

# Shire of Mukinbudin

## 2007/2008 Annual Report



Spring Festival 2008



Community Gym Opening 2008



Community Mosaic 2008

# CONTENTS

**Councillors**

**Organisational Structure**

**Staff**

**President's Report**

**Chief Executive Officer's Report**

**Statutory Reports**

**Plan for the Future**

**Financial Statements 2007/2008**

**Auditor's Report**



# **NOTICE OF MEETING**

## **Annual Electors Meeting**

**Mukinbudin Sporting Complex commencing at 6pm**

**11<sup>th</sup> February 2009**

### **Agenda**

- 1. Opening Comments and Announcements**
- 2. Apologies**
- 3. Confirmation of Minutes**
- 4. Business Arising from Minutes**
- 5. President's Report**
- 6. Chief Executive Officers Report**
- 7. Annual Financial Statements**
- 8. Auditors Report**
- 9. General Business**
- 10. Meeting Closure**

**Councillors**

**Shire President**  
Cr Gary Shadbolt  
Lake Brown/  
Dandanning Ward



**Deputy Shire President**  
Cr Paul Jones  
Town Ward



**Councillor**  
Cr Chris Geraghty  
Bonnie Rock Ward



**Councillor**  
Cr Kylie Sippe  
Town Ward



**Councillor**  
Cr Dawn Lancaster  
Town Ward



**Councillor**  
Cr Steve Palm  
Bonnie Rock Ward



**Councillor**  
Cr Brendon Jones  
Wilgoyne Ward

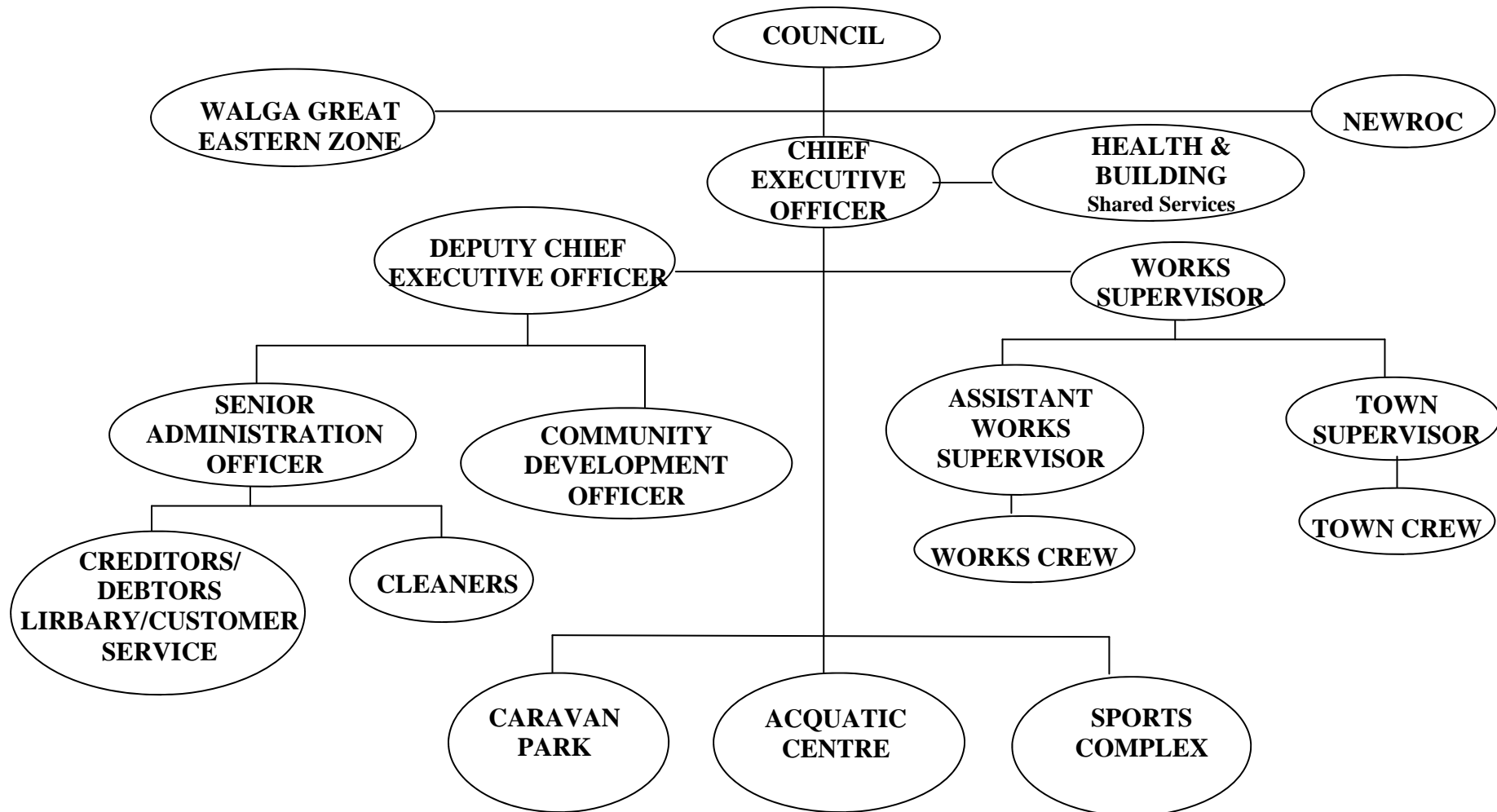
**Councillor**  
Cr Rod Comerford  
Wattoning Ward



**Councillor**  
Cr Steve Paterson  
Town Ward



# SHIRE OF MUKINBUDIN ORGANISATIONAL STRUCTURE



Shire President & Councillors  
President – Chris Geraghty  
Deputy President – Gary Shadbolt  
Councillors – Paul Jones, David Gaunt, Brendon Jones, Dawn Lancaster,  
Steve Palm Ernie Ventris Steve Paterson



Chief Executive Officer  
Trevor Smith



Deputy Chief Executive Officer  
Jamie Criddle



Works Supervisor  
Bob Edwards



Environmental Health & Building Officer  
Wendy Dallywater

### Shire of Mukinbudin Contact Details

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Website [www.mukinbudin.wa.gov.au](http://www.mukinbudin.wa.gov.au)

# PRESIDENT'S REPORT

I am pleased to present my report on Council's activities for the 2007/2008 financial year.

## **Council**

There were no changes in Councillors during the 2007/2008 year and I would like to thank all the current Councillors for their contributions to the governance of the Shire.

Being a Councillor is much more than one day a month in Chambers and involves representing the Shire on a range of external bodies and liaising with residents and ratepayers throughout the year. The Councillors of the Shire bring a diverse range of views to Council which ensures that all issues are thoroughly debated.

## **Staff**

The employees of the Shire have once again served Council most diligently and have worked hard to ensure that Council's projects are completed in a timely and cost effective manner.

I would like to thank Trevor Smith along with the office staff, Bob Edwards and the Works Crew for responding to a range of challenges throughout the year.

There were some changes to staff during the 2007/2008 year and I would like to thank past employees David Mallory and Iris Walker for their efforts and wish them all the best for the future.

I would like to welcome Tracey Hobbs as the Natural Resources Management Officer, and Brad Paterson and Dale Seaby as the new Gym Co-ordinators, and Noel Bond to the outdoor crew.

## **Major Projects**

As usual road works formed the main area of Council's expenditure with capital improvements totalling \$762,000.

Major capital expenditure occurred on:

Koorda - Bullfinch Road (east)	\$365,000
Koorda - Bullfinch Road (blackspot)	\$99,000
Bent Street	\$63,000
North-East Road	\$50,000
Moondon Road	\$76,000
Berringbooding Road	\$68,000
Mukinbudin Wialki Road	\$11,000

Road maintenance expenditure for the year exceeded \$200,000. This represents total roads expenditure of nearly \$1,000,000 across the Shire. Council, together with the State and Federal Governments, continues to invest in our road infrastructure recognising it as an important investment in our future, especially for agriculture and tourism.

## **Other Projects**

The Shire was also proactive in other community projects including the completion or commencement of the:

1950s Community Farm Shed - completed

Heritage Silo - completed

2 Aged Units - completed

Community Gymnasium - commenced

Community Mosaic – commenced

## **Future Expenditure**

Road Improvements – primarily the continuation of the Koorda-Southern Cross Road widening, completion of the Barbalin Black Spot project, and the commencement of the Heavy Vehicle Bypass project in conjunction with the CBH expansion.

New Fire Station – to house the current fire truck and provide much needed facilities for the Mukinbudin brigade.

Community Housing – the purchase or construction of a new house under the Country Housing Authority scheme to assist in providing houses to attract skilled workers and tradesmen to rural areas.

Country Pathways – improving the network of footpaths and dual-use paths around the town improving safety for children and elderly by linking focal points in town.

New Subdivision – construction of 18 new residential lots to cater for the expansion of the town.

## **Challenges**

The immediate challenge facing the community of Mukinbudin is ensuring that the population decline of the past is halted and that the economic base of the Shire is expanded to include activity that is not solely dependant on primary production. Two years of the Shire being drought declared with the loss of families and the subsequent flow-on effect through the schools and the local business community have highlighted the importance of this work.

This may involve the expansion of secondary agricultural industries or the introduction of new economic activity such as tourism. Council has already examined the tourism scenario in detail and future work is planned to create “investor ready” proposals. The Shire has also placed an expression of interest with the Department of Food and Agriculture to be involved in a pilot project examining the development of secondary agricultural industries in the Shire.

The Shire has also been proactive in lobbying for the retention of services including health, education and police. Our Shire, together with Nungarin, Trayning and Mt Marshall purchased the medical practice of Dr Radunovich to ensure that services provided to each town are maintained. We have lobbied hard to ensure that the District High School retains its status and continues to provide educational opportunities to students from Prep to Year 12.

## **In Conclusion**

In 2007/2008 Council continued to provide for the good governance of the district and to be as proactive as possible in anticipating the needs of the community, now and into the future.

Once again I would like to thank those individuals and groups with the commitment to Mukinbudin who help Council in planning for the future with their ideas and hard work. I



include my fellow Councillors in this group and I especially thank them for their support in my second year as Shire President.

I look forward in the next twelve months to working with Councillors, officers and the community to progress our ideas and ensure that the future of Mukinbudin is one of growth and prosperity with the services and facilities that we need to keep Mukinbudin as one of the most liveable country towns in Western Australia.

**Cr Gary Shadbolt**  
**Shire President**

# CHIEF EXECUTIVE OFFICER'S REPORT

Once again it gives me great pleasure to be presenting the Chief Executive Officer's Report for the Shire of Mukinbudin. Completion or commencement of the range of projects detailed by the Shire President in his report has provided the employees of the Shire of Mukinbudin the opportunity to again demonstrate their commitment to the Mukinbudin community. Whether through the quality of workmanship or in pursuing opportunities for future development I am proud of the manner in which the Shire staff presented themselves.

I would also like to thank those individuals and groups within the community who provide ideas or practical assistance. I encourage all residents to participate in local government and to keep themselves informed of issues and events that are likely to impact on our community.

The Shire of Mukinbudin together with the other six Shires of NEWROC are continually striving to provide better and more efficient services to our communities. NEWROC has for a number of years provided Natural Resource Management at a regional level and has been an effective lobbying group for our Wheatbelt residents. This role is growing and we are currently looking at an expanded regional health group to provide health, building and planning services to all Shires. We have also been looking at employing an engineering technical officer to work across the six Shires. We now have the NEWROC Club Development Officer, as well as the Act Belong Commit scheme.

Importantly, in a politically sense, NEWROC (as with all Regional Organisations of Councils in WA) provides the vehicle by which local governments can provide better services, keep their local identities, and continue to fight for state and federal services in our region. Without ROCs it is likely that Western Australia could long ago have followed the eastern States model of local government amalgamations which promise much and deliver little except to destroy local communities. We should all be wary of State and Federal governments who promise cost savings in the delivery of services as this invariably translates to closure of service delivery points, nearly always in rural areas.

On a very positive note the officers of the Shire look forward to working with the Councillors and the community in the pursuit of new economic development opportunities for the region. Much background work has been done and much more is required, however the benefits of attracting even one new business to the Shire could be enormous. All officers, Councillors, and I am sure most residents, promote Mukinbudin and the benefits of rural living wherever we go.

I am sure that all employees are proud to work in the Shire of Mukinbudin with such a supportive community and Council. Mukinbudin is a great Shire and we make the commitment to all that we intend to do all within our ability to keep it that way.

**Trevor J Smith**  
**Chief Executive Officer**

# STATUTORY REPORTS

## Policy Statement Addressing the Issue of Access for People with Disabilities, Their Families and Carers

The Shire of Mukinbudin is committed to ensuring that the community is an accessible community for people with disabilities, their families and carers.

The Shire of Mukinbudin is committed to consulting with people with disabilities, their families and carers and where required, disability organisations to ensure that barriers to access are addressed appropriately.

The Shire of Mukinbudin is committed to achieving the following outcomes:

### *Existing services are adopted to ensure they meet the needs of people with disabilities*

Council will endeavour to be adaptable in responding to the barriers experienced by people with various disabilities, including people with physical, sensory, cognitive and psychiatric disabilities.

### *Access to building and facilities is improved*

Council will undertake to incorporate the priorities regarding access for people with disabilities, identified during the consultations, into submissions of its capital works improvement program. Modifications will commence, as funds are made available. Council will undertake to liaise with developers to increase their awareness of the access requirements of people with disabilities.

### *Information about services is provided in formats which meet the communication requirements of people with disabilities*

Council will produce all of its information on Council facilities, functions and services using clear and concise language. Council will advise the community that, upon request, information about Council functions and services can be made available in alternative formats, such as large print and audio cassettes.

### *Advice and services are delivered by staff who are aware of and understand the needs of people with disabilities*

Improve staff awareness regarding the needs of people with disabilities and provide relevant training to deliver an appropriate service. Council will undertake to ensure that staff are aware of the key access needs of residents with disabilities and people with disabilities who visit the local government area to access provision of all services. When required, Council will seek expert advice from people in the disability field on how to meet the access needs of people with disabilities.

*Opportunities are provide for people with disabilities to participate in public consultations, grievance mechanisms and decision making processes*

Provide opportunities for people with disabilities to participate in public consultations, grievance mechanisms and decision making processes. Council will ensure that information is available in clear and concise language on how residents can participate in decision making processes, public consultations and grievance mechanisms. Council will advise the community that this information can be made available in alternative formats upon request. Council will also undertake to enable people with disabilities to attend meetings of Council.

### Freedom of Information

The Shire of Mukinbudin will provide information to people requesting it from Council. Should a request not be met satisfactorily, then a Freedom of Information Application can be lodged with Council. During the year ended 30 June 2008, no Freedom of Information Applications were received.

### Record Keeping Plan

The Shire of Mukinbudin is committed to accessible and efficient record keeping practices and complies with relevant legislation including the State Records Act 2000.

Council has established a Record Keeping Plan which was submitted and approved by the State Records Commission. In addition, Council has produced a Records Management Procedures Manual, which is utilised in Council's Induction Training for all new staff.

The Records Keeping Plan looks at the efficiency and effectiveness of the Shire's record keeping systems and includes sections on procedures, risk management and disaster recovery plans, retention and disposal of records, training of staff on record keeping practices and information on the Shire's compliance with the plan.

### National Competition Policy Statement

The competition Principles Agreement is an Inter-government Agreement between the Commonwealth and State/Territory Governments that sets out how government will apply National Competition Policy principles to public sector organisations within their jurisdiction.

The State Government released a Policy Statement effective from July 1996 called the Clause 7 Statement, which forms part of the Competition Principles Agreement. The Clause 7 policy document sets out nominated principles from the Agreement

that now apply to Local Government. The provisions of Clause 7 of the Competition Principles Agreement require local government to report annually as to the implementation, application and effects of the Competition Policy.

The Competition principles Agreement, under Clause 7, specifies three broad areas of reporting, they are:

1. Competitive Neutrality
2. Structural Review of Public Monopolies; and  
Legislative Review

In accordance with the requirements of the National Competition Policy the Shire of Mukinbudin makes the following disclosure of 2007/2008.

#### *Competitive Neutrality*

The object of competitive neutrality is the elimination of resource allocation distortions arising out of local government ownership of significant business activities.

The Shire of Mukinbudin has assessed its operations and considers that it has no business activity that would be classes as significant under the current guidelines. Also the Shire of Mukinbudin does not operate a business enterprise that has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or Public Financial Enterprise.

The number of activities to which competitive neutrality principles have been considered but not applied in the reporting period is: Zero (0)

During the reporting period the Shire of Mukinbudin did not become aware of any allegations of non-compliance with the competitive neutrality principles made by a private entity against the Shire.

#### *Structural Review of Public Monopolies*

In relation to Structural review of public monopolies the Shire of Mukinbudin discloses the following:

Structural reform principles have been applied to the following number of activities in the reporting period: Zero (0)

Structural reform principles have been considered but not applied to the following number of activities in the reporting period: Zero (0)

As no structural reform has been applied to any activities the review requirements of principle SR.3 of Clause 7 of the Competition Policy Statement have not been undertaken.

### *Legislative Review*

Parties to the national Competition Policy package agreed that legislation should not restrict competition unless:

There is an obligation on the Public Interest Disclosure Officer in the Public Interest.

The benefits of the restriction to the community as a whole outweigh the costs; and

The objectives of the legislation can only be achieved by restricting competition.

Accordingly, the Shire of Mukinbudin is required to implement a systematic review of all of its existing legislation to determine whether there are any direct or indirect effects on competition.

In relation to a Legislative Review the Shire of Mukinbudin discloses that:

As at the reporting date the number of by-laws and Local Laws which have been reviewed and reformed as a result of any legislative review is Zero (0).

As at the reporting date the number of by-laws and Local Laws which the application of any legislative review principles were considered but not applied is: Zero (0)/

### Public Interest Disclosure

The Public Interest Disclosure Act was established by the Commissioner for the Public Sector Standards under Section 20 of the Public Interest Disclosure Act 2003.

One of the principles of the new legislation is not just to provide protection to those who make disclosures (and those who are the subject of disclosures) but also encourages a system of transparency and accountability in the way government or government officials act and utilise public monies.

Matters that fall into the category of public interest include the following:

- Improper Conduct (irregular or unauthorised use of public resources)
- An offence under State Law including corruption (substantial unauthorised or irregular use of, or substantial mismanagement of, public resources)
- Administration matters generally (conduct involving a substantial risk of injury to public health, prejudice to public safety or harm to the environment)

Matters that relate to the Shire of Mukinbudin should be referred to the Shire of Mukinbudin's Public Interest Disclosure Officer. Disclosures to the Public Interest Disclosure Officer can be made not just about officers of a local authority but also its elected officials.

Disclosure Act to ensure that the disclosure is confidential and that the person making a disclosure is provided adequate protection from reprisals, civil and criminal liability, dismissal or breach of confidentiality.

The Shire of Mukinbudin had no Public Interest Disclosures during the reporting period ending 30 June 2008.

#### Information on Payments to Employees

For the purpose of Section 5.53(2) (g) the Annual Report of a Local Government for a financial year is to contain the following information:

The number of employees of the Local Government entitled to an annual salary of \$100,000 or more;

The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000.

The Shire of Mukinbudin does not have any employees who receive an annual Salary of \$100,000 or more.

# PLAN FOR THE FUTURE

## PLAN FOR THE FUTURE 2007/2008

The plan has been developed by identifying future Principal Activities and policy directives for each Council function and service, through an evaluation process involving involving the Council, Staff and community submissions.

The following are Councils Principal Activities for the 2007/08 financial year.

Strategy	Cost	Objective
Housing and Land	\$710,000	Maintain, Replacement of Council, Community & Aged housing, develop residential subdivision.
Waste Collection & Disposal	\$28,500	Provide effective rubbish/recycling collection for Mukinbudin, cardboard recycling, Waste oil & Chemical drum disposal.
Facilities Management	\$175,000	Maintain & replacement of Councils public facilities including halls, pools, public conveniences, recreation reserves, playgrounds & other facilities.
Plant Acquisition & Replacement	\$274,000	To ensure that Council's plant is reliable, to reduce maintenance cost and to minimise the replacement cost as far as possible.
Road Asset Management	\$1,063,500	To ensure that Council's road infrastructure is maintained to an acceptable standard and where possible improved. To co-ordinate Council's road resources to target high priority roads and to ensure funding is obtained to carry out this objective.



## PLAN FOR THE FUTURE 2006/2007

The plan has been developed by identifying future Principal Activities and policy directives for each Council function and service, through an evaluation process involving the Council, Staff and community submissions.

The following are Councils Principal Activities for the 2006/07 financial year.

<b>Strategy</b>	<b>Cost</b>	<b>Objective</b>
Information Technology Upgrades	\$63,000	Ongoing upgrades of office equipment have been carried out.
Housing and Land	\$330,000	Ongoing maintenance carried out Council owned premises, Community housing was postponed to obtain more quotes.
Waste Collection & Disposal	\$28,500	The recycling bank and cardboard recycling is well utilised.
Facilities Management	\$384,000	50's Farm Shed completed, various maint on halls, pools, public conveniences, recreation reserves, playgrounds & other facilities.
Plant Acquisition & Replacement	\$456,000	Various vehicles were purchased as per plant replacement program.
Road Asset Management	\$1,063,500	Council's road network was maintained to acceptable standard and improved where possible.

*Shire of*  
**Mukinbudin**  
Western Australia

*Annual  
Financial  
Statement*

*“Classic, Dry, Red”*



*For the  
Period Ending  
30 June 2008*



# SHIRE OF MUKINBUDIN

## FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2008

### TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Income Statement by Nature or Type	3
Income Statement by Program	4
Balance Sheet	5
Statement of Changes in Equity	6
Cash Flow Statement	7
Rate Setting Statement	8
Notes to and Forming Part of the Financial Report	9 to 47
Independent Audit Report	48 & 49

**SHIRE OF MUKINBUDIN  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2008**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Mukinbudin being the annual financial report and other information for the financial year ended 30th June 2008 are in my opinion properly drawn up to present fairly the financial position of the Shire of Mukinbudin at 30th June 2008 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and regulations under that Act.

Signed on the 19<sup>th</sup> day of December 2008.

  
\_\_\_\_\_  
Trevor Smith  
Chief Executive Officer

**SHIRE OF MUKINBUDIN  
INCOME STATEMENT  
BY NATURE OR TYPE**

**FOR THE YEAR ENDED 30TH JUNE 2008**

	NOTE	2008 \$	2008 Budget \$	2007 \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>				
Rates	23	661,915	665,232	617,426
Grants and Subsidies	29	615,425	970,208	896,791
Contributions Reimbursements and Donations		162,780	235,000	263,361
Service Charges	25	7,592	7,280	7,488
Fees and Charges	28	197,152	236,723	223,725
Interest Earnings	2(a)	40,596	19,500	39,691
Other Revenue		160,594	26,623	192,782
		<u>1,846,054</u>	<u>2,160,566</u>	<u>2,241,264</u>
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>				
Employee Costs		(985,205)	(640,000)	(642,321)
Materials and Contracts		(290,358)	(145,000)	(142,603)
Utilities		(143,186)	(135,000)	(138,635)
Depreciation	2(a)	(881,104)	(843,900)	(862,145)
Interest Expenses	2(a)	(42,614)	50,419	(47,726)
Insurance		(112,366)	(90,000)	(95,756)
Other Expenditure		(246,232)	(692,640)	(673,337)
		<u>(2,701,065)</u>	<u>(2,496,121)</u>	<u>(2,602,523)</u>
		(855,011)	(335,555)	(361,259)
Grants and Subsidies - non-operating	29	1,107,068	1,071,671	1,183,026
Contributions Reimbursements and Donations - non-operating		-	-	-
Fair value adjustments to financial assets at fair value through profit or loss		-	-	-
Profit on Asset Disposals	21	-	-	30,151
Loss on Asset Disposals	21	<u>(11,152)</u>	<u>(26,842)</u>	<u>(4,834)</u>
<b>NET RESULT</b>		<u>240,905</u>	<u>709,274</u>	<u>847,084</u>

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

**SHIRE OF MUKINBUDIN  
INCOME STATEMENT  
BY PROGRAM**

**FOR THE YEAR ENDED 30TH JUNE 2008**

	NOTE	2008 \$	2008 Budget \$	2007 \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>				
Governance		14,691	100	1,235
General Purpose Funding		1,237,861	1,175,177	1,152,461
Law, Order, Public Safety		30,808	22,150	25,167
Health		-	100	172
Education and Welfare		11,144	-	16,065
Housing		191,382	125,460	216,253
Community Amenities		61,890	232,600	50,476
Recreation and Culture		178,405	370,833	269,693
Transport		1,066,133	1,095,179	1,378,406
Economic Services		160,965	225,980	271,456
Other Property and Services		23,185	11,500	73,057
	2 (a)	<u>2,976,464</u>	<u>3,259,079</u>	<u>3,454,441</u>
<b>EXPENSES FROM ORDINARY ACTIVITIES EXCLUDING BORROWING COSTS EXPENSE</b>				
Governance		(243,539)	(194,335)	(260,495)
General Purpose Funding		(99,985)	(82,212)	(75,953)
Law, Order, Public Safety		(70,546)	(68,373)	(66,654)
Health		(33,910)	(35,758)	(32,946)
Education and Welfare		(65,026)	(64,041)	(78,478)
Housing		(94,379)	(106,056)	(76,378)
Community Amenities		(125,986)	(168,216)	(95,957)
Recreation & Culture		(530,745)	(471,052)	(465,545)
Transport		(1,097,656)	(997,720)	(1,053,255)
Economic Services		(228,483)	(305,122)	(315,175)
Other Property and Services		(102,690)	(6,500)	(38,795)
	2 (a)	<u>(2,692,945)</u>	<u>(2,499,385)</u>	<u>(2,559,631)</u>
<b>BORROWING COSTS EXPENSE</b>				
Governance		(5,482)	(5,482)	(6,258)
Housing		(16,197)	(15,444)	(18,494)
Education and Welfare		(4,187)	(4,143)	(4,273)
Recreation & Culture		(11,810)	(11,435)	(12,182)
Transport		-	(9,000)	(1,097)
Economic Services		(4,938)	(4,916)	(5,422)
	2 (a)	<u>(42,614)</u>	<u>(50,420)</u>	<u>(47,726)</u>
<b>NET RESULT</b>		<u>240,905</u>	<u>709,274</u>	<u>847,084</u>

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

**SHIRE OF MUKINBUDIN  
BALANCE SHEET  
AS AT 30TH JUNE 2008**

	NOTE	2008 \$	2007 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	518,202	491,040
Trade and Other Receivables	5	290,530	197,817
<b>TOTAL CURRENT ASSETS</b>		<u>808,732</u>	<u>688,857</u>
<b>NON-CURRENT ASSETS</b>			
Other Receivables	5	439	3,074
Inventories	6	36,000	36,000
Property, Plant and Equipment	7	5,195,372	5,276,435
Infrastructure	8	32,435,769	32,210,625
<b>TOTAL NON-CURRENT ASSETS</b>		<u>37,667,580</u>	<u>37,526,134</u>
<b>TOTAL ASSETS</b>		<u>38,476,312</u>	<u>38,214,991</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	9	19,893	41,845
Short Term Borrowings	10	102,218	50,508
Long Term Borrowings	10	87,422	88,983
Provisions	11	140,859	116,766
<b>TOTAL CURRENT LIABILITIES</b>		<u>350,392</u>	<u>298,102</u>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	10	548,101	611,366
Provisions	11	49,792	18,401
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>597,893</u>	<u>629,767</u>
<b>TOTAL LIABILITIES</b>		<u>948,285</u>	<u>927,869</u>
<b>NET ASSETS</b>		<u>37,528,027</u>	<u>37,287,122</u>
<b>EQUITY</b>			
Retained Surplus		23,543,237	23,329,494
Reserves - Cash/Investment Backed	12	517,762	490,600
Reserves - Asset Revaluation	13	13,467,028	13,467,028
<b>TOTAL EQUITY</b>		<u>37,528,027</u>	<u>37,287,122</u>

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

**SHIRE OF MUKINBUDIN  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2008**

	NOTE	2008 \$	2007 \$
<b>RETAINED SURPLUS</b>			
Balance as at 1 July 2007		23,329,494	22,706,737
Net Result		240,905	847,084
Transfer from/(to) Reserves		<u>(27,162)</u>	<u>(224,327)</u>
Balance as at 30 June 2008		<u>23,543,237</u>	<u>23,329,494</u>
<b>RESERVES - CASH/INVESTMENT BACKED</b>			
Balance as at 1 July 2007		490,600	266,273
Amount Transferred (to)/from Retained Surplus		<u>27,162</u>	<u>224,327</u>
Balance as at 30 June 2008	12	<u>517,762</u>	<u>490,600</u>
<b>RESERVES - ASSET REVALUATION</b>			
Balance as at 1 July 2007		13,467,028	13,467,028
Revaluation Increment		-	-
Revaluation Decrement		-	-
Balance as at 30 June 2008	13	<u>13,467,028</u>	<u>13,467,028</u>
<b>TOTAL EQUITY</b>		<u><u>37,528,027</u></u>	<u><u>37,287,122</u></u>

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



**SHIRE OF MUKINBUDIN  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2008**

	NOTE	2008 \$	2008 Budget \$	2007 \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		661,915	665,232	471,231
Grants and Subsidies - operating		615,425	970,208	896,791
Contributions, Reimbursements & Donations		162,780	235,000	263,361
Service Charges		7,592	7,280	7,488
Fees and Charges		197,152	236,723	223,725
Interest Earnings		40,596	19,500	39,691
Goods and Services Tax		169,459	110,000	188,216
Other		286,241	73,898	192,783
		<u>2,141,160</u>	<u>2,317,841</u>	<u>2,283,286</u>
<b>Payments</b>				
Employee Costs		(985,205)	(640,000)	(611,576)
Materials and Contracts		(290,358)	(145,000)	(119,867)
Utilities (gas, electricity, water, etc)		(143,186)	(135,000)	(138,635)
Insurance		(112,366)	(90,000)	(95,756)
Interest		(42,614)	(50,419)	(47,726)
Goods and Services Tax		(169,552)	(110,000)	(188,216)
Other		(453,565)	(770,000)	(673,337)
		<u>(2,196,846)</u>	<u>(1,940,419)</u>	<u>(1,875,113)</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	14(b)	<u>(55,686)</u>	<u>377,422</u>	<u>408,173</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Development of Land Held for Resale		-	-	-
Payments for Purchase of Property, Plant & Equipment		(247,008)	(1,293,000)	(647,989)
Payments for Construction of Infrastructure		(817,056)	(901,280)	(816,508)
Advances to Community Groups		-	-	-
Payments for Purchase of Investments		-	-	-
Grants/Contributions for the Development of Assets		1,107,068	1,071,671	1,183,026
Proceeds from Sale of Plant & Equipment		27,727	161,000	233,857
Proceeds from Advances		-	-	-
Proceeds from Sale of Investments		-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Cash Provided By (Used In) Investing Activities</b>		70,731	(961,609)	(47,614)
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures		(90,101)	(106,983)	(114,301)
Repayment of Finance Leases		-	-	-
Proceeds from Self Supporting Loans		-	-	-
Proceeds from New Debentures		-	345,000	-
		<u>-</u>	<u>345,000</u>	<u>-</u>
<b>Net Cash Provided By (Used In) Financing Activities</b>		(90,101)	238,017	(114,301)
<b>Net Increase (Decrease) in Cash Held</b>		(75,056)	(346,170)	246,258
Cash at Beginning of Year		491,040	440,532	194,274
<b>Cash and Cash Equivalents at the End of the Year</b>	14(a)	<u>415,984</u>	<u>94,362</u>	<u>440,532</u>

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

**SHIRE OF MUKINBUDIN  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2008**

	NOTE	2008 \$	2008 Budget \$
<b>REVENUES</b>			
Governance		14,691	100
General Purpose Funding		575,946	509,945
Law, Order, Public Safety		30,808	22,150
Health		-	100
Education and Welfare		11,144	-
Housing		191,382	125,460
Community Amenities		61,890	232,600
Recreation and Culture		178,405	370,833
Transport		1,066,133	1,095,179
Economic Services		160,965	225,980
Other Property and Services		23,185	11,500
		<u>2,314,549</u>	<u>2,593,847</u>
<b>EXPENSES</b>			
Governance		(249,021)	(199,817)
General Purpose Funding		(73,149)	(82,212)
Law, Order, Public Safety		(70,546)	(68,373)
Health		(33,910)	(35,758)
Education and Welfare		(69,213)	(68,184)
Housing		(110,576)	(121,500)
Community Amenities		(125,986)	(168,216)
Recreation & Culture		(542,555)	(482,487)
Transport		(1,097,656)	(1,006,720)
Economic Services		(233,421)	(310,038)
Other Property and Services		(94,720)	(6,500)
		<u>(2,700,753)</u>	<u>(2,549,805)</u>
<b>Adjustments for Cash Budget Requirements:</b>			
<b>Non-Cash Expenditure and Revenue</b>			
(Profit)/Loss on Asset Disposals		11,152	26,842
Movement in Accrued Interest		-	-
Movement in Deferred Pensioner Rates (Non-Current)		-	-
Movement in Accrued Salaries and Wages		3,168	-
Movement in Employee Benefit Provisions		24,093	-
Depreciation and Amortisation on Assets		881,104	843,900
<b>Capital Expenditure and Revenue</b>			
Purchase Land Held for Resale			
Purchase Land and Buildings		(149,110)	(733,000)
Purchase Infrastructure Assets - Roads		(817,056)	(901,280)
Purchase Plant and Equipment		(63,092)	(306,000)
Purchase Furniture and Equipment		(34,806)	(254,000)
Purchase of Investments		-	-
Proceeds from Disposal of Investments		-	-
Proceeds from Disposal of Assets		27,727	161,000
Repayment of Debentures		(90,101)	(106,983)
Proceeds from New Debentures		-	345,000
Self-Supporting Loan Principal Income		-	10,493
Transfers to Reserves (Restricted Assets)		(27,162)	(23,203)
Transfers from Reserves (Restricted Assets)		-	228,000
ADD Estimated Surplus/(Deficit) July 1 B/Fwd		162,546	303,140
LESS Estimated Surplus/(Deficit) June 30 C/Fwd		204,174	265,621
<b>Amount Required to be Raised from Rates</b>	<b>23</b>	<u><u>(661,915)</u></u>	<u><u>(627,670)</u></u>

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

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Preparation**

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

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

**Critical Accounting Estimates**

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

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

**(b) The Local Government Reporting Entity**

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

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

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

**(c) Goods and Services Tax**

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

**(d) Cash and Cash Equivalents**

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

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

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Trade and Other Receivables**

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

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

**(f) Inventories**

***General***

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

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

***Land Held for Resale***

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

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

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

**(g) Fixed Assets**

***Initial Recognition***

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

***Revaluation***

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

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

***Land under Roads***

Land under roads is excluded from infrastructure in accordance with the transition arrangements available under AASB 1045 and in accordance with legislative requirements.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Depreciation of Non-Current Assets**

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

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

Buildings	50 to 100 years
Furniture and Equipment	10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and major re-surfacing - bituminous seals	20 years
Gravel roads clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	12 years
Formed roads (unsealed) clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	40 years

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Investments and Other Financial Assets**

***Classification***

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

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

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

*(ii) Loans and receivables*

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

*(iii) Held-to-maturity investments*

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

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

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

***Recognition and derecognition***

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

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

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Investments and Other Financial Assets (Continued)**

***Subsequent measurement***

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

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

***Impairment***

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

**(j) Estimation of Fair Value**

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

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

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

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

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

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Impairment**

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

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

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

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

**(l) Trade and Other Payables**

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

**(m) Employee Benefits**

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

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

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

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

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

**(n) Interest-bearing Loans and Borrowings**

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

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

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

***Borrowing Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.



**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) Provisions**

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

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

**(p) Leases**

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

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

**(q) Joint Venture**

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

**(r) Rates, Grants, Donations and Other Contributions**

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

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

**(s) Superannuation**

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

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

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(t) Rounding Off Figures**

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

**(u) Comparative Figures**

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

**(v) 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.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(w) New Accounting Standards and Interpretations**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2008.

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

	<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(i)	AASB-I 12 Service Concession Arrangements, AASB 2007-1 Amendments to Australian Accounting Standards arising from AASB Interpretation 12, revised UIG 4 Determining whether an Arrangement contains a Lease and revised UIG 129 Service Concession Arrangements: Disclosures	February 2007	1 January 2008	Nil – Council is not party to any Service Concession Arrangements.
(ii)	AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8	February 2007	1 January 2009	Nil – The Standard is not applicable to not-for-profit entities.
(iii)	Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	June 2007	1 January 2009	Nil – The revised Standard has removed the option to expense all borrowing costs and, when adopted, will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of the Council as the council already capitalises borrowing costs relating to qualifying assets.
(iv)	AASB-I 13 Customer Loyalty Programmes	August 2007	1 July 2008	Nil – Council has no Customer Loyalty Programmes.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(w) New Accounting Standards and Interpretations (Continued)**

Title and Topic	Issued	Applicable (*)	Impact
(v) AASB-I 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	August 2007	1 January 2008	Nil – The Interpretation provides guidance on the maximum amount that may be recognised as an asset in defined benefit plans. Council does not currently contribute to any defined benefit plans. Consequently, there is not expected to be any impact on the financial statements.
(vi) Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101	September 2007 and December 2007	1 January 2009	Nil – The revised Standard requires the presentation of a Statement of comprehensive income and makes changes to the Statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If Council has made a prior period adjustment or has reclassified items in the financial statements, it is likely it will need to disclose a third balance sheet (Statement of financial position), being as at the beginning of the comparative period.
(vii) AASB 1049 Whole of Government and General Government Sector Financial	October 2007	1 July 2008(+)	Nil – The Standard is not applicable to Local Governments.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(w) New Accounting Standards and Interpretations (Continued)**

Title and Topic	Issued	Applicable (*)	Impact
(viii) AASB 1050 Administered Items: AASB 1051 Land Under Roads, AASB 1052 Disaggregated Disclosures, revised AASB 1004 Contributions, AASB 2007-9 Amendments to Australian Accounting Standards arising from the review of AAS 27, AAS 29 and AAS 31 and revised interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities	December 2007	1 July 2008(+)	<ul style="list-style-type: none"> <li>• AASB 1050 is only applicable to Government departments and will have no impact on Council.</li> <li>• AASB 1051 will allow Council to recognise or not recognise land under roads acquired before 30 June 2008. Land under roads acquired after 30 June 2008 must be recognised.</li> <li>• AASB 1052 requires disclosure of financial information by function or activity. Council already provides this information so there will be no additional impact on the financial statements.</li> <li>• This Standard will have a significant impact on the Council's financial statements.</li> <li>• AASB 1004 requires contributions made to Council to be recognised at fair value when they are controlled and to be appropriately disclosed. Council already accounts for contributions in this manner so there will be no additional impact on the financial statements.</li> </ul>

**Notes:**

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

(+) - Applicable to not-for-profit and/or public sector entities only.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

<b>2. REVENUES AND EXPENSES</b>	<b>2008</b>	<b>2007</b>	
	<b>\$</b>	<b>\$</b>	
<b>(a) Result from Ordinary Activities</b>			
The Result from Ordinary Activities includes:			
(i) Charging as an Expense:			
<b>Auditors Remuneration</b>			
- Audit	5,795	9,700	
- Other Services	1,200	570	
- Previous Auditor	-	200	
<b>Depreciation</b>			
Buildings	94,676	90,012	
Furniture and Equipment	12,102	13,277	
Plant and Equipment	182,414	180,462	
Roads	590,494	576,976	
Footpaths	1,418	1,418	
	<u>881,104</u>	<u>862,145</u>	
<b>Interest Expenses</b>			
Debentures (refer Note 22(a))	42,614	47,726	
	<u>42,614</u>	<u>47,726</u>	
(ii) Crediting as Revenue:			
	<b>2008</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
		<b>\$</b>	
<b>Interest Earnings</b>			
Investments			
- Reserve Funds	27,162	10,000	21,203
- Other Funds	13,434	8,000	18,488
Other interest Revenue	-	1,500	-
	<u>40,596</u>	<u>19,500</u>	<u>39,691</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**2. REVENUES AND EXPENSES (Continued)**

**(b) Statement of Objective**

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

**GOVERNANCE**

OBJECTIVE: To provide a decision making process for the efficient allocation of scarce resources

ACTIVITIES: Administration and operation of facilities and services to members of Council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services

**GENERAL PURPOSE FUNDING**

OBJECTIVE: To collect revenue to allow for the provision of services.

ACTIVITIES: Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

OBJECTIVE: To provide services to help ensure a safer community.

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

**HEALTH**

OBJECTIVE: To provide an operational framework for good community health.

ACTIVITIES: Food quality and pest control, immunisation services, inspection of abattoir and operation of child health clinic.

**EDUCATION AND WELFARE**

OBJECTIVE: To provide appropriate care to the aged and disabled.

ACTIVITIES: Provision of Home And Community Care, maintenance to playgroup and telecentre buildings.

**HOUSING**

OBJECTIVE: To provide adequate staff and community housing.

ACTIVITIES: Maintenance of staff and community housing, collection of various rents.

**COMMUNITY AMENITIES**

OBJECTIVE: Provide services required by the community.

ACTIVITIES: Rubbish collection services, operation of tips, noise control, administration of the town planning scheme, maintenance of cemeteries, storm water drainage maintenance.

**RECREATION AND CULTURE**

OBJECTIVE: To establish and manage efficiently infrastructure and resources which will help the social well being of the community.

ACTIVITIES: Maintenance of halls, the aquatic centre, recreation centres and various reserves; operation of library.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**2. REVENUES AND EXPENSES (Continued)**

**(b) Statement of Objective (Continued)**

**TRANSPORT**

OBJECTIVE: To provide effective and efficient transport services to the community.

ACTIVITIES: Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and airstrip maintenance.

**ECONOMIC SERVICES**

OBJECTIVE: To help promote the shire and improve its economic wellbeing.

ACTIVITIES: The regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control and standpipes.

**OTHER PROPERTY & SERVICES**

ACTIVITIES: Private works operations, plant repairs and operation costs.

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>(c) Conditions Over Contributions</b>		
Grants recognised as revenues in a previous reporting period which were not expended at the close of the previous reporting period (ie opening balances).	-	-
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	-	-
Add:		
New grants which were recognised as revenues during the reporting period and which had not yet been fully expended by the contributor.	-	-
	-	-
Less:		
Grants which were recognised as revenues in a previous reporting period and which were expended in the current reporting period in the manner specified by the contributor.	-	-
	-	-
Closing balances of unexpended grants	<hr style="width: 100%;"/> <u>-</u>	<hr style="width: 100%;"/> <u>-</u>
Comprises:		
	-	-
	-	-
	<hr style="width: 100%;"/> <u>-</u>	<hr style="width: 100%;"/> <u>-</u>
	<hr style="width: 100%;"/> <u>-</u>	<hr style="width: 100%;"/> <u>-</u>



**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>3. CASH AND CASH EQUIVALENTS</b>		
Unrestricted	440	440
Restricted	517,762	490,600
	<u>518,202</u>	<u>491,040</u>

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

Leave Reserve	39,553	37,478
Senior Aged Housing Reserve	28,255	26,772
Building Reserve	181,493	171,972
Self Insurance Reserve	5,658	5,361
Residential Sub-division Reserve	7,369	6,983
Television Reserve	103	97
Plant Reserve	6,434	6,097
Roadworks Reserve	248,897	235,840
Unspent Loans Reserve	-	-
Unspent Grants Reserve	-	-
	<u>517,762</u>	<u>490,600</u>

**4. INVESTMENTS**

Financial assets at fair value through profit or loss	<u>-</u>	<u>-</u>
---	----------	----------

**Financial assets at fair value through profit or loss**

At beginning of the year		
Revaluation to Income Statement		
Additions		
Disposals		
At end of the year	<u>-</u>	<u>-</u>

**Held for trading**

- FRNs		
- CDOs		
- Managed Funds		
	<u>-</u>	<u>-</u>

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

Leave Reserve		
Plant Reserve		
Building Reserve		
	<u>-</u>	<u>-</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

	2008	2007
	\$	\$
<b>5. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Rates Outstanding	11,202	29,169
Sundry Debtors	279,190	166,757
GST Receivable	-	-
Accrued interest on self supporting loans	-	-
Self supporting loans Receivable	138	1,891
	<u>290,530</u>	<u>197,817</u>
<b>Non-Current</b>		
Rates Outstanding - Pensioners Deferment	439	3,074
	<u>439</u>	<u>3,074</u>
<b>6. INVENTORIES</b>		
<b>Non-Current</b>		
Land Held for Resale - Cost		
Development Costs	36,000	36,000
	<u>36,000</u>	<u>36,000</u>
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Land and Buildings - Cost	4,512,449	4,363,339
Less Accumulated Depreciation	(914,291)	(819,615)
	<u>3,598,158</u>	<u>3,543,724</u>
Furniture and Equipment - Cost	343,767	308,961
Less Accumulated Depreciation	(183,573)	(171,471)
	<u>160,194</u>	<u>137,490</u>
Plant and Equipment - Cost	2,427,699	2,411,733
Less Accumulated Depreciation	(990,679)	(816,512)
	<u>1,437,020</u>	<u>1,595,221</u>
	<u>5,195,372</u>	<u>5,276,435</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**7. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**Movements in Carrying Amounts**

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

	<b>Land &amp; Buildings \$</b>	<b>Furniture &amp; Equipment \$</b>	<b>Plant &amp; Equipment \$</b>	<b>Total \$</b>
Balance as at 1 July 2007	3,543,724	137,490	1,595,221	5,276,435
Additions	149,110	34,806	63,092	247,008
(Disposals)	-	-	(38,879)	(38,879)
Depreciation (Expense)	(94,676)	(12,102)	(182,414)	(289,192)
Other Movements	-	-	-	-
Balance as at 30 June 2008	<u>3,598,158</u>	<u>160,194</u>	<u>1,437,020</u>	<u>5,195,372</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>8. INFRASTRUCTURE</b>		
Roads - Cost	39,910,812	39,163,013
Less Accumulated Depreciation	<u>(7,638,078)</u>	<u>(7,047,584)</u>
	<u>32,272,734</u>	<u>32,115,429</u>
Footpaths - Cost	140,170	70,913
Less Accumulated Depreciation	<u>(17,135)</u>	<u>(15,717)</u>
	<u>123,035</u>	<u>55,196</u>
Parks & Ovals - Cost	<u>40,000</u>	<u>40,000</u>
	<u><u>32,435,769</u></u>	<u><u>32,210,625</u></u>

Council have adopted a policy of re-valuing roads with sufficient regularity to ensure the carrying amount of each road asset is fairly stated at reporting date. This policy accords with the requirements of AASB 116.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**8. INFRASTRUCTURE (Continued)**

**Movements in Carrying Amounts**

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

	<u>Roads</u> \$	<u>Footpaths</u> \$	<u>Parks and Ovals</u> \$	<u>Total</u> \$
Balance as at 1 July 2007	32,115,429	55,196	40,000	32,210,625
Additions	747,799	69,257	-	817,056
(Disposals)	-	-	-	-
Depreciation (Expense)	(590,494)	(1,418)	-	(591,912)
Other Movements	-	-	-	-
Balance as at 30 June 2008	<u>32,272,734</u>	<u>123,035</u>	<u>40,000</u>	<u>32,435,769</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

	2008 \$	2007 \$
<b>9. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Sundry Creditors	(8)	23,536
GST Payable	(92)	504
ESL Clearing	121	237
BCITF Clearing	157	-
Accrued Interest on Debentures	13,520	14,541
Accrued Salaries and Wages	6,195	3,027
	19,893	41,845
<b>10. LONG-TERM BORROWINGS</b>		
<b>Short-Term Borrowings</b>		
Unsecured:		
Unrestricted Municipal Bank Overdraft	102,218	50,508
	102,218	50,508
<b>Long-Term Borrowings</b>		
<b>Current</b>		
Secured by Floating Charge	87,422	88,983
Debentures	87,422	88,983
<b>Non-Current</b>		
Secured by Floating Charge		
Debentures	548,101	611,366
	548,101	611,366
Additional detail on borrowings is provided in Note 22.		
<b>11. PROVISIONS</b>		
<b>Current</b>		
Provision for Annual Leave	66,473	57,446
Provision for Long Service Leave	74,386	59,320
	140,859	116,766
<b>Non-Current</b>		
Provision for Annual Leave	33,621	9,419
Provision for Long Service Leave	16,171	8,982
	49,792	18,401

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

	2008 \$	2008 Budget \$	2007 \$
<b>12. RESERVES - CASH/INVESTMENT BACKED</b>			
<b>(a) Leave Reserve</b>			
Opening Balance	37,478	37,500	35,518
Amount Set Aside / Transfer to Reserve	2,075	2,000	1,960
Amount Used / Transfer from Reserve	-	-	-
	<u>39,553</u>	<u>39,500</u>	<u>37,478</u>
<b>(b) Television Reserve</b>			
Opening Balance	97	97	92
Amount Set Aside / Transfer to Reserve	5	3	5
Amount Used / Transfer from Reserve	-	-	-
	<u>102</u>	<u>100</u>	<u>97</u>
<b>(c) Building Reserve</b>			
Opening Balance	171,972	172,000	5,813
Amount Set Aside / Transfer to Reserve	9,522	8,400	206,159
Amount Used / Transfer from Reserve	-	(150,000)	(40,000)
	<u>181,494</u>	<u>30,400</u>	<u>171,972</u>
<b>(d) Self Insurance Reserve</b>			
Opening Balance	5,361	5,400	5,081
Amount Set Aside / Transfer to Reserve	297	400	280
Amount Used / Transfer from Reserve	-	-	-
	<u>5,658</u>	<u>5,800</u>	<u>5,361</u>
<b>(e) Residential Sub-division Reserve</b>			
Opening Balance	6,983	7,000	6,617
Amount Set Aside / Transfer to Reserve	386	400	366
Amount Used / Transfer from Reserve	-	-	-
	<u>7,369</u>	<u>7,400</u>	<u>6,983</u>
<b>(f) Seniors Aged Housing Reserve</b>			
Opening Balance	26,772	26,500	36,745
Amount Set Aside / Transfer to Reserve	1,483	2,000	10,027
Amount Used / Transfer from Reserve	-	-	(20,000)
	<u>28,255</u>	<u>28,500</u>	<u>26,772</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**12. RESERVES - CASH/INVESTMENT BACKED (Continued)**

	2008 \$	2008 Budget \$	2007 \$
<b>(g) Plant Reserve</b>			
Opening Balance	6,097	140,000	136,407
Amount Set Aside / Transfer to Reserve	337	6,000	3,480
Amount Used / Transfer from Reserve	-	-	(133,790)
	<u>6,434</u>	<u>146,000</u>	<u>6,097</u>
<b>(h) Roadworks Reserve</b>			
Opening Balance	235,840	235,500	-
Amount Set Aside / Transfer to Reserve	13,057	4,000	235,840
Amount Used / Transfer from Reserve	-	(78,000)	-
	<u>248,897</u>	<u>161,500</u>	<u>235,840</u>
<b>(i) Unspent Loans Reserve</b>			
Opening Balance	-	40,000	40,000
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	-	(40,000)	(40,000)
	<u>-</u>	<u>-</u>	<u>-</u>
<b>(j) Unspent Grants Reserve</b>			
Opening Balance	-	-	-
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL CASH BACKED RESERVES</b>	<u>517,762</u>	<u>419,200</u>	<u>490,600</u>

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

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

**Leave Reserve**

- to be used to fund annual and long service leave requirements

**Television Reserve**

- to be used for Capital upgrades of the TV Rebroadcaster

**Building Reserve**

- to be used for the construction of new buildings or to assist finance of housing loans.

**Residential Sub-division Reserve**

- to be used to finance further land developments or applied to the existing residential sub-division loan.

**Self Insurance Reserve**

- funded from the saving in premiums resulting from the increase from \$300 to \$1000. To be applied to successful insurance claims up to \$1000.

**Seniors Aged Housing Reserve**

- net result after rent and maintenance has been carried out for the financial year. This fund is to be used for additional units and maintenance upkeep.



**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**12. RESERVES - CASH/INVESTMENT BACKED (Continued)**

Plant Reserve

- to be used for the purchase of new and used plant.

Unspent Grant Reserve

- to be used for any grant funding that may not be expended in the current financial year.

Unspent Loan Reserve

- to be used for any loan funds that may not be expended in the current financial year.

Roadworks Reserve

- to be used for Roads to Recovery road works.

The Leave and Self Insurance Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

**13. RESERVES - ASSET REVALUATION**

**2008**

**2007**

**\$**

**\$**

Asset revaluation reserves have arisen on revaluation of the following classes of assets:

(a) **Roads**

Balance as at 1 July 2007

13,467,028

13,467,028

Revaluation Increment

Revaluation Decrement

Balance as at 30 June 2008

13,467,028

13,467,028

(b) **TOTAL ASSET REVALUATION RESERVES**

13,467,028

13,467,028

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**14. NOTES TO THE CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

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

	2008 \$	2008 Budget \$	2007 \$
Cash and Cash Equivalents	518,202	194,362	491,040
Bank overdraft (Note 9)	<u>(102,218)</u>	<u>(100,000)</u>	<u>(50,508)</u>
	<u>415,984</u>	<u>94,362</u>	<u>440,532</u>
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net Result	240,905	709,274	847,084
<b>(b) Depreciation</b>	881,104	843,900	862,145
Writedown in fair value of Investments			
Impairment (Loss)/Reversal	-	-	-
(Profit)/Loss on Sale of Asset	11,152	26,842	(25,317)
(Increase)/Decrease in Receivables	(90,078)	(155,000)	(146,195)
(Increase)/Decrease in Inventories	-	-	-
Increase/(Decrease) in Payables	(21,952)	20,000	22,736
Increase/(Decrease) in Employee Provisions	30,251	4,077	30,746
Grants/Contributions for the Development of Assets	<u>(1,107,068)</u>	<u>(1,071,671)</u>	<u>(1,183,026)</u>
<b>Net Cash from Operating Activities</b>	<u>(55,686)</u>	<u>377,422</u>	<u>408,173</u>
<b>Undrawn Borrowing Facilities</b>			
<b>Credit Standby Arrangements</b>			
Bank Overdraft limit	-		-
Bank Overdraft at Balance Date	-		-
Credit Card limit	-		-
Credit Card Balance at Balance Date	-		-
<b>(c) Total Amount of Credit Unused</b>	<u>-</u>		<u>-</u>
<b>Loan Facilities</b>			
Loan Facilities - Current	87,422		88,983
Loan Facilities - Non-Current	548,101		611,366
<b>Total Facilities in Use at Balance Date</b>	<u>635,523</u>		<u>700,349</u>
<b>Unused Loan Facilities at Balance Date</b>	<u>-</u>		<u>-</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**15. CONTINGENT LIABILITIES**

There were no contingent liabilities at 30 June 2008.

**16. CAPITAL AND LEASING COMMITMENTS**

**(a) Finance Lease Commitments**

There were no finance lease commitments at 30 June 2008.

**(b) Operating Lease Commitments**

There were no operating lease commitments at 30 June 2008.

**(c) Capital Expenditure Commitments**

There were no capital expenditure commitments at 30 June 2008.

**17. JOINT VENTURE**

The Shire is not involved in any joint ventures for 2007/08.

**18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

Governance	284,569	293,423
General Purpose Funding	11,641	32,243
Law, Order, Public Safety	203,810	233,205
Health	447,404	472,002
Education and Welfare	1,753	2,254
Housing	1,093,640	996,964
Community Amenities	169,810	174,180
Recreation and Culture	1,625,358	1,666,611
Transport	33,834,412	33,505,407
Economic Services	276,050	294,531
Other Property and Services	9,964	53,571
Unallocated	517,901	490,600
	<u>38,476,312</u>	<u>38,214,991</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

19. FINANCIAL RATIOS	2008	2007	2006
Current Ratio	0.94*	0.76*	0.21*
Untied Cash to Trade Creditors Ratio	55*	0.02*	0.00*
Debt Ratio	0.02	0.02	0.03
Debt Service Ratio	0.07	0.07	0.07
Gross Debt to Revenue Ratio	0.39	0.16	0.29
Gross Debt to Economically Realisable Assets Ratio	0.12	0.13	0.15
Rate Coverage Ratio	0.22	0.18	0.22
Outstanding Rates Ratio	0.01	0.05	0.03

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$
Untied Cash to Trade Creditors Ratio	$\frac{\text{Untied cash}}{\text{Unpaid trade creditors}}$
Debt Ratio	$\frac{\text{Total liabilities}}{\text{Total assets}}$
Debt Service Ratio	$\frac{\text{Debt Service Cost (Principal \& Interest)}}{\text{Available operating revenue}}$
Gross Debt to Revenue Ratio	$\frac{\text{Gross debt}}{\text{Total revenue}}$
Gross Debt to Economically Realisable Assets Ratio	$\frac{\text{Gross debt}}{\text{Economically realisable assets}}$
Rate Coverage Ratio	$\frac{\text{Net rate revenue}}{\text{Operating revenue}}$
Outstanding Rates Ratio	$\frac{\text{Rates outstanding}}{\text{Rates collectable}}$

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**20. TRUST FUNDS**

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

	Balance 1/07/2007 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30/06/2008 \$
Soil Conservation	12,648	-	28	12,621
Transport	7,444	470,964	478,408	-
Nomination Deposits	-	400	400	-
Bonds	3,612	3,551	1,605	5,558
N.E.W.L.E.P.	16,578	-	16,578	-
Karlonning Pipeline Scheme	24,093	-	-	24,093
Wilgoyne Tennis Club	6,188	-	51	6,137
Mukinbudin Indoor Cricket Club	-	10,235	-	10,235
Rates in advance	-	14,789	-	14,789
BCITF	(472)	-	-	(472)
	<u>70,091</u>			<u>72,960</u>

**21. DISPOSALS OF ASSETS - 2007/08 FINANCIAL YEAR**

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Plant &amp; Machinery</b>						
Mitsubishi 8 Wheeler MBL 250	-	109,411	-	95,000	-	(14,411)
Ford Courier Ute MBL 2 (Supervisor)	20,775	21,404	14,545	15,000	(6,230)	(6,404)
Courier Ute MBL 1071 (Forman)	18,104	18,653	13,182	14,000	(4,922)	(4,653)
Ford Fairlane 1 MBL (CEO)	-	38,374	-	37,000	-	(1,374)
	<u>38,879</u>	<u>187,842</u>	<u>27,727</u>	<u>161,000</u>	<u>(11,152)</u>	<u>(26,842)</u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**22. INFORMATION ON BORROWINGS**

(a) Debenture Repayments

Particulars	Principal 1/07/2007 \$	New Loans \$	Principal Repayments		Principal 30/06/2008		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Governance</b>								
Loan 92 - Admin Centre	93,611		13,366	13,366	80,245	80,245	5,482	5,482
<b>Community Amenities</b>								
Loan 109 - CRC	71,660		3,425	3,425	68,235	68,235	4,187	4,143
Loan 115 - Subdivision		230,000	-	-		230,000	-	-
<b>Housing</b>								
Loan 100 - 3xTrans Homes	99,863		14,436	30,280	85,427	69,581	6,947	6,228
Loan 103 - Bank House	16,296		7,903	7,903	8,393	8,393	875	875
Loan 106 - Staff Housing	80,569		5,912	5,912	74,657	74,657	5,222	5,222
Loan 110 - Staff Housing*	55,337		4,847	4,847	50,490	50,490	3,153	3,119
<b>Recreation &amp; Culture</b>								
Loan 78 - Sports Complex	-		-	-	-	-	-	-
Loan 101 - Golf Clubhouse*	-		-	-	-	-	-	-
Loan 108 - Bowling Club	174,852		8,358	8,358	166,494	166,494	10,215	10,108
Loan 111 - Tennis Club*	24,622		24,169	5,646	453	18,976	1,594	1,326
<b>Transport</b>								
Loan 102 - Grader	-		-	-	-	-	-	-
Loan 113 - Loader	-		-	18,000	-	115,790	-	9,000
Loan 114 - Loader		115,000	-	-		115,000	-	-
<b>Economic Services</b>								
Loan 107 - Caravan Park	46,649		6,015	6,015	40,634	40,634	2,837	2,837
Loan 112 - Caravan Park	36,891		3,231	3,231	33,660	33,660	2,102	2,079
	700,350	345,000	91,662	106,983	608,688	1,072,155	42,614	50,419

(\* Self supporting loan financed by payments from third parties.

All other loan repayments were financed by general purpose revenue.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**22. INFORMATION ON BORROWINGS (Continued)**

(b) New Debentures - 2007/08

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate %	Amount Used		Balance Unspent \$
	Actual \$	Budget \$						Actual \$	Budget \$	
Loan 114 - Truck		115,000	TBA	Fixed	7	TBA	TBA	-	115,000	-
Loan 115 - Subdivision		230,000	TBA	Fixed	10	TBA	TBA	-	230,000	-

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 39,264 \$	Borrowed During Year \$	Expended During Year \$	Balance 39,629 \$
Nil					
		-	-	-	-

(d) Overdraft

Council does not have an overdraft facility, nor has an overdraft been incurred at 30 June 2008.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**23. RATING INFORMATION - 2007/08 FINANCIAL YEAR**

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
<b>Differential General Rate</b>											
GRV	0	177	645,945	93,538	-	-	93,538	93,250	-	-	93,250
UV	0	254	23,909,338	603,926	3,261	-	607,187	604,974	-	-	604,974
Mining	0	8	-	706	-	-	706	356	-	-	356
<b>Sub-Totals</b>		439	24,555,283	698,170	3,261	-	701,431	698,580	-	-	698,580
<b>Minimum Rates</b>	<b>Minimum \$</b>										
GRV	200	22	8,918	4,400	-	-	4,400	3,800	-	-	3,800
UV	250	17	82,669	4,250	-	-	4,250	4,500	-	-	4,500
Mining	250	7	2	1,750	-	-	1,750	1,750	-	-	1,750
<b>Sub-Totals</b>		46	91,589	10,400	-	-	10,400	10,050	-	-	10,050
Rates in Lieu							711,831				708,630
							10,749				11,102
Discounts (refer note 26)							722,580				719,732
							(60,665)				(54,500)
<b>Totals</b>							661,915				665,232



**SHIRE OF MUKINBUDIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2008**

**24. SPECIFIED AREA RATE - 2007/08 FINANCIAL YEAR**

Council did not raise any specified area rates during 2007/08

**25. SERVICE CHARGES - 2007/08 FINANCIAL YEAR**

	<b>Amount of Charge \$</b>	<b>Revenue Raised \$</b>	<b>Budget Revenue \$</b>	<b>Applied to Service Costs \$</b>	<b>Budget Applied to Costs \$</b>
Television Re-Broadcasting	52	7,592	7,280	7,592	7,280
		7,592	7,280	7,592	7,280

The service charge is for the provision of television re-broadcasting. The charge is applicable to all owners occupiers within a designated area surrounding the townsite.

The proceeds of the service charge are applied in full to the costs of maintenance and operation.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS**  
**- 2007/08 FINANCIAL YEAR**

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	0	60,665	56,000

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.

**27. INTEREST CHARGES AND INSTALMENTS - 2007/08 FINANCIAL YEAR**

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	10	-	2,207	1,500
			2,207	1,500

Ratepayers had the option of paying rates in four equal instalments, due on 10th September 2007, 10th November 2007, 10th January 2008 and 10th March 2008. Council does not charge interest on instalments.

<b>28. FEES &amp; CHARGES</b>	<b>2008</b> \$	<b>2007</b> \$
Governance	9	-
General Purpose Funding	594	661
Law, Order, Public Safety	4,758	4,366
Health	-	172
Housing	44,263	40,101
Community Amenities	52,032	48,914
Recreation & Culture	16,137	21,389
Transport	2,121	-
Economic Services	69,434	63,785
Other Property & Services	7,804	44,337
	<u>197,152</u>	<u>223,725</u>

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

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

<b>29.</b>	<b>GRANT REVENUE</b>	<b>2008</b>	<b>2007</b>
		\$	\$
	<b>By Nature and Type:</b>		
	Grants and Subsidies - operating	615,425	896,791
	Grants and Subsidies - non-operating	<u>1,107,068</u>	<u>1,183,026</u>
		<u><u>1,722,493</u></u>	<u><u>2,079,817</u></u>
	<b>By Program:</b>		
	General Purpose Funding	535,443	499,891
	Law, Order, Public Sector	26,038	15,600
	Education & Welfare	11,144	16,065
	Housing	-	-
	Community Amenities	9,676	-
	Recreation and Culture	76,180	200,006
	Transport	<u>1,064,012</u>	<u>1,348,255</u>
		<u><u>1,722,493</u></u>	<u><u>2,079,817</u></u>

<b>30.</b>	<b>COUNCILLORS' REMUNERATION</b>	<b>2008</b>	<b>2008</b>	<b>2007</b>
		\$	Budget	\$
			\$	
	The following fees, expenses and allowances were paid to council members and/or the president.			
	Meeting Fees	20,000	20,000	16,000
	President's Allowance	5,000	6,000	5,000
	Travelling Expenses	<u>2,478</u>	<u>2,000</u>	<u>1,337</u>
		<u><u>27,478</u></u>	<u><u>28,000</u></u>	<u><u>22,337</u></u>

**31. EMPLOYEES' REMUNERATION**

No employees of the Shire are entitled to an annual salary of \$100,000 or more.

<b>32.</b>	<b>EMPLOYEE NUMBERS</b>	<b>2008</b>	<b>2007</b>
	The number of full-time equivalent employees at balance date	<u><u>18</u></u>	<u><u>18</u></u>

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**33. MAJOR LAND TRANSACTIONS**

**Residential Subdivision**

(a) Details

Council developed land in 1995/96 for residential subdivision. The development included the provision of services such as sewerage, power and transport infrastructure. There are 20 lots available for sale at \$10,000 each. Council offers an option to put down a 50% refundable deposit with the full amount to be paid in two years. The deposits are banked into councils trust fund until the full amount for the lot is paid.

	<b>2008</b>	<b>2007</b>
(b) Current year transactions	\$	\$
<b>Operating Income</b>		
- Profit on sale	-	-
<b>Capital Income</b>		
- Sale Proceeds	-	-
<b>Capital Expenditure</b>		
- Purchase of Land	-	-
- Development Costs	-	-
	-	-
	-	-

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

There are no liabilities in relation to this land transaction as at 30 June 2008.

(c) Expected Future Cash Flows

	2009	2010	2011	2012	2013	Total
	\$	\$	\$	\$	\$	\$
<b>Cash Outflows</b>						
- Development Costs	(196,586)	-	-			(196,586)
- Blocks used by Shire	40,000	-	-			
- Loan Repayments	(232,866)	-	-			(232,866)
	(389,452)	-	-	-	-	(429,452)
<b>Cash Inflows</b>						
- Loan Proceeds	205,000	-	-			205,000
- Sale Proceeds	140,000	10,000	10,000			160,000
	345,000	10,000	10,000	-	-	365,000
<b>Net Cash Flows</b>	<b>(44,452)</b>	<b>10,000</b>	<b>10,000</b>	-	-	<b>(64,452)</b>

**34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

Council did not participate in any trading undertakings or major trading undertakings during the 2007/08 financial year.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**35. FINANCIAL RISK MANAGEMENT**

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

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

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

The Council held the following financial instruments at balance date:

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	518,202	491,040	518,202	491,040
Receivables	290,969	200,891	290,969	200,891
	<u>809,171</u>	<u>691,931</u>	<u>809,171</u>	<u>691,931</u>
<b>Financial Liabilities</b>				
Payables	19,893	41,845	19,893	41,845
Borrowings	737,741	750,857	737,741	750,857
	<u>757,634</u>	<u>792,702</u>	<u>757,634</u>	<u>792,702</u>

Fair value is determined as follows:

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

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**35. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Cash and Cash Equivalents**

**Financial assets at fair value through profit or loss**

**Available-for-sale financial assets**

**Held-to-maturity investments**

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

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

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

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

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

	<b>30-Jun-08</b>	<b>30-Jun-07</b>
	<b>\$</b>	<b>\$</b>
Impact of a 10% (*) movement in price of investments:		
- Equity	0	0
- Income Statement	0 (+)	0 (+)
Impact of a 1% (*) movement in interest rates on cash and investments:		
- Equity	0	0
- Income Statement	0	0

**Notes:**

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

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

(+) Maximum impact.

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**35. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Receivables**

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

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

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

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

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

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

	<b>30-Jun-08</b>	<b>30-Jun-07</b>
Percentage of Rates and Annual Charges		
- Current	5.21%	0.25%
- Overdue	94.79%	99.75%
Percentage of Other Receivables		
- Current	35.78%	88.23%
- Overdue	64.22%	11.77%

**SHIRE OF MUKINBUDIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**35. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Payables**

**Borrowings**

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

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

	<b>Due within 1 year \$</b>	<b>Due between 1 &amp; 5 years \$</b>	<b>Due after 5 years \$</b>	<b>Total contractual cash flows \$</b>	<b>Carrying values \$</b>
<b><u>2008</u></b>					
Payables	19,893	0	0	19,893	19,893
Borrowings	95,883	440,058	201,800	737,741	737,741
	<u>115,776</u>	<u>440,058</u>	<u>201,800</u>	<u>757,634</u>	<u>757,634</u>
<b><u>2007</u></b>					
Payables	41,845	0	0	41,845	41,845
Borrowings	91,662	343,395	315,800	750,857	750,857
	<u>133,507</u>	<u>343,395</u>	<u>315,800</u>	<u>792,702</u>	<u>792,702</u>



**SHIRE OF MUKINBUDIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2008**

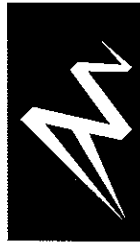
**35. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Borrowings (Continued)**

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

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

	<u>&lt;1 year</u>	<u>&gt;1&lt;2 years</u>	<u>&gt;2&lt;3 years</u>	<u>&gt;3&lt;4 years</u>	<u>&gt;4&lt;5 years</u>	<u>&gt;5 years</u>	<u>Total</u>	<u>Weighted Average Effective Interest Rate</u>
	\$	\$	\$	\$	\$	\$	\$	%
<b><u>Year Ended 30 June 2008</u></b>								
<b>Borrowings</b>								
<b>Fixed Rate</b>								
Debentures	8,393	0	0	85,427	0	514,868	608,688	6.12%
Weighted Average Effective Interest Rate	6.10%	0.00%	0.00%	6.74%	0.00%	6.01%	0	
<b><u>Year Ended 30 June 2007</u></b>								
<b>Borrowings</b>								
<b>Fixed Rate</b>								
Debentures	25,327	4,831	23,738	0	30,000	730,757	814,653	6.11%
Weighted Average Effective Interest Rate	5.75%	5.99%	6.10%	0.00%	5.71%	6.18%		



# Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS

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## INDEPENDENT AUDIT REPORT TO THE ELECTORS OF THE SHIRE OF MUKINBUDIN

### Scope

We have audited the financial report of Shire of Mukinbudin for the year ended 30 June 2008. The financial report comprises the Statement by Chief Executive Officer, Income Statement, Balance Sheet, Statement of Change in Equity, Cash Flow Statement, Rate Setting Statement and accompanying notes to the financial statements.

The Council is responsible for the preparation of a financial report which provides a true and fair view of the financial performance and position of the council in accordance with the Local Government Act 1995, and Regulations. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for accounting policies and estimates inherent to the financial report.

### Audit Approach

We conducted an independent audit of the financial report in order to express an opinion on it to the electors of the Shire of Mukinbudin. Our audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore an audit cannot guarantee that all misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995, and Regulations, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Council's financial position, and of their performance which is represented by the results of operations and cash flows.

We formed our opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence, supporting the amounts and disclosures in the financial report.
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the directors.

Whilst we considered the effectiveness of managements internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions were accurately reflected in the financial report. These and our other procedures did not include



consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the executive and management of the Shire of Mukinbudin.

#### **Independence**

Anderson Munro & Wyllie are independent of the Shire of Mukinbudin, and have met the independence requirements of Australian professional ethical pronouncements and the Local Government Act 1995.

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

#### **Audit Opinion**

In our opinion, the financial statements of the Shire of Mukinbudin are properly drawn up:

- a) So as to give a true and fair view of the state of affairs of the Shire as at 30 June 2008 and the results of its operations and cash flows for the year then ended;
- b) In accordance with the requirements of the Local Government Act 1995; and
- c) In Accordance with Applicable Australian Accounting Standards.

#### **Statutory Compliance**

- a) We did not during the course of the audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.
- b) There were no material or significant adverse trends in financial position or financial management practices revealed during the course of our audit.
- c) We have obtained all necessary information and explanations in relation to our audit.
- d) Our audit procedures were all satisfactorily completed.

Dated the 19<sup>th</sup> day of December 2008 in Perth, Western Australia

**BILLY-JOE THOMAS**  
Director

**ANDERSON MUNRO & WYLLIE**  
Chartered Accountants

## Shire of Mukinbudin

### Profit & Loss Budget vs. Actual

July 2007 through June 2008

	<u>Jul '2007 - Jun 2008</u>	<u>Budget</u>	<u>% of Budget</u>
<b>Income</b>			
I03 - GENERAL PURPOSE FUNDING	1,237,861.56	1,175,177.00	105.33%
I04 - GOVERNANCE	14,690.53	100.00	14,690.53%
I05 - LAW ORDER & PUBLIC SAFETY	30,807.67	22,150.00	139.09%
I06 - EDUCATION & WELFARE	11,143.72		
I07 - HEALTH	0.00	100.00	0.0%
I09 - HOUSING	191,382.26	125,460.00	152.54%
I10 - COMMUNITY AMENITIES	61,889.73	232,600.00	26.61%
I11 - RECREATION & CULTURE	178,405.37	385,833.00	46.24%
I12 - TRANSPORT	1,066,132.94	1,095,179.00	97.35%
I13 - ECONOMIC SERVICES	160,965.12	210,980.00	76.29%
I14 - OTHER PROPERTY & SERVICES	23,184.83	24,600.00	94.25%
<b>Total Income</b>	<b>2,976,463.73</b>	<b>3,272,179.00</b>	<b>90.96%</b>
<b>Expense</b>			
6560 - Payroll Expenses	0.00		
E03 - GENERAL PURPOSE FUNDING.	99,985.49	82,212.00	121.62%
E04 - GOVERNANCE.	160,772.98	199,817.00	80.46%
E05 - LAW ORDER & PUBLIC SAFETY.	70,545.89	68,373.00	103.18%
E06 - EDUCATION & WELFARE.	69,213.34	68,184.00	101.51%
E07 - HEALTH.	33,910.26	35,758.00	94.83%
E09 - Housing.	110,575.41	121,500.00	91.01%
E10 - COMMUNITY AMENITIES.	125,986.31	168,216.00	74.9%
E11 - RECREATION & CULTURE.	542,554.41	480,487.00	112.92%
E12 - TRANSPORT.	1,097,655.79	1,006,720.00	109.03%
E13 - ECONOMIC SERVICES.	233,421.04	308,830.00	75.58%
E14 - OTHER PROPERTY & SERVICES.	94,720.35	6,500.00	1,457.24%
E145 - Other Governance	88,247.70	13,100.00	673.65%
<b>Total Expense</b>	<b>2,727,588.97</b>	<b>2,559,697.00</b>	<b>106.56%</b>
<b>Net Income</b>	<b>248,874.76</b>	<b>712,482.00</b>	<b>34.93%</b>

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
<b>Income</b>			
<b>I03 - GENERAL PURPOSE FUNDING</b>			
<b>I031 - Rates</b>			
I031001 - GRV	97,937.63	93,250.00	105.03%
I031005 - UV	609,599.76	604,974.00	100.77%
I031010 - Mining Rates	1,083.22	356.00	304.28%
I031014 - Minimum GRV	0.00	3,800.00	0.0%
I031020 - Minimum UV	0.00	4,500.00	0.0%
I031021 - Minimum Mining	-51.38	1,750.00	-2.94%
I031025 - Ex-Gratia	10,749.47	11,102.00	96.83%
I031026 - Less Discount Allowed	-60,664.59	-56,000.00	108.33%
I031027 - Interest	2,206.77	1,500.00	147.12%
I031028 - Legal Fees - Outstanding Rates	1,054.30		
<b>Total I031 - Rates</b>	<b>661,915.18</b>	<b>665,232.00</b>	<b>99.5%</b>
<b>I032 - Other GPF</b>			
I032010 - FAGS Grants-General Purpose	532,944.28	487,000.00	109.43%
I032030 - Interest on Invest - Muni	14,432.34	8,000.00	180.4%
I032040 - Interest on Invest - Reserves	27,162.09	10,000.00	271.62%
I032050 - Interest on Self Supporting Loa	-224.45	4,445.00	-5.05%
I032060 - Accrued Interest Revenue	1,020.67		
I032070 - EFTPOS Fees Income	611.45	500.00	122.29%
<b>Total I032 - Other GPF</b>	<b>575,946.38</b>	<b>509,945.00</b>	<b>112.94%</b>
<b>Total I03 - GENERAL PURPOSE FUNDING</b>	<b>1,237,861.56</b>	<b>1,175,177.00</b>	<b>105.33%</b>
<b>I04 - GOVERNANCE</b>			
<b>I041 - Members</b>			
I041010 - Reimbursements	14,690.53	100.00	14,690.53%
<b>Total I041 - Members</b>	<b>14,690.53</b>	<b>100.00</b>	<b>14,690.53%</b>
<b>Total I04 - GOVERNANCE</b>	<b>14,690.53</b>	<b>100.00</b>	<b>14,690.53%</b>
<b>I05 - LAW ORDER &amp; PUBLIC SAFETY</b>			
<b>I051 - Fire Prevention</b>			
I051005 - Government Grants	30,038.18	21,500.00	139.71%
I051010 - Reimbursements	9.07	100.00	9.07%
<b>Total I051 - Fire Prevention</b>	<b>30,047.25</b>	<b>21,600.00</b>	<b>139.11%</b>
<b>I052 - Animal Control</b>			
I052150 - Dog Registration Fees	760.42	500.00	152.08%
I052151 - Fines & Penalties	0.00	50.00	0.0%
<b>Total I052 - Animal Control</b>	<b>760.42</b>	<b>550.00</b>	<b>138.26%</b>
<b>Total I05 - LAW ORDER &amp; PUBLIC SAFETY</b>	<b>30,807.67</b>	<b>22,150.00</b>	<b>139.09%</b>
<b>I06 - EDUCATION &amp; WELFARE</b>			
<b>I064 - Aged &amp; Disabled</b>			
I064025 - Active Ageing (AALF) Grant Inc	11,143.72		
<b>Total I064 - Aged &amp; Disabled</b>	<b>11,143.72</b>		
<b>Total I06 - EDUCATION &amp; WELFARE</b>	<b>11,143.72</b>		
<b>I07 - HEALTH</b>			
<b>I073 - Inspection &amp; Admin</b>			
I073719 - Septic Tanks Inspection Fees	0.00	100.00	0.0%

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
<b>Total I073 - Inspection &amp; Admin</b>	<b>0.00</b>	<b>100.00</b>	<b>0.0%</b>
<b>Total I07 - HEALTH</b>	<b>0.00</b>	<b>100.00</b>	<b>0.0%</b>
<b>I09 - HOUSING</b>			
<b>I091 - Council Staff</b>			
<b>I091723 - Charges Staff Rentals</b>	<b>9,400.00</b>	<b>10,500.00</b>	<b>89.52%</b>
<b>Total I091 - Council Staff</b>	<b>9,400.00</b>	<b>10,500.00</b>	<b>89.52%</b>
<b>I092 - Other</b>			
<b>I092220 - Country Housing Authority Grant</b>	0.00	50,000.00	0.0%
<b>I092510 - Aged Persons Units Rentals</b>	14,221.96	17,500.00	81.27%
<b>I092710 - Reimbursements - 16 Cruickshank</b>	60,000.00	8,000.00	750.0%
<b>I092711 - Reimbursements - 9 Calder</b>	77,272.73	8,000.00	965.91%
<b>I092719 - Community Housing Rentals</b>	30,487.57	31,460.00	96.91%
<b>Total I092 - Other</b>	<b>181,982.26</b>	<b>114,960.00</b>	<b>158.3%</b>
<b>Total I09 - HOUSING</b>	<b>191,382.26</b>	<b>125,460.00</b>	<b>152.54%</b>
<b>I10 - COMMUNITY AMENITIES</b>			
<b>I101 - Sanitation Household</b>			
<b>I101730 - Charges Refuse/Recycling</b>	<b>25,245.00</b>	<b>29,000.00</b>	<b>87.05%</b>
<b>Total I101 - Sanitation Household</b>	<b>25,245.00</b>	<b>29,000.00</b>	<b>87.05%</b>
<b>I102 - Sanitation Other</b>			
<b>I102731 - Charges Refuse/Recycling</b>	<b>19,945.00</b>	<b>17,500.00</b>	<b>113.97%</b>
<b>Total I102 - Sanitation Other</b>	<b>19,945.00</b>	<b>17,500.00</b>	<b>113.97%</b>
<b>I104 - Protection of Environment</b>			
<b>I104108 - Lotterywest Eqp Grant - Herbari</b>	4,575.92		
<b>I104725 - Tree Planter Charges</b>	100.00	400.00	25.0%
<b>I104726 - Govt. Grants - Our Patch</b>	5,100.18	30,000.00	17.0%
<b>I104730 - Reimbursements</b>	181.82		
<b>Total I104 - Protection of Environment</b>	<b>9,957.92</b>	<b>30,400.00</b>	<b>32.76%</b>
<b>I105 - Town Planning</b>			
<b>I105100 - Proceeds from sale of land</b>	0.00	150,000.00	0.0%
<b>Total I105 - Town Planning</b>	<b>0.00</b>	<b>150,000.00</b>	<b>0.0%</b>
<b>I106 - Other Community Services</b>			
<b>I106730 - Charges Cemetery</b>	581.81	500.00	116.36%
<b>I106731 - Industrial Units Rental</b>	6,160.00	5,200.00	118.46%
<b>Total I106 - Other Community Services</b>	<b>6,741.81</b>	<b>5,700.00</b>	<b>118.28%</b>
<b>Total I10 - COMMUNITY AMENITIES</b>	<b>61,889.73</b>	<b>232,600.00</b>	<b>26.61%</b>
<b>I11 - RECREATION &amp; CULTURE</b>			
<b>I111 - Public Halls and Civic Centres</b>			
<b>I111005 - Memorial Hall Hire</b>	811.09	1,000.00	81.11%
<b>I111010 - Community Centre Rental</b>	4,597.50	1,500.00	306.5%
<b>I111015 - Sandalwood Arts Hall Lease</b>	375.00	500.00	75.0%
<b>I111020 - Railway Station Income</b>	60.00		
<b>I111025 - Govt Grants</b>	0.00	38,000.00	0.0%
<b>Total I111 - Public Halls and Civic Centres</b>	<b>5,843.59</b>	<b>41,000.00</b>	<b>14.25%</b>
<b>I112 - Swimming Pool</b>			
<b>I112010 - Pool Fees</b>	7,183.68	7,000.00	102.62%
<b>I112015 - Pool Subsidy</b>	6,000.00	3,000.00	200.0%

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
<b>Total I112 - Swimming Pool</b>	13,183.68	10,000.00	131.84%
<b>I113 - Other Recreation</b>			
I113070 - Sports Centre Hire/Rec Ground	1,377.34	2,000.00	68.87%
I113071 - Annual Sporting Club Levy	5,722.72	5,500.00	104.05%
I113072 - Govt Grants	1,700.00		
I113074 - Complex Water Grant	0.00	49,000.00	0.0%
I113075 - Gymnasium	0.00	99,000.00	0.0%
I113076 - Conservation Plan	0.00	12,720.00	0.0%
I113077 - Botanical Trail Income	10,000.00	10,000.00	100.0%
I113078 - Govt. Grants - Skate Park	0.00	30,000.00	0.0%
I113079 - Govt. Grants	0.00	3,500.00	0.0%
I113080 - Comm. Safety/Crime Pevtn Grant	20,000.00		
I113400 - NEWROC Club Development Income	49,577.28	25,633.00	193.41%
I113401 - Newroc Clubs-State Contrb.	0.00	50,000.00	0.0%
<b>Total I113 - Other Recreation</b>	<b>88,377.34</b>	<b>287,353.00</b>	<b>30.76%</b>
<b>I114 - Libraries</b>			
I114156 - Lost Books	81.00	100.00	81.0%
<b>Total I114 - Libraries</b>	<b>81.00</b>	<b>100.00</b>	<b>81.0%</b>
<b>I115 - Other Culture</b>			
I115050 - Mukinbudin Community 50's Shed	24,980.00	25,000.00	99.92%
I115055 - 50's Comm. Shed - Comm. Contr	23,485.58	15,000.00	156.57%
I115060 - ANZAC Day Grant 06/07	0.00		
I115070 - Sale of History Book	150.00	100.00	150.0%
I115080 - Drought Assistance Grant Income	10,000.00		
<b>Total I115 - Other Culture</b>	<b>58,615.58</b>	<b>40,100.00</b>	<b>146.17%</b>
<b>I116 - TV &amp; Radio Re-broadcasting</b>			
I116015 - Mukinbudin Radio Fund	4,712.18		
I116070 - Charges Levied	7,592.00	7,280.00	104.29%
<b>Total I116 - TV &amp; Radio Re-broadcasting</b>	<b>12,304.18</b>	<b>7,280.00</b>	<b>169.01%</b>
<b>Total I11 - RECREATION &amp; CULTURE</b>	<b>178,405.37</b>	<b>385,833.00</b>	<b>46.24%</b>
<b>I12 - TRANSPORT</b>			
<b>I121 - Roads &amp; Streets</b>			
I121041 - Mtce Grant Untied	266,471.44	195,500.00	136.3%
I121045 - Direct Grants	71,488.00	71,488.00	100.0%
I121060 - Roads 2 Recovery Grant	94,961.00	305,000.00	31.14%
I121061 - Construction Grants Untied	266,471.44	195,500.00	136.3%
I121062 - Construction MRD Specific Grant	64,436.00	184,691.00	34.89%
I121063 - Black Spot Funding	155,264.00	18,000.00	862.58%
I121064 - Harvest Mass Management Scheme	2,121.05		
I121065 - Flood Damage Funding	119,370.00	100,000.00	119.37%
I121066 - Govt. Grants - Country Pathways	25,550.00	25,000.00	102.2%
I121178 - Profit on Sale of Assets	0.01		
<b>Total I121 - Roads &amp; Streets</b>	<b>1,066,132.94</b>	<b>1,095,179.00</b>	<b>97.35%</b>
<b>Total I12 - TRANSPORT</b>	<b>1,066,132.94</b>	<b>1,095,179.00</b>	<b>97.35%</b>
<b>I13 - ECONOMIC SERVICES</b>			
<b>I131 - Rural Services</b>			
I131100 - DruMuster Income	866.31	1,500.00	57.75%
<b>Total I131 - Rural Services</b>	<b>866.31</b>	<b>1,500.00</b>	<b>57.75%</b>
<b>I132 - Tourism/Area Promotion</b>			

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
I132005 - Caravan Park Fees	11,244.47	10,000.00	112.45%
I132010 - Coin Operated W. Machine	678.16	800.00	84.77%
I132015 - Barracks Cabins Fees	5,422.75	5,000.00	108.46%
I132020 - Park Unit Fees	27,987.36	20,000.00	139.94%
I132021 - Govt. Grants-Regional Headworks	0.00	12,000.00	0.0%
I132022 - Govt. Grants-CMCA &KIA Dumpsite	0.00	1,000.00	0.0%
I132023 - Govt. Grants	0.00	15,000.00	0.0%
I132024 - Govt.Grants	0.00	9,980.00	0.0%
<b>Total I132 - Tourism/Area Promotion</b>	<b>45,332.74</b>	<b>73,780.00</b>	<b>61.44%</b>
<b>I133 - Building Control</b>			
I133005 - Building Permits	421.06	1,000.00	42.11%
I133006 - BCITF Agency Collection Fee Inc	0.00	50.00	0.0%
<b>Total I133 - Building Control</b>	<b>421.06</b>	<b>1,050.00</b>	<b>40.1%</b>
<b>I135 - Other Economic Services</b>			
I135100 - Transport Licensing Commission	18,384.01	13,000.00	141.42%
I135110 - Charges NEWLEP Office	650.00	6,800.00	9.56%
I135115 - Woodchipper Income	0.00	500.00	0.0%
I135120 - Community Bus Income	2,449.04	3,000.00	81.64%
I135125 - Recoupable Items Income	52,280.18	10,000.00	522.8%
I135130 - Photocopying	330.96	500.00	66.19%
I135135 - Secretarial Services	628.27	500.00	125.65%
I135140 - Sale of Shire Maps	0.00	50.00	0.0%
I135145 - Sale of Number Plates	368.15	200.00	184.08%
I135150 - Contributions & Donations	0.00	100.00	0.0%
I135170 - SBCNEW reimbursements to Shire	39,254.40	100,000.00	39.25%
<b>Total I135 - Other Economic Services</b>	<b>114,345.01</b>	<b>134,650.00</b>	<b>84.92%</b>
<b>Total I13 - ECONOMIC SERVICES</b>	<b>160,965.12</b>	<b>210,980.00</b>	<b>76.29%</b>
<b>I14 - OTHER PROPERTY &amp; SERVICES</b>			
<b>I141 - Private Works</b>			
I141001 - 18 Cruickshank Road	0.00	11,000.00	0.0%
I141002 - Paul Mori - P/W 35	80.00		
I141006 - Reg Maddock Grading - P/W 28	990.00		
I141008 - Water Corp PW 29	600.00		
I141010 - Scott van den Ancker P/W 23	300.00		
I141011 - Kerry Dyer - P/W 26	360.00		
I141012 - Kerry Dyer - P/W 24	110.00		
I141013 - John Melville - P/W 25	50.00		
I141014 - Water Corporation - P/W 14	0.00		
I141018 - Chris Driscoll - P/W 22	150.00		
I141019 - Hutton & Northey - P/W 27	200.00		
I141020 - John Holland - P/W 30	3,000.00		
I141021 - Watson, T&P - P/W 31	59.09		
I141022 - John Holland - P/W 32	1,268.18		
I141023 - Dennis Palm - P/W 33	200.00		
I141024 - Rod Comerford - P/W 34	400.00		
<b>Total I141 - Private Works</b>	<b>7,767.27</b>	<b>11,000.00</b>	<b>70.61%</b>
<b>I144 - Plant Operating Costs</b>			
I144010 - Sale of Scrap	36.82	500.00	7.36%
<b>Total I144 - Plant Operating Costs</b>	<b>36.82</b>	<b>500.00</b>	<b>7.36%</b>
<b>I145 - Other Governance</b>			
I145020 - Rebates & Reimbursements	8,360.74	7,100.00	117.76%
I145030 - Vehicle Contribution	7,020.00	6,000.00	117.0%



	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
Total I145 · Other Governance	15,380.74	13,100.00	117.41%
<b>Total I14 · OTHER PROPERTY &amp; SERVICES</b>	<b>23,184.83</b>	<b>24,600.00</b>	<b>94.25%</b>
<b>Total Income</b>	<b>2,976,463.73</b>	<b>3,272,179.00</b>	<b>90.96%</b>
<b>Expense</b>			
6560 · Payroll Expenses	0.00		
<b>E03 · GENERAL PURPOSE FUNDING.</b>			
<b>E031 · Rates</b>			
E031005 · Employee Costs	9,911.36	11,747.00	84.37%
E031010 · Building Mtce Costs	520.95	778.00	66.96%
E031015 · General Office Expenses	2,121.51	2,553.00	83.1%
E031020 · Other Admin Costs	3,045.44	3,567.00	85.38%
E031025 · Payroll Costs	202.87	244.00	83.14%
E031030 · Accounts Payable Costs	150.88	181.00	83.36%
E031035 · Accounts Receivable Costs	3,028.37	3,642.00	83.15%
E031040 · Valuation Expenses	7,707.10	4,000.00	192.68%
<b>Total E031 · Rates</b>	<b>26,688.48</b>	<b>26,712.00</b>	<b>99.91%</b>
<b>E032 · Other</b>			
E032339 · Bank Fees	3,847.00	5,000.00	76.94%
E032340 · Loan Redemption Interest	69,450.01	50,500.00	137.53%
<b>Total E032 · Other</b>	<b>73,297.01</b>	<b>55,500.00</b>	<b>132.07%</b>
<b>Total E03 · GENERAL PURPOSE FUNDING.</b>	<b>99,985.49</b>	<b>82,212.00</b>	<b>121.62%</b>
<b>E04 · GOVERNANCE.</b>			
<b>E041 · Members</b>			
E041010 · Travelling	2,478.10	2,000.00	123.91%
E041015 · Conference Expenses	11,203.86	12,000.00	93.37%
E041020 · Elected Members Training	0.00	2,000.00	0.0%
E041025 · Election Expenses	0.00	3,500.00	0.0%
E041030 · Public Relations	2,775.73	2,500.00	111.03%
E041035 · Refreshments & Receptions	11,627.22	10,000.00	116.27%
E041040 · Insurance	4,392.70	5,000.00	87.85%
E041045 · Subscriptions	10,849.23	15,000.00	72.33%
E041050 · Act, Texts & Diaries	901.19	500.00	180.24%
E041055 · Annual Fees	25,000.00	26,000.00	96.15%
E041060 · NEWROC Admin Fees	5,500.00	15,000.00	36.67%
E041065 · Other	0.00	500.00	0.0%
E041070 · Advertising	1,330.01	1,000.00	133.0%
E041075 · Local Laws	0.00	3,000.00	0.0%
E041080 · Reimbursements	0.00		
E041082 · Employee Costs	50,822.07	60,232.00	84.38%
E041085 · Building Mtce	9,479.55	11,413.00	83.06%
E041090 · General Office Expenses	7,795.54	9,374.00	83.16%
E041095 · Other Admin Costs	7,906.15	10,734.00	73.66%
E041100 · Payroll Costs	811.50	976.00	83.15%
E041105 · Accounts Payable Costs	905.27	1,088.00	83.21%
E041110 · Accounts Receivable Costs	0.00		
E041115 · Other Audit Fees	6,994.86	8,000.00	87.44%
<b>Total E041 · Members</b>	<b>160,772.98</b>	<b>199,817.00</b>	<b>80.46%</b>
<b>Total E04 · GOVERNANCE.</b>	<b>160,772.98</b>	<b>199,817.00</b>	<b>80.46%</b>
<b>E05 · LAW ORDER &amp; PUBLIC SAFETY.</b>			
<b>E051 · Fire Prevention</b>			

	<u>Jul '2007 - Jun 2008</u>	<u>Budget</u>	<u>% of Budget</u>
E051010 · Mtce - Plant & Equipment	4,543.00	4,373.00	103.89%
E051015 · Mtce - Vehicles	2,514.70	2,385.00	105.44%
E051020 · Mtce - Buildings	2,960.66	3,180.00	93.1%
E051025 · Protective Clothing	1,400.00	1,590.00	88.05%
E051030 · Other Expenses	811.28	795.00	102.05%
E051035 · Insurance	8,605.20	8,500.00	101.24%
E051040 · Equipment Purchase	682.20	676.00	100.92%
E051045 · Emergency Services Trailer Gran	6,126.59		
E051298 · Depn - Fire Control	29,394.84	29,500.00	99.64%
<b>Total E051 · Fire Prevention</b>	<b>57,038.47</b>	<b>50,999.00</b>	<b>111.84%</b>
<b>E052 · Animal Control</b>			
E052540 · Ranger Services	1,954.82	3,910.00	50.0%
E052545 · Licence Discs	160.00	200.00	80.0%
E052550 · Control Expenses Other	387.41	300.00	129.14%
E052555 · Pound Mtce	12.73	200.00	6.37%
<b>Total E052 · Animal Control</b>	<b>2,514.96</b>	<b>4,610.00</b>	<b>54.55%</b>
<b>E053 · Other Law, Order Public Safety</b>			
E053200 · Employee Costs	1,265.28	1,500.00	84.35%
E053205 · Building Mtce Costs	34.73	52.00	66.79%
E053210 · General Office Expenses	143.68	173.00	83.05%
E053215 · Other Admin Expenses	8,934.63	10,301.00	86.74%
E053220 · Payroll Costs	161.50	194.00	83.25%
E053225 · Accounts Payable Costs	452.64	544.00	83.21%
E053230 · Accounts Receivable Costs	0.00		
<b>Total E053 · Other Law, Order Public Safety</b>	<b>10,992.46</b>	<b>12,764.00</b>	<b>86.12%</b>
<b>Total E05 · LAW ORDER &amp; PUBLIC SAFETY.</b>	<b>70,545.89</b>	<b>68,373.00</b>	<b>103.18%</b>
<b>E06 · EDUCATION &amp; WELFARE.</b>			
<b>E061 · Childcare</b>			
E061005 · Playgroup Building Mtce	5,059.90	5,000.00	101.2%
E061200 · Administration	0.00	24,600.00	0.0%
E061298 · Depreciation	24,597.92		
<b>Total E061 · Childcare</b>	<b>29,657.82</b>	<b>29,600.00</b>	<b>100.2%</b>
<b>E062 · Other Education</b>			
E062005 · Telecentre Wages	12,730.19	10,000.00	127.3%
E062010 · Telecentre Building Mtce	9,812.33	8,000.00	122.65%
E062015 · P & C Association	500.00	500.00	100.0%
E062020 · Christian School Donation	0.00	500.00	0.0%
E062025 · School Prizes, Scholarship	224.82	200.00	112.41%
E062030 · School Ground Improvements	1,000.00	1,000.00	100.0%
<b>Total E062 · Other Education</b>	<b>24,267.34</b>	<b>20,200.00</b>	<b>120.14%</b>
<b>E063 · Senior Citizens</b>			
E063005 · Catering Assistance	230.00	500.00	46.0%
<b>Total E063 · Senior Citizens</b>	<b>230.00</b>	<b>500.00</b>	<b>46.0%</b>
<b>E065 · Other</b>			
E065970 · Employee Costs	1,265.28	1,500.00	84.35%
E065971 · Building Mtce Costs	1,423.95	2,127.00	66.95%
E065972 · General Office Expenses	177.36	214.00	82.88%
E065973 · Other Admin Costs	11,879.21	13,668.00	86.91%
E065974 · Payroll Costs	161.50	194.00	83.25%
E065975 · Accounts Payable Costs	150.88	181.00	83.36%
E065976 · Accounts Receivable Costs	0.00		

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
<b>Total E065 · Other</b>	<b>15,058.18</b>	<b>17,884.00</b>	<b>84.2%</b>
<b>Total E06 · EDUCATION &amp; WELFARE.</b>	<b>69,213.34</b>	<b>68,184.00</b>	<b>101.51%</b>
<b>E07 · HEALTH.</b>			
<b>E073 · Inspection &amp; Admin</b>			
<b>E073100 · Contract EHO</b>	4,472.72	6,000.00	74.55%
<b>E073103 · Food Inspection Expenses</b>	0.00	500.00	0.0%
<b>E073106 · Doctor Retention</b>	9,918.00	6,500.00	152.59%
<b>E073107 · Doctor Housing Expenses</b>	0.00	500.00	0.0%
<b>E073108 · Doctor - Other Admin Costs</b>	8,025.00	8,000.00	100.31%
<b>E073298 · Depreciation</b>	500.84	500.00	100.17%
<b>Total E073 · Inspection &amp; Admin</b>	<b>22,916.56</b>	<b>22,000.00</b>	<b>104.17%</b>
<b>E074 · Pest Control</b>			
<b>E074140 · Mosquito Control</b>	1,919.23	2,000.00	95.96%
<b>Total E074 · Pest Control</b>	<b>1,919.23</b>	<b>2,000.00</b>	<b>95.96%</b>
<b>E075 · Health Other</b>			
<b>E075150 · Analytical Expenses</b>	334.50	400.00	83.63%
<b>Total E075 · Health Other</b>	<b>334.50</b>	<b>400.00</b>	<b>83.63%</b>
<b>E076 · Other</b>			
<b>E076970 · Employee Costs</b>	1,265.28	1,500.00	84.35%
<b>E076971 · Building Mtce Costs</b>	34.73	52.00	66.79%
<b>E076972 · General Office Expenses</b>	194.20	234.00	82.99%
<b>E076973 · Other Admin Costs</b>	6,798.80	9,035.00	75.25%
<b>E076974 · Payroll Costs</b>	13.53	16.00	84.56%
<b>E076975 · Accounts Payable Costs</b>	301.76	363.00	83.13%
<b>E076976 · Accounts Receivable Costs</b>	131.67	158.00	83.34%
<b>Total E076 · Other</b>	<b>8,739.97</b>	<b>11,358.00</b>	<b>76.95%</b>
<b>Total E07 · HEALTH.</b>	<b>33,910.26</b>	<b>35,758.00</b>	<b>94.83%</b>
<b>E09 · Housing.</b>			
<b>E091 · Council Staff</b>			
<b>E091167 · Building Mtce</b>	40,020.51	44,000.00	90.96%
<b>E091298 · Depreciation</b>	7,931.85	8,000.00	99.15%
<b>Total E091 · Council Staff</b>	<b>47,952.36</b>	<b>52,000.00</b>	<b>92.22%</b>
<b>E092 · Other</b>			
<b>E092187 · Aged Housing Expenditure</b>	21,741.55	15,000.00	144.94%
<b>E092197 · Community Housing - Singles JV</b>	11,089.88	12,000.00	92.42%
<b>E092198 · Community Housing - Family JV</b>	8,716.21	10,000.00	87.16%
<b>E092199 · Community Housing - Other</b>	4,609.28	16,000.00	28.81%
<b>E092298 · Depreciation</b>	16,466.13	16,500.00	99.8%
<b>Total E092 · Other</b>	<b>62,623.05</b>	<b>69,500.00</b>	<b>90.11%</b>
<b>Total E09 · Housing.</b>	<b>110,575.41</b>	<b>121,500.00</b>	<b>91.01%</b>
<b>E10 · COMMUNITY AMENITIES.</b>			
<b>E101 · Sanitation Household</b>			
<b>E101237 · Domestic Refuse Collection</b>	14,255.01	15,400.00	92.57%
<b>E101247 · Refuse Site Maintenance</b>	13,731.45	8,500.00	161.55%
<b>E101257 · Domestic Recycling Collection</b>	12,923.33	14,000.00	92.31%
<b>E101298 · Depreciation</b>	0.00	400.00	0.0%
<b>Total E101 · Sanitation Household</b>	<b>40,909.79</b>	<b>38,300.00</b>	<b>106.81%</b>

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
<b>E102 · Sanitation Other</b>			
E102330 · Refuse Collections-Streets/Park	1,089.17	1,500.00	72.61%
E102331 · Refuse Collections-Trade/Indust	7,897.41	8,700.00	90.78%
E102332 · Recycling Collections-Trade/Ind	7,159.66	8,000.00	89.5%
E102334 · Recycling - General	4,400.00	4,500.00	97.78%
<b>Total E102 · Sanitation Other</b>	<b>20,546.24</b>	<b>22,700.00</b>	<b>90.51%</b>
<b>E104 · Protection of Environment</b>			
E104100 · Landcare Co-ord. Wages	10,446.96	25,000.00	41.79%
E104101 · Landcare Co-ord. Super	605.61	3,500.00	17.3%
E104102 · Landcare Co-ord. Travel/Vehicle	0.00	5,000.00	0.0%
E104103 · Landcare Co-ord. Other	4,818.40		
E104105 · Herbarium Expenses	2,561.71	10,000.00	25.62%
E104106 · Reserve Management	0.00	10,000.00	0.0%
E104107 · Botanical Walk	0.00	10,000.00	0.0%
E104108 · Lotterywest Equip Grant-Herbari	6,267.67		
E104726 · Our Patch Grant Exp	1,408.34		
<b>Total E104 · Protection of Environment</b>	<b>26,108.69</b>	<b>63,500.00</b>	<b>41.12%</b>
<b>E106 · Other Community Services</b>			
E106187 · Cemeteries	4,625.77	6,000.00	77.1%
E106188 · Public Conveniences	4,921.87	5,000.00	98.44%
E106189 · Industrial Units Mtce	1,788.86	1,500.00	119.26%
E106298 · Depreciation	3,696.05	4,000.00	92.4%
<b>Total E106 · Other Community Services</b>	<b>15,032.55</b>	<b>16,500.00</b>	<b>91.11%</b>
<b>E107 · Other</b>			
E107970 · Employee Costs	2,530.56	2,999.00	84.38%
E107971 · Building Mtce Costs	69.47	104.00	66.8%
E107972 · General Office Expenses	287.36	346.00	83.05%
E107973 · Other Admin Costs	17,869.24	20,602.00	86.74%
E107974 · Payroll Costs	618.96	744.00	83.19%
E107975 · Accounts Payable Costs	301.76	363.00	83.13%
E107976 · Accounts Receivable Costs	1,711.69	2,058.00	83.17%
<b>Total E107 · Other</b>	<b>23,389.04</b>	<b>27,216.00</b>	<b>85.94%</b>
<b>Total E10 · COMMUNITY AMENITIES.</b>	<b>125,986.31</b>	<b>168,216.00</b>	<b>74.9%</b>
<b>E11 · RECREATION &amp; CULTURE.</b>			
<b>E111 · Public Halls &amp; Civic Centres</b>			
E111107 · Memorial Hall	15,869.74	16,000.00	99.19%
E111108 · Sandalwood Arts Hall	1,145.59	2,000.00	57.28%
E111109 · Bonnie Rock Hall	1,565.39	3,000.00	52.18%
E111110 · Community Centre Hall	4,498.79	7,500.00	59.98%
E111111 · Railway Station Mtce	1,364.34	2,000.00	68.22%
E111112 · Mukinbudin Community Shed	1,883.22		
E111298 · Depn - Public Halls	5,113.48	5,160.00	99.1%
<b>Total E111 · Public Halls &amp; Civic Centres</b>	<b>31,440.55</b>	<b>35,660.00</b>	<b>88.17%</b>
<b>E112 · Swimming Pool</b>			
E112100 · Salary	41,061.28	40,500.00	101.39%
E112110 · Superannuation	5,953.99	5,900.00	100.92%
E112120 · Maintenance	66,195.60	61,000.00	108.52%
E112298 · Depn - Swimming Pool	4,267.60	3,500.00	121.93%
<b>Total E112 · Swimming Pool</b>	<b>117,478.47</b>	<b>110,900.00</b>	<b>105.93%</b>
<b>E113 · Other Recreation</b>			

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
E113005 · Drive In Theatre	3,700.46	1,000.00	370.05%
E113010 · Muka Dam Catchment	13,840.39	10,000.00	138.4%
E113015 · Recreation Ground Mtce	32,027.38	24,000.00	133.45%
E113020 · Sports Centre Mtce	49,375.07	45,000.00	109.72%
E113025 · Old District Club- Youth Centre	10,461.79	6,500.00	160.95%
E113030 · Parks & Gardens	75,969.13	68,000.00	111.72%
E113035 · Gym Building Maintenance	5,127.45	1,500.00	341.83%
E113040 · Youth Leeuwin Sponsorship	900.00	1,100.00	81.82%
E113045 · National Youth Week	1,072.06		
E113070 · Govt Grants - Bikeweek	308.64		
E113072 · Walk Trail Grant Exp	3,935.79		
E113075 · Gymnasium	836.70		
E113077 · Healthy Active Aust. Grant Exp	9,809.10		
E113082 · Gym Co-ordinators Salary	5,365.92		
E113083 · Gym Co-ordinators Superannatio	397.44		
E113298 · Depreciation	46,730.43	46,800.00	99.85%
E113400 · NEWROC Club Development Expense	53,560.83	50,000.00	107.12%
E113401 · NEWROC Club Development-Shire	17,039.11	12,200.00	139.67%
E113550 · Local Activity Grant	152.13		
<b>Total E113 · Other Recreation</b>	<b>330,609.82</b>	<b>266,100.00</b>	<b>124.24%</b>
<b>E114 · Library</b>			
E114005 · Bookstock Purchases	135.15		
E114010 · Operating Other	1,654.12	4,000.00	41.35%
E114298 · Depn - Library	39.67	40.00	99.18%
<b>Total E114 · Library</b>	<b>1,828.94</b>	<b>4,040.00</b>	<b>45.27%</b>
<b>E116 · TV &amp; Radio Re-broadcasting</b>			
E116005 · Mtce Contract	1,802.50	1,750.00	103.0%
E116010 · General Mtce	798.17	2,200.00	36.28%
E116015 · Contribution to CDMA/JJJ	8,402.00	1,000.00	840.2%
E116298 · Depn TV & Radio Re-broadcasting	1,427.38	1,500.00	95.16%
<b>Total E116 · TV &amp; Radio Re-broadcasting</b>	<b>12,430.05</b>	<b>6,450.00</b>	<b>192.71%</b>
<b>E117 · Other Culture</b>			
E117005 · Employee Costs	2,530.56	2,999.00	84.38%
E117010 · Building Mtce Costs	5,626.32	8,404.00	66.95%
E117015 · General Office Expenses	506.29	611.00	82.86%
E117020 · Other Admin Costs	20,813.83	23,969.00	86.84%
E117025 · Payroll Costs	914.92	1,100.00	83.18%
E117030 · Accounts Payable Costs	3,922.87	4,713.00	83.24%
E117035 · Accounts Receivable Costs	1,514.19	1,821.00	83.15%
E117040 · Newroc Arts	46.36		
E117045 · Heritage Grain Silo	713.41		
E117046 · Conservation Plan	0.00	13,720.00	0.0%
E117060 · ANZAC Day Grant 06/07	3,933.87		
E117070 · Drought Assistance Grant Exp	8,243.96		
<b>Total E117 · Other Culture</b>	<b>48,766.58</b>	<b>57,337.00</b>	<b>85.05%</b>
<b>Total E11 · RECREATION &amp; CULTURE.</b>	<b>542,554.41</b>	<b>480,487.00</b>	<b>112.92%</b>
<b>E12 · TRANSPORT.</b>			
<b>E122 · Roads &amp; Streets</b>			
E122020 · Footpaths/Paving	7,405.61	7,500.00	98.74%
E122025 · Depot Mtce	12,782.97	17,000.00	75.19%
E122030 · Lighting of Streets	5,796.73	7,000.00	82.81%
E122035 · Street Trees & Watering	4,662.49		
E122040 · Street Mtce	6,718.04	5,000.00	134.36%

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
E122045 · Traffic Signs	17,573.05	15,000.00	117.15%
E122050 · Drainage Mtce	76.10		
E122055 · Verge Mtce/Roadside Spraying	8,016.15	5,000.00	160.32%
E122060 · Townscape	2,854.63	5,000.00	57.09%
E122065 · Street Tree Pruning	260.02	7,000.00	3.72%
E122070 · RoMan Mtce Costs	811.00	2,000.00	40.55%
E122082 · Flood Damage	12,204.48		
E122083 · Flood Damage - Moodon Road 9	80,827.70		
E122085 · Loss on Sale of Assets	11,151.56	26,842.00	41.55%
E122298 · Depreciation - Transport Other	600,084.75	560,000.00	107.16%
<b>E123000 · Municipal Fund - Road Maint</b>			
E123001 · Bent Street - 122	3,613.23		
E123003 · Arnold Road - 98	938.10		
E123004 · Borlase Road - 4	1,861.68		
E123005 · Forest Avenue - 96	4,316.50		
E123007 · Elsewhere Road - 94	721.26		
E123008 · Quanta Cutting-Weira Road - 93	1,223.26		
E123011 · Moondon Road - 9	0.00		
E123012 · Andrews Road East - 89	579.37		
E123015 · Lavery Road - 86	1,748.35		
E123016 · Angle Road - 85	4,528.22		
E123018 · Motts Alley - 83	980.54		
E123020 · Dease Road - 91	0.00		
E123021 · Stockton Road - 80	579.37		
E123022 · Berringbooding Road - 8	0.00		
E123023 · Miguel Road - 79	863.64		
E123024 · Mukinbudin North-East Road - 5	4,593.64		
E123025 · Koorda-Bullfinch Rd (M40) - 107	0.00		
E123027 · Kununoppin-Mukinbudin Road-10	0.00		
E123028 · Quanta Cutting North Road - 10	12,267.97		
E123035 · Dead Horse Hill Road - 106	579.37		
E123036 · Mukinbudin-Bonnie Rock Road-109	5,079.24		
E123037 · Graham Road - 11	17,110.19		
E123038 · Mukinbudin-Wialki Road - 110	0.00		
E123043 · Carlton Road - 12	1,836.74		
E123044 · Lake Brown South Road - 13	1,266.63		
E123045 · Popes Hill South Road - 14	579.37		
E123046 · Clamp Road - 15	2,749.72		
E123047 · Copeland Road - 16	160.07		
E123048 · Whyte Road - 17	140.56		
E123049 · Walton Road - 18	3,573.10		
E123050 · Ogilvie Road - 19	5,495.83		
E123051 · Dandanning Road - 20	2,461.02		
E123052 · Cookinbin Road -21	2,495.71		
E123053 · McGregor Road - 22	0.00		
E123056 · Kalyanbudding West Road - 25	140.56		
E123057 · Barbalin North Road - 26	4,959.13		
E123059 · Fogarty Road - 28	952.48		
E123061 · Forty Six Gate Road - 30	5,155.18		
E123062 · Harry Road - 31	8,280.67		
E123063 · Comerford Road - 32	1,766.83		
E123064 · Karomin Road - 33	2,729.42		
E123065 · Harold Road - 34	949.19		
E123066 · Brierly Road - 35	491.16		
E123067 · Squire Road - 36	579.37		
E123070 · Wialki Soak Road - 39	4,093.84		
E123071 · Wilgoyne Road - 4	2,920.45		
E123072 · Wyoming Trail - 40	10,273.45		

	<u>Jul '2007 - Jun 2008</u>	<u>Budget</u>	<u>% of Budget</u>
E123073 · Brandis Road - 41	4,991.06		
E123074 · Toole Road - 42	5,896.55		
E123075 · Sprigg Road - 43	2,806.56		
E123076 · Bonnie Rock Tank Road - 44	1,153.09		
E123077 · Clune Road - 45	3,647.40		
E123079 · Cunderin Road - 47	0.00		
E123081 · Manuel Road - 49	160.07		
E123082 · Morrison Road - 50	1,376.52		
E123084 · Scotsman Road - 52	1,351.20		
E123086 · Spencers Road - 55	3,604.19		
E123087 · Doig Road - 56	2,260.27		
E123088 · Maddock Street - 57	210.00		
E123090 · Cruickshank Road - 59	686.26		
E123091 · Bonnie Rock-Lake Brown Rd - 6	16,881.45		
E123095 · Greenslade Street - 95	878.63		
E123098 · Strugnell Street - 68	5,368.68		
E123100 · Nungarin North Road - 7	169.79		
E123103 · Sheardown Road - 72	5,994.70		
E123104 · Molyneux Road- 73	903.10		
E123105 · McInnes Road - 74	971.38		
E123106 · Wattoning West Road - 106	5,560.44		
E123107 · Jones Road - 76	1,505.82		
E123108 · Wymond Road - 77	5,543.22		
E123109 · Milne Road - 78	700.37		
E123000 · Municipal Fund - Road Maint - Other	0.00	200,000.00	0.0%
<b>Total E123000 · Municipal Fund - Road Maint</b>	<b>198,255.16</b>	<b>200,000.00</b>	<b>99.13%</b>
<b>Total E122 · Roads &amp; Streets</b>	<b>969,480.44</b>	<b>857,342.00</b>	<b>113.08%</b>
<b>E124 · Aerodromes</b>			
E124005 · Aerodrome Mtce	6,915.06	2,000.00	345.75%
<b>Total E124 · Aerodromes</b>	<b>6,915.06</b>	<b>2,000.00</b>	<b>345.75%</b>
<b>E126 · Other</b>			
E126970 · Employee Costs	66,005.42	78,227.00	84.38%
E126971 · Building Mtce Costs	1,944.90	2,905.00	66.95%
E126972 · General Office Expenses	7,406.07	8,907.00	83.15%
E126973 · Other Admin Costs	28,094.92	35,936.00	78.18%
E126974 · Payrolls	3,716.98	4,471.00	83.14%
E126975 · Accounts Payable Costs	11,919.47	14,320.00	83.24%
E126976 · Accounts Receivables Costs	2,172.53	2,612.00	83.18%
<b>Total E126 · Other</b>	<b>121,260.29</b>	<b>147,378.00</b>	<b>82.28%</b>
<b>Total E12 · TRANSPORT.</b>	<b>1,097,655.79</b>	<b>1,006,720.00</b>	<b>109.03%</b>
<b>E13 · ECONOMIC SERVICES.</b>			
<b>E131 · Rural Services</b>			
E131015 · Rural Counselling Service	900.00	2,700.00	33.33%
E131020 · Wild Dog Control	0.00	5,000.00	0.0%
E131025 · Noxious Weed Control	0.00	500.00	0.0%
E131035 · Drum Muster Expenses	866.32	1,500.00	57.76%
<b>Total E131 · Rural Services</b>	<b>1,766.32</b>	<b>9,700.00</b>	<b>18.21%</b>
<b>E132 · Tourism/Area Promotion</b>			
E132005 · Area Promotions	8,169.54	10,000.00	81.7%
E132010 · Caravan Park Mtce	43,227.02	36,000.00	120.08%
E132015 · Barrack Cabins Expenditure	5,085.24	13,000.00	39.12%
E132020 · Park Units Expenditure	4,008.59	8,000.00	50.11%

	<b>Jul '2007 - Jun 2008</b>	<b>Budget</b>	<b>% of Budget</b>
E132022 · CMCA & KIA Dumpsite	0.00	1,500.00	0.0%
E132025 · Tourist Information Bay	1,212.54	1,000.00	121.25%
E132030 · NEWLEP Programme	37,503.24	100,000.00	37.5%
E132035 · Council Contrib. NEWLEP	0.00	1,380.00	0.0%
E132298 · Depn - Tourism	6,326.39	6,400.00	98.85%
<b>Total E132 · Tourism/Area Promotion</b>	<b>105,532.56</b>	<b>177,280.00</b>	<b>59.53%</b>
<b>E133 · Building Control</b>			
E133005 · Regional Scheme	4,472.72	6,000.00	74.55%
<b>Total E133 · Building Control</b>	<b>4,472.72</b>	<b>6,000.00</b>	<b>74.55%</b>
<b>E134 · Other Economic Services</b>			
E134005 · Water Supply - Standpipes	23,771.30	15,000.00	158.48%
E134010 · Transport Licensing Expenses	923.73	3,000.00	30.79%
E134015 · Woodchipper Expenses	0.00	500.00	0.0%
E134020 · Community Bus Expenses	1,391.55	3,000.00	46.39%
E134025 · Recoupable Items Expenditure	31,517.92	10,000.00	315.18%
E134026 · Mukinbudin Sports Club - Exp.	142.77		
E134030 · Map Purchases	0.00	2,000.00	0.0%
E134035 · Apprentiship Incentive Scheme	1,577.27	10,000.00	15.77%
<b>Total E134 · Other Economic Services</b>	<b>59,324.54</b>	<b>43,500.00</b>	<b>136.38%</b>
<b>E135 · Other</b>			
E135005 · Employee Costs	23,829.44	28,242.00	84.38%
E135010 · Building Mtce Costs	1,701.79	2,542.00	66.95%
E135015 · General Office Expenses	6,265.58	7,534.00	83.16%
E135020 · Other Admin Expenses	26,703.02	30,703.00	86.97%
E135025 · Payroll	958.68	1,153.00	83.15%
E135030 · Accounts Payable Costs	957.19	1,088.00	87.98%
E135035 · Accounts Receivable Costs	1,909.20	1,088.00	175.48%
<b>Total E135 · Other</b>	<b>62,324.90</b>	<b>72,350.00</b>	<b>86.14%</b>
<b>Total E13 · ECONOMIC SERVICES.</b>	<b>233,421.04</b>	<b>308,830.00</b>	<b>75.58%</b>
<b>E14 · OTHER PROPERTY &amp; SERVICES.</b>			
<b>E141 · Private Works</b>			
E141004 · Nursing Post Carpark P/W 19&20	4,923.46		
E141005 · Wheatbelt Aboriginal Corp.	614.55		
E141006 · Reg Maddock Grading - PW 28	903.10		
E141007 · Ground Works -Funeral-A.Corunna	2,452.65		
E141008 · Water Corp 0029 - 28.04.08	472.13		
E141012 · Kerry Dyer - P/W 24	0.00		
E141020 · John Holland - P/W 30	1,613.53		
E141023 · Dennis Palm - P/W 33	1,005.56		
E141 · Private Works - Other	0.00	6,500.00	0.0%
<b>Total E141 · Private Works</b>	<b>11,984.98</b>	<b>6,500.00</b>	<b>184.38%</b>
<b>E143 · Works Overheads</b>			
E143005 · Indust. Allow/Incentives	13,801.64	16,000.00	86.26%
E143010 · Self Accommodation Subsidy	7,120.00	8,320.00	85.58%
E143015 · Superannuation of Workmen	51,437.64	61,000.00	84.32%
E143020 · Sick & Holiday Pay	46,419.82	50,000.00	92.84%
E143025 · Insurance on Works	49,607.39	50,000.00	99.22%
E143030 · Protective Clothing	3,114.36	5,000.00	62.29%
E143035 · Long Service Leave	1,882.68	4,500.00	41.84%
E143040 · Noise Regulation Program	0.00	500.00	0.0%
E143045 · Training Registration Fees	7,603.65	6,000.00	126.73%
E143050 · Accrued Wages	2,188.68		



	<u>Jul '2007 - Jun 2008</u>	<u>Budget</u>	<u>% of Budget</u>
E143055 · Accrued Annual Leave	22,450.03		
E143060 · Accrued Long Service Leave	11,044.98		
E143299 · LESS PWOH ALLOCATED-PROJECTS	-161,594.01	-201,320.00	80.27%
<b>Total E143 · Works Overheads</b>	<b>55,076.86</b>	<b>0.00</b>	<b>100.0%</b>
<b>E144 · Plant Operating Costs</b>			
E144005 · Fuels & Oils	145,655.62	150,000.00	97.1%
E144010 · Tyres & Batteries	15,216.73	20,000.00	76.08%
E144015 · Parts & Repairs	76,573.07	85,000.00	90.09%
E144020 · Repair Wages	2,986.06	8,000.00	37.33%
E144025 · Insurance & Licences	24,256.65	26,000.00	93.3%
E144030 · Expendable Tools	4,774.43	5,000.00	95.49%
E144035 · Consumable Items	7,322.09	7,000.00	104.6%
E144298 · Plant Depreciation	124,278.86	125,000.00	99.42%
E144299 · LESS POC ALLOCATED-PROJECTS	-262,210.00	-301,000.00	87.11%
E144300 · LESS Dprec ALLOCATED-PROJECTS	-111,195.00	-125,000.00	88.96%
<b>Total E144 · Plant Operating Costs</b>	<b>27,658.51</b>	<b>0.00</b>	<b>100.0%</b>
<b>E146 · Salaries Control</b>			
E146010 · Gross Total Salaries and Wages	835,670.78	947,650.00	88.18%
E146200 · LESS SALS/WAGES ALLOCATED	-835,670.78	-947,650.00	88.18%
<b>Total E146 · Salaries Control</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Total E14 · OTHER PROPERTY &amp; SERVICES.</b>	<b>94,720.35</b>	<b>6,500.00</b>	<b>1,457.24%</b>
<b>E145 · Other Governance</b>			
E145298 · Depn - Other Governance General	10,247.79	12,000.00	85.4%
E145300 · LESS ADMIN ALLOCATED-GPF	-18,981.39	-22,711.00	83.58%
E145301 · LESS ADMIN ALLOCATED-Governance	-75,881.22	-93,817.00	80.88%
E145302 · LESS ADMIN ALLOCATED-Law, Order	-10,992.45	-12,763.00	86.13%
E145303 · LESS ADMIN ALLOCATED-Ed, Welfar	-15,058.18	-17,883.00	84.2%
E145304 · LESS ADMIN ALLOCATED-Health	-16,764.97	-19,357.00	86.61%
E145305 · LESS ADMIN ALLOCATED-Community	-23,389.04	-27,216.00	85.94%
E145306 · LESS ADMIN ALLOCATED-Rec & Cult	-35,828.98	-43,617.00	82.15%
E145307 · LESS ADMIN ALLOCATED-Transport	-121,260.28	-147,379.00	82.28%
E145308 · LESS ADMIN ALLOCATED-Economic S	-62,272.99	-73,557.00	84.66%
E145401 · Salaries	279,613.51	278,000.00	100.58%
E145402 · Superannuation	34,966.35	34,500.00	101.35%
E145403 · Long Service Leave	150.60	9,000.00	1.67%
E145404 · Accrued Wages	979.65		
E145405 · Accrued Annual Leave	10,779.96		
E145406 · Accrued Long Service Leave	11,209.49		
E145407 · Training	5,349.16	6,000.00	89.15%
E145408 · Relocation Costs	0.00	2,500.00	0.0%
E145409 · Uniform Allowance	1,403.87	1,900.00	73.89%
E145410 · Conference Expenses	4,374.09	8,000.00	54.68%
E145411 · Insurance	3,984.52	3,500.00	113.84%
E145412 · Office Mtce	26,350.32	26,000.00	101.35%
E145413 · Printing & Stationery	8,132.68	10,000.00	81.33%
E145414 · Office Equipment Mtce	10,231.62	7,500.00	136.42%
E145415 · Equipment Lease	27,582.70	35,000.00	78.81%
E145416 · Advertising	1,592.00	2,500.00	63.68%
E145417 · Postage	2,660.40	3,000.00	88.68%
E145418 · Telephone	9,384.44	8,500.00	110.41%
E145420 · Vehicle Expenses	5,614.43	7,000.00	80.21%
E145421 · Fringe Benefits Tax	9,587.33	9,000.00	106.53%
E145422 · Title Searches	166.13	500.00	33.23%
E145423 · Legal Expenses	459.80	1,500.00	30.65%

	<u>Jul '2007 - Jun 2008</u>	<u>Budget</u>	<u>% of Budget</u>
E145424 · LCC Website Service Fee	3,556.36	3,500.00	101.61%
E145426 · Other Expenses	300.00	2,000.00	15.0%
<b>Total E145 · Other Governance</b>	<u>88,247.70</u>	<u>13,100.00</u>	<u>673.65%</u>
<b>Total Expense</b>	<u>2,727,588.97</u>	<u>2,559,697.00</u>	<u>106.56%</u>
<b>Net Income</b>	<u><u>248,874.76</u></u>	<u><u>712,482.00</u></u>	<u><u>34.93%</u></u>



## **Anderson Munro & Wyllie**

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### **INDEPENDENT AUDIT REPORT TO THE ELECTORS OF THE SHIRE OF MUKINBUDIN**

#### **Scope**

We have audited the financial report of Shire of Mukinbudin for the year ended 30 June 2008. The financial report comprises the Statement by Chief Executive Officer, Income Statement, Balance Sheet, Statement of Change in Equity, Cash Flow Statement, Rate Setting Statement and accompanying notes to the financial statements.

The Council is responsible for the preparation of a financial report which provides a true and fair view of the financial performance and position of the council in accordance with the Local Government Act 1995, and Regulations. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for accounting policies and estimates inherent to the financial report.

#### **Audit Approach**

We conducted an independent audit of the financial report in order to express an opinion on it to the electors of the Shire of Mukinbudin. Our audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore an audit cannot guarantee that all misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995, and Regulations, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Council's financial position, and of their performance which is represented by the results of operations and cash flows.

We formed our opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence, supporting the amounts and disclosures in the financial report.
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the directors.

Whilst we considered the effectiveness of managements internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions were accurately reflected in the financial report. These and our other procedures did not include



consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the executive and management of the Shire of Mukinbudin.

### **Independence**

Anderson Munro & Wyllie are independent of the Shire of Mukinbudin, and have met the independence requirements of Australian professional ethical pronouncements and the Local Government Act 1995.

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

### **Audit Opinion**

In our opinion, the financial statements of the Shire of Mukinbudin are properly drawn up:

- a) So as to give a true and fair view of the state of affairs of the Shire as at 30 June 2008 and the results of its operations and cash flows for the year then ended;
- b) In accordance with the requirements of the Local Government Act 1995; and
- c) In Accordance with Applicable Australian Accounting Standards.

### **Statutory Compliance**

- a) We did not during the course of the audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.
- b) There were no material or significant adverse trends in financial position or financial management practices revealed during the course of our audit.
- c) We have obtained all necessary information and explanations in relation to our audit.
- d) Our audit procedures were all satisfactorily completed.

Dated the 19<sup>th</sup> day of December 2008 in Perth, Western Australia

**BILLY-JOE THOMAS**  
Director

**ANDERSON MUNRO & WYLLIE**  
Chartered Accountants