

Those infrastructure assets which are considered to be of a "specialised nature" (non – market type properties which are not readily traded in the market place) have been assessed on a Depreciated Replacement Cost (DRC) approach consistent with a Level 3 input as outlined in AASB 13.

1.3 Depreciation

Griffin Valuation Advisory considered and where appropriate applied the following methods of depreciation as appropriate and are outline below:

Straight Line or Prime Cost

Straight Line depreciation, as the name suggests, is based on the premise that the loss in value is in equal amounts over the full extent of the asset's life and assumes that the loss in service potential of the asset follow the same pattern.

Notes to the Financial Reports

For The Year Ending 30 June 2015

Diminishing Value or Reducing Balance

Diminishing Value depreciation produces a steep depreciation curve in the early stages of an asset's life, levelling off towards the end of its life and is based on the premise that the greatest loss in value is incurred as soon as the asset has been used for the first time, as the asset is considered to be second-hand from that moment on.

1.4 Residual Values

Griffin Valuation Advisory has considered the potential for Residual Values for these assets. It is their professional opinion; there is no Residual Value applicable to these assets.

1.5 Data Confidence

There is a high level of confidence in the relevancy and accuracy of the data.

All infrastructure assets have been physically inspected in order to ascertain their condition and Remaining Useful Life for the purpose of Fair Value.

3. Parks and Gardens Valuation Overview

At 30 June 2015 Fair Value of \$8,805,866 has been determined by the Shire of East Pilbara who undertook a full inventory and condition survey for the group of assets referred to as Parks & Gardens. The valuation has been generated in accordance with AASB13 Fair Value Measurement under the cost approach.

1.1 Basis of Valuation

The valuation technique was the cost approach using depreciated replacement costs.

1.2 Valuation Methodology

The Shire of East Pilbara has applied the Cost Approach to non-market-type properties.

The Cost Approach (Depreciated Replacement Cost) "DRC" approach considers the cost (sourced from recent construction costs and quotes for similar projects throughout Western Australia) to reproduce or replace similar assets with an asset in new condition, including allowance for installation, less an amount for depreciation in the form of accrued physical wear and tear, economic and functional obsolescence. This approach is an accepted method in arriving at a market related value. See Appendix D.

All parks and gardens assets have been physically inspected in order to ascertain their condition and Remaining Useful Life for the purpose of Fair Value in accordance with AASB13 & AASB 16. All properties capable of being transacted upon in an "open market" have been valued for Fair Value on comparable sales evidence, consistent with a Level 2 input as outlined in AASB 13.

Those assets which are considered to be of a "specialised nature" (non - market type properties which are not readily traded in the market place) have been assessed on a Depreciated Replacement Cost (DRC) approach consistent with a Level 3 input as outlined in AASB 13.

1.3 Depreciation

The Shire of East Pilbara has considered and where appropriate applied the following method of depreciation as appropriate:

Straight Line or Prime Cost

Straight Line depreciation, as the name suggests, is based on the premise that the loss in value is in equal amounts over the full extent of the asset's life and assumes that the loss in service potential of the asset follow the same pattern.

1.4 Residual Values

The Shire of East Pilbara has considered the potential for Residual Values for these assets. It is our opinion there is no Residual Value applicable to these assets.

1.5 Data Confidence

There is a high level of confidence in the relevancy and accuracy of the data.

All infrastructure assets have been physically inspected in order to ascertain their condition and Remaining Useful Life for the purpose of Fair Value.

Notes to the Financial Reports

For The Year Ending 30 June 2015

(b) Movement in Infrastructure Assets

	INFRASTRUCTURE ASSETS	AIRPORT INFRASTRUCTURE ASSETS	TOTAL INFRASTRUCTURE
Balance as the beginning of the year	275,174,031	13,233,691	288,407,722
Plus: Acquisitions	7,396,134	5,203,793	12,599,927
	282,570,165	18,437,484	301,007,649
Less: Disposals	-8,873,940	-9,292,825	-18,166,765
	273,696,225	9,144,659	282,840,884
Write Back Depreciation	8,873,949	9,292,825	18,166,774
	282,570,174	18,437,484	301,007,658
Less: Annual Depreciation	(5,526,840)	(1,152,714)	(6,679,554)
	277,043,334	17,284,770	294,328,104
Plus/(Less): Revaluation movements	952,177	20,807,270	21,759,447
	277,995,511	38,092,040	316,087,551
Plus: Movement between Asset Classes	(11,623)	(232,499)	(244,122)
Assets Balance 30/06/15	277,983,888	37,859,541	315,843,430

Notes to the Financial Reports

For The Year Ending 30 June 2015

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

FUNCTION NAME	FUNCTION NO	2014/2015 \$	2013/2014 \$
Governance	4	6,743,001	6,662,327
Law, Order & Public Safety	5	2,050,513	1,320,473
Health	7	89,773	104,131
Education & Welfare	8	7,570,450	7,869,173
Housing	9	22,087,045	24,368,212
Community Amenities	10	6,776,472	2,889,275
Recreation & Culture	11	45,223,011	31,955,947
Transport	12	314,884,424	297,981,117
Economic Services	13	3,349,968	3,814,873
Other Property & Services	14	4,962,935	5,066,085
		413,737,591	382,031,613

8. Trade and other Payables, Accruals and Provisions

		2014/2015 \$	2013/2014 \$
Current Liabilities			
Trade and Other Payables And Accruals			
Trade and Other Payables	6,857,595		
Accrued Expenses	1,485,601	8,343,196	5,975,300
Provisions			
Provision For Annual Leave	679,551		
Provision For Long Service Leave	400,687	1,080,238	948,816
		9,423,434	6,924,116
Non Current Liabilities			
Provision For Long Service Leave		158,172	128,388
		158,172	128,388
Total Trade and other Payables & Provisions		9,581,606	7,052,504

9. Long Term Borrowings

	2014/2015 \$	2013/2014 \$
Current		
Debenture Repayments	1,128,662	1,068,825
Non Current		
Debenture Repayments	6,324,189	7,452,852
Total Borrowings	7,452,851	8,521,677

Additional detail on debentures is provided in Note 17.

Notes to the Financial Reports

For The Year Ending 30 June 2015

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	2014/2015 ACTUAL \$	2014/2015 BUDGET \$	2013/2014 ACTUAL \$
Alice Springs Road			
<i>Opening Balance</i>	188,200	189,290	183,423
Interest Earned During Year	5,600	5,298	5,867
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	193,800	194,588	189,290
Heavy Road Plant			
<i>Opening Balance</i>	1,657,000	1,666,780	983,920
Interest Earned During Year	49,700	44,858	39,860
Transfer From Municipal Fund	-	200,000	643,000
Transfer To Municipal Fund	(200,000)	(200,000)	-
<i>Closing Balance</i>	1,506,700	1,711,638	1,666,780
Cape Keraudren Development			
<i>Opening Balance</i>	542,300	545,522	452,160
Interest Earned During Year	16,300	10,923	13,362
Transfer From Municipal Fund	-	-	380,000
Transfer To Municipal Fund	(230,000)	326,445	(300,000)
<i>Closing Balance</i>	545,522	169,800	452,160
Computer Technology			
<i>Opening Balance</i>	116,700	117,388	113,750
Interest Earned During Year	3,500	3,286	3,638
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	120,200	120,674	117,388
Newman Recreation Centre Maintenance			
<i>Opening Balance</i>	226,100	227,476	217,308
Interest Earned During Year	6,800	6,367	10,168
Transfer From Municipal Fund	-	-	450,000
Transfer To Municipal Fund	(60,000)	-	(450,000)
<i>Closing Balance</i>	172,900	233,843	217,308
Newman Sewerage Plant			
<i>Opening Balance</i>	160,800	161,726	156,714
Interest Earned During Year	4,800	3,393	5,012
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	(60,000)	(60,000)	-
<i>Closing Balance</i>	105,600	105,119	161,726

Notes to the Financial Reports

For The Year Ending 30 June 2015

RESERVE FUNDS	2014/2015 ACTUAL \$	2014/2015 BUDGET \$	2013/2014 ACTUAL \$
Newman Airport			
Opening Balance	6,819,500	7,229,234	5,555,286
Interest Earned During Year	102,300	160,844	191,303
Transfer From Municipal Fund	-	1,290,239	3,172,099
Transfer To Municipal Fund	(4,995,300)	(3,122,772)	(1,689,454)
Closing Balance	1,926,500	5,557,545	7,229,234
Oval Lights Maintenance			
Opening Balance	125,700	126,487	122,567
Interest Earned During Year	3,800	3,540	3,920
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
Closing Balance	129,500	130,027	126,487
Long Service Leave			
Opening Balance	482,700	485,571	470,522
Interest Earned During Year	14,500	14,583	15,049
Transfer From Municipal Fund	0	100,000	-
Transfer To Municipal Fund	-	-	-
Closing Balance	497,200	600,154	485,571
Recreation Facilities			
Opening Balance	1,028,900	1,034,963	564,260
Interest Earned During Year	30,900	28,967	20,703
Transfer From Municipal Fund	-	-	450,000
Transfer To Municipal Fund	-	-	-
Closing Balance	1,059,800	1,063,930	1,034,963
Staff Housing			
Opening Balance	1,389,500	1,397,729	372,759
Interest Earned During Year	41,700	36,423	24,970
Transfer From Municipal Fund	-	23,804	1,000,000
Transfer To Municipal Fund	(1,000,000)	(730,755)	-
Closing Balance	431,200	727,201	1,397,729
Newman Town Centre Revitalisation			
Opening Balance	101,500	102,081	59,651
Interest Earned During Year	3,000	2,857	2,430
Transfer From Municipal Fund	-	0	40,000
Transfer To Municipal Fund	-	-	-
Closing Balance	104,500	104,938	102,081
Waste Management			
Opening Balance	1,061,500	1,067,747	128,591
Interest Earned During Year	31,800	31,870	16,156
Transfer From Municipal Fund	-	200,000	923,000
Transfer To Municipal Fund	(550,000)	-	-
Closing Balance	543,300	1,299,617	1,067,747

Notes to the Financial Reports

For The Year Ending 30 June 2015

RESERVE FUNDS	2014/2015 ACTUAL \$	2014/2015 BUDGET \$	2013/2014 ACTUAL \$
Public Art			
<i>Opening Balance</i>	114,000	114,103	93,315
Interest Earned During Year	3,400	691	788
Transfer From Municipal Fund	-	0	20,000
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	117,400	114,795	114,103
Town Centre Public Toilet			
<i>Opening Balance</i>	900	917	888
Interest Earned During Year	-	26	29
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	900	943	917
Annual Leave			
<i>Opening Balance</i>	411,200	413,663	400,842
Interest Earned During Year	12,300	11,578	12,821
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	423,500	425,241	413,663
Royalties for Regions - Pilbara Revitalisation			
<i>Opening Balance</i>	978,500	806,850	3,643,899
Interest Earned During Year	29,400	21,287	87,433
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	(1,007,900)	(192,749)	(2,924,482)
<i>Closing Balance</i>	-	635,388	806,850
Newman House			
<i>Opening Balance</i>	339,500	288,561	273,526
Interest Earned During Year	10,200	9,966	10,274
Transfer From Municipal Fund	100,000	100,000	100,000
Transfer To Municipal Fund	(54,000)	-	(95,239)
<i>Closing Balance</i>	395,700	398,527	288,561
BHP Billiton Maintenance Fund			
<i>Opening Balance</i>	33,900	19,667	33,039
Interest Earned During Year	1,000	2,220	972
Transfer From Municipal Fund	-	76,680	-
Transfer To Municipal Fund	-	-	(14,344)
<i>Closing Balance</i>	34,900	98,567	19,667
Public Building Maintenance Fund			
<i>Opening Balance</i>	852,600	857,644	567,981
Interest Earned During Year	25,600	28,904	21,663
Transfer From Municipal Fund	215,000	257,549	268,000
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	1,093,200	1,144,097	857,644

Notes to the Financial Reports

For The Year Ending 30 June 2015

RESERVE FUNDS	2014/2015 ACTUAL \$	2014/2015 BUDGET \$	2013/2014 ACTUAL \$
Moondoorow Housing			
Opening Balance	3,595,600	3,616,816	3,531,450
Interest Earned During Year	107,900	80,780	110,773
Transfer From Municipal Fund	-	-	210,500
Transfer To Municipal Fund	(3,696,000)	(1,082,456)	(235,907)
Closing Balance	7,500	2,615,140	3,616,816
Martumili Operations			
Opening Balance	208,100	246,776	910,190
Interest Earned During Year	6,200	11,529	19,938
Transfer From Municipal Fund	-	365,798	68,109
Transfer To Municipal Fund	(214,300)	(275,121)	(751,461)
Closing Balance	-	348,982	246,776
Martumili Infrastructure Project			
Opening Balance	1,558,000	1,544,821	-
Interest Earned During Year	46,700	6,622	4,959
Transfer From Municipal Fund	-	2,500,510	1,554,503
Transfer To Municipal Fund	(1,604,700)	(4,041,535)	(14,641)
Closing Balance	-	10,418	1,544,821
Cowra Tourist and Recreation Precinct			
Opening Balance	81,200	81,670	-
Interest Earned During Year	2,400	2,286	1,670
Transfer From Municipal Fund	-	-	80,000
Transfer To Municipal Fund	-	-	-
Closing Balance	83,600	83,956	81,670
Totals - All Reserves			
Opening Balance	22,073,900	22,343,482	18,836,041
Interest Earned During Year	559,800	529,098	623,758
Transfer From Municipal Fund	315,000	5,114,580	9,359,211
Transfer To Municipal Fund	(13,672,200)	(9,935,388)	(6,475,528)
Closing Balance	9,276,500	18,051,712	22,343,482

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).

Notes to the Financial Reports

For The Year Ending 30 June 2015

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

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.

w) Martumili Infrastructure Projects

For the construction of staff housing on Moondoorow.

Notes to the Financial Reports

For The Year Ending 30 June 2015

10 (a) Revaluation Surplus

	2014/2015 \$	2013/2014 \$
Land and Buildings		
Opening Balance	36,583,991	35,143,991
Revaluation Increment		1,440,000
Revaluation Decrement	(6,871,500)	-
	<u>29,712,491</u>	<u>36,583,991</u>
Plant and Equipment		
Opening Balance	6,842,732	-
Revaluation Increment		6,842,732
Revaluation Decrement		-
	<u>6,842,732</u>	<u>6,842,732</u>
Furniture and Equipment		
Opening Balance	1,090,477	-
Revaluation Increment		1,090,477
Revaluation Decrement		-
	<u>1,090,477</u>	<u>1,090,477</u>
Infrastructure		
Opening Balance	159,613,042	-
Revaluation Increment	25,591,189	159,613,042
Revaluation Decrement	(2,293,000)	-
	<u>182,911,231</u>	<u>159,613,042</u>
Total Asset Revaluation Surplus	<u><u>220,556,931</u></u>	<u><u>204,130,242</u></u>

Notes to the Financial Reports

For The Year Ending 30 June 2015

11. Disposal of Assets

PROGRAM	NET BOOK VALUE		SALE PROCEEDS		PROFIT/(LOSS)	
	ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$
Governance	31,851	30,476	21,013	26,000	(10,838)	(4,476)
Law, Order & Public Safety	44,281	25,530	39,584	18,000	(4,698)	(7,530)
Health	-	-	-	-	-	-
Education & Welfare	16,679	15,097	16,603	18,000	1,808	2,903
Recreation & Culture	46,348	-	1,259	-	(36,536)	-
Community Amenities	-	-	-	-	-	-
Transport	379,324	1,039,666	193,909	747,000	(184,247)	(292,666)
Economic Services	25,909	25,530	18,006	20,000	(7,903)	(5,530)
Other Property & Services	123,401	114,061	99,331	90,000	(35,674)	(24,061)
	667,793	1,250,360	389,705	919,000	(278,088)	(331,360)

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.

	2014/2015 ACTUAL \$	2014/2015 BUDGET \$	2013/2014 ACTUAL \$
Non Operating Income			
Proceeds From Sale Of Assets	389,705	919,000	284,795
Loans Raised	0	0	2,000,000
Contributions From Self Supporting Loans	0	0	0
Transfers From Reserve Accounts	9,935,389	13,672,200	6,475,528
Total Non Operating Income	10,325,094	14,591,200	8,760,323
Non Operating Expenditure			
Repayment Of Debentures	1,068,825	1,068,900	920,456
Transfer To Reserves	5,643,679	874,800	9,982,969
Land & Buildings	12,098,049	18,900,400	3,407,263
Furniture & Equipment	143,066	298,000	105,621
Plant & Equipment	2,008,139	3,016,400	1,452,538
Airport Assets	5,673,034	8,692,600	4,259,227
Infrastructure Assets	8,970,156	13,640,200	9,214,882
Total Non Operating Expenditure	35,604,949	46,491,300	29,342,956

(b) Current Position 1st July 2014

The current position balance carried forward from the previous financial year for the purpose of the 2014/2015 budget was \$9,308,400. The current position balance shown in the audited financial report as at 30 June 2014 was \$6,724,214.

Notes to the Financial Reports

For The Year Ending 30 June 2015

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 town site 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 2014/2015 year was 0.3378 cents in the dollar on the gross rental value of the property. The total revenue from this rate was \$592,778.

14. Service Charges

No service charges were levied by Council during 2014/2015.

15. Discounts, Incentives and Concessions

No service charges were levied by Council during 2014/2015.

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 \$54,793 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 \$10,825 were received against a budget of \$6,200 and interest of \$23,188 against a budget of \$10,400.

Notes to the Financial Reports

For The Year Ending 30 June 2015

17. Borrowings

(a) Unspent Loans

FUNCTION & DEBENTURE PURPOSE	FUNDING DATE	NEW LOANS 2013/2014	EXISTING LOANS UNSPENT	EXPENDED DURING YEAR \$	CLOSING BALANCE 30 JUNE 2015 \$
Sewerage Plant Upgrade		0.00	2,000,000	1,957,462	42,538
		<u>\$0.00</u>	<u>\$2,000,000.00</u>	<u>\$1,957,462.00</u>	<u>\$42,538.00</u>

(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 \$7,452,851.

(c) New Borrowings

There were no new borrowings for the 2014/2015 year

(d) Overdraft

Council had not established an overdraft facility as at 30 June 2015.

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

Notes to the Financial Reports

For The Year Ending 30 June 2015

18. Fees and Charges

The following fees and charges revenue resulted for each of Council's Functions for the 2014/2015 financial year:

FUNCTION NAME	FUNCTION NO	2014/2015 \$	2013/2014 \$
General Purpose Funding	3	103,627	62,427
Governance	4	83,473	180,758
Law, Order & Public Safety	5	21,505	41,849
Health	7	70,460	51,067
Education & Welfare	8	21,103	33,361
Housing	9	222,273	221,920
Community Amenities	10	6,981,570	7,507,610
Recreation & Culture	11	830,961	946,277
Transport	12	11,186,693	10,747,700
Economic Services	13	603,552	861,382
Other Property & Services	14	5,181,149	57,634
		<u>25,306,366</u>	<u>20,711,985</u>

Notes to the Financial Reports

For The Year Ending 30 June 2015

19. Interest on Investments

	2014/2015 \$	2013/2014 \$
(a) Reserve Investments		
Alice Springs Road	5,298	7,031
Heavy Road Plant	44,858	17,601
Cape Keraudren Development	10,923	5,729
Computer Technology	3,286	2,933
Newman Recreation Centre Maintenance	6,367	5,475
Newman Sewerage Plant	3,393	4,266
Newman Airport	160,844	80,168
Oval Lights Maintenance	3,540	3,556
Long Service Leave	14,583	10,060
Recreation Facilities Maintenance	28,967	15,920
Staff Housing	36,423	26,268
Newman Town Centre Revitalisation	2,857	5,141
Waste Management	31,870	4,929
Public Art	691	1,004
Public Toilet	26	756
Annual Leave	11,578	6,677
Royalties for Regions	21,287	768,805
Newman House	9,966	4,097
BHP Billiton Maintenance Fund	2,220	4,185
Public Building Maintenance Fund	28,904	4,230
Moondoorow Housing	80,780	-
Martumili Operations	11,529	-
Martumili Infrastructure Project	6,622	-
Cowra Tourist and Recreation Precinct	2,286	-
	529,098	978,831
(b) Municipal Fund Investments	365,306	179,384
Total Earnings From Investments	894,404	1,158,21

Notes to the Financial Reports

For The Year Ending 30 June 2015

20. Depreciation

FUNCTION NAME	FUNCTION NO	2014/2015 \$	2013/2014 \$
Governance	4	453,110	440,353
Law, Order & Public Safety	5	114,943	95,798
Health	7	14,358	17,328
Education & Welfare	8	298,366	288,181
Housing	9	534,621	353,231
Community Amenities	10	370,177	269,856
Recreation & Culture	11	1,664,240	1,613,446
Transport	12	8,606,212	8,181,663
Economic Services	13	208,081	214,000
Other Property & Services	14	681,254	648,281
		12,945,362	12,122,137

21. Councillors' Remuneration

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

	2014/2015 ACTUAL \$	2014/2015 BUDGET \$	2013/2014 ACTUAL \$
Meeting Fees	136,833	145,000	141,875
President's Allowance	60,000	60,000	60,000
Deputy President's Allowance	12,000	12,000	16,000
Travelling Expenses	9,354	10,400	9,283
Telecommunication Allowance	11,437	12,000	11,250
	229,624	239,400	238,408

Notes to the Financial Reports

For The Year Ending 30 June 2015

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	
	2014/2015 \$	2013/2014 \$	2014/2015 \$	2013/2014 \$
Financial Assets				
Cash & Cash Equivalents	29,672,840	31,086,914	29,672,839	31,086,914
Receivables	3,958,320	5,964,060	3,958,320	5,964,060
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
	\$33,631,160	\$37,050,974	\$33,631,159	\$37,050,974
Financial Liabilities				
Payables	8,343,196	5,975,300	8,343,196	5,975,300
Borrowings	7,452,850	8,521,677	7,452,850	8,521,677
	\$15,796,046	\$14,496,977	\$15,796,046	\$14,496,977

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 2015

	30/06/2015 \$	30/06/2014 \$
Impact of a 10%⁽¹⁾ movement in price of investments:		5%
Equity	137,800	133,100
Statement of Profit & Loss and Other Comprehensive Income	137,800 ⁽²⁾	133,100 ⁽²⁾
Impact of a 1%⁽¹⁾ movement in interest rates on cash		
Equity	205,100	321,700
Statement of Profit & Loss and Other Comprehensive Income	205,100	321,700

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	30/06/2015	30/06/2014
Percentage of Rates and Annual Charges		
Current	88%	79%
Overdue	12%	21%
Percentage of Other Receivables (Debtors)		
Current	81%	78%
Overdue	19%	22%

(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.

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

Notes to the Financial Reports

For The Year Ending 30 June 2015

	DUE WITHIN ONE YEAR \$	DUE BETWEEN ONE AND FIVE YEARS \$	DUE AFTER FIVE YEARS \$	TOTAL CONTRACTUAL CASH FLOWS \$	CARRYING VALUES \$
2015					
Payables	8,343,196			8,343,196	8,343,196
Borrowings	1,128,662	4,215,020	2,452,900	7,796,582	7,452,851
	9,471,858	4,215,020	2,452,900	16,139,778	15,796,047
2014					
Payables	5,975,300			5,975,300	5,975,300
Borrowings	1,068,825	3,602,259	4,388,549	9,009,903	8,521,675
	8,897,769	4,163,400	3,554,779	16,615,948	14,496,975

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:

LOAN NO	EXPIRY DATE	RATE	PRINCIPAL 30/06/2015 \$		YEARS TO RUN AT 30/06/2015	IRR AT 30/06/2015 \$
Year Ended 30 June 2015						
65	1/2/2020	5.99	522,042	6	>5 Years	31,270
66	15/6/2021	6.25	2,561,280	7	>5 Years	160,080
67	1/3/2022	6.47	583,363	8	>5 Years	37,744
70	13/2/2016	4.65	408,224	2	1 to 5	18,982
71	1/3/2026	6.49	1,473,879	12	>5 Years	95,655
72	23/6/2029	4.49	1,904,063	15	>5 Years	85,492
			<u>7,452,851</u>			<u>343,731</u>
						<u>4.61%</u>
			1,128,662		<1	
			4,196,038		1 to 5	
			2,128,151		>5	
			<u>7,452,851</u>			

LOAN NO	EXPIRY DATE	RATE	PRINCIPAL 30/06/2014 \$		YEARS TO RUN AT 30/06/2014	IRR AT 30/06/2014 \$
Year Ended 30 June 2013						
65	1/02/2020	5.99	609,203	9	>5 Years	36,491
66	15/06/2021	6.25	2,903,545	10	>5 Years	181,472
67	1/03/2022	6.47	647,441	11	>5 Years	41,889
70	13/02/2016	4.65	798,108	5	1 to 5	37,112
71	1/03/2026	6.49	1,563,378	15	>5 Years	101,463
72	23/06/2029	4.49	2,000,000	15	>5 Years	89,800
			<u>8,521,675</u>			<u>488,227</u>
						<u>5.73%</u>
			1,068,825		<1	
			3,565,417		1 to 5	
			3,887,434		>5	
			<u>8,521,676</u>			

Notes to the Financial Reports

For The Year Ending 30 June 2015

23. Grants and Contributions

(a) Non Operating Grants For the Development Of Assets

GRANT SOURCE	PURPOSE	2014/2015 ACTUAL \$	2013/2014 ACTUAL \$
State Grants			
Dept LG & Regional Development	Royalties for Regions	1,036,663	
Office of Crime Prevention	CCTV Cameras - Town Centre	-	15,200
Office of Crime Prevention	CCTV Cameras - Town Centre	-	41,057
SEMC	Emergency Risk Assessment Project	-	13,636
MWAA	Mobile Recycling Facility	-	24,603
Dept Regional Develop & Lands	Martumili Art Centre	1,00,000	1,125,000
Lottery West	Martumili Art Centre	600,000	-
Dept of Transport	Walk/ Bike Trail	-	37,352
WA Grants Commission	Aboriginal Access Roads	578,000	554,667
Main Roads WA	Aboriginal Access Roads	531,700	358,434
Main Roads WA	Regional Road Group	339,300	889,938
WA Grants Commission	Untied Road Grants	513,700	389,400
Main Roads WA	Direct Road Grants	339,300	312,161
Main Roads WA	Black Spot - Hilditch Avenue	9,096	70,398
Main Roads WA	Anti-Hoon	-	12,517
		5,419,425	3,844,363
Federal Grants			
Federal Dep't Of Transport	Roads To Recovery	802,619	794,945
Federal Dep't Of Transport	Roads To Recovery - Special	838,000	
Federal Dep't Of Transport	Black Spot Funding - Newman Dv	-	136,364
Federal Dep't Of Transport	Roads To Recovery - Special	-	143,636
Regional Airport Development	Apron and Helipad	-	366,068
		1,640,619	1,441,013
Contributions			
BHPBIO - Sustainability Prog	Community Safety Project	99,415	196,967
BHPBIO - Sustainability Prog	Matrumili Art Centre	3,500,000	-
Consolidated Minerals	Woodie Woodie Road	250,000	150,000
BHPBIO - Sustainability Prog	Other Projects	55,457	499,111
		3,904,872	846,078
		10,964,916	6,131,454

Notes to the Financial Reports

For The Year Ending 30 June 2015

(b) Operating Grants and Contributions

GRANT SOURCE	PURPOSE	2014/2013 ACTUAL \$	2013/2014 ACTUAL \$
State Grants			
WA Grants Commission	General Purpose Grants	3,097,832	3,142,360
Fire & Emergency Services	Administration Grant	9,630	12,916
Fire & Emergency Services	Nullagine Bush Fire Brigade	4,500	4,700
Department of Local Government	Marble Bar Talent Show	-	700
Children and Young People Consultations	Commissioner for Young People	4,231	-
Events Corporation	Fusion Festival	-	10,500
WA Drug & Alcohol Authority	Breaking the Cycle	10,000	-
NW Planning Program Fund	Planning	63,400	78,218
Department of Sport & Rec	Swimming Pool Grant	66,000	-
Healthway	Triathlon	6,300	-
Art Enterprise Activities (NACIS)	Martumilli Arts Project	205,000	155,000
Dept Environ and Heritage	Martumilli Arts Project	64,288	31,639
Pilbara Development Commission	East Pilbara Art Centre	16,000	-
Department of Sport & Rec	Governance Workshop	2,500	-
Main Roads WA	Flood Damage	369,077	-
WA Grants Commission	Untied Road Grants	1,182,617	1,428,347
Department of Transport	Recreation Boating Facilities	55,237	1,293,850
State Dep't of Transport	RPT Bus Service Subsidy	104,012	118,774
Pilbara Development Commission	East Pilbara Tourism Project	50,000	-
		5,310,714	6,277,004
Federal Grants			
		-	-
Contributions			
Department of Health	Tobacco Control Grant	3,500	-
BHPB - Contribution	Events - Newman	10,000	414,500
Atlas Mining	Marble Bar Youth Camp	-	3,500
WALGA	Roadwise	-	1,500
BHPB - Contribution	Rubbish Run	-	-
Water Corporation	Newman Sewerage Farm	135,000	131,252
Martu Charitable Trust	Martumili Arts Project	-	97,375
BHPB Contribution	Martumili - Community Support	350,000	350,000
BHPB Contribution	Martumili - Community Development	-	65,268
Strategic Project for Digital Bio.	Martumili Art Centre	18,000	-
		517,084	1,063,395
		5,827,798	7,340,399

(c) Grants By Program In Operating Statement

PROGRAM	2014/2015 \$	2013/2014 \$
General Purpose Funding	4,134,495	3,142,360
Governance	-	-
Law, Order & Public Safety	113,545	284,477
Health	3,500	-
Education & Welfare	24,231	430,700
Housing	-	-
Community Amenities	198,984	234,073
Recreation & Culture	5,828,088	1,861,634
Transport	6,280,532	7,399,836
Economic Services	209,339	118,774
Other Property & Services	-	-
	16,792,713	13,471,854

Notes to the Financial Reports

For The Year Ending 30 June 2015

24. Performance Measures

The following performance measures are used to compare Council's financial performance for 2014/2015 with the previous two years:

PERFORMANCE MEASURE	HOW CALCULATED	2014/2015	2013/2014	2012/2013
(a) Current ratio	current assets minus restricted assets	1.4490	1.6694	1.6478
	current liabilities minus liabilities associated with restricted assets			
(b) Debt service cover ratio	annual operating surplus before interest and depreciation	12.4860	9.8066	11.1810
	principal and interest			
(c) Own Source Revenue Ratio	own source operating revenue	1.1310	0.9214	0.8130
	operating expense			
(d) Operating Surplus Ratio	operating revenue minus operating expense	0.1400	0.0224	0.1020
	own source operating revenue			
(e) Asset Consumption Ratio	depreciated replacement cost of assets	0.5910	0.9428	0.6650
	current replacement cost of depreciated assets			
(f) Asset Renewal Funding Ratio	NPV of planned capital renewals over 10 years	1.0000	1.0000	1.0000
	NPV of required capital expenditure over 10 years			
(g) Asset Sustainability Ratio	Capital renewal and replacement expenditure	1.0290	0.5545	0.6990
	depreciation expense			

Notes to the Financial Reports

For The Year Ending 30 June 2015

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	2014/2015	2013/2014
100,000 - 109,999	2	3
110,000 - 119,999	9	8
120,000 - 129,999	2	1
130,000 - 139,999	0	1
140,000 - 149,999	1	1
160,000 - 169,999	1	1
170,000 - 179,999	1	1
200,000 - 209,999	1	1
230,000 - 239,999	1	1

26. Bad and Doubtful Debts

The following debts were written off during the year:

	2014/2015 \$	2013/2014 \$
Rates	34,487	30,179
Sundry Debtors	369,432	26,717

27. Auditors Remuneration

Audit fees incurred during 2014/2015 were \$36,119. Comparative fees during 2013/2014 were \$27,535.

28. Contingent Liabilities

The Council had no contingent liabilities as at 30 June 2015.

29. Major Land Transactions

The Council undertook no land transactions for the period ending 30 June 2015.

30. Trading Undertakings

The Council had no trading undertakings as at 30 June 2015.

31. Employee Numbers

	2014/2015	2013/2014
The number of permanent employees at balance date	85	80

32. Capital & Leasing Commitment

OPERATING LEASE COMMITMENTS	2014/2015 \$	2013/2014 \$
Non-cancellable operating lease contracted for but		
Payable		
- not more than one year	17,662	
- later than one year but not later than five years	52,987	
- later than five years		
	<hr/> 70,649	<hr/> 0.00

Notes to the Financial Reports

For The Year Ending 30 June 2014

33. Trust Funds (Housing Bonds)

KEY BOND ADMINISTRATOR ACCOUNT	2014/2015 \$	2013/2014 \$
Opening Balance	11,610.00	14,750.00
Bonds Received	3,220.00	460.00
Sub Total	<u>14,830.00</u>	<u>15,210.00</u>
Bond Ttr to Bond Administrator	<u>2,860.00</u>	<u>3,600.00</u>
Closing Balance	<u><u>11,970.00</u></u>	<u><u>11,610.00</u></u>



Independent Audit Report

For the year ended
30 June 2015

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, being a general purpose financial report of The Shire of East Pilbara, which comprises the statement of financial position as at 30 June 2015, 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' 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, the *Local Government Act 1995 (as amended)* and the *Local Government (Financial Management) Regulations 1996*.

The council's responsibility also 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.

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 the 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.

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Independent Audit Report



Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

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

- i. Gives a true and fair view the financial position of the Shire of East Pilbara as at 30 June 2015 and of its performance for the year ended on that date; 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

A handwritten signature in blue ink that reads 'J Prue'. Above the signature, the letters 'BDO' are written in a simple, blocky font.

Jarrad Prue

Director

Perth, 27 November 2015



Appendices

For the year ended
30 June 2015

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	1.6516	77	10,421,960	172,129	2,907	175,036	172,100	70,000	242,100
GRV - Town Centre	3.9931	37	6,112,152	223,075	-	223,075	223,000	-	223,000
GRV - Nullagine	7.1047	28	391,248	27,797	-	27,797	28,800	-	28,800
GRV - Marble Bar	0.0000	0	-	-	-	-	-	-	-
GRV - Transient	3.1729	14	64,199,716	2,190,329	-118,121	2,037,000	2,037,000	-	2,037,000
GRV - Other	1.7169	1,895	130,911,106	2,240,093	83,921	2,242,300	2,242,300	-	2,242,300
UV - Other	17.1834	474	25,693,398	4,414,999	-27,782	4,430,000	4,430,000	160,000	4,590,000
UV - Exploration	15.1215	764	7,094,307	1,074,540	383,761	1,168,600	1,168,600	-	1,168,600
UV - Prospecting	15.1215	253	237,888	35,972	23,794	37,800	37,800	-	37,800
UV - Pastoral	4.3810	48	7,926,319	357,591	1,972	461,400	461,400	-	461,400
Sub Total		3,590	252,988,094	10,736,525	350,452	11,086,977	10,801,000	230,000	11,031,000
Minimum Rates									
GRV - Industrial	650.00	16	-	24,050	-	24,050	23,400	-	23,400
GRV - Town Centre	650.00	5	-	3,250	-	3,250	3,300	-	3,300
GRV - Nullagine	475.00	19	-	6,400	-	6,400	6,000	-	6,000
GRV - Marble Bar	475.00	0	-	-	-	-	-	-	-
GRV - Transient	650.00	0	-	-	-	-	-	-	-
GRV - Other	650.00	367	-	238,550	-	238,550	239,200	-	239,200
UV - Other	250.00	352	-	70,400	-	70,400	70,600	-	70,600
UV - Exploration	250.00	163	-	32,600	-	32,600	37,200	-	37,200
UV - Prospecting	250.00	130	-	26,000	-	26,000	20,600	-	20,600
UV - Pastoral	250.00	18	-	3,600	-	3,600	3,600	-	3,600
Sub Total		1,070	-	404,850	-	404,850	403,900	-	403,900
Total		4,660	252,988,094	11,141,375	350,452	11,491,827	11,204,900	230,000	11,434,900

Appendices

B Loan Repayment Schedule

LOAN NO	PARTICULARS	PRINCIPAL 1 JULY 2013 ACTUAL \$	NEW LOANS \$	PRINCIPAL REPAYMENTS MADE		PRINCIPAL OUTSTANDING 30 JUNE 2014		INTEREST REPAYMENTS MADE	
				ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$
Administration									
65	Newman Admin Building Upgrade	691,370	-	82,166	82,200	609,204	609,170	40,908	40,900
Housing									
67	Staff Housing	707,566	-	60,125	60,100	647,441	647,466	45,416	45,400
71	Staff Housing	1,647,340	-	83,962	84,000	1,563,378	1,563,340	106,643	106,600
Community Amenities									
72	Newman Sewerage Plant		2,000,000	-	-	2,000,000	2,000,000	0	-
Transport									
66	Newman Airport Precinct Upgrade	3,225,381	-	321,836	321,800	2,903,545	2,903,581	199,597	199,600
70	Newman Terminal Upgrade	1,170,476	-	372,367	372,400	798,109	798,076	51,554	51,600
		7,442,133	2,000,000	920,456	920,500	8,521,677	8,521,633	444,118	444,100

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