



**Annual Report and Financial
Statement for year ended**

30 June 2009



ANNUAL ELECTORS MEETING

TUESDAY, 24 NOVEMBER 2009

COMMENCING AT 7.30PM

AT THE RESOURCE CENTRE CONFERENCE ROOM

AGENDA

1. WELCOME BY PRESIDENT
2. CONFIRMATION OF MINUTES
3. BUSINESS ARISING FROM THE MINUTES
4. PRESIDENTS REPORT
5. CHIEF EXECUTIVE OFFICERS REPORT
6. ANNUAL STATEMENTS AND AUDITORS REPORT
7. GENERAL BUSINESS

Minutes of the Annual Electors Meeting held in the Corrigin Community Resource Centre on Tuesday 18 November 2008.

OPENING

The President, Cr Nola Forbes opened the meeting at 5:30pm.

ATTENDANCE

| | |
|--------------------------------|------------------|
| President | Nola Forbes |
| Councillors | Graeme Downing |
| | Gary Bushell |
| | Norm Talbot |
| | Matt Szczecinski |
| | Greg Johnson |
| | Jackie Bowles |
| | Lyn Baker |
| | David Bolt |
| Acting Chief Executive Officer | Len Welch |
| Deputy Chief Executive Officer | Taryn Dayman |
| Executive Support Officer | Sarah Whitehouse |
| Environmental Health Officer | Graeme Bissett |
| Works Supervisor | Greg Tomlinson |
| Public | Peter Doyle |
| | Colin Larke |
| | Rae Flower |
| | Mavis Gannaway |
| | David Abe |
| | Wayne Forbes |
| | Ron Gannaway |
| | Ian Smith |

APOLOGIES

Julian Murphy.

The President requested that all present observe one minute silence to honour the late Freeman of the Shire, Edward Victor Hill.

CONFIRMATION OF MINUTES

Moved – Cr Talbot and Cr Baker

That the Minutes of the Annual Electors Meeting held on 16 October 2007, be confirmed as a true and accurate record.

Carried

BUSINESS ARISING - Nil.

PRESIDENTS REPORT

The President, Cr Nola Forbes, tabled the Shire Presidents Report.

Moved – Cr Bowles and Cr Downing

That the Presidents Report, for the year ended 30 June 2008, as presented, be received.

Carried

BUSINESS ARISING - Ian Smith foreshadowed his comments for general business on road maintenance.

CHIEF EXECUTIVE OFFICER'S REPORT

As the CEO, Julian Murphy was not present for this meeting, the President Nola Forbes tabled the Chief Executive Officer's Report.

Moved – Cr Johnson and Cr Bushell

That the Chief Executive Officer's Report, for the year ended 30 June 2008, as presented, be received.

Carried

BUSINESS ARISING – Nil

AUDITORS REPORT AND FINANCIAL STATEMENT

Moved – Cr Bowles and Colin Larke

That the Audit Report and the Annual Financial Report for the Year Ended 30 June 2008, as presented, be received.

Carried

BUSINESS ARISING –

Kunjin Street Expenditure

Peter Doyle questioned the Kunjin Street upgrade expenditure as it appeared twice in the financials. The DCEO explained that this expenditure was over a two financial year period and was funded by Main Roads and Roads to Recovery funding with the Shire also contributing the remainder of the funds.

Brookton Highway Expenditure

Ian Smith asked the President if the profit on the Brookton Highway main roads job included depreciation on Plant. The DCEO, Taryn Dayman explained that the figure quoted in the financials was inclusive of depreciation on plant and equipment.

Edna Stevenson Trust Fund

Ian Smith asked the President to elaborate on the funds held in trust for the Edna Stevenson Trust Fund. The president explained the situation with respect to the trust fund being an educational scholarship and that due to conditions written into the Trust deed, scholarships are yet to be awarded.

Reserve Funds

Peter Doyle congratulated the Shire on their healthy reserve situation.

Annual Loan Repayments

David Abe queried the annual loan repayments and asked for a total figure of 2007/2008 financial year repayments. The DCEO, Taryn Dayman referred to where the figures could be found in the annual report. Taryn Dayman also calculated the total repayment figure of \$217,450 and supplied this to all present at the meeting.

Audit

The President congratulated staff on the successful 2007/2008 audit.

GENERAL BUSINESS

Maintenance of Roads

Mr Smith expressed his disappointment that rural roads had not been maintained to their usual level. Mr Smith further remarked that road maintenance should be a top priority and that the safety of children and families is most important. Mr Smith said that the Bullaring-Pingelly Road was particularly in need of maintenance to maintain the narrow seal. Peter Doyle supported Ian Smith saying more maintenance was needed on rural roads.

The President, Nola Forbes said that Council would take these comments on board. President Forbes explained that Council had made a decision to do the Main Roads job and receive funds to put into reserve for future projects. Unfortunately, whilst the reserve is healthy, this means that staff were not available to do as much general maintenance of roads. Council is now addressing roads maintenance which is a problem as roads are not built to carry large trucks that are now using them and are also underfunded. President Forbes explained that Council is aware of maintenance issues on rural roads and that an annual road inspection had been carried out.

Parking in Larke Crescent

Colin Larke raised concerns about people parking in Larke Crescent. Mr Larke said that patrons of the Swimming Pool were parking on the North side under the shade of the trees. Children are then not visible as they cross the

road from in between the cars. Another concern is that there is not enough room for cars to travel both ways with cars parked on the side of the road.

The president said that the issue would be taken into consideration. It was mentioned that this was not a straight forward process to ban parking in the street and that local laws may need to be adopted on parking.

Recreation Centre Update

Cr Bolt suggested that the President give an update on the Recreation Precinct. The President informed the meeting that this project is still in the very early planning stage. Max Hannell, the Architect who designed the extension of the Shire offices has drawn up some preliminary plans. Council had gone on a two day bus trip to look at other Council's recreation facilities. The plans are currently with the architect for some indicative costings. Peter Doyle asked what would be included inside the building. President Forbes informed that at this stage two sets of changerooms, two squash courts and two netball/basketball courts would be included, similar to Merredin's Recreation Centre.

MEETING CLOSURE

There being no further business to discuss, the President thanked everyone for their attendance and closed the meeting at 6.10pm.

PRESIDENTS REPORT

Electors, Ladies and Gentlemen

It is my privilege to present the President's Report for the Shire of Corrigin for the year ended 30 June 2009.

In February 2009 the Minister for Local Government announced wide ranging local government reform strategies. The Minister is encouraging local governments to consider the opportunity for voluntary amalgamations, and the reduction of elected members in each council to between six and nine. Council has submitted their first required checklist, and has employed a consultant to write the final submission to the Department.



An independent analysis of the Shire's financial position in June found that the Shire is in a sustainable financial position, and that the Shire's position has improved over the last three years. The Shire of Corrigin does not support amalgamations. The Shire supports working through the recommendations in the SSS report which was adopted by all councils in September last year.

Council currently works on a regional basis with the Shires of Kulin, Kondinin and Narembeen within the Roe Regional Organisation of Councils. (RoeROC). Council is working hard to ensure that the Shire of Corrigin remains in a strong position as we work through the process.

After many years of planning, it is very pleasing to have the Regional Waste Management Site at Bending in operation. This is a joint site for the four RoeROC Shires. Our transfer station is also completed and is operating smoothly.

The Granite Rise subdivision is almost completed. This has been a major undertaking for the Shire, and I would like to thank CEO Julian Murphy for his expertise in the smooth handling of the project.

RATES

The rate increase for the 2008/09 financial year was 6%. Major capital expenditure this year included the completion of a staff house, completion of the transfer station, cemetery toilets, shed for the builder and gardeners, cement batching plant, grader, loader, prime mover, CFG utility, as well as other regular vehicle changeovers.

A loan has been raised for part of the Granite Rise subdivision, and some transfers have been made from reserves to allow for such a large program. Our reserves are still in a healthy position.

WORKS CARRIED OUT

- Granite Rise subdivision is almost complete.
- Courboules Cres subdivision has been resurveyed and drainage easements formalised.
- Roads to Recovery money was spent on finishing the Kunjin Street upgrade, Walton Street South, Bullaring townsite, Bullaring Pingelly Road, Larke Crescent and finishing Centenary Avenue.
- Road group funds were spent on the Quairading Corrigin Road.
- Council funds were spent on the Yealering Kulin Road.
- \$402,200 was spent on maintenance of our local roads.

I would like to take this opportunity to thank Works Supervisor Greg Tomlinson and his team for their work this year.

HEALTH AND WELFARE

Dr Hans Grobbelaar remains our local practitioner and Pam Keenan our Health Service Manager. We are lucky to have two such dedicated professionals in charge of our health needs. Dr Sitaram Vij continues to visit two days a week and provides for our dental needs. Many thanks to them for the care they provide to our community.

FUTURE DEVELOPMENTS

Roads to Recovery funding has been locked-in till 2014. We will continue to upgrade rural roads and town streets with this funding, as well as road project grants and council's own resources.

The new swimming pool office and change rooms have commenced. Federal Infrastructure Funding and a CSSR grant will help to fund this project.

Royalties for regions money has been allocated to build a hydrotherapy pool, and to complete the adventure playground in Gayfer Street.

Council continues to progress plans for the recreation precinct.

A new financial system has been purchased, and is currently being changed over.

STAFF

This year CEO Mr Julian Murphy and EHO Mr Graeme Bissett both took long service leave. Mr Len Welch acted in these roles while they were away. Sandy Turton has joined us as our Natural Resource officer in a joint role with CFG. Heather Talbot works part time as our Development officer. Scott Chambers is our new Horticulturist. Jay Ludzik is undertaking a traineeship.

Mr Graeme Bissett will be leaving us, and will be replaced by Mr Frank Buise. I would like to thank Mr Bissett for his commitment to the shire over nine years and wish him well in his future endeavours.

CONCLUSION

In conclusion, I would like to express my sincere thanks to CEO Mr Julian Murphy, Deputy CEO Ms Taryn Dayman and all the office staff for their dedication to the Shire of Corrigin. This has been a difficult year with the uncertainty arising from the structural reform agenda. The extra work created by this has been accomplished with professionalism by all staff.

My grateful thanks go to Deputy President Lyn Baker for her support, and to all councillors for their commitment to the community over the past year.

Nola Forbes
Shire President.

CHIEF EXECUTIVE OFFICERS REPORT

I am pleased to present my report to the residents of Corrigin on the activities of the Shire for the year ended 30 June 2009.



ADMINISTRATION STAFF

During the past year there were a number of changes to the Shire's Finance and Administration Staff.

Several staff have returned from maternity leave, with Shannon Aldworth returning to the position of Payroll Officer 2 days a week and Heather Talbot returning in the newly created position of Community Development Officer 2 days a week.

Deanna Weguelin resigned as Executive Support Officer to pursue further studies. Sarah Whitehouse has transferred from her position as Administration Officer – Rates to Executive Support Officer. Karen Rushton who was previously Council's Finance Officer while Shannon was on maternity leave has now taken on the position of Administration Officer – Rates 3 days a week.

We also welcome Karen Wilkinson back to the office. Karen has taken up the position of Administration Officer 2 days a week.

Council continues with the Administration Trainee program providing an opportunity to a person to gain experience and knowledge in the Local Government Sector as well as formal qualifications. This year we welcome Jay Ludzik into the Trainee program replacing Trudi Szczecinski. Trudi has now taken up a position at Farmworks in Lakegrace.

We congratulate Tracey Hodgson on the safe arrival of Emily Rose, Tracey has taken 12 months maternity leave. We welcome Sally Murphy, who will be filling Tracey's role for 12 months, working in conjunction with Heather Ives in their role as Community Resource Centre Coordinators. The Community Resource Centre continues to provide a valuable service to the community.

This year we welcome Sandy Turton to the position of Natural Resource Management Officer. The newly created position is funded 50% by Council and 50% through the Corrigin Farm Improvement Group (CFIG). Sandy is currently working as a project officer for the CFIG dryland farming trials for 50% of her time and the balance on local natural resource management projects for Council.

This year has been challenging in many ways for our Staff. We have relied heavily on our staff to assist new and part time officers to settle in to their new roles. I would like to thank all our staff for their hard work and flexibility in meeting the challenges of the past year.



OPERATIONAL STAFF

Greg Tomlinson continues to provide valuable service in his role as Works Supervisor. This year proved to be a very busy year for the outside staff with the completion of the major works on Kunjin Street.

Council has received the benefit of a steady outside workforce. In addition Council has employed a number of casuals over the past 12 months to assist the outside works staff with the increasing work demands.

This year we welcome Mr Scott Chambers as Council's new Horticulturist. Scott joins us from the Shire of Roebourne and comes to us with a number of years of experience.

The past 12 months has been a challenging period for our operational staff, with a increase number construction projects, including completion of Kunjin Street, Granite Rise Subdivision, Transfer Station upgrade and an increase in the number of large road construction projects.. I would like to take this opportunity to thank our operational workforce for an excellent year's work. I would particularly like to thank Council's Works Supervisor Greg Tomlinson and Leading Hands Nick Darke and Alan Johns for their leadership throughout the year.

COUNCIL

Council operates under a bi-annual election system with elections being held every second year. The next election is due to be held on the third Saturday in October 2009.

The Councillors at 30 June 2009 are as follows;

| <u>President</u> | <u>Term Expires</u> | <u>Phone</u> |
|-------------------------|---------------------|--------------|
| Nola Forbes | 2009 | 9063 2004 |
| | | |
| <u>Deputy President</u> | | |
| Lyn Baker | 2011 | 9063 7053 |
| | | |
| <u>Councilor</u> | | |
| Graeme Downing | 2009 | 9063 2112 |
| Norm Talbot | 2011 | 9063 2232 |
| Greg Johnson | 2011 | 9063 2065 |
| Gary Bushell | 2009 | 9063 2302 |
| David Bolt | 2009 | 9063 2397 |
| Matt Szczecinski | 2011 | 9063 2125 |
| Jackie Bowles | 2011 | 9063 2121 |

Councillors whose terms expire in 2009 will be required to re-nominate for a position on Council. An election will be held on Saturday, 17 October 2009.



FINANCE

At the end of the financial year, the situation in relation to the reserve funds was as follows;

| | |
|-------------------------------------|--------------------|
| Long Service Leave Reserve | \$96,837 |
| Community Bus Reserve | \$49,325 |
| Staff Housing Reserve | \$347,692 |
| Office Equipment Reserve | \$5,467 |
| Plant Replacement Reserve | \$297,791 |
| Swimming Pool Reserve | \$27,601 |
| Roadworks Reserve | \$4,920 |
| Land Subdivision Reserve | \$292,437 |
| Townscape Reserve | \$19,621 |
| Medical Reserve | \$18,254 |
| Roads to Recovery Reserve | \$0 |
| LGCHP Long Term Maintenance Reserve | \$27,872 |
| Community Development Reserve | \$719,119 |
| Rockview Land Reserve | \$1,690 |
| Royalties for Regions | \$339,805 |
| Financial Assistance Grants | \$332,123 |
| RLCIP Grant | \$98,350 |
| | <u>\$2,678,903</u> |

Council's cash reserves balance remains healthy. In the past 12 months Council has used reserve funds to fund the Granite Rise Subdivision and large plant purchases. As part of Council's Plan for the Future, Council continues to set aside additional funds to the Community Development Reserves to assist with the funding of upgrading Council sporting facilities.

Council received a number of Grants funds late in the financial year, which has been transferred to reserves. These funds will be utilities for fund projects as planned in 2009/2010.

The Western Australian Local Government Association calculates a Local Government Cost Index (LGCI) as an alternative to the sole use of the Consumer Cost Index (CPI), commonly used in planning and budgeting processes. Using a combination of the CPI and the General Construction Index WA (70% and 30% respectively), the Local Government Cost Index offers an indication of those changes in the WA economy that relate more closely to the functions of Local Government. The Local Government Cost Index for June 2008 was 5.1% this figure was used to assist Council in calculating increases in rates, fees and charges.

Large scheduled capital projects as well as increase in cost of operation, resulted in a rate increase of 6% for the 2008/09 financial year in both the rural and the townsite areas, the average over the past 10 years has been 3.86% The rate increases over the preceding 10 years have been;

| | |
|---------|-------|
| 1998/99 | 4.1% |
| 1999/00 | 5% |
| 2000/01 | 2% |
| 2001/02 | 2% |
| 2002/03 | 2.41% |
| 2003/04 | 2.60% |
| 2004/05 | 5.07% |
| 2005/06 | 3.45% |
| 2006/07 | 6% |
| 2008/09 | 6% |

The larger capital expenditure during the 2008/09 financial year included the completion of Staff Housing on Spanney Street, new transfer station at the Corrigin Waste site, water tank at Bullaring, new depot shed, Granite Rise Subdivision and continue works on Courboules subdivision.

In line with Council's plant replacement program Council purchased a new Prime Mover, Grader and Loader, as well as other normal fleet changeovers. In addition Council also purchased a Cement Batching Plant.

Council undertook the following construction works as part of our works program for the 2008/09 financial year;

| | |
|---|-----------|
| a) Bullaring Town Street – Roads to Recovery Funding | \$19,820 |
| b) Walton Street South – Roads to Recovery Funding | \$48,288 |
| c) Bullaring Pingelly Road – Roads to Recovery Funding | \$24,024 |
| d) Centenary Ave – Roads to Recovery Funding | \$109,652 |
| e) Larke Crescent – Roads to Recovery Funding | \$325,783 |
| f) Quairading Corrigin Road – Regional Road Group Funding | \$158,816 |
| g) Rabbit Proof Fence – Regional Road Group Funding | \$257,324 |
| h) Kunjin Street – Roads to Recovery Funding | \$674,573 |

In addition to road construction jobs, Council undertook maintenance on rural and townsite roads to the value of \$402,262.

During 2009/10, Council will concentrate largely on the upgrade and maintenance of local roads with an extensive roadworks program which includes;

| | |
|--|-----------|
| a) Quairading Corrigin Road – Regional Roads Funding | \$116,503 |
| b) Wickepin Corrigin Road – Regional Roads Funding | \$149,995 |
| c) Bruce Rock Corrigin Road – Regional Roads Funding | \$64,260 |
| d) Babakin Corrigin Road – Roads to Recovery Funding | \$52,496 |
| e) Walton Street – Roads to Recovery Funding | \$70,000 |
| f) Bullaring Pingelly Road – Roads to Recovery Funding | \$189,860 |
| g) Corrigin South Road – Roads to Recovery Funding | \$70,794 |
| h) Morrell Road – Council Funded | \$14,041 |
| i) Knights Court Drainage – Council Funded | \$22,877 |



PLANT

The Plant Hire rates for Private Works are as follows (GST Inclusive);

| <u>Plant Item</u> | <u>Hire Charges per Hour</u> |
|--------------------------------------|------------------------------|
| Graders | \$125 |
| 13 Tonne Truck | \$85 |
| 6 Tonne Truck | \$60 |
| Mack Prime Mover and Tipping Trailer | \$120 |
| Cement Truck | \$100 |
| Road Train | \$165 |
| Water Truck | \$105 |
| Large Loaders | \$120 |
| Small Loaders | \$110 |
| Caterpillar Backhoe | \$130 |
| Caterpillar Dozer | \$160 |
| Multi Wheel Roller | \$75 |
| Caterpillar Multi Wheel Roller | \$90 |
| Pannell Vibratory Roller | \$100 |
| Cherry Picker | \$75 |
| Kerbing Machine | \$45 |
| Skid Steel Loader | \$80 |
| Caterpillar Forklift | \$120 |
| Iseki Tractor Mower | \$50 |
| Stump Muncher (including tractor) | \$100 |
| Tractor | \$120 |
| Post Hole Digger and Tractor | \$105 |
| Pedestrian Roller | \$50 |



RESIDENTIAL LAND

Granite Rise Subdivision

Roads and Services

Works are nearing completion on the new Granite Rise Estate Subdivision in Corrigin. Underground power, water, sewerage, telephone and storm water have been installed with works on roads progressing well. Road works are expected to be completed by the end of September 2009.

Clearances

The Shire of Corrigin has applied for clearances from the WA Planning Commission which will allow for land titles to be issued. Titles are expected before the end of the current year.

Pricing

Council has set a preliminary pricing structure based on the total cost of developing the new land. Final land prices will be set following the completion of all works however based on current estimates blocks will range from \$49,000 through to \$104,000 depending on size. There will be 33 lots ranging in size from 715m² to 1,517m².

Expected Price Range

| | |
|--------------------|-----------|
| 715m ² | \$49,000 |
| 805m ² | \$55,000 |
| 930m ² | \$63,500 |
| 1517m ² | \$104,000 |

Sales

Council is in the process of finalising its marketing strategy for the sale of blocks. It is expected although not yet confirmed that Council will begin initial sales by way of public tender process. The timeline for the release of the land is dependant on obtaining final clearances.

Register your interest

Prospective buyers can register their interest with the Shire of Corrigin at 9 Lynch Street Corrigin, telephone 9063 2203 or email shire@corrigin.wa.gov.au

Courboules Crescent

Council has re-subdivided lots on the lower side of Courboules Crescent. These blocks are fully serviced and the problem of drainage has been rectified. Council will continue works including leveling of blocks and retaining walls to make them a more attractive option for potential buyers.



LIGHT INDUSTRIAL LAND

Council has no immediate plans for an industrial land subdivision. Council has a policy to assist new and existing businesses with siteworks costs and any applications for assistance will be presented to Council for consideration.

MEDICAL SERVICES

Council continues with its commitment to ensure that the community receives adequate medical services and facilities and has a contract with Gemini Medical Services for the guarantee of doctor services within Corrigin, including covering periods of leave. This guarantee costs Council in excess of \$46,000 per annum. Council also provides a vehicle and housing for the doctor.

Dr Hans Grobbelaar has been the resident doctor in Corrigin for the past five years and once again I would like to take this opportunity to express our thanks for his efforts over the past few years.

We have a visiting Dentist, Dr Sitaram Vij providing a dental service to the community, he is here for two days every week.

Corrigin is also served well by Robin West for physiotherapy, Charmaine Rendell for occupational therapy and Jo-Anne Hodge for naturopath requirements.

Corrigin can be very thankful for the medical services on offer in town and all members of the health service and hospital employees should be very proud.

COMMUNITY DEVELOPMENT OFFICER

Heather Talbot is currently employed as the Community Development Officer on a part time basis of two days per week. As part of the Executive Support Officer role, Sarah Whitehouse also provides assistance to the Community Development Officer with funding opportunities and community events.

The role provides assistance to community organisations with their information needs in regards to funding opportunities as well as working on various Shire projects.

The following is a summary of some of the major Community Development Projects undertaken in the past twelve months:

Local Activity Grant

The Shire received \$8,193 from the Physical Activity Taskforce's Local Activity Grants Program to promote walking through walking maps, route signage, installation of seating and a water fountain, community events and walking groups. This included funding towards the new walk trail at Corrigin Rock.

Bikeweek

The Shire hosted a Community Bike rally during Bikeweek, a small grant and giveaways were provided by the Department of Planning and Infrastructure. The event was a great family day out with 69 people attending.

Banners in Walton Street

New banners for the banner poles in Walton Street were purchased this year. With assistance from the Historical Society, the theme of old and new is showcasing various localities within the Shire.

Bicycle Plan

The Shire was able to attract Regional Bike Network funding of \$4,825 to complete a Local Bike Plan of the Corrigin Town site. This project is ongoing and will allow for a fully planned approach to future bicycle facilities within the town site.

Corrigin Rock Trail

A grant of \$14,517 was obtained from Lotterywest to construct a section of the Corrigin Circuit Trail over and around Corrigin Rock.

Youth Grant/School Holiday Projects

Funding from the Department for Communities was received to run a 'Night of the Stars' event in the April school holidays with other events planned throughout the remainder of the 2009 school holiday periods. The Shire also hosted a successful Outdoor Cinema Evening which has led to the purchase of Cinema equipment via a Youth Grant which will enable movies to be shown throughout the next year's summer period.

Office of Crime Prevention

Following the completion of the Corrigin Crime and Safety Plan in 2008 the Shire received \$20,000 in funding from the Office of Crime Prevention to target key areas recognised in the plan. The Shire will be using these funds towards four projects: the installation of Street Lighting along Larke Crescent and Apex Park area; assistance towards the Youth Centre now operating from the CWA building; a Drug Awareness program and Choose Respect program both in conjunction with the District High School.

CSRFF

The Shire was successful in gaining almost \$100,000 in funding from the Department of Sport and Recreation towards the new change room facility at the swimming pool. This funding has also been supplemented with Royalties for Regions money to ensure the project will be completed.

Automatic Doors for the Community Resource Centre

Council attracted Lotterywest funding towards new automatic doors and Braille signage for the Community Resource Centre entrance.

Gorge Rock Picnic Area

Interpretative signage for Gorge Rock has been finalised to complete the upgrade of the area. This popular picnic spot has been given an overall upgrade with new BBQ facilities, seating, shade structure and bollards. This signage will provide information on the history of the area.

Corrigin Centenary 2013

The Shire commenced preparation for the Corrigin Centenary in 2013. A steering committee has been formed with members of the Historical Society, Shire representatives and Agricultural Society to start preparing for a year of celebrations. Heather Ives has designed a Logo for the event and organisations have been asked for ideas on events they would like to run throughout the course of 2013, culminating in a Centenary weekend in conjunction with the annual Corrigin Show.



Adventure Playground

Shire staff have been working towards securing funding towards the overall upgrade of the Adventure Playground area. This will involve a new playground, grassed and paved areas, bbq facilities and seating and a boardwalk.

Welcome to Corrigin

Welcome to Corrigin was held on Wednesday 4 March 2009 at the Cyril Box Pavilion. New residents, business owners and representatives of community groups were invited to attend. Welcome packs were made for the new residents. Council holds a Welcome to Corrigin annually around March.

Australia Day Breakfast

The Annual Australia Day breakfast was held once again in Miss B's Park on 26 January 2009. There was a fantastic turn out with over two hundred people estimated to be in attendance. Breakfast of bacon, eggs, sausages, juice, tea and coffee was served and the winners of the Premier's Active Citizenship award were announced. The breakfast will be held again on 26 January 2010.

Speed Trailer

Council was successful in gaining funding of \$17,880 to purchase a speed trailer in conjunction with the Shires of Bruce Rock and Quairading. The trailer is used to promote road safety and warn motorists travelling above the speed limit to slow down. If you would like to book the speed trailer for your community event, please contact the Shire Office.

Thank a Volunteer Day

Thank a Volunteer Day was held on Wednesday 3 December 2008. Once again, Council tried to hold the event in Miss B's Park however due to windy weather the event was adjourned to the BBQ area behind the Shire offices. Approximately 50 volunteers and their families attended the evening for a sausage sizzle, chicken kebabs and nibbles.

Throughout the year the Staff have assisted a number of community organisations with their information needs as well as working on various Shire projects. The Resource Centre staff also have available a number of resources to assist community groups with funding submissions and sourcing information that will assist the community.



TOWN PLANNING SCHEME NO. 2

Council has adopted a Town Planning Scheme that controls what development can occur within the townsite and rural areas. It controls the activities that can be conducted in various parts of town as well as building setbacks from various boundaries and many other matters.

A copy of the planning scheme is available for your perusal in the Shire Office.

WASTE DISPOSAL

Council engages the services of Avon Waste to collect the kerbside waste every Monday morning. The Corrigin Waste Disposal Site has changed from a Tip Site to a Waste Transfer Station. Patrons are encouraged to separate recyclable from general household waste. Bins have been provided for general household waste, bulk cardboard and co-mingled recyclables including aluminum, plastic, paper and glass. The majority of waste disposed at the site will be transferred to a regional waste site or sent to Perth for recycling

Asbestos, liquid salvage and bulk waste will be accepted by prior arrangement. Steel, timber, batteries and waste oil will still be accepted as before. Green waste must still be taken to the tree dump in Camm Street.

The current kerbside waste and recycling pickups will remain unchanged however there will be an improved facility for accepting recyclables at the Corrigin site.

Council employs a Tip Attendant to manage the disposal of waste and only opens the Waste Transfer Station on certain days. Mr John Reynolds is employed as the Tip Attendant, he controls where the different types of rubbish are deposited and removes anything that can be recycled. This is expected to extend the life of the current tip. The tip is open on the following days;

| | |
|-----------|-------------|
| Monday | 10am to 3pm |
| Wednesday | 10am to 3pm |
| Friday | 10am to 4pm |
| Saturday | 10am to 3pm |

Council contracts Avon Waste to collect fortnightly recycling in the town of Corrigin. Households are provided with a 240 litre recycling bin at each household and a 140 litre rubbish bin. The recycling program is working well with great community support. Recycling Bins are collected on the second and fourth Monday of each month and people can only place the following items into the bins:

| | |
|--------------------|---|
| Glass: | Clean Bottles and Jars (lids removed) |
| Plastic: | Empty bottles and containers with 1,2 or 3 printed on the bottom (lids removed) |
| Paper: | Clean, untied newspapers, papers, Magazines, Telephone books, envelopes |
| Cardboard: | Clean, flattened boxes and cartons |
| Aluminum & Steel: | Cans, tins, clean foil, aerosol cans |
| Liquid Paperboard: | Milk, juice & laundry detergent cartons |

All recycling must be placed loose in your recycling bin. Please do not place any plastic bags in your bin

Non-Recyclable Materials: Do **NOT** place the following in your recycling bin.

| | | |
|-------------|------------------|--------------------------|
| Green Waste | Lawn Clippings | Plastic Bags |
| Food Scraps | Liquids | Nappies / Sanitary Items |
| Polystyrene | Glossy Magazines | Appliances |
| Toys | Clothing | Tools |

REGIONAL WASTE SERVICES

Council has worked with the Shires of Kulin, Kondinin and Narembeen to develop shared Regional Waste Services. A site in Bendering has been developed and licensed as a waste disposal site. A joint contract for the collection of kerbside waste and recycling, site management and collection of waste from local waste sites has been awarded to Avon Waste. The new Bendering Waste Site will not be open to the public but will receive all waste collected from the four participating Shires.

HEALTH AND BUILDING

The Shire is part of the Eastern Districts Health Scheme with the services of an Environmental Health Officer/Building Surveyor being shared by four Shires including Corrigin, Narembeen, Kondinin and Kulin.

The number of building licenses approved for the period was 17 and total value of works being \$500,000. Two new dwellings were built in the Shire. These figures are well down on the previous year and is attributed to the economic downturn.

Public Swimming Pool regulations have changed with all public pools now being classified from 1 to 4. All shire pools are classed 1 (higher risk)

A new building act is proposed for next year and the requirements for energy efficiency is high on the agenda.

Mr Graeme Bissett tendered his registration in June 2009. I would like to take this opportunity to thank Graeme for his 9 years of service and dedication to the position and the Corrigin community. We welcome Mr Frank Buise, Manager of Environment Health and Building Services who is due to start in September 2009.

CHEMICAL CONTAINERS

Council has continued to be involved in the DrumMuster program. This involves the Shire accessing a pool of funds raised by the National Container Levy to collect and arrange for the reprocessing of eligible triple rinsed farm chemical containers that normally would be either buried or just left to accumulate on farms.

This program is coordinated by the Shire and run by the Corrigin Apex Club. The club will use the monies received for worthwhile community projects/charities.

Two collections are held in the year, the first in March and the second in September/October based on a pre-booking system for chemical users throughout the shire.

VERGE MAINTENANCE

Council continues to address the issue of trees and small shrubs growing in table drains and overhanging Council roads. Council engages contractors to conduct regular roadside verge maintenance and spraying.

Council also controls plants declared by the Department of Agriculture and Food, such as Paterson's Curse, Bridal Creeper and Cape Tulip.

In the 2009/10 financial year Council has budgeted for more roads to be maintained, by spraying and verge clearing.

TOWNSITE SALINITY

Council continues with the monitoring of the water levels under the Corrigin Townsite. Council's Natural Resource Management Officer (NRMO) has been working towards ensuring all pumps are in working order and has completed an accurate account of where all salinity pipes are located for future reference and development. There are 10 pumps in town, two have had to be replaced in 2009 including the pump providing water to the school.

A new water source has been located on Dry Well road thanks to advice received from Brian Parsons and Gordon Larke. The new bore has the capacity of pumping 86,000L/24hr period with a low 58gr/gallon salt level. This bore will eventually join up the Bowling Club bore to dilute salt levels there.

PEST & WEED MANAGEMENT GRANT

Council's NRMO has successfully cleaned up pests and weeds from the Kunjin and Corrigin reserves including Tagasaste, Afghan Thistle, African Lovegrass, Bridal Creeper and Paterson's Curse. Foxes have been baited and will continue to be baited, rabbits have been poisoned and feral cats are being monitored and removed when required from the new transfer station.

RED CARD FOR THE RED FOX (RCRF)

Council's NRMO organised for the Corrigin district to participate in the annual RCRF shoot in 2009; eradicating 220 foxes, 15 feral cats and 54 rabbits which raised \$1,175 for the RFDS. Corrigin will continue to participate in future RCRF shoots and potentially even hold our own. The Bioblitz at the Corrigin reserve found Mallee Fowl and rare birds living in Corrigin Reserve, highlighting the need to control feral animals.

PLAN FOR THE FUTURE OF THE DISTRICT

The broad scope of the Plan for the Future is to identify significant capital items that will be included in future budgets.

Council approved the draft Plan for the Future 2009/10 – 2013/14 and gave local public notice of its availability and invited comments and submissions for the plan. One submission was received and Council adopted the Plan for the Future 2009/10 – 2013/14, at the May 2009 Ordinary Meeting.

A copy of the plan is available at the Shire Office for public viewing or by visiting www.corrigin.wa.gov.au

LOCAL GOVERNMENT STRUCTURAL REFORM

In February 2009 the Minister for Local Government announced wide ranging local government reform strategies. The Minister requested that local governments make submissions on amalgamations, regional groupings and the number of elected members by 31 August 2009, later extended to 30 September 2009.

After consideration of the reform options and consultation with the Corrigin community Council adopted the following position with regards to the Local Government Reform strategies proposed by the Minister for Local Government:

- **Amalgamation**

The Shire of Corrigin does not support the forced amalgamation of Councils. The preference is for the retention of the Shire of Corrigin in its current form, underpinned by local representation and regional cooperation.

- **Representation**

The preference is for the Shire of Corrigin to reduce the number of elected members from 9 to 7.

- **Regional Grouping**

The preference is to maintain cooperation with the Shires in the Roe Regional Organisation of Councils namely the Shires of Kondinin, Kulin and Narembeen and work towards the establishment of a formal Regional Council in the near future. The Shire of Corrigin supports changes to legislation to allow for a model with less statutory compliance and formal structure which may have potential benefits over a current formal regional council model.

- **Transitional Timeframe**

A two year timeframe is required to allow for a reduction in elected members for the local government election cycle (2011) as well as to implement key strategies of the SSS Report and the formation of a Roe Regional Council with neighbouring local governments.

A copy of Council's submission can be viewed at www.corrigin.wa.gov.au or at the Shire office.

SHIRE OF CORRIGIN
CAPITAL ROADWORKS PROGRAM

2009-2010

| Funding | Road | | Details | Budget |
|-------------|------------------------|-----------------|--|-----------------------|
| State RRG | Quairading Corrigin Rd | Capital Renewal | Reseal 4km | 116,503 |
| State RRG | Wickepin Corrigin Rd | Capital Renewal | Reconstruct 1.2km | 149,995 |
| State RRG | Bruce Rock Corrigin Rd | Capital Renewal | Reseal 1.5km | 64,260 |
| Federal R2R | Bullaring Pingelly Rd | Capital Upgrade | Reconstruct failed pavement and widen bends 1.5km Baker's | 189,860 |
| Federal R2R | Walton Street | Capital Upgrade | Reconstruct failed pavement, concrete stabilise, reseal 400m | 70,000 |
| Federal R2R | Babakin Corrigin Rd | Capital Upgrade | Widen Shoulders 5km | 52,496 |
| Federal R2R | Corrigin South Rd | Capital Renewal | Resheet 7km | 70,794 |
| Council | Morrell Rd | Capital Renewal | Resheet 2km | 14,041 |
| | | | | <u>727,949</u> |

2010-2011

| Funding | Road | | Details | Budget |
|-------------|------------------------|-----------------|--|-----------------------|
| State RRG | Rabbit Proof Fence Rd | Capital Upgrade | Reconstruct and Widen Crests to 8m (2km) | 240,000 |
| State RRG | Bullaring Pingelly Rd | Capital Renewal | Reseal 1.5km | 82,500 |
| Federal R2R | Quairading Bilbarin Rd | Capital Renewal | Resheet 13km | 182,000 |
| Federal R2R | Bulyee Rd | Capital Renewal | Resheet 10km | 140,000 |
| Council | Knight Crt | Capital Upgrade | Reconstruct and seal | 100,000 |
| | | | | <u>744,500</u> |

2011-2012

| Funding | Road | | Details | Budget |
|-------------|------------------------|-----------------|--|-----------------------|
| State RRG | Rabbit Proof Fence Rd | Capital Upgrade | Reconstruct and Widen Crests to 8m (3km) | 300,000 |
| State RRG | Wickepin Corrigin Rd | Capital Renewal | Reseal 1.5km | 64,000 |
| Federal R2R | Jose Street | Capital Upgrade | Reconstruct failed pavement, kerbing, drains and footpaths | 200,000 |
| Federal R2R | Goyder St | Capital Upgrade | Reconstruct failed pavement, kerbing, drains and footpaths | 100,000 |
| Council | Gill Rd | Capital Upgrade | Widen Shoulders 8km | 80,000 |
| Council | Bilbarin Quairading Rd | Capital Upgrade | Widen Shoulders 5km | 50,000 |
| | | | | <u>794,000</u> |

2012-2013

| Funding | Road | | Details | Budget |
|-------------|-----------------------|-----------------|--|-----------------------|
| State RRG | Rabbit Proof Fence Rd | Capital Upgrade | Reconstruct and Widen Crests to 8m (3km) | 360,000 |
| Federal R2R | Bendering Rd | Capital Upgrade | Widen Shoulders 17km | 170,000 |
| Federal R2R | Corrigin Naremben Rd | Capital Upgrade | Widen Shoulders 14km | 140,000 |
| Council | Bullaring Pingelly Rd | Capital Upgrade | Widen Shoulders 14km | 140,000 |
| | | | | <u>810,000</u> |

2013-2014

| Funding | Road | | Details | Budget |
|-------------|-----------------------|-----------------|-----------------|-----------------------|
| State RRG | Rabbit Proof Fence Rd | Capital Renewal | Reseal 8km | 352,000 |
| Federal R2R | Babakin Corrigin Rd | Capital Upgrade | Reconstruct 3km | 300,000 |
| Council | Corrigin Wogerlin Rd | Capital Renewal | Resheet 6.5km | 100,000 |
| Council | Boyd St | Capital Renewal | Reseal | 70,000 |
| | | | | <u>822,000</u> |

2014-2015

| Funding | Road | | Details | Budget |
|-----------|-----------------------|-----------------|--|-----------------------|
| State RRG | Rabbit Proof Fence Rd | Capital Upgrade | Reconstruct and Widen Crests to 8m (3km) | 360,000 |
| Council | Rendell St | Capital Renewal | Reseal | 70,000 |
| Council | Babakin Corrigin Rd | Capital Upgrade | Reconstruct 3km | 300,000 |
| | | | | <u>730,000</u> |

This forward roads program is indicative only and may be subject to change.

ROYALTIES FOR REGIONS

The State Government announced funding of \$400 million over the years 2008-09 - 2012/12 to assist country local governments build and maintain community infrastructure.

Shire of Corrigin welcomes the acknowledgment that regional infrastructure is an important area to help regional communities shape their future and plan for longer term sustainable development.

The following Royalties for Regions plan was adopted by Council.

SHIRE OF CORRIGIN ROYALTIES FOR REGIONS

| Allocation | 2008/09 | 679,609 | | | | |
|------------------------|----------------|----------------|----------------|---------|--------|----------------|
| Details | Budget | RFR Direct | RFR RoeROC 1/4 | Council | Grants | Total Funding |
| Hydrotherapy Pool | 550,000 | 550,000 | | | | 550,000 |
| Adventure Park Upgrade | 129,609 | 129,609 | | | | 129,609 |
| | | | | | | |
| | 679,609 | 679,609 | - | - | - | 679,609 |

| Allocation | 2009/10 | 435,647 | 241,545 | | | |
|--------------------------------|----------------|----------------|----------------|---------|---------------|----------------|
| Details | Budget | RFR Direct | RFR RoeROC 1/4 | Council | Grants | Total Funding |
| | | | | | | - |
| Medical Centre | 185,050 | 135,050 | | | 50,000 | 185,050 |
| Scenic Lookout Upgrade | 45,150 | 14,950 | | | 30,200 | 45,150 |
| Pool Upgrade | 225,647 | 225,647 | | | | 225,647 |
| Street Lighting - Larke Cresce | 60,000 | 60,000 | | | | 60,000 |
| | 515,847 | 435,647 | - | - | 80,200 | 515,847 |

| Allocation | 2010/11 | 339,805 | 336,437 | | | |
|-----------------------------|----------------|----------------|----------------|---------------|--------|----------------|
| Details | Budget | RFR Direct | RFR RoeROC 1/4 | Council | Grants | Total Funding |
| | | | | | | - |
| Caravan Park Abultion Block | 50,000 | 50,000 | | | | 50,000 |
| Walton Street Toilets | 50,000 | 19,805 | | 30,195 | | 50,000 |
| Kunjin Street Toilets | 60,000 | 60,000 | | | | 60,000 |
| Scenic Lookout Upgrade | | | | | | - |
| Medical Centre | 20,000 | 20,000 | | | | 20,000 |
| Information Bay | 40,000 | 40,000 | | | | 40,000 |
| Main Street | 150,000 | 150,000 | | | | 150,000 |
| | 370,000 | 339,805 | - | 30,195 | - | 370,000 |

| Allocation | 2011/12 | 339,805 | 336,437 | | | |
|------------------|------------------|----------------|----------------|------------------|------------------|------------------|
| Details | Budget | RFR Direct | RFR RoeROC 1/4 | Council | Grants | Total Funding |
| | | | | | | |
| Sporting Precint | 5,000,000 | 339,805 | 914,419 | 2,745,776 | 1,000,000 | 5,000,000 |
| | | | | | | |
| | 5,000,000 | 339,805 | 914,419 | 2,745,776 | 1,000,000 | 5,000,000 |

This program is indicative only and may be subject to change.

REGIONAL AND LOCAL COMMUNITY INFRASTRUCTURE PROGRAM.

The Regional and Local Community Infrastructure Program was announced by the Prime Minister at the Australian Council of Local Government inaugural meeting on 18 November 2008 as part of the Nation Building Economic Stimulus Plan. Since its inception, the Regional and Local Community Infrastructure Program has made more than \$1 billion available to local government authorities to build and modernise community infrastructure.

Council received a grant of \$100,000 which has been allocated to the upgrade of the Corrigin Public Swimming Pool. An additional \$30,000 has also been announced which Council will be allocating to the building of a new swimming club shed.



RECREATION AND EVENTS CENTRE

Council continues to set funds aside for the development of recreation facilities in Corrigin, with over \$700,000 in the Community Development Fund.

In 2009/2010 Council will include a voluntary levy on rate notice of \$50.00 per assessment. Council aims to raise \$100,000 over the next three years from this levy.

Council's original concept plan included Indoor Courts/events area, squash courts, football change rooms, female change rooms, additional toilets and storage facilities, offices and first aid room, large kitchen and reception area. The plan is similar to the recreation centre at the Shire of Kulin. Council has obtained a cost estimate from a quantity surveyor for the construction of the current design concept which is estimated to cost in the region of \$11 million. Council has estimate that it has the capacity to fund a project to the value of \$5 - \$7 million, leaving a significant shortfall in funds for the current design.

Council is revisiting the design for the recreation precinct facilities upgrade on the basis of developing a plan that satisfies the required components identified at the April 2007 community consultation workshops.



DISABILITY ACCESS AND INCLUSION PLAN

The Disability Services Act 1993 was amended in December 2004, creating a requirement for public authorities to develop and implement Disability Access and Inclusion Plans (DAIPs). These plans had to be fully developed by July 2007, and replaced and built on the achievements of Disability Service Plans (DSPs).

Council adopted a DAIP in June 2007 for implementation in July 2007. Council is required to report on our present activities as they relate to the six desired DAIP outcomes.

1. Council is continually adapting our existing services to give people with disabilities the same opportunities as other people to access the services of, and any events organised by the Shire.
2. Council also continues with improvement to buildings and footpath infrastructure to assist both wheelchair and gopher access.
3. Wherever possible people with disabilities can receive information from the Shire in a format that will enable them to access the information as readily as other people are able to access it. This includes a comprehensive website and the ability to change documents to large font size.
4. The staff are always encouraged to be aware of the needs of people with disabilities to ensure they receive the same level and quality of service as other people receive. We are also working with our contractors to ensure they are aware of their responsibilities.
5. People with disabilities have the same opportunities as other people to make complaints to the staff, this can be via written letters, email, SMS or verbally.
6. Council provides many ways for people to participate in public consultation and we are more than happy to discuss any grievances community members may have regarding the services available to the disabled.

RECORD KEEPING PLAN

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

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

Rationale:

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

Minimum Compliance Requirements:

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

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

The Shire has complied with items 1 to 4.

NATIONAL COMPETITION POLICY

In respect to Council's responsibilities in relation to National Competition Policy the Shire reports as follows:
No business enterprise of the Shire has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.

Competitive neutrality has not applied to any activities undertaken by the Shire in this reporting period.

No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.

The principles of competitive neutrality were implemented in respect of any relevant activity undertaken during the 2008/09 financial year.

The principles of competitive neutrality will be implemented in respect of any relevant activity undertaken during the 2009/10 year.

FREEDOM OF INFORMATION

Part 5 of the *Freedom of Information Act 1992* requires an agency such as Local Government to prepare and publish an information statement.

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

The Information Statement contains information on the type of documents available to the public and how to access those documents.

PUBLIC INTEREST DISCLOSURES

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

The Chief Executive Officer has complied with all obligations under the Act including:

Appointing the Deputy Chief Executive Officer as the PID Officer for the organisation and publishing an internal procedure relating to the Shire's obligations.

Providing protection from detrimental action or the threat of detrimental action for any employee of the Shire who makes an appropriate disclosure of public interest information.



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

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SHIRE OF CORRIGIN

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Corrigin being the annual financial report and other information for the financial year ended 30th June 2009 are in my opinion properly drawn up to present fairly the financial position of the Shire of Corrigin at 30th June 2009 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 18th day of September 2009.



Julian Murphy
Chief Executive Officer

**SHIRE OF CORRIGIN
INCOME STATEMENT
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2009**

| | NOTE | 2009 \$ | 2009 Budget \$ | 2008 \$ |
|---|------|-------------------|----------------------|-------------------|
| REVENUES FROM ORDINARY ACTIVITIES | | | | |
| Rates | 23 | 1,373,697 | 1,377,240 | 1,297,092 |
| Operating Grants, Subsidies and Contributions | 29 | 1,917,974 | 1,604,820 | 1,549,285 |
| Fees and Charges | 28 | 515,832 | 573,748 | 3,010,863 |
| Service Charges | 25 | 0 | 0 | |
| Interest Earnings | 2(a) | 226,464 | 278,042 | 221,468 |
| Other Revenue | | 87,563 | 50 | 88,920 |
| | | <u>4,121,530</u> | <u>3,833,900</u> | <u>6,167,628</u> |
| EXPENSES FROM ORDINARY ACTIVITIES | | | | |
| Employee Costs | | (1,327,401) | (1,476,694) | (1,716,686) |
| Materials and Contracts | | (1,183,192) | (776,251) | (1,849,308) |
| Utility Charges | | (141,555) | (137,135) | (145,889) |
| Depreciation on Non-Current Assets | 2(a) | -1,320,964 | (1,394,874) | -1,399,449 |
| Interest Expenses | 2(a) | -78,923 | (96,695) | -56,009 |
| Insurance Expenses | | (204,672) | (182,237) | (152,606) |
| Other Expenditure | | (155,495) | (115,739) | (93,498) |
| | | <u>-4,412,202</u> | <u>-4,179,625</u> | <u>-5,413,445</u> |
| | | -290,671 | -345,725 | 754,183 |
| Non-Operating Grants, Subsidies and Contributions | 29 | 1,705,915 | 1,237,596 | 920,851 |
| Fair value adjustments to financial assets at fair value through profit or loss | | | | |
| Profit on Asset Disposals | 21 | 71,244 | 155,026 | 21,729 |
| Loss on Asset Disposal | 21 | <u>(96,999)</u> | <u>(84,469)</u> | <u>(51,969)</u> |
| NET RESULT | | <u>1,389,489</u> | <u>962,428</u> | <u>1,644,794</u> |

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

**SHIRE OF CORRIGIN
INCOME STATEMENT
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2009**

| | NOTE | 2009 \$ | 2009 Budget \$ | 2008 \$ |
|--|-------|-------------------------|-----------------------|-------------------------|
| REVENUES FROM ORDINARY ACTIVITIES | | | | |
| Governance | | 14,634 | 2,730 | 22,928 |
| General Purpose Funding | | 3,994,001 | 2,924,592 | 2,724,598 |
| Law, Order, Public Safety | | 52,527 | 106,936 | 38,274 |
| Health | | 104,784 | 125,331 | 141,056 |
| Education and Welfare | | 50 | 570 | 355 |
| Housing | | 87,087 | 103,851 | 103,963 |
| Community Amenities | | 124,839 | 155,452 | 157,133 |
| Recreation and Culture | | 37,586 | 41,082 | 26,369 |
| Transport | | 1,100,162 | 1,342,279 | 1,047,721 |
| Economic Services | | 202,121 | 142,674 | 120,544 |
| Other Property and Services | | 187,282 | 281,025 | 2,727,267 |
| | 2 (a) | <u>5,905,073</u> | <u>5,226,522</u> | <u>7,110,208</u> |
| EXPENSES FROM ORDINARY ACTIVITIES EXCLUDING BORROWING COSTS EXPENSE | | | | |
| Governance | | (258,045) | (312,241) | (365,081) |
| General Purpose Funding | | (51,443) | (48,014) | (81,197) |
| Law, Order, Public Safety | | (96,641) | (92,155) | (83,904) |
| Health | | (278,297) | (310,058) | (271,242) |
| Education and Welfare | | (37,222) | (84,554) | (42,377) |
| Housing | | (219,828) | (207,414) | (152,227) |
| Community Amenities | | (282,211) | (353,433) | (274,949) |
| Recreation & Culture | | (493,990) | (611,113) | (440,229) |
| Transport | | (1,429,023) | (1,362,270) | (1,341,626) |
| Economic Services | | (420,269) | (436,235) | (318,574) |
| Other Property and Services | | (869,692) | (349,912) | (2,037,999) |
| | 2 (a) | <u>-4,436,661</u> | <u>-4,167,398</u> | <u>-5,409,405</u> |
| BORROWING COSTS EXPENSE | | | | |
| Governance | | | | (232) |
| Housing | | -24,285 | -24,057 | (27,044) |
| Community Amenities | | -45,543 | -62,130 | (14,293) |
| Recreation & Culture | | -2,872 | -2,871 | (4,032) |
| Economic Services | | -6,223 | -7,637 | (10,408) |
| | 2 (a) | <u>-78,923</u> | <u>-96,696</u> | <u>-56,009</u> |
| NET RESULT | | <u><u>1,389,489</u></u> | <u><u>962,428</u></u> | <u><u>1,644,794</u></u> |

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

**SHIRE OF CORRIGIN
BALANCE SHEET
AS AT 30TH JUNE 2009**

| | NOTE | 2009 \$ | 2008 \$ |
|--------------------------------------|------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 3 | 3,175,047 | 3,578,297 |
| Trade and Other Receivables | 5 | 425,156 | 582,508 |
| Inventories | 6 | 8,099 | 9,651 |
| TOTAL CURRENT ASSETS | | <u>3,608,302</u> | <u>4,170,456</u> |
| NON-CURRENT ASSETS | | | |
| Other Receivables | 5 | 3,087 | 4,430 |
| Inventories | 6 | 1,372,905 | 289,956 |
| Property, Plant and Equipment | 7 | 9,406,596 | 8,745,786 |
| Infrastructure | 8 | 11,360,702 | 10,702,989 |
| TOTAL NON-CURRENT ASSETS | | <u>22,143,290</u> | <u>19,743,161</u> |
| TOTAL ASSETS | | <u>25,751,592</u> | <u>23,913,617</u> |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 9 | 147,691 | 225,161 |
| Short Term Borrowings | | | 19,037 |
| Long Term Borrowings | 10 | 222,262 | 158,861 |
| Provisions | 11 | 227,887 | 264,552 |
| TOTAL CURRENT LIABILITIES | | <u>597,840</u> | <u>667,611</u> |
| NON-CURRENT LIABILITIES | | | |
| Long Term Borrowings | 10 | 1,116,773 | 627,504 |
| Provisions | 11 | 33,108 | 4,120 |
| TOTAL NON-CURRENT LIABILITIES | | <u>1,149,881</u> | <u>631,624</u> |
| TOTAL LIABILITIES | | <u>1,747,721</u> | <u>1,299,235</u> |
| NET ASSETS | | <u>24,003,871</u> | <u>22,614,382</u> |
| EQUITY | | | |
| Retained Surplus | | 19,553,831 | 19,049,910 |
| Reserves - Cash/Investment Backed | 12 | 4,450,040 | 3,564,472 |
| TOTAL EQUITY | | <u>24,003,871</u> | <u>22,614,382</u> |

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

**SHIRE OF CORRIGIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2009**

| | NOTE | 2009 \$ | 2008 \$ |
|--|------|--------------------------|--------------------------|
| RETAINED SURPLUS | | | |
| Balance as at 1 July 2008 | | 19,049,910 | 18,698,181 |
| Net Result | | 1,389,489 | 1,644,794 |
| Transfer from/(to) Reserves | | -885,568 | -1,293,065 |
| Balance as at 30 June 2009 | | <u>19,553,831</u> | <u>19,049,910</u> |
| RESERVES - CASH/INVESTMENT BACKED | | | |
| Balance as at 1 July 2008 | | 3,564,472 | 2,271,407 |
| Amount Transferred (to)/from Retained Surplus | | 885,568 | 1,293,065 |
| Balance as at 30 June 2009 | 12 | <u>4,450,040</u> | <u>3,564,472</u> |
| TOTAL EQUITY | | <u><u>24,003,871</u></u> | <u><u>22,614,382</u></u> |

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

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

| | NOTE | 2009 \$ | 2009 Budget \$ | 2008 \$ |
|--|-------|-------------------------|-------------------------|-------------------------|
| Cash Flows From Operating Activities | | | | |
| Receipts | | | | |
| Rates | | 1,372,412 | 1,377,240 | 1,297,092 |
| Operating Grants, Subsidies and Contributions | | 1,917,974 | 1,604,820 | 1,332,238 |
| Fees and Charges | | 674,026 | 1,129,677 | 2,535,417 |
| Service Charges | | | | |
| Interest Earnings | | 226,464 | 278,042 | 221,468 |
| Goods and Services Tax | | 393,368 | 100,000 | 393,368 |
| Other Revenue | | 87,563 | 50 | 79,812 |
| | | <u>4,671,807</u> | <u>4,489,829</u> | <u>6,076,442</u> |
| Payments | | | | |
| Employee Costs | | (1,333,853) | (1,476,702) | (1,678,908) |
| Materials and Contracts | | (1,286,400) | (1,300,855) | (1,910,540) |
| Utility Charges | | (141,555) | (137,136) | (145,889) |
| Insurance Expenses | | (204,672) | (182,236) | (152,606) |
| Interest expenses | | (34,559) | (96,696) | (56,009) |
| Goods and Services Tax | | (385,356) | (100,000) | (384,260) |
| Other Expenditure | | (137,439) | (115,739) | (93,498) |
| | | <u>(3,523,834)</u> | <u>(3,409,364)</u> | <u>(4,421,710)</u> |
| Net Cash Provided By (Used In) Operating Activities | 14(b) | <u>1,147,974</u> | <u>1,080,465</u> | <u>1,654,732</u> |
| Cash Flows from Investing Activities | | | | |
| Payments for Development of Land Held for Resale | | (1,066,949) | | (3,018) |
| Payments for Purchase of Property, Plant & Equipment | | (1,833,321) | (3,331,357) | (954,079) |
| Payments for Construction of Infrastructure | | (1,305,865) | (1,469,225) | (632,938) |
| Advances to Community Groups | | | | |
| Payments for Purchase of Investments | | | | |
| Non-Operating Grants, Subsidies and Contributions used for the Development of Assets | | 1,724,949 | 1,237,596 | 920,851 |
| Proceeds from Sale of Plant & Equipment | | 457,944 | 781,322 | 257,431 |
| Proceeds from Advances | | | | |
| Proceeds from Sale of Investments | | | | |
| Net Cash Provided By (Used In) Investing Activities | | <u>(2,023,242)</u> | <u>(2,781,664)</u> | <u>(411,753)</u> |
| Cash Flows from Financing Activities | | | | |
| Repayment of Debentures | | (257,940) | (217,728) | (161,441) |
| Repayment of Finance Leases | | | | |
| Proceeds from Self Supporting Loans | | 1,787 | | |
| Proceeds from New Debentures | | 747,209 | 747,209 | |
| Net Cash Provided By (Used In) Financing Activities | | <u>491,056</u> | <u>529,481</u> | <u>(161,441)</u> |
| Net Increase (Decrease) in Cash Held | | (384,212) | (1,171,718) | 1,081,538 |
| Cash at Beginning of Year | | 3,559,260 | 3,631,280 | 2,477,722 |
| Cash and Cash Equivalents at the End of the Year | 14(a) | <u><u>3,175,048</u></u> | <u><u>2,459,562</u></u> | <u><u>3,559,260</u></u> |

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

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

| | NOTE | 2009 \$ | 2008 Budget \$ |
|--|------|------------|----------------------|
| REVENUES | | | |
| Governance | | 14,634 | 2,730 |
| General Purpose Funding | | 2,620,304 | 1,547,352 |
| Law, Order, Public Safety | | 52,527 | 106,936 |
| Health | | 104,784 | 125,331 |
| Education and Welfare | | 50 | 570 |
| Housing | | 87,087 | 103,851 |
| Community Amenities | | 124,839 | 155,452 |
| Recreation and Culture | | 37,586 | 41,082 |
| Transport | | 1,100,162 | 1,342,279 |
| Economic Services | | 202,121 | 142,674 |
| Other Property and Services | | 187,282 | 281,025 |
| | | 4,531,376 | 3,849,282 |
| EXPENSES | | | |
| Governance | | -258,045 | -312,241 |
| General Purpose Funding | | -51,443 | -48,014 |
| Law, Order, Public Safety | | -96,641 | -92,155 |
| Health | | -278,297 | -310,058 |
| Education and Welfare | | -37,222 | -84,554 |
| Housing | | -244,113 | -231,471 |
| Community Amenities | | -327,754 | -415,563 |
| Recreation & Culture | | -496,862 | -613,984 |
| Transport | | -1,429,023 | -1,362,270 |
| Economic Services | | -426,492 | -443,872 |
| Other Property and Services | | -869,694 | -349,912 |
| | | -4,515,586 | -4,264,094 |
| Adjustments for Cash Budget Requirements: | | | |
| Non-Cash Expenditure and Revenue | | | |
| (Profit)/Loss on Asset Disposals | | 25,756 | -70,557 |
| Movement in Accrued Interest | | | |
| Movement in Deferred Pensioner Rates (Non-Current) | | | |
| Movement in Accrued Salaries and Wages | | | |
| Movement in Employee Benefit Provisions | | 28,988 | |
| Depreciation and Amortisation on Assets | | 1,320,964 | 1,394,872 |
| Capital Expenditure and Revenue | | | |
| Purchase Land Held for Resale | | -1,066,949 | |
| Purchase Land and Buildings | | -469,181 | (2,043,398) |
| Purchase Infrastructure Assets - Roads | | -1,278,913 | (1,412,225) |
| Purchase Infrastructure Assets - Other | | -26,952 | (57,000) |
| Purchase Plant and Equipment | | -1,311,624 | (1,260,015) |
| Purchase Furniture and Equipment | | -52,516 | (27,944) |
| Purchase of Investments | | | |
| Proceeds from Disposal of Investments | | | |
| Proceeds from Disposal of Assets | | 457,944 | 781,322 |
| Repayment of Debentures | | -194,539 | (217,728) |
| Proceeds from New Debentures | | 747,209 | 747,209 |
| Self-Supporting Loan Principal Income | | | |
| Transfers to Reserves (Restricted Assets) | | -1,132,596 | (521,705) |
| Transfers from Reserves (Restricted Assets) | | 2,018,164 | 1,601,712 |
| DD Estimated Surplus/(Deficit) July 1 B/Fwd | | 101,665 | 123,029 |
| SS Estimated Surplus/(Deficit) June 30 C/Fwd | | 556,907 | 0 |
| Amount Required to be Raised from Rates | 23 | -1,373,697 | -1,377,240 |

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

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

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Preparation

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

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

Critical Accounting Estimates

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

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

(b) The Local Government Reporting Entity

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

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

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

(c) Goods and Services Tax

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

(d) Cash and Cash Equivalents

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

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the balance sheet.

(e) Trade and Other Receivables

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

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

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

(g) Fixed Assets

Initial Recognition

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

Revaluation

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

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

Land under Roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Depreciation of Non-Current Assets

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

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

| | |
|--|-----------------|
| Buildings | 33 to 100 years |
| Furniture and Equipment | 10 years |
| Plant and Equipment | 5 to 15 years |
| - Heavy | 15 years |
| - Other | 7.5 years |
| - Light Vehicles | not depreciated |
| Sealed roads and streets | |
| clearing and earthworks | not depreciated |
| construction/road base | 50 years |
| original surfacing and | |
| major re-surfacing | |
| - bituminous seals | 20 years |
| - asphalt surfaces | 25 years |
| Gravel roads | |
| clearing and earthworks | not depreciated |
| construction/road base | 50 years |
| gravel sheet | 12 years |
| Formed roads (unsealed) | |
| clearing and earthworks | not depreciated |
| construction/road base | 50 years |
| Footpaths - slab | 40 years |
| Sewerage piping | 100 years |
| Water supply piping & drainage systems | 75 years |

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Investments and Other Financial Assets

Classification

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

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

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

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

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

(iv) Available-for-sale financial assets

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

Recognition and derecognition

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Investments and Other Financial Assets (Continued)

Subsequent measurement

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

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

Impairment

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

(j) Estimation of Fair Value

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

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

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

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment

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

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

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

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

(l) Trade and Other Payables

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

m) Employee Benefits

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

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

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

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

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

(n) Interest-bearing Loans and Borrowings

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

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

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

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.

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Provisions

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

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

(p) Leases

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

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

(q) Joint Venture

The municipality's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the Balance Sheet and Income Statement. Information about the joint venture is set out in Note 17.

(r) Rates, Grants, Donations and Other Contributions

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

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

(s) Superannuation

The Council contributes to the Local Government Superannuation Scheme and the Occupational Superannuation Fund. Both funds are defined contribution schemes.

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Current and Non-Current Classification

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

(u) Rounding Off Figures

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

(v) Comparative Figures

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

(w) 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.

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) New Accounting Standards and Interpretations

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

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

| | Title and Topic | Issued | Applicable (*) | Impact |
|-------|--|--|-----------------------|--|
| (i) | AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 | February 2007 | 1 January 2009 | Nil – The Standard is not applicable to not-for-profit entities. |
| (ii) | Revised AASB 123 Borrowing Costs (includes AASB 2009-1) and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12] | June 2007 and April 2009 | 1 January 2009 | Nil – There have been two revisions to the Standard. The first removed the option to expense all borrowing costs and required the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. The second (AASB2009-1) reinstated the choice to either expense or capitalise in the case of not-for-profit entities. There will be no impact on the financial report of the Council as it already capitalises borrowing costs relating to qualifying assets and will continue to do so. |
| (iii) | Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB | September 2007 and December 2007 | 1 January 2009 | Nil – The revised Standard requires the presentation of a Statement of comprehensive income and makes changes to the Statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If Council has made a prior period adjustment or has reclassified items in the financial statements, it is likely it will need to disclose a third balance sheet (Statement of Financial Position), being as at the beginning of the comparative period. |

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) New Accounting Standards and Interpretations (Continued)

| Title and Topic | Issued | Applicable (*) | Impact |
|---|---------------|----------------|--|
| (iv) AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project | July 2008 | 1 January 2009 | Nil – The revisions are part of the AASBs annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs. |
| AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project | July 2008 | 1 July 2009 | The revisions embodied in these standards relate largely to terminology or editorial comments and will have a minimal effect on the accounting practices of the Council. It is not anticipated the more significant changes will have any effect on the financial report as the topics are not relevant to the operations of the Council. |
| (v) AASB 2008-11 Amendments to Australian Accounting Standard – Business Considerations Among Not-for-Profit Entities | November 2008 | 1 July 2009 | Nil – Whilst this standard has the effect of applying AASB 3 Business Combinations to the Not-for-Profit sector, specific provisions are provided in respect of local government. These specific provisions are very similar to the previous requirements of AAS 27. |
| (vi) AASB 2008-1 Amendments to Australian Accounting Standard – Share-Based Payments: Vesting Conditions and Cancellations | February 2008 | 1 January 2009 | Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council. |
| AASB 2008-2 Amendments to Australian Accounting Standards Puttable Financial Instruments and Obligations Arising on Liquidation | March 2008 | 1 January 2009 | |

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) New Accounting Standards and Interpretations (Continued)

| Title and Topic | Issued | Applicable (*) | Impact |
|---|----------------|----------------|--|
| (vi) (Continued) | | | |
| AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 | March 2008 | 1 January 2009 | Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council. |
| AASB 2007-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate | July 2008 | 1 January 2009 | |
| AASB 2008-8 Amendments to Australian Accounting Standards – Eligible Hedged Items | August 2008 | 1 July 2009 | |
| AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101 | September 2008 | 1 January 2009 | |
| AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-Cash Assets to Owners | December 2008 | 1 July 2009 | |
| Interpretation 1 – Changes in Existing, Decommissioning, Restoration and Similar Liabilities | June 2008 | 1 January 2009 | |

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) New Accounting Standards and Interpretations (Continued)

| (vi) (Continued) | Title and Topic | Issued | Applicable (*) | Impact |
|------------------|---|---------------|-----------------------|--|
| | Interpretation 12 – Service Concession Arrangements | June 2007 | 1 January 2009 | Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council. |
| | Interpretation 15 – Agreements for the Construction of Real Estate | August 2008 | 1 January 2009 | |
| | Interpretation 16 – Hedges of a Net Investment in a Foreign Operation | August 2008 | 1 October 2008 | |
| | Interpretation 17 – Distributions of Non-Cash Assets to Owners | December 2008 | 1 July 2009 | |
| | Interpretation 18 – Transfers of Assets from Customers | March 2009 | Ending 1 July 2009 | |

Notes:

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

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

2. REVENUES AND EXPENSES

2009
\$

2008
\$

(a) Result from Ordinary Activities

The Result from Ordinary Activities includes:

(i) Charging as an Expense:

Significant Expense

| | | |
|---------------------------|---------|-----------|
| Other Property & Services | 519,824 | 1,836,565 |
|---------------------------|---------|-----------|

This significant expense relates to the private works carried out for Main Roads WA

Amortisation

Capitalised Leased Assets

Auditors Remuneration

| | | |
|------------------|-------|-------|
| - Audit | 6,815 | 6,600 |
| - Other Services | | |

Depreciation

| | | |
|-------------------------|-----------|-----------|
| Buildings | 222,005 | 286,624 |
| Furniture and Equipment | 45,565 | 39,059 |
| Plant and Equipment | 405,242 | 408,766 |
| Roads | 631,020 | 650,000 |
| Footpaths | 9,046 | 8,519 |
| Drainage | 4,470 | 2,271 |
| Parks & Ovals | 3,616 | 4,210 |
| | 1,320,964 | 1,399,449 |

Interest Expenses

| | | |
|--|--------|--------|
| Finance Lease Charges | | |
| Debentures (<i>refer Note 22(a)</i>) | 78,923 | 56,009 |
| | 78,923 | 56,009 |

Rental Charges

| | | |
|--------------------|--|--|
| - Operating Leases | | |
| | | |

(ii) Crediting as Revenue:

2009
\$

2009
Budget
\$

2008
\$

Interest Earnings

| | | |
|---|---------|---------|
| Investments | | |
| - Reserve Funds | 178,478 | 209,357 |
| - Other Funds | 41,926 | 71,967 |
| Other Interest Revenue (<i>refer note 27</i>) | 6,060 | 2,234 |
| | 226,464 | 278,042 |
| | | 221,468 |

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

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective

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

GOVERNANCE

Members Expenses.

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Supervision of various by-laws, fire prevention, emergency services and animal control.

HEALTH

Food quality and pest control, meat inspection of abattoirs, and administration of the Eastern Districts Regional Health Scheme.

EDUCATION AND WELFARE

Contributions towards the operation of the Senior Citizens centre, assistance to Day Care Centre Playgroups, Frail Aged Home and voluntary services.

HOUSING

Maintenance of staff and rental housing.

COMMUNITY AMENITIES

Rubbish collection services, operation of refuse disposal sites, noise control, operation of the cemetery, Community Bus and administration of the Town Planning Scheme.

RECREATION AND CULTURE

Maintenance of halls, swimming pool, recreation centres, various reserves and contracting of the library service.

TRANSPORT

Construction and maintenance of streets, roads, bridges, depot and airstrip, cleaning and lighting of streets, and the provision of police licensing services.

ECONOMIC SERVICES

Provision of tourism facilities, area promotion, building control, saleyards, noxious weed control, vermin control, screening plant, standpipes, Development Officer and Community Resource Centre.

OTHER PROPERTY & SERVICES

Private Works operations, plant repairs and operation costs.

2. REVENUES AND EXPENSES (Continued)

| | 2009 | 2008 |
|---|------------------|----------------|
| | \$ | \$ |
| (c) Conditions Over Contributions | | |
| Grants recognised as revenues in a previous reporting period which were not expended at the close of the previous reporting period (ie opening balances). | | |
| Roads to Recovery - Supplementary Program (Transport) | 60,451 | 299,643 |
| Main Roads - Blackspot Funding (transport) | | 14,241 |
| Telecentre Support Branch (Economic Services) | | 4,565 |
| Comm Safety & Crime Prevention (Law, Order & Public Safety) | 6,200 | |
| Roads to Recovery (Transport) | 52,875 | 4467 |
| | <u>119,526</u> | <u>322,916</u> |
| Add: | | |
| New grants which were recognised as revenues during the reporting period and which had not yet been fully expended by the contributor. | | |
| Financial Assistance Grant Advance payment (GPF) | 332,123 | 0 |
| RLCIP Funding (GPF) | 100,000 | 0 |
| Royalties for Regions (GPF) | 679,609 | |
| Comm Safety & Crime Prevention (Law, Order & Public Safety) | | 6,200 |
| Roads to Recovery (Transport) | | 148,387 |
| Walk Trail (Recreation & Culture) | 8,193 | |
| Pest & Weed Funding (Economic Services) | 5,506 | |
| Adult Learners Week (Economic Services) | 1,325 | |
| Less: | | |
| Grants which were recognised as revenues in a previous reporting period and which were expended in the current reporting period in the manner specified by the contributor. | | |
| Roads to Recovery - Supplementary Program (Transport) | (60,451) | -239,192 |
| Telecentre Support Branch (Economic Services) | | -4,565 |
| Main Roads - Blackspot Funding (Transport) | | -14,241 |
| Roads to Recovery (Transport) | (52,875) | -99,979 |
| Comm Safety & Crime Prevention (Law, Order & Public Safety) | (6,200) | |
| RLCIP Funding (GPF) | (1,650) | |
| Walk Trail (Recreation & Culture) | (3,477) | |
| Pest & Weed Funding (Economic Services) | (3,902) | |
| Closing balances of unexpended grants | <u>1,117,727</u> | <u>119,526</u> |
| Comprises: | | |
| Comm Safety & Crime Prevention (Law, Order & Public Safety) | | 6,200 |
| Telecentre Support Branch (Economic Services) | | 0 |
| Main Roads - Blackspot Funding (Transport) | | 0 |
| Financial Assistance Grant Advance payment (GPF) | 332,123 | |
| RLCIP Funding (GPF) | 98,350 | |
| Royalties for Regions (GPF) | 679,609 | |
| Walk Trail (Recreation & Culture) | 4,716 | |
| Pest & Weed Funding (Economic Services) | 1,604 | |
| Adult Learners Week (Economic Services) | 1,325 | |
| Roads to Recovery - Supplementary Program (Transport) | | 60,451 |
| Roads to Recovery (Transport) | | 52,875 |
| | <u>1,117,727</u> | <u>119,526</u> |

2009 Unspent Grant of \$332123 for the Financial Assistance Grant Advance payment is held in the Financial Assistance Grant Reserve
 2009 Unspent Grant of \$98350 for the RLCIP funding is held in the RLCIP Reserve
 2009 Unspent Grant of \$339805 for the Royalties fore Regions funding received is held in the Royalties for Regions Reserve
 2nd Payment of Royalties for regions invoiced in 2008/2009 has not been included as restricted cash, as funds where received after 30 June 2009 and is reflected in receivables

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

| | 2009 | 2008 |
|-------------------------------------|------------------|------------------|
| | \$ | \$ |
| 3. CASH AND CASH EQUIVALENTS | | |
| Unrestricted | 488,499 | 13,825 |
| Restricted | 2,686,548 | 3,564,472 |
| | 3,175,047 | 3,578,297 |

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

| | | |
|-------------------------------------|------------------|------------------|
| Long Service Leave Reserve | 96,837 | 114,156 |
| Community Bus Reserve | 49,325 | 46,694 |
| Staff Housing Reserve | 347,692 | 472,123 |
| Office Equipment Reserve | 5,467 | 5,176 |
| Plant Replacement Reserve | 297,791 | 850,872 |
| Swimming Pool Reserve | 27,601 | 26,130 |
| Roadworks Reserve | 4,920 | 348,060 |
| Land Subdivision Reserve | 292,437 | 801,181 |
| Townscape Reserve | 19,621 | 18,575 |
| Medical Reserve | 18,254 | 17,280 |
| Roads to Recovery Reserve | 0 | 339,113 |
| LGCHP Long Term Maintenance Reserve | 27,872 | 26,582 |
| Community Development Reserve | 719,119 | 496,930 |
| Rockview Land Reserve | 1,690 | 1,600 |
| Royalties for Regions | 339,805 | 0 |
| Financial Assistance Grant | 332,123 | 0 |
| RLCIP Grant | 98,350 | 0 |
| Unspent Grants | 7,645 | 0 |
| | 2,686,548 | 3,564,472 |

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

| | 2009 | 2008 |
|---|------------------|------------------|
| | \$ | \$ |
| 5. TRADE AND OTHER RECEIVABLES | | |
| Current | | |
| Rates Outstanding | 5,070 | 3,959 |
| Sundry Debtors | 422,356 | 580,549 |
| Monies received in advance | (270) | |
| GST Receivable | | |
| Provision for Doubtful Debts | (2,000) | (2,000) |
| | <u>425,156</u> | <u>582,508</u> |
| Non-Current | | |
| Rates Outstanding - Pensioners | 1,746 | 1,302 |
| Loans - Clubs/Institutions | 1,341 | 3,128 |
| | <u>3,087</u> | <u>4,430</u> |
| 6. INVENTORIES | | |
| Current | | |
| Fuel and Materials | 8,099 | 9,651 |
| | <u>8,099</u> | <u>9,651</u> |
| Non-Current | | |
| Land Held for Resale - Cost | | |
| Cost of Acquisition | 302,938 | 286,938 |
| Development Costs | 1,069,967 | 3,018 |
| | <u>1,372,905</u> | <u>289,956</u> |
| 7. PROPERTY, PLANT AND EQUIPMENT | | |
| Land and Buildings - Cost | 9,802,523 | 9,349,342 |
| Less Accumulated Depreciation | (3,960,809) | (3,738,804) |
| | <u>5,841,714</u> | <u>5,610,538</u> |
| Furniture and Equipment - Cost | 662,074 | 609,558 |
| Less Accumulated Depreciation | (428,662) | (383,097) |
| | <u>233,412</u> | <u>226,461</u> |
| Plant and Equipment - Cost | 5,612,580 | 5,191,493 |
| Less Accumulated Depreciation | (2,281,110) | (2,282,706) |
| | <u>3,331,470</u> | <u>2,908,787</u> |
| Plant and Equipment Under Lease | | |
| Less Accumulated Amortisation | <u>0</u> | <u>0</u> |
| | <u>9,406,596</u> | <u>8,745,786</u> |

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

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

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

| | Land & Buildings \$ | Furniture & Equipment \$ | Plant & Equipment \$ | Motor Vehicles \$ | Land for Resale \$ | Total \$ |
|----------------------------|--|---|---|----------------------------------|---------------------------------------|---------------------|
| Balance as at 1 July 2008 | 5,610,538 | 226,461 | 2,630,472 | 278,315 | 289,956 | 9,035,742 |
| Additions | 469,181 | 52,516 | 992,630 | 318,994 | 1,066,949 | 2,900,270 |
| (Disposals) | | | (190,790) | (292,909) | | -483,699 |
| Revaluation - Increments | | | | | | 0 |
| - (Decrements) | | | | | | 0 |
| Impairment - (losses) | | | | | | 0 |
| - reversals | | | | | | 0 |
| Depreciation (Expense) | (222,005) | (45,565) | (405,242) | | | -672,812 |
| Other Movements | (16,000) | | | | 16,000 | 0 |
| Balance as at 30 June 2009 | <u>5,841,714</u> | <u>233,412</u> | <u>3,027,070</u> | <u>304,400</u> | <u>1,372,905</u> | 10,779,501 |

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

| | 2009 | 2008 |
|---------------------------------------|---------------------|---------------------|
| | \$ | \$ |
| 8. INFRASTRUCTURE | | |
| Roads - management valuation 2009 | | |
| Roads - management valuation 2008 | | |
| Roads - Cost | 24,654,221 | 23,375,308 |
| Less Accumulated Depreciation | <u>(13,674,389)</u> | <u>(13,043,369)</u> |
| | 10,979,832 | 10,331,939 |
| | | |
| Footpaths - management valuation 2007 | | |
| Footpaths - Cost | 452,298 | 452,298 |
| Less Accumulated Depreciation | <u>(264,395)</u> | <u>(255,349)</u> |
| | 187,903 | 196,949 |
| | | |
| Drainage - management valuation 2007 | | |
| Drainage - Cost | 223,500 | 223,500 |
| Less Accumulated Depreciation | <u>(142,780)</u> | <u>(138,310)</u> |
| | 80,720 | 85,190 |
| | | |
| Parks & Ovals - Cost | 120,546 | 93,594 |
| Less Accumulated Depreciation | <u>(8,299)</u> | <u>(4,683)</u> |
| | 112,247 | 88,911 |
| | <u>11,360,702</u> | <u>10,702,989</u> |

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

This policy accords with the requirements of AASB 116.

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

8. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

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

| | <u>Roads</u> \$ | <u>Footpaths</u> \$ | <u>Drainage</u> \$ | <u>Parks and Ovals</u> \$ | <u>Total</u> \$ |
|----------------------------|--------------------|------------------------|-----------------------|--------------------------------------|--------------------|
| Balance as at 1 July 2008 | 10,331,939 | 196,949 | 85,190 | 88,911 | 10,702,989 |
| Additions | 1,278,913 | 0 | 0 | 26,952 | 1,305,865 |
| (Disposals) | 0 | 0 | 0 | 0 | 0 |
| Revaluation - Increments | 0 | 0 | 0 | 0 | 0 |
| - (Decrements) | 0 | 0 | 0 | 0 | 0 |
| Impairment - (losses) | 0 | 0 | 0 | 0 | 0 |
| - reversals | 0 | 0 | 0 | 0 | 0 |
| Depreciation (Expense) | (631,020) | (9,046) | (4,470) | (3,616) | -648,152 |
| Other Movements | 0 | 0 | 0 | 0 | 0 |
| Balance as at 30 June 2009 | <u>10,979,832</u> | <u>187,903</u> | <u>80,720</u> | <u>112,247</u> | <u>11,360,702</u> |

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

| | 2009 | 2008 |
|---|------------------|----------------|
| | \$ | \$ |
| 9. TRADE AND OTHER PAYABLES | | |
| Current | | |
| Sundry Creditors | -255 | 104,505 |
| FBT Payable | -1,314 | 0 |
| GST Payable | 17,120 | 9,108 |
| PAYG Liability | 21,404 | 37,068 |
| ESL Payable | 0 | 5 |
| Other Collections & Deposits | 26,495 | 8,435 |
| Accrued Interest on Debentures | 22,524 | 4,924 |
| Accrued Salaries and Wages | 61,719 | 61,116 |
| | <u>147,693</u> | <u>225,161</u> |
| 10. LONG-TERM BORROWINGS | | |
| Current | | |
| Secured by Floating Charge | | |
| Debentures | <u>222,262</u> | <u>158,861</u> |
| | <u>222,262</u> | <u>158,861</u> |
| Non-Current | | |
| Secured by Floating Charge | | |
| Debentures | <u>1,116,773</u> | <u>627,504</u> |
| | <u>1,116,773</u> | <u>627,504</u> |
| Additional detail on borrowings is provided in Note 22. | | |
| 11. PROVISIONS | | |
| Current | | |
| Provision for Annual Leave | 165,793 | 152,100 |
| Provision for Long Service Leave | <u>62,094</u> | <u>112,452</u> |
| | <u>227,887</u> | <u>264,552</u> |
| Non-Current | | |
| Provision for Long Service Leave | <u>33,108</u> | <u>4,120</u> |
| | <u>33,108</u> | <u>4,120</u> |

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

| | 2009 \$ | 2009 Budget \$ | 2008 \$ |
|--|------------------|----------------------|------------------|
| 12. RESERVES - CASH/INVESTMENT BACKED | | | |
| (a) Long Service Leave Reserve | | | |
| Opening Balance | 114,156 | 112,996 | 90,369 |
| Amount Set Aside / Transfer to Reserve | 6,431 | 7,795 | 28,176 |
| Amount Used / Transfer from Reserve | <u>(23,750)</u> | <u>(23,750)</u> | <u>(4,389)</u> |
| | <u>96,837</u> | <u>97,041</u> | <u>114,156</u> |
| (b) Community Bus Reserve | | | |
| Opening Balance | 46,694 | 46,220 | 43,905 |
| Amount Set Aside / Transfer to Reserve | 2,631 | 3,555 | 4,500 |
| Amount Used / Transfer from Reserve | | 0 | (1,711) |
| | <u>49,325</u> | <u>49,775</u> | <u>46,694</u> |
| (c) Staff Housing Reserve | | | |
| Opening Balance | 472,123 | 468,571 | 407,542 |
| Amount Set Aside / Transfer to Reserve | 20,569 | 30,327 | 455,053 |
| Amount Used / Transfer from Reserve | <u>(145,000)</u> | <u>(100,000)</u> | <u>(390,472)</u> |
| | <u>347,692</u> | <u>398,898</u> | <u>472,123</u> |
| (d) Office Equipment Reserve | | | |
| Opening Balance | 5,176 | 5,124 | 4,866 |
| Amount Set Aside / Transfer to Reserve | 291 | 394 | 499 |
| Amount Used / Transfer from Reserve | | 0 | (189) |
| | <u>5,467</u> | <u>5,518</u> | <u>5,176</u> |
| (e) Plant Replacement Reserve | | | |
| Opening Balance | 850,872 | 847,305 | 329,912 |
| Amount Set Aside / Transfer to Reserve | 42,738 | 52,440 | 533,816 |
| Amount Used / Transfer from Reserve | <u>(595,819)</u> | <u>(337,328)</u> | <u>(12,856)</u> |
| | <u>297,791</u> | <u>562,417</u> | <u>850,872</u> |
| (f) Swimming Pool Reserve | | | |
| Opening Balance | 26,130 | 25,864 | 24,568 |
| Amount Set Aside / Transfer to Reserve | 1,471 | 1,989 | 2,518 |
| Amount Used / Transfer from Reserve | | 0 | (956) |
| | <u>27,601</u> | <u>27,853</u> | <u>26,130</u> |
| (g) Roadworks Reserve | | | |
| Opening Balance | 348,060 | 344,522 | 327,268 |
| Amount Set Aside / Transfer to Reserve | 16,473 | 26,500 | 33,545 |
| Amount Used / Transfer from Reserve | <u>(359,613)</u> | <u>0</u> | <u>(12,753)</u> |
| | <u>4,920</u> | <u>371,022</u> | <u>348,060</u> |

| | | | |
|--|----------------|----------------|----------------|
| (h) Land Subdivision Reserve | | | |
| Opening Balance | 801,181 | 796,087 | 460,811 |
| Amount Set Aside / Transfer to Reserve | 41,256 | 26,713 | 808,058 |
| Amount Used / Transfer from Reserve | (550,000) | (786,020) | (467,688) |
| | <u>292,437</u> | <u>36,780</u> | <u>801,181</u> |
| (i) Townscape Reserve | | | |
| Opening Balance | 18,575 | 18,386 | 17,465 |
| Amount Set Aside / Transfer to Reserve | 1,046 | 1,414 | 1,790 |
| Amount Used / Transfer from Reserve | | 0 | (680) |
| | <u>19,621</u> | <u>19,800</u> | <u>18,575</u> |
| (j) Medical Reserve | | | |
| Opening Balance | 17,280 | 17,105 | 16,248 |
| Amount Set Aside / Transfer to Reserve | 974 | 1,316 | 1,665 |
| Amount Used / Transfer from Reserve | | 0 | (633) |
| | <u>18,254</u> | <u>18,421</u> | <u>17,280</u> |
| (k) Roads to Recovery Reserve | | | |
| Opening Balance | 339,112 | 335,665 | 318,855 |
| Amount Set Aside / Transfer to Reserve | 4,870 | 6,276 | 32,682 |
| Amount Used / Transfer from Reserve | (343,982) | (341,942) | (12,425) |
| | <u>0</u> | <u>(0)</u> | <u>339,112</u> |
| (l) LGCHP Long Term Maintenance Reserve | | | |
| Opening Balance | 26,582 | 26,311 | 25,060 |
| Amount Set Aside / Transfer to Reserve | 1,290 | 2,024 | 5,468 |
| Amount Used / Transfer from Reserve | | 0 | (3,946) |
| | <u>27,872</u> | <u>28,335</u> | <u>26,582</u> |
| (m) Community Development Reserve | | | |
| Opening Balance | 496,930 | 493,828 | 204,538 |
| Amount Set Aside / Transfer to Reserve | 222,189 | 232,332 | 304,576 |
| Amount Used / Transfer from Reserve | | 0 | (12,184) |
| | <u>719,119</u> | <u>726,160</u> | <u>496,930</u> |
| (n) Rockview Land Reserve | | | |
| Opening Balance | 1,600 | 1,585 | |
| Amount Set Aside / Transfer to Reserve | 90 | 100,122 | 1,677 |
| Amount Used / Transfer from Reserve | | 0 | (77) |
| | <u>1,690</u> | <u>101,707</u> | <u>1,600</u> |

| | | | |
|--|------------------|-------------------|-------------------|
| (o) Royalties for Regions | | | |
| Opening Balance | | | |
| Amount Set Aside / Transfer to Reserve | 339,805 | | |
| Amount Used / Transfer from Reserve | | | |
| | <u>339,805</u> | <u> </u> | <u> </u> |
| (p) Financial Assistance Grants | | | |
| Opening Balance | | | |
| Amount Set Aside / Transfer to Reserve | 332,123 | | |
| Amount Used / Transfer from Reserve | | | |
| | <u>332,123</u> | <u> </u> | <u> </u> |
| (q) RLCIP Grant | | | |
| Opening Balance | | | |
| Amount Set Aside / Transfer to Reserve | 98,350 | | |
| Amount Used / Transfer from Reserve | | | |
| | <u>98,350</u> | <u> </u> | <u> </u> |
| TOTAL CASH BACKED RESERVES | <u>2,678,903</u> | <u>2,443,727</u> | <u>3,564,471</u> |

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

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

Long Service Leave Reserve

- to be used to fund Long Service Leave requirements.

Community Bus Reserve

- to be used to fund the continual purchase of a community bus.

Staff Housing Reserve

- to be used for the construction and maintenance of Staff Housing.

Office Equipment Reserve

- to be used for the purchase of Office Equipment.

Plant Replacement Reserve

- to be used for the purchase of major plant items.

Swimming Pool Reserve

- to be used for the construction and maintenance of the Swimming Pool.

Roadworks Reserve

- to be used to fund the construction of roads within the Shire of Corrigin.

Land Subdivision Reserve

- to be used to fund the installation of infrastructure in a Land Subdivision.

Townscape Reserve

- to be used for the continual upgrade of facilities as per the Townscape Plan.

Medical Reserve

- to be used for the continual upgrade of medical facilities within the Shire of Corrigin.

Roads to Recovery Reserve

- to be used to fund the construction of roads within the Shire of Corrigin funded by Roads to Recovery Federal Government funding.

LGCHP Housing Reserve

- to be used to fund the long term maintenance of the Joint venture housing the Shire of Corrigin owns with Homeswest.

Community Development Reserve

- to be used for the continual upgrade of various community facilities in Corrigin.

Rockview Land Reserve

- to be used for the development of the Rockview Land Project.

Financial Assistance Grants

- To be used in accordance to the Local Government Grants Commission for funding of operating and Capital requirends

Royalties for Regions

- To be used to fund indetified Royalties for Regions projects as adopted

RLCIP Grant

- To be used for the upgrade of the Corrigin Public Swimming Pool

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

14. NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

| | 2009 \$ | 2009 Budget \$ | 2008 \$ |
|---------------------------|--------------------------|---|--------------------------|
| Cash and Cash Equivalents | <u>3,175,047</u> | <u>2,443,727</u> | <u>3,559,260</u> |

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

| | | | |
|--|-------------------------|-------------------------|-------------------------|
| Net Result | 1,389,489 | 962,428 | 1,644,794 |
| Amortisation | 0 | | 0 |
| Depreciation | 1,320,964 | 1,394,872 | 1,399,449 |
| Writedown in fair value of Investments | | | |
| Impairment (Loss)/Reversal | | | |
| (Profit)/Loss on Sale of Asset | 25,756 | (70,557) | 30,240 |
| (Increase)/Decrease in Receivables | 156,908 | 555,929 | (475,446) |
| (Increase)/Decrease in Inventories | 1,552 | (5,671) | 3,524 |
| Increase/(Decrease) in Payables | (33,104) | (518,940) | (64,758) |
| Increase/(Decrease) in Employee Provisions | (7,677) | | 37,780 |
| Grants/Contributions for the Development of Assets | <u>-1,705,915</u> | <u>(1,237,596)</u> | <u>(920,851)</u> |
| Net Cash from Operating Activities | <u><u>1,147,973</u></u> | <u><u>1,080,465</u></u> | <u><u>1,654,732</u></u> |

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

| | | | |
|--------------------------------------|----------------|--|---------------|
| Bank Overdraft limit | 100,000 | | 100,000 |
| Bank Overdraft at Balance Date | | | -19,037 |
| Credit Card limit | 10,000 | | 4,000 |
| Credit Card Balance at Balance Date | | | |
| Total Amount of Credit Unused | <u>110,000</u> | | <u>84,963</u> |

Loan Facilities

| | | | |
|--|------------------|--|----------------|
| Loan Facilities - Current | 222,262 | | 158,861 |
| Loan Facilities - Non-Current | 1,116,773 | | 627,504 |
| Total Facilities in Use at Balance Date | <u>1,339,035</u> | | <u>786,365</u> |

Unused Loan Facilities at Balance Date

| | | | |
|--|------------------------------------|--|------------------------------------|
| | <u><u> </u></u> | | <u><u> </u></u> |
|--|------------------------------------|--|------------------------------------|

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

15. CONTINGENT LIABILITIES

There are no known contingent liabilities at balance date

| 16. CAPITAL AND LEASING COMMITMENTS | 2009 \$ | 2008 \$ |
|---|--------------------|--------------------|
| (a) Finance Lease Commitments | | |
| Payable: | | |
| - not later than one year | 0 | |
| - later than one year but not later than five years | 0 | |
| - later than five years | 0 | |
| Minimum Lease Payments | 0 | 0 |
| Less Future Finance Charges | | |
| Total Lease Liability | 0 | 0 |

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts.

| | | |
|---|---|---|
| Payable: | | |
| - not later than one year | 0 | |
| - later than one year but not later than five years | 0 | |
| - later than five years | 0 | |
| | 0 | 0 |
| | 0 | 0 |

(c) Capital Expenditure Commitments

| | |
|--------------------------------|---------|
| Contracted for: | |
| - capital expenditure projects | 240,911 |
| - plant & equipment purchases | |

| | |
|---------------------------|---------|
| Payable: | |
| - not later than one year | 240,911 |

The capital expenditure project outstanding at the end of the current reporting period represents contract works for the Granite Rise Subdivision

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

17. JOINT VENTURE

The Shire together with the Shires of Narembeen, Kulin and Kondinin have a joint venture arrangement with regard to the provision of an Environmental Health and Building Surveying Service. The only assets are a motor vehicle and miscellaneous equipment. Council's one-third share of these assets is included in Property, Plant & Equipment as follows:

| | 2009 | 2008 |
|--------------------------------|----------------------|----------------------|
| | \$ | \$ |
| Non-Current Assets | | |
| Motor Vehicles | 37,300 | 35,340 |
| Plant & Equipment | 7,614 | 7,614 |
| Less: Accumulated Depreciation | <u>(5,391)</u> | <u>(4,982)</u> |
| | <u><u>39,523</u></u> | <u><u>37,972</u></u> |

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

| | | |
|-----------------------------|--------------------------|--------------------------|
| Governance | 627,458 | 306,647 |
| General Purpose Funding | 338,669 | 5,261 |
| Law, Order, Public Safety | 161,414 | 163,614 |
| Health | 387,814 | 398,417 |
| Education and Welfare | 388,002 | 388,002 |
| Housing | 2,321,774 | 2,291,107 |
| Community Amenities | 636,325 | 294,093 |
| Recreation and Culture | 2,110,848 | 1,649,253 |
| Transport | 11,862,601 | 11,154,838 |
| Economic Services | 202,650 | 807,221 |
| Other Property and Services | 3,487,704 | 2,875,939 |
| Unallocated | <u>3,233,978</u> | <u>3,579,225</u> |
| | <u><u>25,759,237</u></u> | <u><u>23,913,617</u></u> |

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

| | 2009 | 2008 | 2007 |
|--|-------------|-------------|-------------|
| 19. FINANCIAL RATIOS | | | |
| Current Ratio | 1.828 | 0.908 | 0.428 |
| Untied Cash to Unpaid Trade Creditors Ratio | -1948.721 | 0.132 | 0.839 |
| Debt Ratio | 0.068 | 0.054 | 0.065 |
| Debt Service Ratio | 0.065 | 0.035 | 0.064 |
| Gross Debt to Revenue Ratio | 0.319 | 0.127 | 0.248 |
| Gross Debt to Economically Realisable Assets Ratio | 0.093 | 0.060 | 0.081 |
| Rate Coverage Ratio | 0.233 | 0.183 | 0.273 |
| Outstanding Rates Ratio | 0.004 | 0.003 | 0.008 |

The above ratios are calculated as follows:

| | |
|--|--|
| Current Ratio | $\frac{\text{current assets minus restricted current assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$ |
| Untied Cash to Unpaid Trade Creditors Ratio | $\frac{\text{untied cash}}{\text{unpaid trade creditors}}$ |
| Debt Ratio | $\frac{\text{total liabilities}}{\text{total assets}}$ |
| Debt Service Ratio | $\frac{\text{debt service cost}}{\text{available operating revenue}}$ |
| Gross Debt to Revenue Ratio | $\frac{\text{gross debt}}{\text{total revenue}}$ |
| Gross Debt to Economically Realisable Assets Ratio | $\frac{\text{gross debt}}{\text{economically realisable assets}}$ |
| Rate Coverage Ratio | $\frac{\text{net rate revenue}}{\text{operating revenue}}$ |
| Outstanding Rates Ratio | $\frac{\text{rates outstanding}}{\text{rates collectable}}$ |

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

20. TRUST FUNDS

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

| | Balance 1-Jul-08 | Amounts Received | Amounts Paid | Balance 30-Jun-09 |
|----------------------------------|-----------------------------|-----------------------------|-------------------------|------------------------------|
| | \$ | \$ | (\$) | \$ |
| TransWA Ticketing | 155 | 3,060 | -3,014 | 201 |
| Single Persons Units Bonds | 0 | 924 | -616 | 308 |
| Staff Housing Bonds | 300 | | | 300 |
| Community Development Fund | 12,519 | 6,313 | -3,500 | 15,332 |
| Housing Bonds - Other | 1,100 | | -1,100 | 0 |
| Adventure Park Fund | 0 | 10,000 | | 10,000 |
| Corrigin Disaster Fund | 10,929 | | | 10,929 |
| Friends of the Cemetery | 8,510 | | -6,000 | 2,510 |
| B.C.I.T.F. | 31 | 2,852 | -2,311 | 573 |
| Hall Deposits | 0 | | | 0 |
| Edna Stevenson Educational Trust | 767,215 | 28,871 | | 796,086 |
| | <u>800,759</u> | | | <u>836,239</u> |

The following property is also held in trust

1 Pearl Necklace
8 Silver Pendants
163 Opals Stones

21. DISPOSALS OF ASSETS - 2008/09 FINANCIAL YEAR

The following assets were disposed of during the year.

| | Net Book Value | | Sale Price | | Profit (Loss) | |
|--|----------------|--------------|--------------|--------------|---------------|--------------|
| | Actual \$ | Budget \$ | Actual \$ | Budget \$ | Actual \$ | Budget \$ |
| Governance | | | | | | |
| CEO Vehicle | 49,897 | 49,897 | 40,909 | 38,000 | -8,988 | -11,897 |
| DCEO Vehicle | 29,664 | 29,664 | 20,050 | 21,789 | -9,614 | -7,875 |
| Health | | | | | | |
| EHO Vehicle | 35,340 | 35,340 | 26,391 | 30,000 | -8,949 | -5,340 |
| EHO Vehicle | | 36,818 | | 30,000 | 0 | -6,818 |
| Doctors Vehicle | 25,337 | 25,337 | 16,376 | 19,092 | -8,961 | -6,245 |
| Transport | | | | | | |
| International Truck | 197 | 1,630 | 14,545 | 15,000 | 14,348 | 13,370 |
| Loader - CR8 | 73,771 | 80,000 | 82,000 | 110,000 | 8,229 | 30,000 |
| Grader - CR6 | 48,425 | 58,000 | 90,000 | 130,000 | 41,575 | 72,000 |
| Mack Truck - CR19 | 68,397 | 86,000 | 40,000 | 60,000 | -28,397 | -26,000 |
| Economic Services | | | | | | |
| SBCEW Vehicle | 30,994 | 30,994 | 25,455 | 27,812 | -5,539 | -3,182 |
| SBCEW Vehicle | 31,154 | 30,994 | 24,219 | 27,812 | -6,935 | -3,182 |
| SBCEW Vehicle | 31,674 | | 25,517 | | -6,157 | 0 |
| Other Properties & Services | | | | | | |
| Toyota Hilux - CR123 | 37,516 | 37,516 | 31,300 | 32,727 | -6,216 | -4,789 |
| Toyota Hilux - CR22 | | 16,897 | | 14,545 | 0 | -2,352 |
| Toyota Hilux - CR565 | 21,334 | 21,334 | 14,091 | 14,545 | -7,243 | -6,789 |
| Stihl Chainsaw | 0 | | 91 | | 91 | 0 |
| Kerbing Machine | 0 | | 7,000 | | 7,000 | 0 |
| Land Sales - Courboules | | 96,888 | | 100,000 | 0 | 3,112 |
| Land Sales - Granite Rise | | 73,456 | | 110,000 | 0 | 36,544 |
| | 483,700 | 710,765 | 457,944 | 781,322 | -25,756 | 70,557 |

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

22. INFORMATION ON BORROWINGS

(a) Debenture Repayments

| Particulars | Principal 1-Jul-08 \$ | New Loans \$ | Principal Repayments | | Principal 30-Jun-09 | | Interest Repayments | |
|---------------------------------|-----------------------------|--------------------|-------------------------|--------------|------------------------|--------------|------------------------|--------------|
| | | | Actual \$ | Budget \$ | Actual \$ | Budget \$ | Actual \$ | Budget \$ |
| Housing | | | | | | | | |
| Loan 93 - Staff Housing | 0 | | | | 0 | | -1,171 | |
| Loan 95 - CAC Residence | 39,724 | | 22,054 | 22,054 | 17,670 | 17,670 | 2,639 | 2,413 |
| Loan 98 - GEHA (Education) | 259,522 | | 38,773 | 38,772 | 220,749 | 220,750 | 16,447 | 15,274 |
| Loan 100 - GEHA (Police) | 115,941 | | 17,500 | 17,500 | 98,441 | 98,441 | 6,370 | 6,370 |
| Community Amenities | | | | | | | | |
| Loan 97 - Land Subdivision | 192,273 | | 43,361 | 43,361 | 148,912 | 148,912 | 11,541 | 11,623 |
| Loan 101 - Land Subdivision | 0 | 747,209 | 35,283 | 58,867 | 711,926 | 688,342 | 34,001 | 50,507 |
| Recreation & Culture | | | | | | | | |
| Loan 96 - Oval | 49,145 | | 17,788 | 17,788 | 31,357 | 31,357 | 2,872 | 2,871 |
| Economic Services | | | | | | | | |
| Loan 99 - Resource Centre | 129,760 | | 19,781 | 19,386 | 109,979 | 110,374 | 6,223 | 7,637 |
| | 786,365 | 747,209 | 194,539 | 217,728 | 1,339,035 | 1,315,846 | 78,923 | 96,696 |

(*) Self supporting loan financed by payments from third parties.
All other loan repayments were financed by general purpose revenue.

(b) New Debentures - 2008/09

| Particulars/Purpose | Amount Borrowed | | Institution | Loan Type | Term (Years) | Total Interest & Charges \$ | Interest Rate % | Amount Used | | Balance Unspent \$ |
|------------------------|-----------------|-----------|-------------|-----------|--------------|-----------------------------|-----------------|-------------|-----------|--------------------|
| | Actual \$ | Budget \$ | | | | | | Actual \$ | Budget \$ | |
| Loan 101 - Subdivision | 747,209 | 747,209 | WATC | Debenture | 10 | 256,985 | 6.23% | 747,209 | 747,209 | 0 |

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

22. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Debentures

| Particulars | Date Borrowed | Balance 1-Jul-08 \$ | Borrowed During Year \$ | Expended During Year \$ | Balance 30-Jun-09 \$ |
|-------------|---------------|---------------------|-------------------------|-------------------------|----------------------|
| | | | | | |
| | | 0 | 0 | 0 | 0 |

(d) Overdraft

Council established an overdraft facility of \$100,000 to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2008 and 30 June 2009 was \$Nil.

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

23. RATING INFORMATION - 2008/09 FINANCIAL YEAR

| RATE TYPE | Rate in \$ | Number of Properties | Rateable Value \$ | Rate Revenue \$ | Interim Rates \$ | Back Rates \$ | Total Revenue \$ | Budget Rate Revenue \$ | Budget Interim Rate \$ | Budget Back Rate \$ | Budget Total Revenue \$ |
|-------------------------------------|-------------------|----------------------|-------------------|-----------------|------------------|---------------|------------------|------------------------|------------------------|---------------------|-------------------------|
| General Rate | | | | | | | | | | | |
| Gross Rental Value | 11.0397 | 398 | 2,082,409 | 240,945 | | | 240,945 | 240,845 | | | 240,845 |
| Unimproved Value | 1.5435 | 323 | 75,625,613 | 1,241,294 | 3,684 | | 1,244,978 | 1,241,295 | | | 1,241,295 |
| | | | | | | | 0 | | | | 0 |
| | | | | | | | 0 | | | | 0 |
| Sub-Totals | | 721 | 77,708,022 | 1,482,239 | 3,684 | 0 | 1,485,923 | 1,482,140 | 0 | 0 | 1,482,140 |
| Minimum Rates | Minimum \$ | | | | | | | | | | |
| | | | | | | | 0 | | | | 0 |
| Gross Rental Value - Corrigin | 250 | 53 | 38,878 | 15,250 | | | 15,250 | 15,250 | | | 15,250 |
| Gross Rental Value - Other | 100 | 11 | 1,095 | 1,000 | | | 1,000 | 1,100 | | | 1,100 |
| Unimproved Value | 250 | 12 | 62,032 | 3,750 | | | 3,750 | 3,750 | | | 3,750 |
| Sub-Totals | | 76 | 102,005 | 20,000 | 0 | 0 | 20,000 | 20,100 | 0 | 0 | 20,100 |
| Specified Area Rate (refer note 24) | | | | | | | 1,505,923 | | | | 1,502,240 |
| Discounts (refer note 26) | | | | | | | 1,505,923 | | | | 1,502,240 |
| Totals | | | | | | | -132,226 | | | | -125,000 |
| | | | | | | | 1,373,697 | | | | 1,377,240 |

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

24. SPECIFIED AREA RATE - 2008/09 FINANCIAL YEAR

| | Rate in \$ | Basis of Rate | Rateable Value \$ | Rate Revenue \$ | Budget Rate Revenue \$ | Applied to Costs \$ | Budget Applied to Costs \$ |
|--------------------------|---------------|---------------------|-------------------------|-----------------------|---------------------------------|---------------------------|-------------------------------------|
| Recreation Centre | | | | | | | |
| - Rate | | | | | | | |
| - Interim Rate | | | | | | | |
| - Back Rate | | | | | | | |
| | | | | 0 | 0 | 0 | 0 |

No specified area rate was imposed during the 2008-09 financial year.

25. SERVICE CHARGES - 2008/09 FINANCIAL YEAR

| | Amount of Charge \$ | Revenue Raised \$ | Budget Revenue \$ | Applied to Service Costs \$ | Budget Applied to Costs \$ |
|--|------------------------------|-------------------------|-------------------------|---|--|
| | | | | | |
| | | 0 | 0 | 0 | 0 |

No service charges were levied during the 2008-09 financial year.

Note: Service charges do not include rubbish collection charges which, as indicated in Appendix 3 of the Local Government Accounting Manual are included in Fees and Charges.

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

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

| | Type | Disc % | Total Cost/ Value \$ | Budget Cost/ Value \$ |
|------------------|-----------|--------|----------------------------|-----------------------------|
| General Rates | Discount | 10.00% | 119,889 | 121,892 |
| Minimum Rate | Discount | | 119,889 | 121,892 |
| Photocopy Charge | Waiver | | | |
| Rate Assessment | Write-Off | | | |

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

Photocopy Charges are waived for certain community groups such as the Senior Citizens and the Corrigin Agricultural Society. Council considers support of these groups necessary for the overall benefit of the community.

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

| | Interest Rate % | Admin. Charge \$ | Revenue \$ | Budgeted Revenue \$ |
|---|--------------------|---------------------|---------------|------------------------|
| Interest on Unpaid Rates | 11.00% | | 2,678 | 1,900 |
| Charges and interest on Instalment Plan | 5.50% | 10.00% | 3,159 | 1,785 |
| Charges on Instalment Plan | | | | |
| | | | 5,837 | 3,685 |

Ratepayers had the option of paying rates in four equal instalments, due on 25th August 2008, 1st December 2008, 30th January 2009 and 31st March 2009. Administration charges and interest applied for the final three instalments.

| 28. FEES & CHARGES | 2009 \$ | 2008 \$ |
|-------------------------------|-------------------|-------------------|
| Governance | 7,656 | 4,443 |
| General Purpose Funding | 15,729 | 16,741 |
| Law, Order, Public Safety | 7,749 | 6,748 |
| Health | 13,762 | 52,710 |
| Education and Welfare | 50 | 203 |
| Housing | 82,073 | 32,199 |
| Community Amenities | 113,714 | 94,698 |
| Recreation and Culture | 22,943 | 21,332 |
| Transport | 2,149 | 34,149 |
| Economic Services | 127,889 | 89,034 |
| Other Property and Services | 122,118 | 2,658,606 |
| | <u>515,832</u> | <u>3,010,863</u> |

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

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

| 29. GRANT REVENUE | 2009 | 2008 |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| By Nature and Type: | | |
| Operating Grants, Subsidies and Contributions | 1,917,974 | 1,604,820 |
| Non-Operating Grants, Subsidies and Contributions | <u>1,705,915</u> | <u>1,237,596</u> |
| | <u><u>3,623,889</u></u> | <u><u>2,842,416</u></u> |
| By Program: | | |
| Governance | 4,942 | 2,730 |
| General Purpose Funding | 2,378,194 | 1,254,283 |
| Law, Order, Public Safety | 44,748 | 100,566 |
| Health | 90,542 | 115,803 |
| Education and Welfare | | |
| Housing | | |
| Community Amenities | 10,952 | 48,502 |
| Recreation and Culture | 12,782 | 22,560 |
| Transport | 995,760 | 1,192,009 |
| Economic Services | 70,066 | 48,694 |
| Other Property and Services | <u>15,903</u> | <u>57,269</u> |
| | <u><u>3,623,889</u></u> | <u><u>2,842,416</u></u> |

| 30. COUNCILLORS' REMUNERATION | 2009 | 2009 | 2008 |
|--|---------------|---------------|---------------|
| | \$ | Budget | \$ |
| | | \$ | |
| The following fees, expenses and allowances were paid to council members and/or the president. | | | |
| Meeting Fees | 25,200 | 25,200 | 10,397 |
| President's Allowance | 5,000 | 5,000 | 5,417 |
| Deputy President's Allowance | 1,250 | 1,250 | 833 |
| Travelling Expenses | 818 | 2,000 | 1,171 |
| Telecommunications Allowance | | | |
| | <u>32,268</u> | <u>33,450</u> | <u>17,818</u> |

31. EMPLOYEES' REMUNERATION

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$100,000 or more.

| Salary Range | 2009 | 2008 |
|---------------------|-------------|-------------|
| \$ | | |
| 100,000 - 109,999 | | |
| 110,000 - 119,999 | 1 | |
| 120,000 - 129,999 | | |
| 130,000 - 139,999 | | |
| 140,000 - 149,999 | | |
| 150,000 - 159,999 | | |
| 160,000 - 169,999 | | |

| 32. EMPLOYEE NUMBERS | 2009 | 2008 |
|--|-------------|-------------|
| The number of full-time equivalent employees at balance date | <u>28</u> | <u>29</u> |

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

33. MAJOR LAND TRANSACTIONS

Larke Crescent (Granite Rise) Residential Subdivision

(a) Details

The land was purchased in 2006/2007 for development into a residential sub-division of approximately 33 lots

| | 2009 \$ | 2009 Budget \$ | 2008 \$ |
|-------------------------------|------------|----------------------|------------|
| (b) Current year transactions | | | |
| Operating Income | | | |
| - Profit on sale | | | |
| Capital Income | | | |
| - Sale Proceeds | | | |
| Capital Expenditure | | | |
| - Purchase of Land | | | |
| - Development Costs | 1,009,954 | | 3,017 |
| | 1,009,954 | 0 | 3,017 |

The above capital expenditure is included as land held for resale (refer Note 6).

There are no liabilities in relation to this land transaction as at 30 June 2009.

(c) Expected Future Cash Flows

| | 2010 \$ | 2011 \$ | 2012 \$ | 2013 \$ | 2014 \$ | Total \$ |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Cash Outflows | | | | | | 0 |
| - Development Costs | | | | | | 0 |
| - Loan Repayments | (109,374) | (109,374) | (109,374) | (109,374) | (109,374) | -546,868 |
| | -109,374 | -109,374 | -109,374 | -109,374 | -109,374 | -546,868 |
| Cash Inflows | | | | | | 0 |
| - Loan Proceeds | | | | | | 0 |
| - Sale Proceeds | 240,000 | 240,000 | 120,000 | 120,000 | 120,000 | 840,000 |
| | 240,000 | 240,000 | 120,000 | 120,000 | 120,000 | 840,000 |
| Net Cash Flows | 130,626 | 130,626 | 10,626 | 10,626 | 10,626 | 293,132 |

34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

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

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

35. FINANCIAL RISK MANAGEMENT

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

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

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

The Council held the following financial instruments at balance date:

| | Carrying Value | | Fair Value | |
|---|-----------------------|------------------|-------------------|------------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Financial Assets | | | | |
| Cash and cash equivalents | 3,175,047 | 3,578,297 | 3,175,047 | 3,578,297 |
| Receivables | 428,243 | 586,938 | 428,243 | 586,938 |
| Financial assets at fair value through profit or loss | | | | |
| Available-for-sale financial assets | | | | |
| Held-to-maturity investments | | | | |
| | <u>3,603,290</u> | <u>4,165,235</u> | <u>3,603,290</u> | <u>4,165,235</u> |
| Financial Liabilities | | | | |
| Payables | 147,693 | 225,161 | 147,693 | 225,161 |
| Borrowings | 1,339,035 | 805,402 | 1,208,588 | 805,402 |
| | <u>1,486,728</u> | <u>1,030,563</u> | <u>1,356,281</u> | <u>1,030,563</u> |

Fair value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.
- Borrowings, Held-to-Maturity Investments – 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.

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

35. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

Financial assets at fair value through profit or loss

Available-for-sale financial assets

Held-to-maturity investments

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

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

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

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

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

| | 30-Jun-09 | 30-Jun-08 |
|--|------------------|------------------|
| | \$ | \$ |
| Impact of a 10% (*) movement in price of investments: | | |
| - Equity | 384,492 | 340,704 |
| - Income Statement | 384,492 (+) | 340,704 (+) |
| Impact of a 1% (*) movement in interest rates on cash and investments: | | |
| - Equity | 3,845 | 3,407 |
| - Income Statement | 3,845 | 3,407 |

Notes:

(*) Sensitivity percentages based on management's expectation of future possible market movements.

Recent market volatility has seen large market movements for certain types of investments.

(+) Maximum impact.

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

35. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

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

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

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

| | 30-Jun-09 | 30-Jun-08 |
|---|------------------|------------------|
| Percentage of Rates and Annual Charges | | |
| - Current | 0.00% | 0.00% |
| - Overdue | 100.00% | 100.00% |
| Percentage of Other Receivables | | |
| - Current | 93.16% | 48.31% |
| - Overdue | 6.84% | 51.69% |

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

35. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables

Borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

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

| | Due within 1 year \$ | Due between 1 & 5 years \$ | Due after 5 years \$ | Total contractual cash flows \$ | Carrying values \$ |
|--------------------|---|---|---|--|-----------------------------------|
| <u>2009</u> | | | | | |
| Payables | 147,693 | | | 147,693 | |
| Borrowings | 0 | 973,176 | 953,984 | 1,927,160 | 1,339,035 |
| | <u>147,693</u> | <u>973,176</u> | <u>953,984</u> | <u>2,074,853</u> | <u>1,339,035</u> |
| <u>2008</u> | | | | | |
| Payables | 225,161 | | | 225,161 | |
| Borrowings | 19,037 | 96,852 | 876,324 | 992,213 | 786,365 |
| | <u>244,198</u> | <u>96,852</u> | <u>876,324</u> | <u>1,217,374</u> | <u>786,365</u> |

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

35. FINANCIAL RISK MANAGEMENT (Continued)

(c) Borrowings (Continued)

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

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

| | <u><1 year</u> | <u>>1<2 years</u> | <u>>2<3 years</u> | <u>>3<4 years</u> | <u>>4<5 years</u> | <u>>5 years</u> | <u>Total</u> | Weighted Average Effective Interest Rate |
|---|-------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------|--------------|---|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | % |
| <u>Year Ended 30 June 2009</u> | | | | | | | | |
| Borrowings | | | | | | | | |
| Fixed Rate | | | | | | | | |
| Debentures | 0 | 17,670 | 31,357 | 148,912 | 429,169 | 711,926 | 1,339,035 | 6.41% |
| Weighted Average Effective Interest Rate | 0.00% | 0.00% | 6.74% | 6.61% | 6.14% | 6.49% | | |
| <u>Year Ended 30 June 2008</u> | | | | | | | | |
| Borrowings | | | | | | | | |
| Fixed Rate | | | | | | | | |
| Debentures | 0 | 0 | 39,724 | 49,145 | 192,273 | 505,223 | 786,365 | 6.37% |
| Weighted Average Effective Interest Rate | 0.00% | 0.00% | 7.64% | 6.74% | 6.61% | 6.14% | | |

SHIRE OF CORRIGIN

INDEPENDENT AUDIT REPORT

TO THE ELECTORS OF THE SHIRE OF CORRIGIN

SCOPE

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

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

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

AUDIT OPINION

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

STATUTORY COMPLIANCE

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

Gregory Froomes Wyllie
Certified Practising Accountants



Greg Wyllie CPA
Partner

PERTH WA

7 October 2009

SHIRE STATISTICS

| | |
|-------------------------|--|
| Area of Shire | 3,095km ² |
| Distance from Perth | 234km |
| Shire Revenue | \$7.99 million |
| Population | 1,257 |
| No. of Rate Assessments | 854 |
| No. of Dwellings | 632 |
| Length of Roads | sealed 405km, unsealed 767km |
| Localities in Area | Corrigin, Bullaring, Bulyee, Bilbarin |
| Local Industry | Farming (wheat, sheep etc) steel fabrication Machinery Dealers and manufacturers, flour mill |
| Library | 2,800 books (in conjunction with the State Library located at the Post Office in Walton St. |
| Education | Pre-primary, Primary and District High School |
| Health Care | Multi Purpose District Hospital with permanent care, Resident Doctor and Surgery, Visiting - Dentist, Physiotherapist, Optometrist, Podiatrist Occupational Therapists, Naturopath, full time Pharmacy, Child Health Clinic |
| Recreational & Leisure | Most sporting and recreational activities are available including football, cricket, hockey, netball, basketball, tennis, 18 hole golf course, lawn bowls, squash, swimming, pistol/rifle shooting and darts. At the sporting precinct, there is a 6ha fully reticulated grassed area, including football oval and separate hockey oval with WAFL standard lighting on the football oval. There are also 4 netball courts and 2 basketball courts with lighting. A 50m swimming pool with toddler's pool is also located next to the sporting precinct. |
| Utilities | Western Power (240v AC), Water Corporation (scheme water and sewerage) Bottled gas (supplied locally) Waste – rubbish tip with contracted removal service Recycling receptacles supplied to each household |
| Plant & Machinery | 2 Caterpillar Graders, 1 Volvo Grader, 1 Galion Grader, 3 Volvo Loaders 1 Caterpillar Skid Steer Loader, 2 Mitsubishi Trucks, 3 Mack Prime Movers and Side Tippers, 1 Low Loader, 2 Hino Truck, 3 Isuzu Trucks, 1 Isuzu Cement Truck, 1 Cat Backhoe, 1 Cat D4 Dozer, 2 Moore Self-propelled Rollers, 1 Pannell Vibrating Roller, 1 Cat Vibratory Roller, 2 Cat Multi Tyred Rollers, 1 Cat Forklift, 1 Tennant Road Sweeper, 1 Squirrel Cherrypicker, 1 Mitsubishi Community Bus, 1 Road Broom, 1 John Deere Tractor, 1 Fastrac Tractor, 1 Mobile Fuel Tanker, 1 Dolly Trailer, 3 Administration Vehicles, 5 Utilities, 1 gravel screening plant, 1 Turf Sweeper, 1 Rotary Hoe, 1 Vertimower, 1 Promac Stump Muncher & 1 Promac Woodchipper, and Cement Batching Plant. |

YOUR COUNCIL 2009/10

Council consists of 9 Councillors who are elected to make the policy decisions of the Shire, and the Staff who are responsible for ensuring that those policies are carried out.

The Councillors at present are as follows;



President
Lyn Baker
Term Expires 2011
Phone 9063 2004



Deputy President
Graeme Downing
Term Expires 2013
Phone 9063 2112



Councillor
Gary Bushell
Term Expires 2013
Phone 9063 2302



Councillor
Greg Johnson
Term Expires 2011
Phone 9063 2065



Councillor
Matt Szczecinski
Term Expires 2011
Phone 9063 2125



Councillor
Jackie Bowles
Term Expires 2011
Phone 9063 2121



Councillor
David Bolt
Term Expires 2013
Phone 9063 2297



Councillor
Norm Talbot
Term Expires 2011
Phone 9063 2232



Councillor
Des Hickey
Term Expires 2013
Phone 9063 2455

It is important to be aware that there are elected representatives to help sort out any problems that members of the community may have. Before sending a letter to Council, it is suggested that contact is made with a Councillor to discuss the problem. They will advise on whether the matter should be placed before Council, or dealt with by the CEO.

COUNCIL ELECTIONS

Council elections are held every 2 years on the third Saturday in October. The next election is due to be held on the third Saturday in October 2011.

Elections are held using the proportional preferential voting system. Council has the option of conducting elections by postal vote in which all persons entitled to vote at an election will be sent a ballot paper; this means that it is not necessary to attend a voting place on the day of an election. The State Electoral Commissioner instead of Council would handle the postal voting. Council has always decided in the past to conduct an in-person election with the Chief Executive Officer as the Returning Officer.

Any person who is entitled to vote in the State Elections is eligible to vote in Local Government Elections.

Three electoral rolls are prepared each election year by Council staff. These are:-

RESIDENTS ROLL – this roll is based on enrolments as an elector for the Legislative Assembly (the Lower House in the State Government). The State Electoral Officer supplies the information for this roll. Listing on this roll is automatic once you are enrolled on the State Roll.

OWNERS AND OCCUPIERS ROLL – to be eligible for this roll, you must have:-

- a) attained the age of 18 years
- b) be an Australian Citizen, and
- c) be the owner or occupier of rateable property in the district in which you seek registration

Enrolment on this roll is not automatic. If you are not on the State Electoral Roll for Corrigin Shire and you wish to vote in the next Local Government elections, you will need to go to the Shire Officer prior to the advertised close of rolls. The Shire has a standard form that is required to be filled in prior to inserting your name on the Owners and Occupiers Roll.

CONSOLIDATED ROLL – this roll is a combination of the Residents Roll and the Owners and Occupiers Roll, and is the roll used in a Council election.

Each elector is entitled to one vote in the district. It is your responsibility to ensure that you are correctly enrolled. If you are unsure whether or not you are registered on the roll or if you believe that the information on the roll may be incorrect, please contact the office.

DOG CONTROL

Dogs are one of the most popular domestic animals in Australia. Their loyalty and affection mean a lot to many people, particularly children and the elderly.

Unfortunately, not everyone is aware of the law that applies to the keeping of dogs. While no one expects that every dog owner should know every word of the Dog Act, if you have a dog or are thinking of getting one, you should at least be aware of the main requirements of the Act. Council employs a Ranger to enforce the provisions of the Dog Act.

Dog Registrations

A dog owner is legally required to register their dog with the Shire if the dog is more than three months old. All registrations are due on the 1st November each year and your dog can be registered for one or three years. It is an offence not to register your dog and you can be given a \$100 on-the-spot fine.

| Fees | Sterilised | Unsterilised | Pensioner Discount |
|------------------------------|------------|--------------|--------------------|
| 1 year | \$10 | \$30 | 50% |
| 3 years | \$18 | \$75 | 50% |
| Working/Sheep Dogs – 1 year | \$2.50 | \$7.50 | |
| Working/Sheep Dogs – 3 years | \$4.50 | \$18.75 | |

These fees are halved if registering after the 31st May.

If your dog is already registered with the Shire of Corrigin, renewals will be forwarded at the beginning of October every year. If your dog is registered with a different local authority, you may renew the registration upon expiry at the office.



Dog Pound

If your dog has been captured and is being kept in the Pound you will be required to pay a \$50 fee before your dog will be released to you. Additionally, if it is found that your dog is not registered you will also be required to pay the registration fee applicable and may be liable for a fine.

Owners Responsibility

1. It is your responsibility to ensure that your property is adequately fenced and capable of containing your dog. It is also necessary to have your dog on a leash at all times other than when it is in your yard. The leash must be strong and no longer than two metres long.
2. You must keep your dog from barking unreasonably. All dogs bark, but some make life very unpleasant for neighbours. If complaints are made about continuous barking by your dog, you may be liable for a court fine of up to \$2,000.
3. If your dog attacks and injures someone, you may be liable for damages. A dog attack includes a dog aggressively rushing at or attempting to attack a person or another animal. This applies to birds and animals as well as humans and the maximum fine is \$10,000. You will be held responsible even if you are not there at the time.

Council and authorised officers are able to declare a dog dangerous. A dog can be declared dangerous when the dog has displayed aggressive symptoms such as biting, chasing, harassing or threatening behaviour. A declared dangerous dog is to be muzzled at all times when in public areas. Council is also able to impose other measures such as containment by fencing so as to render the dog harmless to other people. The destruction of a dog involved in a dog attack may be necessary in serious cases. The owner or person in charge of a dog is now liable for the actions of their dog.

LICENSING SERVICES

The Shire continues to be contracted to the Department of Transport to provide on-line access to the Departments computer records in Perth that allows staff to immediately process all licensing requirements, including:-

- Vehicle registrations and renewals
- Vehicle transfers
- Vehicle Inspections
- Change of Number Plates
- Ordering personalized number plates
- Motor Drivers Licence applications (GDT&L) and tests, including Hazard Perception Tests
- Motor Drivers Licence renewals – including photographic MDL
- Additional Classes for MDL
- Firearms Licence renewals & photographs
- Boat Registration Renewals and transfers
- Change of addresses

Licensing functions are performed Monday to Friday, 8:30am to 4:30pm.

Council receives approximately \$38,000 in commissions for all licensing functions performed, so we urge you to send your renewals in to the Shire Office.

TransWA BUS/TRAIN TICKETS

Council acts as an agent for TransWA (formerly Westrail) and provides a ticketing service for all bus and train services provided by WAGRC in Western Australia. A ticket can be booked by phoning direct on 1300 66 22 05 and coming into the office to make payment, or alternatively coming into the office to book and pay for your ticket at the one time.

LIBRARY

For a number of years the Corrigin Post Office, currently owned by Matt and Vicki Szczecinski, has been the location for the Public Library Service. Matt & Vicki are able to help you with any requirements that you may have in relation to book or tape lending. The library is open during the hours of 9am to 5pm weekdays.

GARDEN REFUSE

Garden refuse may be burnt at any time; day or night, in a properly constructed incinerator designed to prevent the escape of sparks or burning material, provided it is situated not less than 2 metres from any building or fence and the area of 2 metres surrounding the incinerator is clear of inflammable material.

Garden refuse and refuse on the ground may only be burnt between the hours of 6pm and 11pm and the fire must be completely extinguished by not later than midnight on that day. An area of 5 metres must be cleared all around the site of the fire and a person must remain in attendance at the site during the whole time that the fire is burning.

BUSH FIRE CONTROL

Restricted and Prohibited Burning Periods

RESTRICTED – 19th September to 31st October

PROHIBITED – 1st November to 1st March

RESTRICTED – 2nd March to 15th April

Restricted and Prohibited Burning Periods may be extended at the discretion of the Council, and/or Chief Bush Fire Control Officer. Please check with your Fire Control Officer to ascertain whether a Fire Permit is required before burning.

No fires may be lit during the restricted burning periods without first obtaining a burning permit from a fire control officer. Burning during the prohibited period may only be carried out for the protection of buildings and haystacks and for the burning of proclaimed plants, and a permit for these burns is required.

FIRE CONTROL OFFICERS

CHIEF BUSH FIRE CONTROL OFFICER:

Wes Baker

DEPUTY CHIEF BUSH FIRE CONTROL OFFICER:

Greg Evans

BILBARIN BRIGADE

| | | | | |
|--------------|-----------------------------|--------------|---------------|--------------|
| Sadow Jacobs | P O Box 37, Corrigin 6375 | 9065 2042 Ph | 9065 2010 Fax | 0427 652 042 |
| David Bolt | P O Box 8, Corrigin 6375 | 9063 2397 Ph | 9063 2597 Fax | 0427 092 459 |
| Bruce Mills | "Yeltrah-Mia" Corrigin 6375 | 9062 9012 Ph | 9062 9040 Fax | 0428 956 779 |
| Steven Bolt | P O Box 226, Corrigin 6375 | 9065 2043 Ph | 9065 2043 Fax | 0427 652 043 |

BULLARING BRIGADE

| | | | | |
|--------------------|---------------------------------|--------------|---------------|--------------|
| Andrew Szczecinski | P O Box 124, Corrigin 6375 | 9065 7014 Ph | 9065 7017 Fax | 0429 657 014 |
| Trevor Elsegood | P O Box 40, Yealering 6372 | 9065 7059 Ph | 9065 7039 Fax | |
| Greg Evans | C/- Post Office, Bullaring 6373 | 9065 7021 Ph | 9065 7075 Fax | 0429 657 021 |
| Greg Doyle | P O Box 109, Corrigin 6373 | 9880 9048 Ph | 9880 9008 Fax | 0427 809 044 |
| Craig Jespersen | P O Box 18, Yearlering 6373 | 9888 7075 Ph | 9888 7175 Fax | 0427 887 075 |
| Charlie Bell | 1564 RPF Road, Bullaring 6373 | 9065 7052 Ph | 9065 7097 Fax | 0409 657 044 |

BULYEE BRIGADE

| | | | | |
|--------------|---------------------------|--------------|---------------|--------------|
| Wes Baker | P O Box 39, Corrigin 6375 | 9065 8034 Ph | 9065 8022 Fax | 0427 658 034 |
| Ray Hathaway | P O Box 90, Corrigin 6375 | 9642 7045 Ph | 9642 7013 Fax | |
| Clive Turner | P O Box 55, Corrigin | 9065 8024 Ph | | 0427 788 992 |

CORRIGIN EAST BRIGADE

| | | | | |
|---------------|---------------------------------|--------------|---------------|--------------|
| Phil Pontifex | 3 Large Crescent, Corrigin 6375 | 9063 2250 Ph | 9063 2665 Fax | |
| Tim George | P O Box 253, Corrigin 6375 | 9065 5045 Ph | 9065 5046 Fax | 0427 655 045 |

CENTRAL BRIGADE

| | | | | |
|---------------|----------------------------|--------------|---------------|--------------|
| Don Stevens | P O Box 97, Corrigin 6375 | 9063 2286 Ph | 9063 2568 Fax | 0428 928 038 |
| Julian Murphy | P O Box 221, Corrigin 6375 | 9063 2203 Ph | 9063 2005 Fax | 0427 425 727 |
| Adam Rendell | P O Box 200, Corrigin 6375 | 9063 2291 Ph | 9063 2281 Fax | 0427 632 291 |
| Allen Price | PO Box 160, Corrigin 6375 | 9063 2345 Ph | 9063 2418 Fax | 0429 632 343 |

GORGE ROCK BRIGADE

| | | | | |
|----------------|---------------------------|--------------|---------------|--------------|
| Bryce Nicholls | P O Box 71, Corrigin 6375 | 9063 7014 Ph | 9063 7031 Fax | 0429 883 799 |
| Bruce Talbot | P O Box 75, Corrigin 6375 | 9063 2132 Ph | | 0427 632 224 |

KUNJIN BRIGADE

| | | | | |
|---------------|----------------------------|--------------|---------------|--------------|
| Tony Guinness | P O Box 98, Corrigin 6375 | 9065 7079 Ph | 9065 7008 Fax | 0429 657 079 |
| John Hewett | P O Box 239, Corrigin 6375 | 9063 2480 Ph | 9063 2647 Fax | 0427 632 480 |

DUAL FIRE CONTROL OFFICERS

| | |
|------------------|---|
| Quairading Shire | Bruce Mills & Ray Hathaway |
| Wickepin Shire | Craig Jespersen, Trevor Elsegood & Greg Doyle |
| Narembeen Shire | Phil Pontifex & Tim George |
| Kondinin Shire | Norm Talbot & Bryce Nicholls |
| Kulin Shire | Greg Doyle & Bryce Nicholls |
| Pingelly Shire | Greg Evans & Wes Baker |
| Brookton Shire | Ray Hathaway & Wes Baker |
| Bruce Rock | Sandow Jacobs & Tim George |

FIREBREAK ORDER

Notice to all Owners and or Occupiers of land in the Shire of Corrigin

Pursuant to the powers contained in section 33 of the above Act, you are hereby required on or before 31 October or 14 days after becoming the owner if fire breaks are not installed so far as rural land is concerned, to remove from the land owned or occupied by you, all inflammable material or to clear firebreaks in accordance with the following, and thereafter, maintain the land or the firebreaks clear of all inflammable material up to and including the 15th day of April.

1. Rural Land (ie land other than that in a townsite)
 - 1.1 Firebreaks of not less than 2.44 metres (8 feet) in width must be constructed along and within 20 metres of all external boundaries of the property owned or occupied by you. If any portion of the land adjoins a public road or railway line, a firebreak must also be constructed along that boundary.
 - 1.2 Property in excess of 250 hectares shall have fire breaks positioned as necessary to divide land into areas not exceeding 250 hectares each completely surrounded by a firebreak.
 - 1.3 Clear and maintain firebreaks at least 2.44 metres (8 feet) wide within 20 metres of the perimeter of any building or group of buildings, fuel tanks or haystack, in such a manner as to fully encircle the structure/s.
 - 1.4 During any period when harvesting operations are being conducted, there shall be provided an operational mobile firefighting unit with a minimum capacity of 500 litres of water located in or immediately adjacent to the paddock being harvested. The responsibility to supply the unit is that of the landowner/occupier.
2. Townsite Land (ie land in any Townsite)
 - 2.1 Where the area of the land is 0.2 hectares (one half of one acre) or less, you shall clear all inflammable material on the land from the whole of the land.
 - 2.2 Where the area of the land exceeds 0.2 hectares (one half of one acre), you shall clear of all inflammable material, firebreaks not less than 2.44 metres (8 feet) wide immediately inside all external boundaries of the land, and also immediately surrounding all buildings, haystacks and fuel ramps situated on the land, and also immediately surrounding any drums or drums situated on the land which are normally used for the storage of fuel, whether they contain fuel or not.

If it is considered impractical for any reason to clear firebreaks or clear inflammable material as required by this notice, you may apply to the Council or its duly authorised Officer, not later than 1 October so far as rural land is concerned and not later than 15 October so far as townsite land is concerned, for permission to provide firebreaks in an alternative position on the land.

If permission is not granted by the Council or its authorised Officer, you shall comply with the requirements of this notice. The penalty for failing to comply with this notice is a maximum fine of \$5000, and a person in default is liable whether prosecuted or not to pay the cost of performing the work directed on this notice if it is not carried out by the Owner or Occupier by the date required on this notice.

If the requirements of this notice are carried out by burning, such burning must be in accordance with the relevant provisions of the Bush Fires Act.

JUSTICES OF THE PEACE

| | |
|--------------------|-----------|
| Mr WT Baker | 9065 8034 |
| Mrs BE Swithenbank | 9063 2036 |
| Mr D Hickey | 9063 2455 |
| Mrs G McBeath | 9063 2320 |
| Hon HW Gayfer OAM | 9063 2063 |
| Mrs YR Matthews | 9063 2272 |
| Mrs GL Mooney | 9063 2372 |
| Mr AR Price | 9063 2345 |
| Mr WR Seimons | 9063 2751 |

STAFF

| | |
|--|---|
| Chief Executive Officer | Julian Murphy |
| Deputy Chief Executive Officer | Taryn Dayman |
| Executive Support Officer | Sarah Whitehouse |
| Administration/Rates Officer | Karen Rushton |
| Payroll Officer | Shannon Aldworth |
| Finance Officer | Karen Dickinson |
| Administration Trainee | Jay Ludzik |
| Community Development Officer | Heather Talbot |
| Natural Resource Management Officer | Sandy Turton |
| Resource Centre Coordinators | Heather Ives, Sally Murphy |
| Manager, Environmental Health & Building | Frank Buise |
| Ranger | George Ward |
| Swimming Pool Manager | Darren Teasdale |
| Cleaner | Kelly Robinson |
| Works Supervisor | Greg Tomlinson |
| Supervisor Building Services | Ben Hewett |
| Horticulturalist | Scott Chambers |
| Mechanic | Bob Ellis |
| Leading Hands | Nick Darke, Allan Johns |
| Plant Operators | Craig Fulwood, Frank Dickinson, Stan White, Peter Kirkwood, David Pratt, Tyrell Astbury, John McKenzie, Terry Barron, James Price, Susan Bailey |
| Rubbish Tip Attendant | John Reynolds |