



# Annual Report

2015 - 2016

Shire  
of East  
Pilbara



# Welcome

**On the cover and above this Annual Report:**

'Yanytikuji' Amy French and Lily Long  
152cm x 152cm: acrylic on linen "

Special thanks to 'Kevin Mitchell Chasing Stars' for the use of his photographs



*Photo by Kevin Mitchell*

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Roy Hill Shearing Shed

## Our History

### Shire of East Pilbara

The estimated population of the Shire is 20,000 of which (including Fly-In, Fly-Out) 6000 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.

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

The main townsites are Newman, Marble Bar and Nullagine, with a number of Aboriginal Communities inhabiting the Shire, the largest being Jigalong..

The Shire of East Pilbara was formed in 1972 upon 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 part of Road Board which was established in 1898.

The Shire's administration centre is located in Newman with an office in Marble Bar and the rural works crew operates from that location. A small maintenance team in Nullagine looks after the town. Newman operates with a large Parks and Gardens team, a small Road Maintenance crew and a Waste Operator.

### 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 partially sealed 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.



East Pilbara Arts Centre

## Report from the President

Cr Lynne Craigie

This has been an extraordinarily busy year for the Shire which included the opening of major infrastructure, a local government election as well as an abundance of community engagement and events.

All towns saw an increase in expenditure in renewal and enhancement of facilities and additional services.

The East Pilbara Arts Centre officially opened this year, signifying another important milestone in the revitalisation of Newman. This fantastic facility highlights just how far we have come in our aspirations to be a key regional centre in the Pilbara and it was ideal that we could open the facility with an exhibition from our own Martumili Artists.

Funding for the facility was provided by BHP Billiton Iron Ore (\$4.4million), the Pilbara Development Commission under the Pilbara Cities Initiative through the State Government's Royalties for Regions Program (\$3.5 million), Lotterywest (\$600,000) and the Shire of East Pilbara (\$800,000).

The 2015 Art at the Heart Artist in Residence showcased his East Pilbara inspired installation in September amazing all who saw it. Yasuaki Onishi's work featured an untitled piece made entirely of glue, suspended from fishing line and wire. 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 and 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.

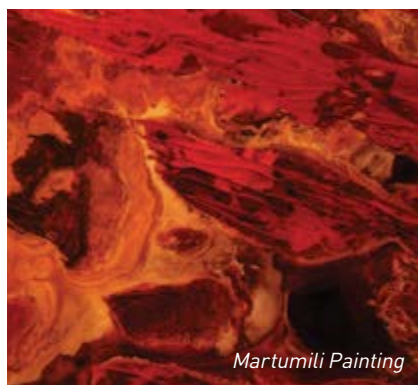
This past year Newman and Marble Bar were voted state finalists by the Keep Australia Beautiful Council in the 2016 Tidy Towns Sustainable Communities program. Newman has also received the accolade of being a finalist for the overall state winner's title for 2016.

We also enjoyed several community events this year, proof that there is plenty to do living in the East Pilbara. Some of these included the Absolutely 80s concert featuring Brian Mannix, Dale Ryder, Scott Carne, Ally Fowler and David Sterry and had everyone moving to their greatest 80's hits. Also, family favourite, DJ Rev returned to the Pilbara to provide an evening of family entertainment with his Express Yourself event at both Marble Bar and Nullagine. These occasions are fantastic vehicles not only for uniting the community but also providing entertainment and leisure for everyone.

We also welcomed three new Councillors after Local Government Elections in October. Newly elected to the South Ward was Jay Ahmedi. He was joined by John Jakobson (East Ward) and Michael Kitchin (North West Ward) who were elected unopposed. I would like to thank my fellow Councillors for their support and I congratulate them for the diligence and dedication they have shown as representatives of the people of the East Pilbara.



Yasuaki Onishi - Art at the Heart



Martumili Painting



Absolutely 80s Concert



Eagle Rock Falls, Newman – Photo by Kevin Mitchell

## From the CEO

Mr Allen Cooper

As I look back on the past financial year I am very pleased and proud of the work we have undertaken for the residents of the Shire.

We have continued our commitment to the safety of residents and visitors on our roads after almost \$4.5 million was spent on improvements and repairs in the past year. The Shire utilised funding from the Federal Government to repair and improve several local roads. These roads provide key links from our homes, schools and workplaces to arterial roads and highways and their improvement make a real difference in safety and creating better access for all our residents.

Enhancing and renewing community infrastructure remains a focus with considerable funds being utilised to support this activity. Also an increase in

community social activities has been a highlight of the year.

Our commitment to supporting the health of our residents was highlighted this past year with the opening of three new homes for medical professionals in Newman. Providing suitable housing for medical practitioners was identified as an area of real importance in Newman and we are confident these residences will go a long way in helping to attract doctors to live in our community. This project was a partnership with BHP Billiton.

Antisocial behaviour in our towns continues to be a problem and as a result our rangers worked together with local police to crack down on anti-social and inappropriate behaviour. In Newman, additional signage was installed around the town centre and shopping precinct which detail what is unacceptable behaviour and what will not be tolerated under any circumstances. Rangers also joined police on foot patrols of the town centre, patrolling at those times when unacceptable behaviours are most prevalent.

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 re-election as President of the Western Australian Local Government Association (WALGA). This is testimony to the high esteem she is held in by her colleagues and fellow elected members in local government in Western Australia and we are fortunate indeed that she is our Shire President.

Despite the slowdown in mining construction, the Shire of East Pilbara remains focused on revitalising the town, further enhancing it as a key regional centre, with aspirations to increase its current population base as a resource town of 6,000 people into a sub-regional centre that caters for 15,000 permanent residents. While at the same time ensuring our small towns continue to have facilities and resources which meet the needs of the residents.

I would encourage you to read this document to have a better understanding of the services and activities that the Shire is involved in. It is certainly very wide and varied.



Housing for medical practitioners

# Elected Members

South Ward



**Cr Lynne Craigie**  
Shire President  
Term Expires 2019

South Ward



**Cr Shane Carter**  
Term Expires 2017

South Ward



**Cr Anita Grace**  
Term Expires 2017

South Ward



**Cr Craig Hoyer**  
Term Expires 2019

South Ward



**Cr Gerry Parsons**  
Term Expires 2017

South Ward



**Cr Jay Ahmedi**  
Term Expires 2019

North Ward



**Cr Lang Coppin**  
Shire Deputy President  
Term Expires 2017

North West Ward



**Cr Michael Kitchin**  
Term Expires 2019

Lower Central Ward



**Cr Bidy Schill**  
Term Expires 2019

East Ward



**Cr John Jakobson**  
Term Expires 2017

Central Ward



**Cr Dean Hatwell**  
Term Expires 2017

## Councillor's Meeting Attendance

	Ward	Retire	24-Jul-15	28-Aug-15	25-Sep-15	23-Oct-15	11-Dec-15
Cr Lynne Craigie	South	2019	Yes	Apology	Yes	Yes	Yes
Cr Stephen Kiernan	North West	2017	Apology	Yes	Yes	Stephen Kiernan did not re-apply for Councillor	
Cr Michael Kitchen	North West	2019	Vacant until 17/10/2015			Yes	Yes
Cr Jay Ahmedi	South	2019	Yes	Yes	Yes	Yes	Yes
Cr Craig Hoyer	South	2019	Yes	Yes	Yes	Yes	Yes
Cr Biddy Schill	Lower Central	2019	Yes	Yes	Yes	Yes	Yes
Cr Anita Grace	South	2017	Yes	Apology	Leave of Absence	Yes	Yes
Cr Shane Carter	South	2017	Yes	Yes	Apology	Apology	Leave of Absence
Cr Gerry Parsons	South	2017	Yes	Yes	Yes	Yes	Yes
Cr Lang Coppin	North	2017	Yes	Yes	Yes	Yes	Yes
Cr John Jakobson	East	2017	Vacant until 17/10/2015			Yes	Yes
Cr Dean Hatwell	Central	2017	Yes	Yes	Yes	Yes	Yes
<b>Location</b>			<b>Newman</b>	<b>Newman</b>	<b>Marble Bar</b>	<b>Newman</b>	<b>Newman</b>

	29-Jan-16	11-Mar-16	29-Apr-16	27-May-16	24-Jun-16
Cr Lynne Craigie	Yes	Yes	Yes	Yes	Yes
Cr Stephen Kiernan	Stephen Kiernan did not re-apply for Councillor				
Cr Michael Kitchen	Yes	Yes	Yes	Yes	Yes
Cr Jay Ahmedi	Yes	Yes	Apology	Yes	Leave of Absence
Cr Craig Hoyer	Yes	Yes	Yes	Yes	Yes
Cr Biddy Schill	Yes	Yes	Yes	Yes	Apology
Cr Anita Grace	Yes	Yes	Yes	Yes	Apology
Cr Shane Carter	Yes	Yes	Yes	Yes	Yes
Cr Gerry Parsons	Yes	Yes	Apology	Yes	Yes
Cr Lang Coppin	Yes	Yes	Yes	Yes	Yes
Cr John Jakobson	Yes	Yes	Yes	Yes	Apology
Cr Dean Hatwell	Yes	Yes	Yes	Yes	Yes
<b>Location</b>	<b>Newman</b>	<b>Marble Bar</b>	<b>Newman</b>	<b>Newman</b>	<b>Nullagine</b>

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

Cr Lynne Craigie	9
Cr Lang Coppin	10
Cr Shane Carter	7
Cr Anita Grace	7
Cr John Jakobson	6
Cr Gerry Parsons	10
Cr Craig Hoyer	10
Cr Dean Hatwell	10
Cr Biddy Schill	9
Cr Michael Kitchin	7
Cr Jay Ahmedi	8
Cr Stephen Kiernan	2



# 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



**Pip Parsonson**  
Manager Community  
Wellbeing



**Clint Swadling**  
Manager Community  
Safety



**Simone Van Buerle**  
Manager Recreation &  
Events



**Andries Gertenbach**  
Manager Corporate  
Services



**Sue Michoff**  
Manager Children & Youth  
Services



**Salomon Kloppers**  
Manager Development  
Airports



**Roy Winslow**  
Manager Development  
Services - Planning



**Edmore Masaka**  
Manager Development  
Services - Health



**David Evrett**  
Manager Development  
Services - Building



**Ben Lewis**  
Manager Assets &  
Procurements



**Oliver Schaer**  
Manager Technical  
Services - Rural



**Bhavesh Modi**  
Manager Technical  
Services - Newman



**George Christianson**  
Manager Airport  
Compliance

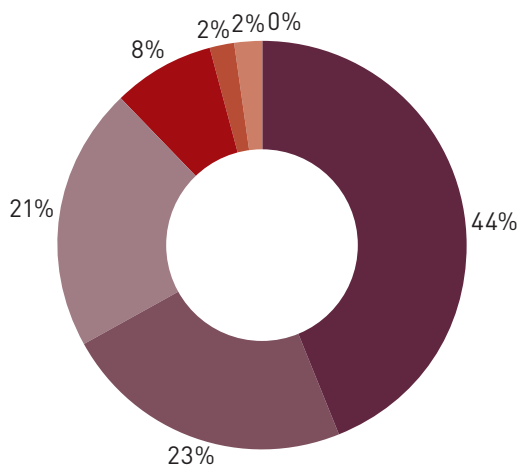


**Carly Day**  
Manager Martumili  
Artists



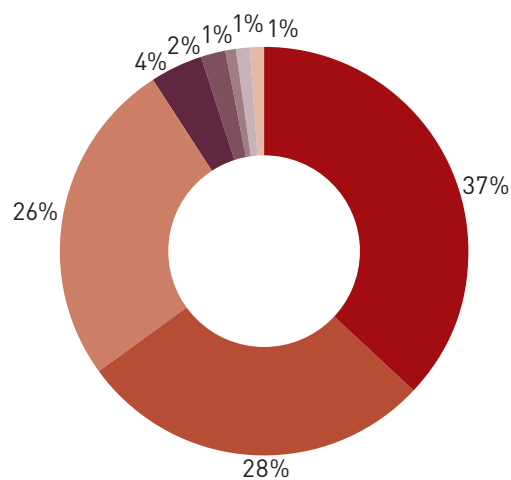
Fortescue Bridge, Photo by Kevin Mitchell

# 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



Photo by Kevin Mitchell

# Human Resources

## Deputy CEO's Office:

Deputy CEO	1
Managers	5
Coordinators	10
Staff	21

## Technical/ Development:

Director	1
Managers	9
Coordinators	3
Staff	29

As at the 30th June 2016, Council had 87 permanent positions split as follows:

### Executive Services:

CEO	1
Managers	1
Coordinators	1
Staff	5

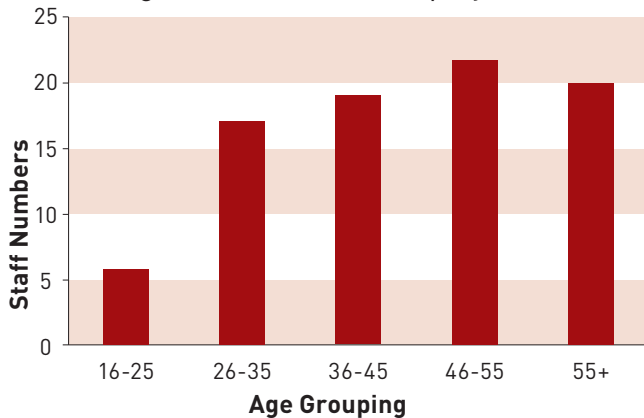
### Recruitment:

The following positions were vacant as at 30th June 2016:

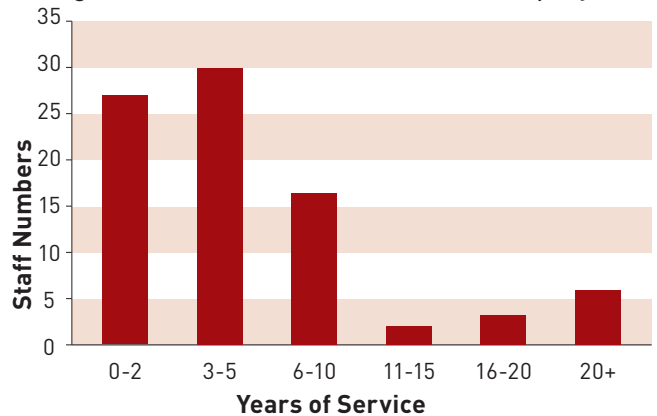
- Finance Officer – Martumili
- Seasonal Aquatic Officer
- Youth Engagement Officer
- Casual Works Crew – Newman
- Martumili Gallery Coordinator
- Works Supervisor – Parks & Gardens
- Field Officer – Martumili
- Recreation & Events Officer
- Senior Librarian

Staff turnover for 2015/2016 financial year was 44% for permanent part time and full time positions.

Age of Permanent Employees



Length of Service for Permanent Employees





*Photo by Kevin Mitchell*

## 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 record keeping within the organisation.

The Shire's 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.

## Disability Access and Inclusion Plan 2015-2019

The Disability Access and Inclusion Plan 2015-2019 (DAIP) 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 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.

<b>Outcome 1:</b> 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.	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.
<b>Outcome 2:</b> 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.	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.
<b>Outcome 3:</b> 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.	All Shire documents are being made available in other formats on request.
<b>Outcome 4:</b> 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.	All Shire employees deliver the same service to everyone regardless if they are a person living with disability.
<b>Outcome 5:</b> People living with disability have the same opportunities as other people to make complaints to the Shire of East Pilbara.	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.
<b>Outcome 6:</b> 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	Disability services and groups will be part of the DAIP committee to be established by end 2015.
<b>Outcome 7:</b> People with disability have the same opportunities to obtain and maintain employment with the Shire of East Pilbara	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.
<b>Outcome 8:</b> The Shire of East Pilbara will undertake initiatives that promote community awareness, accessibility and inclusiveness relating to people living with disability.	The Shire of East Pilbara will celebrate International Day of People with Disability as an annual event and is included in the Event Strategy.

## 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. Five Freedom of Information applications were received during the 2015/16 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 one complaint of this nature during the 2015/16 financial year.

## Policy Manual

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

- Human Resources Policy 2.1

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
- Council Meetings

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

- HR Policies
- Council Supported / Recognised events of Community Interest Policy



Amy French and Lily Long in front of their painting Karlamilyi

## Martumili

169 days in 5 Martu communities, on Country and in Newman providing cultural and artistic support to artists.

34,431kms travelled and 913 new artworks.

More than 34,400kms travelled over 169 days by Martumili Field Officers facilitating the production of arts in Martu communities across the Western Desert. An additional 104 days were committed to travel and trip preparation.

4 regional, 9 national and 2 international exhibitions;

3 art awards; 5 marketplaces; 2 artist-in-residencies

Participated in 4 regional exhibitions in Moree, Gold Coast, Newcastle and Newman; 9 national exhibitions at Brisbane, Canberra, Darwin, Melbourne, Perth and Alice Springs; and 2 international exhibitions in London and Osaka.

Accepted into 3 art awards including the Hedland Art Award, the West Australian Indigenous Art Award and the Telstra Art Award.

Sold artwork at 5 marketplaces around Australia including in Alice Springs, Perth, Port Hedland, Karijini National Park and Newman.

Delivered 2 artist-in-residencies at BHP Billiton's Jumblebar Mine Site and as part of the 18th International Conference & Exhibition on Liquefied Natural Gas, Kings Park, Perth.

8 special projects and significant events

### **Martumili Artists Open Day & Archie Roach Concert, July 2015**

An Open Day for artists and the local community was held in the grounds of the new Martumili Artists Facility, with an Archie Roach concert following at Boomerang Oval. The event focused on bringing together Martu, Niyaparli and the wider community.

### **Niyaparli and Martu artistic collaboration for Newman's new Town Square, July 2015**

As part of the Newman Revitalisation Project, Niyaparli and Martu artists came together to work on a collaborative piece for the planned Newman Town Square. The project was facilitated by Lynette Wallworth in partnership with Martumili Artists.

### **Premier's Award, October 2015**

The East Pilbara Arts Centre complex (a BHP, PDC, Lotterywest, Martumili and Shire of East Pilbara initiative) was a finalist for a Premier's Award of Excellence for Improving Aboriginal Outcomes.

### **Songlines of the Western Desert Project, Australian National University, October 2015 & May & June 2016**

Songlines of the Western Desert is a cross-cultural collaborative and interdisciplinary research project between the Martu, Ngaanyatjarra, Pitjantjatjara and Yankunytjatjara peoples and the national cultural heritage institutions of the Australian National University (ANU) and the National Museum of Australia. The ANU is working with 19 partner art centres across the Northern Territory, Western Australia and South Australia to increase national recognition and understanding of Indigenous Songlines as complex pathways of spiritual, ecological, economic, cultural and ontological knowledge. The project will focus on Tjukurpa, ecology, rock art, archaeology, song and art, with exhibitions to be held in Adelaide and Canberra upon completion.

In October 2015, the ANU and female Martu artists embarked on a field trip to make an anthropological film based on





the story of the Seven Sisters Dreaming. Minyi Puru sites were visited, stories were retold and artworks were created. In November 2015, the women travelled to Canberra to review and edit the material collected. Subsequent bush trips were completed in May and June 2016.

**Organised gallery tours for school children and community groups, April - June 2016**

As a result of the opening of East Pilbara Arts Centre (EPAC) and the Martumili Gallery, Martumili Artist (MMA) is now able to offer guided tours of the gallery and its artwork to school children and other community groups. Between April and June 2016, 10 groups have taken guided tours including children from the local primary school, from the more remote Jigalong School and the YMCA Early Learning Centre.

**Collaborative artwork planned between animator Sohan Ariel Hayes and Martu artist Ngamaru Bidu, May 2016**

Following the enormous success of Cannibal Story, Martu artist Ngamaru Bidu and animator Sohan Ariel Hayes are currently working on a short film animated depiction of Ngamaru's artwork.

**Collisions, World Economic Forum 2016 & Sundance Film Festival, Park City, June 2016**

MMA supported Lynette Wallworth and Martu elder Nyarri Morgan to produce a virtual reality short film about Nyarri's eyewitness account of an atomic bomb

test at Maralinga in the 1950s. This film was premiered at the 2016 World Economic Forum in Davos and was featured at the Sundance Film Festival in Park City, America with Nyarri and his wife attending. MMA provided equipment and logistical support to facilitate the making of the film as well as sourcing birth certificates

**MOST IMPORTANTLY!!!!**

**East Pilbara Arts Centre & the Martumili Gallery opens! April 2016**

On April 29 2016, the East Pilbara Arts Centre (EPAC) & Martumili Gallery opened its doors to the public for the very first time. The program of events included a moving Welcome to Country by Nyiyaparli elders and a public concert held inside EPAC headlined by Indigenous singer/songwriter, Frank Yamma. The Martumili Gallery hosted a VIP event to open its first ever exhibition, the highly acclaimed national touring exhibition We don't need a map: a Martu experience of the Western Desert. The exhibition was later open to the public for all to enjoy.

**8 specialist art workshops**

8 specialist art workshops held in Parngurr, Punmu, Kunawarrtiji, Irrungadji, Newman and On Country. These workshops have complimented regular trips to remote communities by Field Officers.

**48 indigenous employment opportunities, 5 volunteer opportunities**

6 casual Cultural Liaison Officers employed by Martumili Artists in various roles including artist support, translating, canvas stretching and priming customer service at the Martumili Gallery, as well as various duties at exhibition openings, marketplaces and art awards.

33 project-based employment opportunities directly provided by Martumili Artists for artists and arts workers including participation in artist-in-residencies and exhibition public programs, artist talks and public speaking.

9 additional employment opportunities facilitated by Martumili Artists on special projects including cultural contributions to the Songlines Project and collaborative projects with non-Martu artists.

5 volunteer opportunities offered in artist support, artist-in-residency support administration support, the Christmas Sale event and the organisation's move to the East Pilbara Arts Centre.

**12 professional development opportunities**

1 Martumili staff member, 3 Cultural Liaison Officers and 12 artists were provided access to 12 professional development opportunities in public speaking, public art demonstrations, retail merchandising and market setup, cultural awareness presentation, exhibition curation and installation and Excel software.



Australia Day 2016 – Suzy Oldham, Paul Bonney, Lynne Craigie, & Dr John Van Bockxmeer

## Community Wellbeing

### East Pilbara Interagency

The Shire of East Pilbara, through the Community Wellbeing section, continued to facilitate and host the monthly *East Pilbara Interagency*. The Interagency brought together a comprehensive array of service providers, representing government and the community sector from throughout the East Pilbara, to achieve common awareness of each agency's 'burning issues', 'good news' and upcoming events.

The Interagency has helped establish a critical mass to support advocacy and hold sector events and activities. It also meant that information was easily shared across a number of services and government departments as well as helping establish trust and reciprocity because of the regular interaction.

### Community Assistance Grants

In 2015/16 the Community Assistance Grant program was revamped, allowing clubs, associations and individuals improved access to financial and in-kind support from the Shire of East Pilbara.

The Shire Community Assistance Grants program assisted many East Pilbara community associations with in-kind support through Grant Number

1, which provides for the waiver of fees for the use of Shire amenities such as ovals, pools and pavilions with a total of \$4,172.50 in fees waived. Recipients included St John Ambulance, Marble Bar Progress Association, Centrals Sporting Club, East Pilbara Independent Support (EPIS), Newman Scout Group, Newman Anglican Church, East Pilbara Baseball Association, Parnngurr Community School, Newman Primary School Parents and Citizens (P&C), V Swans, Nullagine Community Resource Centre and Marble Bar Race Club.

The Community Assistance Grant Number 2, which provides up to \$1,000 in-kind and/or cash, awarded over \$7,000 value to the following organisations: Martu Christian Fellowship, V Swans, Ngurra Kujungka, Newman Senior High School, Newman Lions Club, Newman Motor Cycle Club Inc., Newman RSL Sub Branch and the Isolated Children's Parents Association of W.A. to run events, attend forums, build new structures and to bring new activities to the Shire's communities.

In 2015/16 Grant Number 3, which is offered twice a year and is up to the value of \$6,000 in cash or in-kind contributions, provided a total monetary value of \$46,407 to a number of community groups to run a wide range of community activities, host events, purchase equipment and make much-needed changes to facilities.

Organisations who received support under Grant Number 3 were the Filipino Association of Newman, Young Men's Catholic Association (YMCA), Empowering People in Communities Inc. (EPIC), WA Police Legacy, Newman

Brazilian Jiu Jitsu, Newman Motor Cycle Club Inc., Cats Football & Sporting Club, Newman Jetsprint Club, Whaleback Ladies Darts Club Inc., Marble Bar Ball Committee and East Pilbara BMX Club.

Grant Number 4 aims to support individuals under 21 years of age to attend sports competitions or cultural events at State, National or International level. Mitchell Outram and Tristan Chong accessed Grant 4 support in the 2015/16 year. Mitchell Outram went on to win Western Australian and Australian titles at the Australia Junior Motocross in Perth in October.

### Youth and Children's Services

The Newman Youth Centre continued to offer an engaging variety of opportunities for young people to participate in community life. The centre offers a dynamic range of programs and drop-in activities, alongside information and support relevant to local young people.

*My Place Cafe* continues to provide a well utilised drop-in space dedicated to young people, where affordable food can be purchased, free Wi-Fi is available and a range of programs and fun activities are available. Youth Centre staff provide a safe environment for young people to access youth-specific information or to spend time with their peers enjoying the range of activities the centre has on offer. The menu has been upgraded to provide an adolescent-friendly range of options and regular cooking programs take place to encourage the development of young people's life skills.





Inside the Newman Youth Centre

Regular outreach activities at the Newman Skate Park and Aquatic Centre take place seasonally, with regular competitions run throughout the year. A range of activities are offered by the Youth Centre in school holiday periods, with extended open hours on offer. Activities vary from excursions to Karijini National Park to cake making workshops, making sure there is something for all young people to be involved with. Formal skateboarding workshops were run by highly experienced skaters from Perth in Newman and Marble Bar in August.

Early 2016 Newman Youth Centre introduced two Traineeship positions, working alongside the Chamber of Commerce and Industry of Western Australia and Newman Senior High School. The full-time School Leaver Traineeship which will, when completed, qualify the Trainee with a Certificate IV in Youth Services and the part-time School-Based Trainee will qualify with a Certificate II in Community Services. This was a great opportunity to have local young people explore a career path in youth and community services, as well as actively participating in the daily operations of the Youth Centre.

The Newman Youth Centre continued to deliver exceptional youth-targeted community events, such as the National Youth Week 2016 Festival. The event was guided by survey data from local young people and a planning team of young people. This year the free festival was held at the Newman Youth Centre over two time slots, allowing younger children and families to visit the centre and join in the festivities during the day,

followed by a dedicated evening session for high school aged students. Over 300 people attended the day. Activities included bucking bulls, bumper-balls, a giant waterslide, a blow-up obstacle course, a photo booth, laser tag, silent disco, blow-up basketball, live music from a local DJ and a range of free food and drinks. Feedback from parents and community members was exceptionally positive.

*School's Out for Summer*, held at the Newman Youth Centre, also provided a great outlet for young people to socialise and celebrate the end of the 2015 school year.

Another highlight of the year was the *Urban Art Workshops*, held at the centre in November and January, with visiting artist Chez Vegana. Young people learned various techniques of spray art and prepared a number of art works on canvas as well as transforming the entrance to the Youth Centre with a huge mural. The quality of work was so high that an exhibition was arranged and set up at Newman Visitors Centre to display the work.

A Girls Group was piloted in 2015 with great success and is now a regular program at the Youth Centre. The group caters for girls aged 10-15 and provides an engaging mix of health information and social, recreational, craft and other activities decided by the group. Importantly the group provides a dedicated time and space for young women to access the Youth Centre and has seen a large increase in the number of girls participating in centre activities.

In October *Curious Works*, a community oriented video production and arts company, was contracted to conduct video production workshops in Newman, Nullagine and Marble Bar. Curtis Taylor, a young Martu filmmaker, along with Mark Taylor (no relation), from *Curious Works* spent a week in the East Pilbara working with young people in our three towns making short videos where the participants conceived, wrote, filmed and acted in their own productions. The films were later screened to appreciative audiences of peers and family members.



Fair go Games



Newman Sustainable Litter Collection

In Marble Bar the local *Recreation Complex* continued to deliver regular programs for the town's young people, despite being without a Community Development Officer for much of the year.

After a successful visit by *Eddy on The Road* (EoTR) to run school holiday activities in Marble Bar and Nullagine in July, an invitation was offered to local youth to attend an Edmond Rice Camp just outside Perth in mid-January. The camp saw eight children from Marble Bar, plus staff, drive to the camp and return a week later with new skills, songs and many new friends. This experience for both participants and providers saw EoTR return again in April to run holiday programs in Marble Bar, Nullagine and Warralong, as well as assisting with youth activities for the Billy Cart Grand Prix as part of the *Start of Muster Weekend* activities. As a result of the positive interactions over this period EoTR have stated their willingness to further support the area with ongoing holiday programs, for which the Shire and the young people of Marble Bar, Nullagine and Warralong are very grateful.

There have been many improvements to the *Recreation Complex* and surrounding amenities. These include the resealing and marking of the tennis, basketball and netball courts (also in Nullagine); enhanced court access through the installation of walkways, rails, gates, outside lighting and the erection of a portico at the main entrance. Interior areas have been extensively cleaned and sections have been designated for computers for homework classes, internet access and game playing. A

separate area containing PlayStation and Xbox consoles allow for game playing to improve teamwork and hand-eye coordination. Pool and table tennis tables make up a third of the designated area whilst tables and couches enhance the overall feel of the Rec Shed, allowing for a timeout area and the ability to also run art and craft activities on a regular basis.

In 2015 the Shire purchased indoor playground equipment of a substantial size for the Recreation Complex that had previously been installed at The Beach in Newman. With the assistance of a Port Hedland transport company and members of the Marble Bar community the equipment was conveyed to Marble Bar and physically moved into the Recreation Complex, one section at a time, where it was lovingly rebuilt to provide a three story, multifaceted structure that is enjoyed by all age groups, including visiting school groups from Nullagine and Warralong.

The placement of the indoor play equipment has allowed for the establishment of a separate and secure Playgroup area that is being run jointly by the Marble Bar Playgroup and Gumala Aboriginal Corporation, five days per week. The Shire has assisted through the installation of fencing and the supply of some \$4,000 worth of toys, furniture and age-appropriate play equipment, which has enhanced the quality of the services that are being offered by the Playgroup. The Recreation Complex also underwent maintenance and refurbishment to improve the facilities and its appearance.

The Shire continues to play the key

facilitation role sustaining the Newman Early Years Network (NEYN) and the East Pilbara Youth Engagement Partnership (EPYEP). Each forum brings together agencies working in the early years or youth fields to share information, network, identify issues and develop programs suitable for their respective target groups.

### Tidy Towns Competition

The Shire of East Pilbara submitted entries for Newman and Marble Bar for the Tidy Towns Sustainable Communities Awards. Marble Bar was picked as a State Finalist in the Community Action & Wellbeing category and Newman picked as a State Finalist in three categories: Environmental Sustainability, Young Legends and Environmental Education, as well as being finalists for the overall state winner's title for 2016.

### Newman Sustainable Litter Collection

Throughout 2015/16, the Community Wellbeing Department continued to facilitate the BHP-funded Sustainable Litter Collection Partnership Initiative in Newman. Expressions of interest to participate from local not for profit community groups and associations in Newman are compiled, and a schedule created, that sees Newman remain largely litter free throughout the year, while each participating community group is able to raise valuable funds as they go. Newman Scouts, Newman YMCA Early Learning Centre, Newman Touch Football Association, Newman Softball Association, Newman Netball



Banners at Newman Visitor Centre

Association, Baptist Church Youth Mission Group, East Pilbara BMX Club, Whaleback Ladies Darts, Newman Girl Guides, Newman Primary School P & C and South Newman Primary P & C all participated, with the funds used to purchase new equipment, host events, send groups to events and keep local groups and associations sustainable.

### Newman Visitor Centre and the Marble Bar Tourist Association

The Shire of East Pilbara continues to support the Newman Visitor Centre and the Marble Bar Tourist Association with on-going funding to support their activities and to contribute to the development of tourism to the region.

In Newman, the Visitor Centre operates regular tours to BHP's Mount Whaleback mine site. The tours of the largest open cut iron ore mine in the world continue to be popular with tourists visiting Newman with some days attracting over 70 people on the tour. The Shire has also worked with Pilbara Regional Council

and there are three 'Welcome Wi-Fi' hot spots in the Shire of East Pilbara, where visitors to the region can enjoy free Wi-Fi. Newman Visitor Centre has new information screens funded by Greening Australia and BHP Billiton with flora and fauna, geological, indigenous banners on the region now on display. These banners are a fantastic addition to the Visitor Centre which have been well used by locals and visitors since their installation.

The Marble Bar Tourist Association has been steadily developing its capacity over the past year. Operating within the offices of the Shire in Marble Bar, the Association launched its website in March which can be found at <http://www.marblebar.org.au>.

### 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 to a high standard by the Shire's Marble Bar Customer Services 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. In June 2016 all of the library staff became employees of the Shire of East Pilbara and new computing and IT equipment was installed and the Library returned to full Shire control under the Shire's Community Wellbeing Team.

Contributing to the encouragement of literacy, the Shire was very happy to host *The Great Typewriter Tour*. Funded by an Australia Council for the Arts grant, actor and performer, John Derum, was accompanied by a display of fabulous typewriters of yesteryear throughout regional WA. John read from *Such Is Life*, an Australian classic by Tom Collins to small but appreciative audiences in Newman, Nullagine and Marble Bar.

### Disability Access and



Yasuaki Onishi - Art at the Heart



## Inclusion Plan 2015 - 2019

In July 2015 the WA Disability Services Commission formally accepted the lodgement of the recently adopted Shire Disability Access and Inclusion Plan 2015-2019.

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. The Community Wellbeing Team also established a Disability Access and Inclusion Committee to help action and deliver on the outcomes outlined in the adopted Plan.

## Arts and Cultural Development

### Art at the Heart: Artist in Residence Program

The *Art at the Heart* residency is a four-year commitment by the Shire of East Pilbara to celebrate and develop the arts and cultural landscape of the region. 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. *Art at the Heart* was conceived by arts consultants Archipelago Arts who had also coordinated the program in its first and second years.

In 2015, acclaimed Japanese artist Yasuaki Onishi was selected as the Art at the Heart residency prize winner from 32 entries. Yasuaki took up his residency in September 2015 and presented workshops in Newman, Marble Bar and Nullagine before transforming the

local squash courts into a 'pop-up' art gallery. There he exhibited his ethereal installation made from countless strands of cooled, dripped hot glue along with a number of unique 2D pieces, some of which were later purchased by the Shire.

In December 2015, year three of *Art at the Heart* was launched. The Shire made the decision to create a staff position dedicated to arts and cultural development to also run Art at the Heart 'in-house' in its final two years.

The call-out to artists to express an interest in applying for Art at the Heart was a stand-out success with 247 artist briefs and application forms being sent to prospective entrants. At the close of applications in February the Shire had received 68 applications from around the world which was more than double from the previous year. A new-look judging panel consisting of Janet Holmes á Court, Lockie McDonald, Pilar

Kasat, Councillor Gerry Parsons and Councillor Michael Kitchin sat on 4th April to select the winning artist. After an arduous day the judges unanimously declared the winner as USA-based multimedia artist Olaniyi Rasheed Akindiyah, who goes by the brush name of 'Akirash'. Although he is originally from Nigeria, Akirash now resides in Texas. He will take up his residency in August 2016.

### Exhibition in Marble Bar

Marble Bar has not been without cultural development over the reporting period. Along with the Yasuaki Onishi workshops and the *Great Typewriter Tour*, a stunning art exhibition of aerial photography by regularly visiting artist and academic, Gwenaël Velge, was displayed at the Marble Bar Civic Centre with keen interest from locals clearly evident throughout the exhibition period.



Yasuaki Onishi - Art at the Heart



Banners in the Terrace – Newman Primary School

### Banners in the Terrace

School children from Newman Primary School made a huge effort to paint a banner that was hung in Adelaide Terrace during Local Government Week in August. The banner was a bright addition to the annual exhibition of banners and featured the eye-catching sculpture of Stan and Ella Hilditch at the entrance to the town.

### Community Events

The Shire of East Pilbara was involved in organising many community events in Newman, Marble Bar and Nullagine throughout the year.

### Lighting of the Christmas Tree

Annual *Lighting of the Christmas Tree* events were held in the towns of Newman, Marble Bar and Nullagine in December.

Councillor Dean Hatwell officiated at the Marble Bar event, prior to *Outback Paddy* performing some Christmas songs before the countdown to the lighting of the tree and Shire staff handed out gift bags to the children in attendance.

In Nullagine Councillor Biddy Schill officiated at the *Lighting of the Christmas Tree*, which had the support of local businesses offering a community BBQ. The Shire provided gift bags for the children, complete with lollies and toys.

In Newman the Shire hosted an afternoon of craft activities at Boomerang Pavilion where young and old participated, creating Christmas decorations and cards with a chance to win cash prizes for the most creative entries. This was followed by a

procession from the Pavilion to the Shire Administration Gardens where Santa made a special appearance, helping Shire President Lynne Craigie hand out gift bags to the children in attendance before the lighting of the Christmas tree.

### Christmas Lights Competition

The annual Christmas Lights Competition was held in Newman, Marble Bar and Nullagine with cash prizes awarded to the most popular entries through the newly created People's Choice awards format.

### Australia Day - Premiers Active Citizenship Awards

Free community events were held at the Aquatic Centres in Newman and Marble Bar to celebrate Australia Day 2016, with Nullagine residents invited to attend the Marble Bar festivities.

In Newman, Shire President Cr. Lynne Craigie officiated at the Shire's annual Australia Day Citizenship Ceremony and the Premier's Active Citizenship Awards. Australia Day Ambassador and founder of Fair Game Australia Ltd, Dr John Van Bockxmeer, 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: Suzy Oldham
- East Pilbara Australian of the Year – Marble Bar: Olga Potter
- East Pilbara Australian of the Year – Nullagine: Gregory Yeo
- East Pilbara Community Group of the Year: The Newman Club

Newman concluded Australia Day celebrations with a massive fireworks display held at Emu Oval, with hundreds of locals present to enjoy the celebrations.

### Harmony Day

Harmony Day events in 2016 were held in both Marble Bar and Newman.

In Marble Bar a well-attended picnic was held, in collaboration with the Marble Bar Community Resource Centre, with guests sharing a great spread of food by the river.

For the second year the Shire of East Pilbara hosted a Harmony Day event on Boomerang Oval. Meals were prepared by eight different cultural groups at Boomerang Pavilion, with the kitchen buzzing with activity from 9.00 am. The cultural groups then shared their traditional meals with all those who attended the *Long Table of Harmony* dinner. There was an overwhelming response to this year's event, with over 250 people attending and enjoying the beautiful meals created by members of the East Pilbara multicultural community.

The dinner was followed by a screening of seven short films presented by media organisation *Colourfest* on the diversity of Australian cultural groups, with beautifully shot documentary films depicting the stories of new immigrants to Australia.



Scout Vigil - Anzac Day

### Welcome to Newman

In September 2015 the Community Wellbeing Team, Newman Visitor Centre and BHP Billiton hosted a *Welcome to Newman* Event at Boomerang Pavilion. Local businesses, clubs and associations were invited to participate in a morning where they could increase membership or promote their club or association. Following the tour of the Mount Whaleback mine over 40 people returned to meet the Shire President, Lynne Craigie and other Councillors who had prepared a BBQ meal for everyone in attendance to enjoy.

A second *Welcome to Newman* event was held in March 2016. Utilising BHP Billiton grant funding, this *Welcome to Newman* incorporated a reprisal of the Fair-go Games, previously held as a fun loving family event at many Fortescue Festivals. The event proved to be a huge success with over 80 RSVP's for the *Welcome to Newman* portion of the event and approximately 200 people directly participating or being spectators at the *Fair-go Games*. Entertaining emcee and performer DJ Rev ran the games, keeping the participants challenged and the spectators entertained. The inaugural *Iron Ore Challenge* was run, which included an obstacle course where contestants had to navigate a slippery and wet course blindfolded. Trophies were awarded and it was great to see new people to town participate alongside existing residents and groups of young people attending and forming their own teams.

### Anzac Day

2016 marked 101 years of ANZAC and 100 years since many significant battles occurred in Europe during World War One.

In Marble Bar the additions to the memorial in the RSL Park were a feature of the service. The additions are beautiful reflecting on other significant campaigns fought by Australian Forces over the years.

In Nullagine, the Shire partnered with WA Police and Millennium Minerals Limited to create a memorable ceremony. Attendees for the first time marched to the Bill Lynas Memorial, where there was the traditional laying of wreaths followed by a community gunfire breakfast.

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.

### International Day of People with Disability

In December 2015, the Shire partnered with Empowering People in Communities (EPIC) and Disability Services Commission (DSC) to host an inclusive event at the Newman Aquatic Centre. Following the success of the movie *Dive In* in 2014, the same event was run with the presentation of *Inside Out*, a film specifically produced to be 'autistic friendly' on the Shire's large blow up screen. Over 300 people attended the event with invaluable

support provided by volunteers from BHP Billiton who helped with set up, crowd control, BBQ cooking and much more to make it a very successful evening.

### NATSI Children's Day

The Shire of East Pilbara, through the Newman Early Years Network, hosted an inclusive event to celebrate *NATSI Children's Day* on 4th August. A number of Newman service providers hosted activities at Boomerang Oval and Pavilion. Approximately 100 people attended the morning event with both day-care centres bringing children to participate. It was a wonderful family atmosphere and was co-funded by the Shire, with further support provided through a small grant from Fortescue Metals Group (FMG).

### International Thank a Volunteer Day

In December a formal morning tea was held in Newman to acknowledge the invaluable efforts of volunteers in our community. Eleven adults and six young people were nominated for awards. Over 60 people attended the awards ceremony, where Ian Thompson (Adults) and Lachlan Thomas (Young People) were announced as the Volunteer of the Year winners and presented with trophies by Cr. Jay Ahmedi at Boomerang Pavilion.

In Marble Bar a less formal but equally rewarding event recognising the efforts of local volunteers from Marble Bar and Nullagine was held at the pool. Councillor Michael Kitchen presided over the presentation of certificates to a large number of volunteers.



*The Magic Flute - Opera Australia*

### NAIDOC

The Shire of East Pilbara helped celebrate NAIDOC in July 2015 through funding and organising bush tucker at the closing event. Shire staff were assisted by Ashburton Aboriginal Corporation (AAC) and East Pilbara Independence Support (EPIS), making a delicious 'roo' stew cooked on an open fire and served with damper. It was a huge hit with the Martu mob on a cold winter's night.

In Marble Bar a flag raising ceremony and morning tea was held at the Shire offices to signify NAIDOC 2015.

### Opera Australia

The Shire of East Pilbara funded a visit to Newman by Opera Australia to perform Mozart's *The Magic Flute* in August 2015 as part of a two year regional Australia tour. Newman was the second last stop of their exhausting Australia wide tour.

Opera Australia performed to a hugely appreciative sell-out crowd at the Newman Recreation Centre. South Newman Primary School had 22 students practising from February in readiness to perform on stage with the professional opera singers as the children's chorus. Opera Australia also gave a workshop at the high school and there were opportunities for Year 10-12 students to audition for Opera Australia scholarships. The Papua New Guinea Association of Newman played an invaluable role in making the night possible after winning an expression of interest to assist in building and pulling down the complete professional stage as well as performing front of house duties for the evening.

### Reflection Tour

In September the Shire hosted Tura's Reflection Tour concert at the Golf Club in Newman. Bringing together two of Australia's leading indigenous musicians, William Barton and Stephen Pigram, in an ensemble of some of Australia's finest instrumentalists, Reflection created a vibrant and uniquely Australian sound world, a first for the East Pilbara.

### Movie Nights

Movie nights were held on a number of occasions in the Marble Bar, Nullagine and Warralong communities that were well attended by all age groups. These activities, which also included the supply and preparation of a sausage sizzle, helped to strengthen ties between community members, which lead to the development of further programmes and increased collaborations between service providers.

### Reverse Short Course Triathlon – Marble Bar

To further enhance the *End of Muster Weekend* of activities in Marble Bar the Inaugural Reverse Short Course Triathlon was held in September, commencing at the Sports Complex with a 3Km run followed by a 6.5Km bike ride and 250 metre swim at the town's swimming pool. The individual winner was 76 years of age and the team trophy was won by the Iron Clad Hotel Team.

### Variety Club 4 x 4 Bash in Marble Bar

The Variety Club of WA brought their *4x4 Challenge* through Marble Bar in May. As part of their program Variety presented a *Jazz Country Variety Show*, featuring jazz and country performers accompanied by a circus routine, followed by a three course meal for the enjoyment of a large proportion of the town's population.



*Motocross Grant Recipient – Mitch Outram*

# Building Assets and Procurement Services

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

- Asset Portfolio Management;
- Building Management;
- Procurement; and
- Occupational Health Safety and Injury Management

## Asset Portfolio Management

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

### Asset Management Projects

A full review of the Asset Management Strategy and all Asset Management plans was undertaken with amendments to be rolled out during the 2016/17 financial year.

## Moondoorow Housing Complex

The housing project was completed in 2014-15, new front fencing has been installed for security to the complex.

Newman Administration Building extension was completed by Megara Construction with all office spaces occupied.

### Asset Acquisitions

The construction of the new East Pilbara Arts Centre was completed by Pindan.

New public toilets were fabricated and installed at Ethel Creek Park



Ethel Crk Toilets

## Lease/Licences

The Shire of East Pilbara has entered into new agreements with the following organisations;

- Department of Education – Marble Bar Aquatic Centre
- East Pilbara BMX Club
- Newman Lions Club
- Newman Mainstreet
- Newman BJJ Inc
- Martu Christian Fellowship
- Newman Motorcycle Club
- North Newman Football League (NNFL)
  - New NNFL electronic Scoreboard to be located at Capricorn Oval
- Nullagine Community Resource Centre.

The following agreements are under process;



East Pilbara BMX Club

The following leases have expired with the Shire of East Pilbara, located at North Newman Reserve, Lot 600

- Niche
- Megara

### Newman Community Radio

The Shire is in the process of entering into a Memorandum of Understanding with the organisation for an annual contribution.

The Newman Community Radio Station will service the Newman Triple J network and provide advertising.

The Shire of East Pilbara entered into a new agreement with Newman BJJ for the old Buffaloes Shed located at North Newman Reserve.

Some compliance works need to be undertaken prior to re-letting. The lease also includes the Newman Congregation of Jehovah's Witness utilising the facility.



Moondorow Housing Complex







Newman House

## Newman House

As from the 1st February 2016, the Newman House Building Committee surrendered the lease back to the Shire of East Pilbara.

The Assets Department is now overseeing the building and operational needs of Newman House.

During this time the Shire has entered into new agreements with the following organisations from the 1st July 2016

- Newman Chamber of Commerce
- Pilbara Community Legal Services
- Disability Services Commission
- World Vision
- Ethnic Disability Advocacy Services
- Puntukurnu Aboriginal Medical Services

East Pilbara Independence Support is continuing as a periodic tenant until their facilities are completed.

Memorandum of Understanding between the Shire of East Pilbara and the Newman Chamber of Commerce is currently being revised for contribution to the daily operations of Newman House.

## Building Management

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

### Newman

An additional BBQ was installed at the Newman Aquatic Centre.



BBQ at Newman Aquatic Centre

### Housing

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

15 Brown St, Newman – construction of new shed.

31 Jabbarup St, Newman – new bathroom refurbishment.

### Marble Bar

New shaded seating was installed at the Marble Bar Aquatic Centre.



Marble Bar Aquatic Centre

Landscaping was undertaken around the Marble Bar skate park to beautify the area. New lighting has been installed to both the skate park and the tennis courts in Marble Bar.

New crib rooms were installed to the Marble Bar and Nullagine Depots.

Upgrades to the Marble Bar Recreation Complex were completed which allow direct access from the Recreation Complex to the courts.

### Housing

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

36 Bohemia St – Bathroom refurbishment and new tiling to laundry/toilet. Additional cupboards were installed to the main bedroom.



Kitchen in SPQ unit

## Single Persons Quarters

Single Persons Quarters (SPQ) Unit 3 and 4 have been refurbished and completed, including Crimsafe screens.

New furnishings, linen and kitchenware installed to units.

The external structures have been painted, including the carport.

The old transportable building located at the rear of the complex has been removed.

### Reticulation

Upgrade to the SPQ and Piri Smith Retirement Units (PSRU) units reticulation system.

### Piri Smith Retirement Units

The Shire of East Pilbara has completed the refurbishment of all units. In addition to providing tenants with privacy and security each unit has been completed with the following works;

- Full dividing wall between units
- Small clothes line for each unit on the rear verandah
- Balustrade to the rear of the patio area

## Procurement

The Shire has continued to develop its procurement process in accordance with the statutory changes made under the Local Government Act.

In the 2015/16 year, 13 contracts were awarded to a value of \$2.1m



Piri Smith Retirement Unit



Newman Information Bay

# Building Report

## Development Services

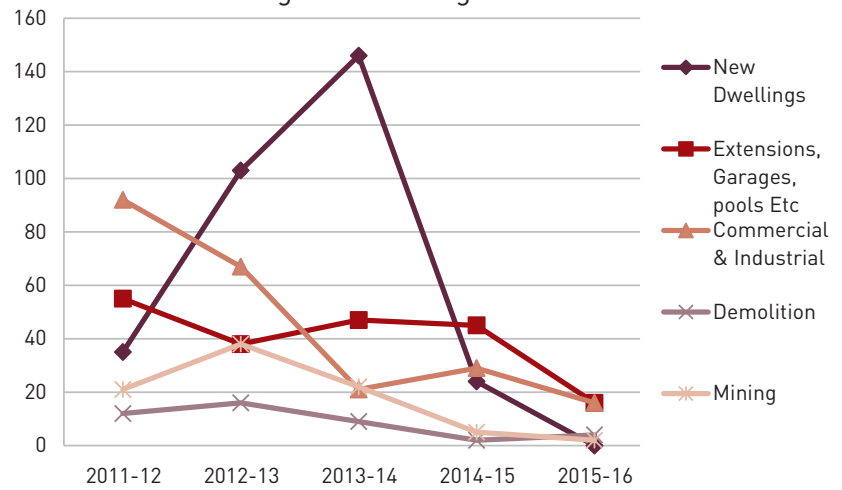
Building activity within the Shire for 2015/16 has seen a large downturn that reflects the decrease in mining and associated construction. There have been no approvals for new dwellings and the number of approvals for the other building categories are also down compared to the previous year.

The major development during this year is the new shopping centre in Newman which is still expected to be completed by the end of 2016.

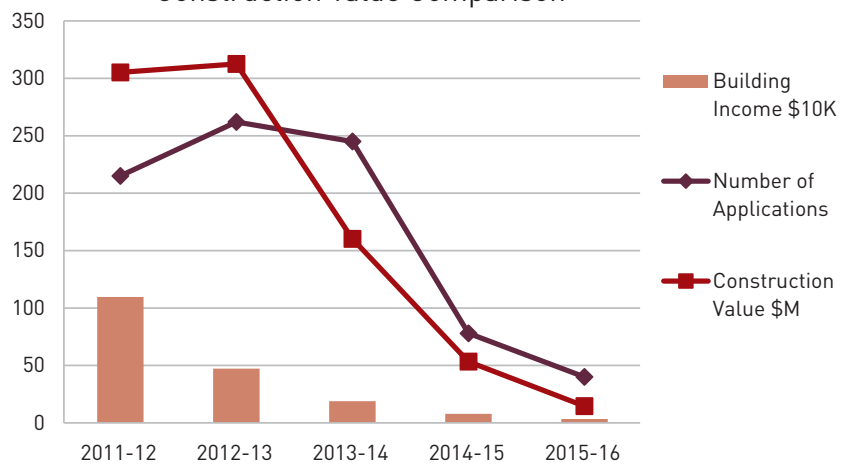
102 private swimming pool inspections were carried out during this year with many compliance issues being identified and addressed.

The graphs show comparisons in building activity for the past five financial years.

### Building Permit Categories



### Construction Value Comparison





# Planning Report

## Development Services

### Inclusion of economic development

During the year, the planning services portfolio was expanded to include the various aspects of an economic development role for the shire.

### Development Activity

All development activity in the Shire remains focussed on the town of Newman with no new significant mining construction approved during 2015-16. The year saw a slight reduction in the number of development approvals issued when compared to 2014-15.

However, the total value of development increased primarily as a result of a \$30million residential development that was determined by the Northern Joint Development Assessment Panel in April 2016. The following graph shows the total number of applications determined and the value of development for the previous three financial years:

Overall development activity remains subdued, however there was an increase in enquiries from the mining and related industries sector.

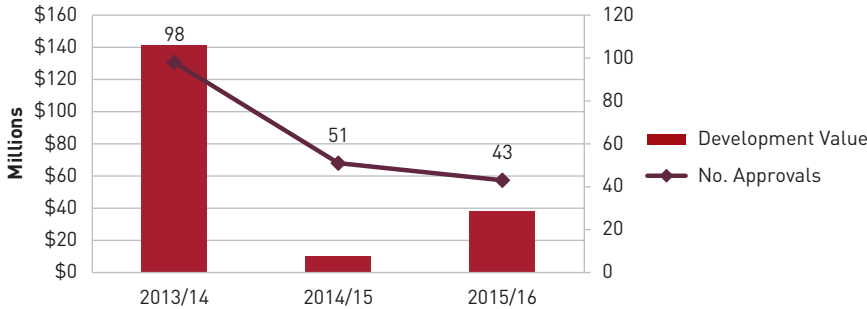
Land subdivision is at a stand still with the only applications considered by the Western Australian Planning Commission during 2015-16 being minor land amalgamations and boundary realignments.

As at 30 June, there are approximately 320 residential lots available for immediate development in Newman (i.e. services are available for connection and titles issued). In the Newman Industrial Area, there are approximately 12 lots vacant as of 30 June.

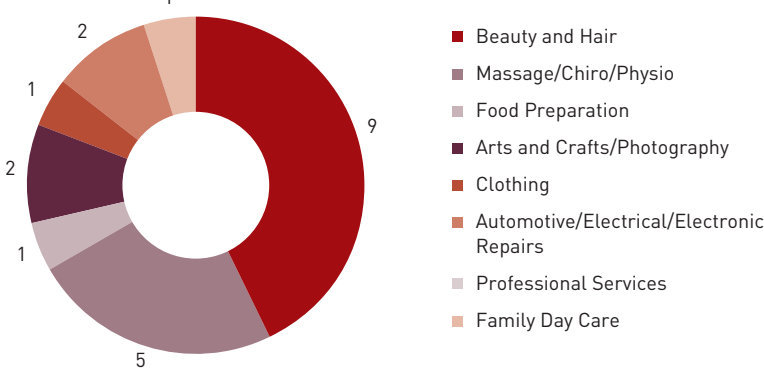
### Home-Based Business Activity

An important element of the local economy of the Shire is the home-based business sector. The overall number of approved home-based businesses is lower than previous years. As at 30 June, there were a total of 16 premises in Newman with approved home-based businesses. The following chart shows the services provided by these home-based businesses:

Development Applications Determined and Value of Development 2013/14 to 2015/16



Number of Approved Home-Based Businesses as of 30 June 2016



## Regulatory Changes

The administrative procedures surrounding the development approval process changed significantly on 19 October 2015 with the gazettal of the Planning and Development (Local Planning Schemes) Regulations 2015. The new regulations introduce a range of "Deemed Provisions" into all active planning schemes in the State to provide consistency in administrative functions.

## Local Planning Strategy

Development of the Local Planning Strategy to guide development of the Shire over the next 10-15 years culminated during the year with Council adoption on 29 April 2016. During 2016-17, the Strategy will be publically advertised prior to final adoption by Council and endorsement by the Western Australian Planning Commission. Once completed, work will commence on drafting of a replacement for Town Planning Scheme No.4, which was gazetted in 2005.

## Local Planning Policy Development

During the year, a review of the Shire's existing Local Planning Policy coverage was conducted. As a result 2 new policies were prepared and subsequently adopted by Council:

- LPP 10 – Home-Based Businesses
- LPP 11 – Advertising Signage

LPP 10 replaced an existing Home Occupations Policy and provides a streamlined process for assessing and approving applications to conduct home-based businesses. LPP 11 provides a range of criteria for various forms of advertising signage in the Shire, such as maximum permissible sizes, heights, etc.

## Local Business Development

The Shire has expanded its focus on promoting local business attraction and retention during the year. In June 2016, the Shire committed to a Retail / Franchise Attraction Project with the other 3 Pilbara local governments. The purpose of this project is to promote Newman as an investment ready town with stable consumer demand notwithstanding the current mining downturn.

Another key focus in this area is the Shire continued support and involvement in the creation of a business incubator in the Newman Town Square. Construction of the project will be completed in the next financial year with the Shire working with other entities including the Newman Chamber of Commerce and Industry (NCCI) and Landcorp to encourage successful new businesses. A key objective of the project is to provide affordable office and commercial space on either a day-hire or longer term arrangement to new and expanding businesses.

## Agricultural Development

The Shire is working closely with the Pilbara Development Commission and Department of Agriculture and Food on identifying an agricultural trial site in Newman as part of the Pilbara Hinterland Agricultural Development Initiative (PHADI). It is hoped that a 1-2ha trial site can be established during 2016-17 to prove the viability of a range of crops as part of an initiative to diversify the economic base of the Pilbara.

## Tourism Development

Alongside agricultural development, tourism growth is also considered vital in diversifying the Pilbara economy. The Shire continues to make contributions in a number of tourism areas, including provision of facilities for the travelling public, promotion of the Shire and financial contribution to the Newman Visitors Centre. During the year, preparatory work was conducted on a future 4WD adventure trail along the "Desert Road" from Marble Bar to the WA/NT border via Telfer, Punmu, Kunawariti and Kiwirrkurra. The trail will include interpretation signage giving the history of the area links to Alice Springs.



## Industrial Development

The Shire continues to work with Landcorp to ensure there is sufficient land available for industrial development in Newman. During the year, the Shire continued to refine the route of a future access road to the south of Newman that will link Great Northern Highway with the Newman Industrial Area and Mt Whaleback. This is seen as a critical piece of infrastructure to allow industrial land development to continue and remove heavy vehicles from residential areas. The Shire has also been progressing preliminary feasibility work on a freight and logistics hub adjacent to the Newman Airport.

## GIS Capacity

The Shire's Geographic Information System (GIS) capabilities took a large leap forward in early 2016 with the roll out of the IntraMaps Enterprise system. IntraMaps links allows quick access to accurate property and other information to allow quicker and better decision making.





Photo by Kevin Mitchell

# Environmental Health

## Development Services

The Environmental Health section adopted a risk based plan to ensure that the Shire remained compliant in the regulation of various aspects falling under the responsibility of the section.

This approach ensured that the scarce manpower, financial and material resources available was judiciously deployed to areas which posed significant risks to the Shire’s legislative risks. All health premises requiring periodic surveillance were assessed as high, medium or low risk depending on inherent risks, public exposure, past legislative compliance and established scientific and literary evidence.

Focus was then given to those health premises and activities which scored a higher risk scores. The following environmental health service areas were monitored during the year:

- Food safety
- Recreational water quality
- Potable water quality
- Irrigation water quality
- Mosquito borne diseases
- Environmental noise management
- Air quality management
- Waste water systems installation and water quality
- Public building compliance

- Caravan Parks and Camping Grounds
- Notifiable disease investigations and follow up
- Public swimming pools compliance
- Public events
- Trading in public places
- Public health compliance

### Public Health Plan implementation

Implementation of this plan commenced in October 2015. The environmental service agencies operating in the Shire

(Pilbara Meta Maya and Puntukurnu (PAMS)) have been incorporated into the team responsible for implementing strategy number 4 in the plan (Environmental Health). Two meetings of this team have been held in Newman and Port Hedland. The development and implementation of the Public Health Plan by the Shire puts it well ahead in terms of meeting its legal responsibilities spelt out in the Western Australia Public Health Bill which is expected to go through Parliament in July 2016. Following is a summary report of environmental health service performance in some of the key functional areas.

### Mosquito-borne disease surveillance program

The Shire participates in the mosquito-borne disease surveillance program which is coordinated by the WA Department of Health and the University

### Mosquito-borne disease surveillance program. Sentinel Chickens

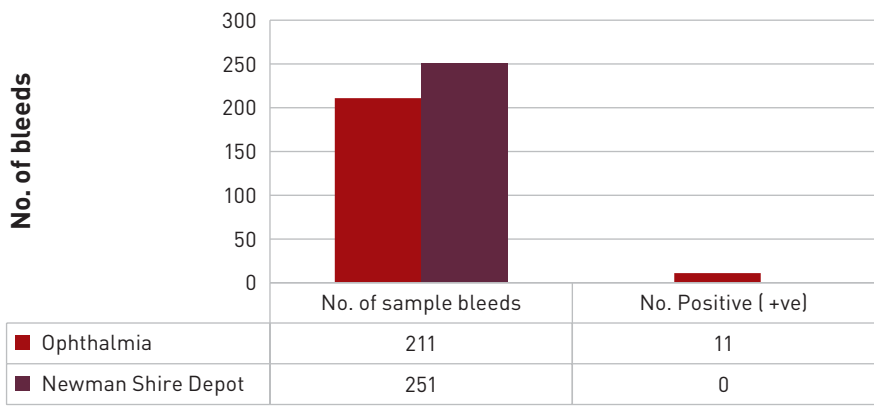


Figure 1 Mosquito Borne Disease Surveillance program



Stan and Ella Hilditch Statues, Photo by Kevin Mitchell

of Western Australia. Two flocks of chickens are kept, one at Ophthalmia dam and the other at the Shire depot. Blood samples are collected from these chickens every 2 weeks and sent to the Arbovirology laboratory at the University of Western Australia where they are tested for the presence of various viruses such as Ross River virus (RRV), Kunjin or West Nile virus and Murray Valley Encephalitis (MVE). Following any positive results, public notices and press releases are issued to the public warning and advising them to take measures to avoid mosquito bites. Eleven samples tested for Kunjin virus and Flavivirus during the year.

Following the approval of the Shire's application for funding under the Department of Health (WA)'s 2015/16 Mosquito Control Advisory Committee program, an amount of \$9742.86 was availed for the purchase of mosquito control chemicals. These chemicals were used for larviciding mosquito breeding habitats in Newman, Marble Bar and Nullagine.

### Outcome of Mosquito Control Trial

A Mosquito Control Trial project was implemented in 2014 as a measure to counter the high values recorded in the findings of the mosquito surveillance program used to develop the Mosquito Management Plan. The trial project was also a response by the department to try and mitigate for the high number of complaints received from Marble Bar and Nullagine. The project was highly successful judging from the feedback from residents in the communities.

There were no further mosquito complaints recorded in the financial year and the trial attracted the attention of mining operations within close proximity to the trial areas. This trial will, in future, serve as a benchmark for further implementations in our Shire. We have garnered a lot of interest in the results of the evaluation from other precincts. Evaluation of the project will be carried out in the 2016-2017 financial year.

### Potable Water Quality Monitoring

The environmental health unit carried out sampling of potable water at various sites including caravan parks, roadhouses as well as oversee the quality aspects of the potable water

at the Newman Airport. The results of this surveillance program are shown in Figure 2.

The compliance rate of the total potable water samples collected and tested during the 2015/16 year was 87%, with 14 samples having tested for either E. Coli or Negleria or both. The acceptable total sample compliance rate is 95% or higher. A fault in the chlorination system or a complete lack of chlorination for bore water was found to be the main cause. All supplies which retained positive E. Coli and/or Negleria readings were shut down and owners were required to take corrective actions before reusing the water after verification of water test results by the Environmental Health Unit.

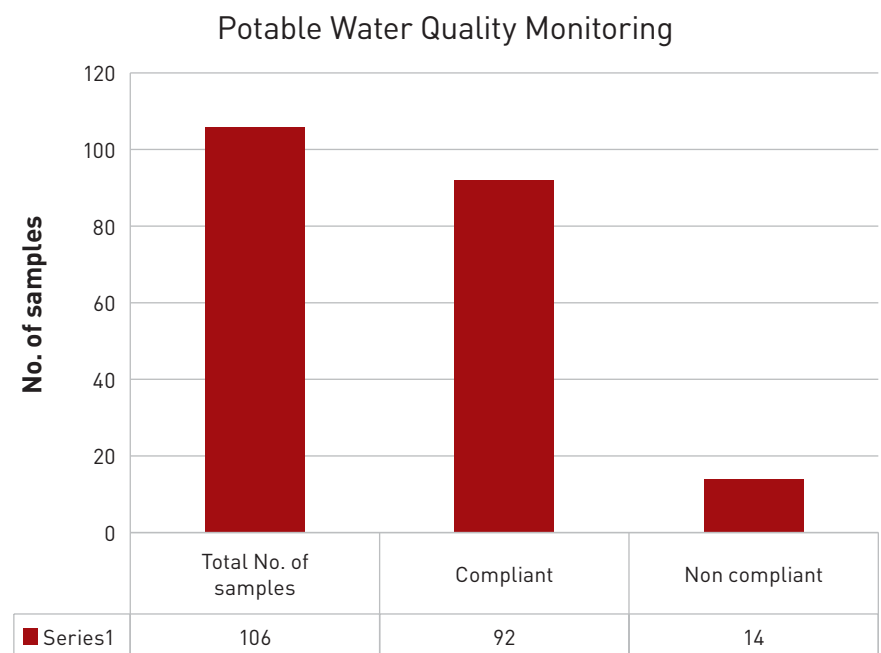
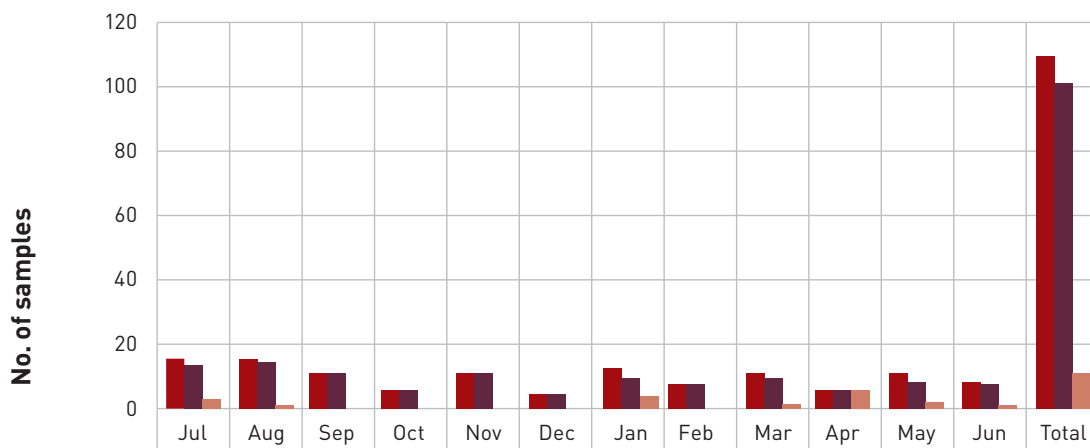


Figure 2 Potable Water Quality Monitoring

## Recreational Water Monitoring 2015/16



■ Total samples collected	15	15	10	5	10	4	12	7	10	5	10	8	111
■ No. of samples compliant	13	14	10	5	10	4	9	7	9	5	8	7	101
■ No. of samples non-compliant	2	1	0	0	0	0	3	0	1	0	2	1	10

Figure 3 Recreational Water Quality Monitoring

### Recreational Water Quality Management

The Environmental Health Unit also conducted regular monitoring of recreational water mainly from public swimming pools in the Shire town sites as well as on several mining camps. The results of this monitoring program are shown in Figure 3..

A total sample compliance rate of 91 % against a target of 95% was achieved. The 10 samples which failed to pass the test retained *Negleria Fowleri* as well as *Cryptosporidium*. The affected pools were shut down and owners required to take corrective action before re-opening after verification by the Environmental Health Unit through follow up sampling and testing.

### Irrigation Effluent Quality Monitoring

Irrigation water used by the shire to water ovals is regularly monitored by the Environmental Health Unit. Samples are collected on a monthly basis and sent to the Path West laboratory for testing. The results for the 2015/16 year are shown in Figure 4.

Sixty one out of sixty five samples collected complied with the licenced microbiological standard of 1000 Coliform Forming Units per millilitre (CFU/ml) for E. Coli. The 4 non-compliant samples were all obtained from the same sampling point where water is supplied to a 2nd party for their use. It has since been established that the 2nd party is not using the required minimum volume of irrigation effluent to prevent stagnation in the system.

### Notifiable disease surveillance and follow up

In line with the requirements of the Health Act 1911, the Environmental Health Unit receives notifiable disease requests from the Department of Health (WA) for follow up and feedback. This involves contacting respective patients, interviewing them to try and determine possible causes and sources of infection

as well as delivering appropriate public health education to prevent further spread of the diseases. The graph in Figure 5 shows the number and types of notifications received and followed up during the 2015/16 year.

It can be observed that all of the notifiable diseases received and followed up are of faecal oral transmission, highlighting the

## Irrigation effluent Quality 2015/16

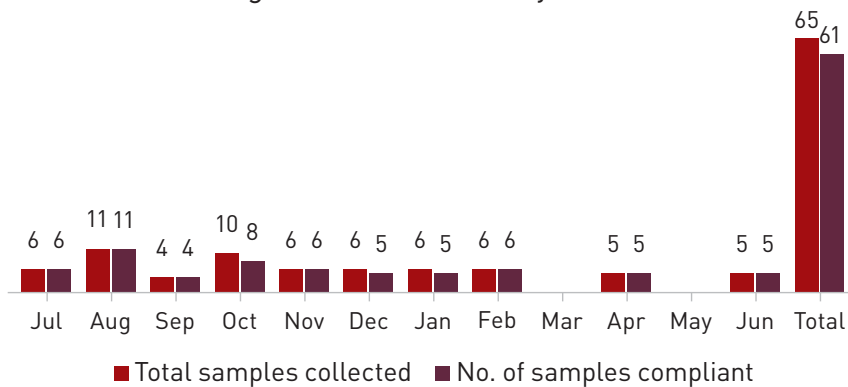


Figure 4 Irrigation Effluent Quality Monitoring

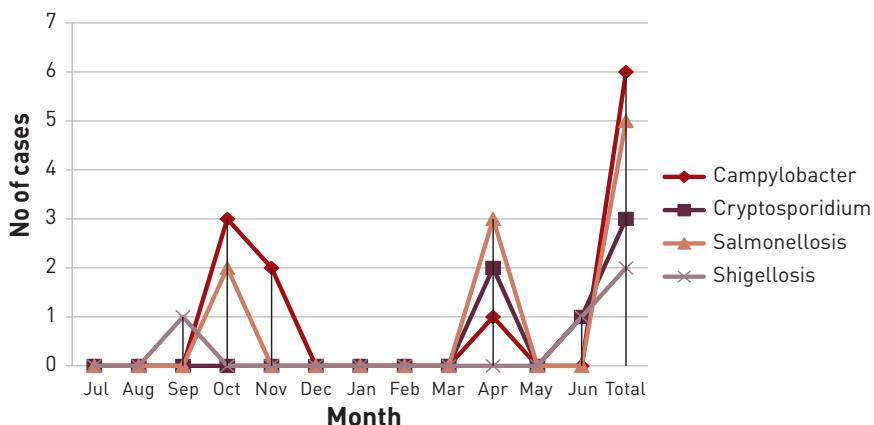


Figure 5 Notifiable Diseases Cases



Waste Water Surface Disposal

importance of hand hygiene. The Environmental Health Unit offers the appropriate public health education when following up these cases.

### Regulation of Activities on local government property

In accordance with the requirements of the Shire of East Pilbara property Local Law, the Environmental Health Unit receives and assesses applications for various activities on local government property such as temporary trading and public events. Figure 6 shows the types and number of permits processed during the 2015/16 year.

A point to note from the Figure 6 is that the number of trader's permits for selling food and non-food items increased by 57 % in the 2015/16 year when compared to the 2014/15 year. This goes against the expected trend of a general down turn in the town.

### Food business inspections

The Environmental Health Unit maintained its periodic assessment of food businesses for compliance with the requirements of the Food Act 2008 as well as the Australia New Zealand Food Standards Code.

There was a 38 % increase in the number of inspections done in 2015/16 as compared to 2014/15 as shown in Figure 7. However when calculated as a percentage of the legally required food business inspections, this translates to only 36% ( figure 8).

The main contributing factor here is that with current staff resources and the vast area (372,000km<sup>2</sup>) of the Shire it is challenging to achieve the legally required coverage of food business inspections in the Shire.

### Permits - Trading on Local Govt. Property 2014/15 and 2015/16

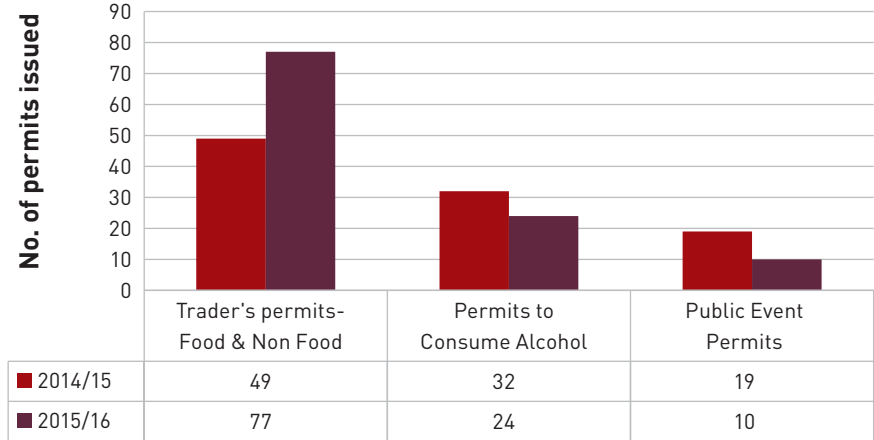


Figure 6 Permits-Trading on Local Government Property

### Food Business Inspections 2014/15 & 2015/16

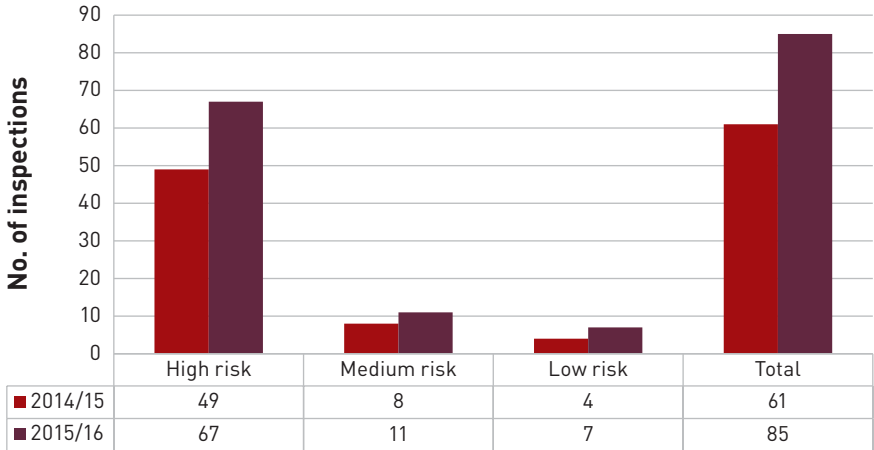


Figure 7 Food Business Inspections





### Actual food business inspections vs required food business inspections 2014/2015 and 2015/2016

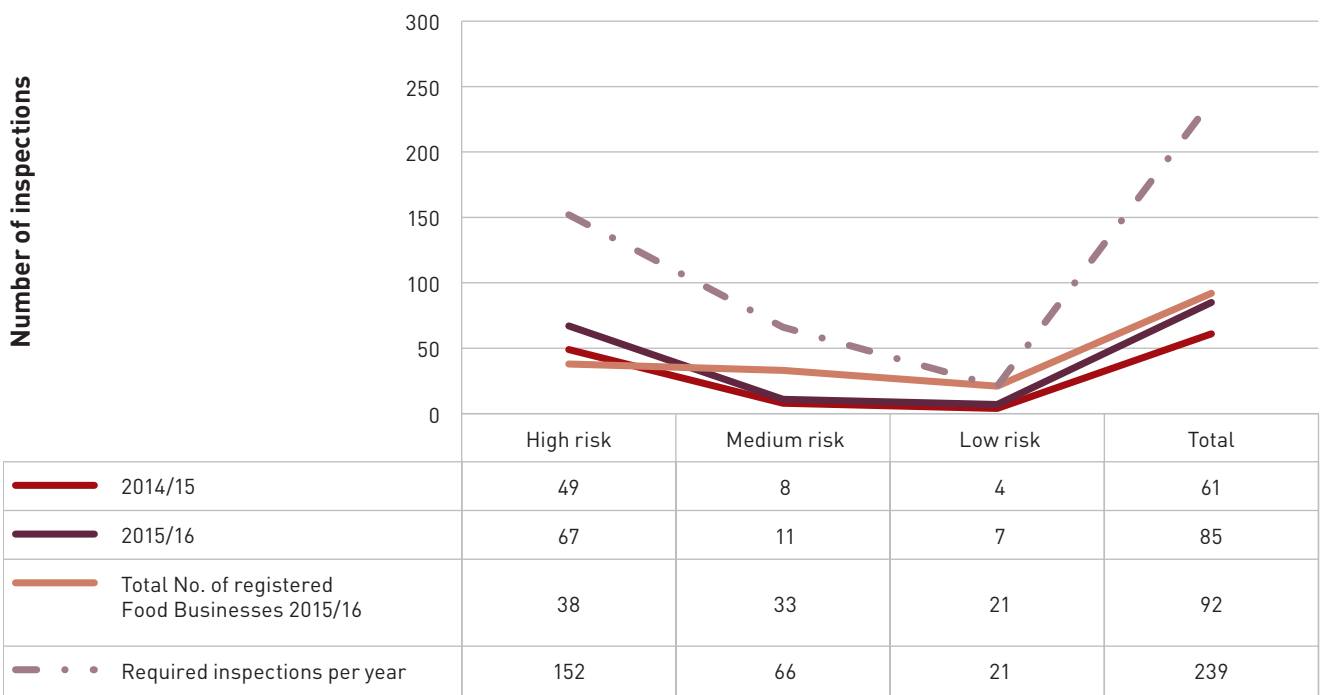


Figure 8 Actual Food Business Inspections Versus Required Inspections

The Environmental Health Unit is responsible for receiving, assessing and approving applications for all types of on-site waste water treatment systems.

The number of applications received and processed during the year was 50% lower than those processed in the 2014/15 year. This reduction is attributed to the slowdown in mining activity and construction activities in the Shire. This is indicated in Figure 9.

### Onsite Waste Water Treatment Systems processed 2013-2016

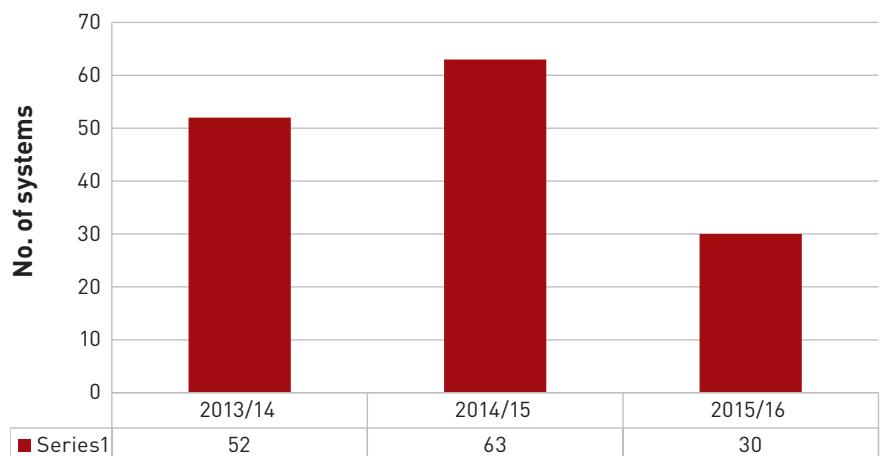


Figure 9 Onsite Waste Water Treatment Systems Processed 2013 - 2016



Photo by Kevin Mitchell

# Newman Townsite

## Technical Services

### Transport Infrastructure

Newman townsite maintenance team delivers services to keep the town streets and drains in good and safe condition for the Community.

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

Asset renewal and preservation works are scheduled to maintain the integrity of road and path networks 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.

Starting in 2015/16 Technical Services has developed a 3-Year Asset Renewal and Preservation Plan, incorporating all budgetary details, for Newman road assets. This plan incorporates the delivery of projects involving renewal of ageing/damaged concrete infrastructure and bitumen seal (asphalt or stone chip seal) as preservation treatment on the same street's pavement over the three FYs 2015/16, 2016/17 and 2017/18, covering as many as 47 streets. This

plan was developed after almost a yearlong ground checking exercise and in conjunction with the Shire's current Asset Management Plan for Roads and Footpath and the Corporate Business Plan.

### Crack Sealing, Pathway and Road Kerb Renewal and Chip Seal Preservation Works

As per the new 3 Year delivery plan, the below listed concrete, crack seal and double coat reseal works were completed in the FY 2015/16 in Newman.

#### Crack Sealing Works-

In addition to 46 streets in Newman, entire asphalt shared pathway alignment; North Newman School parking, bus stop opp. Purple Pub and all sealed roads in Capricorn Sports Complex were completed with crack sealing.

#### Concrete Renewal Works-

A total of 2726 m<sup>2</sup> pathway and 2174 lineal metre of kerb renewal works were completed in Newman incorporating the streets listed below;

- Newman Drive (South) – Complete asset renewal works from roundabout (Near the Shire main office) to Wehl Street intersection.
- Newman Drive (North) – Complete asset renewal works from roundabout (Near the Shire main office) to Wehl Street intersection, was covered under the Black Spot Funded Project.

- Concrete works in these 12 streets were completed on the basis of their age, damage, risk to the community etc; Wehl St, Snell St, Carney St, Barara St, Poonda St, Ethel Creek St, Marillana St, Marloo St, Nanba St, Ella St, Koolyoo St and Gandawarra Cre.

#### Asset Preservation Works- Chip Reseal

A total 24,374 m<sup>2</sup> of double coat sealing works were completed in these streets; Wehl St, Snell St, Carney St, Barara St, Poonda St, Marillana St, Marloo St, Nanba St, Ella St, Koolyoo St and Gandawarra Cre.

#### Black Spot (Federal) Funded Project Works - Road Safety Improvements

Federal Blackspot funding obtained in 2013/14 has allowed for safety improvement works on Kalgan Drive and Newman Drive. Project was completed in June 2016. The scoping of the project was incorporating pavement widening, kerbing and footpath renewal, drainage upgrading, asphaltting of new pavement and installation of road furniture for both roads. Furthermore, the project included supply and installation of 6 new and relocation of 5 existing street lights at Kalgan Drive.



Blackspot



Street reseal

### Other Maintenance Works

Throughout 2015/16, a number of major open drains were cleared (vegetation removed) and sprayed. In addition to this, culvert and stormwater pits cleaning work was carried out at various locations.

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

Town crew throughout the year also assisted in various small to large scale maintenance activities at the Waste Water Treatment Plant and Newman Tip Site Septage Ponds.

### 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 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, Playgrounds, Parks and Ovals

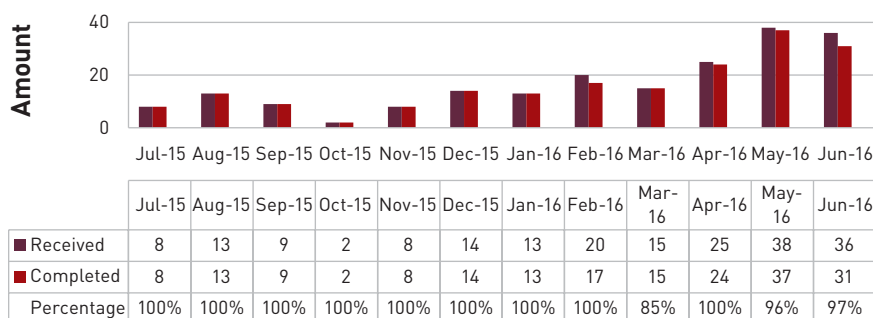
The Shire maintains 12.5 hectares of active ovals and 16 playgrounds in the Newman Townsite which is kept green, and safe for kids, by the dedicated parks team. The Shire infrastructure includes over 8kms of irrigation pipe. As part of the Shire's water conservation measures we utilise recycled water for irrigation of the majority of areas and

are trialling subsurface irrigation to further reduce water usage.

Over the 2015-2016 year the Parks and Gardens team have completed major verge slashing and spraying, including fire breaks as discussed with Rangers, replanting of parks and streetscapes, and we have implemented a maintenance program for all parks and reserves for fertilising, wetta-soiling, topdressing, renovating, spraying and general maintenance within town.

As many as 16 playgrounds were maintained and/or repaired in conjunction with the issues identified by external auditors during annual audit for the 2015/16. Further to this, play equipment was completely changed to a new look, with soft fall at Willara St Park. Soft fall was fully replaced under the spider net at the same park. Whereas, Jabbarup Cr and Ethel Creek St playground were improved with a new double rocker see saw unit with surrounding soft fall. In addition to these works, Ethel Creek St, Miners Promise, Nardoo Loop, Jabbarup Cr and Willara St parks furniture were either renewed or fixed. A new version of swing set "InterGen Swing" sets were installed at Ethel Creek St, Miners Promise,

Work Requests July 2015 - June 2016



Crack Sealing



Completed Street Reseal

Jabbarup Cr, Hilditch St, Capricorn complex and Willara St parks. Last but not least, two new BBQs with a complete new wiring were installed at the Ethel Creek St and Willara St parks.

New SD Controllers were installed for automation of Irrigation at Capricorn, Kangaroo, Emu, Goanna and Boomerang ovals and at East Newman, the Shire main office and Red Sands. Pump house was upgraded with new pump sets and filters and all relevant accessories at Capricorn, Goanna and Boomerang ovals. Pump house was upgraded retaining existing pumps at East Newman and Red Sands. Capricorn Oval irrigation was changed with a new irrigation at the outer most edge of the oval to eliminate water spraying on the road over the periphery of oval. Dingo park also was improved with overhead irrigation.

Shire East Pilbara: Newman Landfill Waste Statistics 2014-2015		
Waste Category	Waste Type	Weight Tonnes
One	Mixed Municipal Waste ( Wet)	4583
Two	Kerbside Recyclables	282
Three	Greenwaste	3289
Four	Car Bodies	recycled
Five	Steel Products	recycled
Six	Construction and Demolition Waste	6971.8
Seven	Commercial& Industrial	4894.6
Eight	Asbestos	23.4
Nine	Tyres (see below)	38.2
Ten	Medical	22.4
<b>Total</b>	<b>Landfill Tonnage</b>	<b>20104.4</b>
<b>Total</b>	<b>Liquid Waste Tonnage</b>	<b>20,604</b>

Source: SEP Gate receipts converted using standard conversion factors (Waste Authority WA).

## Details on Budget/Expenditure on Major Project Works

Work/Project	Expenditure
Crack Sealing	\$138,500
Concrete Works	\$555,000
Double Coat Reseal Works	\$214,000
Newman Drive (Asphalt Reseal)	\$220,000
Black Spot Funded Newman Dr and Kalgan Dr Project	\$955,000
Irrigation Automation and various Other major works	\$70,000
Pump houses Upgradation	\$54,000
Playground Equipment Replacement, including soft fall and various furniture	\$107,000
BBQ at Willara St and Ethel Creek St Park	\$20,000
<b>Total</b>	<b>\$2,333,500</b>

## 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 using a \$123,000 grant to complete and commission the facility in June 2016. It is expected to come on line later in FY 2016/17 once the marketing strategy has been assessed and it can be advertised for expression of interest for its ongoing operations.



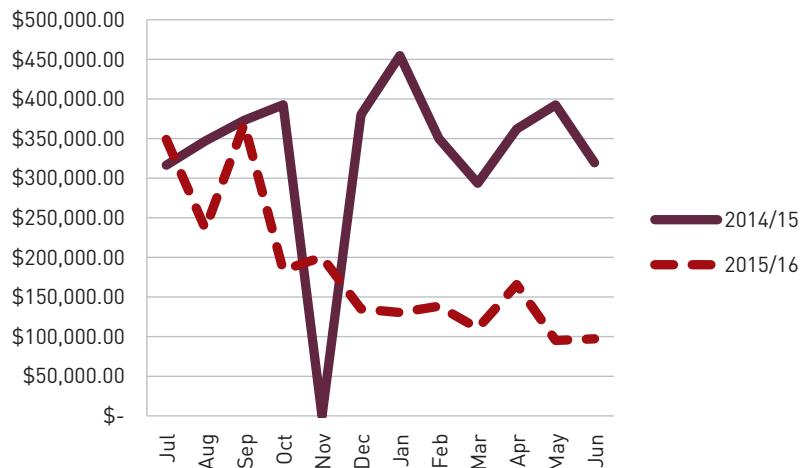
## Liquid Waste

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 complimented with two aerator pumps to support the process and maintain consistency of the treatment to process the septage. The facility was designed for 75,000 litres per day but with another pond built we could temporarily process up 250,000 litres per day to take advantage of additional requests.

In September 2015 the septage received was reduced back to design levels to ensure the ponds were not overloaded and at risk of permanently ceasing to function. This has also coincided with a reduction in requests but is expected to increase later in year as the weather warms up. As can be seen from the graphs, the Shire processed just under 20 million litres in 2015/16 which has provided an income of just over \$2.2 million. The facility provides an important service to the region and provides steady income to the Shire of East Pilbara.

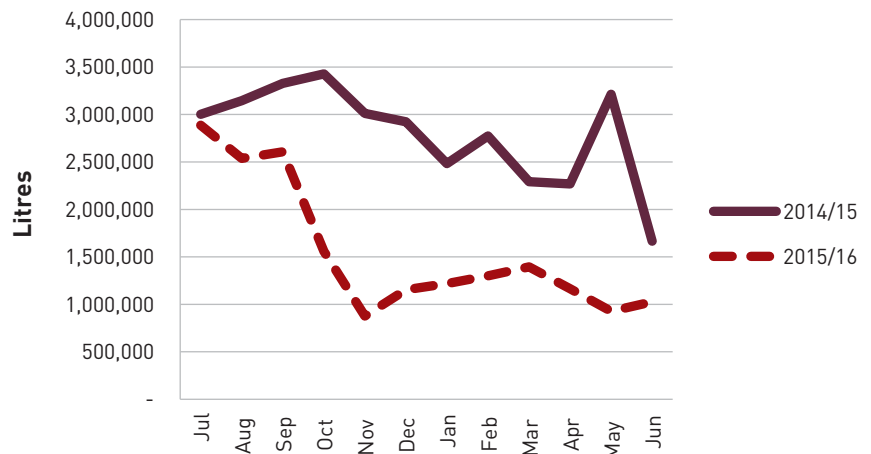
To provide additional opportunities to process liquid waste the Waste Water Treatment Plant is also now certified as a Cat 61 Liquid Waste Facility and can accept the same liquid waste as the septage treatment ponds.

## Septage Pond - Income



Total Intake 2014/15: 33,535,055 Litres Total Intake 2015/16: 18,653,065 Litres

## Septage Pond - intake



Total Income 2014/15: \$3,981,113.50 Total Income 2015/16: \$2,210,258.09



Materials Recovery Facility, Newman

### 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 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.

A program of capital improvements has been ongoing to ensure reliability and compliance with environmental and public health licensing requirements.

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.

The new clarifier was commissioned in 2015/16 and functioning as an important Shire asset to provide high quality 'Class A' recycled water to the parks and ovals.

The Shire's depot staff were involved in the following large scale maintenance works at the WWTP;

1. Changed 2 new sets of primary screening augers and screens at grit pit.
2. Refurbished grit pit with new heavy duty rubber liners.
3. Changed damaged inner and outer shafts with damaged discs of the Orbal.
4. Changed faulty RAS pit pumps with guide chain.
5. Cleaned Toe-Bro of the new clarifier.
6. Replaced damaged Amiad filters over the line pumping recycled water to the top tank/town.
7. Replaced faulty chlorine weigh scale at the chlorine shed.
8. Replaced faulty chlorine alarm system at the chlorine shed.

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 2016. A brief spike in the population as shown in June can be attributed to additional workers for minesite 'shutdowns' but can also be skewed to additional inflow from water corporation cleaning activities (pipes and pump stations) and or weather events with rain getting into the pipeline network.

Newman Population and Sewage Flows July 2015 to June 2016

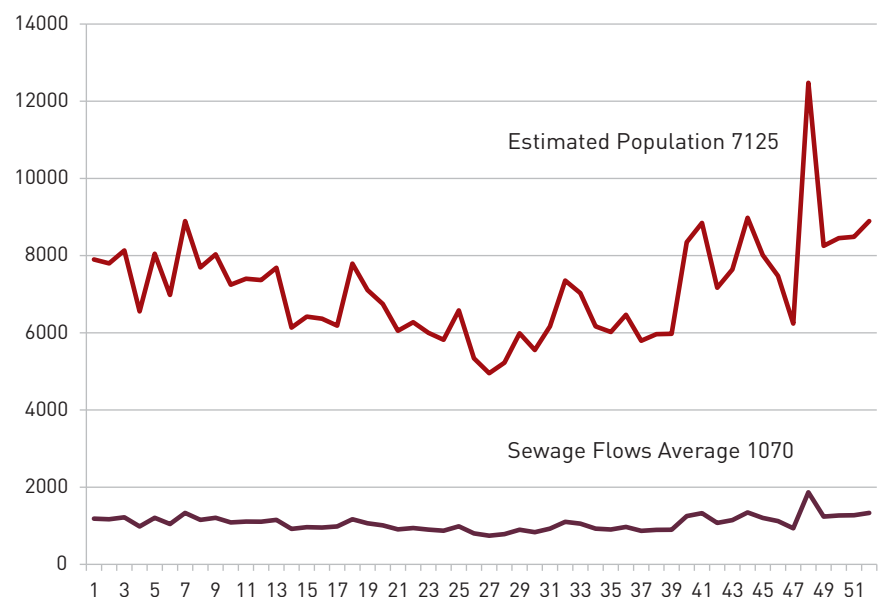




Photo by Kevin Mitchell

## Rural Services

### Technical Services

#### Roadworks

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

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

Council's maintenance grading program focuses on high priority roads servicing Marble Bar and Nullagine as well as Aboriginal Communities to minor access roads servicing pastoral leases and mining tenements. The maintenance graders operate within set perimeters and area boundaries ensuring a continuous coverage is achieved. Contract graders are utilised to conduct

maintenance grading operations in remote areas servicing the access roads to the Communities of Punmu, Kunawarritji and Kiwirrkurra. The maintenance grading budget for the 2015/2016 financial year was \$1,630,800.

The construction program for the 2015/2016 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 2015/2016 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 2015/2016 financial year with works having been completed in the 2015/2016 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, Kunawarritji and Punmu.

The capital improvement and renewal program covered the following roads in the 2015/2016 budget:

#### Aboriginal Access Roads Summary

Road	Budget	Type of Works
Kiwirrkurra Access Road	\$468,000	Regravelling of Pavements
Punmu Access Road	\$153,000	Regravelling of Pavements
Talawana Track	\$552,000	Regravelling of Pavements
Jupiter Well Access Road	\$75,000	Regravelling of Pavements
Desert Road	\$541,000	Regravelling of Pavements
Kunawarritji Road	\$0	Not Funded in 2015/2016
Jigalong Road	\$651,000	Reconstruction & Construct New Floodway
<b>Total</b>	<b>\$2,440,000</b>	

## Rural Roads Summary

Road	Budget	Type of Works
Marble Bar Woodstock /Hillside Road	\$300,000	Regravelling of Pavements
Warrawagine Road	\$200,000	Regravelling of Pavements
Goldsworthy Shay Gap Road	\$441,000	Reconstruct Unsealed Shoulders
Woodie Woodie Road	\$350,000	Pavement Rehabilitation
Balfour Downs Access Road	\$300,000	Regravelling of Pavements
Skull Springs Road	\$410,000	Regravelling of Pavements
Cape Keraudren Access Road	\$368,000	Reseal
Limestone Marble Bar Road	300,000	Reconstruct Unsealed Shoulders
<b>Total</b>	<b>\$2,669,000</b>	

## Major Projects Details – Aboriginal Access Roads

Road	Works Description	Total Gravel m3	Total Length km
Kiwirrkurra Access Road	Formation & Drainage Improvements, Gravel Sheeting	28,092	17.6
Punmu Access Road	Formation & Drainage Improvements, Gravel Sheeting	29,558	18.5
Talawana Track	Formation & Drainage Improvements, Gravel Sheeting. Realignment SLK 62	37,888	23.7
Realignment SLK 62			
Jupiter Well Access Road	Formation & Drainage Improvements, Gravel Sheeting	22,752	14.2
Desert Road	Formation & Drainage Improvements, Gravel Sheeting	25,152	15.7
Jigalong Road	Reconstruct SLK 0.00 to SLK 7.00 Construct Concrete Floodway SLK 100	30,912	8.2

## Major Project Details – Rural Roads

Road	Works Description	Total Gravel m3	Total Length km
Marble Bar Woodstock/ Hillside Rd	Formation & Drainage Improvements, Gravel Sheeting	11,480	7.2
Warrawagine Road	Reconstruct SLK 0.00 to SLK 0.6 Talga Crossing. Realignment SLK 1.6	8,576	5.4
Goldsworthy Shay Gap Road	Reconstruct Unsealed Shoulders	10,656	6.7
Woodie Woodie Road	Pavement Rehabilitation to various failed sections Reseal Works	9988.26 m2 4032 m2	1.2 .5
Balfour Downs Access Road	Realignment to SLK 21.5 Formation & Drainage Improvements, Gravel Sheeting	14,208	8.9
Skull Springs Road	Formation & Drainage Improvements, Gravel Sheeting	28,500	17
Cape Keraudren Access Road	Reseal Works	31,087 m2	4
Limestone Marble Bar Road	Reconstruct Unsealed Shoulders	10,006	6.7

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





Cape Keraudren - Photo by Kevin Mitchell

## Community Safety

### Technical Services

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 Community Safety section focus is to promote safety across our community. Having a progressive response to compliance related issues and a positive commitment to community engagement, the Community Safety section is increasing its visibility within the community and building relationships with the towns of Newman, Nullagine, Marble Bar and remote communities within the Shire.

Like all Local Government areas, the Shire of East Pilbara's, Community Safety section, is committed in working closely with other agencies such as the Police, Department of Child Protection (DCP), and the Local Liquor Accord to developed & implemented strategies which have had some impact on anti-social, inappropriate behaviours and mindless vandalism particularly in those soft target areas within the Shire.

The most significant change to occur, is related to the sale of alcohol after 5pm and the outstanding support given by Community Elders, in conjunction with the support of various stakeholders. Without this support achieving this significant change would not be possible.

During May 2016, more positive steps saw the introduction of CCTV feeds into the Police Station. Police now have the capacity to monitor the camera feeds from the Police Station on a 24/7 basis.

Council continues to offer a \$1000 reward where information from a member of the public leads to a conviction for vandalism, graffiti and public damage.

## 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 LEMA (Local Emergency Management Arrangements) are reviewed and confirmation that agency planning for emergency events has been undertaken and tested.

Work continues on the update of the Shire of East Pilbara Emergency Management Arrangements and Recovery Plan.



## Bushfires

As is normal within the Shire of East Pilbara multiple fires were detected across the district. Most were 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 less active this year due to the contraction of Millenium Minerals Limited operations. This has also resulted in a reduction of Brigade members and activities.

A Major fire in November 2015 which initiated from Karijini National Park ran for several days with runs from the fire(s) impacting the Great Northern Hlghway several times resulting in the closure of the highway for several hours at a time. West Angelas mine took the full force of the fire on a day when the conditions were extreme (high temps and winds between 60 and 90 kilometres per hour). Some damage to assets occurred including communiations cabling, fortunately no injuries occurred.

A week after the West Angelas Fire, a lightning strike at RioTinto Yandi Mine ignited another large fire during extreme conditions. This fire went on to impact three other mines surrounding Rio Yandi, they were Area C, BHP Yandi and Hope Downs 1. Some damage to mine assets occurred including a conveyor and pipeline being damaged. This fire eventually self-extinguished near Hope Downs 1 when weather conditions eased allowing additional response from mines to assist in its self-extinguishment

As a result of previous fires to the North and West of Marble Bar, reduced fuel loads were low reducing any threats from fires in that area. Marble Bar Volunteer Emergency Service Unit Manager, Community Safety staff and Marble Bar Works Supervisor engaged in a cooperative effort to improve breaks in the immediate vicinity of the town site.

The issues around fires being lit without permits or notification to neighbours continues, Rangers will seek to improve compliance in this area over the coming year. The re-establishment of a network of trained Fire Control Officers (FCO) throughout the District will also be a focus for the prevention and response aspects of fire management in the coming year.

## Ranger Services

The trend of past years continues with the majority of Ranger tasks being dedicated to animal control and vehicle complaints. This year a total of 952 dogs and 98 cats were registered.

Litter, particularly fly dumping, remains a major issue, Rangers continue to investigate and infringe offenders wherever possible. An increase in the number of Litter Infringements occurred during the past financial year partly due to more vigilance in this matter as well as increased levels of dumping.

A campaign was launched with the "Cover it or Cop it" message to the community. This campaign is to further target litter not being securely covered in the back of vehicles. This campaign is ongoing and is designed to continually promote Tidy Town initiatives and the covering loads when taking rubbish to the dump.

Some of these increases in dumping correlates with increased efforts by the Department of Housing to ensure tenants maintain their properties.

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

## Ranger Task Allocation for 2015 - 2016

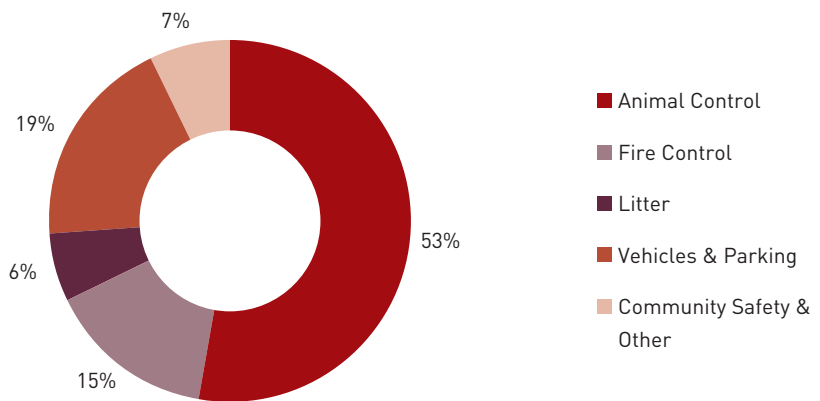
There has been an increase in the number of dogs being impounded this year with a spike in the last half of the year. This is despite a slight decrease the Newman population. 104 dogs were impounded during the year. Due to an increase in the freight cost relating to transporting animals, Saving Animals From Euthanasia (SAFE) and Australian Air Express are no longer able to assist in facilitating the rehoming process. This will impact on how impounded animals may be dealt with in future and is likely to reduce on the number of animals that are rehomed from the pound.

Dog attacks have increased over the past financial year with 19 attacks being recorded during the financial year. This is around 40 percent higher than the previous year.

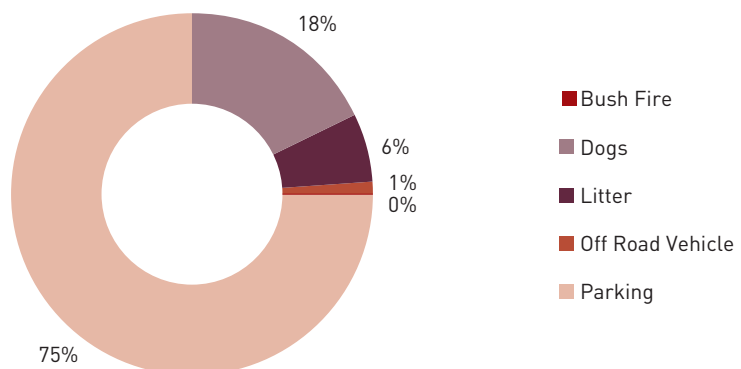
Only 73 infringements were issued in the 2015/16 financial year with the bulk being split between vehicles and litter dumping.

Security staff at the Newman Aerodrome was provided training in parking control and management during the previous year.

Ranger Tasks 2015-2016



Infringements 2015-2016





## Airports

Newman, Marble Bar and Nullagine

	RPT and screened movements	GA movements	Total
FY13/14	7,018	5,054	12,072
FY14/15	5,370	8,498	13,868
FY15/16	5,228	4,838	10,066

The Airport Services team provides operational, development and business activities at Newman Airport and the airstrips at Marble Bar and Nullagine.

### Business Management

#### Aircraft related activities

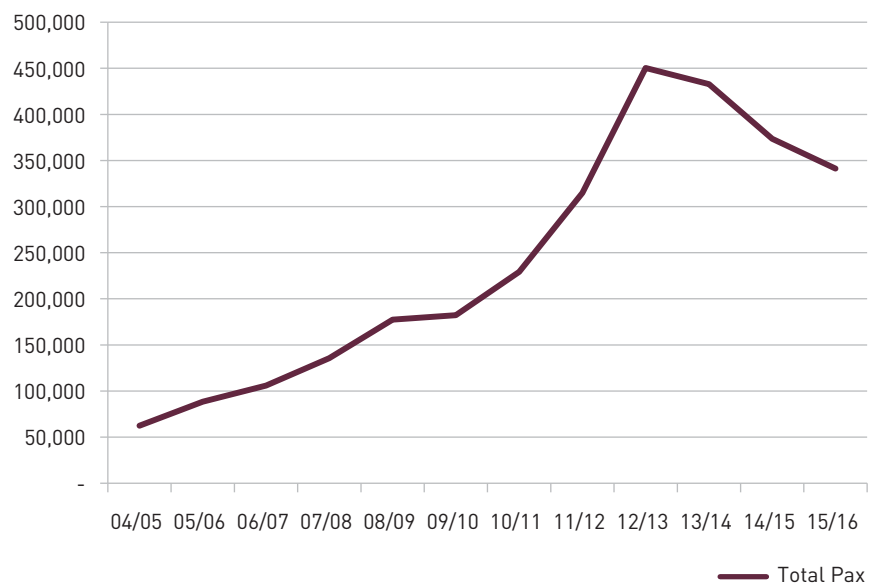
Regular Passenger Transport (RPT) flights at Newman Airport are provided mainly by Qantas and Virgin Australia (including their various sister organisations).

During the financial year 2015/16 RPT landings reduced by 2.6% with Non - RPT landings variable over the last few years.

The airport reviewed and changed its pricing structure which resulted in an increase in runway revenue (from landings) of 67%, despite the reduction in the percentage of landings experienced over the past few years. This revenue stream now better matches the cost of establishing and providing the runway infrastructure.

Newman Airport has traditionally not been an overnight parking destination. This trend has continued and will likely continue into the future. Parking income from overnighting aircraft is not a major income line for the airport.

Total Passengers FY 2004 - 2016



#### Passenger related activities

Passenger numbers for the financial year 2015/16 was 341,183. This represents a reduction of 8.66% year on year. The airport has a long term pricing strategy in place that will ensure sustainability and as such, passenger related revenue has only decreased by 3.9% during the financial year.

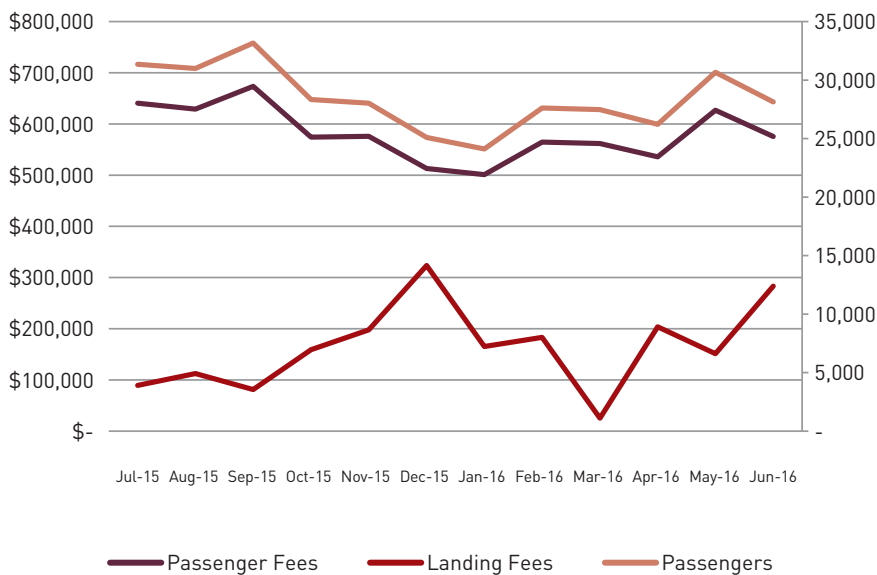




Newman Airport Terminal and New Building Extension

The following graph shows passenger numbers vs the landing and passenger fees the airport earned through the year.

Income vs Passenger Number 2015/16



the course of the past two years to make it possible for the Shire to acquire the land the airport is situated on (currently managed via a State Lands Management Order). Most of the requirements and restraints have now been addressed. State Lands have recently indicated a purchase price. The airport is expected to finalise a recommended course of action in 2016/17.

- The airport secured a stable water supply during the financial year. The project came in under budget and resulted in a strong potential supply of water. Having a water supply on site that is stable in quantity and quality is important for airport development. This is expected to be brought on line in 2016/17, which will eliminate the need to rely on BHP supplied raw water.
- Extra pathways were constructed during the year to make it easier and safer for customers to walk to the airport from the adjacent car rental yards.
- A new website was developed to make it easier to find out information about the airport.



- To provide the airport with a marketing image to seek future business opportunities a new logo was created to give the airport an identity in line with other Shire business centres.

### Tenancies

Newman Airport provides facilities for tenants either by way of leases, or licenses.

Leases are long term offering little chance for upselling or fee adjustments outside those that have been agreed historically at the time of signing the agreements. Current leases increase by 1% per annum.

Licenses are generally short-term. Licenses are rapidly maturing and will be subject to review in 2016/17.

### Projects

- Extra ablutions and seating/viewing facilities at the airport terminal departure lounge. The project is scheduled to be completed during September 2016. The project will greatly add to passenger comfort and service levels.
  - New terminal extensions have been outlined in red.
- Lighting improvement project included replacement of lighting in the long term car park to maintain and improve safety and service levels for customers.
- The airport has driven a project over

- A number of projects aimed at easing traffic flow, enhancing drainage and increasing pedestrian safety have been finalised. This includes two pedestrian ramps in the traffic calming zone in front of the terminal. Traffic flow has markedly improved and no incidents of speeding have been reported in the forecourt since the project was finalised.
- The results of a number of reviews aimed at focussing on the airport business environment have been completed. These will be applied in the upcoming license renegotiations.
- The airport implemented a PA system upgrade during the financial year and now provides free Wi-Fi.
- On-going internal inspections and audits by airport personnel were conducted on airport facilities including standby power, electrical and aerodrome lighting.
- The passenger screening point was rearranged and an extension to the baggage roller bed was fitted to provide a more efficient and accessible experience to the screening process for customers. Also, new queueing barriers were installed to provide a more organised approach for customers during busy periods of passenger movements.
- On-going Safety and Security Awareness Training was conducted as part of our staff induction programme for tenants and contractors alike. This included the procedures for responding to a security incident affecting the airport and for the reporting of hazards and incidents as part of our Safety Management System and risk assessment strategies.

## Marble Bar & Nullagine

### Marble Bar

- A back-up generator was installed at the Marble Bar aerodrome.
- 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.
- Marble Bar remains a strategic airport for the community and to service the Royal Flying Doctor Service (RFDS) flights for medical evacuation.

### Nullagine

- Millennium Minerals Limited no longer uses Nullagine airstrip for their Fly In Fly Out (FIFO) scheduled flights, but continue assisting with maintenance and Airport Reporting Officer (ARO) support. All their FIFO workers are now routed through Newman Airport.
- Nullagine remains a strategic airport for the community and to service the RFDS flights for medical evacuation.

## Operational

### Safety and Security:

- Audits were conducted by the Office of Transport Security (OTS) with one non-compliance notice being issued against a screening contractor employee (MSS Security). This was quickly addressed to the satisfaction of OTS.
- The annual aerodrome technical and electrical inspections were conducted with no non-compliance notices issued.

- On-going internal inspections and audits by airport personnel were conducted on airport facilities including standby power, electrical and aerodrome lighting.
- The passenger screening point was rearranged and an extension to the baggage roller bed was fitted to provide a more efficient and accessible experience to the screening process for customers. Also, new queueing barriers were installed to provide a more organised approach for customers during busy periods of passenger movements.
- On-going Safety and Security Awareness Training was conducted as part of our staff induction programme for tenants and contractors alike. This included the procedures for responding to a security incident affecting the airport and for the reporting of hazards and incidents as part of our Safety Management System and risk assessment strategies.
- CCTV project was commissioned with cameras installed at strategic locations throughout the airport. This system has proved invaluable in monitoring and reviewing incidents involving the movement of vehicles and persons around the airport. The final stage of development will be to integrate the vision into the Newman Police CCTV security network for Newman Township.

### Bird Strikes:

- Although several bird strikes were reported during the period, bird mitigation strategies have been successful in reducing the risk to airport users. Strategies included increased runway inspections and aerodrome surveillance, use of lethal shot and non-lethal Bird Frite and sirens as a means of deterrent.

### Aircraft Operations:

- Although there has been a downturn in the number of passenger numbers transiting through the terminal, the weekly aircraft flight schedules have remained constant with the exception of lunchtime flight cancellations on Tuesdays and Wednesdays.
- Notwithstanding that, the Boeing B737-800 service has dropped by 50% and replaced by smaller aircraft such as the Boeing B717 and the Fokker F100. An average of 50 aircraft is scheduled to operate into Newman on a weekly basis shared by Qantas, Virgin Australia and closed

charter operations by Alliance Airlines. As a result Newman is still seen as a busy aircraft hub for central Western Australia.

- Many domestic and international flights overfly Newman enroute to their destinations. Because of its strategic location on the air-routes it is unlikely that Newman's ground based navigation aids will be retired by Airservices Australia, as is the case with many other sites across the country under scrutiny. Newman is also a significant alternate airfield to flights operating in the region. Several diversions into Newman occurred as a result of weather and low fuel reserves, affecting operations into certain aerodromes.
- Freight tonnage through Newman is not high and is mostly confined to newspapers and small articles carried by Qantas and Virgin Australia.

### Aerodrome

- New white polystyrene gable markers were installed on the aerodrome for improved definition of the runway edge. They replace old fibreglass and fibro conical markers.
- The aerodrome is classed as a Code 3 aerodrome with a 30m wide runway typically catering for Fokker F100 and Embraer EMB 120/170 aircraft. However, the aerodrome is surveyed to Code 4 aircraft which allows Boeing B737-800 and Airbus A320 narrow runway operations into Newman.

## Strategic Developments

### Business Development

Mining tenements affecting airport land has finally been cleared, providing the opportunity for the Shire to acquire freehold title of the airport land.

Freehold title of the airport land was identified as the centre of gravity towards developing a comprehensive and executable Airport Master Plan. With resolution of the tenure issue expected to be finalised by the end of 2016, the development of the Master Plan, Development Plan, and supporting Business Plan will occur with a clear forward vision.



# Annual Financial Report

For the year ended  
30 June 2016

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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 2016 are in my opinion properly drawn up to present fairly the financial position of the Shire of East Pilbara at 30 June 2016 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 2<sup>nd</sup> November 2016



Allen Cooper  
Chief Executive Officer





# Statutory Statements

For the year ended  
30 June 2016

# Statement of Financial Position

As At 30 June 2016

DESCRIPTION	NOTE	2015/2016 \$	2014/2015 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3b	27,374,146	29,672,839
Trade and Other Receivables	4	3,235,977	3,958,320
Inventories	5	111,667	90,720
<b>Total Current Assets</b>		<b>30,721,790</b>	<b>33,721,879</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	2,679,802	8,343,196
Provisions	8	1,211,169	1,080,238
Long Term Borrowings - Current Portion	9	764,499	1,128,662
<b>Total Current Liabilities</b>		<b>4,655,470</b>	<b>10,552,096</b>
<b>NET CURRENT ASSETS</b>		<b>26,066,320</b>	<b>23,169,783</b>
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	6	90,832,556	97,894,167
Infrastructure	7	316,273,060	315,843,429
<b>Total Non Current Assets</b>		<b>407,105,616</b>	<b>413,737,596</b>
<b>NON CURRENT LIABILITIES</b>			
Provisions	8	87,867	158,172
Long Term Borrowings	9	5,559,690	6,324,189
<b>Total Non Current Liabilities</b>		<b>5,647,557</b>	<b>6,482,361</b>
<b>NET NON CURRENT ASSETS</b>		<b>401,458,059</b>	<b>407,255,235</b>
<b>NET ASSETS</b>		<b>427,524,379</b>	<b>430,425,018</b>
<b>EQUITY</b>			
Retained Surplus		191,515,673	191,816,315
Reserves - Cash Backed	10	19,802,304	18,051,772
Revaluation Surplus	10a	216,206,402	220,556,931
<b>TOTAL EQUITY</b>		<b>427,524,379</b>	<b>430,425,018</b>

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 2016

DESCRIPTION	NOTE	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>Revenue</b>				
Rates		11,942,000	<b>11,680,209</b>	12,824,548
Grants and Subsidies		12,358,300	<b>12,244,167</b>	12,102,364
Contributions, Reimbursements and Donations		5,088,700	<b>1,510,852</b>	4,719,233
Gain on Asset Disposals		2,600	<b>1,005</b>	1,808
Service Charges		-	-	-
Fees and Charges		20,718,700	<b>18,368,839</b>	25,306,366
Interest Earnings		624,300	<b>736,998</b>	894,403
Other Revenue/Income		645,400	<b>994,439</b>	1,142,128
		51,380,000	<b>45,536,509</b>	56,990,850
<b>Expenses</b>				
Employee Costs		(11,887,400)	<b>(10,959,491)</b>	(12,321,212)
Materials and Contracts		(18,268,300)	<b>(12,796,030)</b>	(17,153,977)
Utilities (Gas, Electricity, Water etc)		(1,424,200)	<b>(1,770,017)</b>	(1,641,999)
Depreciation on Non Current Assets	6b, 7b	(12,241,600)	<b>(16,057,252)</b>	(12,945,362)
Loss on Asset Disposal		(412,500)	<b>(249,885)</b>	(279,897)
Insurance Expenses		(979,900)	<b>(863,417)</b>	(669,411)
Other Expenditure		(975,100)	<b>(935,663)</b>	(1,192,550)
		(46,189,000)	<b>(43,631,755)</b>	(46,204,408)
Interest Expenses		(444,300)	<b>(454,861)</b>	(469,967)
		(46,633,300)	<b>(44,086,616)</b>	(46,674,375)
<b>NET PROFIT/(LOSS) RESULT</b>		4,746,700	<b>1,449,893</b>	10,316,475
<b>Other Comprehensive Income</b>				
<i>Items that will not be reclassified to profit or loss</i>				
Changes on revaluation of non-current assets	10a	-	<b>(4,350,529)</b>	16,426,689
<b>Total Other Comprehensive Income</b>		-	<b>(4,350,529)</b>	16,426,689
<b>TOTAL COMPREHENSIVE INCOME</b>		4,746,700	<b>(2,900,636)</b>	26,743,164

This statement is to be read in conjunction with accompanying notes

# Statement of Comprehensive Income by Program For The Year Ending 30 June 2016

DESCRIPTION	NOTE	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>Revenue</b>				
General Purpose Funding		15,290,700	<b>15,029,590</b>	16,391,312
Governance		152,800	<b>173,032</b>	247,464
Law, Order & Public Safety		78,500	<b>118,876</b>	77,626
Health		37,500	<b>70,090</b>	73,960
Education & Welfare		720,500	<b>216,603</b>	155,300
Housing		414,100	<b>324,849</b>	363,772
Community Amenities		6,688,800	<b>5,293,968</b>	7,215,842
Recreation & Culture		2,430,100	<b>2,151,177</b>	2,019,114
Transport		14,182,000	<b>13,199,868</b>	13,112,865
Economic Services		367,500	<b>369,337</b>	826,575
Other Property & Services		123,200	<b>335,180</b>	5,540,295
<b>Total Operating Revenue</b>		40,485,700	<b>37,282,570</b>	46,024,125
<b>Expenses Excluding Finance Costs</b>				
General Purpose Funding		(532,600)	<b>(444,067)</b>	(624,635)
Governance		(2,065,500)	<b>(1,223,678)</b>	(2,114,176)
Law, Order & Public Safety		(1,176,900)	<b>(1,481,996)</b>	(980,390)
Health		(691,900)	<b>(561,672)</b>	(633,150)
Education & Welfare		(2,717,600)	<b>(1,768,939)</b>	(1,774,001)
Housing		(908,400)	<b>(1,001,783)</b>	(883,695)
Community Amenities		(4,708,000)	<b>(4,582,176)</b>	(4,265,697)
Recreation & Culture		(9,335,900)	<b>(9,273,123)</b>	(8,204,206)
Transport		(20,529,400)	<b>(20,692,606)</b>	(19,183,241)
Economic Services		(2,718,100)	<b>(1,484,948)</b>	(1,747,651)
Other Property & Services		(392,200)	<b>(866,881)</b>	(5,513,669)
<b>Total Operating Expenditure</b>		(45,776,500)	<b>(43,381,869)</b>	(45,924,511)
<b>Finance Costs</b>				
Governance		(30,600)	<b>(32,485)</b>	(34,110)
Housing		(132,500)	<b>(144,782)</b>	(140,145)
Community Amenities		(108,000)	<b>(96,966)</b>	(89,793)
Transport		(173,200)	<b>(180,628)</b>	(205,919)
	17b	(444,300)	<b>(454,861)</b>	(469,967)
<b>Non-Operating Grants, Subsidies and</b>				
Contributions	23	10,891,700	<b>8,252,933</b>	10,964,915
Profit on Disposal of Assets		2,600	<b>1,005</b>	1,808
(Loss) on Disposal of Assets		(412,500)	<b>(249,885)</b>	(279,895)
Fair Value Adjustments to financial assets at fair value through profit or loss	10a	-	-	-
(Loss) on revaluation of plant & equipment	6b	-	-	-
Reversal of prior year loss on revaluation of furniture & equipment	6b	-	-	-
<b>NET PROFIT/(LOSS) RESULT</b>		4,746,700	<b>1,449,893</b>	10,316,475
<i>Other Comprehensive Income</i>				
Items that will not be reclassified to profit or loss				
<b>Changes on revaluation of non-current assets</b>	10a	-	<b>(4,350,529)</b>	16,426,689
<b>Other Comprehensive Income</b>		-	<b>(4,350,529)</b>	16,426,689
<b>TOTAL COMPREHENSIVE INCOME</b>		4,746,700	<b>(2,900,636)</b>	26,743,164

This statement is to be read in conjunction with accompanying notes

# Statement of Changes in Equity

For The Year Ended 30 June 2016

DESCRIPTION	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	ASSET REVALUATION RESERVES \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2014</b>	<b>177,208,127</b>	<b>22,343,482</b>	<b>204,130,241</b>	<b>403,681,850</b>
Net Result	10,316,475	-	-	10,316,475
Total Other Comprehensive Income	-	-	16,426,689	16,426,689
Transfer from/(to) Reserves	4,291,710	(4,291,710)	-	-
<b>Balance as at 1 July 2015</b>	<b>191,816,312</b>	<b>18,051,772</b>	<b>220,556,930</b>	<b>430,425,014</b>
Net Result	1,449,893	-	-	1,449,893
Total Other Comprehensive Income	-	-	(4,350,528)	(4,350,528)
Transfer from/(to) Reserves	(1,750,532)	1,750,532	-	-
<b>Balance as at 1 July 2016</b>	<b>191,515,673</b>	<b>19,802,304</b>	<b>216,206,402</b>	<b>427,524,379</b>

This statement is to be read in conjunction with accompanying notes

# Statement of Cash Flows

For The Year Ended 30 June 2016

DESCRIPTION	NOTE	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		12,522,800	<b>11,488,312</b>	13,140,045
Grants & Subsidies		4,866,600	<b>4,703,441</b>	5,042,321
Contributions, Reimbursements & Donations		1,688,700	<b>1,020,602</b>	1,036,319
Fees & Charges		19,969,100	<b>19,573,596</b>	26,463,074
Interest Earnings		624,300	<b>736,998</b>	894,403
Goods & Services Tax		700,000	<b>1,291,136</b>	1,372,640
Other Revenue/Income		645,400	<b>994,438</b>	1,142,128
		41,016,900	<b>39,808,523</b>	49,090,930
<b>Payments</b>				
Employee Costs		(12,243,700)	<b>(11,114,680)</b>	(12,192,090)
Materials & Contracts		(19,584,300)	<b>(18,668,449)</b>	(14,335,860)
Utilities (Gas, Electricity, Water, etc)		(1,424,200)	<b>(1,770,017)</b>	(1,641,999)
Interest Expenses		(444,300)	<b>(446,493)</b>	(458,360)
Insurance Expenses		(979,900)	<b>(863,416)</b>	(669,411)
Goods & Services Tax		(700,000)	<b>(1,408,086)</b>	(1,408,086)
Other Expenditure		(975,100)	<b>(935,663)</b>	(1,192,550)
		(36,351,500)	<b>(35,206,804)</b>	(31,898,355)
<i>Net Cash Inflows/(Outflows) From Operating Activities</i>	3	4,665,400	<b>4,601,719</b>	17,192,574
<b>Cash Flows From Investing Activities</b>				
Purchase Land and Buildings		(8,535,500)	<b>(3,836,613)</b>	(12,213,636)
Purchase Plant and Equipment		(3,188,200)	<b>(2,150,078)</b>	(2,351,507)
Purchase Furniture and Equipment		(442,600)	<b>(341,583)</b>	(219,776)
Purchase Infrastructure Assets		(16,610,000)	<b>(8,221,028)</b>	(14,107,525)
Sale of Plant and Equipment	11	682,000	<b>524,617</b>	389,705
Grants and Contributions for the Development of Assets	23a	10,891,700	<b>8,252,933</b>	10,964,915
<i>Net Cash Inflows/(Outflows) From Investing Activities</i>		(17,202,600)	<b>(5,771,752)</b>	(17,537,824)
<b>Cash Flows From Financing Activities</b>				
Proceeds from New Loans	17c	1,000,000	-	-
Repayment of Loans	17b	(1,153,700)	<b>(1,128,662)</b>	(1,068,825)
<i>Net Cash Inflows/(Outflows) From Financing Activities</i>		(153,700)	<b>(1,128,662)</b>	(1,068,825)
<i>Net Increase/(Decrease) In Cash Held</i>		(12,690,900)	<b>(2,298,695)</b>	(1,414,075)
<b>Cash and Cash Equivalents At Beginning Of Year</b>		29,666,700	<b>29,672,841</b>	31,086,914
<b>Cash and Cash Equivalents At End of Year</b>	3b	16,975,800	<b>27,374,146</b>	29,672,839

This statement is to be read in conjunction with accompanying notes

# Rate Setting Statement

For The Year Ended 30 June 2016

DESCRIPTION	NOTE	2014/2013 BUDGET \$	2014/2013 ACTUAL \$	2014/2015 ACTUAL \$
<b>REVENUES</b>				
General Purpose Funding		3,348,700	<b>3,349,381</b>	3,566,764
Governance		152,800	<b>173,032</b>	247,464
Law, Order and Public Safety		78,500	<b>118,876</b>	77,626
Health		37,500	<b>70,090</b>	73,960
Education and Welfare		720,500	<b>216,603</b>	155,300
Housing		414,100	<b>324,849</b>	363,772
Community Amenities		6,688,800	<b>5,293,968</b>	7,215,843
Recreation and Culture		2,430,100	<b>2,151,177</b>	2,019,115
Transport		14,182,000	<b>13,199,868</b>	13,112,864
Economic Services		367,500	<b>369,337</b>	826,575
Other Property and Services		123,200	<b>335,180</b>	5,540,296
		28,543,700	<b>25,602,361</b>	33,199,579
<b>EXPENSES</b>				
General Purpose Funding		(532,600)	<b>(444,067)</b>	(624,635)
Governance		(2,096,100)	<b>(1,256,162)</b>	(2,148,286)
Law, Order and Public Safety		(1,176,900)	<b>(1,481,996)</b>	(980,390)
Health		(691,900)	<b>(561,672)</b>	(633,150)
Education and Welfare		(2,717,600)	<b>(1,768,939)</b>	(1,774,001)
Housing		(1,040,900)	<b>(1,146,565)</b>	(1,023,841)
Community Amenities		(4,816,000)	<b>(4,679,142)</b>	(4,355,490)
Recreation and Culture		(9,335,900)	<b>(9,273,123)</b>	(8,204,206)
Transport		(20,702,600)	<b>(20,873,235)</b>	(19,389,160)
Economic Services		(2,718,100)	<b>(1,484,948)</b>	(1,747,651)
Other Property and Services		(392,200)	<b>(866,881)</b>	(5,513,669)
		(46,220,800)	<b>(43,836,730)</b>	(46,394,479)
<b>Net Operating Result Excluding Rates</b>		(17,677,100)	<b>(18,234,369)</b>	(13,194,900)
<b>Add:</b>				
Capital Grants and Contributions	23a	10,891,700	<b>8,252,933</b>	10,964,915
Sale of Assets	11	682,000	<b>524,617</b>	389,705
Write Back Depreciation	20	12,241,700	<b>16,057,252</b>	12,945,362
		23,815,400	<b>24,834,802</b>	24,299,982
<b>Less: CAPITAL WORKS PROGRAMME</b>				
Governance		(1,664,000)	<b>(1,005,762)</b>	(401,827)
Law, Order and Public Safety		(1,083,300)	<b>(712,610)</b>	(943,621)
Health		-	-	-
Education & Welfare		(338,000)	<b>(178,852)</b>	(140,868)
Housing		(1,120,000)	<b>(266,952)</b>	(4,209,954)
Community Amenities		(2,509,000)	<b>(640,134)</b>	(2,371,757)
Recreation and Culture		(5,496,600)	<b>(1,783,418)</b>	(8,184,294)
Transport		(15,712,400)	<b>(9,610,755)</b>	(12,186,935)
Economic Services		(790,000)	<b>(288,222)</b>	(302,265)
Other Property and Services		(63,000)	<b>(62,597)</b>	(150,923)
		(28,776,300)	<b>(14,549,302)</b>	(28,892,444)
<b>Less: OTHER</b>				
Repayments of Debentures	17b	(1,153,700)	<b>(1,128,662)</b>	(1,068,825)
Less Contributions to Loan Principal		-	-	-
Transfers to Reserves	10	(885,400)	<b>(7,157,650)</b>	(5,643,679)
		(2,039,100)	<b>(8,286,312)</b>	(6,712,504)
<b>Add: FUNDING SOURCES</b>				
Reserves Utilised	10	5,766,700	<b>5,407,118</b>	9,935,389
Proceeds From New Debentures	17c	1,000,000	-	-
Surplus/(Deficit) July 1 b/fwd		6,058,400	<b>6,088,502</b>	7,828,431
Sub Total		12,825,100	<b>11,495,620</b>	17,763,820
Surplus/(Deficit) June 30 c/fwd		90,000	<b>6,940,648</b>	6,088,502
<b>TO BE MADE UP FROM RATES</b>	13	(11,942,000)	<b>(11,680,209)</b>	(12,824,548)

This statement is to be read in conjunction with accompanying notes



# Notes to the Financial Reports

For the year ended  
30 June 2016



# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 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) Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which 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 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 Shire 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 from, 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 as operating 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 highly 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.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 1. Summary of Significant Accounting Policies (continued)

### (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.

#### 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 Shire'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.

During the year ended 30 June 2013 the Shire commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Shire revalues its assets in accordance with this mandatory timetable.

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 Shire 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 Shire 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.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 1. Summary of Significant Accounting Policies (continued)

### (f) Fixed Assets (continued)

#### *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, the Shire 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 Shire.

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 treated in one of the following ways:

- (a) 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; or
- (b) Eliminated against the gross carrying amount of the asset and the amount restated to the revalued amount of the asset.

#### **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 used for property, plant and equipment 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 2016

## 1. Summary of Significant Accounting Policies (continued)

### (f) Fixed Assets (continued)

#### 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 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
Park 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
Infrastructure Assets	\$5,000

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 1. Summary of Significant Accounting Policies (continued)

### (g) Fair Value of Assets and Liabilities

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

Fair Value is the price that the Shire 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 or liability. 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 or liability (ie the market with the greatest volume and level of activity for the asset or liability 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 Shire 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 Shire 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 Shire 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 in accordance with the regulatory framework.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 1. Summary of Significant Accounting Policies (continued)

### (h) Financial Instruments

#### Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Shire becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Shire 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 at cost.

Amortised cost is calculated as:

- (a) the amount at 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 or 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 investments*

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

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

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 1. Summary of Significant Accounting Policies (continued)

### (h) Financial Instruments (continued)

#### 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 Shire 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 Shire'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 Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, 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 Shire'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 Shire'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 Shire'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 2016

## 1. Summary of Significant Accounting Policies (continued)

### (k) Employee Benefit (continued)

#### 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 Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire 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 Shire 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 Shire, 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 Shire contributes to a number of Superannuation Funds on behalf of employees.

All funds to which the Shire 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 Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Shire's intentions to release for sale.



# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 1. Summary of Significant Accounting Policies (continued)

### (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 Shire 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 the Shire.

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

	Title and Topic	Issued/ Compiled	Applicable <sup>(1)</sup>	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 Shire, 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 Shire (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.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 1. Summary of Significant Accounting Policies (continued)

### (u) New Accounting Standards and Interpretations for Application in Future Periods (continued)

	Title and Topic	Issued/ Compiled	Applicable (*)	Impact
(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 the Shire.
(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
(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	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.  Given the Shire currently uses the expected 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.
(vii)	AASB 2014-5 Amendments to Australian Standards arising from AASB 15	December 2014	1 January 2017	Consequential changes to various Standards arising from the issuance of AASB 15.  It will require changes to reflect the impact of AASB 15.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 1. Summary of Significant Accounting Policies (continued)

### (u) New Accounting Standards and Interpretations for Application in Future Periods (continued)

	Title and Topic	Issued/ Compiled	Applicable <sup>(1)</sup>	Impact
(viii)	AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: 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 as they currently exist and any changes will relate to presentation.</p>
(ix)	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>
(x)	AASB 16 Leases	February 2016	1 January 2019	<p>Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to use- asset and liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117. Leases which currently do not impact the statement of financial position will be required to capitalise on the statement of financial position once AASB 16 is adopted.</p> <p>Currently, operating lease payments are expenses as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant.</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 2016

## 1. Summary of Significant Accounting Policies (continued)

### (v) Adoption of New and Revised Accounting Standards

During the current year, the Shire 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:

- (i) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality.
- (ii) AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 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 the Shire 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 2016

## 3. (a) Cash and Cash Equivalents

### (i) Reconciliation of Cash

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

	2016 BUDGET \$	2016 ACTUAL \$	2015 ACTUAL \$
<b>Cash &amp; Cash Equivalents</b>	<u>16,975,800</u>	<u>27,374,146</u>	<u>29,672,839</u>

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

	2015/2016 \$	2014/2015 \$
<b>Net Profit/(Loss) Result</b>	<b>1,449,893</b>	10,316,475
<b>Add/(Less) Non Cash and Non Cash Equivalent Items</b>		
Depreciation	<b>16,057,252</b>	12,945,362
Gain on sale of non current assets	<b>(1,005)</b>	(3,286)
Loss on sale of non current assets	<b>249,885</b>	281,374
<b>Changes in Assets and Liabilities</b>		
(Increase)/Decrease in Trade and other Receivables	<b>1,117,867</b>	1,658,716
Increase/(Decrease) in Trade and other Payables	<b>(5,851,473)</b>	2,735,399
Increase/(Decrease) in Accrued Expenses	<b>(207,447)</b>	(20,477)
Increase/(Decrease) in Employee Provisions	<b>60,626</b>	161,207
(Increase)/Decrease in Inventories	<b>(20,946)</b>	82,720
<b>(Less)</b>		
Grants for the Development of Assets	<b>(8,252,933)</b>	(10,964,916)
<b>Net Cash and Cash Equivalents provided by Operating Activities</b>	<b><u>4,601,719</u></b>	<u>17,192,573</u>
<b>(iii) Undrawn Borrowing Facilities, Credit Standby Arrangements</b>		
	2015/2016 \$	2014/2015 \$
Credit card limit	<b>25,000</b>	25,000
Credit card balance at balance date	<b>(5,138)</b>	-
<b>Total amount of credit unused</b>	<b><u>19,862</u></b>	<u>25,000</u>
<b>Loan facilities</b>		
Loan facilities - current	<b>764,499</b>	1,128,662
Loan facilities - non-current	<b>5,559,690</b>	6,324,189
<b>Total facilities in use at balance date</b>	<b><u>6,324,189</u></b>	<u>(7,452,851)</u>
<b>Unused loan facilities at balance date</b>	<b><u>NIL</u></b>	<u>NIL</u>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 3. (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:

	2015/2016 \$	2014/2015 \$
<b>Restricted Cash - Reserves</b>		
Alice Springs Road	200,410	194,588
Heavy Road Plant	1,762,864	1,711,638
Cape Keraudren Development	336,214	326,445
Computer Technology	124,285	120,674
Newman Recreation Centre Maintenance	240,841	233,843
Newman Sewerage Plant	108,265	105,120
Newman Airport	9,915,696	5,557,545
Oval Lights Maintenance	133,919	130,027
Long Service Leave	618,116	600,154
Recreation Facilities	1,095,771	1,063,930
Staff Housing	748,966	727,202
Newman Town Centre Revitalisation	193,722	104,938
Waste Management	1,088,514	1,299,617
Public Art	115,534	114,795
Town Centre Public Toilet	971	942
Annual Leave	437,966	425,241
Royalties for Regions - Pilbara Revitalisation	420,063	635,387
Newman House	410,455	398,527
BHP Billiton - Maintenance Fund	48,602	98,567
Public Building Maintenance Fund	1,178,338	1,144,097
Moondoorow Housing	-	2,615,140
Martumili Operations	621,967	348,982
Martumili Infrastructure Project	-	10,417
Cowra Tourist and Recreation Precinct	825	83,956
	<b>19,802,304</b>	18,051,772
<b>Restricted Cash - Unspent Loans</b>	-	42,538
<b>Restricted Cash - Committed Funds</b>	139,911	1,576,545
<b>Restricted Cash - Total</b>	<b>19,942,215</b>	19,670,854
<b>Unrestricted Cash</b>		
Municipal Fund Cash At Bank	878,978	2,255,312
Municipal Fund Cash Invested	6,535,431	7,729,151
Municipal Fund Cash On Hand	17,522	17,522
<b>Unrestricted Cash - Total</b>	<b>7,431,931</b>	10,001,985
<b>Total Cash</b>	<b>27,374,146</b>	29,672,839

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 3. (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:

GRANT/CONTRIBUTION	FUNCTION/ ACTIVITY	OPENING BALANCE <sup>(1)</sup> 1/07/14 \$	RECEIVED <sup>(2)</sup> 2014/15 \$	EXPENDED <sup>(3)</sup> 2014/15 \$	CLOSING BALANCE <sup>(1)</sup> 30/06/15 \$	RECEIVED <sup>(2)</sup> 2015/16 \$	EXPENDED <sup>(3)</sup> 2015/16 \$	CLOSING BALANCE 30/06/16 \$
CLGF - 2012/2013		776,258	-	(21,599)	<b>754,659</b>	-	(754,659)	-
R4R - Sporting Facilities Upgrade	11	578,071	-	(474,930)	<b>103,141</b>	-	(103,141)	-
DLG - Cat Act Implementation	5	76,265	-	(52,660)	<b>23,605</b>	-	(2,349)	<b>21,256</b>
BHPB - Sustainability - Installation of Statues	13	100,000	-	(100,000)	-	-	-	-
BHPB - CCTV Cameras & Lighting	13	19,400	-	(19,400)	-	-	-	-
BHPB - Newman Tomorrow	13	373,712	-	(68,877)	<b>304,835</b>	-	(304,835)	-
BHPB - Newman Events	11	175,440	-	(165,440)	<b>10,000</b>	-	(10,000)	-
Office of Crime Prevention	10	15,200	-	(15,200)	-	-	-	-
SEMC Risk Assessment Project	10	13,636	-	(13,636)	-	-	-	-
MWAA - Mobile Recycling Facility	10	24,603	-	-	<b>24,603</b>	-	(24,603)	-
BHP - Community Safety Identification Study	5	13,312	-	(12,065)	<b>1,247</b>	-	(1,247)	-
DLG - Marble Bar Talent Show	8	700	-	-	<b>700</b>	-	-	<b>700</b>
BHP - Community Safety Lighting	5	196,968	-	(196,968)	-	-	-	-
DoT - Black Spot - Newman Drive	12	94,733	-	-	<b>94,733</b>	-	(94,733)	-
DoT - Black Spot - Kalgan Drive	12	124,681	-	-	<b>124,681</b>	-	(124,681)	-
Atlas Mining - Marble Bar Youth Camp	8	829	-	(661)	<b>168</b>	-	(168)	-
Department of Sport and Rec - Aquatic Centre's	11	-	64,561	-	<b>64,561</b>	-	(64,561)	-
WA Drug & Alcohol - Breaking the Cycle	8	-	10,000	-	<b>10,000</b>	-	(10,000)	-
Commissioner for Young People	8	-	811	-	<b>811</b>	-	(811)	-
Department of Sport and Rec - Governance W/Shop	11	-	2,500	-	<b>2,500</b>	2,500	-	<b>5,000</b>
PDC - East Pilbara Tourism Project	13	-	50,000	-	<b>50,000</b>	-	(2,000)	<b>48,000</b>
Healthway - Triathlon	11	-	6,300	-	<b>6,300</b>	-	(6,300)	-
Water Corporation - Newman Sewerage Farm	10	131,252	-	(131,252)	-	-	-	-
Martu Charitable Trust - Martumilli Art Project	10	97,375	-	(97,375)	-	-	-	-
WA National Science Week - M/Bar Library	11	-	-	-	-	455	-	<b>455</b>
PDC - Town Centre Activation	10	-	-	-	-	38,500	-	<b>38,500</b>
Tourism WA - Outback Fusion Festival	11	10,500	-	(10,500)	-	15,000	-	<b>15,000</b>
Dept of Sport & Rec - Kidsport	11	-	-	-	-	11,000	-	<b>11,000</b>
<b>Total</b>		<b>2,822,935</b>	<b>134,172</b>	<b>(1,380,563)</b>	<b>1,576,544</b>	<b>67,455</b>	<b>(1,504,088)</b>	<b>139,911</b>

Notes:

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



# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 4. Trade and Other Receivables

	2015/2016 \$	2014/2015 \$
<b>Current Debtors</b>		
Rates	398,341	590,136
Trade and Other Receivables	2,729,081	3,147,151
ATO - GST Refund & other receivables	116,950	624,952
	<b>3,244,372</b>	<b>4,362,239</b>
Provision Bad/Doubtful Debts	(8,395)	(403,919)
	<b>3,235,977</b>	<b>3,958,320</b>
<b>Total Trade &amp; Other Receivables</b>	<b>3,235,977</b>	<b>3,958,320</b>

## 5. Inventories

STOCK CATEGORY	2015/2016 \$	2014/2015 \$
<b>Inventory Category</b>		
Fuels	75,769	50,266
History Books	14,453	15,172
Baskets	21,445	25,282
<b>Total Inventory</b>	<b>111,667</b>	<b>90,720</b>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 6. (a) Property, Plant and Equipment Assets

	2015/2016 \$	2014/2015 \$
<b>Land &amp; Buildings</b>		
Independent Valuation 2013	73,914,492	73,914,492
Impairment Loss	(6,586,500)	(6,586,500)
Movement Between Asset Classes	(1,053,239)	
Additions after Valuation - Cost	21,501,805	19,075,370
Accumulated Depreciation	(8,572,254)	(6,451,464)
<b>Land Vested &amp; Under Control of Council</b>		
Independent Valuation 2014	1,440,000	1,440,000
Impairment Loss	(285,000)	(285,000)
	<b>80,359,304</b>	81,106,899
<b>Plant &amp; Equipment</b>		
Independent Valuation 2013	-	13,165,630
Independent Valuation 2016	9,041,208	
Additions after Valuation - Cost	181,039	5,465,561
Accumulated Depreciation	-	(3,521,165)
	<b>9,222,247</b>	15,110,026
<b>Furniture &amp; Equipment</b>		
Independent Valuation 2013	-	1,892,843
Independent Valuation 2016	1,251,005	-
Additions after Valuation - Cost	-	527,243
Accumulated Depreciation	-	(742,844)
Independent Valuation 2016	<b>1,251,005</b>	1,677,242
<b>Total - Property, Plant &amp; Equipment</b>	<b>90,832,556</b>	<b>97,894,167</b>

The fair value of property, plant and equipment is determined at least every three years in accordance with the regulatory framework. 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 each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered it 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 2016

## 6. (b) Movements in Carrying Amounts

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

	LAND & BUILDINGS \$	PLANT & EQUIPMENT \$	FURNITURE & EQUIPMENT \$	AIRPORT LAND & BUILDINGS \$	AIRPORT PLANT & EQUIPMENT \$	AIRPORT FURNITURE & EQUIPMENT \$	TOTAL \$
Balance at 1 July 2015	67,245,361	12,783,305	1,477,296	13,861,539	2,326,718	199,946	<b>97,894,167</b>
Plus: Additions - Cost	3,458,586	1,987,967	340,256	240,966	230,243	21,973	<b>6,279,987</b>
	70,703,947	14,771,272	1,817,552	14,102,504	2,556,960	221,919	<b>104,174,154</b>
Less: Disposals	(92,060)	(1,200,376)	(145,787)	(1,181,057)	(164,813)	(34,068)	<b>(2,818,162)</b>
	70,611,887	13,570,896	1,671,765	12,921,447	2,392,147	187,851	<b>101,355,992</b>
Write Back Depreciation	92,060	474,091	145,787	1,181,057	117,601	34,068	<b>2,044,665</b>
	70,703,947	14,044,987	1,817,552	14,102,504	2,509,748	221,919	<b>103,400,657</b>
Less: Depreciation	(2,951,959)	(1,502,733)	(322,449)	(441,950)	(350,405)	(40,137)	<b>(5,609,632)</b>
	67,751,988	12,542,254	1,495,103	13,660,555	2,159,344	181,783	<b>97,791,025</b>
Plus/(Less): Revaluation movements	-	(2,971,814)	(1,023,410)	-	(503,841)	148,537	<b>(4,350,529)</b>
	67,751,988	9,570,439	471,693	13,660,555	1,655,502	330,319	<b>93,440,496</b>
Plus/(Less): Movement between Asset Class	(874,765)	(1,581,697)	211,427	(178,474)	(421,997)	237,566	<b>(2,607,941)</b>
Balance at 30 June 2016	<u>66,877,223</u>	<u>7,988,742</u>	<u>683,120</u>	<u>13,482,081</u>	<u>1,233,505</u>	<u>567,885</u>	<b><u>90,832,556</u></b>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 6. (c) Fair Value Measurements

ASSET CLASSES	FAIR VALUE HIERARCHY	VALUATION TECHNIQUE	BASIS OF VALUATION	DATE OF LAST VALUATION	INPUTS USED
<b>Land and Buildings</b>					
Land – Freehold	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuer	June 2013	Price per hectare / market borrowing rate
Land – vested in and under the control of the Shire	3	Improvements to land valued using cost approach using depreciated replacement costs	Management Valuation	June 2014	Improvement to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings – non specialised	3	Improvements to land using cost approach using depreciated replacement costs	Management valuation	June 2013	Improvement to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Building - specialised	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent valuer and management valuation	June 2013	Price per square metre / market borrowing rate
<b>Furniture and Equipment</b>					
Independent Valuation	3	Cost approach using depreciated replacement cost	Management valuation	June 2016	Construction costs and current condition (level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Plant and Equipment</b>					
Independent valuation 2016	2	Market approach using recent observable market data for similar assets	Independent valuer	June 2016	Market price per item
Management valuation	3	Cost approach using depreciated replacement cost	Management valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using level 2 or 3 inputs.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 7. (a) Infrastructure

	2015/2016 \$	2014/2015 \$
<b>Roads</b>		
Independent Valuation 2014	232,031,917	232,031,917
At Cost	15,314,675	8,740,700
Accumulated Depreciation	(9,759,682)	(4,711,911)
	<u>237,586,910</u>	<u>236,060,706</u>
<b>Footpaths</b>		
Independent Valuation 2014	10,704,941	10,704,941
Cost	640,531	430,495
Accumulated Depreciation	(1,283,661)	(637,460)
	<u>10,061,811</u>	<u>10,497,976</u>
<b>Drainage</b>		
Independent Valuation 2015	6,143,873	6,143,873
Cost	33,801	-
Accumulated Depreciation	(210,622)	-
	<u>5,967,052</u>	<u>6,143,873</u>
<b>Parks &amp; Gardens and other Infrastructure</b>		
Independent Valuation 2015	25,323,533	25,323,534
Movement between classes of assets	2,903,223	-
Cost	983,016	-
Accumulated Depreciation	(2,481,602)	(42,198)
	<u>26,728,170</u>	<u>25,281,336</u>
<b>Airport Infrastructure</b>		
Independent Valuation 2015	37,859,539	37,859,539
Movement between classes of assets	389,673	-
Cost	468,482	-
Accumulated Depreciation	(2,788,577)	-
	<u>35,929,117</u>	<u>37,859,539</u>
<b>Total - Infrastructure Assets</b>	<u><u>316,273,060</u></u>	<u><u>315,843,430</u></u>

The fair value of infrastructure is determined at least every three years in accordance with the regulatory framework. 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 each intervening period the valuation is reviewed and where appropriate fair value is updated to reflect current market conditions. This process is considered it to be in accordance with Local Government (Financial Management) Regulation 17A (2), which requires infrastructure to be shown at fair value.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 7. (b) Movement in Carrying Amounts

Movement in the carrying amounts of infrastructure assets between the beginning and the end of the current financial year.

	INFRASTRUCTURE ASSETS	AIRPORT INFRASTRUCTURE ASSETS	TOTAL INFRASTRUCTURE
<b>Balance at 1 July 2015</b>	277,983,888	37,859,541	315,843,429
Plus: Acquisitions	7,800,829	468,482	8,269,311
	285,784,717	38,328,023	324,112,740
Less: Disposals	-	-	-
	285,784,717	38,328,023	324,112,740
Write Back Depreciation	-	-	-
	285,784,717	38,328,023	324,112,740
Less: Annual Depreciation	(7,890,957)	(2,556,664)	(10,447,621)
	277,893,760	35,771,359	313,665,119
Plus/(Less): Revaluation movements	-	-	-
	277,893,760	35,771,359	313,665,119
Plus: Movement between Asset Classes	2,450,183	157,758	2,607,941
<b>Balance at 30 June 2016</b>	<b>280,343,943</b>	<b>35,929,117</b>	<b>316,273,060</b>

## 7. (c) Fair Value Measurements

ASSET CLASSES	FAIR VALUE HIERARCHY	VALUATION TECHNIQUE	BASIS OF VALUATION	DATE OF LAST VALUATION	INPUTS USED
Infrastructure – roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2014	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure – footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2014	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure – drainage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure – parks, gardens and other	3	Cost approach using depreciated replacement cost	Management Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure – airport	3	Cost approach using depreciated replacement cost	Management Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of infrastructure using level 3 inputs.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 7. (d) Total Assets Classified by Function and Activity

FUNCTION NAME	FUNCTION NO	2015/2016 \$	2014/2015 \$
Governance	4	7,083,781	6,743,001
Law, Order & Public Safety	5	2,286,285	2,050,513
Health	7	68,000	89,773
Education & Welfare	8	7,164,330	7,570,450
Housing	9	21,851,883	22,087,045
Community Amenities	10	6,213,531	6,776,472
Recreation & Culture	11	42,467,624	45,223,011
Transport	12	312,004,310	314,884,424
Economic Services	13	3,207,685	3,349,968
Other Property & Services	14	4,609,159	4,962,935
Unallocated		30,870,817	16,687,426
		<b>437,827,405</b>	<b>430,425,018</b>

## 8. (a) Trade and other Payables

		2015/2016 \$	2014/2015 \$
<b>Current Liabilities</b>			
<b>Trade and Other Payables And Accruals</b>			
Trade and Other Payables	1,853,237		
Accrued Expenses	826,565	2,679,802	8,343,196
		<b>2,679,802</b>	<b>8,343,196</b>
<b>Total Trade and other Payables</b>		<b>2,679,802</b>	<b>8,343,196</b>

## 8. (b) Provisions

	PROVISION FOR ANNUAL LEAVE \$	PROVISION FOR LONG SERVICE LEAVE \$	TOTAL \$
<b>Balance At 1 July 2015</b>			
Current	679,551	400,687	1,080,238
Non-current provisions	-	158,172	158,172
	679,551	558,859	1,238,410
Additional provision	-	122,747	122,747
Amounts used	(62,121)	-	(62,121)
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	-	-	-
<b>Balance at 30 June 2016</b>	<b>617,431</b>	<b>681,606</b>	<b>1,299,036</b>
<b>Comprises</b>			
Current	617,431	593,739	1,211,169
Non-current	-	87,867	87,867
	<b>617,431</b>	<b>681,606</b>	<b>1,299,036</b>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 9. Long Term Borrowings

	2015/2016 \$	2014/2015 \$
<b>Current</b>		
Debtenture	764,499	1,128,662
<b>Non Current</b>		
Debtenture	5,559,690	6,324,189
<b>Total Borrowings</b>	<u>6,324,189</u>	<u>7,452,851</u>

Additional detail on debtentures is provided in Note 17.



# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 10. Reserves – Cash Backed

RESERVE FUNDS	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>Alice Springs Road</b>			
Opening Balance	194,500	<b>194,586</b>	189,290
Interest Earned During Year	4,900	<b>5,824</b>	5,298
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<b>Closing Balance</b>	<b>199,400</b>	<b>200,410</b>	<b>194,588</b>
<b>Heavy Road Plant</b>			
Opening Balance	1,711,000	<b>1,711,637</b>	1,666,780
Interest Earned During Year	42,800	<b>51,227</b>	44,858
Transfer From Municipal Fund	-	-	200,000
Transfer To Municipal Fund	(100,000)	-	(200,000)
<b>Closing Balance</b>	<b>1,653,800</b>	<b>1,762,864</b>	<b>1,711,638</b>
<b>Cape Keraudren Development</b>			
Opening Balance	326,300	<b>326,444</b>	545,522
Interest Earned During Year	8,200	<b>9,770</b>	10,923
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	(230,000)
<b>Closing Balance</b>	<b>334,500</b>	<b>336,214</b>	<b>326,445</b>
<b>Computer Technology</b>			
Opening Balance	120,600	<b>120,673</b>	117,388
Interest Earned During Year	3,000	<b>3,612</b>	3,286
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<b>Closing Balance</b>	<b>123,600</b>	<b>124,285</b>	<b>120,674</b>
<b>Newman Recreation Centre Maintenance</b>			
Opening Balance	233,800	<b>233,843</b>	227,476
Interest Earned During Year	5,800	<b>6,998</b>	6,367
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<b>Closing Balance</b>	<b>239,600</b>	<b>240,841</b>	<b>233,843</b>
<b>Newman Sewerage Plant</b>			
Opening Balance	105,100	<b>105,120</b>	161,726
Interest Earned During Year	2,600	<b>3,145</b>	3,393
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	(60,000)
<b>Closing Balance</b>	<b>107,700</b>	<b>108,265</b>	<b>105,120</b>
<b>Newman Airport</b>			
Opening Balance	5,898,000	<b>5,557,546</b>	7,229,234
Interest Earned During Year	73,700	<b>250,789</b>	160,844
Transfer From Municipal Fund	215,000	<b>5,271,317</b>	1,290,239
Transfer To Municipal Fund	-	<b>(1,163,956)</b>	(3,122,772)
<b>Closing Balance</b>	<b>6,186,700</b>	<b>9,915,696</b>	<b>5,557,545</b>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 10. Reserves – Cash Backed (continued)

RESERVE FUNDS	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>Oval Lights Maintenance</b>			
<i>Opening Balance</i>	130,000	<b>130,027</b>	126,487
Interest Earned During Year	3,300	<b>3,892</b>	3,540
Transfer From Municipal Fund	20,000	-	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	153,300	<b>133,919</b>	130,027
<b>Long Service Leave</b>			
<i>Opening Balance</i>	599,900	<b>600,154</b>	485,571
Interest Earned During Year	15,000	<b>17,962</b>	14,583
Transfer From Municipal Fund	-	-	100,000
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	614,900	<b>618,116</b>	600,154
<b>Recreation Facilities</b>			
<i>Opening Balance</i>	1,063,500	<b>1,063,929</b>	1,034,963
Interest Earned During Year	26,600	<b>31,842</b>	28,967
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	(500,000)	-	-
<i>Closing Balance</i>	590,100	<b>1,095,771</b>	1,063,930
<b>Staff Housing</b>			
<i>Opening Balance</i>	927,900	<b>727,202</b>	1,397,729
Interest Earned During Year	23,200	<b>21,764</b>	36,423
Transfer From Municipal Fund	-	-	23,804
Transfer To Municipal Fund	(221,000)	-	(730,755)
<i>Closing Balance</i>	730,100	<b>748,966</b>	727,202
<b>Newman Town Centre Revitalisation</b>			
<i>Opening Balance</i>	104,900	<b>104,938</b>	102,081
Interest Earned During Year	2,600	<b>3,140</b>	2,857
Transfer From Municipal Fund	-	<b>85,644</b>	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	107,500	<b>193,722</b>	104,938
<b>Waste Management</b>			
<i>Opening Balance</i>	1,299,100	<b>1,299,618</b>	1,067,747
Interest Earned During Year	32,500	<b>38,896</b>	31,870
Transfer From Municipal Fund	-	-	200,000
Transfer To Municipal Fund	(500,000)	<b>(250,000)</b>	-
<i>Closing Balance</i>	831,600	<b>1,088,514</b>	1,299,617
<b>Public Art</b>			
<i>Opening Balance</i>	114,800	<b>114,795</b>	114,103
Interest Earned During Year	2,900	<b>739</b>	691
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
<i>Closing Balance</i>	117,700	<b>115,534</b>	114,794

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 10. Reserves – Cash Backed (continued)

RESERVE FUNDS	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>Town Centre Public Toilet</b>			
Opening Balance	900	943	917
Interest Earned During Year	-	28	26
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
Closing Balance	900	971	943
<b>Annual Leave</b>			
Opening Balance	425,100	425,239	413,663
Interest Earned During Year	10,600	12,727	11,578
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	-	-	-
Closing Balance	435,700	437,966	425,241
<b>Royalties for Regions - Pilbara Revitalisation</b>			
Opening Balance	654,000	635,389	806,850
Interest Earned During Year	16,400	14,770	21,287
Transfer From Municipal Fund	-	342	-
Transfer To Municipal Fund	(670,400)	(230,438)	(192,749)
Closing Balance	-	420,063	635,387
<b>Newman House</b>			
Opening Balance	398,400	398,528	288,561
Interest Earned During Year	10,000	11,927	9,966
Transfer From Municipal Fund	100,000	-	100,000
Transfer To Municipal Fund	-	-	-
Closing Balance	508,400	410,455	398,527
<b>BHP Billiton Maintenance Fund</b>			
Opening Balance	98,500	98,567	19,667
Interest Earned During Year	2,500	2,950	2,220
Transfer From Municipal Fund	-	-	76,680
Transfer To Municipal Fund	-	(52,915)	-
Closing Balance	101,000	48,602	98,567
<b>Public Building Maintenance Fund</b>			
Opening Balance	1,143,700	1,144,097	857,644
Interest Earned During Year	28,600	34,241	28,904
Transfer From Municipal Fund	-	-	257,549
Transfer To Municipal Fund	-	-	-
Closing Balance	1,172,300	1,178,338	1,144,097
<b>Moondoorow Housing</b>			
Opening Balance	2,614,100	2,615,141	3,616,816
Interest Earned During Year	65,400	21,200	80,780
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	(2,679,500)	(2,636,341)	(1,082,456)
Closing Balance	-	-	2,615,140

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 10. Reserves – Cash Backed (Continued)

RESERVE FUNDS	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>Martumili Operations</b>			
Opening Balance	359,500	348,982	246,776
Interest Earned During Year	9,000	13,416	11,529
Transfer From Municipal Fund	136,100	704,175	365,799
Transfer To Municipal Fund	-	(444,606)	(275,121)
Closing Balance	504,600	621,967	348,982
<b>Martumili Infrastructure Project</b>			
Opening Balance	987,200	10,418	1,544,821
Interest Earned During Year	24,700	1,936	6,622
Transfer From Municipal Fund	-	530,864	2,500,510
Transfer To Municipal Fund	(1,011,900)	(543,218)	(4,041,535)
Closing Balance	-	-	10,417
<b>Cowra Tourist and Recreation Precinct</b>			
Opening Balance	83,900	83,956	81,670
Interest Earned During Year	-	2,513	2,286
Transfer From Municipal Fund	-	-	-
Transfer To Municipal Fund	(83,900)	(85,644)	-
Closing Balance	-	825	83,956
<b>Totals - All Reserves</b>			
Opening Balance	19,594,700	18,051,772	22,343,482
Interest Earned During Year	414,300	565,308	529,098
Transfer From Municipal Fund	471,100	6,592,342	5,114,581
Transfer To Municipal Fund	(5,766,700)	(5,407,118)	(9,935,389)
Closing Balance	14,713,400	19,802,304	18,051,772

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

### Purpose of Reserves

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows

- |  |                |
|--|----------------|
| <b>a) Alice Springs Road</b>   | <b>Ongoing</b> |
| To establish a road link to Alice Springs from Marble Bar to the Northern Territory border |                |
| <b>b) Heavy Road Plant</b>   | <b>Ongoing</b> |
| To fund the purchase of heavy plant that is needed for the operation of the Shire          |                |
| <b>c) Cape Keraudren Development</b>   | <b>Ongoing</b> |
| For the maintenance, development & enhancement of the Cape Keraudren Reserve               |                |
| <b>d) Computer Technology</b>  | <b>Ongoing</b> |
| For the replacement, enhancement and upgrading of computer hardware and software           |                |
| <b>e) Newman Recreation Maintenance</b>  | <b>Ongoing</b> |
| For the upgrading and enhancement and future extensions of the Newman Recreation Centre    |                |

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 10. Reserves – Cash Backed (continued)

### Purpose of Reserves (continued)

<b>f) Newman Sewerage Treatment Plant</b>	<b>Ongoing</b>
For the maintenance, upgrading and replacement of all Shire plant and equipment associated with the treatment of sewage and the distribution of the treated product.	
<b>g) Newman Airport</b>	<b>Ongoing</b>
For the upgrading, maintenance and enhancement of the Newman Airport	
<b>h) Oval Lights Maintenance</b>	<b>Ongoing</b>
To maintain and upgrade the lights at Capricorn Oval, Newman	
<b>i) Recreation Facilities Maintenance</b>	<b>Ongoing</b>
For the upgrading and enhancement of recreation facilities	
<b>j) Long Service Leave</b>	<b>Ongoing</b>
Provision for the long service leave entitlements for the employees of the Shire	
<b>k) Housing</b>	<b>Ongoing</b>
For the upgrading and maintenance of staff housing assets	
<b>l) Newman Town Centre Revitalisation</b>	<b>Ongoing</b>
For the revitalisation, upgrade and maintenance of the Newman Town Centre Precinct	
<b>m) Waste Management</b>	<b>Ongoing</b>
For the development, maintenance & enhancement of waste management facilities	
<b>n) Public Art</b>	<b>Ongoing</b>
For the development, maintenance & enhancement of Public Art within the three towns of the East Pilbara Shire	
<b>o) Town Centre Public Toilet</b>	<b>Ongoing</b>
For the development, maintenance & enhancement of Town Centre Public Toilets	
<b>p) Annual Leave</b>	<b>Ongoing</b>
To provide for the payment of annual leave entitlements for staff	
<b>q) Royalties for Regions – Pilbara Revitalisation</b>	<b>Ongoing</b>
To hold and utilise the allocation of the Royalties for Regions – Pilbara Revitalisation funds in accordance with funding legislation	
<b>r) Newman House</b>	<b>Ongoing</b>
For the upgrading, maintenance and enhancement of Newman House.	
<b>s) BHP Billiton Maintenance Fund</b>	<b>Ongoing</b>
To hold and utilise the allocation of the BHP Billiton Maintenance Fund in accordance with funding legislation	
<b>t) Public Building Maintenance Fund</b>	<b>Ongoing</b>
For the upgrading, maintenance and enhancement of Public Buildings.	
<b>u) Moondoorow Housing</b>	<b>30 June 2016</b>
For the construction of staff housing on Moondoorow.	
<b>v) Martumili Operations</b>	<b>Ongoing</b>
To hold and utilise the allocation of Martumili's funds.	
<b>w) Martumili Infrastructure Projects</b>	<b>30 June 2016</b>
For the construction of staff housing on Moondoorow.	
<b>x) Cowra Tourist and Recreation Precinct</b>	<b>Ongoing</b>
To hold and utilise the allocation of money for the completion of the Cowra Tourist & Recreation Precinct.	

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 10 (a) Revaluation Surplus

	2015/2016 \$	2014/2015 \$
<b>Land and Buildings</b>		
Opening Balance	29,712,491	36,583,991
Revaluation Increment	-	-
Revaluation Decrement	-	(6,871,500)
	<u>29,712,491</u>	<u>29,712,491</u>
<b>Plant and Equipment</b>		
Opening Balance	6,842,732	6,842,732
Revaluation Increment	-	-
Revaluation Decrement	(3,475,656)	-
	<u>3,367,076</u>	<u>6,842,732</u>
<b>Furniture and Equipment</b>		
Opening Balance	1,090,477	1,090,477
Revaluation Increment	-	-
Revaluation Decrement	(874,873)	-
	<u>215,604</u>	<u>1,090,477</u>
<b>Infrastructure</b>		
Opening Balance	182,911,231	159,613,042
Revaluation Increment	-	25,591,189
Revaluation Decrement	-	(2,293,000)
	<u>182,911,231</u>	<u>182,911,231</u>
<b>Total Asset Revaluation Surplus</b>	<u><u>216,206,402</u></u>	<u><u>220,556,931</u></u>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 11. Disposal of Assets

PROGRAM	NET BOOK VALUE		SALE PROCEEDS		PROFIT/(LOSS)	
	ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$	ACTUAL \$	BUDGET \$
<b>Governance</b>						
- Plant & Equipment	<b>62,716</b>	102,409	<b>53,765</b>	94,000	<b>(8,951)</b>	(8,409)
<b>Law, Order &amp; Public Safety</b>						
- Plant & Equipment	<b>19,646</b>	22,366	<b>16,610</b>	25,000	<b>(3,036)</b>	2,634
<b>Health</b>						
- Plant & Equipment	<b>16,818</b>	17,235	<b>12,521</b>	13,000	<b>(4,297)</b>	(4,235)
<b>Education &amp; Welfare</b>						
- Plant & Equipment	-	17,235	-	13,000	-	(4,235)
<b>Community Amenities</b>						
- Plant & Equipment	-	-	-	-	-	-
<b>Recreation &amp; Culture</b>						
- Plant & Equipment	<b>22,220</b>	23,980	<b>17,335</b>	14,000	<b>(4,885)</b>	(9,980)
<b>Transport</b>						
- Plant & Equipment	<b>47,212</b>	51,986	<b>48,217</b>	53,000	<b>1,005</b>	1,014
- Plant & Equipment	<b>433,968</b>	675,475	<b>256,877</b>	333,000	<b>(177,091)</b>	(342,475)
<b>Economic Services</b>						
- Plant & Equipment	<b>133,848</b>	142,379	<b>86,498</b>	102,000	<b>(47,350)</b>	(40,379)
<b>Other Property &amp; Services</b>						
- Plant & Equipment	<b>37,069</b>	38,880	<b>32,794</b>	35,000	<b>(4,275)</b>	(3,880)
	<b>773,497</b>	1,091,945	<b>524,617</b>	682,000	<b>(248,880)</b>	(409,945)

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 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.

	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>Non Operating Income</b>			
Proceeds From Sale Of Assets	682,000	524,617	389,705
Loans Raised	1,000,000	-	-
Transfers From Reserve Accounts	5,766,700	5,407,118	9,935,389
<b>Total Non Operating Income</b>	<b>7,448,700</b>	<b>5,931,734</b>	<b>10,325,094</b>
<b>Non Operating Expenditure</b>			
Repayment Of Debentures	1,153,700	1,128,662	1,068,825
Transfer To Reserves	885,400	7,157,650	5,643,679
Land & Buildings	8,032,000	3,458,586	12,098,049
Furniture & Equipment	409,600	340,256	143,066
Plant & Equipment	2,868,900	1,987,967	2,008,139
Airport Assets	4,337,100	961,664	5,673,034
Infrastructure Assets	13,128,700	7,800,829	8,970,156
<b>Total Non Operating Expenditure</b>	<b>30,815,400</b>	<b>22,835,614</b>	<b>35,604,949</b>

### (b) Current Position 1st July 2015

The current position balance carried forward from the previous financial year for the purpose of the 2015/2016 budget was \$6,058,400. The current position balance shown in the audited financial report as at 30 June 2015 was \$6,088,502.



# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 13. Rating and Valuations

### (a) Property Rating

RATE TYPE	RATE IN THE DOLLAR (CENTS)	NUMBER OF PROPERTIES	RATEABLE VALUE \$	RATE REVENUE \$	INTERIM RATES \$	TOTAL REVENUE \$	BUDGET	
							RATE REVENUE \$	INTERIM RATES \$
<b>Governance</b>								
GRV - Industrial	1.6250	91	12,618,340	205,048	2,188	207,236	205,048	205,048
GRV - Town Centre	4.5950	32	5,580,640	256,430	(18,036)	238,394	256,430	256,430
GRV - Nullagine	9.5000	29	315,224	29,946	4,164	34,111	29,946	29,946
GRV - Transient	7.0000	13	22,331,940	1,563,236	347,070	1,910,306	1,563,236	1,563,236
GRV - Other	3.2340	1,935	77,395,446	2,502,968	15,240	2,518,208	2,502,968	2,502,968
UV - Other	18.1410	1,319	34,798,496	6,312,795	(394,097)	5,918,698	6,312,795	6,537,795
UV - Pastoral	6.0420	48	5,467,618	330,353	6,703	337,056	330,353	330,353
<b>Sub Total</b>		<b>3,467</b>	<b>158,507,704</b>	<b>11,200,777</b>	<b>(36,768)</b>	<b>11,164,009</b>	<b>11,200,777</b>	<b>11,425,777</b>
<b>MINIMUM \$</b>								
<b>Minimum Rates</b>								
GRV - Industrial	650.00	25	650,720	16,250		16,250	16,250	16,250
GRV - Town Centre	650.00	10	70,412	6,500		6,500	6,500	6,500
GRV - Nullagine	400.00	15	13,477	6,000		6,000	6,000	6,000
GRV - Other	650.00	565	4,524,832	367,250		367,250	367,250	367,250
UV - Other	200.00	580	367,891	116,000		116,000	116,000	116,000
UV - Pastoral	200.00	21	12,447	4,200		4,200	4,200	4,200
<b>Sub Total</b>		<b>1,216</b>	<b>5,639,779</b>	<b>516,200</b>	<b>-</b>	<b>516,200</b>	<b>516,200</b>	<b>516,200</b>
<b>Total</b>		<b>4,683</b>	<b>164,147,483</b>	<b>11,716,977</b>	<b>(36,768)</b>	<b>11,680,209</b>	<b>11,716,977</b>	<b>11,941,977</b>

### (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 2015/2016 year was 0.6436 cents in the dollar on the gross rental value of the property. The total revenue from this rate was \$615,283.

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 14. Service Charges

No service charges were levied by the Shire during 2015/2016.

## 15. Discounts, Incentives and Concessions

The Shire did not allow any discounts or concessions for the early payment of rates during 2015/2016.

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 using the random selection function with the Synergysoft computer program.

## 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 \$74,880 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 \$9,390 were received against a budget of \$7,000 and interest of \$15,428 against a budget of \$20,000.

## 17. Borrowings

### (a) Unspent Loans

FUNCTION & DEBENTURE PURPOSE	FUNDING DATE	NEW LOANS 2015/2016	EXISTING LOANS UNSPENT	EXPENDED DURING YEAR \$	CLOSING BALANCE 30 JUNE 2016 \$
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#### Housing

Debenture No 72

Sewerage Plant Capital Improvements

June 2014	-	42,538	42,538	-
	-	<b>42,538</b>	<b>42,538</b>	-

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 17. Borrowings (continued)

### (b) Loan Repayments

LOAN NO	PARTICULARS	PRINCIPAL 1 JULY 2015		NEW LOANS		PRINCIPAL REPAYMENTS MADE		PRINCIPAL OUTSTANDING 30 JUNE 2016		INTEREST REPAYMENTS MADE	
		ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
<b>Administration</b>											
65	Newman Admin Building Upgrade	522,042	-	-	92,461	92,500	429,580	429,542	32,484	30,600	
<b>Housing</b>											
67	Staff Housing	583,363	-	68,291	68,300	515,072	515,063	40,271	37,300		
71	Staff Housing	1,473,879	-	95,402	95,400	1,378,477	1,378,479	104,511	95,200		
<b>Community Amenities</b>											
72	Newman Sewerage Plant	1,904,063	-	100,293	100,300	1,803,770	1,803,763	96,966	85,500		
73	Newman Sewerage Plant	-	2,000,000	-	25,000	-	1,975,000	-	22,500		
<b>Transport</b>											
66	Newman Airport Precinct Upgrade	2,561,280	-	363,990	364,000	2,197,290	2,197,280	172,260	157,500		
70	Newman Terminal Upgrade	408,224	-	408,224	408,200	-	24	8,368	15,700		
		<b>7,452,851</b>	<b>2,000,000</b>	<b>1,128,662</b>	<b>1,153,700</b>	<b>6,324,189</b>	<b>8,299,151</b>	<b>454,861</b>	<b>444,300</b>		

All loan repayments were financed by general purpose revenue.

### (c) New Borrowings

There were no new borrowings for the 2015/2016 year.

### (d) Overdraft

The Shire had not established an overdraft facility as at 30 June 2016.

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

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 18. Fees and Charges

The following fees and charges revenue resulted for each of the Shire's Functions for the 2015/2016 financial year:

FUNCTION NAME	FUNCTION NO	2015/2016 \$	2014/2015 \$
General Purpose Funding	3	107,078	103,627
Governance	4	22,923	83,473
Law, Order & Public Safety	5	45,785	21,505
Health	7	52,692	70,460
Education & Welfare	8	2,116	21,103
Housing	9	264,257	222,273
Community Amenities	10	5,094,429	6,981,570
Recreation & Culture	11	866,564	830,961
Transport	12	11,626,440	11,186,693
Economic Services	13	232,747	603,552
Other Property & Services	14	53,808	5,181,149
		<b>18,368,839</b>	<b>25,306,366</b>

## 19. Interest on Investments

	2015/2016 \$	2014/2015 \$
<b>(a) Reserve Investments</b>		
Alice Springs Road	5,824	5,298
Heavy Road Plant	51,227	44,858
Cape Keraudren Development	9,770	10,923
Computer Technology	3,612	3,286
Newman Recreation Centre Maintenance	6,998	6,367
Newman Sewerage Plant	3,145	3,393
Newman Airport	250,789	160,844
Oval Lights Maintenance	3,892	3,540
Long Service Leave	17,962	14,583
Recreation Facilities Maintenance	31,842	28,967
Staff Housing	21,764	36,423
Newman Town Centre Revitalisation	3,140	2,857
Waste Management	38,896	31,870
Public Art	739	691
Public Toilet	28	26
Annual Leave	12,727	11,578
Royalties for Regions - Pilbara Revitalisation	14,770	21,287
Newman House	11,927	9,966
BHP Billiton Maintenance Fund	2,950	2,220
Public Building Maintenance Fund	34,241	28,904
Moondoorow Housing	21,200	80,780
Martumili Operations	13,416	11,529
Martumili Infrastructure Project	1,936	6,622
Cowra Tourist and Recreation Precinct	2,513	2,286
	<b>565,308</b>	<b>978,831</b>
<b>(b) Municipal Fund Investments</b>	<b>171,689</b>	<b>365,306</b>
<b>Total Interest Earnings</b>	<b>736,997</b>	<b>894,404</b>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 20. Depreciation

FUNCTION NAME	FUNCTION NO	2015/2016 \$	2014/2015 \$
Governance	4	540,703	453,110
Law, Order & Public Safety	5	590,889	114,943
Health	7	14,358	14,358
Education & Welfare	8	315,315	298,366
Housing	9	662,254	534,621
Community Amenities	10	570,383	370,177
Recreation & Culture	11	2,516,956	1,664,240
Transport	12	9,951,094	8,606,212
Economic Services	13	185,793	208,081
Other Property & Services	14	709,507	681,254
		<b>16,057,252</b>	<b>12,945,362</b>

## 21. Councillors' Remuneration

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

	2015/2016 BUDGET \$	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
Meeting Fees	145,000	142,500	136,833
President's Allowances	60,000	62,000	60,000
Deputy President's Allowance	16,000	8,250	12,000
Travelling Expenses	10,400	16,560	9,354
Telecommunication Allowance	12,000	11,500	11,437
Member's Expenses Reimbursed	300	-	-
	<b>243,700</b>	<b>240,810</b>	<b>229,624</b>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 22. Financial Risk Management

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

The Shire 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 Shire.

The Shire held the following financial instruments at balance date:

	CARRYING VALUE		FAIR VALUE	
	2015/2016 \$	2014/2015 \$	2015/2016 \$	2014/2015 \$
<b>Financial Assets</b>				
Cash & Cash Equivalents	<b>27,374,146</b>	29,672,839	<b>27,374,146</b>	29,672,839
Receivables	<b>3,235,977</b>	3,958,320	<b>3,235,977</b>	3,958,320
	<b>30,610,123</b>	33,631,159	<b>30,610,123</b>	33,631,159
<b>Financial Liabilities</b>				
Payables	<b>2,679,801</b>	8,343,196	<b>2,679,801</b>	8,343,196
Borrowings	<b>6,324,189</b>	7,452,850	<b>6,324,189</b>	7,452,850
	<b>9,003,990</b>	15,796,046	<b>9,003,990</b>	15,796,046

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

The Shire'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). The Shire has an investment policy and the policy is subject to review by the Shire. 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 the Shire.

The Shire manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. The Shire 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 2016

## 22. Financial Risk Management (continued)

	30/06/2015 \$	30/06/2014 \$
<b>Impact of a 1%<sup>(1)</sup> movement in interest rates on cash:</b>		
Equity	232,600	205,100
Statement of Profit & Loss and Other Comprehensive Income	232,600	205,100

Notes:

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

### (b) Receivables

The Shire'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. The Shire 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 the Shire to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. The Shire 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.

The Shire 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 Shire's credit risk at balance date was:

RECEIVABLES CREDIT RISK	30/06/2015	30/06/2014
Percentage of Rates and Annual Charges		
Current	69%	88%
Overdue	31%	12%
Percentage of Other Receivables (Debtors)		
Current	44%	81%
Overdue	56%	19%

### (c) Payables - Borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire 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 the Shire's payables and Borrowings are set out in the Liquidity Sensitivity Table below:

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 22. Financial Risk Management (continued)

### (c) Payables - Borrowings (continued)

	DUE WITHIN ONE YEAR \$	DUE BETWEEN ONE AND FIVE YEARS \$	DUE AFTER FIVE YEARS \$	TOTAL CONTRACTUAL CASH FLOWS \$	CARRYING VALUES \$
<b>2016</b>					
Payables	2,679,802	-	-	2,679,802	2,679,802
Borrowings	1,119,991	4,836,751	2,050,840	8,007,582	6,324,189
	<b>3,799,793</b>	<b>4,836,751</b>	<b>2,050,840</b>	<b>10,687,384</b>	<b>9,003,991</b>
<b>2015</b>					
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
	<b>9,471,858</b>	<b>4,215,020</b>	<b>2,452,900</b>	<b>16,139,778</b>	<b>15,796,047</b>

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

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

LOAN NO	EXPIRY DATE	RATE	PRINCIPAL 30/06/2015 \$		YEARS TO RUN AT 30/06/2015	IRR AT 30/06/2015 \$
<b>Year Ended 30 June 2016</b>						
65	1/2/2020	5.99	429,580	6	>5 Years	25,732
66	15/6/2021	6.25	2,197,290	7	>5 Years	137,331
67	1/3/2022	6.47	515,072	8	>5 Years	33,325
71	1/3/2026	6.49	1,378,477	12	>5 Years	89,463
72	23/6/2029	4.49	1,803,770	15	>5 Years	80,989
			<u>6,324,189</u>			<u>366,840</u>
			764,499		<1	<u>5.80%</u>
			3,802,470		1 to 5	
			<u>1,757,220</u>		>5	
			<u>6,324,189</u>			

LOAN NO	EXPIRY DATE	RATE	PRINCIPAL 30/06/2014 \$		YEARS TO RUN AT 30/06/2014	IRR AT 30/06/2014 \$
<b>Year Ended 30 June 2015</b>						
65	1/02/2020	5.99	522,042	6	>5 Years	31,270
66	15/06/2021	6.25	2,561,280	7	>5 Years	160,080
67	1/03/2022	6.47	583,363	8	>5 Years	37,744
70	13/02/2016	4.65	408,224	2	1 to 5	18,982
71	1/03/2026	6.49	1,473,879	12	>5 Years	95,655
72	23/06/2029	4.49	1,904,063	15	>5 Years	85,492
			<u>7,452,851</u>			<u>429,223</u>
			1,128,662		<1	<u>4.61%</u>
			4,196,038		1 to 5	
			<u>2,128,151</u>		>5	
			<u>7,452,851</u>			



# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 23. Grants and Contributions

### (a) Non Operating Grants For the Development Of Assets

GRANT SOURCE	PURPOSE	2015/2016 ACTUAL \$	2014/2015 ACTUAL \$
<b>State Grants</b>			
Dept LG & Regional Development	Royalties for Regions	-	1,036,663
FESA - SES	Headquarters	887,550	-
MWAA	Mobile Recycling Facility	98,414	-
Dept Regional Develop & Lands	Martumili Art Centre	625,000	1,000,000
Lottery West	Martumili Art Centre	-	600,000
WA Grants Commission	Aboriginal Access Roads	596,000	578,000
Main Roads WA	Aboriginal Access Roads	298,000	531,000
Main Roads WA	Regional Road Group	693,250	811,666
WA Grants Commission	Untied Road Grants	406,800	513,700
Main Roads WA	Direct Road Grants	368,800	339,300
Main Roads WA	Black Spot - Hilditch Avenue	-	9,096
		<b>3,973,814</b>	<b>5,419,425</b>
<b>Federal Grants</b>			
Federal Dep't Of Transport	Roads To Recovery	2,971,912	802,619
Federal Dep't Of Transport	Roads To Recovery - Special	-	838,000
Federal Dep't Of Transport	Black Spot Funding - Newman Dv	238,637	-
Federal Dep't Of Transport	Roads To Recovery - Special	356,363	-
		<b>3,566,912</b>	<b>1,640,619</b>
<b>Contributions</b>			
BHPBIO - Sustainability Prog	Community Safety Project	-	99,415
BHPBIO - Sustainability Prog	Matrumili Art Centre	500,000	3,500,000
Consolidated Minerals	Woodie Woodie Road	200,000	250,000
BHPBIO - Sustainability Prog	Other Projects	12,207	55,457
		<b>712,207</b>	<b>3,904,872</b>
		<b>8,252,933</b>	<b>10,964,916</b>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 23. Grants and Contributions (continued)

### (b) Operating Grants and Contributions

GRANT SOURCE	PURPOSE	2014/2013 ACTUAL \$	2014/2015 ACTUAL \$
<b>State Grants</b>			
WA Grants Commission	General Purpose Grants	3,070,614	3,097,832
Fire & Emergency Services	Nullagine Bush Fire Brigade	4,160	4,500
Fire & Emergency Services	Administration Grant	16,987	9,630
Department of Health	Mosquito Control	17,399	-
Children and Young People Consultations	Commissioner for Young People	-	4,231
Dept Sport and Recreation	Kidsport	3,000	-
WA Drug & Alcohol Authority	Breaking the Cycle	-	10,000
NW Planning Program Fund	Planning	20,259	63,400
Department of Sport & Rec	Swimming Pool Grant	64,000	66,000
Art Enterprise Activities (NACIS)	Martumilli Arts Project	205,000	205,000
Dept Environ and Heritage	Martumilli Arts Project	33,215	64,288
Pilbara Development Commission	East Pilbara Art Centre	-	16,000
Healthway	Triathlon	5,700	6,300
Department of Sport & Rec	Governance Workshop	-	2,500
Dept Sport and Recreation	Kidsport	11,000	-
Pilbara Development Commission	Town Square Activation	38,500	-
Main Roads WA	Flood Damage	-	369,077
WA Grants Commission	Untied Road Grants	1,089,300	1,182,617
Department of Transport	Recreation Boating Facilities	-	55,327
State Dep't of Transport	RPT Bus Service Subsidy	124,307	104,012
Pilbara Development Commission	East Pilbara Tourism Project	-	50,000
		<b>4,703,441</b>	<b>5,310,714</b>
<b>Contributions</b>			
Department of Health	Tobacco Control Grant	-	3,500
BHPB - Contribution	Events - Newman	90,000	10,000
Water Corporation	Newman Sewerage Farm	137,211	135,584
BHPB Contribution	Martumili - Community Support	530,000	350,000
Strategic Project for Digital Bio.	Martumili Art Centre	-	18,000
City of Fremantle	We Don't Need A Map	15,543	-
		<b>772,754</b>	<b>517,084</b>
		<b>5,476,195</b>	<b>5,827,798</b>

### (c) Grants By Program In Operating Statement

PROGRAM	2015/2016	2014/2015
General Purpose Funding	3,070,614	4,134,495
Governance	-	-
Law, Order & Public Safety	908,697	113,545
Health	17,399	3,500
Education & Welfare	93,000	24,231
Housing	-	-
Community Amenities	255,883	198,984
Recreation & Culture	2,027,958	5,828,088
Transport	7,219,062	6,225,075
Economic Services	136,515	264,796
Other Property & Services	-	-
	<b>13,729,128</b>	<b>16,792,714</b>

# Notes to the Financial Reports

For The Year Ending 30 June 2016

## 24. Performance Measures

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

PERFORMANCE MEASURE	HOW CALCULATED	2015/2016	2014/2015	2013/2014
(a) Current ratio	current assets minus restricted assets	2.9750	1.4490	1.6694
	current liabilities minus liabilities associated with restricted assets			
(b) Debt service cover ratio	annual operating surplus before interest and depreciation	6.1313	12.4860	9.8066
	principal and interest			
(c) Own Source Revenue Ratio	own source operating revenue	0.7552	1.1310	0.9214
	operating expense			
(d) Operating Surplus Ratio	operating revenue minus operating expense	-0.2043	0.1400	0.0224
	own source operating revenue			
(e) Asset Sustainability Ratio	Capital renewal and replacement expenditure	0.6190	1.0290	0.5545
	depreciation expense			

Notes:

Information relating to the asset consumption ratio and the asset renewal funding ratio can be found at Supplementary Ratio Information on page 72 of this document.

For 2015/16:

The Debt Service Cover and Operating Surplus ratios as disclosed above are distorted by the early receipt of half of the allocation of the 2015/16 Financial Assistance Grant (FAG) on 30 June 2015. The early payment of the grant increased operating revenue in 2014/15 and decreased operating revenue in 2015/16 by \$2,453,866.

For 2014/15:

The Current, Debt Service and Operating Surplus ratios as disclosed above were distorted by an item of significant revenue relating to the early payment of 2015/16 (FAG) of \$2,453,866 as detailed above.

For 2013/14:

The Current, Debt Service and Operating Surplus ratios as disclosed above were distorted by the change to the payment of FAG during the year ended 30 June 2014 which saw the advance payment for the first quarter of the following year cease. This created a timing difference which resulted in an amount of some \$2,583,629 less revenue for the year.

These are considered "one-off" timing/non-cash in nature and if they were ignored, the calculations disclosed in the columns above would be as follows:

	2015/2016	2014/2015	2013/14
Current Ratio	N/A	1.1924	1.7475
Debt Service Cover Ratio	7.6809	6.7020	11.7893
Operating Surplus	-0.1306	-0.0691	0.0712

# Notes to the Financial Reports

For The Year Ending 30 June 2014

## 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	2015/2016	2014/2015
100,000 - 109,999	3	2
110,000 - 119,999	6	9
120,000 - 129,999	6	2
140,000 - 149,999	2	1
180,000 - 189,999	-	1
190,000 - 199,999	1	-
210,000 - 219,999	-	1
220,000 - 229,999	1	-
250,000 - 259,999	-	1
260,000 - 269,999	1	-

## 26. Bad and Doubtful Debts

The following debts were written off during the year:

	2015/2016 \$	2014/2015 \$
Rates	3,080	34,487
Sundry Debtors	5,316	369,433

## 27. Auditors Remuneration

	2015/2016 \$	2014/2015 \$
Audit of the Annual Financial Report	36,223	23,988
- Financial Management Review	-	-
- Assistance with the finalisation of the Annual Financial Report	-	2,550
- Other Services	14,818	8,520

## 28. Contingent Liabilities

The Shire had no contingent liabilities as at 30 June 2016.

## 29. Major Land Transactions

The Shire undertook no land transactions for the period ended 30 June 2016.

## 30. Trading Undertakings

The Shire had no trading undertakings as at 30 June 2016.

## 31. Employee Numbers

	2015/2016	2014/2015
The number of permanent employees at balance date	88	85

# Notes to the Financial Reports

For The Year Ending 30 June 2014

## 32. Capital & Leasing Commitment

OPERATING LEASE COMMITMENTS	2015/2016 \$	2014/2015 \$
Non-cancellable operating lease for goods		
Payable		
- not more than one year	17,662	17,662
- later than one but not later than 5 years	32,381	52,987
- later than 5 years		-
	<b>50,043</b>	<b>70,649</b>

## 33. Trust Funds

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

	1 JULY 2015 \$	AMOUNTS RECEIVED \$	AMOUNTS PAID \$	30 JUNE 2016 \$
EPSC Social Club	6,206	14,836	(13,723)	7,318
EPSC Lotto Syndicate	1,983	16,854	(16,363)	2,474
Refreshments Trust	-	746	(655)	91
Council Nominations	-	640	(640)	-
Building & Road Side Kerbing Retentions	595,481	381,670	(296,151)	681,000
BCITF Holding	89,499	29,406	(119,591)	(686)
Recreation Centre Holding	5,540	28,341	(26,780)	7,100
Unclaimed Monies	106,365	34,889	(31,813)	109,441
Prepaid Swimming Pool Inspectn	29,251	4,325	(84)	33,492
Martumilli Arts Trust Account	144,379	326,537	(268,473)	202,443
BRB Receipts	-	23,409	(23,369)	40
Public Open Space	231,500			231,500
Cash in Lieu of Parking	526,724			526,724
Retention Monies Held	147,425	57,991	(42,495)	162,921
Floodworks to Telfer (Trust)	193,000			193,000
Maintenance Bond	26,795			26,795
Martumili Unclaimed Monies	8,672	66,546	(38,664)	36,554
Tourist Assoc. - Souvenir Sales	-	3,330	(3,273)	57
	<b>2,112,819</b>		<b>(2,220,265)</b>	<b>2,220,265</b>



# Independent Audit Report

For the year ended  
30 June 2016

## MOORE STEPHENS

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### INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE SHIRE OF EAST PILBARA

#### REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of the Shire of East Pilbara, which comprises the statement of financial position as at 30 June 2016, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and the rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Chief Executive Officer.

#### Management's Responsibility for the Financial Report

Management is 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 (as amended) and for such internal control as Management determines is necessary to enable the preparation of the financial report that 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. These 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 and fair presentation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report.

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

#### Opinion

In our opinion, the financial report of the Shire of East Pilbara is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a) giving a true and fair view of the Shire's financial position as at 30 June 2016 and of its financial performance and its cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

**INDEPENDENT AUDITOR'S REPORT  
TO THE ELECTORS OF THE SHIRE OF EAST PILBARA (CONTINUED)**

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

During the course of the audit we became aware of the following instances where the Council did not comply with the Local Government Act (as amended) 1995 and Local Government (Financial Management) Regulations 1996 (as amended):

**Fees and Charges**

Local public notices were not given for a number of fees and charges imposed after budget adoption as required by Section 6.19 of the Act.

**Separate Bank Account**

A separate account was not maintained with a bank or other financial institution for banking of trust fund as required by Financial Management Regulation 8(1)(b) & (2).

**Investment of Money**

Some investments were not held with authorised institutions as required by Local Government (Financial Management) Regulation 19C(2)(a).

**Annual Budget**

A copy of the annual budget for the year ended 30 June 2016 was not submitted to the Department of Local Government and Communities within 30 days of its adoption as required by Financial Management Regulation 33.

**Budget Review**

A copy of the adopted budget review was not forwarded to the Department of Local Government and Communities within 30 days of adoption as required by Financial Management Regulation 33A(4).

**Statement of Financial Activity**

- The monthly Statement of Financial Activity for January 2016 was not prepared and presented to Council as required by Financial Management Regulation 34(1); and
- Material variances between year to date actual amounts and budget estimates for capital expenditure items were not explained in the monthly Statement of Financial Activity as required by Financial Management Regulation 34(2)(b).

**Differential General Rates**

With respect to differential rates imposed for 2015/2016,

- A brief statement of objects/reasons for imposing the differential rates was not included in the annual statutory budget and the rate notice or information accompanying as required by Financial Management Regulation 23(a)(i) and 56(4)(a)(i);
- The reasons the rates differed from those set forth in the public notice were not included in the annual statutory budget and the rate notice or information accompanying as required by Financial Management Regulation 23(b)(ii) and 56(4)(b); and
- The details of those set forth in the public notice were not included in the annual statutory budget as required by Financial Management Regulation 23(b)(i).



**INDEPENDENT AUDITOR'S REPORT  
TO THE ELECTORS OF THE SHIRE OF EAST PILBARA (CONTINUED)**

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (CONTINUED)**

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) Except as detailed above, no other matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 73 of this report, we have reviewed the calculations as presented and nothing has come to our attention to suggest it is not:
  - i) reasonably calculated; and
  - ii) based on verifiable information.
- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

  
MOORE STEPHENS  
CHARTERED ACCOUNTANTS

WEN-SHIEN CHAI  
PARTNER

Date: 2 November 2016  
PERTH, WA



# Appendices

For the year ended  
30 June 2016

# Appendices

## A Ratio Information

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

PERFORMANCE MEASURE	HOW CALCULATED	2015/2016	2014/2015	2013/2014
<b>(a) Asset Consumption ratio</b>	depreciated replacement cost of assets	0.9419	0.5910	0.9428
	current replacement cost of depreciated assets			
<b>(b) Asset Renewal Funding Ratio</b>	NPV of planned capital renewals over 10 years	1.0000	1.0000	1.0000
	NPV of required capital expenditure over 10 years			



## *Shire of East Pilbara*

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