



[2014 / 2015 ANNUAL REPORT]

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AVAILABLE IN LARGE PRINT UPON REQUEST





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COUNCILLORS



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Cr David Kent
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COUNCILLORS continued...



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STAFF AND REMUNERATION



TONY NOTTLE
Chief Executive Officer



IAN RENNIE
Deputy Chief Executive Officer



SCOTT CLAYTON
Executive Manager Corporate &
Community Services



GARRICK YANDLE
Executive Manager Infrastructure

SALARY RANGE	2015
\$90,000 - \$99,000	1
\$100,000 - \$109,999	2
\$110,000 - \$119,999	0
\$120,000 - \$129,999	0
\$130,000 - \$139,999	0
\$140,000 - \$149,999	0
\$150,000 - \$159,999	1
\$160,000 - \$169,999	0

Full time equivalent employees 45





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PRESIDENT'S REPORT

2014 / 2015

The 2014 / 2015 year has proven to be another year of delivering key projects on the ground. Large infrastructure projects including the Jurien Bay Visitor Information and Civic Centre (JBVICC) and the Mimegarra Road upgrade continue on from the previous year.



In May 2015, the Shire's largest ever infrastructure project, the JBVICC, was officially opened by the Minister for Regional Development, Lands the Hon Terry Redman MLA. The official opening was a testament to all of those involved over the past 3-4 years through the planning, community consultation and design phase of the SuperTowns Project for Jurien Bay. This facility has already created a central point for government and community services. Already we have seen an increase in visitors into the Turquoise Coast Visitors Centre.

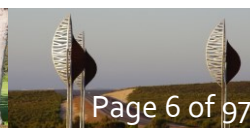
In addition to this project, the Jurien Bay Infill Sewer Project, also received additional funding of over \$1 million following successful application to the Southern Inland Initiatives program. This funding allowed the Shire to be able to provide the key sewerage infrastructure to the Jurien Bay District High School, Family Resource Centre, Shire offices, JBVICC, Police Station as well as residential properties along Batt and Hamersley and Whitfield Streets. This funding was made possible through various lobbying and application processes and is a great win for the Shire of Dandaragan. The sewer project will allow future development on this older area of town, allowing increased density over time.

Council has continued to rise to the challenge of providing quality community services without placing a burden on ratepayers financially. During the course of the year, Council has engaged with a commercial waste provider to consider receiving inert waste from the metropolitan area at the Badgingarra Refuse Site. This opportunity has the potential for the Council to be able to increase revenue without the need to place a further cost back onto our ratepayers. This will allow us to provide better services to the community.

It was a proud moment when the Council officially recognised one of our previous Shire President's in Mr Gary Snook by awarding him the title of "Honourary Freeman of the Shire." A fantastic event was held on the 5 February 2015 acknowledging Mr Snook's commitment and dedication for his community over a number of years.



Function for Mr Gary Snook, Honourary Freeman of the Shire of Dandaragan





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In closing, I would like to thank my fellow Councillors, and in particular my Deputy President, Cr Kaye McGlew, for their support and commitment to the Council and the community. I also would like to thank our Chief Executive Officer, Mr Tony Nottle, and the staff for their guidance and contribution to the Shire of Dandaragan. I commend the 2014 / 2015 Annual Report to you.

Cr Wayne Gibson
PRESIDENT



Young Citizen of the Year Award 2014 - Kaleb John-Furnace





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CHIEF EXECUTIVE OFFICER'S REPORT

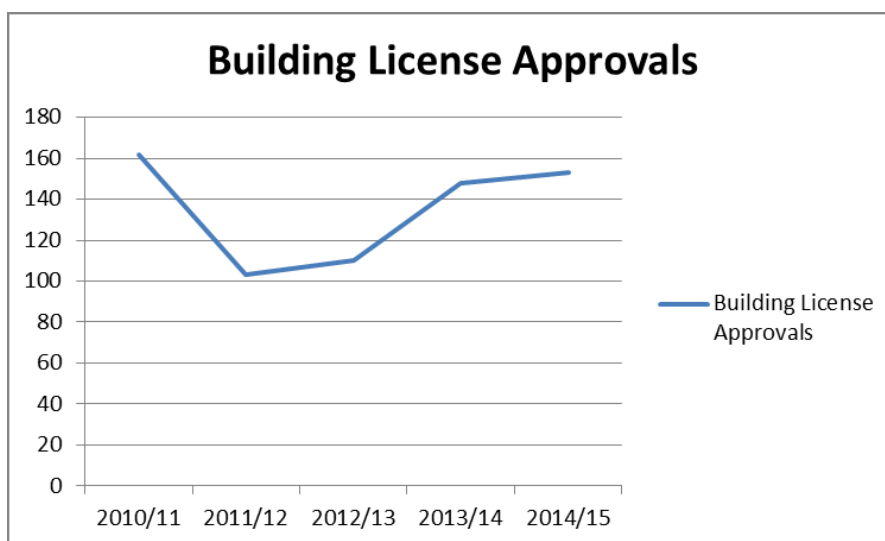
2014 / 2015

The past 12 months could be described as more of a consolidation year due to the fact that the Royalties for Regions funded Country Local Government Fund (CLGF) ceased and a number of projects requiring completion. This was evident in the Annual Budget that was adopted by Council in July 2014. As the President has highlighted, the Shire undertook its biggest infrastructure project ever, with the completion of the JBVICC and official opening in May 2015.



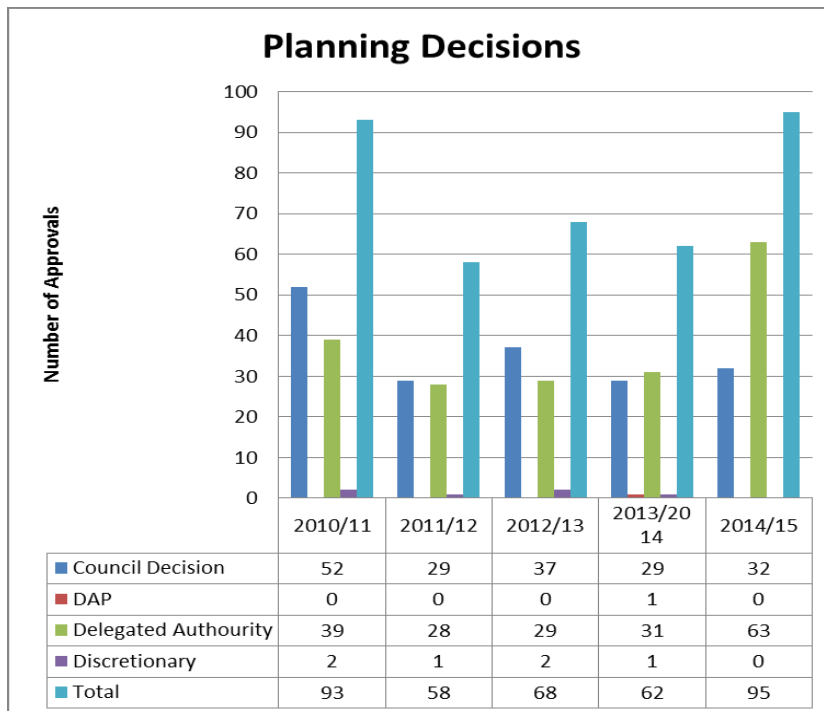
Official Opening of the Jurien Bay Visitors Information & Civic Centre

It is pleasing to see that building and development applications continue to increase, showing a confidence in the growth within the Shire of Dandaragan. Council has wisely chosen to expand its delegation powers to enable a quicker turnaround for both development applications and building license approvals. This year the Shire has issued 95 planning approvals compared with 62 in the previous year. The data is showing an upward trend for development and building within the Shire of Dandaragan.

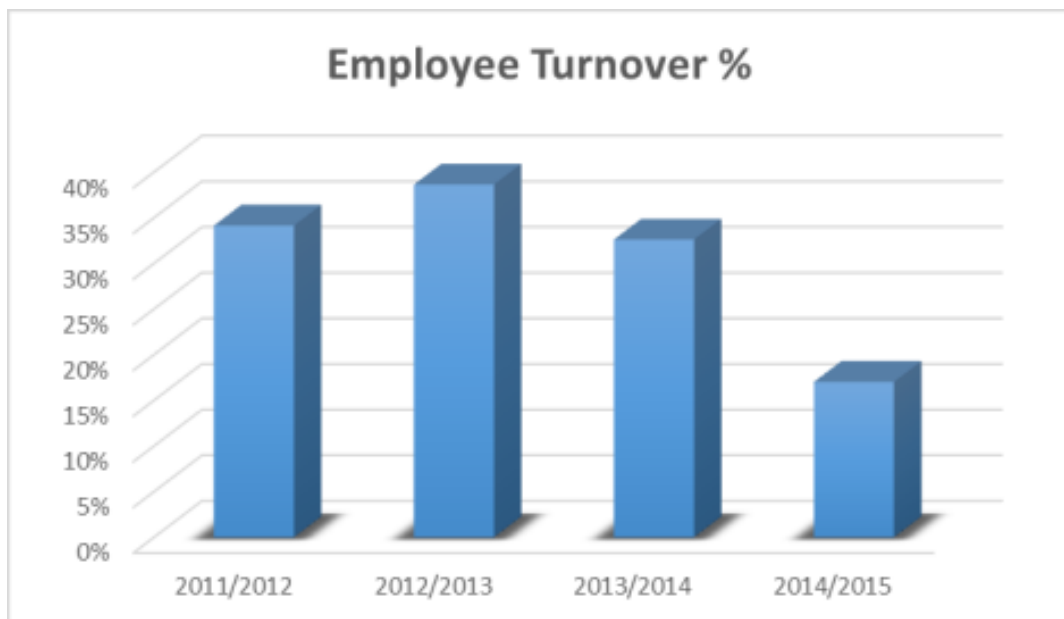




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Staffing



Our staffing has remained relatively stable in comparison with previous years. This is quite pleasing considering the increased workload with statutory changes and legislative requirements, as well as the increased level of infrastructure projects that have been taken on “in-house”.

As part of our Strategic Community Plan, Goal 5 (Build a proactive leading local



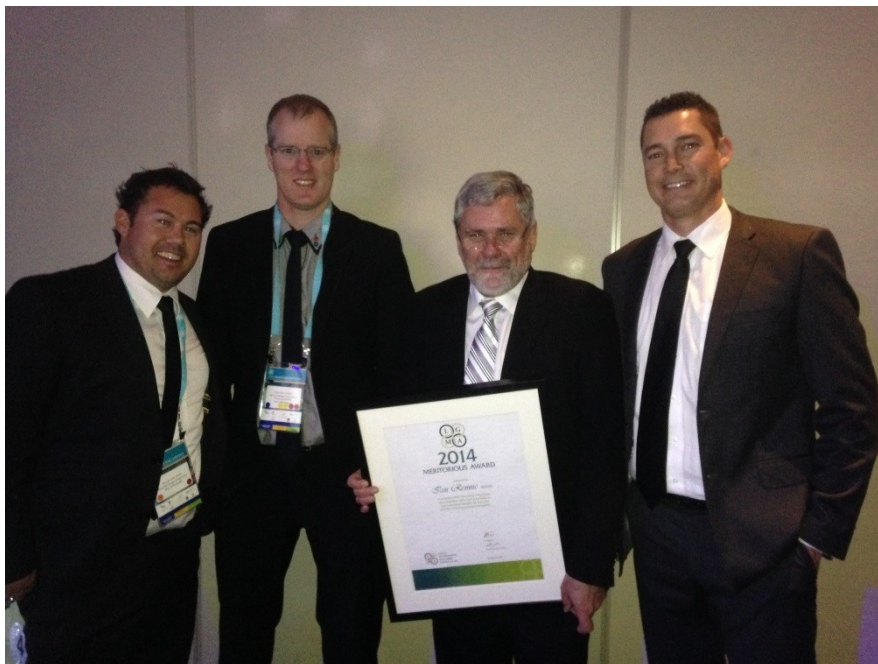


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government) has a key performance indicator of staff turnover rate. The past three years have showed an improvement in this area.

Our key divisions in the Shire have also remained stable with Ian Rennie (Deputy CEO / Development Services), Scott Clayton (Corporate and Community Services) and Garrick Yandle (Infrastructure) leading their areas with our key staff well.

In recognition of Ian Rennie's 32 years' of service to the Shire of Dandaragan and 43 years in total in local government, Ian was awarded the Meritorious Award at the 2014 LGMA Honours Awards evening held in October.



Ian Rennie with his Meritorious Award and the members of the Executive Management Team

Budget Initiatives

In setting the 2014 / 2015 budget, Council considered a number of initiatives to assist in the growth and development of the Shire. Some of these included:

- 100% discount for users of the Jurien Bay Airstrip (JBA)
- Free use of the JBVICC for educational purposes

These two initiatives alone provided a cost benefit of \$9,699.50 for free landings at the JBA which included both minor and major users, and \$1,111.36 in costs saved by the Jurien Bay District High School.

Tony Nottle
CHIEF EXECUTIVE OFFICER





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DEPUTY CHIEF EXECUTIVE OFFICER'S REPORT

2014 / 2015

The areas covered by this report include the following:

- Planning
- Building
- Environmental Health
- Emergency Services
- Ranger Services



There have been a number of staff who have carried out various duties within this section during the year as follows:

- Deputy Chief Executive Officer, Mr Ian Rennie
- Manager Planning, Mr David Chidlow
- Planning Officer, Mrs Barbara Macaulay
- Manager Building Services, Mr Will George
- Acting Manager Environmental Health, Mr Dennis Gillam
- Community Emergency Services Coordinator, Mr Matt Dadd
- Senior Ranger, Mr Terry Sims
- Ranger, Miss Kerrin Hansen
- Council Secretary / Personal Assistant, Mrs Denaye Yandle
- Development Services Administration Officer, Mrs Robyn Headland

The following is a brief summary of some of the projects undertaken and issues faced by this section.

BUILDING STATISTICS 2014 / 2015

SUMMARY BUILDING STATISTICS		
2014 / 2015		
Class 1 Residences	39	\$11,392,036
Outbuildings / Garages	58	\$1,401,954
Patio / Pergola / Carports	19	\$153,951
Swimming Pools	7	\$179,208
Additions	8	\$423,188
Office / Commercial Sheds etc	4	\$1,850,785
Fit-outs / Occupancy	1	\$3,000
Fences	5	\$77,429
Re-roof / Lean-to / Verandahs	11	\$98,995
Storage Sheds / Units / Temporary Camps	6	\$394,000
Communication Towers	3	\$450,000
Total	161	\$16,424,546





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JURIEN BAY CIVIC CENTRE / VISITORS CENTRE

The Shire was successful in obtaining grant funding from the SuperTowns initiative to construct a Civic Centre complex. This building is located immediately adjacent to the current Shire Administration building. The project included demolition of the old Department of Parks and Wildlife office, construction of a new multipurpose building including internal outfitting, car parking, amphitheatre and landscaping. The Civic Centre accommodates the Jurien Bay Visitors Centre, Community Resource Centre, Shire Library, Department of Parks and Wildlife and other government agencies. Grant funding of \$8,443,000 was received in the 2012 / 2013 financial year to carry out the project. Construction was completed in late 2014.



Jurien Bay Visitors Information & Civic Centre

DISABILITY SERVICES REPORT

Council continues to be conscious of the need of incorporating in any new facility and to modify existing facilities to allow access for the disabled. This is in accordance with the Shire of Dandaragan's 2012 - 2017 Disability Access and Inclusion Plan. The Plan has been reviewed by staff since its implementation and currently is not in need of any modification.

RECREATIONAL WATER SAMPLING

As part of the regular inspection regime on food premises and water sampling this year saw the continuation of the recreational water sampling program. This program involves the sampling of the ocean at the following locations:

1. Jurien Bay boat harbour beach at the Western and Eastern ends of the beach;
2. Dobbyn Park swimming beach;





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3. Cervantes jetty; and
4. Cervantes swimming beach.

Over 45 samples were submitted from November to March and the results were all returned in the positive with no notable contamination. This program is part of a state wide sampling regime sponsored by the Department of Health aimed at monitoring natural water bodies such as lakes, rivers, estuaries and of course the Indian Ocean. It is proposed to continue the sampling in the 2015 / 2016 financial year.

JURIEN BAY AIRSTRIP - PROPOSED HANGAR EXTENSION

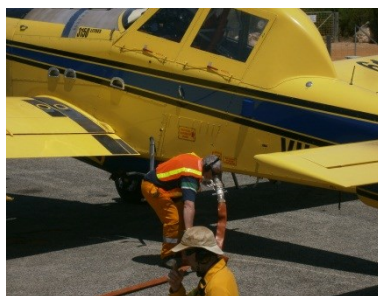
Council has received a number of enquiries from persons and organisations interested in leasing land at the Jurien Bay Airstrip for the establishment of hangar space. Council has received a grant from the Department of Transport's Regional Airport Development Scheme and works were undertaken in the 2014 / 2015 financial year in order to establish taxi ways for the eventual construction of new hangars.

EMERGENCY SERVICES

The 2014 / 2015 financial year has been another very busy year for the Volunteer Bushfire Brigades within the Shire of Dandaragan. Local brigades responded to 63 separate fires, a quick response from volunteers ensured that none of these fires turned into large scale fires, of no more than a few days. Local Volunteers also responded to requests for assistance with fires in the South West of the State, at Boddington, Waroona, Muchea and Northcliffe. Local Brigades also responded to fires within the Shires of Gingin, Coorow, Carnamah and Moora.

This financial year saw the delivery three new fire appliances provided for under the provisions of the Local Government Grants Scheme. Canover 2.4 Rural appliance along with two new Light Tankers, one for Dandaragan Volunteer Bushfire Brigade and one for Hill River Volunteer Bushfire Brigade. The Cervantes Volunteer Bushfire Brigade Light Tanker is due for replacement April 2016; this final addition will provide the Shire with an almost new fire fleet to help protect the community.

Bushfire Brigade Volunteers have really embraced fire training provided by Department of Fire and Emergency Services, with a strong contingent attending a wide range of strategic training to better assist their brigades and support the Shire of Dandaragan.



Photos of the annual Water Bomber Reloader Training





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LANCELIN DEFENCE TRAINING AREA

Council continues to pursue the Department of Defence in order to construct firebreaks on land under their control. At this stage, Councils efforts have not been successful however this matter will be continued to be pursued.

TURQUOISE COAST REGIONAL AIRPORT STUDY

Council had been working with a consultant in order to prepare the Turquoise Coast Regional Airport Study. After a lengthy period of time, the document was finally adopted by Council in September 2014. This study looked at several sites for the possible long term development of the Regional Airport.

MAJOR PLANNING APPROVALS

During the 2014 / 2015 Financial Year, Council approved or reapproved a number of major Development Applications including the following:

- Wind Prospect for the Waddi and Yandan Windfarms
- Telstra for a mobile telephone tower on Canover Road
- Iluka Resources for mining camps
- APA for the Badgingarra Windfarm
- AAA Egg Company for the establishment of a Free Range Poultry Farm for the production of eggs
- Camilk Australia Pty Ltd for the establishment of a Camel Dairy Farm
- Emu Downs Photo-Voltaic Solar Power Generating Facility – to APA for the renewal of Planning Approval for a 20 megawatt Photo-Voltaic Solar Power Generating Facility



Visit to the carrot farm in November 2014

COASTAL HAZARD RISK MANAGEMENT AND ADAPTION PLANNING

The project undertaken aims to assist the Shires of Gingin and Dandaragan to develop risk





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mitigation strategies for coastal settlements that are or are predicted to become under pressure from coastal development and change associated with coastal erosion and inundation and integrated these strategies into relevant planning instruments.

Subsequently, each Shire held community information sessions to raise community awareness about the Gingin Dandaragan Coastal Hazard Risk Management and Adaption Planning Project. Progress on the finalisation of the report continues and it is expected to be completed in the 2015 / 2016 financial year.

HONORARY FREEMAN - GARY SNOOK

The Dandaragan Shire Council unanimously resolved to bestow the title of Honorary Freeman of the Shire of Dandaragan to Mr Gary Snook.

Gary was a Councillor for 24 years and President for 17 years. He has been heavily involved in the development of Jurien Bay and the Shire of Dandaragan, and with numerous local organisations. A formal presentation was held in Jurien Bay in February 2015 to Honour Gary.

WEDGE AND GREY SQUATTING SETTLEMENTS

A proposal by the Department of Parks and Wildlife for the future redevelopment of the squatting settlements at Wedge and Grey was considered by Council. Council reiterated its long held stance that it does not favour any redevelopment occurring at these sites and that in fact the squatting settlements and shacks should be removed.

LOCAL PLANNING SCHEME NO 7, AMENDMENT NO 21

Following the calling of submissions in regard to this Scheme Amendment to re-zone Lot 62 Roberts Street Jurien Bay, Council adopted the amendment for final approval and had requested the Hon. Minister for Planning grant formal approval for this Amendment.

LOCAL PLANNING SCHEME NO 7, AMENDMENT NO 24

Following the submission period in regard to Scheme Amendment No 24, Council considered the submissions received and resolved to adopt the Amendment in order to re-zone Lot 480 Hasting Street from "Tourist" to "Residential R40" and to seek the Final Approval from the Hon. Minister for Planning.

LOCAL PLANNING SCHEME NO 7, AMENDMENT NO 25

Following the public consultation in regard to Scheme Amendment No 25 which established a Special Control Area surrounding the Jurien Bay Waste Water Treatment Plant, Council considered the submissions and resolved to adopt the Amendment and to request Final Approval from the Hon. Minister for Planning.





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LOCAL PLANNING SCHEME NO 7, AMENDMENT NO 26

Following the advertising period for Scheme Amendment No 26 which re-zones portion of Ardross Estates land from “Residential R12.5” to “Residential R.40”, Council considered the submissions received and resolved to adopt the Scheme Amendment and to seek the Approval the Hon. Minister for Planning.

MARINE FIELDS LOCAL STRUCTURE PLAN

Council adopted the draft Marine Fields Local Structure Plan and resolved to advertise the plan in September 2014 and following the advertising period adopted the Structure Plan in February 2015 and resolved to seek the approval of the Western Australian Planning Commission.

Ian Rennie
DEPUTY CHIEF EXECUTIVE OFFICER



Citizen of the Year Winner 2014 - Marlene Neethling





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EXECUTIVE MANAGER INFRASTRUCTURE'S REPORT

2014 / 2015

The Infrastructure Department is responsible for all operational staff, with crews based in Jurien Bay and Dandaragan being responsible for the maintenance and development of the Shire's roads, footpaths, storm water infrastructure, parks and gardens, sporting fields, and the four landfill sites.



GENERAL WORKS

Crews have been busy throughout the year carrying out regular maintenance of the Shire's Infrastructure assets.

The Jurien Bay Crew is responsible for all aspects associated with Parks and Gardens within each of the four Shire towns, as well as the urban streets. This includes maintenance of the foreshore areas and swales within Beachridge.

The Dandaragan Crew is responsible for all aspects associated with road maintenance including maintenance grading, roadside spraying and slashing, culvert cleaning, pavement repairs. The crew operates two maintenance graders and a road patrol truck which manage road maintenance across gravel roads, sealed roads and town streets within the Shire.

Where necessary the crews share equipment and resources. Where required the Shire also uses local Contractors from our Tender Panel to undertake tasks surplus to our resources or requiring a specific skillset.

PERSONNEL

The 2014 / 2015 financial year saw a consolidation of the recent management position changes within the Infrastructure Department. The management positions remained as follows:

- Executive Manager Infrastructure – Garrick Yandle (commenced March 2014)
- Jurien Bay Operations Supervisor (Parks and Gardens) – Troy Wright (commenced December 2013)
- Dandaragan Operations Supervisor (Works) – Paul Woolstencroft (commenced January 2014)
- Engineering Technical Officer – James Morrison (commenced July 2014)
- Reticulation Fitter – Geoff Beale (commenced September 2013)
- Leading Hand (Parks and Gardens) – Shaun Lyons (commenced in this role November 2014)
- Leading Hand (Final Trim Grader Driver) – William Sturges

The Infrastructure team also continues to manage the four landfill facilities within the Shire through a combination of staff and local Contractors.





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As part of our continuing commitment to staff training and development, the Infrastructure staff undertook a number of training courses. These included:

- Traffic management
- Chainsaw handling
- Chemical handling
- Snake handling

The 2014 / 2015 financial year saw the second year of the two trainee positions within the Infrastructure team. This included a trainee based out of each depot, with one focused on Horticulture and the other focused on Civil Construction. Both of these positions were nominally for a period of 2 years.

Haydn MacKail successfully completed his Certificate II in Horticulture in January 2015. He has now progressed onto a Certificate III in Horticulture, which will entail a further 2 years.

David Sims-Lynch continued his Certificate III in Civil Construction. This will be reviewed in October 2015.

CAPITAL WORKS PROJECTS

Jurien Bay Sewerage Stage 1

The Jurien Bay Sewerage Stage 1 project detailed design was completed in early 2014 and approved by Water Corporation for construction. In late 2014 the project was advertised for Tender, however initial Tenders exceeded available funding and budget. Further funding was successfully sought through the Royalties for Regions Southern Initiative Scheme taking the total funding for the project to approximately \$5,618,901, which is exclusive of GST. The sources of this funding can be summarised as follows:

FUNDING		COMMENTS
SuperTowns	\$ 3,694,850	Secured
Shire	\$ 300,000	Supertowns interest
WC DCWA PS 7 Diversion	\$ 220,000	Estimate from WC
WC DN300 Sewer 600m	\$ 342,000	Estimate from WC
RFR Grant	\$ 1,062,051	Confirmed February 2015
REVISED TOTAL FUNDING	\$ 5,618,901	Revised Project Budget

Tenders for the project were called for a second time in March 2015 and awarded in April 2015. Construction commenced in June 2015 with completion expected in December 2015.

Stage 1 of the project consists of a new Pump Station and Pressure Main and well as Infill Sewer. This will service areas east of Bashford Street including:

- Civic precinct
- Jurien Bay Police Station
- Jurien Bay District High School





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- Health precinct
- Residential areas in Hamersley, Whitfield, Batt and Bayliss Streets.



Sewer Project under construction

Bashford Street Upgrade

The Concept Design for a potential future Bashford Street Upgrade was completed by Cardno in February 2014 and presented Council. The design was reviewed by the Infrastructure team, with Council feedback presented to the consultant. The Concept design was revised and was presented to Community Workshop in February 2015. The Concept Design was endorsed by Council in March 2015. Infrastructure staff have continued to work with Cardno regarding detailed design, which is expected to be completed early 2016.

Currently the Shire does not have any funding for the whole construction works of the project, potential funding sources will be pursued as the design progresses. Completing the detailed design will provide greater opportunities for funding the project.

Small components of the project have been budgeted for in the 2015 / 2016 budget and are expected to be completed in the next financial year, these include:

- Dual Use Path from Dryandra Boulevard to Lesueur Drive
- Dual Use Path from Lindsay Street to Cook Street
- Dual Use Path from Whitfield Road to Nineteenth Avenue





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Jurien Bay Entry Statement

Submissions were sought from the public for the design of new entry statements for the township of Jurien Bay. Submissions were received in December 2014 and advertised for public comment during January 2015. The submissions were presented to Community Workshop in February 2015. The preferred design submission provided by ICAN was endorsed by Council in March 2015. Infrastructure staff have continued to work with ICAN regarding detailed design and costs. Construction is expected to be completed early 2016.

Dandaragan Road

Road works included widening to 7m with a full reconstruction and two coat seal were completed from SLK 49.2 to SLK 51.20 along Dandaragan Road. New culvert pipes and headwalls, plus white lining were also completed in this project.

The Blackspot funded project was also completed at the southern intersection of Dandaragan Road and Rowes Road. This included the inclusion of an accelerating lane for left turning vehicles from Rowes Road and widening of Dandaragan Road to allow room for right turning vehicles into Rowes Road.

Mimegarra Road

Construction of the Meadows Road section took place in late 2014. This included pavement preparation with 150mm of gravel road base being imported and prepared along the 12km section, with the two coat seal being undertaken in December 2014.

Works on the Mimegarra Road section area expected to take place over the course of 2015 with sealing to be completed prior to Christmas 2015.

Works were completed by Shire staff with a combination of local subcontractors for specific components of the project. Subcontracted works

The Shire continues to liaise with Iluka regarding their planned works at the Brand Highway end of Mimegarra Road.

Casuarina Crescent

The pavement of Casuarina Crescent was upgraded from Hastings Street to Seaward Drive. Works included drainage upgrades, new road base and new asphalt. This project was funded through *Roads to Recovery*.

Gravel Re-sheets

Re-sheets on the following gravel roads were carried out:

- Agaton Road SLK 0.0 to SLK 4.0
- Cantabilling Road SLK 10.24 to SLK 14.24
- Marchagee Track SLK 0.0 to SLK 4.0
- Moochamulla Road SLK 4.6 to SLK 9.9
- Mungedar Road SLK 0.0 to SLK 4.1





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- Sandy Cape Road SLK 4.0 to SLK 5.0

Badgingarra Drainage

Three drainage upgrade projects were undertaken within the townsite of Badgingarra. These included:

- Meagher Drive verge improvements in front of the local Landmark business
- Badgingarra Community Centre western car park
- Badgingarra Community Centre eastern entrance and tennis courts

PARKS & GARDENS

Dandaragan Oval

The western half of the Dandaragan Oval was successfully re-turfed in November 2014. The challenge now is to find a method for stopping the white cockatoos from destroying the newly laid turf.

Jurien Bay Foreshore Redevelopment

Planning continued for redevelopment of the Jurien Bay Foreshore from Roberts Street to Cook Street. A Business Case was refined with initial concepts developed. Funding was obtained from *Royalties for Regions Country Local Government Fund 2012-13 – Regional Group – Financial Assistance Agreement – Coastal – Coral Coast – Experience Perth Tourism Development Infrastructure*. A design brief was developed.

The Concept Design for Jurien Bay Foreshore Redevelopment was completed by Cardno in January 2015 and presented Council. The design was reviewed by the Infrastructure team, with Council feedback presented to the consultant. The Concept design was revised and was presented to Community Workshop in February 2015. The Concept Design was endorsed by Council in March 2015. Infrastructure staff have continued to work with Cardno regarding detailed design. Construction is expected to commence in April 2016.



Turning of the SOD for the Jurien Bay Foreshore Redevelopment





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Fertigation System Installation

Throughout the year the Infrastructure team investigated a number of ways to improve turf management through the various parks and ovals of the Shire. The first stage of this was the installation of fertigation systems at three ovals throughout the Shire which will enable the application of liquid fertiliser through the irrigation system. These systems were installed at:

- Cervantes Oval
- Dandaragan Oval
- Jurien Bay Oval
- Mobile unit for various parks

The Jurien Bay and Cervantes Ovals were also “cored” as part of the ongoing turf management program. The Infrastructure team intends to undertake a significant “verti-mowing” program in 2015 / 2016 as the next stage of the turf management process.

Other minor projects included:

- Replacement of tree planter boxes with asphalt within Beachridge
- Fencing of tanks at Dandaragan, Cervantes and Badgingarra Ovals
- Replacement of fence at Dandaragan Cemetery
- Stage replacement of sections of Turquoise Way
- Replacement of beach showers at Jurien Bay Jetty and Dobbyn Park
- Installation of CCTV at Jurien Bay Jetty Car Park
- Construction of new hangar area at Jurien Bay Airstrip

PLANT AND EQUIPMENT

In 2013 / 2014 the Shire replaced or bought the following items of Plant and Equipment:

- Deputy Chief Executive Officer vehicle changeover
 - 1 x Toyota Prado Wagon
 - Previous vehicle Holden Caprice became Club Development Officer vehicle
- 5 x new Holden Colorado Utilities replaced existing vehicles for the following positions
 - Jurien Bay Operations Supervisor
 - Dandaragan Operations Supervisor
 - Jurien Bay Reticulation Fitter
 - 2 x Jurien Bay Rangers
- 2 x Iveco Prime Movers replaced existing vehicles
- 2 x Side Tippers replaced existing plant
- 1 x Toro ride on mower replaced with new machine

ASSET MANAGEMENT

The Infrastructure team continues to development key Asset Management programs for Shire Infrastructure. Key items address in 2014 / 2015 as part of ongoing Asset Management included:

- Foot Paths
 - Developed Bike Network Plan





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- Inspection and condition rating of paths
- Developed unit rate costings and valuations
- Drainage
 - Updated RAMM Database with missing data
- Reserves / Parks
 - Uploaded data into RAMM
 - Added valuations to each item
- Roads
 - Uploaded data into ROMAN
 - Incorporate Jurien East Road and Cervantes Road into ROMAN
 - Commence development of Forward Works Program
 - Development Infrastructure Asset Management Procedures Manual
- Airport
 - Developed Asset Management Plan for Jurien Bay Airstrip.

STRATEGIC PLAN

The following key performance indicators from the Shire of Dandaragan Strategic Plan were addressed by the Infrastructure Team in 2014 / 2015:

GOAL AREA	KEY PERFORMANCE INDICATOR	COMMENTS
1. Strong Economic Base and enabling Infrastructure	▪ Progression of telecommunication, power, water and sewerage upgrade.	<p>The Jurien Bay Sewerage Stage 1 project detailed design was completed in early 2014 and approved by Water Corporation for construction. Construction commenced in June 2015 with completion expected in December 2015. Stage 1 of the project consists of a new Pump Station and Pressure Main and well as Infill Sewer. This will service areas east of Bashford Street including:</p> <ul style="list-style-type: none"> ▪ Civic precinct ▪ Jurien Bay Police Station ▪ Jurien Bay District High School ▪ Health precinct ▪ Residential areas in Hamersley, Whitfield, Batt and Bayliss Streets.
2. Build high level of amenity and lifestyle	▪ Residents have access to television channels	The Shire continues to distribute television service from the Jurien Bay Depot. Currently the





ANNUAL REPORT 2014 / 2015

GOAL AREA	KEY PERFORMANCE INDICATOR	COMMENTS
		community has access to all channels available to resident in regional Western Australia
3. Focus on community	N/A	
4. Sustain a healthy natural environment	▪ Number of gravel pits rehabilitated	The Muthawandery Road Pit was rehabilitated by the Shire Works team.
5. Build a proactive and leading local government	▪ Number of training course attended	As part of our continuing commitment to staff training and development, the Infrastructure staff undertook a number of training courses. These included: <ul style="list-style-type: none"> ▪ Traffic management ▪ Chainsaw handling ▪ Chemical handling ▪ Snake handling

The Infrastructure Department continues to be an extremely busy and vital component of the Shire's delivery of services to the communities of Jurien Bay, Dandaragan, Cervantes and Badgingarra. The day-to-day routine maintenance activities combined with the capital projects has kept all members of the team active and provided great opportunities for staff and local Contractors to work together. The year 2015 / 2016 looks to be busier again with more capital works projects likely to reach construction phase as the Shire continues its pursuit of strategic infrastructure development.

Garrick Yandle
EXECUTIVE MANAGER INFRASTRUCTURE





ANNUAL REPORT 2014 / 2015

EXECUTIVE MANAGER CORPORATE & COMMUNITY SERVICES' REPORT

2014 / 2015

FINANCE

Rates & Charges

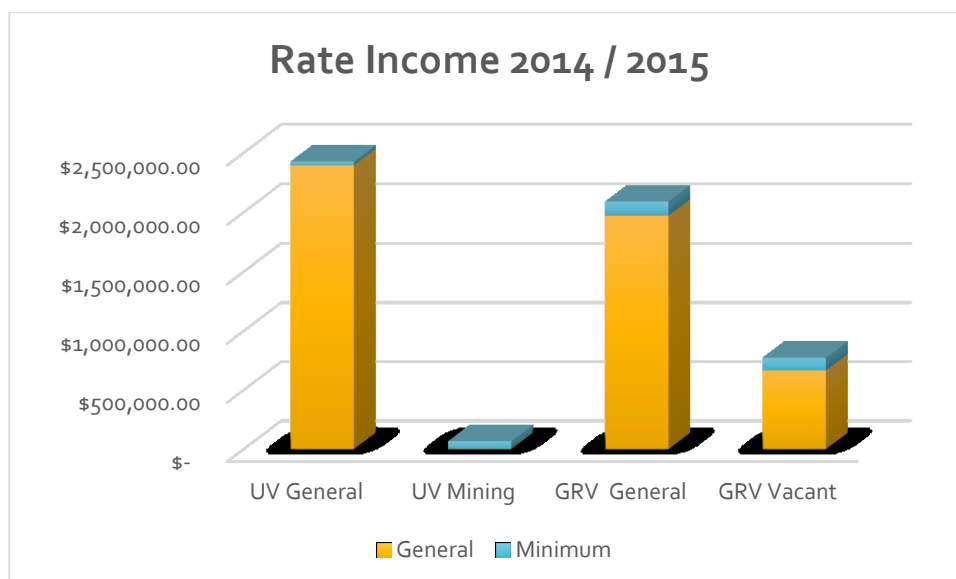
A total of \$5,356,038 was levied in property rates in the 2014 / 2015 financial year. In the process of rates collection a further \$40,400 in income was recognised from interest on unpaid rates and instalment plan interest.

As at 30 June 2014, 96.5% of rates had been collected.

A total of \$24,145 was levied in 2014 / 2015 from service charges. The charge was levied on 26 identified properties in Heaton Street in Jurien Bay for the repayment of loan 129 for the provision of underground power. 2014 / 2015 was the final year of this charge.

A specified area charge totalling \$113,902 for repayment of a loan for the design, concept, planning, costing and construction of the Jurien Bay jetty project was also levied in 2014 / 2015.

Finally, a total of \$700,955 for refuse charges was collected from rateable properties in 2013 / 2014.





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Grants

A total of \$7,976,135 in grants was secured by the Shire of Dandaragan during 2014 / 2015, these include:

- \$2,427,434 from the WA Grants Commission
- \$1,062,051 From Department of Regional Development for the Sewerage Project
- \$1,840,000 From Main Roads for the Local Roads State Initiative
- \$764,897 from Main Roads WA Regional Road Group
- \$402,122 from Roads to Recovery
- \$170,200 from Main Roads WA
- \$347,905 from DFES for a fire truck

The Shire of Dandaragan would like to thank all the agencies who have made grants or contributions towards projects in the 2014 / 2015 financial year.

Financial Results

The Shire of Dandaragan finished 2014 / 2015 with a surplus of \$3,722,672. However, the majority of this surplus is as a result of large unspent grants and incomplete capital works projects. Therefore, this surplus does not constitute a surplus of funds after all requirements have been met in the true definition of a surplus, rather reflects outstanding commitments that will be reprogrammed into the 2015 / 2016 budget.

COMMUNITY

The 2014 / 2015 has seen major changes in the Community Development Team at the Shire with the opportunity to engage a Club Development Officer to work with sport and recreation groups throughout the Shire. A new Community Development Officer commenced in September and has provided the team with an invigorated outlook in delivering community development across the Shire. This new team have been more proactive in connecting with the community and have undertaken visits to the many different community based organisations across the Shire.

The Age Friendly Community Plan has been the initial focus of the team with a number of meetings held to explain to the community the purpose of undertaking the Age Friendly Community Plan. As part of the plan a community survey was undertaken and has returned a record number of responses which assists the Shire in better understanding the needs of the community to enable better planning of facilities and services into the future.

The main focus of the Club Development Officer is to work with the clubs to help them develop so they can be more sustainable into the future and provide training in governance, talent development and volunteer recruitment and training. Funding for the position is provided in conjunction with the Department of Sport and Recreation and the Shires of Gingin and Coorow. Since commencing in August 2014 the Club Development Officer has assisted the clubs to review and update their constitutions and has provided training workshops for club committees across the three Shires.





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The Shire hosts many events across each of the towns, the Community Development Team works with event organisers to ensure that they comply with statutory regulations so that events are kept incident free. Well managed and appropriate events are instrumental in showcasing our towns to the wider West Australian community to encourage more visitors that help our towns grow and be economically viable. The Community Development Team will continue to work with event organisers to ensure continuity of the event and improvements where necessary.

Community Events

During the course of the 2014 / 2015 financial year the Shire hosted a range of events for its residents and tourists. The events were varied and catered to all age demographics in the community and recognised special milestones in the nation's history. Anzac Day, and Remembrance Day are examples of nationally significant events that are held annually at memorials across towns in the Shire. This year the Shire hosted the inaugural Spray the Grey Youth Festival which attracted large number of the Shire's young people to an event targeted specifically at the younger demographic. A number of open air movie nights featuring family appropriate films were held for the first time in the amphitheatre at the civic precinct. Carols by candlelight is a regular feature of the Christmas festivities in the Shire and attracts audiences from all across the spectrum. Country Arts WA provide a stage production touring WA annually and the Shire of Dandaragan is host to one of these performances.

Annually the Shire of Dandaragan hosts the Jurien Bay Beach Mission and the Cervantes Family Festival which is targeted at engaging young people in healthy outdoor activities utilising the Shire's magnificent beaches. There are regular markets held on Sunday's across the year operated by the Lions Club of Jurien Bay and attract stallholders from within the Shire as well as from further afield these have become an attraction for tourists and locals. The Shire promotes Australia Day events in each of the towns and provides funding to the respective town communities to host these activities.

The Shire also acknowledges new Australian Citizens at Citizenship ceremonies at the Shire Offices as the need arises. Citizen and Young Citizen of the year ceremonies are held each year to recognise those residents in our community that have provided outstanding service to their communities. This year the Shire hosted a special ceremony to honour one of its long term citizens, presenting Gary Snook with Freeman of the Shire status for his continued and long service support for the Shire in his capacity as an individual, Councillor, Shire President and Member of the West Australian Parliament. This is a very rare honour only bestowed on persons that have given extraordinary service to the Shire of Dandaragan.

A list of events and activities for the 2014/2015 year are listed below.

- The Lions Club Sunday Markets (8 to 10 each year)
- Dandaragan Playgroup Annual Easter Egg Hunt
- Australia Day Festivities across the four towns
- West Coast Rally





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- Indian Ocean Festival
- ICC Cricket World Cup Trophy Tour
- Aquatic Adventures
- Mad Hatters Markets
- Aggies Christmas Pop Up Shop
- Carols in the Park
- J Bay Boogie
- Spray the Grey Youth Festival
- Anzac Day Service
- Remembrance Day Service
- Country Arts Network WA Stage Performance

The Shire recognises the community building advantages of hosting such events and will continue to support the above activities and endeavour to attract more of these events in the future.



Spray the Grey Youth Festival

Shire of Dandaragan / Tronox Small Grants Program

Policy 6.6 - Sport and Recreation Funding includes a provision for the Shire of Dandaragan and Tronox Sporting and Recreational Equipment and Small Grants Funding program.

The Shire of Dandaragan, in its annual budget, allocates \$15,000 to be matched by Tronox to fund the program.

The purpose of the program is to assist community based organisations in the purchase of durable equipment and small grants to undertake improvements.

The following groups received funding from this program in 2014 / 2015:





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Organisation	Project Description	Project Cost (\$)	Grant (\$)
Badgingarra Community Association (Inc)	Cemetery shade shelter	\$2,475.00	\$1,125.00
Badgingarra Bowling Club	Awning to protect shade cover	\$6,985.00	\$3,492.50
Badgingarra Golf Club	Purchase a new mower	\$8,181.00	\$4,090.00
Cervantes West Men's Shed Inc.	Wire new shed extension	\$2,197.88	\$1,098.94
Cervantes Community Recreation Centre	Purchase 2 table trolleys and 1 chair trolley	\$1,084.00	\$542.00
Cervantes Bowling Club Inc.	Colorbond fencing material to replace 38 metres of fencing	\$1,896.00	\$900.00
Cervantes Historical Society Inc.	Information sign to accompany sculpture	\$2,168.35	\$1,000.00
Cervantes Volunteer Bush Fire Brigade	Purchase of stackable padded chairs	\$936.00	\$468.00
Dandaragan Golf Club	New easy to read & informative Tee Signs	\$7,200.00	\$3,600.00
Jurien Bay Youth Group	Purchase a digital television	\$698.00	\$340.00
Jurien Sport and Recreation Centre	Stage extension pieces (x6)	\$4,059.00	\$2,029.50
Jurien Bay Country Golf Club Inc. (Priority 1)	Bores for water supply (Priority 1)	\$9,618.00	\$4,809.00
Jurien Bay Country Golf Club Inc. (Priority 2)	260 kl water tank (Priority 2)	\$14,200.00	\$1,491.75
Jurien Bay District High School	Primary Sporting Equipment Shed	\$9,784.00	\$4,447.27
Central West Coast Senior Citizens Group	Office package and set up	\$1,482.00	\$741.00
Lions Club Jurien Bay	Purpose built barbeque trailer	\$11,600.00	\$5,800.00
Jurien Bay Bowling Club Inc.	A new dishwasher for kitchen	\$4,728.90	\$2,149.50
TOTAL		\$89,293.13	\$38,124.46

Community Grants Program

Policy 1.6 - Community Grants Program provides funds to community based organisations and individuals to support the promotion and development of social, economic, recreational, art and cultural benefits for the residents of the Shire of Dandaragan.



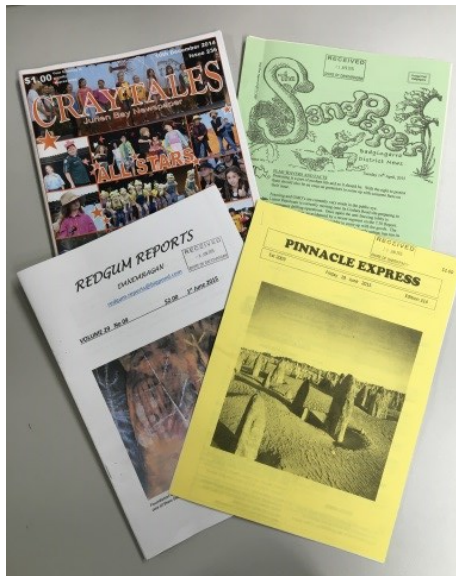


ANNUAL REPORT 2014 / 2015

The policy contains two sections, firstly a recurring annual grant as follows:

1. *Local publications*

Each year the Shire will incorporate within the budget a grant to be provided in September of each year to the community newspapers. The grant of \$250 each is to cover the cost of community service announcements by the Shire in the various local publications. Advertising by the Shire is to be invoiced separately.



Four local publications

2. *Student awards - schools*

Each year the Shire will contribute \$100 to the Jurien Bay District High School, \$100 to the Central Midlands Senior High School, and \$50 each to the Dandaragan Primary School, Badgingarra Primary School, Jurien Bay Primary School and Cervantes Primary School award nights.

3. *Australia Day*

Each year the Shire of Dandaragan will grant \$1,000 to the Jurien Bay Progress and Tourism Association, \$1,000 to the Cervantes Ratepayers & Progress Association, \$750 to the Badgingarra Community Association and \$750 to Advance Dandaragan for Australia Day festivities. This grant is to assist organisations with conducting an Australia Day event and is not intended to meet the total cost of the event.

4. *Leeuwin Sail Training Foundation*

The Shire of Dandaragan will make an annual grant of \$1,200 to the Leeuwin Sail Training Foundation in support of a local participant.



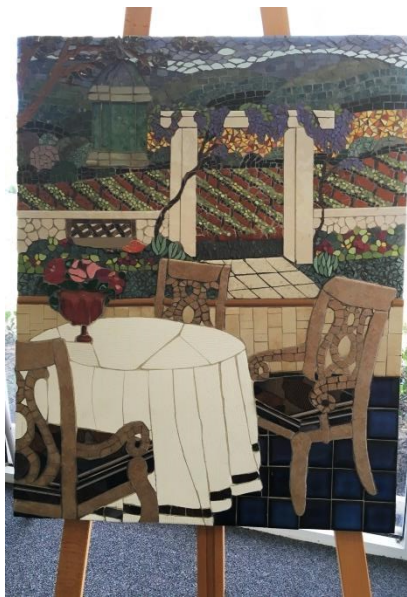


ANNUAL REPORT 2014 / 2015

5. Art acquisition

Each year the Shire of Dandaragan will contribute to the Cervantes Cultural Committee \$1,500 to secure the Shire of Dandaragan Art Acquisition Prize. The \$1,500 will be awarded to the chosen artist irrespective of the purchase value of the artwork. The prize will be determined by the Shire President or his delegate, who will seek guidance from the judges.

In addition to the Acquisition Prize, the Shire of Dandaragan will donate \$500 towards the cost of delivering the Art Show. These funds will be spent at the discretion of the Cervantes Cultural Committee.



Art Acquisition Prize 2014

6. Mid-West Group of Affiliated Agricultural Societies Inc

Each year the Shire of Dandaragan will contribute to the Mid West Group of Affiliated Agricultural Societies Inc \$200 to showcase the Shire of Dandaragan's products and attractions.

The second section of the policy allows groups and individuals to make application for funding, with each application being assessed against the policy criteria. In 2014 / 2015 the following were funded from this policy:

ORGANISATION	PROJECT DESCRIPTION	GRANT
Badgingarra Community Association	Badgingarra Picnic 2013	\$500
Cervantes Family Festival	School Holiday Program	\$852
Cervantes Volunteer Bush Fire Brigade	Dinner for Emergency Services	\$1,500





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ORGANISATION	PROJECT DESCRIPTION	GRANT
Cervantes P&C	Cultural Awareness Workshop	\$1,500
West Midlands Group	Women, Wellbeing and Wine	\$1,500
Jurien Bay Beach Mission	School Holiday Program	\$1,480
Lions Club of Jurien Bay	Venue hire for convention	\$1,500
Jurien Bay Youth Group	Hire Urban Artists	\$1,500
Jurien Bay Community Resource Centre	3 x school holiday movie nights	\$1,500
Inspirational Community Arts Network (ICAN)	3 x workshops	\$1,500
Central Coast Health Advisory Group	Venue Hire – Health expo	\$150
Dandaragan CRC	Workshops for CRC public garden	\$1,400
TOTAL		\$14,882.00

Scott Clayton
EXECUTIVE MANAGER
CORPORATE & COMMUNITY SERVICES



Bike Week 2014



ANNUAL REPORT 2014 / 2015

COMPETITIVE NEUTRALITY

2014 / 2015

National Competition Policy reforms require local governments to comply with and implement the principles of competitive neutrality and restructure monopolies (or near monopolies), subject to a public benefits assessment.

National Competition Policy is a framework for reform and is about promoting competition in business across Australia regardless of private or public ownership, size of business or ownership structure.

The key issues for local government are:

- Competitive neutrality - removal of any net benefits, which accrue to government business activities as a result of public ownership.
- Legislation review (Local Laws) - to review government regulation, which restricts competition.
- Structural reform - to reform the structure of government owned monopoly business where it is possible to introduce competition.

When conducting the competitive neutrality review, Council needed to ascertain the following in relation to services provided by the Shire:

- Is it a business?
- Is the annual income over \$200,000?

If the annual income is under the \$200,000 threshold, then Council is not required to implement competitive neutrality. At the present time, Council does not have any business units with an annual income over \$200,000, therefore, Council has not had to apply the competitive neutrality principle on National Competition Policy during the year under review.





ANNUAL REPORT 2014 / 2015

NATIONAL COMPETITION POLICY & STATE RECORDS ACT

2014 / 2015

NATIONAL COMPETITION POLICY

The Shire of Dandaragan had 35 Local Laws that may have restricted competition and hence were reviewed under National Competition Policy.

This process was completed in 2000 / 2001 with the gazettal of the following Local Laws on the 9 May 2001:

- Activities on thoroughfares and trading in thoroughfares and public places
- Beekeeping
- Local Government Property
- Standing Orders
- Extractive Industries
- Fencing
- Repeal Local Law 2001
- Pest Plants
- Bushfire Brigades
- Public Cemeteries
- Dogs Local Law

STATE RECORDS ACT 2000

In compliance with the State Records Act 2000, the Shire of Dandaragan has a Record Keeping Plan. The amended Record Keeping Plan outlines the improvements made to the Shire's record keeping policies, as they relate to staff and Councillors.

The Plan has assisted the Shire to implement an efficient and effective electronic records management system, InfoXpert. This system has promoted ongoing improvements and continued compliance with the State Records Act 2000. Although the conversion to an electronic system was not easy, the benefits it provides far outweigh the initial difficulties. Each individual is now responsible for their own documents, in accordance with the State Records Act; records are everyone's responsibility.





ANNUAL REPORT 2014 / 2015

AUDIT REPORT

2014 / 2015



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INDEPENDENT AUDIT REPORT TO THE SHIRE OF DANDARAGAN

Report on the Financial Report

We have audited the accompanying financial report of the Shire of Dandaragan which comprises the statement of financial position as at 30 June 2015 and the statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and rate setting statement for the year ended on that date, and a summary of significant accounting policies and other explanatory notes.

Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Byfields Pty Ltd ACN 150 608 398

DIRECTORS: Andrew Northcott B.Com CPA • Craig Lane B.Com CPA • Dale Woodruff B.Bus CPA • Jon Bush B.Com CPA • Leanne Oliver B.Com CPA
Neil Hooper B.Com CPA • Simon Northey B.Bus CPA • Glenn Waldoock B.Bus CPA • Roger Thomson B.Bus CA • Brant Jansen B.Bus CPA

ASSOCIATES: Ian Jones B.Com CPA • Lea Williams B.Com CA • Ryan Naughton B.Com CPA • Tony Umbrello B.Bus CA

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ANNUAL REPORT 2014 / 2015

Independence

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

Statutory Compliance

During the course of our audit we did not become aware of any instance where the Council did not comply with the Local Government (Financial Management) Regulations 1996 (as amended)

Auditor's Opinion

In our opinion:

The financial report of the Shire of Dandaragan is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) including:

- i) giving a true and fair view of the Shire's financial position as at 30 June 2015 and of their performance for the year ended on that date; and
- ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

LEANNE OLIVER RCA
Director

BYFIELDS
BELMONT WA

Date: 27 November 2015





ANNUAL REPORT 2014 / 2015

FINANCIAL REPORT

2014 / 2015

Declaration

SHIRE OF DANDARAGAN

FINANCIAL REPORT

FOR THE YEAR ENDED 30th JUNE 2015

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Dandaragan being the annual financial report and other information for the financial year ended 30th June 2015 are in my opinion properly drawn up to present fairly the financial position of the Shire of Dandaragan at 30th June 2015 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards (except to the extent that these have been varied in the Statement of Accounting Policies required by Australian Accounting Standards AAS6 "Accounting Policies" and the accompanying notes to the annual financial report) and comply with the provisions of the Local Government Act 1995 and regulations under that Act.

Signed as authorisation of issue on the 7th day of October 2015.

A handwritten signature in blue ink, appearing to read 'Tony Nottle', followed by a horizontal dotted line.

Tony Nottle

CHIEF EXECUTIVE OFFICER





ANNUAL REPORT 2014 / 2015

Statement of Comprehensive Income by Nature and Type

SHIRE OF DANDARAGAN
STATEMENT OF COMPREHENSIVE INCOME by Nature or Type
for the year ending 30 June 2015

Description	Notes	Actual 2014/2015	Budget 2014/2015	Actual 2013/2014
Revenue from Ordinary Activities				
Rates	19a	5,277,120	5,276,937	5,104,428
Grants and Subsidies	24	2,869,161	1,884,397	955,548
Contributions Reimbursements Donations		272,458	319,215	206,176
Service Charges	20a	24,145	24,145	24,145
Fees and Charges	23	1,911,681	1,845,520	1,558,576
Interest Earnings	2a	334,921	361,000	468,595
Other Revenue		102,787	97,599	133,758
		10,792,274	9,808,813	8,451,226
Expenses from Ordinary Activities				
Employee Costs		(3,437,460)	(3,345,241)	(3,227,809)
Materials and Contracts		(2,501,608)	(2,918,970)	(2,438,894)
Utilities		(421,934)	(449,523)	(379,889)
Insurance		(372,037)	(393,671)	(373,770)
Other Expenses		(1,448,240)	(661,049)	(580,401)
Depreciation	2a	(3,812,044)	(3,572,443)	(2,635,259)
		(11,993,322)	(11,340,898)	(9,636,022)
		(1,201,048)	(1,532,085)	(1,184,796)
Borrowing Costs Expense	2a	(57,051)	(58,925)	(68,387)
Grants & Subsidies (towards non-operating activities)	24	5,106,974	4,010,353	926,749
Profit / Loss on Disposal of Assets	17	(164,298)	(132,819)	(40,822)
NET RESULT		3,684,576	2,286,524	(367,256)
Other Comprehensive Income				
Changes on revaluation of non-current assets	26	25,222,507	(0)	15,555,573
		25,222,507	(0)	15,555,573
TOTAL COMPREHENSIVE INCOME		28,907,083	2,286,524	15,188,317

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





ANNUAL REPORT 2014 / 2015

Statement of Comprehensive Income by Department

SHIRE OF DANDARAGAN
STATEMENT OF COMPREHENSIVE INCOME by Department
for the year ending 30 June 2015

Description	Actual 2014/2015	Budget 2014/2015	Actual 2013/2014
Revenues from Ordinary Activities 2a			
Governance	54,320	11,103	36,788
General Purpose Funding	7,958,536	7,136,069	6,221,704
Law, Order, Public Safety	431,189	414,095	425,274
Health	16,650	8,530	19,995
Education & Welfare	10,000	(0)	(0)
Community Amenities	1,368,150	1,105,558	1,073,417
Recreation and Culture	374,732	340,313	190,800
Transport	231,677	529,635	162,351
Economic Services	190,536	166,597	202,555
Other Property and Services	159,484	96,913	118,341
	10,792,274	9,808,813	8,451,226
Expenses from Ordinary Activities 2a			
Governance	(830,695)	(712,270)	(549,683)
General Purpose Funding	(119,082)	(166,112)	(140,780)
Law, Order, Public Safety	(987,913)	(909,068)	(810,924)
Health	(322,208)	(310,601)	(334,036)
Education & Welfare	(6,290)	(7,500)	(0)
Community Amenities	(1,856,024)	(1,914,963)	(1,548,685)
Recreation and Culture	(3,471,338)	(2,877,959)	(1,898,627)
Transport	(3,349,151)	(3,392,387)	(3,549,737)
Economic Services	(501,055)	(626,433)	(450,653)
Other Property and Services	(549,566)	(423,604)	(352,898)
	(11,993,322)	(11,340,898)	(9,636,022)
	(1,201,048)	(1,532,085)	(1,184,796)
Borrowing Costs Expense 2a			
Governance	(26,241)	(27,344)	(29,057)
Recreation and Culture	(28,568)	(29,322)	(35,480)
Other Property and Services	(2,242)	(2,259)	(3,850)
	(57,051)	(58,925)	(68,387)
Grants and Subsidies Non-Operating			
Law, Order, Public Safety	579,451	(0)	52,295
Community Amenities	1,062,051	(0)	(0)
Recreation and Culture	407,453	407,453	32,447
Transport	3,058,019	3,602,900	842,007
	5,106,974	4,010,353	926,749
Profit / Loss on Asset Disposal 17			
Governance	(0)	(20,750)	(8,604)
Law, Order, Public Safety	(62,658)	(13,496)	(0)
Health	(0)	(0)	14,545
Community Amenities	(0)	(0)	(8,097)
Transport	(86,491)	(98,573)	(0)
Economic Services	(0)	(0)	(7,926)
Other Property and Services	(15,149)	(0)	(30,740)
	(164,298)	(132,819)	(40,822)
NET RESULT	3,684,576	2,286,524	(367,256)
Other Comprehensive Income			
Changes on revaluation of non-current assets	25,222,507	(0)	15,555,573
	25,222,507	(0)	15,555,573
TOTAL COMPREHENSIVE INCOME	28,907,083	2,286,524	15,188,317

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





ANNUAL REPORT 2014 / 2015

Statement of Financial Position

SHIRE OF DANDARAGAN
STATEMENT OF FINANCIAL POSITION
as at 30 June 2015

Description	Notes	30 June 2015	30 June 2014
CURRENT ASSETS			
Cash	3	13,612,925	13,644,079
Trade & Other Receivables	4	1,208,368	779,243
Inventories	5	26,466	21,439
TOTAL CURRENT ASSETS		14,847,760	14,444,760
NON-CURRENT ASSETS			
Land	6	2,643,000	2,643,000
Buildings and Improvements	6	31,937,069	28,931,502
Furniture and Equipment	6	817,522	912,919
Plant and Equipment	6	4,596,790	3,976,924
Infrastructure	7	201,722,983	176,347,515
Trade & Other Receivables	4	266,237	299,536
TOTAL NON-CURRENT ASSETS		241,983,602	213,111,396
TOTAL ASSETS		256,831,362	227,556,156
CURRENT LIABILITIES			
Creditors	8	(556,971)	(391,674)
Provisions	10	(502,085)	(389,683)
Loans Leases Overdrafts	9	(199,104)	(214,121)
Accruals	8	(445,435)	(140,385)
TOTAL CURRENT LIABILITIES		(1,703,594)	(1,135,863)
NON-CURRENT LIABILITIES			
Provisions	10	(97,677)	(98,182)
Loans Leases and Overdrafts	9	(708,214)	(907,318)
TOTAL NON-CURRENT LIABILITIES		(805,891)	(1,005,499)
TOTAL LIABILITIES		(2,509,485)	(2,141,362)
TOTAL NET ASSETS		254,321,877	225,414,794
EQUITY			
Reserves - Cash Backed	11	10,568,117	12,907,527
Revaluation Surplus	26	41,991,617	16,769,111
Accumulations		201,762,143	195,738,157
TOTAL EQUITY		254,321,877	225,414,794

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





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Statement of Changes in Equity

SHIRE OF DANDARAGAN
STATEMENT OF CHANGES IN EQUITY
as at 30 June 2015

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 30 June 2013		192,560,825	16,452,116	1,213,538	210,226,479
Changes in Accounting Policy		(0)	(0)	(0)	(0)
Correction of Errors		(0)	(0)	(0)	(0)
Restated Balance		192,560,825	16,452,116	1,213,538	210,226,479
Comprehensive Income					
Net Result		(367,256)	(0)	(0)	(367,256)
Changes on Revaluation of Non-Current Assets	12	(0)	(0)	15,555,573	15,555,573
Total Comprehensive Income		(367,256)	(0)	15,555,573	15,188,317
Reserve Transfers		3,544,588	(3,544,588)	(0)	(0)
Balance as at 30 June 2014		195,738,157	12,907,528	16,769,111	225,414,795
Comprehensive Income					
Net Result		3,684,576	(0)	(0)	3,684,576
Changes on Revaluation of Non-Current Assets	12	(0)	(0)	25,222,507	25,222,507
Total Other Comprehensive Income		3,684,576	(0)	25,222,507	28,907,083
Reserve Transfers		2,339,410	(2,339,410)	(0)	(0)
Balance as at 30 June 2015		201,762,144	10,568,118	41,991,617	254,321,878

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





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Statement of Cash Flows

SHIRE OF DANDARAGAN
STATEMENT OF CASH FLOWS
for the year ending 30 June 2015

	Note	Actual 2014/2015	Budget 2014/2015	Actual 2013/2014
Cash Flows from Operating Activities				
Receipts				
Rates		5,375,072	5,388,935	5,036,808
Operating Grants, Subsidies & Contributions		3,141,619	2,335,010	1,217,342
Service Charges		24,145	24,145	24,145
Fees and Charges		1,411,900	1,845,520	1,558,576
Interest Earnings		334,921	361,000	468,595
Goods and Services Tax		559,228		682,937
Other Revenue		102,787	97,599	133,758
		10,949,672	10,052,209	9,122,161
Payments				
Employee Costs		(3,427,860)	(3,345,241)	(3,154,044)
Materials and Contracts		(1,978,342)	(3,083,641)	(2,823,123)
Utilities		(421,934)	(449,523)	(379,889)
Insurance		(372,037)	(393,671)	(373,770)
Interest Expenses		(58,925)	(58,925)	(70,088)
Goods and Services Tax		(541,739)		(862,749)
Other Expenses		(628,806)	(661,049)	(580,401)
		(7,429,643)	(7,992,050)	(8,244,064)
Net Cash provided by Operating Activities	12b	3,520,029	2,060,159	878,097
Cash Flows from Investing Activities				
Payment for Property, Plant and Equipment		(5,392,801)	(5,522,484)	(5,973,824)
Payments for Construction of Infrastructure		(3,272,531)	(8,969,097)	(2,188,937)
Grants/Contributions for Assets		5,106,974	4,010,353	926,749
Proceeds from Sale of assets	17	186,556	298,500	80,636
Net Cash Used in Investing Activities		(3,371,802)	(10,182,728)	(7,155,376)
Cash Flows from Financing Activities				
Repayment of Debentures	18a	(214,121)	(214,121)	(202,957)
Proceeds from Self-Supporting Loans		34,737	34,736	32,757
Payment to Community Groups (self supporting loans)		(0)	0	0
Proceeds from New Debentures		(0)	0	0
Net Cash Provided by (Used in) Financing Activities		(179,384)	(179,385)	(170,200)
Net Increase (Decrease) in Cash Held		(31,157)	(8,301,954)	(6,447,479)
Cash at Beginning of Year		13,644,079	13,644,029	20,091,556
Cash at End of Year	12a	13,612,922	5,342,075	13,644,077





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Rate Setting Statement

SHIRE OF DANDARAGAN
RATE SETTING STATEMENT by Department
for the year ending 30 June 2015

Description	Notes	Actual 2014/2015	Budget 2014/2015	Actual 2013/2014
Operating				
Revenues / Sources				
Governance		54,320	11,103	36,788
General Purpose Funding (Excluding Rate Revenue)		2,797,023	1,985,350	1,232,076
Law, Order and Public Safety		1,010,640	414,095	477,569
Health		16,650	8,530	34,541
Education & Welfare		10,000	(0)	(0)
Community Ammenities		2,430,201	1,105,558	1,073,417
Recreation and Culture		779,186	747,766	223,247
Transport		3,289,696	4,147,535	1,004,359
Economic Services		190,536	166,597	202,555
Other Property and Services		161,835	96,913	118,341
		10,740,086	8,683,447	4,402,893
Expenses / (Application)				
Governance		(856,936)	(760,364)	(587,344)
General Purpose Funding		(119,082)	(166,112)	(140,780)
Law, Order and Public Safety		(1,050,570)	(922,564)	(810,924)
Health		(322,208)	(310,601)	(334,036)
Education & Welfare		(6,290)	(7,500)	(0)
Community Ammenities		(1,856,024)	(1,914,963)	(1,556,781)
Recreation and Culture		(3,499,906)	(2,907,282)	(1,934,108)
Transport		(3,435,642)	(3,505,960)	(3,549,737)
Economic Services		(501,055)	(626,433)	(458,579)
Other Property and Services		(569,308)	(425,863)	(387,488)
		(12,217,022)	(11,547,642)	(9,759,777)
Adjustments for Non-Cash (Revenue) and Expenditure				
(Profit)/Loss on Asset Disposals	17	(164,298)	(132,819)	(40,822)
Movement in Accrued Interest		1,874	(0)	1,700
Movement in Accrued Salaries and Wages		102,297	(0)	(35,806)
Movement in Employee Provisions		(111,897)	(0)	(34,210)
Movement in Deferred Rates		1,438	(0)	(997)
Movement in Accrued Expenses		(409,220)	(0)	(3,749)
Loss on fair value of asset through profit & loss		(819,436)	(0)	(0)
Depreciation on Assets	2a	(3,812,044)	(3,572,443)	(2,635,259)
Total Operating less non cash items		3,734,350	841,068	(2,607,743)
Capital Revenue and (Expenditure)				
Purchase Land and Buildings		(3,961,436)	(4,214,841)	(5,597,622)
Purchase Furniture and Equipment		(12,333)	(46,143)	(121,500)
Purchase Plant and Equipment		(1,419,033)	(1,261,500)	(254,702)
Purchase Tools and Attractive Items		(0)	(0)	(0)
Purchase Infrastructure Assets - Roads		(2,435,927)	(4,110,702)	(1,876,182)
Purchase Infrastructure Assets - Parks & Reserves		(163,608)	(1,198,492)	(125,368)
Purchase Infrastructure Assets - Other		(672,996)	(3,659,903)	(187,387)
Purchases - Works in Progress (Not Capitalised)		(0)	(0)	(0)
Proceeds from disposal of assets	17	186,556	298,500	80,636
Proceeds from Debentures (New)	18	(0)	(0)	(0)
Repayment of Debentures	18	(214,121)	(214,121)	(202,957)
Payment of Self Supporting Loan to Community Group		(0)	(0)	(0)
Self-Supporting Loan Principal Income		34,737	34,737	32,757
Transfer to Reserves	11	(2,050,759)	(856,982)	(1,267,569)
Transfer from Reserves	11	4,390,169	8,048,852	4,812,158
Surplus/(Deficit) July 1 B/Fwd	19b	1,145,560	1,188,808	3,471,413
Surplus/(Deficit) June 30 C/Fwd	19b	3,722,672	0	1,145,560
Amount raised from rates	19a	5,161,512	5,150,719	4,989,628

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





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Note 1 – Significant Accounting Policies

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

(a) Basis of Accounting

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 and accompanying regulations. The reports have been prepared on the accrual basis under the convention of historical cost accounting modified, where applicable, by measurement at fair value of selected non-current assets, financial assets and liabilities.

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

Critical Accounting Estimates

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

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making judgements about carrying values of assets and liabilities that are 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 Funds are excluded from the financial statements. A separate statement of those monies appears at Note 16 to these financial statements.

(c) Goods and Services Tax

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

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.





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Cash flows are presented on a Gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows..

(d) Cash and Cash Equivalents

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

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

(e) Trade and Other Receivables

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

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

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

(f) Inventories

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.

(g) Fixed Assets

Mandatory Requirement to Revalue Non-Current Assets

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

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

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





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- (I) land and buildings; or
- (II) infrastructure;

and

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

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

In 2013, Council commenced the process of adopting Fair Value in accordance with the Regulations.

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

Initial Recognition and Measurement between Mandatory Revaluation Dates

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

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

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

Revaluation

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

Transitional Arrangement

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

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

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





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Early Adoption of AASB 13 – Fair Value Measurement

Whilst the new accounting standard in relation to Fair Value, AASB 13 – Fair Value Measurement does not become applicable until the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology for this reporting period, the Council chose to early adopt AASB 13 (as allowed for in the standard).

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

Land under Roads

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

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

Whilst this 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.

(h) Depreciation of Non-Current Assets

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

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Buildings	10 to 50 years
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Furniture and Equipment	5 to 20 years
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Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	30 years
seal	30 years
Gravel roads	
formation	not depreciated
pavement	30 years
gravel sheet	15 years
pavement	50 years
Foot paths - slab	20 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 years
Footpaths	50 years
Infrastructure Parks & Reserves	10 to 50 years
Infrastructure Other	10 to 50 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Capitalisation Threshold

Expenditure on items of equipment under \$2,000 is not capitalised. Rather, it is recorded on an asset inventory listing.





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Fair Value of Assets and Liabilities

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

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

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

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

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

Fair Value Hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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





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Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

Valuation techniques

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

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

(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





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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.

Derecognition

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

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

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





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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

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

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

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

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

(k) Impairment

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

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





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(m) Employee Benefits

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

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

The provision for employee entitlements to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount that the municipality has a present obligation to pay resulting from employees' services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council 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 group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs are recognised as an expense when incurred and adjusted for accrued interest at balance day.

(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.





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(p) Leases

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) 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.

(r) Superannuation

The Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

(s) Rounding Off Figures

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

(t) Comparative Figures

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

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

(u) Current and Non-Current Classification

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





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(v) Budget Comparative Figures

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

(w) Intangible Assets

Easements

Due to legislative changes, Easements are required to be recognised as assets.

They are initially recognised at cost and have an indefinite useful life.

It has been deemed that all easement in the control of the Council have a NIL value.

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

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

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

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

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

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the City, it is not anticipated the Standard will have any material effect.
(ii) AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	September 2012	1 January 2018	Nil - The revisions embodied in this Standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the City (refer (i) above).
[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]			
(iii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2017	<p>This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p> <p>The effect of this Standard will depend upon the nature of future transactions the City has with those third parties it has dealings with. It may or may not be significant.</p>

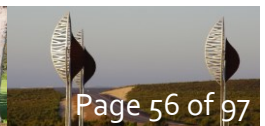




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New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(iv) AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments [Operative date: Part C Financial Instruments - 1 January 2015]	December 2013	Refer title column	Part C of this Standard makes consequential amendments to AASB 9 and numerous other Standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value. As the bulk of changes relate either to editorial or reference changes it is not expected to have a significant impact on the City.
(v) AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	August 2014	1 January 2016	This Standard amends AASB 11: <i>Joint Arrangements</i> to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: <i>Business Combinations</i> , to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the City's financial statements.
(vi) AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	August 2014	1 January 2016	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. Given the City currently uses the expected pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.

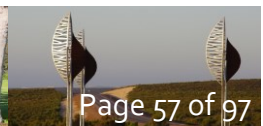




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New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(vii) AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	December 2014	1 January 2017	<p>Consequential changes to various Standards arising from the issuance of AASB 15.</p> <p>It will require changes to reflect the impact of AASB 15.</p>
<p>(viii) AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101</p> <p>[AASB 7, 101, 134 & 1049]</p>	January 2015	1 January 2016	<p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.</p> <p>This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column.</p> <p>It is not anticipated it will have any significant impact on disclosures.</p>
(ix) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality	January 2015	1 July 2015	<p>This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing it to be completely withdrawn.</p> <p>It is not anticipated it will have a significant impact as the principles of materiality remain largely unchanged.</p>





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Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(x) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]	March 2015	1 July 2016	The objective of this Standard is to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities. The Standard is expected to have a significant disclosure impact on the financial report of the City as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.

Notes:

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

(y) Adoption of New and Revised Accounting Standards

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

These new and revised Standards were:

AASB 2011-7
AASB 2012-3
AASB 2013-3
AASB 2013-8
AASB 2013-9 Parts A & B

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





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Note 2

2. OPERATING REVENUES AND EXPENSES

(a) Result from Ordinary Activities

The result from ordinary activities includes:

(i) Charging as an Expense:

	Actual 2014/2015	Actual 2013/2014
Depreciation		
By Program		
Governance	157,195	184,894
Law Order and Public Safety	112,083	72,456
Health	22,839	13,755
Community Amenities	202,160	55,200
Recreation and Culture	926,320	259,918
Transport	1,790,618	1,718,759
Economic Services	27,465	16,186
Other Property and Services	573,364	314,090
	<u>3,812,044</u>	<u>2,635,259</u>

By Class		
Land and Buildings	955,868	245,687
Plant and Equipment	448,312	394,970
Furniture and Equipment	107,730	109,751
Infrastructure - Roads	1,639,311	1,611,295
Infrastructure - Parks and Reserves	470,016	98,928
Infrastructure - Other	190,807	174,628
	<u>3,812,044</u>	<u>2,635,259</u>

Auditors Remuneration

- Audit	12,050	16,290
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Interest Expenses

Accrued Interest Adjustment	(1,874)	(1,701)
Debentures (<i>refer Note 19(a)</i>)	58,925	70,088
	<u>57,051</u>	<u>68,387</u>

Rental Charges

- Operating Leases	40,125	46,016
--------------------	--------	--------

	Actual 2014/2015	Budget 2014/2015	Actual 2013/2014
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(ii) Crediting as Revenue:

Interest Earnings

Investments			
- Reserve Funds	261,725	270,000	379,648
- Other Funds	31,832	50,000	41,693
Other Interest Revenue (<i>refer note 22</i>)	41,365	41,000	47,255
	<u>334,921</u>	<u>361,000</u>	<u>468,595</u>





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Note 2 (cont)

(b) Statement of Objectives

The Shire of Dandaragan is dedicated to providing high quality services to the community through the various service orientated programmes which it has established:-

General Purpose Funding (Schedule 3)

Rate revenue and expenses (excluding Specified Area Rate income), amounts received from Government bodies of a general purpose nature and amounts receivable in respect of interest on deferred pensioner rates. Interest received from investments. It also includes Valuation and Legal Expenses.

Governance (Schedule 4)

Members' Costs incurred in carrying out Council's functions.

Law, Order, Public Safety (Schedule 5)

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

Health (Schedule 7)

Health administration and inspection, maintenance of doctor's surgery, residence and other health and preventative services.

Community Amenities (Schedule 10)

Rubbish collection services, rubbish tip maintenance, effluent disposal, townsite stormwater drainage control, maintenance and protection of environment, tourism, television rebroadcasting facilities, administration of Town Planning Scheme, operations of Community Development Officer and maintenance of cemeteries.

Recreation and Culture (Schedule 11)

Maintenance of halls and community centres, maintenance of beaches and foreshore amenities, maintenance of parks, gardens and reserves, and library services.

Transport (Schedule 12)

Construction and maintenance of roads, footpaths, depots, traffic signs, street trees, street lighting and airfields.

Economic Services (Schedule 13)

Pest & Vermin Control Services and administration of Building Control.

Other Property and Services (Schedule 14)

Private works, plant operation costs, overhead costs, salaries and wages.

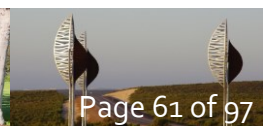




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Note 2 (cont)

2. OPERATING REVENUES AND EXPENSES								
(c) Conditions over Grants / Contributions								
Grant/Contribution	Function/Activity	Opening Balance ⁽¹⁾ 01/07/13	Received(2) 2013/2014	Expended(3) 2013/2014	Closing Balance 30/06/14	Received ⁽²⁾ 2014/2015	Expended ⁽³⁾ 2014/2015	Closing Balance 30/06/15
R4R Foreshore	Other Recreation & Culture					399,900	26,183	373,717
	Other Law Order & Public							
Jurien CCTV	Safety		25,000		25,000			25,000
Roads to Recovery	Transport					402,122	79,391	322,731
Local Roads State Initiative	Transport					1,840,000	1,076,374	763,626
Aged Friendly Communities								
strategic Plan	Education & Welfare					10,000		10,000
Community Crime Prevention								
Fund								
Aged Friendly Communities	Other Recreation & Culture					6,500		6,500
Small Value Grant	Transport					51,000		51,000
								-
								-
R4R 2012/13 Individual								
Component	Recreation and Culture	455,376	3,768	260,593	198,551	1,734	2,472	197,813
Total		455,376	28,768	260,593	223,551	2,711,256	1,184,419	1,750,388





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Note 3

	Actual 2014/2015	Actual 2013/2014
3. CASH AND CASH EQUIVALENTS		
Unrestricted	3,044,809	736,552
Restricted	10,568,117	12,907,527
	13,612,925	13,644,079
The following restrictions have been imposed by regulations or other externally imposed requirements :		
Plant Replacement Reserve	855,811	1,211,531
Building Reserve	588,052	566,276
Long Service Leave Reserve		105,460
Rubbish Reserve	351,029	341,818
Community Centre reserve	360,380	345,081
Television Reserve	90,458	88,084
Bushfire Reserve		
Computer Reserve	52,776	51,391
Annual Leave Entitlements Reserve		79,709
Road Construction Reserve		382,886
Caravan Parks Reserve	346,158	292,742
Playground Equipment Reserve		261,057
Land Development Reserve	65,405	63,688
Parking Requirements Reserve	10,557	10,280
Coastal / Foreshore Development Reserve		81,112
Parks and Recreational Grounds Development Reserve	348,297	339,157
Footpath Construction Reserve		90,034
Sport and Recreation Reserve	130,280	78,174
Admin Office Extension Reserve	425	172,843
Landscaping Reserve	2,451	2,390
Jetty Reserve	336,660	358,356
Aerodrome Reserve	56,141	32,815
Housing Reserve		105,566
Jurien Bay City Centre Enhancement Project (Supertowns) Reserve	3,829,365	7,501,644
Staff Attraction & Incentive Reserve	193,990	188,899
Public Open Space Renewal Reserve	557,373	156,534
Infrastructure Renewal Reserve	937,591	
Public Open Space Construction Reserve	82,647	
Infrastructure Construction Reserve		
Building Construction Reserve	107,563	
Leave Reserve	199,479	
Sewer Stage 1B Reserve	1,065,231	
Total Reserve	10,568,117	12,907,527

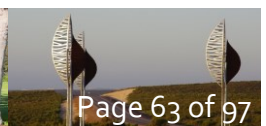




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Note 4

	2015	2014
4. TRADE AND OTHER RECEIVABLES	\$	\$
Current		
Rates Outstanding	188,192	287,582
Sundry Debtors	737,133	310,642
GST Receivable	209,753	181,019
Accrued Income	73,290	
	<u>1,208,368</u>	<u>779,243</u>
Non-Current		
Rates Outstanding - Pensioners	25,854	24,415
Loans - Clubs/Institutions	238,522	273,258
Bonds and Deposits	1,862	1,862
	<u>266,237</u>	<u>299,536</u>





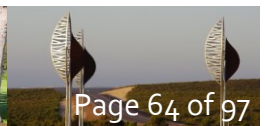
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Note 5

5. INVENTORIES

Current

Fuel and Materials	26,466	21,439
	<u>26,466</u>	<u>21,439</u>





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Note 6

6. PROPERTY, PLANT AND EQUIPMENT	2015 \$	2014 \$
Land and Buildings - Independent Valuation 2014	31,574,502	31,574,502
Additions after Valuation - cost	3,961,435	0
Less Accumulated Depreciation	(955,868)	0
	<u>34,580,069</u>	<u>31,574,502</u>
 Furniture and Equipment - Independent Valuation 2013	 901,170	 901,170
Additions after Valuation - cost	133,833	121,500
Less Accumulated Depreciation	(217,481)	(109,751)
	<u>817,522</u>	<u>912,919</u>
 Plant and Equipment - Independent Valuation 2013	 4,113,150	 4,113,150
Additions after Valuation - cost	1,287,230	254,702
Less Accumulated Depreciation	(803,590)	(390,928)
	<u>4,596,790</u>	<u>3,976,924</u>
	<u><u>39,994,381</u></u>	<u><u>36,464,345</u></u>

Land & Buildings

The Shire's land and buildings were revalued at 30 June 2014 by independent valuers.

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

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

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

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

The revaluation of these assets resulted in an overall increase of \$15,555,572.87 in the net value of the Shire's land and buildings. All of this increase was credited to the revaluation surplus in the Shire's equity and was recognised as Changes on Revaluation of non-current Assets in the Statement of Comprehensive Income.

Furniture and Equipment & Plant and Equipment:

Both furniture and equipment and plant and equipment were revalued in 2013 as part of the mandatory requirements embodied in Local Government (Financial Management) Regulation 17A.

Whilst the additions since that time are shown at cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value.

Thus, the value is considered in accordance with Local Government (Financial Management (Regulation) 17A (2) which requires these assets to be shown at fair value. They will be revalued during the year ended 30 June 2016 in accordance with the mandatory asset measurement framework detailed at Note 1.





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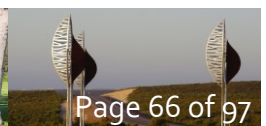
Note 6 (cont)

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

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

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) \$	Depreciation (Expense) \$	Carrying Amount at the End of Year \$
Freehold Land (Level 2)	2,643,000	0	0	0	0	2,643,000
Total Land	2,643,000	0	0	0	0	2,643,000
Non-Specialised Buildings (Level 2)	1,336,000	684	0	0	(69,975)	1,266,709
Specialised Buildings (Level 3)	27,595,502	3,960,752	0	0	(885,893)	30,670,360
Total Buildings	28,931,502	3,961,435	0	0	(955,868)	31,937,069
Total Land and Buildings	31,574,502	3,961,435	0	0	(955,868)	34,580,069
Furniture and Equipment (Level 2)	912,919	12,333	0	0	(107,730)	817,522
Plant and Equipment (Level 2)	3,976,924	1,419,033	(350,854)	0	(448,312)	4,596,790
Total Property, Plant and Equipment	36,464,345	5,392,801	(350,854)	0	(1,511,910)	39,994,381





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Note 6 (cont)

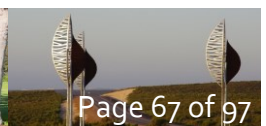
6 PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Land and Buildings					
Freehold Land	2	Observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use	Independent valuation	June 2014	Price per hectare / market borrowing rate
Non - Specialised Buildings	2	Observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use	Independent valuation	June 2014	Improvements to land using construction costs and current condition
Specialised Buildings	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent valuation	June 2014	Improvements to land using construction costs and current condition (level 2), residual and remaining useful life assessment (level 3)
Furniture and Equipment					
	2	Market approach using recent observable market data for similar item	Independent valuation	June 2013	Price per item
Plant and Equipment					
	2	Market approach using recent observable market data for similar item	Independent valuation	June 2013	Price per item

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

During the period there were no changes in the valuation techniques used to determine the fair value of Property, Plant and equipment using level 2 or level 3 inputs





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Note 7

	2015 \$	2014 \$
7. INFRASTRUCTURE		
Roads - Management Valuation 2015 - Level 3	234,795,000	235,013,119
Additions after valuation - cost	0	0
Less Accumulated Depreciation	(56,383,000)	(67,873,853)
	<u>178,412,000</u>	<u>167,139,266</u>
 Footpaths - Management Valuation 2015 - Level 3		
	7,072,000	1,682,861
Additions after valuation - cost	0	0
Less Accumulated Depreciation	(1,859,000)	(299,283)
	<u>5,213,000</u>	<u>1,383,578</u>
 Drainage - Independent Valuation 2015 - Level 3		
	6,870,000	1,414,971
Additions after valuation - cost	0	0
Less Accumulated Depreciation	(1,510,000)	(231,302)
	<u>5,360,000</u>	<u>1,183,669</u>
 Parks and Reserves - Independent Valuation 2015 - Level 3		
	2,878,183	3,855,068
Additions after valuation - cost	0	0
Less Accumulated Depreciation	(1,050,200)	(901,242)
	<u>1,827,983</u>	<u>2,953,827</u>
 Other Infrastructure - Independent Valuation 2015 - Level 3		
	16,279,000	5,236,593
Additions after valuation - cost	0	0
Less Accumulated Depreciation	(5,369,000)	(1,549,418)
	<u>10,910,000</u>	<u>3,687,176</u>
	<u><u>201,722,983</u></u>	<u><u>176,347,515</u></u>





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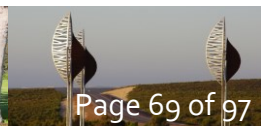
Note 7 (cont)

7. 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.

		Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) \$	Depreciation (Expense) \$	Carrying Amount at the End of Year \$
Roads	(Level 3)	167,139,266	2,435,927	0	10,476,118	(1,639,311)	178,412,000
Footpaths	(Level 3)	1,383,578	0	0	3,862,146	(32,724)	5,213,000
Drainage	(Level 3)	1,183,669	501,529	0	3,690,258	(15,456)	5,360,000
Parks and Reserves	(Level 3)	2,953,827	163,608	0	(819,436)	(470,016)	1,827,983
Other Infrastructure	(Level 3)	3,687,176	171,468	0	7,193,984	(142,627)	10,910,000
Total Infrastructure		176,347,516	3,272,532	0	24,403,071	(2,300,134)	201,722,984





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Note 7 (cont)

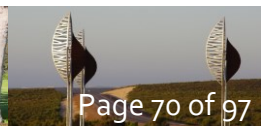
7. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Drainage	3	Cost approach using depreciated replacement cost	Independent valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Parks and Reserves	3	Cost approach using depreciated replacement cost	Independent valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Other Infrastructure	3	Cost approach using depreciated replacement cost	Independent valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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





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Note 8

	2015 \$	2014 \$
TRADE AND OTHER		
8. PAYABLES		
Current		
Sundry Creditors	483,745	364,671
GST Payable	73,225	27,002
Accrued Interest on Debentures	14,493	16,366
Accrued Expenses	430,942	21,722
Accrued Salaries and Wages	0	102,297
	<u>1,002,405</u>	<u>532,059</u>

Note 9

	2015 \$	2014 \$
9. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge		
Debentures	<u>199,104</u>	<u>214,121</u>
	<u>199,104</u>	<u>214,121</u>
Non-Current		
Secured by Floating Charge		
Debentures	<u>708,214</u>	<u>907,318</u>
	<u>708,214</u>	<u>907,318</u>

Additional detail on borrowings is provided in Note 18.

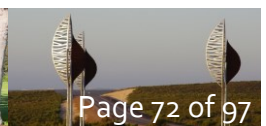




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Note 10

	2015	2014
	\$	\$
10. PROVISIONS		
Current		
Provision for Annual Leave	297,238	236,457
Provision for Long Service Leave	204,847	153,226
	<u>502,085</u>	<u>389,683</u>
Non-Current		
Provision for Long Service Leave	97,677	98,182
	<u>97,677</u>	<u>98,182</u>





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Note 11

	2015 \$	2015 Budget \$	2014 \$
11 RESERVES - CASH/INVESTMENT BACKED			
PLANT REPLACEMENT RESERVE			
Opening Balance	1,211,531	1,211,531	770,859
Transfer to/(from) Reserve	(355,720)	(371,304)	440,672
Closing Balance	855,811	840,227	1,211,531
BUILDING RENEWAL RESERVE			
Opening Balance	566,276	566,276	602,534
Transfer to/(from) Reserve	21,776	(235,803)	(36,258)
Closing Balance	588,052	330,473	566,276
LONG SERVICE LEAVE RESERVE			
Opening Balance	105,460	105,460	103,374
Transfer to/(from) Reserve	(105,460)	(105,460)	2,085
Closing Balance	-	(0)	105,460
RUBBISH RESERVE			
Opening Balance	341,818	341,818	335,059
Transfer to/(from) Reserve	9,211	2,459	6,759
Closing Balance	351,029	344,277	341,818
COMMUNITY CENTRE RESERVE			
Opening Balance	345,081	345,081	331,181
Transfer to/(from) Reserve	15,299	8,517	13,900
Closing Balance	360,380	353,598	345,081
TELEVISION RESERVE			
Opening Balance	88,084	88,084	86,032
Transfer to/(from) Reserve	2,374	631	2,052
Closing Balance	90,458	88,715	88,084
ANNUAL LEAVE ENTITLEMENTS RESERVE			
Opening Balance	79,709	79,709	78,133
Transfer to/(from) Reserve	(79,709)	(79,709)	1,576
Closing Balance	-	0	79,709
COMPUTER RESERVE			
Opening Balance	51,391	51,391	50,375
Transfer to/(from) Reserve	1,385	370	1,016
Closing Balance	52,776	51,761	51,391
ROAD CONSTRUCTION RESERVE			
Opening Balance	382,886	382,886	375,315
Transfer to/(from) Reserve	(382,886)	(382,886)	7,571
Closing Balance	-	(0)	382,886
CARAVAN PARKS RESERVE			
Opening Balance	292,742	292,742	242,327
Transfer to/(from) Reserve	53,416	47,961	50,415
Closing Balance	346,158	340,703	292,742
PLAYGROUND EQUIPMENT RESERVE			
Opening Balance	261,057	261,057	273,049
Transfer to/(from) Reserve	(261,057)	(261,057)	(11,992)
Closing Balance	-	0	261,057
LAND DEVELOPMENT RESERVE			
Opening Balance	63,688	63,688	62,205
Transfer to/(from) Reserve	1,716	(49,903)	1,484
Closing Balance	65,405	13,785	63,688
PARKING REQUIREMENTS RESERVE			
- Lot 1154 Sandpiper Street			
Opening Balance	10,280	10,280	10,040
Transfer to/(from) Reserve	277	74	240
Closing Balance	10,557	10,354	10,280
COASTAL / FORESHORE DEVELOPMENT RESERVE			
Opening Balance	81,112	81,112	79,223
Transfer to/(from) Reserve	(81,112)	(81,112)	1,890
Closing Balance	-	0	81,112

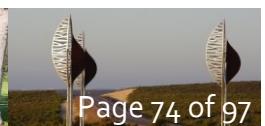




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Note 11 (cont)

	2015 \$	2015 Budget \$	2014 \$
11 RESERVES - CASH/INVESTMENT BACKED			
PARKS & RECREATIONAL GROUNDS DEVELOPMENT RESERVE			
- Seagate Public Open Space			
Opening Balance	339,157	339,157	332,451
Transfer to/(from) Reserve	9,139	2,440	6,706
Closing Balance	348,297	341,597	339,157
FOOTPATH CONSTRUCTION RESERVE			
Opening Balance	90,034	90,034	88,254
Transfer to/(from) Reserve	(90,034)	(90,034)	1,780
Closing Balance	(0)	(0)	90,034
LANDSCAPING RESERVE			
- Lot 1154 Sandpiper Street			
Opening Balance	2,390	2,390	2,334
Transfer to/(from) Reserve	61	17	56
Closing Balance	2,451	2,407	2,390
SPORT AND RECREATION RESERVE			
Opening Balance	78,174	78,174	27,518
Transfer to/(from) Reserve	52,107	50,921	50,656
Closing Balance	130,280	129,095	78,174
ADMINISTRATION OFFICE EXTENSIONS RESERVE			
Opening Balance	172,843	172,843	169,426
Transfer to/(from) Reserve	(172,418)	(172,843)	3,418
Closing Balance	425	0	172,843
JETTY RESERVE			
Opening Balance	358,356	358,356	351,271
Transfer to/(from) Reserve	(21,696)	(358,356)	7,085
Closing Balance	336,660	0	358,356
AERODROME RESERVE			
Opening Balance	32,815	32,815	21,687
Transfer to/(from) Reserve	23,326	22,839	11,128
Closing Balance	56,141	55,654	32,815
BUSHFIRE RESERVE			
Opening Balance	0	0	0
Transfer to/(from) Reserve	-	-	-
Closing Balance	0	(0)	0
HOUSING RESERVE			
Opening Balance	105,566	105,566	103,478
Transfer to/(from) Reserve	(105,566)	(105,566)	2,087
Closing Balance	-	(0)	105,566
JURIEN BAY CITY CENTRE ENHANCEMENT PROJECT RESERVE (SUPERTOWNS)			
Opening Balance	7,501,644	7,501,644	11,771,492
Transfer to/(from) Reserve	(3,672,279)	(6,747,758)	(4,269,848)
Closing Balance	3,829,365	753,886	7,501,644
STAFF ATTRACTION & INCENTIVE RESERVE			
Opening Balance	188,899	188,899	184,499
Transfer to/(from) Reserve	5,090	1,354	4,401
Closing Balance	193,990	190,253	188,899
PUBLIC OPEN SPACE RENEWAL RESERVE			
Opening Balance	156,534	156,534	-
Transfer to/(from) Reserve	400,839	394,961	156,534
Closing Balance	557,373	551,495	156,534





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Note 11 (cont)

	2015 \$	2015 Budget \$	2014 \$
11 RESERVES - CASH/INVESTMENT BACKED			
INFRASTRUCTURE RENEWAL RESERVE			
Opening Balance	937,591	-	-
Transfer to/(from) Reserve	-	932,048	-
Closing Balance	937,591	932,048	-
PUBLIC OPEN SPACE CONSTRUCTION RESERVE			
Opening Balance	-	-	-
Transfer to/(from) Reserve	82,647	81,693	-
Closing Balance	82,647	81,693	-
INFRASTRUCTURE CONSTRUCTION RESERVE			
Opening Balance	-	-	-
Transfer to/(from) Reserve	-	-	-
Closing Balance	-	-	-
BUILDING CONSTRUCTION RESERVE			
Opening Balance	-	-	-
Transfer to/(from) Reserve	107,563	106,326	-
Closing Balance	107,563	106,326	-
LEAVE RESERVE			
Opening Balance	-	-	-
Transfer to/(from) Reserve	199,479	197,310	-
Closing Balance	199,479	197,310	-
SEWER STAGE 1B RESERVE			
Opening Balance	-	-	-
Transfer to/(from) Reserve	1,065,231	197,310	-
Closing Balance	1,065,231	197,310	-
TOTAL CASH BACKED RESERVES	10,568,117	5,912,967	12,907,527





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Note 11 (cont)

11 RESERVES - CASH/INVESTMENT BACKED

In accordance to each reserve account, the purpose for which the funds are set aside are as follows:

Plant Replacement Reserve

- to be used in order to assist in the purchase of major items of plant.

Building Renewal Reserve

- to fund capital renewal of buildings and associated assets as guided by the Building Asset Management Plan.

Long Service Leave Reserve

- to be used in order to pay claims made on council for current employees and on council from other Local Governments employing former employees of this council, for contributions towards the payment of Long Service Leave entitlements.

Rubbish Reserve

- to be used to fund the capital costs of establishing, enhancing new landfill sites, rehabilitation and management reports of their usage.

Community Centre Reserve

- to be used to fund capital construction costs and major maintenance restoration / preservation costs to the community recreation centres located in the four towns.

Television Reserve

- to be used to fund the provision of new or improved television rebroadcasting facilities throughout the shire.

Annual Leave Entitlements Reserve

- to fund annual leave entitlements for designated senior staff.

Computer Reserve

- to be used for the future purchase of computers.

Road Construction Reserve

- to fund the material and design components of Road Construction including reseals and upgrades.

Caravan Parks Reserve

- to fund improvements to Council owned Caravan Parks.

Playground Equipment Reserve

- to fund replacement requirements of Playground Equipment throughout the shire.

Land Development Scheme Reserve

- For the purpose of funding land development in the townsites of Dandaragan and Badgingarra.

Parking Requirements Reserve (Lot 1154 Sandpiper Street)

- to fund future parking requirements in the Shire of Dandaragan in the vicinity of Lot 1154 Sandpiper Street, Jurien Bay as separately identified.

Coastal / Foreshore Development Reserve

- To fund future coastal and foreshore developments of land.

Parks and Recreational Grounds Development Reserve (Seagate Estate)

- to fund the future purchase of land or development of parks and recreation grounds in the locality of Seagate Estates as separately identified or with Ministerial approval, for the improvement or development of parks and recreation.

Footpath Construction Reserve

- To fund future footpath and walkway construction programs





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Note 11 (cont)

11 RESERVES - CASH/INVESTMENT BACKED

Landscaping Reserve (Lot 1154 Sandpiper Street)

- to fund future landscaping requirements in the Shire of Dandaragan in the vicinity of Lot 1154 Sandpiper Street, Jurien Bay as separately identified.

Sport and Recreation Reserve

- To fund community sporting groups requests in accordance with the Shire of Dandaragan's Recreation Plan.

Administration Office Extensions

- To fund investigation, design and capital costs of future office extensions.

Aerodrome Reserve

- to be used for renewal, major maintenance, expansion or relocation of Shire of Dandaragan's airstrips and aerodromes

Jetty Reserve

- to fund design, feasibility and construction relating to the jetty project

Bushfire Reserve

- to be used for future fire fighting costs and equipment.

Housing Reserve

- to fund staff housing in Jurien Bay

Jurien Bay City Centre Enhancement Project Reserve (SuperTowns)

- to be used to fulfilling the requirements, outcomes and achievables identified in the Financial Assistance Agreement for the Supertowns Development Project Fund – Jurien Bay City Centre Enhancement Project

Staff Attraction & Incentive Reserve

- to be used to fund staff attraction and incentive programs and processes, such as, but not limited to additional superannuation contributions, bonuses, rental subsidies and utility subsidies

Public Open Space Renewal Reserve

To be used to fund capital renewal of Public Open Space and associated infrastructure as identified in the Asset Management Plan

Infrastructure Renewal Reserve

- to fund capital renewal of infrastructure and associated assets as guided by the Infrastructure Asset Management Plan.

Public Open Space Construction Reserve

- to fund capital construction and/or purchase of public open space and associated assets.

Infrastructure Construction Reserve

- to fund capital construction and/or purchase of infrastructure and associated assets.

Building Construction Reserve

- to fund capital construction and/or purchase of infrastructure and other associated assets.

Leave Reserve

- to fund annual leave and long service leave entitlements.





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Note 12

	Actual 2014/2015	Budget 2014/2015	Actual 2013/2014
12. 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:			
Cash and Cash Equivalents	13,612,925	5,342,075	13,644,077
(b) Reconciliation of Net Cash Provided by Operating Activities to Net Result			
Net Result	3,684,576	2,286,524	(367,256)
(Increase)/Decrease in Receivables	(430,564)	243,397	(191,814)
Grants and Subsidies for the development of assets	(5,106,974)	(4,010,353)	(926,749)
(Profit)/Loss on Disposal of Assets	164,298	132,819	40,822
(Increase)/Decrease in Stock	(5,028)		16,978
Depreciation	3,812,044	3,572,443	2,635,259
Fair Value adjustment to asset through profit & loss	819,436		
Increase/Decrease in Payables and Provisions	582,243	(164,671)	(329,142)
Net Cash provided by Operating Activities	3,520,031	2,060,159	878,098
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank Overdraft limit	350,000		350,000
Bank Overdraft at Balance Date	0		0
Credit Card limit	13,000		13,000
Credit Card Balance at Balance Date	1,332		1,332
Total Amount of Credit Unused	364,332		364,332
Loan Facilities			
Loan Facilities - Current	214,121		214,121
Loan Facilities - Non-Current	907,318		907,318
Total Facilities in Use at Balance Date	1,121,439		1,121,439
Unused Loan Facilities at Balance Date	0		0





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Note 13

	2015	2014
13. CAPITAL AND LEASING COMMITMENTS	\$	\$
(a) Operating Lease Commitments		
Non-cancellable operating leases		
contracted for but not capitalised in the accounts.		
Payable:		
- not later than one year	18,500	6,780
- later than one year but not later than five years	49,334	27,120
- later than five years	0	0
	<u>67,835</u>	<u>33,900</u>
(b) Capital Expenditure Commitments		
Contracted for:		
- plant & equipment purchases	-	-
- capital expenditure projects	381,117	4,068,800
Payable:		
- not later than one year	381,117	4,068,800

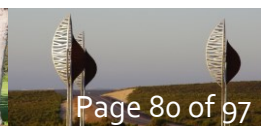




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Note 14

	2015	2014
	\$	\$
14. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY		
Governance	5,579,935	5,773,178
General Purpose Funding	0	13,956,077
Law, Order, Public Safety	1,794,562	973,143
Health	881,509	868,320
Community Amenities	18,517,343	12,088,756
Recreation and Culture	17,167,983	13,045,234
Transport	188,237,684	171,635,035
Economic Services	880,637	664,097
Other Property and Services	8,657,710	8,525,314
	<u>241,717,364</u>	<u>227,529,154</u>





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Note 15

	2015	2014	2013
15. FINANCIAL RATIOS			
Current Ratio	1.75	1.43	2.29
Asset Sustainability Ratio	1.20	1.31	0.40
Debt Service Cover Ratio	9.77	5.23	11.31
Operating Surplus Ratio*	(0.18)	(0.18)	0.03
Own Source Revenue Ratio	0.65	0.76	0.83

The above ratios are calculated as follows:

Current Ratio
$$\frac{\text{current assets minus restricted current assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$$

Asset Sustainability Ratio
$$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expense}}$$

Debt Service Cover Ratio
$$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$$

Operating Surplus Ratio
$$\frac{\text{operating revenue minus operating expense}}{\text{own source operating revenue}}$$

Own Source Revenue Ratio
$$\frac{\text{own source operating revenue}}{\text{operating expense}}$$

*Operating Surplus ratio has been adversely affected by the inclusion of a loss on fair valuation included as an expense for \$819,436.05. If this were to be excluded the ratio would be -0.077.

Further, the introduction of fair valuation of assets resulted in an extra \$2,000,000 being recognised as depreciation. The true effect of the increase in depreciation as a result of fair valuation is not yet known until further knowledge of service lives and levels of service are determined through the ongoing asset management process. However, it is likely that the depreciation recognised overstates the resources required to maintain assets at their determined level of service. If this increase in depreciation





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Note 16

16. RESTRICTED ASSETS

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

TRUST	Balance 30-Jun-13 \$	Movement Inwards \$	Outwards \$	Balance 30-Jun-14 \$
Housing Bonds	250			250
Seagate Estate	37,300			37,300
Dust Bond	50,007			50,007
Fire Fighting Facility	5,000			5,000
Housing Relocation Bond	4,000			4,000
Footpath Deposit	2,600			2,600
Burial Plots	1,693	176		1,869
Other Development Bonds	19,000			19,000
Dandaragan Recreation Fund	9,500			9,500
Nomination Deposits	-			-
Unclaimed monies	4,476			4,476
Development Assessment Panel Fee	5,885		(5,885)	-
Coastal Midlands LGMA	-			-
BRB BCL Levy	2,353	639	(2,353)	639
BCITF	2,503		(2,503)	0
Scheme Amendment Deposit	1,000			1,000
	145,567	815	10,741	135,641

RESTRICTED ASSETS	Balance 30-Jun-13 \$	Movement Inwards \$	Outwards \$	Balance 30-Jun-14 \$
Regional Strategy	13,540			13,540
DOLA Stage 1 Fencing & Footpaths, Cervantes	41,401			41,401
Landcorp Cash in Lieu POS	162,500			162,500
\$500 x 11 Lot Contrib. Mtce of Canover Rd Stage 2	15,900			15,900
Footpath - Foreshore Management Plan	20,814			20,814
Lot 1146 Sandpiper Street	2,000			2,000
Retention Grigson/Dalton	19,688			19,688
Lot 290 - Lawrence	6,322			6,322
Lot 290 Canover	-			-
	57,520			57,520
	339,686	-	-	320,706





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Note 17

17. DISPOSALS OF ASSETS - 2014/2015 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Plant & Machinery						
Mack Prime Mover	60,000	60,000	30,000	75,000	(30,000)	15,000
Hino Prime Mover	51,244	55,414	30,000	50,000	(21,244)	(5,414)
Custom Bogie Tipper	22,500	22,500	13,000	10,000	(9,500)	(12,500)
Haulmore Side tipper	20,000	20,000	12,000	10,000	(8,000)	(10,000)
Howard Porter Pig Trailer		12,000		5,000	-	(7,000)
Skid steer Trailer		5,086		2,000	-	(3,086)
Hino Road Patrol Truck		32,711		20,000	-	(12,711)
Hino 7 yard Truck		44,000		15,000	-	(29,000)
Chipper - Insurance Claim	24,449		26,800		2,351	-
Toro Ride on Mower		600		500	-	(100)
Utility Toyota Landcruiser Fire vehicle	35,000		19,045		(15,955)	-
Utility Toyota Landcruiser Fire vehicle	45,500		18,439		(27,061)	-
Utility	22,284	20,211	8,182	7,000	(14,102)	(13,211)
Utility	18,755	24,118	4,545	10,000	(14,210)	(14,118)
Utility	15,117	16,433	8,182	10,000	(6,935)	(6,433)
Utility	21,187	15,861	10,000	12,000	(11,187)	(3,861)
Utility	14,818	23,635	6,364	14,000	(8,454)	(9,635)
Holden Caprice		34,661		20,000	-	(14,661)
Toyota Prado		44,089		38,000	-	(6,089)
	350,854	431,319	186,556	298,500	(164,298)	(132,819)





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Note 18

18. INFORMATION ON BORROWINGS

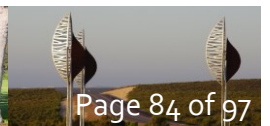
(a) Debenture Repayments

	Amount Outstanding 1 July 2014	New Loans 2014/15	Interest Repayments Actual 2014/15	Budget 2014/15	Principal Repayments Actual 2014/15	Budget 2014/15	Principal Outstanding 30 June 2015
Self Supporting Loans							
Advance Dandaragan	20,280		1,169	1,169	4,048	4,048	16,232
Cervantes Community Club	85,573		6,011	6,011	13,158	13,158	72,415
Jurien Bowling Club	167,404		8,056	8,056	17,530	17,530	149,874
Other Loans							
Jurien Admin Centre (refinance 115)	505,443		27,344	27,344	51,756	51,756	453,688
Jurien Jetty	314,572		15,256	15,256	99,463	99,463	215,110
Heaton Street Underground Power	28,166		1,090	1,090	28,166	28,166	-
Total	1,121,439	-	58,925	58,925	214,121	214,121	907,318

Heaton Street Underground Power is partly financed by a Service Charge
Jurien Recreational Jetty is financed by a Specified Area Rate
All other loan repayments were financed by general purpose revenue.

(b) Overdraft

Council established an overdraft facility of \$350,000 in 2001/02 to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2014 and 30 June 2015 was \$Nil.



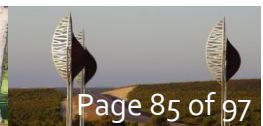


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Note 19

19a RATING INFORMATION - 2014/2015 FINANCIAL YEAR

RATE TYPE	2014/15 BUDGET						2014/15 ACTUAL				
	Rate in \$	Number of Properties	Rateable Value \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$
General Rate											
General GRV	0.071997	1,799	27,024,854	1,945,708	-	-	1,945,708	1,950,257	21,097		1,971,354
Vacant Residential - GRV	0.182310	695	3,704,660	675,396	-	-	675,396	675,068	9,592		665,477
UV	0.007121	688	335,780,500	2,391,227	-	-	2,391,227	2,391,227	3,344		2,394,572
UV - Mining	0.007121	1	413,719	2,946	-	-	2,946	3,080			3,080
Sub-Totals		3,183	366,923,733	5,015,277	-	-	5,015,277	5,019,632	14,850	-	5,034,482
Minimum Rates											
General GRV	\$ 601	199	1,395,810	119,599	-	-	119,599	118,998			118,998
Vacant Residential - GRV	\$ 601	179	503,330	107,579	-	-	107,579	106,978			106,978
UV	\$ 601	52	2,440,400	31,252	-	-	31,252	31,252			31,252
UV - Mining	\$ 748	88	1,514,619	65,824	-	-	65,824	64,328			64,328
Sub-Totals		518	5,854,159	324,254	-	-	324,254	321,556	-	-	321,556
Ex Gratia Rates							5,339,531				5,356,038
							1,188				1,147
							5,340,719				5,357,185
							-				-
							190,000				195,663
							5,150,719				5,161,522
							114,718				115,608
							5,265,437				5,277,130
Totals for Rate Setting Statement											
Discounts (refer note 21)											
Specified Area (refer to note 20b)											
Totals for Income Statement											





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Note 19 (cont.)

SHIRE OF DANDARAGAN BUDGET NOTE 7 NET CURRENT ASSETS

Description	Notes	30 June 2015	30 June 2014
5. NET CURRENT ASSETS			
Composition of Estimated Net Current Asset Position			
CURRENT ASSET			
Cash - Unrestricted		3,044,809	736,553
Cash - Restricted		10,568,117	12,907,527
Receivables		1,135,143	752,240
Inventories		26,466	21,439
		14,774,534	14,417,758
LESS: CURRENT LIABILITIES			
Payables and Provisions		(483,745)	(364,671)
		14,290,789	14,053,087
Less: Restricted Cash - Reserves		10,568,117	12,907,527
Less: Restricted Cash - Trust & Restricted Assets		0	0
NET CURRENT ASSET POSITION		3,722,672	1,145,560

Note 20

20a. SERVICE CHARGES - 2014/15 FINANCIAL YEAR

	Amount of Charge \$	Revenue Raised \$	Budget Revenue \$	Applied to Service Costs \$	Budget Applied to Costs \$
Heaton Street Underground Power	928.65	24,145	24,145	24,145	24,145

The service charge is for the underground power project on Heaton Street, Jurien Bay.
The charge is applicable to 26 identified land owners on Heaton Street, Jurien Bay.
The proceeds are applied in full to loan 129.

20b. SPECIFIED AREA RATE - 2014/15 FINANCIAL YEAR

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$	Applied to Costs \$	Budget Applied to Costs \$
Jetty							
- Rate	0.005651	GRV	20,314,925	114,799	114,718	114,799	114,718
- Interim Rate				(897)	0	(897)	0
- Back Rate				113,902	114,718	113,902	114,718

The specified area rate is for design, feasibility and construction relating to the new jetty and foreshore development at Dobbyn Park - Jurien Bay

The proceeds of the rate are applied to the cost of design concept, plans, costing and construction.





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Note 21

21. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS
- 2014/2015 FINANCIAL YEAR

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	5.00%	195,663	190,000
Civic Centre Hire				
Jurien Bay District High School	Waiver		1,111.36	
Jurien Bay Airstrip Landings				
Mr P M Lonnon	Waiver		8,340.00	
WA Skydiving Academy P/L	Waiver		399.00	
Back Nominees P/L	Waiver		222.30	
Prestige Helicopters P/L	Waiver		51.30	
L E & A Coppin	Waiver		34.20	
Lloyd Helicopters P/L	Waiver		34.20	
Mr P Bess	Waiver		34.20	
Paul Lyons Aviation P/L	Waiver		34.20	
All Sky Helicopters P/L	Waiver		28.50	
Anthony Human	Waiver		28.50	
Ashworth Nominees P/L	Waiver		28.50	
Eagle Magic P/L	Waiver		28.50	
Jandakot Flight Centre P/L	Waiver		28.50	
Geraldton Air Charter P/L	Waiver		22.80	
Mr A Karatamoglou	Waiver		22.80	
Mr H Gardner	Waiver		22.80	
Mr L Northey	Waiver		20.00	
Northam Air Services P/L	Waiver		17.10	
Shine Air P/L	Waiver		17.10	
Curtin Flying Club Inc	Waiver		11.40	
Minovation P/L	Waiver		11.40	
Mr G P Bates	Waiver		11.40	
Mr T Crisp	Waiver		11.40	
Nantay P/L	Waiver		11.40	
State of Western Australia	Waiver		11.40	
Aeropower P/L	Waiver		5.70	
Aerospace Operations Australia P/L- In Administrat	Waiver		5.70	
Bill & Ben Investments P/L	Waiver		5.70	
Chinta Air P/L	Waiver		5.70	
Chrishine Nominees P/L	Waiver		5.70	
Cloud Dancer Pilot Training P/L	Waiver		5.70	
Daedalus Aviation P/L - In Liquidation	Waiver		5.70	





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Deba International P/L	Waiver	5.70
Fortescue Helicopters P/L	Waiver	5.70
Helibits P/L	Waiver	5.70
Inverted P/L	Waiver	5.70
Jastela P/L	Waiver	5.70
Jetfield Nominees P/L	Waiver	5.70
Leimac Building P/L	Waiver	5.70
Longbow Geological Services P/L	Waiver	5.70
McDermott Aviation P/L	Waiver	5.70
Mr B J Norrish	Waiver	5.70
Mr B R B Sharpe	Waiver	5.70
Mr B R Collingridge	Waiver	5.70
Mr D G Watkins	Waiver	5.70
Mr D J Ellis - Weststar Aviation	Waiver	5.70
Mr G Hood	Waiver	5.70
Mr G Lloyd	Waiver	5.70
Mr H J Pietersie	Waiver	5.70
Mr M G Chester	Waiver	5.70
Mr M L Byrne	Waiver	5.70
Mr S T S Wilding	Waiver	5.70
Mr W G White	Waiver	5.70
Ningaloo Reef Air P/L	Waiver	5.70
Northam Aero Club Inc	Waiver	5.70
Notuse P/L	Waiver	5.70
Operator of Aircraft 19-7298	Waiver	5.70
Ozwest Aviation P/L	Waiver	5.70
Pearce Flying Club Inc	Waiver	5.70
Phillips Air Services P/L	Waiver	5.70
Rotorwest P/L	Waiver	5.70
Royal Aero Club of WA Inc	Waiver	5.70
Saratoga Partners P/L	Waiver	5.70

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.

Hire fees for rooms at the Civic Centre are waived for educational purposes

Landing fees at the Jurien Bay airstrip were waived for 2014/2015





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Note 22

22. INTEREST CHARGES AND INSTALMENTS - 2014/2015 FINANCIAL YEAR

	Interest Rate %	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	10.00%	25,208	27,000
Interest on Instalments Plan	5.00%	14,335	13,000
Interest on ESL	11.00%	857	0
Interest on Deferred Pensioner		964	1,000
		41,365	41,000
Charges on Instalment Plan		12,880	11,500

Ratepayers had the option of paying rates in four equal instalments, due;
 Friday, 26 September 2014
 Wednesday, 26th November 2014
 Tuesday, 27 January 2015
 Thursday, 26 March 2015

Administration charges and interest applied for the final three instalments.

Note 23

23. FEES & CHARGES	2015 \$	2014 \$
Governance	320	710
General Purpose Funding	20,271	19,441
Law, Order, Public Safety	283,583	259,594
Health	8,101	4,388
Community		
Amenities	1,329,839	1,032,705
Recreation & Culture	20,481	29,062
Transport	4,808	4,672
Economic Services	179,778	194,156
Other Property & Services	64,500	13,847
	<u>1,911,681</u>	<u>1,558,576</u>

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





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Note 24

24. GRANT REVENUE	2015 \$	2014 \$
By Nature and Type:		
Grants and Subsidies - operating	2,869,161	955,548
Grants and Subsidies - non-operating	<u>5,106,974</u>	<u>926,749</u>
	<u>7,976,136</u>	<u>1,882,297</u>
By Program:		
General Purpose Funding	2,427,434	728,610
Law, Order, Public Sector	638,565	121,554
Health	455	0
Education and Welfare	10,000	0
Community		
Amenities	1,062,051	0
Recreation and Culture	552,743	32,447
Transport	<u>3,284,888</u>	<u>999,687</u>
	<u>7,976,136</u>	<u>1,882,297</u>

Note 25

25. COUNCILLORS' REMUNERATION	2015 \$	2015 Budget \$	2014 \$
The following fees, expenses and allowances were paid to council members and/or the president.			
Councillor Meeting Fees	127,720	127,720	118,314
President Meeting Fees	16,018	6,000	24,000
President Allowance	8,003	0	7,891
Deputy President Allowance	3,000	3,000	1,973
Travelling Expenses	26,262	25,000	33,677
Technology Allowance	6,455	9,000	8,633
Telecommunications Allowance	<u>4,250</u>	<u>4,500</u>	<u>4,317</u>
	<u>191,708</u>	<u>175,220</u>	<u>198,804</u>





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Note 26

	2015 \$	2014 \$
26. REVALUATION SURPLUS		
Revaluation surplus have arisen on revaluation of the following classes of non-current assets;		
(a) Furniture and Equipment		
Opening Balance	400,366	400,366
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>400,366</u>	<u>400,366</u>
(b) Plant and Equipment		
Opening Balance	813,172	813,172
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>813,172</u>	<u>813,172</u>
(c) Land		
Opening Balance	1,883,204	0
Revaluation Increment	0	1,883,204
Revaluation Decrement	0	0
	<u>1,883,204</u>	<u>1,883,204</u>
(d) Building		
Opening Balance	13,672,369	0
Revaluation Increment	0	13,672,369
Revaluation Decrement	0	0
	<u>13,672,369</u>	<u>13,672,369</u>
(e) Infrastructure Roads		
Opening Balance	0	0
Revaluation Increment	10,476,118	0
Revaluation Decrement	0	0
	<u>10,476,118</u>	<u>0</u>
(f) Infrastructure Drainage		
Opening Balance	0	0
Revaluation Increment	3,690,258	0
Revaluation Decrement	0	0
	<u>3,690,258</u>	<u>0</u>
(g) Infrastructure Footpaths		
Opening Balance	0	0
Revaluation Increment	3,862,146	0
Revaluation Decrement	0	0
	<u>3,862,146</u>	<u>0</u>
(h) Infrastructure Other		
Opening Balance	0	0
Revaluation Increment	7,193,984	0
Revaluation Decrement	0	0
	<u>7,193,984</u>	<u>0</u>
TOTAL ASSET REVALUATION SURPLUS	<u>41,991,617</u>	<u>16,769,111</u>





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Note 27

**27. EMPLOYEE
NUMBERS**

2015

2014

The number of full-time equivalent

employees at balance date

47

46

Note 28

**28. TRADING UNDERTAKINGS AND MAJOR TRADING
UNDERTAKINGS**

Council did not participate in any trading undertakings

or major trading undertakings during 2014 / 2015





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Note 29

29. 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	
	2015 \$	2014 \$	2015 \$	2014 \$
Financial Assets				
Cash and cash equivalents	13,612,925	13,644,079	13,612,925	13,644,079
Receivables	<u>1,208,368</u>	<u>779,243</u>	<u>1,208,368</u>	<u>779,243</u>
	<u><u>14,821,293</u></u>	<u><u>14,396,319</u></u>	<u><u>14,821,293</u></u>	<u><u>14,396,319</u></u>
Financial Liabilities				
Payables	556,971	391,674	556,971	391,674
Borrowings	<u>907,318</u>	<u>1,121,439</u>	<u>832,779</u>	<u>1,017,180</u>
	<u><u>1,464,289</u></u>	<u><u>1,476,110</u></u>	<u><u>1,389,750</u></u>	<u><u>1,371,851</u></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.





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Note 29 (cont)

29. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

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.

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-15	30-Jun-14
	\$	\$
Impact of a 1% (+) movement in interest rates on cash and investments:		
- Equity	220,167	187,438
- Income Statement	220,167	187,438

Notes:

(+) Maximum impact.





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Note 29 (cont)

29. 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.

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

	30-Jun-14	30-Jun-13
Percentage of Rates and Annual Charges		
- Current	0.00%	0.58%
- Overdue	100.00%	99.42%
Percentage of Other Receivables		
- Current	99.25%	96.12%
- Overdue	0.75%	3.88%





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Note 29 (cont)

29. FINANCIAL RISK MANAGEMENT (Continued)

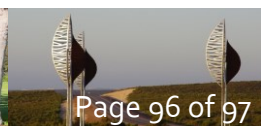
(c) Borrowings

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:

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

Year Ended 30 June 2015								Weighted Average Effective Interest Rate %	
Borrowings									
Fixed Rate									
Debtures		215,110		14,116		669,035	898,261	5.51%	
Weighted Average Effective Interest Rate		5.26%		6.06%		5.58%			
Year Ended 30 June 2014								Average Effective Interest Rate %	
Borrowings									
Fixed Rate									
Debtures	28,166				314,572	20,280	758,420	1,093,272	5.52%
Weighted Average Effective Interest Rate	5.14%				5.26%		6.64%	5.61%	





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Supplementary Ratio Information

SHIRE OF DANDARAGAN SUPPLEMENTARY RATIO INFORMATION

RATIO INFORMATION

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

	2015	2014	2013
Asset Consumption Ratio	0.78	0.70	0.79
Asset Renewal Funding Ratio	2.42	1.80	0.74

The above ratios are calculated as follows:

Asset Consumption Ratio	$\frac{\text{depreciated replacement cost of assets}}{\text{current replacement cost of depreciated assets}}$
Asset Renewal Funding Ratio	$\frac{\text{NPV of planned capital renewals over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

