



Annual Report

For The Year Ended 30 June 2005

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Administration Details

Shire of Plantagenet
Lowood Road
(PO Box 48)
Mount Barker WA 6324

Telephone: (08) 9892 1111
Fax: (08) 9892 1100
Email: info@plantagenet.wa.gov.au
Website: www.plantagenet.wa.gov.au



Vision Statement

We see families and economic development as the mainstay for creating a community that will provide everything that is needed: economic security, safety and social networks within an environment that is clean and safe.

A district where people will come to raise families because of educational opportunities, health facilities, economic infrastructure and a variety of housing opportunities.

Mission Statement

To improve the quality of life for the people of Plantagenet, both present and future.

Councillors



Shire President
KM (Kevin) Forbes, JP
Rocky Gully/West Ward



Deputy Shire President
D (David) Willis
East Ward



JG (Joan) Cameron
Rocky Gully/West Ward



ML (Michael) Skinner
East Ward



K (Keith) Hart
Kendenup Ward



JG (Jeff) Moir
South Ward



KA (Ken) Clements
Town Ward



W (Bill) Hollingworth
Town Ward



J (John) Mark
Town Ward

Senior Staff:

Chief Executive Officer - RJ (Rob) Stewart

Executive Director Technical & Development Services - S (Stephen) Bell

Executive Director Corporate & Community Services - J (John) Byrne

Shire of Plantagenet

Shire President's Report

For The Year Ending 30 June 2005



I welcome this opportunity on behalf of the Council to provide the residents of Plantagenet with an overview of activities and achievements during the financial year ending 30 June 2005.

The Council continued to position the Shire on a solid foundation of planning for the future, while commencing work on strategic projects and responding to significant natural disasters.

General Purpose Funding

The Council's rate revenue increased from \$2,937,277 in 2003/2004 to \$3,038,224 in 2004/2005. This represented an increase in rate revenue of \$100,947, or 3.4% of rates collected the previous year.

Grant revenue increased by an amount of \$942,645, an increase of 34.1% on total grant funding for the previous year. This included a number of grants that were carried forward.

Governance

Councillor Liz Farmer and Tom Donaldson resigned during the year and the elections in May saw the election to the Council of Councillor Bill Hollingworth and Councillor John Mark as Town Ward representatives. I welcome them both to the Council and look forward to their contribution. Corporate governance is becoming an increasing impost upon the local government industry, however I feel that the Shire commits to its governance and accountability role in a very serious manner. Ongoing audits and compliance checks undertaken as part of a

continuous improvement program indicate that the Shire is meeting and often exceeding its compliance obligations.

Law, Order and Public Safety

The Council continues to be an active contributor to the operations of the Local Emergency Management Committee (LEMC), Bush Fire Brigades, Animal Control and Public Safety.

The Shire commits significant resources to administer the requirements of the Emergency Services Levy (ESL) and Bush Fires Act and will continue to champion adequate funding and resourcing of our Bush Fire Brigades. The Council continued its focus on public education and risk mitigation.

A new Isuzu FS550 fire truck was provided by the FESA for the Porongurup Bush Fire Brigade.

While the number of fires were reduced last fire season, the Coronial Inquiry into the Tenterden Bush Fire served as a reminder of the seriousness of bush fire threats.

Health

During the year the Council appointed Mr Eric Howard as its Environmental Health Officer on a full time basis. Mr Howard joins the Council with significant experience and has improved the standard of health regulation across the Shire.

Education Welfare

The Plantagenet Day Care Centre received a much needed makeover internally, with all rooms being painted. This facility continues to be in high demand by the community and is well supported by the Parent Advisory Committee.

The Council continued its financial support of the 'Smart Start Literacy Program': a program aimed at assisting parents of children 0-4 years to commence education at home with their young children.

Home and Community Care (HACC) moved under the banner of the new Plantagenet Cranbrook Health Service as part of the Multi Purpose Service (MPS) on 1 May 2005. The relocation of the HACC building continues to be a point of discussion between the Shire and the Great Southern Health Service and we look forward to resolving this issue for the best interests of our senior citizens.

Council committed to accommodating the RSL at the Lesser Hall once the HACC service has been relocated, with the RSL temporarily housed in Redman House.

Community Amenities

The Cemetery Development and Business Plans were progressed in consultation with the Cemeteries Board. It is envisaged this project will be completed in stages over the next two (2) years.

Town Planning and development applications are increasing, reflecting our changing and growing community.

Works commenced on the construction of new toilet facilities and the new Council Administration Offices after extensive consultation periods. These works form the hub of the redevelopment of the Mount Barker Town Centre, including the townscape, Lowood Road redevelopment and under-grounding of power to be completed in the forthcoming financial year.

Recreation and Culture

Sport and Recreation remains a high priority for residents of the Shire.

The Swimming Pool was upgraded with the installation of solar water heating technology. This was achieved with grant funding from the Department of Sport and Recreation and Shire funds.

The Kendenup Tennis Club was also provided grant funding support by the Department of Sport and Recreation, to redevelop the Kendenup Tennis Courts.

The Council continued to provide funding towards the maintenance of the Historical Society Complex, Mitchell House and the Old Station House.

Transport

The Council actively pursued additional grant funding for preservation and improvement works of its road network. This resulted in significant growth of the value of road funding grants for the Shire.

Total grants for roads during the 2004/2005 year were as follows:

Project Grants

Regional Roads Group (RRG)	
Roads To Recovery (R2R)	
Timber Industry Roads Evaluation Study (TIRES)	\$
RRG	407,186
R2R	263,544
TIRES	1,241,714
TOTAL	1,912,444

R2R and TIRES funding are grant funds that do not require matching funding from the Shire of Plantagenet.

Unfortunately, many of the planned projects were halted due to the unprecedented rainfall events on 1 April and again more recently in June. These rainfall events halted construction works and continue to hamper reinstatement works of damaged and closed roads. All gravel roads have been closed at some point in time, and we are endeavouring to obtain flood damage funding from Main Roads through National Disaster Relief Fund.

Woogenellup, Spencer and Mount Barker - Porongurup Roads had significant upgrading and pre-construction work, with over \$1,000,000 being spent on these three (3) roads alone. The re-alignment and sealing of Woogenellup Road was

completed during the year, with further works planned on an ongoing basis to improve the full length of Woogenellup Road.

The Council's total expenditure on road construction and maintenance activities exceeded \$4.7m. By maintaining such a programme, we will continue to develop and improve the Shire's road network.

Replacement of plant and equipment continued in accordance with the Council's 10 year Plant Replacement Programme. Key items of plant replaced during the year included:

Caterpillar 12G Motor Grader - \$296,400

Hino Truck - \$70,637

Caterpillar 928G Wheel Loader - \$226,350

Hino Ranger Pro-10 Medium Trucks x2 - \$112,146 each

Economic Services

The Cattle Saleyards Joint Venture arrangement with the City of Albany was terminated during the year, with the Shire of Plantagenet buying the City of Albany's 50% share. The Shire now owns the Great Southern Cattle Saleyards outright. Every effort will be made to ensure this business unit will perform to its full potential. The decision to purchase the Great Southern Cattle Saleyards was undertaken following extensive business planning and industry analysis.

End of year figures show that the Saleyards had a throughput in excess of 70,000 head of cattle, which is 10,000 head more than budgeted.

The Council's support of tourism continued during the year, with a \$38,000 contribution to the Mount Barker Tourist Bureau and a further \$6,068 invested in district and area promotion.

Vehicle licensing continues to be an increasingly busy part of the service provided by the Council. The Department of Transport adopted a new computer

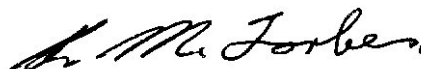
system and customer service staff undertook extensive training and assessment prior to the implementation of the new system.

A focus on Occupational Health and Safety has continued, with staff working strongly towards key performance indicators.

Conclusion

The 2004/2005 year has been very challenging with the Shire endeavouring to complete several big projects and a significant roads program, while dealing with unprecedented rainfall / flooding events. These projects currently underway form the basis of a very busy number of years ahead for the future growth and development of the community.

I would like to thank my fellow Councillors and the staff for their continuing professionalism and commitment in providing good governance and stewardship for our community.



Councillor Kevin M Forbes
PRESIDENT
SHIRE OF PLANTAGENET

Shire of Plantagenet

Chief Executive Officer's Report

For The Year Ending 30 June 2005



Flicking through the minutes of the meetings of the Council during the 2004 / 2005 financial year, emphasises to me the broad influence that the Council has over the community it represents. I was also struck by the hurdles the Council must negotiate when it is dealing with other levels of Government while representing the people of Plantagenet.

These hurdles are no better typified than by the Council's wish to amend its own Town Planning Scheme to achieve greater control over the development of Eucalyptus plantations in sensitive areas. Known as Amendment 28, this process was started in November 2000 and in July 2004 a question from a member of the public quite rightfully asked 'Where is it at?' The Minister for Planning at the time had referred to Amendment 28 in Parliament noting that she would: '...advise the Shire in writing... in due course.'

In the same month the Council adopted its 2004 / 2005 Budget with rate revenue increased 4% above the previous year's rates. Highlights from that Budget included an amount of \$2.3m for the development of our new administration centre.

Moving onto August and the continuing saga of the Mount Barker Northern By-Pass is noted once again. A project that was scheduled to be commenced in November 2001 was still having issues with government departments regarding

the resumption of land. The resignation of Cr Liz Farmer and the Council's resolution to thank her for her outstanding service to the Council and the district was also noted.

The location of the new public toilets proved contentious, with a losing notice of motion regarding their proposed location.

By September, Amendment 28 had been raised again, with the Government providing revised documentation and a Council motion taking up a full two (2) pages to respond.

Entry Statements for the Mount Barker Town Site were also discussed and the Council again adopted the postal method of voting as its preferred method.

A proposal that Sounness Park be utilised as the main recreation sporting ground in the Shire for team sports such as football, cricket, rugby, soccer, tennis, bowls and the like was adjourned by the Council so that further information could be gathered. Also, the Council accepted a reduction in floor area for its new administration offices in order to reduce costs. The Council also investigated the use of alternative building materials and construction methods.

With the October meeting, the Council's consideration of a broad range of issues continued including a road naming request, an oversized shed and the Chief Executive Officer's annual review. The Council asked that the Chief Executive Officer ensure that resolutions of the Council are implemented in a more timely manner.

The Council also supported the Rocky Gully Action Group in creating new vehicle number plates for Rocky Gully with the slogan 'Rocky Gully – Wildflowers and Wilderness'. The Council noted continuing actions by its

staff to ensure the Valley View and Hambley Tree Farm projects paid substantial outstanding rates.

The Mount Barker Aboriginal Progress Association sought to have its property at 8 Montem Street, Mount Barker classified as non rateable. The Council deferred consideration. With regard to this particular matter the Council was again reminded how it is so often at the mercy of other jurisdictions. In this instance a case brought by the Shire of Ashburton vs Bindi Bindi Community Aboriginal Corporation was lost by that Shire and the Aboriginal Corporation was declared non rateable. The judge noted in that case that the advancement of Aboriginal people in general was considered a charitable purpose. The section of the Act relating to charitable institutions being non rateable has been a tough one for local governments for many years as the word 'charitable' is in fact not defined anywhere in the Local Government Act.

The Council also considered a lengthy report by the Chief Executive Officer regarding Economic Development which noted various aspects to economic development including the ageing of our population, youth, gender imbalance, the decline of rural Australia and the role of Local Government.

November saw a number of residents of the Kendenup area concerned about a chemical storage facility being proposed. Residents were concerned about leakage and contamination and the zoning of the land for the proposal. A petition against the proposed storage facility was tabled.

The Council acknowledged that Councillor Forbes would receive a FESA award to commemorate his thirty five years of service to bush fire volunteering.

The Council's continuing commitment to bush fire brigades was evidenced during the month with the Council agreeing to fund a 50% share for the purchase of land in Kendenup for extensions to the Kendenup Bush Fire Brigade.

The Council also noted action by administrative staff to sell land, the rates for which were unpaid for some years.

Entry statements for townsites and localities were adopted by the Council using the distinctive 'blue / green' wave of the Council's logo.

The Council was also pleased to grant planning consent for an Environmental Interpretative and Visitors Centre in Knights Road. The application, on behalf of the Friends of the Porongurup Range Inc, dealt with the Twin Creeks Conservation Reserve, a property with almost 400ha of remnant and regrowth natural bush.

The Council's long term financial planning was highlighted during the month with purchases of a grader for \$326,000.00, a loader for \$249,000.00 and two (2) tip trucks for \$112,000.00. These large capital purchases were funded entirely through the Council's Plant Replacement Reserve, the value of which is calculated over the life of all heavy plant.

In December the Council noted its intention to include the Moriarty - Camballup and Forest Hill Stock Routes in the Shire of Plantagenet Inventory of Heritage Places and sought the cooperation of the Shire of Denmark in including these trails on that Council's Heritage Inventory as well.

The Chemical Storage and Sales Warehouse and Showroom in Kendenup was also approved during December. The Council noted that the applicant needed to comply with the Shire of Plantagenet Health Local Laws, Health Act, the Health Regulations, the Agricultural and Resource Protection Act, the Commonwealth AGVET Code, the Agriculture and Veterinary Chemicals Act, Australian Standards AS2507, the Building Code of Australia and directions from the Fire and Emergency Services Authority of Western Australia.

The Council's commitment to modern waste management was evidenced in December. The Council noted that the

north west corner of O'Neill Road Waste Management facility would be the preferred location for the development of a transfer station style facility. It was proposed that the Kendenup Landfill Facility be converted to a transfer station.

With the second half of the financial year one of the first items considered by the Council was for the development of a sculpture / mural adjacent to the Government Dam on the corner of Albany Highway and Lowood Road Mount Barker. The idea of the 1920's steam train concept fitted in with the Council's ideas regarding beautification of entries into Mount Barker and was given the 'full stream ahead'. The Council also noted, with the resignation of Councillor Tom Donaldson, how much work Councillors need to do on various committees and external organisations. Having received approval from the Electoral Commission to not replace Councillors Donaldson and Farmer, the Council was now running with seven (7) Councillors.

The Council also formed a committee with external representation to oversee the former Chillinup Land Fill site. This land, jointly owned by the City of Albany and the Shires of Cranbrook, Denmark, Gnowangerup and Plantagenet was presently being leased.

During February the Council gave authority for public notice to be given of the Council's intention to borrow one (1) million dollars for the purpose of purchasing a 50% share of the Great Southern Regional Cattle Saleyards from the City of Albany.

At the March meeting the Council adopted a draft business plan for the Mount Barker Cemetery. The Council had been considering the extension of the cemetery for some time. It was noted that the old cemetery was experiencing water logging and space problems.

The Council also resolved to proceed with the purchase of the Great Southern Regional Cattle Saleyards from the City of Albany. As a major trading

undertaking, the proposal to purchase required advertising and the six (6) week submission period closed on 18 March 2005. Twelve (12) submissions were received by the Council prior to its consideration.

During April 2005 an ongoing issue regarding the proposed Walpole Wilderness Reserve was again raised with the Council. The Council had been concerned for some time that the creation of the Wilderness Reserve would affect water supplies in the Lower Great Southern and at that stage the Council had not received a satisfactory explanation from the government.

A review of just these few highlights demonstrates to me the broad scope and depth of the Council's work. That work continues to be undertaken cheerfully and professionally by the Elected Council and appointed officers. Further, a 'one year snapshot' of the Council's activities merely emphasises to me the ongoing nature of our work, with many projects continuing into future years, and others completed from previous years.



Rob Stewart
CHIEF EXECUTIVE OFFICER
13 December 2005

Shire of Plantagenet

Community

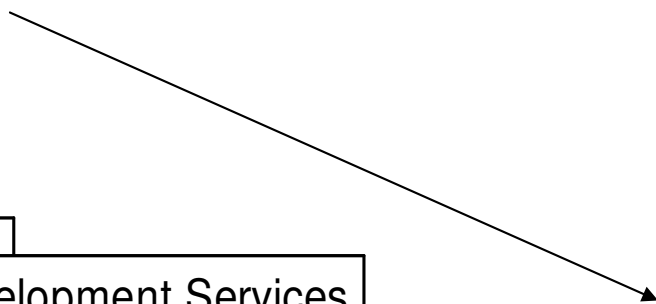
Council

Rob Stewart
Chief Executive Officer

Kaye Skinner
Executive Secretary

Corporate & Community Services

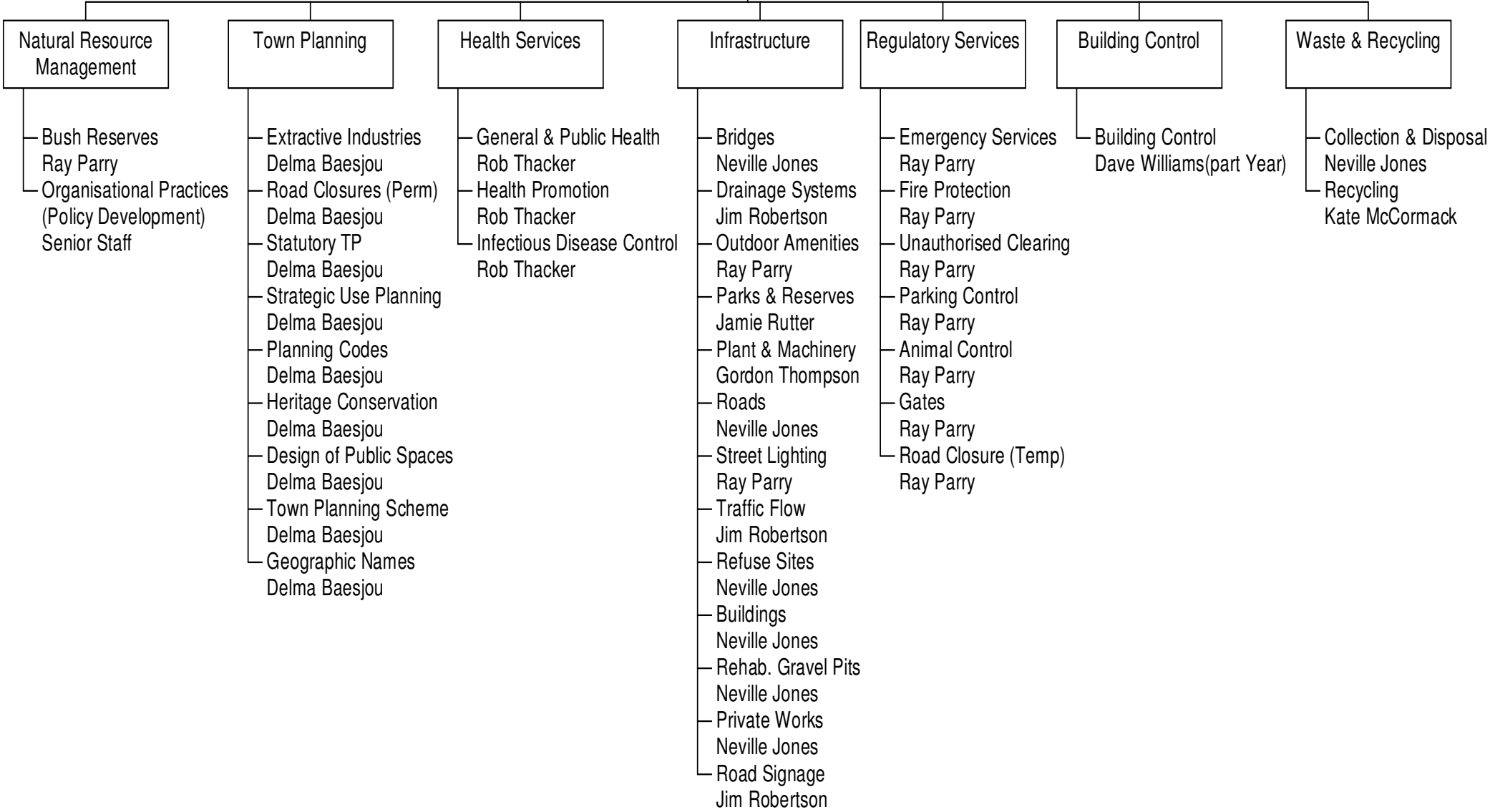
Technical & Development Services



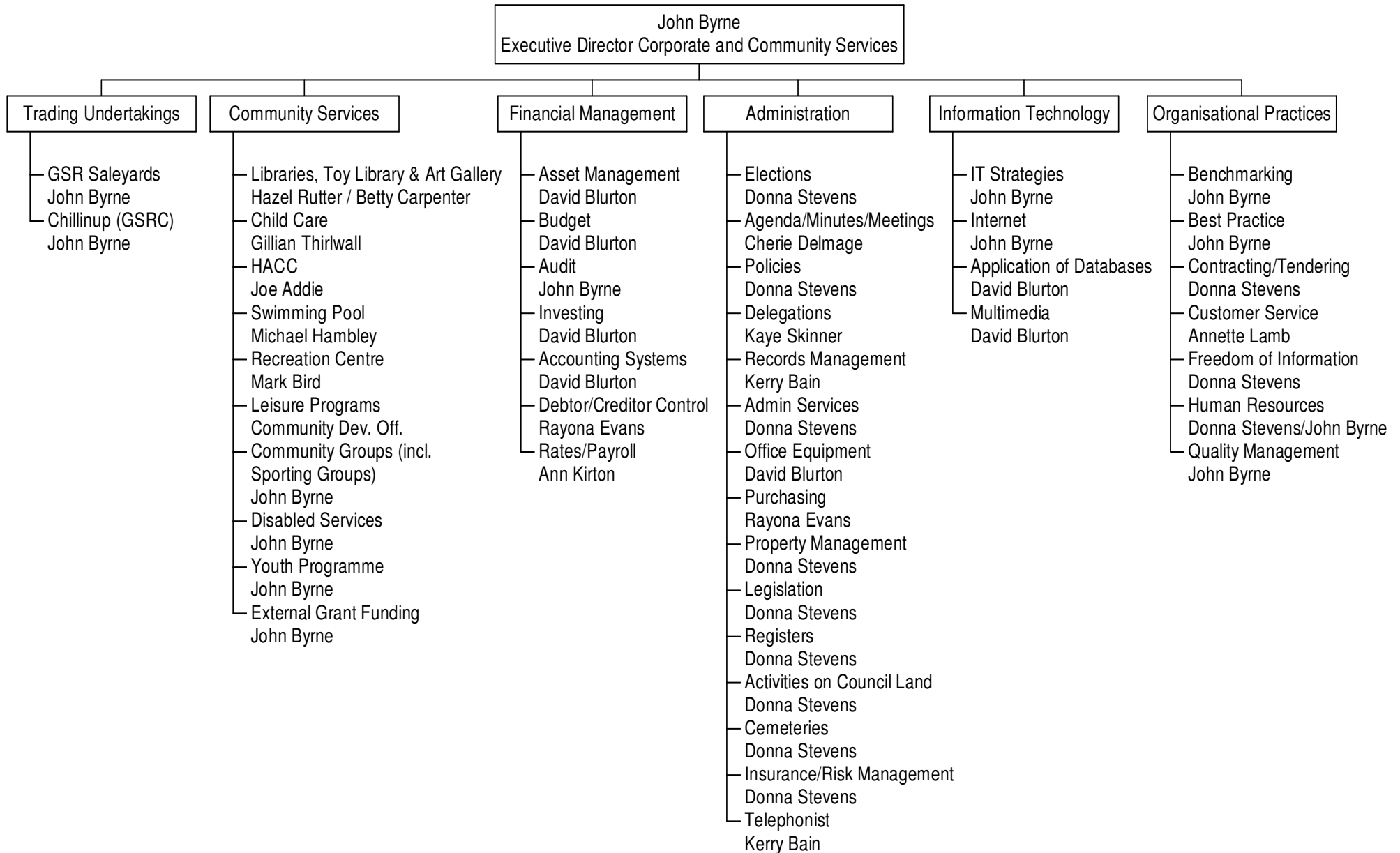
- Internal Audit
- Economic Development
- Business & Regional Development
- Monitoring
- Legal Services
- Public Relations
- Strengthening Rural Communities
- Corporate / Strategic Planning

Technical & Development Services

Stephen Bell
Executive Director Technical and Development Services



Corporate & Community Services



Shire of Plantagenet

Summary Of Activities

Financial Year 1 July 2004 To 30 June 2005

General Purpose Funding

The Council's rate revenue increased from \$2.94 million in 2003-2004 to \$3.04 million in 2004-2005.

The loan indebtedness of the Shire of Plantagenet increased \$3.9 million over the financial year with two (2) new complete and one (1) self supporting loans being raised.

Administration

Synergy - The Shire of Plantagenet moved to an entirely electronic record keeping system on 25 October 2004.

TRELIS - The new TRELIS system for licensing was implemented. Two (2) years in the making, the Department for Planning and Infrastructure system went live on 8 September 2004.

A new telephone system was implemented on 1 April 2005 (same day as the floods!) which created more incoming lines for customers as well as enabling customers to leave messages using voicemail if a staff member is unavailable.

All Council and Committee Meetings have been held at Frost Park Pavilion during the construction of the new administration offices.

The Shire of Plantagenet received a round of applause and a special commendation for their entry in 'Banners In The Terrace 2005' which is an annual event held during Local Government Week in Perth. The banner was created by Indigenous art students from Great Southern TAFE - Mount Barker.

The first editions of a new quarterly newsletter were issued to all residents of the Shire providing an update on key projects occurring within the Shire.

Staff Changes

Mr Alan Watkins - Building Surveyor commenced working for the Shire on a three (3) days Plantagenet, two (2) days share basis with the Shire of Denmark.

Emma Gardner began a twelve (12) month administration traineeship equivalent to a Certificate III in Business Administration.

Miss Tracy Richardson resigned to work for the City of Albany and was replaced by Mrs Cobie McLean who was already working at the Shire in a relief capacity.

Mrs Ann Kirton resigned from her role as Rates Officer and a new position for a Rates / Finance Officer was created.

Mr Rob Thacker resigned and was replaced by Mr Eric Howard as the Shire's permanent Environmental Health Officer.

Mr Warren Lloyd was appointed Manager at the Great Southern Regional Cattle Saleyards.

Transport

The following construction works have been completed from 1 July 2004 to 30 June 2005:

Kendenup

- Hudson Road - drainage improvements and gravel sheeting over a 1.26km section; and
- Coote Street - drainage improvements and gravel sheeting.

Rocky Gully

- Nornalup Road - vegetation was cleared up to 6m in height on various sections throughout the road;
- Martagallup Road - roadside clearing, drainage improvements and gravel shoulder reconstruction to create a 10m running surface;
- Blue Lake Road - roadside clearing, drainage improvements and a gravel overlay occurred over a 3km section;
- Perillup South Road - clearing, drainage improvements and gravel sheeting; and
- Kwornicup Road - the Kwornicup Road / Ball Road intersection was realigned and widened.

Narrikup

- Old Coach Road - gravel sheeting was completed over various sections of the road;
- Spencer Road - a 1.75km section of the road was widened, reconstructed and a new bitumen seal established; and
- Reynolds Road - the Reynolds Road / Yellanup Road intersection was realigned and widened.

Porongurup

- Morande Road and Knights Road- drainage improvements and gravel sheeting over various sections of the roads;
- Mira Flores Avenue - minor drainage improvements and gravel sheeting was completed over a 1.15km section; and
- Millinup Road - road widening and gravel sheeting to 6m in width has been completed on various sections along the road.

Woogenellup

- Woogenellup Road - a 2.85km section of road was realigned, widened, reconstructed and a new bitumen seal established.

Chillinup

- Palmdale Road - drainage improvements and gravel sheeting.

Mount Barker Townsite

- Osborne Street - bitumen resealing was completed by the Osborne street intersection.

An extensive maintenance program was completed on roads throughout the Shire. Maintenance activities included tree lopping, slashing, grading, drain and road verge clearing.

Flood Damage

The Shire experienced a major flood event on 1 April 2005 with an average 197.25mm falling over a two and a half day period. Further heavy rainfalls occurred from 4 - 7 June 2005 which worsened the existing flood damages and, in some instances, returned the repaired April flood damages to their pre-repaired state.

The roads worst affected were Mount Barker road, Woogenellup road, Woogenellup North road, Chillinup road (which still remains inundated), Syred road, Jones road, Pavlovich road, Craddock road, Hay River road and St Werburghs road. The flood damage repairs include replacing culverts, repairing deep gouges in the road surface (up to 2m deep in some instances), rebuilding floodways, reinstating road surfaces and clearing drainage systems.

The total cost of the flood damage over the two events (both actual expenditure and estimated expenditure for work to be undertaken) amounted to \$1,810,610.00.

Parks and Gardens

The Parks and Gardens maintenance team take care of the Shire's 11 parks and gardens, 23 Council building grounds, cemeteries and community service areas and 5 townsite road verges. Routine maintenance of these areas includes:

- Slashing and spraying road verges;
- Mowing, fertilising, spraying and general grounds maintenance;
- Gardening duties and playground maintenance; and
- Maintaining and installing new reticulation systems.

In addition to routine maintenance, the Parks and Gardens team supports the Shire's weed action groups by compiling and disposing of weeds.

Old Depot Sites

Soils samples were collected from the old depot site as part of the Detailed Site Investigation report. This report was issued to the Department of Environment (DoE) and the Shire is awaiting comment. When approval is provided by the DoE, the site may be levelled and the open tank pits filled. Based on the recommendations by the DoE, some groundwater samples may have to be collected prior to obtaining clearance to rezone the site for another purpose.

Waste Management Sites

The O'Neill Road landfill site was fenced and the hours of access restricted in December 2004. This has been well received by the community and has allowed to Shire to have better control over what enters the landfill and how operations within the site are managed. Opening hours are 8:00am to 6:00pm Tuesday, Thursday, Saturday and Sunday.

Great Southern Regional Cattle Saleyards

The Shire of Plantagenet took full ownership and management of the Great Southern Regional Cattle Saleyards in April 2005 by acquiring the 50% share of the yards owned by the City of Albany. Since this time, a number of significant changes have been implemented eg: cattle numbers, NLIS

Environmental performance of the yards has also greatly improved with the capture and re-use of all rainwater for use throughout the facility. This has had a significant impact on reducing mains water consumption at the Saleyards. In addition, a number of further upgrades, including the commencement of irrigation of waste water to adjacent land to the yards is scheduled for the next financial year.

Building Report

During the year there was a total of 120 Building Licences issued. These Licences covered approval for dwellings, carports, patios and sheds. There was also an increase in demolition with seven (7) approvals issued. Demolition Licences included the approval given to Wauters Enterprises on the 24 May 2005 to demolish the Shire Administration Buildings to make way for construction of the new Administration office.

120 building approvals is the most licences issued on record for the Shire of Plantagenet in a twelve (12) month period.

Recreation

The Mount Barker Public Swimming Pool had a solar water heating system installed co-funded by the Shire and the Department of Sport and Recreation (DSR) Community Sport and Recreation Facilities Fund (CSRFF) Grant.

Ongoing replacement of gym equipment at the Community Recreation Centre continued. A number of record attendance levels were obtained for several months throughout the year and gym membership is at an all time high. A number of successful holiday programs were run, which as usual were well attended.

The Kendenup Tennis Club, in partnership with the Shire were successful in obtaining a CSRFF grant for the redevelopment of the Kendenup Tennis Courts. This project will see a full revamp of the tennis courts to provide for the growing Kendenup community.

Administration Offices - Progress Report

On 10 May 2005 the Council agreed to accept the tender submitted by Wauters Enterprises to construct the new administration offices. Staff from Technical and Development Services were moved next door to the Infant Health Centre whilst staff from the Infant Health Centre were relocated to Redman House.

RSL members were also relocated to Redman House prior to the demolition of the RSL building.

Community Services

Home and Community Care (HACC) moved under the umbrella of the Plantagenet Cranbrook Health Service - Multi Purpose Service (MPS) on 1 May 2005. The Plantagenet Child Care Centre had a very busy end to 2004 and commenced a review of its operations to establish a five (5) business plan and undertake accreditation of the Centre.

The library service was reviewed during the year with a view to making the service more relevant to our community with further reviews to occur in 2005 / 2006.

Environmental Health Services

Council's Environmental Health Services involving routine health surveillance, environmental water monitoring, development applications, wastewater management nuisance complaints and a variety of administrative functions were conducted primarily by an officer employed three (3) days per week. The Council employed a fulltime Environmental Health Officer from 1 March 2005.

The following environmental health statistics form part of a basic measurement tool to assessing the Council's health service to the community for the financial year 1 July 2004 to 30 June 2005.

1 Food Premises

A total of thirty six (36) unannounced routine inspections were conducted.

2 Food Sampling

A total of twenty four (24) food samples were collected for microbiological analysis.

3 Water Sampling

3.1 Environmental

Great Southern Regional Cattle Saleyards

A total of nineteen (19) environmental water samples were collected to assess wastewater quality for irrigation.

Mt Barker Chickens

A total of twenty one (21) wastewater samples were collected to assess wastewater quality for irrigation.

3.2 Processing Waters

Mt Barker Chickens

A total of twenty four (24) processing wastewater samples were collected for microbiological analysis.

4 Public Buildings

A total of twelve (12) inspections were conducted of public buildings within the district to ensure compliance with legislation and public safety.

5 Public Events

Four (4) major public events were approved to operate requiring detailed assessment and consultation.

6 Holiday Accommodations

A total of twenty one (21) routine inspections were conducted of assorted holiday accommodations including caravan parks, lodging houses, chalets and bed and breakfast premises.

7 Building Development

As part of Council's building development procedures, a health assessment of applications for all for class of building must be undertaken. This includes thirty five (35) class 1a dwellings requiring septic system installation. Each septic system requires a site inspection prior to approval and a final inspection for approval to use the system.

8 Complaints

A total of ten (10) assorted complaints were investigated including:

- (a) Odour - Mt Barker Chickens
- (b) Noise - Roosters
- (c) Noise - Bird scaring device
- (d) Noise - Neighbour complaints x 2
- (e) Dust - Extractive industries
- (f) Sewerage - Failed systems x 4

Extensive time, distance and administration impact upon the delivery of Council's Environmental Health Services.

Ranger Services

Animal control and compliance with the Shire's fire hazard reduction regulations have been the focus of the Shire's activities during 2004/2005. Education and awareness programs were conducted in the main community centres in an effort to educate residents of their responsibilities. This resulted in a greater degree of community understanding and co-operation and a noticeable decrease in the number of infringements issued.

Vandalism of public property has also decreased which is attributed to the close relationship with the local Police Service in conducting patrols and sharing information.

The Shire's Ranger Services have also received recognition from a number of organisations. Local Government Insurance Services awarded a Safety Wise certificate for the work achieved in preventing injuries while handling dogs and Ray Parry was awarded Runner-Up Ranger of the Year by the West Australian Ranger's Association.

Governance

Elections

Elections were held in May 2005 with all of the sitting Councillors whose terms had expired, renominating. Councillors Kevin Forbes, Michael Skinner and Jeff Moir were all re-elected unopposed for a further four (4) year term.

With the resignation of both Councillors Liz Farmer and Tom Donaldson, two (2) town ward seats were vacant. Councillors John Mark and Bill Hollingworth were the only nominations and duly elected unopposed.

Legislative Changes

A number of legislative changes occurred during the year, principally to the Local Government Act 1995 and associated regulations. One of the more significant changes was the requirement for Councils to replace their former 'Principal Activities Plan' with a 'Plan For The Future'. The Shire of Plantagenet's current budget document includes its 'Plan For The Future' showing four (4) year forward budget estimates including major initiatives that are proposed to commence or to continue during that period.

Disability Services Plan

The Shire continued progress in meeting the outcomes of its Disability Services Plan by completing audits of all Council buildings and facilities and developing a maintenance / capital improvement program to better enable access. Redevelopment of the main street and central business district precinct will ensure a higher standard of access for all persons. The Disability Services Plan will be reviewed in 2005 / 2006 in accordance with impending legislative change.

National Competition Policy (NCP)

The Shire undertook all relevant NCP checks required as part of its normal review processes. The biggest impacts this year included the NCP consideration of the purchase of the Great Southern Regional Cattle Saleyards and Local Law reviews.

Freedom Of Information

Procedures and Access Arrangements

FOI Operations

It is the aim of the Shire of Plantagenet to make information available promptly and at the least possible cost, and whenever possible documents will be provided outside the FOI process.

If information is not routinely available, the Freedom of Information Act 1992 provides the right to apply for documents held by the agency and to enable the public to ensure that personal information in documents is accurate, complete, up to date and not misleading.

FOI Applications

Access applications have to -

- be in writing;
- give enough information so that the documents requested can be identified;
- give an Australian address to which notices can be sent; and
- be lodged at the Shire with any application fee payable.

Applications and enquires should be addressed to the Freedom of Information Coordinator, PO Box 48, Mount Barker WA 6324 or telephone 08 9892 1111.

Applications will be acknowledged in writing and you will be notified of the decision within 45 days.

FOI Fees & Charges

A scale of fees and charges is set under the FOI Act Regulations. Apart from the application fee for non-personal information all charges are discretionary. The charges are as follows;

Type of fee

- | | |
|--|---------|
| • Personal information about the applicant | No Fee |
| • Application fee (for non personal information) | \$30.00 |

Type of charge

- | | |
|---|---------------|
| • Charge for time dealing with application (per hour or pro rata) | As per budget |
| • Access time supervised by staff (per hour or pro rata) | As per budget |
| • Photocopying staff time (per hour or pro rata) | As per budget |
| • Per photocopy | As per budget |
| • Duplicating a tape, film or computer information | Actual Cost |
| • Delivery, packaging and postage | Actual Cost |

Deposits

- | | |
|--|-----|
| • Advance deposit which may be required of the estimated charges | 25% |
| • Further advance deposit may be required to meet the charges for dealing with the application | 75% |

Pension concession	25%
--------------------	-----

Access Arrangements

Access to documents can be granted by way of inspection, a copy of a document, a copy of an audio or video tape, a computer disk, a transcript of a recorded, shorthand or encoded document from which words can be reproduced.

Notice of Decision

As soon as possible but in any case within 45 days you will be provided with a notice of decision which will include details such as -

- the date which the decision was made;
- the name and the designation of the officer who made the decision;
- if the document is an exempt document the reasons for classifying the matter exempt; or the fact that access is given to an edited document; and/or
- information on the right to review and the procedures to be followed to exercise those rights.

Refusal of Access

Applicants who are dissatisfied with a decision of the agency are entitled to ask for an internal review by the Shire. Applications should be made in writing within 30 days of receiving the notice of decision.

You will be notified of the outcome of the review within fifteen (15) days.

If you disagree with the result you then can apply to the Information Commissioner for an external review, and details would be advised to applicants when the internal review decision is issued.

Role of the Council

Section 2.7 of the Local Government Act 1995 defines the role of the Council as;

‘2.7

- (1) The council -
 - (a) directs and controls the local government’s affairs; and
 - (b) is responsible for the performance of the local government’s functions.
- (2) Without limiting subsection (1), the council is to -
 - (a) oversee the allocation of the local government’s finances and resources; and
 - (b) determine the local government’s policies.’

Function of Local Government

The general function of local government as defined in Section 3.1(1) of the Local Government Act 1995 is ‘to provide for the good government of persons in its district.’

Public Participation on Council Committees

Public participation is encouraged on the following Committees of the Council:

Townscape Committee

This Committee was developed to guide the process of reviewing the Townscape Improvement Plan for the Shire of Plantagenet. The objective of the Plan is to;

- serve as an overall framework for streetscape upgrading projects over the next ten years; and
- lead to the enhancement of the visual and practical amenity of area.

The Committee consists of three (3) council representatives, one (1) staff representative and four (4) community representatives. All vacancies for this Committee are advertised locally when they become available.

Bush Fire Advisory Committee

This Committee is designed to advise the Local Government regarding all matters relating to the preventing, controlling and extinguishing of bush fires, the planning of the layout of fire-breaks in the district, prosecutions for breaches of the Bush Fire Act 1954, the formation of bush fire brigades and the grouping thereof under group brigade officers and the ensuring of co-operation and co-ordination of bush fire brigades in their efforts and activities.

Each bush fire brigade nominates a delegate to represent them on the Committee. To become a member of your local bush fire brigade you are required to contact your brigade delegate.

Community Recreation Centre Advisory Committee

This Committee is designed to provide involvement from the Council, the Education Department and the community into the management of the Mount Barker Recreation Centre. All vacancies for this Committee are advertised locally when they become available.

Kamballup Hall Management Committee

The daily operations of the Kamballup Hall are overseen by a management committee. The Committee consists of one (1) Council representative and four (4) community representatives nominated by the Kamballup Management and Social Committee Inc.

Porongurup Hall Management Committee

The daily operations of the Porongurup Hall are overseen by a management committee.

The Committee consists of one (1) Council representative and four (4) community representatives nominated by the Porongurup Community Association.

Woogenellup Hall Committee

The daily operations of the Woogenellup Hall are overseen by a management committee.

The Committee consists of one (1) council representative and four (4) community representatives nominated by the Woogenellup Progress Association.

Documents Held by the Local Government

The Shire of Plantagenet has a wide variety of documents, maps and reports that relate to its functions as a local government and assist with its daily operation.

Under Section 5.94 of the Local Government Act 1995 (the Act) the following information is to be available for public inspection at no cost;

- (a) code of conduct;
- (b) register of financial interests;
- (c) annual report;
- (d) annual budget;
- (e) schedule of fees and charges;
- (f) plan for principal activities (in the proposed or final form);
- (g) proposed local law of which the local government has given Statewide public notice under section 3.12(3) of the Act;
- (h) local law made by the local government in accordance with section 3.12 of the Act;
- (i) regulations made by the Governor under section 9.60 of the Act that operate as if they were local laws of the local government;
- (j) text that -
 - (i) is adopted (whether directly or indirectly) by a local law of the local government or by a regulation that is to operate as if it were a local law of the local government; or
 - (ii) would be adopted by a proposed local law of which the local government has given Statewide public notice under section 3.12(3) of the Act;
- (k) subsidiary legislation made or adopted by the local government under any written law other than under the Act;
- (l) any written law having a provision in respect of which the local government has a power or duty to enforce;
- (m) rates record;
- (n) confirmed minutes of council or committee meetings;
- (o) minutes of electors' meetings;
- (p) notice papers and agenda relating to any council or committee meeting and reports and other documents that have been -
 - (i) tabled at a council or committee meeting; or
 - (ii) produced by the local government or a committee for presentation at a council or committee meeting and which have been presented at the meeting;
- (q) report of a review of a local law prepared under section 3.16(3) of the Act;
- (r) business plan prepared under section 3.59 of the Act;
- (s) register of owners and occupiers under section 4.32(6) of the Act and electoral rolls;
- (t) contract under section 5.39 of the Act and variation of such contract;
- (u) such other information relating to the local government -
 - (i) required by a provision of the Act to be available for public inspection; or
 - (ii) as may be prescribed.

Arrangements to view these documents can be made by contacting the Shire Administration Office. Charges may apply if copies of these documents are required. A number of documents are available on the Shire's website www.plantagenet.wa.gov.au.

Limits on rights to inspect local government information are outlined under Section 5.95 of the Act.

In addition to the above items Council has a number of documents that can be purchased. The cost of these documents is outlined each financial year in the Council's Fees & Charges. The available documents are outlined below;

- (a) town planning publications; and
- (b) building plans.

Legislation Impacting On Local Governments

On the following three (3) pages is a comprehensive list of legislation that impacts on all local governments in Western Australia including the Shire of Plantagenet.

The Shire must have due regard to each of these Acts, Regulations, Standards, Programs, Codes and Local Laws when undertaking its business of providing good governance for the community.

Federal & State Acts

Aboriginal Heritage Act 1972
Anti-Corruption Commission Act 1988
Archives Act
Bush Fires Act 1954
Caravan Parks & Camping Grounds Act 1995
Community Services Act 1972
Control Of Vehicles (Off-Road Areas) Act 1978
Disability Services Act 1993
Dividing Fences Act 1961
Dog Act 1976
Environmental Protection Act 1986
Equal Opportunity Act 1984
Evidence Act 1906
Fair Trading Act 1987
Freedom of Information Act 1992
Health Act 1911
Heritage Of Western Australia Act 1990
Financial Administration & Audit Act 1985
Fire & Emergency Services Authority of Western Australia Act 1998
Government Employees Superannuation Act 1987
Industrial Relations Act (WA)
Interpretation Act 1984
Land Administration Act 1997
Library Board Of Western Australia Act 1951
Liquor & Gaming Act
Liquor Licensing Act 1988
Litter Act 1979
Local Government (Miscellaneous Provisions) Act 1960
Local Government Act 1995
Local Government Grants 1978
Long Service Act 1958
Main Roads Act 1930
Metropolitan Region Town Planning Scheme Act 1959-1982
Minimum Conditions Act 1993
Naïve Title Act
Occupational Health & Safety Act 1984
Parks & Reserves Act 1995
Property Law Act 1969

Public Interest Disclosure Act
Rates & Charges (Rebates & Deferments) Act 1992
Residential Tenancy Act 1987
Road Traffic Act 1974
Sexual Discrimination Act
State Records Act
Strata Titles Act 1985
Swan River Trust Act 1987
The Criminal Code
Town Planning & Development Act 1928
Town Planning Public Works Act 1902
Town Planning Scheme No. 2
Transfer Of Land Act 1983
Western Australia Disability Services Act 1993
Workers' Compensation & Rehabilitation Act 1981
Workplace Agreement Act 1993
Workplace Relations Act 1996

Federal & State Regulations

Aboriginal Heritage Regulations 1974
Building Regulations
Caravan Parks & Camping Grounds Regulations
Community Services (Child Care) Regulations 1988
Dog Regulations 1976
Environmental Protection (Noise) Regulations 1997
Equal Opportunity Regulations 1986
Fair Trading (Retirement Village Code) Regulations 1993
Fire & Emergency Services Act Regulations 1998
Freedom Of Information Regulations 1993
Health Act (Air Handling & Water Systems) Regulations
Health Act (Asbestos) Regulations
Health Act (ANZ Food Standards Code Adoption) Regulations
Health Act (Carbon Monoxide) Regulations
Health Act (Cloth Materials) Regulations
Health Act (Food Hygiene) Regulations
Health Act (Food Standards) Regulations
Health Act (Garden Soil) Regulations
Health Act (Meat Hygiene) Regulations
Health Act (Pesticides) Regulations
Health Act (Pet Meat) Regulations
Health Act (Poultry Manure) Regulations
Health Act (Prescribing The Annual Report Form To Be Used By Local Authorities) Regulations
Health Act (Public Buildings) Regulations
Health Act (Sewerage, Lighting, Ventilation & Construction) Regulations
Health Act (Skin Penetration Procedure) Regulations
Health Act (Smoking In Enclosed Public Places) Regulations
Health Act (Swimming Pools) Regulations
Health Act (Temporary Sanitary Conveniences) Regulations
Health Act (Treatment Of Sewerage & Disposal Of Effluent & Liquid Waste) Regulations
Land Administration Regulations 1998
Litter Regulations 1981
Local Government (Administration) Regulations 1996
Local Government (Audit) Regulations 1996

Local Government (Constitution) Regulations 1998
Local Government (Elections) Regulations 1997
Local Government (Financial Management) Regulations 1996
Local Government (Functions & General) Regulations 1996
Local Government (Long Service Leave) Regulations
Local Government (Uniform Local Provisions) Regulations 1996
Occupational Health & Safety Regulations
Town Planning Regulations 1967 & Associated Regulations
Commonwealth Places (Applications Of Laws) Act 1970

Australian Standards & International Standards

AS 4390.4
AS 1170.1 - Dead & Live Loads & Load Combinations
AS 12170.2 & AS 4055 - Wind Loads
AS 1170.4 - Earthquake Loads
AS 1538 - Cold Formed Steel Structures
AS 3623 - Domestic Metal Framing
AS 4100 - Steel Structures
AS / NZS 1664 - Aluminium Structures Part 1
AS / NZS 1667 - Aluminium Structures Part 2
AS 1720.1 - Timber Structures Code
AS 2870 - Residential Slabs & Footings
AS 3600 - Concrete Structures
AS 2158 - Piling
AS 3700 - SAA Masonry Code
AS 2327.1 - Composite Construction In Steel & Concrete
AS 1288 - Glass In Buildings
AS 2047 - Windows In Buildings
AAS 27
WAS 17 - Local Government Taxation Standard
AS 4360 - Risk Management 1999
ISO 9002 - Quality System Management
ISO 14000 - Environmental Management
ISO 4360 - Risk Management
ISO 4801 - Safety
ISO - Compliance

Plans, Programs & Values

Blackspot Grants
MRRG Road Grants
Capital Budgeting Strategy
Principal Activities Plan
Design Procedure Manual
Annual Budget
AUSPEC Manual
MRWA Field Guide
Local Government Clause 7 National Competition Statement
Strategic Plan

Codes

Appeal Tribunal Rules 1979

Building Code Of Australia
Electronic Records
General Disposal Authority For Local Government Records
Local Government Clause 7 National Competition Statement
Residential Design Codes Of Western Australia 2002
Road Traffic Code 2000
Uniform General By-Laws 1989

Local Laws

Building Regulations - Private Swimming Pools
Control & Management Of Council Halls
Dogs
Eating Houses
Fencing
Health
Long Service Leave
Parking & Parking Facilities
Reserves, Foreshores & Beaches
Site Erosion & Sand Drift
Signs, Hoardings & Bill Posting
Standing Orders
Thoroughfares
Trading In Public Places

**INDEPENDENT AUDIT REPORT
TO THE ELECTORS OF THE SHIRE OF PLANTAGENET (continued)**

Audit Opinion

In our opinion, the financial report presents, fairly in accordance with the requirements of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended), applicable Accounting Standards and other mandatory professional reporting requirements, the financial position of the Shire of Plantagenet as at 30 June 2005 and the results of its operations and its cash flows for the year then ended.

Statutory Compliance

During the course of our audit we became aware of the following instances where the Council did not comply with the Local Government Act 1995 (as amended).

Raising of Loan 88

During the year, Council raised Loan 88 for an amount of \$50,000, which was not included in the original budget for the year ended 30 June 2005.

No local public notice of the loan was given as required by Section 6.20(2) of the Act. Also, Treasurer's approval, as required by Section 6.21(1) was not obtained in this instance.

Raising of Loan 90

During the year, Council raised Loan 90 for an amount of \$2,700,000, of which only \$2,250,000 was included in the original budget for the year ended 30 June 2005.

Local public notice for the additional amount of the loan was not given as required by Section 6.20(2) of the Act.

Other Matters

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

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) Except as detailed above, there are no material matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) All necessary information and explanations were obtained by us.
- d) All audit procedures were satisfactorily completed in conducting our audit.

UHY HAINES NORTON
CHARTERED ACCOUNTANTS



DAVID TOMASI
PARTNER

Date: 15 November 2005
Perth, WA

PA\David\Local Govt\Plantagenet\2005\05 June Audit Report.doc

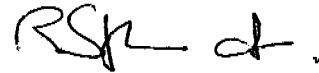
**SHIRE OF PLANTAGENET
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Plantagenet being the annual financial report and other information for the financial year ended 30th June 2005 are in my opinion properly drawn up to present fairly the financial position of the Shire of Plantagenet at 30th June 2005 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 fifteenth day of November 2005



Rob Stewart
Chief Executive Officer

**SHIRE OF PLANTAGENET
OPERATING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2005**

	NOTE	2005 Actual \$	2005 Budget \$	2004 Actual \$
REVENUES FROM ORDINARY ACTIVITIES				
Governance		19,548	47,859	31,361
General Purpose Funding		4,278,096	4,218,705	4,083,259
Law, Order, Public Safety		351,569	159,367	179,501
Health		5,619	6,953	7,710
Education and Welfare		598,430	531,164	570,240
Community Amenities		344,366	368,211	247,227
Recreation and Culture		210,938	175,430	162,459
Transport		1,967,584	1,969,541	1,356,682
Economic Services		361,461	387,697	257,097
Other Property and Services		365,311	306,560	327,716
	2	<u>8,502,922</u>	<u>8,171,487</u>	<u>7,223,252</u>
EXPENSES FROM ORDINARY ACTIVITIES EXCLUDING BORROWING COSTS EXPENSE				
Governance		388,523	406,491	412,995
General Purpose Funding		180,830	167,696	222,237
Law, Order, Public Safety		367,046	418,122	432,006
Health		99,653	103,699	105,987
Education and Welfare		816,654	575,768	588,848
Community Amenities		529,101	498,750	489,370
Recreation & Culture		932,542	925,094	954,589
Transport		2,841,427	2,361,659	2,212,023
Economic Services		512,960	503,450	424,722
Other Property and Services		25,796	(16,536)	39,876
	2	<u>6,694,532</u>	<u>5,944,194</u>	<u>5,882,653</u>
BORROWING COSTS EXPENSE				
Administration		3,444	74,475	0
Education & Welfare		680	680	714
Recreation & Culture		675	674	621
Economic Services		118,874	102,822	105,739
Other Property and Services		2,981	2,981	4,916
	2	<u>126,654</u>	<u>181,632</u>	<u>111,990</u>
NET RESULT		<u>1,681,736</u>	<u>2,045,661</u>	<u>1,228,609</u>

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

**SHIRE OF PLANTAGENET
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30TH JUNE 2005**

	NOTE	2005 \$	2004 \$
CURRENT ASSETS			
Cash Assets	3	4,678,265	1,374,344
Receivables	4	466,304	522,581
Inventories	5	32,611	23,911
TOTAL CURRENT ASSETS		<u>5,177,180</u>	<u>1,920,836</u>
NON-CURRENT ASSETS			
Receivables	4	73,947	46,375
Inventories	5	4,692	4,692
Property, Plant and Equipment	6	9,131,716	7,483,662
Infrastructure	7	40,870,486	40,372,567
TOTAL NON-CURRENT ASSETS		<u>50,080,841</u>	<u>47,907,296</u>
TOTAL ASSETS		<u>55,258,021</u>	<u>49,828,132</u>
CURRENT LIABILITIES			
Payables	8	289,620	526,493
Interest-bearing Liabilities	9	190,099	143,527
Provisions	10	173,340	152,276
TOTAL CURRENT LIABILITIES		<u>653,059</u>	<u>822,296</u>
NON-CURRENT LIABILITIES			
Interest-bearing Liabilities	9	5,315,171	1,460,270
Provisions	10	195,396	132,907
TOTAL NON-CURRENT LIABILITIES		<u>5,510,567</u>	<u>1,593,177</u>
TOTAL LIABILITIES		<u>6,163,626</u>	<u>2,415,473</u>
NET ASSETS		<u>49,094,395</u>	<u>47,412,659</u>
EQUITY			
Retained Surplus		47,664,651	46,368,450
Reserves - Cash Backed	11	1,350,544	965,009
Reserves - Asset Revaluation	12	79,200	79,200
TOTAL EQUITY		<u>49,094,395</u>	<u>47,412,659</u>

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

**SHIRE OF PLANTAGENET
STATEMENT OF CHANGES OF EQUITY
FOR THE YEAR ENDED 30TH JUNE 2005**

	NOTE	2005 \$	2004 \$
RETAINED SURPLUS			
Balance as at 1 July		46,368,450	45,331,201
Net Result		1,681,736	1,228,609
Transfer from/(to) Reserves		(385,535)	(191,360)
Balance as at 30 June		<u>47,664,651</u>	<u>46,368,450</u>
RESERVES - CASH BACKED			
Balance as at 1 July		965,009	773,649
Amount Transferred (to)/from Retained Surplus		385,535	191,360
Balance as at 30 June	11	<u>1,350,544</u>	<u>965,009</u>
RESERVES - (BUSHFIRE EQUIPMENT) ASSET REVALUATION			
Balance as at 1 July		79,200	79,200
Revaluation Increment		0	0
Revaluation Decrement		0	0
Balance as at 30 June	12	<u>79,200</u>	<u>79,200</u>
TOTAL EQUITY		<u>49,094,395</u>	<u>47,412,659</u>

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

**SHIRE OF PLANTAGENET
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2005**

	NOTE	2005 Actual \$	2005 Budget \$	2004 Actual \$
Cash Flows From Operating Activities				
Receipts				
Rates		3,055,878	3,091,457	2,883,283
Grants and Subsidies - operating		1,595,968	1,484,564	1,579,072
Contributions, Reimbursements & Donations		154,839	53,250	152,372
Fees and Charges		1,031,494	977,203	903,056
Interest Earnings		158,766	104,947	125,948
Goods and Services Tax		508,989	0	359,910
Other		12,692	50,122	23,530
		<u>6,518,626</u>	<u>5,761,543</u>	<u>6,027,171</u>
Payments				
Employee Costs		(2,376,432)	(2,436,000)	(2,700,721)
Materials and Contracts		(1,682,701)	(1,097,474)	(693,378)
Utilities (gas, electricity, water, etc)		(209,286)	(241,600)	(129,741)
Insurance		(230,177)	(125,214)	(152,642)
Interest		(107,156)	(181,632)	(111,990)
Goods and Services Tax		(479,240)	0	(358,503)
Other		(41,548)	(23,133)	(41,066)
		<u>(5,126,540)</u>	<u>(4,105,053)</u>	<u>(4,188,041)</u>
Net Cash Provided By (Used In)				
Operating Activities	13(b)	<u>1,392,086</u>	<u>1,656,490</u>	<u>1,839,130</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment		(2,846,875)	(3,826,463)	(1,351,389)
Payments for Construction of Infrastructure		(1,971,399)	(2,437,100)	(1,803,573)
Grants/Contributions for the Development of Assets		2,113,388	1,098,385	1,362,053
Proceeds from Sale of Plant & Equipment		707,801	499,000	519,095
		<u>707,801</u>	<u>499,000</u>	<u>519,095</u>
Net Cash Provided By (Used In)				
Investing Activities		<u>(1,997,085)</u>	<u>(4,666,178)</u>	<u>(1,273,814)</u>
Cash Flows from Financing Activities				
Repayment of Debentures		(148,527)	(161,716)	(143,028)
Proceeds from Self Supporting Loans		7,447	2,446	2,294
Proceeds from New Debentures		4,050,000	2,250,000	0
		<u>4,050,000</u>	<u>2,250,000</u>	<u>0</u>
Net Cash Provided By (Used In)				
Financing Activities		<u>3,908,920</u>	<u>2,090,730</u>	<u>(140,734)</u>
Net Increase (Decrease) in Cash Held		3,303,921	(918,958)	424,582
Cash at Beginning of Year		1,374,344	1,351,203	949,762
Cash at End of Year	13(a)	<u><u>4,678,265</u></u>	<u><u>432,245</u></u>	<u><u>1,374,344</u></u>

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

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards and the Local Government Act 1995 (as amended) 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.

(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 money's held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 19 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 Statement of Financial Position are stated inclusive of applicable GST.

(d) Fixed Assets

Property, plant and equipment and infrastructure assets are brought to account at cost or independent or management valuation less, where applicable, any accumulated depreciation or amortisation.

The value of all infrastructure assets (other than bridges and land under roads) has been recorded in the Statement of Financial Position. Bridges and land under roads are excluded from infrastructure in accordance with legislative requirements.

As of 1 July 2001, Council elected to revert to the cost basis for measuring bushfire equipment and all infrastructure assets (other than roads) that were being carried at a revalued amount at the immediately preceding reporting date being 30 June, 2001.

This was achieved by deeming the carrying amount of the non-current assets comprising the particular class to be their cost and complied with the requirements on first application of the Accounting Standard AASB 1041 'Revaluation of Non-Current Assets'.

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are 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:

Land & Buildings

Land	Nil	0%
Buildings	35-50 years	2.50%

Plant

Light vehicles when replaced within 40,000km or 2 years	1-5 years	20%
Other light vehicle	1-5 years	20%
Heavy Trucks	4-7 years	15-25%
Graders, Loaders, Dozers	5-15 years	7-20%
All other equipment	2-10 years	10-50%

Furniture & Equipment

Furniture	10 years	10%
Computer & Electronic Equipment	2 years	50%

Infrastructure

Unsealed Roads	20 years	5%
Sealed Roads & Streets		
Original surfacing and major re-surfacing		
- aggregate surfaces	15 years	7%
- asphalt surfaces	20 years	5%
- pavement surfaces	45 years	3%
Drainage systems	65-70 years	1-1.5%
Clearing & formation	0 years	0%
Culverts/floodways	50 years	2%
Concrete footpaths	50 years	2%
Footpaths other	25 years	4%
Kerbing	50 years	2%
Bridges	65-70 years	1-1.5%

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Investments

All investments are valued at cost and interest on those investments is recognised when accrued.

(g) 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 statement of financial position and operating statement. Information about the joint venture is set out in Note 16.

(h) 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 and Annual Leave

The provision for employees' benefits to wages, salaries and annual leave represents the amount that the municipality has a present obligation to pay resulting from employees services 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

The provision for employees' benefits for long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from the employees' service to balance date.

(i) 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(e). 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.

(j) Superannuation

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

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Interest Rate Risk

The Shire's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, is considered negligible for all financial instruments other than borrowings. Information on interest rate risk as it applies to borrowings is disclosed in Note 22(e).

(l) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to and forming part of the financial report. The Shire does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Shire.

(m) Net Fair Values

The net fair value of assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the Council intends to hold these assets to maturity.

The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial report.

(n) Rounding Off Figures

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

(o) Comparative Figures

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

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

2. REVENUES AND EXPENSES	2005	2004	
	\$	\$	
(a) Result from Ordinary Activities			
The Result from Ordinary Activities includes:			
(i) Charging as an Expense:			
Amortisation			
Mount Barker Recreation Centre	60,186	60,186	
Auditors Remuneration			
- Audit	7,950	14,386	
- Other Services (FBT return)	1,300	1,200	
Bad and Doubtful Debts			
Rates	8,760	2,779	
Sundry Debtors	(3,757)	3,220	
Depreciation			
Buildings	160,236	157,080	
Furniture and Equipment	50,759	44,389	
Plant and Equipment	545,023	383,881	
Infrastructure	1,413,294	1,379,039	
	<u>2,169,312</u>	<u>1,964,389</u>	
 (ii) Crediting as Revenue:			
	2005	2005	2004
	Actual	Budget	Actual
	\$	\$	\$
Interest Earnings			
Investments			
- Reserve Funds	36,311	55,211	38,031
- Other Funds	73,846	49,735	48,202
Other Interest Revenue (refer note 27)	48,609	51,800	43,776
	<u>158,766</u>	<u>156,746</u>	<u>130,009</u>

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

2. REVENUES AND EXPENSES (Continued)

(b) Revenues and Expenses from Ordinary Activities	2005	2004
Classified According to Nature and Type	\$	\$
Revenues from Ordinary Activities		
Rates (refer note 23)	3,038,224	2,937,277
Grants and Subsidies - operating (refer note 29)	1,595,968	1,403,658
Grants and Subsidies - non-operating (refer note 29)	2,113,388	1,362,053
Contributions Reimbursements and Donations	180,983	144,743
Profit on Asset Disposals (refer note 20)	371,407	305,238
Fees and Charges (refer note 28)	1,031,494	916,744
Interest Earnings (refer note 2(a))	158,766	130,009
Other Revenue	12,692	23,530
	<u>8,502,922</u>	<u>7,223,252</u>
Expenses from Ordinary Activities		
Employee Costs	2,465,630	2,602,591
Materials and Contracts	1,462,556	930,911
Utilities (gas, electricity, water, etc)	158,716	129,741
Depreciation & Amortisation on Assets (refer note 2(a))	2,229,498	2,024,575
Loss on Asset Disposals (refer note 20)	106,408	1,127
Insurance	230,177	152,642
Other	41,547	41,066
	<u>6,694,532</u>	<u>5,882,653</u>
Interest/Borrowing Costs (refer Note 2(c))	126,654	111,990
	<u>6,821,186</u>	<u>5,994,643</u>
 (c) Borrowing Costs Expense		
Comprises:		
Debentures (refer Note 22(a))	126,654	111,990
	<u>126,654</u>	<u>111,990</u>

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

2. OPERATING EXPENDITURES AND REVENUES (Continued)

(d) Statement of Objective

The Shire of Plantagenet is dedicated to providing the services and facilities that meet the needs of the members of the Plantagenet community to enable them to enjoy a pleasant and healthy way of life. The Council's principal activities, as disclosed in this financial report, encompass the following service orientated programs:

GENERAL PURPOSE FUNDING

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

Activities: Rates, general purpose government grants and investments.

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.

LAW, ORDER, PUBLIC SAFETY

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

Activities: Fire prevention, emergency services, animal control and the administration of local laws.

HEALTH

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

Activities: Food quality and pest control, immunisation services, inspection of abattoir and provision of child health clinic building.

EDUCATION AND WELFARE

Objective: To meet the needs of community in these areas.

Activities: Operation of Home and Community Care, Plantagenet Child Care Centre and the provision of the Booth Street Kindergarten building. Assistance to playgroup, Plantagenet Village Homes and other voluntary services.

COMMUNITY AMENITIES

Objective: Provide services required by the community.

Activities: Rubbish collection services, cemeteries, public toilets, operation of refuse sites and administration of the Town Planning Scheme.

RECREATION AND CULTURE

Objective: To establish and manage infrastructure and resources to assist the social well being of the community.

Activities: Operation of community halls and pavilions, ovals, public swimming pool, libraries, art gallery, recreation centre and various reserves. Provision of Mitchell House (Art Centre).

TRANSPORT

Objective: To provide effective and efficient transport infrastructure to the community.

Activities: Construction and maintenance of streets, roads and bridges and lighting of streets.

ECONOMIC SERVICES

Objective: To promote the Shire and improve its economic wellbeing.

Activities: The development of tourism and area promotion. Regulation of building control. Provision of standpipes.

OTHER PROPERTY AND SERVICES

Activities: Private works, Public works and plant overhead allocations.

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

2. OPERATING EXPENDITURES AND REVENUES (Continued)

	2005	2004
	\$	\$
(e) Conditions Over Contributions		
Grants recognised as revenues in a previous reporting period and which were not expended at the close of the previous reporting period (ie opening balance).		
TIRES - Spencer Road (held in Reserve)	18,900	0
	<u>18,900</u>	<u>0</u>
Add:		
New Grants which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.		
TIRES - Spencer Road (held in Roadworks carried forward reserve	600,000	18,900
Roads to Recovery - (restricted - municipal)	111,680	0
Roads to Recovery - (held in Drainage & Lowood Road Reserve)	173,102	0
RRG - Mount Barker Porongurup Road (restricted - municipal)	49,200	0
	<u>933,982</u>	<u>18,900</u>
Less:		
Grants which have been recognised as revenues in a previous reporting period and which were expended in the current reporting period in the manner specified by the contributor.		
TIRES - Spencer Road (held in Reserve)	18,900	0
	<u>18,900</u>	<u>0</u>
Closing balances of unexpended grants	<u><u>933,982</u></u>	<u><u>18,900</u></u>

3. CASH ASSETS

	2005	2004
	\$	\$
Unrestricted	251,738	390,435
Restricted - Municipal (Unexpended grants)	160,880	18,900
Restricted	4,265,647	965,009
	<u>4,678,265</u>	<u>1,374,344</u>

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

Leave Reserve	14,053	5,159
Plant Replacement Reserve	52,149	241,373
Town Drainage Reserve	151,283	145,304
New Admin Building Reserve	0	49,367
Land Rehabilitation Reserve	79,474	72,698
Lowood Road Upgrade Reserve	134,902	129,570
Waste Management Reserve	106,719	27,144
Recreation Reserve	53,325	58,356
Plantagenet Village Homes Reserve	0	20,836
Cemetery Reserve	91,310	87,701
Electronic Equipment Reserve	8,583	5,500
Kendenup Townsite Reserve	20,823	20,000
Roadworks carried forward	600,000	102,000
Kendenup Hall & Grounds Reserve	4,398	0
Great Southern Regional Saleyards Reserve	33,525	0
Unspent Loans	2,915,103	0
	<u>4,265,647</u>	<u>965,009</u>

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

4. RECEIVABLES	2005	2004
	\$	\$
Current		
Rates Outstanding	287,826	300,659
Sundry Debtors	185,902	204,754
GST Receivable	10,278	40,027
Loans - Clubs/Institutions	12,606	2,445
Provision for Doubtful Debts	<u>(30,308)</u>	<u>(25,304)</u>
	<u>466,304</u>	<u>522,581</u>
 Non-Current		
Rates Outstanding - Pensioners	22,481	27,302
Loans - Clubs/Institutions	<u>51,466</u>	<u>19,073</u>
	<u>73,947</u>	<u>46,375</u>
 5. INVENTORIES		
Current		
Fuel and Materials	<u>32,611</u>	<u>23,911</u>
	<u>32,611</u>	<u>23,911</u>
 5a. INVESTMENTS		
Shares in Mount Barker Co-operative	<u>4,692</u>	<u>4,692</u>
	<u>4,692</u>	<u>4,692</u>

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

	2005	2004
	\$	\$
6. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings - Cost	8,099,963	6,891,276
Less Accumulated Depreciation	<u>(1,454,123)</u>	<u>(1,293,888)</u>
	<u>6,645,840</u>	<u>5,597,388</u>
Furniture and Equipment - Cost	520,463	509,424
Less Accumulated Depreciation	<u>(377,696)</u>	<u>(377,155)</u>
	<u>142,767</u>	<u>132,269</u>
Plant and Equipment - Cost	5,316,442	4,994,267
Less Accumulated Depreciation	<u>(2,973,333)</u>	<u>(3,240,262)</u>
	<u>2,343,109</u>	<u>1,754,005</u>
	<u><u>9,131,716</u></u>	<u><u>7,483,662</u></u>

Effective from 1 July 2001, the Council deemed the carrying amount of Bush Fire Equipment be cost in accordance with the requirements on first application of Accounting Standard AASB1041 "Revaluation of Non-Current Assets". These assets have been included as plant and equipment and along with all other property, plant and equipment asset classes, are now being carried at cost and are not subject to a policy of regular revaluation.

Valuations of Land and Buildings Measured at Cost Basis

In accordance with the requirements of AAS36 'Statement of Financial Position' the current valuation of land and buildings disclosed above and measured on the cost basis is as follows:

- Current Valuation: \$5,885,830

The above valuation is a management valuation based on the written down replacement cost of all of Council's land and buildings as at 30 June 2003. It is not considered independent in nature.

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

6. 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.

	<u>Land & Buildings</u>	<u>Furniture & Equipment</u>	<u>Plant & Equipment</u>	<u>Total</u>
Balance as at 1 July 2004	5,597,388	132,269	1,754,005	7,483,662
Additions	1,208,688	77,163	1,561,024	2,846,875
(Disposals)	0	(15,906)	(426,897)	(442,803)
Revaluation - Increments	0	0	0	0
- (Decrements)	0	0	0	0
Write-downs	0	0	0	0
Depreciation (Expense)	(160,236)	(50,759)	(545,023)	(756,018)
Other Movements	0	0	0	0
Balance as at 30 June 2005	<u>6,645,840</u>	<u>142,767</u>	<u>2,343,109</u>	<u>9,131,716</u>

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

	2005	2004
	\$	\$
7. INFRASTRUCTURE		
Roads - management valuation 2001	66,399,547	66,399,547
Roads - Cost	7,260,459	5,346,895
Less Accumulated Depreciation	<u>(34,253,854)</u>	<u>(32,846,008)</u>
	39,406,152	38,900,434
Drains - Cost	43,056	31,567
Less Accumulated Depreciation	<u>(796)</u>	<u>0</u>
	42,260	31,567
Footpaths - Cost	29,346	8,850
Less Accumulated Depreciation	<u>(177)</u>	<u>0</u>
	29,169	8,850
Parks & Ovals - Cost	576,168	550,316
Less Accumulated Depreciation	<u>(28,243)</u>	<u>(23,766)</u>
	547,925	526,550
Recreation Facilities - cost	1,267,075	1,267,075
Less Accumulated Depreciation	<u>(422,095)</u>	<u>(361,909)</u>
	844,980	905,166
	<u>40,870,486</u>	<u>40,372,567</u>

The valuations of the municipality's infrastructure were originally based on the written down replacement cost performed in accordance with Statement of Accounting Practice SAP 1 'Current Cost Accounting'.

Effective from 1 July 2001, Council deemed the carrying amount of all infrastructure assets, other than roads, previously carried at a revalued amount based on market value, to be their cost.

This was in accordance with the requirements on first application of Accounting Standard AASB 1041 'Revaluation of Non-Current Assets'. These assets, are now being carried at cost and are not subject to a policy of regular revaluation.

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 1041.

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

7. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

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

	Roads	Drains	Footpaths	Parks and Ovals	Recreation Facilities	Total
	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2004	38,900,434	31,567	8,850	526,550	905,166	40,372,567
Additions	1,913,564	11,489	20,496	25,850	0	1,971,399
(Disposals)	0	0	0	0	0	0
Revaluation - Increments	0	0	0	0	0	0
- (Decrements)	0	0	0	0	0	0
Write-downs	0	0	0	0	0	0
Depreciation (Expense)	(1,407,846)	(796)	(177)	(4,475)	0	(1,413,294)
Amortisation	0	0	0	0	(60,186)	(60,186)
Other Movements	0	0	0	0	0	0
Balance as at 30 June 2005	<u>39,406,152</u>	<u>42,260</u>	<u>29,169</u>	<u>547,925</u>	<u>844,980</u>	<u>40,870,486</u>

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

	2005 \$	2004 \$
8. PAYABLES		
Current		
Sundry Creditors	232,053	494,068
Accrued Interest on Loans	51,922	32,425
Accrued Salaries and Wages	5,645	0
	<u>289,620</u>	<u>526,493</u>
9. INTEREST-BEARING LIABILITIES		
Current		
Secured by Floating Charge		
Debentures	190,099	143,527
	<u>190,099</u>	<u>143,527</u>
Non-Current		
Secured by Floating Charge		
Debentures	5,315,171	1,460,270
	<u>5,315,171</u>	<u>1,460,270</u>
Additional detail on borrowings is provided in Note 22.		
10. PROVISIONS		
Current		
Provision for Annual Leave	159,583	136,178
Provision for Long Service Leave	13,757	16,098
	<u>173,340</u>	<u>152,276</u>
Non-Current		
Provision for Annual Leave	32,364	10,098
Provision for Long Service Leave	163,032	122,809
	<u>195,396</u>	<u>132,907</u>

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

	2005 Actual \$	2005 Budget \$	2004 Actual \$
11. RESERVES - CASH BACKED			
(a) Leave Reserve			
Opening Balance	5,159	5,159	13,743
Amount Set Aside / Transfer to Reserve	8,894	12,937	5,367
Amount Used / Transfer from Reserve	0	0	(13,951)
	<u>14,053</u>	<u>18,096</u>	<u>5,159</u>
(b) Plant Replacement Reserve			
Opening Balance	241,373	241,374	295,447
Amount Set Aside / Transfer to Reserve	459,125	481,112	512,423
Amount Used / Transfer from Reserve	(648,349)	(699,440)	(566,497)
	<u>52,149</u>	<u>23,046</u>	<u>241,373</u>
(c) Town Drainage Reserve			
Opening Balance	145,304	145,304	44,160
Amount Set Aside / Transfer to Reserve	5,979	6,539	101,144
Amount Used / Transfer from Reserve	0	(96,000)	0
	<u>151,283</u>	<u>55,843</u>	<u>145,304</u>
(d) Regional Cattle Saleyards Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	33,525	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>33,525</u>	<u>0</u>	<u>0</u>
(e) New Admin Building Reserve			
Opening Balance	49,367	49,367	98,460
Amount Set Aside / Transfer to Reserve	2,112	1,391	3,013
Amount Used / Transfer from Reserve	(51,479)	(50,758)	(52,106)
	<u>0</u>	<u>0</u>	<u>49,367</u>
(f) Land Rehabilitation Reserve			
Opening Balance	72,698	72,697	83,638
Amount Set Aside / Transfer to Reserve	13,178	13,721	3,508
Amount Used / Transfer from Reserve	(6,402)	(15,000)	(14,448)
	<u>79,474</u>	<u>71,418</u>	<u>72,698</u>
(g) Kendenup Hall & Grounds Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	4,398	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>4,398</u>	<u>0</u>	<u>0</u>
(h) Lowood Road Upgrade Reserve			
Opening Balance	129,570	129,570	123,705
Amount Set Aside / Transfer to Reserve	5,332	0	5,865
Amount Used / Transfer from Reserve	0	(129,570)	0
	<u>134,902</u>	<u>0</u>	<u>129,570</u>

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

11. RESERVES - CASH BACKED (Continued...)	2005 Actual \$	2005 Budget \$	2004 Actual \$
(i) Waste Management			
Opening Balance	27,144	27,144	80,542
Amount Set Aside / Transfer to Reserve	99,022	11,458	2,057
Amount Used / Transfer from Reserve	(19,447)	(38,602)	(55,455)
	<u>106,719</u>	<u>0</u>	<u>27,144</u>
(j) Recreation Reserve			
Opening Balance	58,357	58,357	16,312
Amount Set Aside / Transfer to Reserve	2,192	2,626	42,045
Amount Used / Transfer from Reserve	(7,224)	0	0
	<u>53,325</u>	<u>60,983</u>	<u>58,357</u>
(k) Plantagenet Village Homes Reserve			
Opening Balance	20,836	20,836	10,042
Amount Set Aside / Transfer to Reserve	0	938	10,794
Amount Used / Transfer from Reserve	(20,836)	0	0
	<u>0</u>	<u>21,774</u>	<u>20,836</u>
(l) Perillup Hall Reserve			
Opening Balance	0	0	7,600
Amount Set Aside / Transfer to Reserve	0	0	115
Amount Used / Transfer from Reserve	0	0	(7,715)
	<u>0</u>	<u>0</u>	<u>0</u>
(m) Electronic Equipment Reserve			
Opening Balance	5,500	5,500	0
Amount Set Aside / Transfer to Reserve	4,583	248	5,500
Amount Used / Transfer from Reserve	(1,500)	0	0
	<u>8,583</u>	<u>5,748</u>	<u>5,500</u>
(n) Roadworks C/fwd Reserve			
Opening Balance	102,000	102,000	0
Amount Set Aside / Transfer to Reserve	600,000	0	102,000
Amount Used / Transfer from Reserve	(102,000)	(102,000)	0
	<u>600,000</u>	<u>0</u>	<u>102,000</u>
(o) Kendenup Townsite Study Reserve			
Opening Balance	20,000	20,000	0
Amount Set Aside / Transfer to Reserve	823	0	20,000
Amount Used / Transfer from Reserve	0	(20,000)	0
	<u>20,823</u>	<u>0</u>	<u>20,000</u>
(p) Cemetery Development Reserve			
Opening Balance	87,701	87,701	0
Amount Set Aside / Transfer to Reserve	3,609	3,947	87,701
Amount Used / Transfer from Reserve	0	(91,648)	0
	<u>91,310</u>	<u>0</u>	<u>87,701</u>
Total Opening Balance	965,009	965,009	773,649
Amount Set Aside / Transfer to Reserve	1,242,772	534,917	901,532
Amount Used / Transfer from Reserve	(857,237)	(1,243,018)	(710,172)
Total Closing Balance	<u>1,350,544</u>	<u>256,908</u>	<u>965,009</u>

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

11. RESERVES - CASH BACKED (Continued...)

All of the cash backed reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 (less unspent loans) to this financial 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 long service leave requirements.

Plant Replacement Reserve

- to be used for the purchase of major plant.

Town Drainage Reserve

- to be used for the construction of drainage.

Regional Cattle Saleyards Reserve

- to be used to assist with repayment of GSRS loans.

New Admin Building Reserve

- to be used for the construction of a new Administration Building.

Land Rehabilitation Reserve

- to be used for the rehabilitation of DEP requirements relating to any Council property.

Kendenup Hall & Grounds Reserve

- to be used for maintenance & improvements for Kendenup Hall.

Lowood Road Upgrade Reserve

- For upgrading, street scaping and installing underground power in Lowood Road, Mount Barker.

Waste Management Reserve

- to be used to fund refuse site improvements and other waste management initiatives.

Recreation Reserve

- to be used to fund improvements in recreation facilities.

Plantagenet Village Homes Reserve

- to be used to fund a contribution to Plantagenet Village Homes new dementia unit.

Perillup Hall Reserve

- Funds set aside from the sale of the Perillup Hall.

Electronic Equipment Reserve

- to be used to fund electronic equipment requirements.

Roadworks Carried Forward Reserve

- to be used to fund uncompleted roadworks.

Kendenup Townsite Development Study Reserve

- to be used to fund a Planning Development study into the township of Kendenup.

Cemetery Reserve

- to be used for the expansion of the Mount Barker Cemetery.

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

The Lowood Road Upgrade Reserve, and Roadworks Carried Forward Reserve are expected to be fully utilised in 2005/06.

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

12. RESERVES - ASSET REVALUATION

2005 **2004**
\$ **\$**

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

(a) Bushfire Equipment

Opening Balance	79,200	79,200
Revaluation Increment	0	0
Revaluation Decrement	0	0
Closing Balance	79,200	79,200
 TOTAL ASSET REVALUATION RESERVES	 79,200	 79,200

13. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:

	2005 Actual \$	2005 Budget \$	2004 Actual \$
Cash Assets	4,678,265	432,245	1,374,344

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

Net Result	1,681,736	1,065,492	1,228,609
Amortisation	60,186	60,186	60,186
Depreciation	2,169,313	1,928,318	1,964,389
(Increase)/Decrease in Receivables	21,259	78,309	116,768
(Profit)/Loss on Sale of Asset	(264,999)	(299,121)	(304,111)
(Increase)/Decrease in Inventories	(8,700)	3,911	(73)
Increase/(Decrease) in Payables	(236,874)	(82,220)	173,912
Increase/(Decrease) in Employee Provisions	83,553	0	(38,497)
Grants/Contributions for the Development of Assets	(2,113,388)	(1,098,385)	(1,362,053)
Net Cash from Operating Activities	1,392,086	1,656,490	1,839,130

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

13. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(c) Credit Standby Arrangements

Bank Overdraft limit	0	0
Bank Overdraft at Balance Date	0	0
Credit Card limit	15,000	10,000
Credit Card Balance at Balance Date	1,521	0
Total Amount of Credit Unused	<u>16,521</u>	<u>10,000</u>

(d) Loan Facilities

Loan Facilities - Current	190,099	143,527
Loan Facilities - Non-Current	5,315,171	1,460,270
Total Facilities in Use at Balance Date	<u>5,505,270</u>	<u>1,603,797</u>
 Unused Loan Facilities at Balance Date	 <u>2,915,103</u>	 <u>0</u>

14. CAPITAL AND LEASING COMMITMENTS

(a) Finance Lease Commitments

There are no finance lease commitments

(b) Operating Lease Commitments

2005	2004
\$	\$

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

Payable:

- not later than one year	8,316	11,110
- later than one year but not later than five years	0	0
- later than five years	0	0
	<u>8,316</u>	<u>11,110</u>

(c) Capital Expenditure Commitments

New Administration Construction	2,633,102
Public Toilet Construction	72,327
Kendenu Tennis Court Resurfacing	118,375

All projects will be completed in 2005-2006.

15. CONTINGENT LIABILITIES

There are no contingent liabilities at 30 June 2005.

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

16. JOINT VENTURE

(a) School Recreation Centre - Mt Barker Senior High School

The Minister of Education and the Shire of Plantagenet jointly funded the construction of the School & Community Recreation Centre during 1997/98. The Recreation Centre was built on land vested in the Ministry of Education, which has granted the Shire a 21 year licence to use the facilities for recreational purposes. Whilst utilities and maintenance expenses are to be shared, garden maintenance costs are to be borne entirely by the Ministry. Council's share of these assets is included in the Statement of Financial Position as follows:

Non-Current Assets	2005	2004
	\$	\$
Recreational Facilities - costs	1,267,075	1,267,075
Less: Accumulated Amortisation	<u>(422,095)</u>	<u>(361,909)</u>
	844,980	905,166

**(b) City of Albany & Shire of Plantagenet -
Great Southern Regional Cattle Saleyards**

In 2000, The Shire of Plantagenet and the City of Albany undertook a joint venture to establish a Regional Cattle Saleyard facility. Each party had a 50% share of output and assets from the joint venture, whose principal activity was to provide a facility for the sale of cattle. In April 2005, The Shire of Plantagenet purchased the City of Albany's 50% share for \$1,000,000 to become the sole owner of the facility.

Please refer to Note 35 in respect of Major Trading Undertakings for further details.

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2005	2004
	\$	\$
Governance	395,644	273,898
Law, Order, Public Safety	49,268	5,965
Health	1,342	19,697
Education and Welfare	262,629	533,035
Community Amenities	115,710	107,253
Recreation and Culture	2,405,083	2,356,965
Transport	39,530,468	39,450,790
Economic Services	3,661,196	2,667,125
Other Property and Services	2,964,130	2,465,407
Unallocated	5,872,551	1,947,997
	<u>55,258,021</u>	<u>49,828,132</u>

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

18. FINANCIAL RATIOS	2005	2004	2003
Current Ratio	114.9%	114.8%	128.0%
Untied Cash to Trade Creditors Ratio	108.5%	79.0%	68.7%
Debt Ratio	11.2%	4.8%	5.0%
Debt Service Ratio	4.0%	4.4%	11.2%
Gross Debt to Revenue Ratio	64.7%	22.2%	29.2%
Gross Debt to Economically Realisable Assets	38.3%	17.0%	20.3%
Rate Coverage Ratio	35.7%	40.7%	48.0%
Outstanding Rates Ratio	9.2%	10.2%	6.3%

The above rates 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	$\frac{\text{Gross Debt}}{\text{Economically realisable assets}}$
Rate Coverage Ratio equals	$\frac{\text{Net rate revenue}}{\text{Operating revenue}}$
Outstanding Rates Ratio equals	$\frac{\text{Rates outstanding}}{\text{Rates collectable}}$

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

19. 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-Jul-04 \$	Amounts Received \$	Amounts Paid \$	Balance 30-Jun-05 \$
Bonds - Housing Relocation	29,000	7,500	(18,000)	18,500
Bonds - Extractive Industries	6,000	0	0	6,000
Bonds - Road Construction Guarantee	27,714	0	0	27,714
Social club (Office)	643	2,777	(2,667)	753
Bonds - Key & Hire	803	7,850	(6,450)	2,203
Transport Licensing	0	1,828,449	(1,828,449)	0
Grant in Lieu of POS	9,250	0	0	9,250
Sale of Reserves	1,500	0	0	1,500
Payment in Advance - Rates	576	0	0	576
Tidy Towns Committee	1,167	0	0	1,167
Feral Pig Eradication Committee	19,844	5,983	0	25,827
Bushfire Relief Fund	417	0	0	417
BCITF Levy collected	4,336	0	(4,317)	19
BRB Levy collected	1,969	0	(1,969)	0
Great Southern Health	864	0	(150)	714
Community Wise Audit	5,000	0	0	5,000
HACC New Day Centre	193,900	136,592	0	330,492
Aboriginal Heritage Grant	0	5,000	0	5,000
Mount Barker Indigenous Action Group	0	14,000	(11,994)	2,006
Sale of land due to non payment of rates	0	4,847	0	4,847
Trails Master Plan Grant	0	8,250	0	8,250
Middleward BFB Funds	0	9,565	0	9,565
	<u>302,983</u>	<u>2,030,813</u>	<u>(1,873,996)</u>	<u>459,800</u>

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

20. DISPOSALS OF ASSETS

The following assets were disposed of during the year. This list excludes assets which were written off during the year and had nil Net Book Value as at 30 June 2005.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
FURNITURE & EQUIPMENT						
Workstation - Finance Manager	443	0	0	0	(443)	0
Workstation - Finance Manager	498	0	0	0	(498)	0
Computer & Laptop - HACC	1,945	0	0	0	(1,945)	0
Video Camera & Access - HACC	952	0	0	0	(952)	0
Scooters (2) - HACC	3,570	0	0	0	(3,570)	0
Gopher - HACC	1,470	0	0	0	(1,470)	0
Photocopier - HACC	2,014	0	0	0	(2,014)	0
Wheel Chair restraints - HACC	484	0	0	0	(484)	0
Paper Folder	481	0	0	0	(481)	0
Plain paper & copier - Rec Centre	226	0	0	0	(226)	0
Cash Register - Rec Centre	381	0	0	0	(381)	0
Kindy Toys - Rec Centre	298	0	0	0	(298)	0
Olympic Bench Press	646	0	0	0	(646)	0
Waiting Chairs	365	0	0	0	(365)	0
2 Drawer Filing cabinet	121	0	0	0	(121)	0
Bookcase, desk & cabinet	450	0	0	0	(450)	0
Canon powershot digital camera	510	0	0	0	(510)	0
Canon printer	254	0	0	0	(254)	0
Epson printer	284	0	0	0	(284)	0
Les Mills aerobic step	389	0	0	0	(389)	0
portable bar code scanner	125	0	0	0	(125)	0
Total Furniture & Equip.	15,906	0	0	0	(15,906)	0
PLANT & EQUIPMENT						
Governance						
Toyota Avalon - Director Corp.	13,593	14,916	16,091	18,000	2,498	3,084
Ford Fairmont - CEO	23,732	18,949	23,193	30,000	(539)	11,051
Ford Fairmont - Governance	24,747	19,402	24,675	30,000	(72)	10,598
Law, Order & Public Safety						
Toyota Hilux - Ranger	21,546	21,713	28,636	25,000	7,090	3,287
Education & Welfare						
Toyota Coaster Bus - HACC	57,560	0	0	0	(57,560)	0
Ford Falcon Wagon - HACC	18,135	0	0	0	(18,135)	0
Shopperider - HACC	1,200	0	0	0	(1,200)	0
4 Wheel Scooters - HACC	9,400	0	0	0	(9,400)	0
Community Amenities						
Mitsubishi Magna - Planning	17,124	16,726	17,182	18,000	58	1,274
Holden Commodore - Planning	21,056	0	19,819	0	(1,237)	0
Economic Services						
Toyota Avalon - Building	14,772	15,908	15,636	18,000	864	2,092
Holden Commodore -Building	21,056	0	19,819	0	(1,237)	0

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

20. DISPOSALS OF ASSETS (Continued)

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Other Property & Services						
Ford Trader - PL99	0	25,500	23,182	25,500	23,182	0
Cat 928G Loader	0	5,618	90,000	70,000	90,000	64,382
Hino Tip Truck - PL453	0	0	50,909	45,000	50,909	45,000
Hino Tip Truck	0	0	50,000	45,000	50,000	45,000
Cat 12G Grader - PL573	0	0	115,000	90,000	115,000	90,000
Toyota Avalon - Director Works	13,593	14,916	15,636	18,000	2,043	3,084
Holden Commodore - Director Works	27,017	0	31,661	0	4,644	0
Ford Courier - Tech Officer	16,636	18,439	20,000	25,000	3,364	6,561
Mitsubishi Triton - Manager Works	19,928	0	22,273	0	2,345	0
Toyota Hilux - Manager Works	28,616	0	31,363	0	2,747	0
Ford Courier - Co-ord Works	15,250	18,439	21,363	25,000	6,113	6,561
Toyota Hilux - Co-ord Works	29,484	0	30,909	0	1,425	0
Toyota Hilux - PL1311	6,818	9,354	10,454	16,500	3,636	7,146
Mazda Bravo - PL531	6,624	0	11,818	0	5,194	0
Mitsubishi Triton	17,887	0	18,182	0	295	0
Power Pack	243	0	0	0	(243)	0
Sthil Chain Saw	355	0	0	0	(355)	0
Chainsaw MS2500	524	0	0	0	(524)	0
Total Plant & Equipment	426,896	199,880	707,801	499,000	280,905	299,120
	442,802	199,880	707,801	499,000	264,999	299,120

Summary

	Actual \$	Budget \$
Profit on Sale	371,407	299,120
(Loss) on Sale	(106,408)	0
Net Profit or (Loss) on Sale of Asset	264,999	299,120

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

21. BUDGET COMPARISON

	2005 Actual	2005 Budget
	\$	\$

(a) Non Operating Revenue and Expenditure

The following is a comparison of capital revenue and expenditure and movements to and from reserve accounts and the amounts contained in the Rate Setting Statement in the annual budget.

Non Operating Income

Proceeds on sale of assets	707,801	499,000
Repayments of self supporting loans	7,447	2,294
Transfers from Reserves	857,237	1,243,018

Non Operating Expenditure

Principal repayment of Debentures	(148,528)	(161,716)
Construction / Purchase of Assets		
Land and Buildings	(1,208,688)	(2,589,223)
Plant and Equipment	(1,561,024)	(1,205,640)
Infrastructure	(1,971,399)	(2,437,100)
Furniture and Equipment	(77,163)	(31,600)
Transfers to Reserves	(1,242,722)	(534,197)

(b) Current Position at 1st July 2004

The current position balance carried forward from the previous financial year for the purpose of the 2004/05 budget was \$158,099

The actual current position balance shown in the audited financial report as at 30th June 2004 was \$125,251. This difference amounts to \$32,848.

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

22. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1-Jul-04 \$	New Loans \$	Principal Repayments		Principal 30-Jun-05		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Governance								
New Administration Centre (90)	0	2,700,000	0	18,188	2,700,000	2,231,812	0	74,475
Education & Welfare								
* Plantagenet Village Homes (85)	10,799	0	1,384	1,384	9,415	9,415	680	680
* Plantagenet Village Homes (88) (Int Free Grain Pool Loan)		50,000	5,000	0	45,000	50,000	0	0
Recreation & Culture								
* Mount Barker Golf Club (86)	10,719	0	1,062	1,062	9,657	9,657	674	674
Economic Services								
Cattle Saleyards (83)	263,442	0	18,062	18,063	245,380	245,379	17,146	17,146
Cattle Saleyards (84)	1,242,424	0	46,606	46,606	1,195,818	1,195,818	85,676	85,676
Cattle Saleyards (89)		1,300,000	0	0	1,300,000	0	0	0
Other Property & Services								
Council Depot (87)	76,413	0	76,413	76,413	0	0	2,981	2,981
	1,603,797	4,050,000	148,527	161,716	5,505,270	3,742,081	107,157	181,632

Plus accrued Interest 30 June 2005

Less accrued Interest 30 June 2004

Total Interest

\$ 51,922

\$ (32,425)

\$ 126,654

Note - * denotes a self supporting loan that is financed by payments from third parties.
All other loan repayments were financed by general purpose income.

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

22. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Interest Rate %	Amount Used		Balance Unspent \$
	Actual \$	Budget \$						Actual \$	Budget \$	
Administration Centre (90)	2,700,000	2,250,000	WATC	Debenture	20	1,937,329	5.82%	66,898	1,900,000	2,633,102
Cattle Saleyards (89)	1,300,000	0	WATC	Debenture	20	1,005,734	6.22%	1,017,999	0	282,001
* Plantagenet Village Homes (88)	50,000	0	Grain Pool	Int Free	5	0	0.00%	50,000	0	0
Total	4,050,000	2,250,000				2,943,063		1,134,897	1,900,000	2,915,103

(c) Unspent Debentures

The Shire of Plantagenet does not have any loan funds from prior years that remain unspent.

(d) Overdraft

The Shire of Plantagenet does not operate an overdraft facility.

(e) Interest Rate Risk

Council's exposure to interest rate risk as a result of borrowings and the effective weighted average interest rate on these borrowings is as follows:

<u>Borrowings</u>	2005 \$	2004 \$
Floating interest rates		
Fixed interest rate maturing		
- within one year	0	76,413
- one to five years	45,000	0
- over five years	5,460,270	1,527,384
Total Borrowings	<u>5,505,270</u>	<u>1,603,797</u>
Weighted average effective interest rate	6.18%	6.81%

SHIRE OF PLANTAGENET
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2005

23. RATING INFORMATION - 2004/05 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
General Rate											
GRV - Mount Barker Townsite	8.9780	767	5,655,747	507,773	-2,705	0	505,068	500,266	6,485	0	506,751
GRV - Strata Title	8.9780	2	12,787	1,148	0	0	1,148	1,148	0	0	1,148
GRV - Rural Townsites	8.9780	127	747,349	67,097	11,694	0	78,791	60,383	104	0	60,487
GRV - Rural	8.9780	54	980,018	87,986	23	0	88,009	86,320	1,000	0	87,320
UV - Rural	1.1630	1,191	172,863,285	2,010,400	2,563	0	2,012,963	2,011,535	520	0	2,012,055
UV - Mining	1.1630	0	0	0	0	0	0	0	0	0	0
Sub-Totals		2,141	180,259,186	2,674,404	11,575	0	2,685,979	2,659,652	8,109	0	2,667,761
Minimum Rates											
GRV - Mount Barker Townsite	406.00	131	0	53,186	0	0	53,186	64,960	0	0	64,960
GRV - Strata Title	406.00	89	0	36,134	0	0	36,134	36,134	0	0	36,134
GRV - Rural Townsites	406.00	376	0	152,656	0	0	152,656	159,558	0	0	159,558
GRV - Rural	406.00	25	0	10,150	0	0	10,150	11,774	0	0	11,774
UV - Rural	406.00	242	0	98,252	0	0	98,252	98,252	0	0	98,252
UV - Mining	406.00	3	0	1,218	649	0	1,867	1,218	0	0	1,218
Sub-Totals		866	0	351,596	649	0	352,245	371,896	0	0	371,896
Totals							3,038,224				3,039,657

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

24. SPECIFIED AREA RATE - 2004/05 FINANCIAL YEAR

The Shire of Plantagenet did not levy any special area rates in the 2004/2005 financial year.

25. SERVICE CHARGES - 2004/05 FINANCIAL YEAR

The Shire of Plantagenet did not levy any service charges in the 2004/2005 financial year.

**26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS
- 2004/05 FINANCIAL YEAR**

The Council resolved on 22 July 2002 to write off or refund the Health Act (Refuse Site) Rate in certain circumstances. The Council decision is as follows:

'That as the Council is of the opinion that the imposition of more than one Refuse Rate would be inequitable in those circumstances where properties are owned and operated in identical name or names and where no habitable or commercially rented properties are situated on additional properties, then in those circumstances the Council shall make ex gratia payments to those people affected, equivalent to the second or further refuse Rate payments received or write off such moneys owing, upon application by such people that meet the above mentioned criteria.'

267 properties were affected by this decision in the 2004/2005 financial year and \$13,350 was written off/refunded.

27. INTEREST CHARGES AND INSTALMENTS - 2004/05 FINANCIAL YEAR

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11%		29,997	32,000
Interest on Instalments Plan	5.5%		9,947	9,800
Charges on Instalment Plan		\$ 15.00	8,665	10,000
			48,609	51,800

Ratepayers had the option of paying rates in either two or four equal instalments. Administration charges and interest applied for the second and subsequent (if applicable) instalments. Due Dates were as follows:

TWO INSTALMENT OPTION

Original Rates Notice Issued	18 August 2004
First Instalment Due	22 September 2004
Second Instalment Due	21 January 2005

FOUR INSTALMENT OPTION

Original Rates Notice Issued	18 August 2004
First Instalment Due	22 September 2004
Second Instalment Due	22 November 2004
Third Instalment Due	21 January 2005
Fourth Instalment Due	22 March 2005

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

28. REVENUE RECEIVED FROM FEES & CHARGES	2005	2004
	\$	\$
Governance	4,273	4,384
General Purpose Funding	16,260	7,010
Law, Order, Public Safety	24,848	34,612
Health	4,750	7,710
Education & Welfare	177,638	249,564
Community Amenities	334,807	244,213
Recreation & Culture	149,478	124,265
Economic Services	312,261	234,959
Other Property & Services	7,179	10,027
	<u>1,031,494</u>	<u>916,744</u>

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

29. GRANT REVENUE

By Nature and Type:

Grants and Subsidies - operating	1,595,968	1,403,658
Grants and Subsidies - non-operating	2,113,388	1,362,053
	<u>3,709,356</u>	<u>2,765,711</u>

By Program:

General Purpose Funding	1,049,392	985,208
Law, Order, Public Sector	316,753	137,035
Education & Welfare	405,182	293,415
Community Amenities	1,500	0
Recreation and Culture	24,085	15,757
Transport	1,912,444	1,334,296
	<u>3,709,356</u>	<u>2,765,711</u>

30. COUNCILLORS' REMUNERATION

2005	2005	2004
Actual	Budget	Actual
\$	\$	\$

The following fees, expenses and allowances were paid to council members and/or the president.

Meeting Fees	57,000	60,000	60,000
President's Allowance	7,590	7,049	7,107
Deputy President's Allowance	960	960	960
Travelling Expenses	13,462	18,000	17,360
Telecommunications Allowance	7,769	6,000	5,788
	<u>86,781</u>	<u>92,009</u>	<u>91,215</u>

31. EMPLOYEES REMUNERATION

As at 30 June 2005, no employee of the Shire of Plantagenet is entitled to an annual salary of \$100,000 or more.

32. EMPLOYEE NUMBERS

The number of full-time equivalent
Employees at balance date

2005	2004
<u>53.3</u>	<u>56.2</u>

33. ECONOMIC DEPENDENCY

A significant portion of revenue is received by way of grants from the State and Federal Government. The total of grant revenue from government sources is disclosed in Note 29.

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

34 MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions during the 2004/2005 financial year.

35 TRADING UNDERTAKINGS

Council did not participate in any trading undertakings during the 2004/2005 financial year.

36 MAJOR TRADING UNDERTAKINGS

The City of Albany and Shire of Plantagenet Great Southern Regional Cattle Saleyards.

a) Details

Until the 31 March 2005, The Shire of Plantagenet and the City of Albany were joint owners of the Great Southern Regional Cattle Saleyard Facility. The Shire of Plantagenet purchased the City of Albany's share at this time to become sole owner \ operator of this undertaking.

The information below is representative of the major trading undertaking on a complete basis.

**b) Operating Statement - Whole Undertaking
from 1 July 2004 to 31 March 2005.**

	2005 Actual \$	2005 Budget \$	2004 Actual \$
Number of Cattle Sold	62,229	60,000	61,518
Operating Revenue			
Agents Contributions	62,340	60,000	61,518
Agents Entry Fees	0	10,000	10,000
Yard Fees	336,737	465,823	331,292
Avdata Truck Wash	15,962	17,250	15,287
Other Income	14,829	15,000	13,557
Total Operating Revenue	<u>429,868</u>	<u>568,073</u>	<u>431,654</u>
Operating Expenditure			
Employee Costs	118,650	109,966	108,774
Utility Costs	27,942	29,500	30,272
Yard Cleaning	27,226	23,000	25,008
Maintenance Expenses	9,423	11,000	10,126
Admin Management	4,500	6,000	6,000
Marketing	15,356	24,000	14,900
Operating Expenses	17,196	34,422	21,897
Total Operating Expenditure	<u>220,293</u>	<u>237,888</u>	<u>216,977</u>
Operating Profit / (Loss)	209,575	330,185	214,677
Shire of Plantagenet 50% share	104,788	165,093	107,339
c) Other Income & Expenditure			
Capital Expenditure	<u>0</u>	<u>0</u>	<u>2,002</u>
	0	0	2,002
Total Joint Venture Surplus / (Deficit)	209,575	330,185	212,675
Shire of Plantagenet 50% share	104,788	165,093	106,338
d) Other Adjustments at handover			
NLIS reader grant - to be fully received by S.O.P.	(16,489)		
50% share of unraised Agent Entry Fees	(3,750)		
50% share of unrecoverable debt - Balmoral Stations	(24)		
Agents Levy Reserve Fund transferred To S.O.P	4,696		
Total Shire of Plantagenet share of Profit to 31 March 2005	89,221		

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

	2005	2005
	Actual	Budget
	\$	\$
36. MAJOR TRADING UNDERTAKINGS (Continued)		
e) Operating Statement - Whole Undertaking		
from 1 April 2005 to 30 June 2005.		
Number of Cattle Sold	10,609	
Operating Revenue		
Agents Contributions	10,627	15,000
Agents Entry Fees	12,000	2,500
Yard Fees	61,924	100,000
Avdata Truck Wash	0	4,000
Other Income	1,524	4,800
Total Operating Revenue	86,075	126,300
Operating Expenditure		
Employee Costs	24,161	26,080
Utility Costs	4,863	8,000
Grounds Maintenance	3,992	1,250
Building Maintenance	4,552	1,000
Depreciation on Buildings	55,286	55,286
Depreciation on Plant	10,397	10,318
Office Expenses	1,428	2,000
Consultant Fees	18,202	9,891
Marketing	2,241	8,500
Operating Expenses	7,129	10,300
Admin Services Allocation	24,909	24,100
Interest on Loans	118,874	102,822
Total Operating Expenditure	276,034	259,547
Operating Profit / (Loss)	(189,959)	(133,247)
f) Statement of Financial Position		
<u>Current Assets</u>		
Debtors	36,801	0
<u>Current Liabilities</u>		
Creditors	1,100	0
<u>Non Current Assets</u>		
Property, Plant and Equipment (written down value)	3,019,109	2,067,714
<u>Non Current Liabilities</u>		
Interest Bearing Liabilities (Shire of Plantagenet)	2,741,196	1,505,866
Net Equity in Undertaking	313,614	561,848

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005

37. IMPACTS OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AIFRSs)

For reporting periods commencing on or after 1 January 2005, the Shire of Plantagenet will be required to prepare its annual financial report using Australian equivalents to International Financial Reporting Standards and their related pronouncements (AIFRSs) as issued by the Australian Accounting Standards Board (AASB).

As the AASB has prohibited the early adoption of the AIFRSs, the Shire of Plantagenet will report for the first time in compliance with AIFRSs in the annual financial report for the year ended 30 June 2006 (that is, the year commencing 1 July 2005).

The Shire of Plantagenet is required to prepare an opening balance sheet in accordance with AIFRSs as at 1 July 2004. Most adjustments required on transition to AIFRSs will be made retrospectively against opening retained earnings on 1 July 2004 in accordance with AIFRSs. Transitional adjustments relating to those standards for which comparatives are not required will only be made with effect from 1 July 2005.

The transition to AIFRSs has been managed via a process of education which includes technical training and liaison with the Shire's auditors and industry groups. This has included a review of AIFRSs to determine the effect on the Shire's existing accounting policies and treatments.

The annual financial report for the year ended 30 June 2005 will be prepared in accordance with Australian Accounting Standards and other financial reporting requirements (Australian GAAP). The differences between Australian GAAP and AIFRSs identified to date as potentially having a significant effect on the Shire of Plantagenet are summarised below.

Property, Plant and Equipment

AIFRSs provides an option to value each class of property, plant and equipment at either cost or fair value. At the transition date, an election is available under AIFRSs transition rules to use cost, fair value or deemed costs as the opening carrying value. It is the current intention of the Shire to:

- value property, plant and equipment and infrastructure on the cost basis, adjusted for any accumulated impairment balances.
- use fair value for the Shire's road infrastructure network and revalued with sufficient regularity to ensure carrying amounts are not materially different from their fair value at reporting date.

It is not anticipated any adjustments to carrying values will result from the above approach. If they do, they will be recognised against opening retained earnings or past revaluation reserves in the opening balance sheet.

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

37. IMPACTS OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AIFRSs) (continued)

Employee Benefits

AIFRSs require all long term employee benefits to be measured at present value. This treatment remains unchanged for the measurement of non current long service leave entitlements under current Australian GAAP. However, non current annual leave entitlements are currently measured at the amount the Shire expects to pay and not at present value.

It is not anticipated any such adjustment will be significant. However, adjustments to provisions, if any, will be made against opening retained earnings in the opening balance sheet and the effect on the year ended 30 June 2005 will also be adjusted via the operating statement for comparison purposes in the Shire's first AIFRSs financial report.

Impairment of Assets

Currently, assets are written down to recoverable amount when the asset's carrying amount exceeds recoverable amount. In determining recoverable amount, expected future cash flows are currently not discounted to their present value.

Under AIFRSs, both current and non current assets are tested for impairment on an individual basis. If this is not possible, the Shire is required to test for impairment at the "Cash Generating Unit" (CGU) level.

It is anticipated the Shire's material assets will be able to be tested for impairment on an individual basis and the CGU level will not apply.

Assets are tested for impairment where an impairment trigger (per AIFRSs) has occurred. Intangibles with indefinite useful lives will be tested annually for impairment (or more frequently if events or circumstances indicate).

To the extent any impairment is determined, this will be recognised immediately in the operating statement.

Assets may be considered impaired in one reporting period and not in subsequent periods. Therefore, it is not practicable to determine the impact of the change in accounting policy for future financial reports as any impairment or reversal thereof will be affected by future conditions.

Notwithstanding this, it is not anticipated, based upon the reviews conducted to date, the Shire has any impairment losses which require adjustments.

Intangibles

AIFRSs now requires the recognition of intangibles not currently required under current Australian GAAP.

Intangibles identified will be recognised against opening retained earnings.

Intangibles with indefinite useful lives will be subject to impairment testing annually (or more frequently if events or circumstances indicate it might be impaired). Impairment losses will be recognised immediately in the operating statement as they occur.

This change in policy may result in increased volatility of future results if intangibles are recognised and impairment losses occur.

**SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

37. IMPACTS OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AIFRSs) (continued)

Financial Assets and Financial Liabilities

Under current Australian GAAP, financial assets and financial liabilities are recognised at cost, at fair value, or at net market value.

On adoption of AIFRSs, the Shire will be required to classify these financial instruments into various specified categories (being either of trading assets, held to maturity investments, loans and receivables or available for sale financial assets). The classification of the instrument determines the instrument's subsequent measurement.

It is anticipated, based on definitions contained within AIFRSs, the Shire's financial assets and liabilities will be classified in the loans and receivables category and will be measured at their initial recognition amount.

Based on reviews performed to date, it is not anticipated any such adjustments will be significant.

However, in accordance with AIFRSs, such financial assets will be subject to annual impairment testing and to the extent any impairment testing is determined, it will be recognised immediately in the operating statement.

Assets may be considered impaired in one reporting period and not in subsequent periods. Therefore, it is not practicable to determine the impact of the change in accounting policy for future financial reports as any impairment or reversal thereof will be affected by future conditions.

Investment Property

Under current Australian GAAP, investment property is disclosed as land and buildings in the property, plant and equipment asset classification. It is recognised at either cost, fair value or at net market value.

On adoption, AIFRSs provide an option to value investment property at either cost or fair value. It is the current intention of the Shire to:

- value investment property on the cost basis adjusted for any impairment balances.

It is not anticipated any adjustments will result from the above approach. If they do, they will be recognised against opening retained earnings or past revaluation reserves in the balance sheet.

Also, as the value of the investment property is subject to fluctuation based on future conditions, it is not possible to reliably estimate the effect any adjustments may have on future financial reports.

**SHIRE OF PLANTAGENET
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2005**

38. DISABILITY SERVICES PLAN

The Shire of Plantagenet Disability Services Plan was adopted by the Council at its Ordinary Meeting on 12th December, 1995 to ensure that people with disabilities will be able to have access to the Council's facilities. Legislation requires that Local Governments report on their agency's Disability Services Plan achievements each year within their annual report.

Construction began on new public toilets located in Lowood Road during June 2005. In line with the Council's Disability Services Plan, the toilets fully cater for wheelchair access.

The Council always considers the requirements of the disabled when performing its functions.

39. NATIONAL COMPETITION POLICY

The National Competition Policy is designed to enhance the efficiency and effectiveness of public sector agencies and lead to a more efficient use of all economic resources. The State Government released a Policy Statement effective from July 1996 that forms part of the Competition Principles Agreement. This Clause 7 policy document sets out nominated principles from that Agreement that now apply to Local Government.

The provisions of Clause 7 of the Competition Principles Agreement require Local Governments to report annually as to the applications and effects of Competition Policy.

Competitive Neutrality

The principle of competitive neutrality is that government businesses should not enjoy a competitive advantage or disadvantage as a result of their public sector ownership. Competitive neutrality should apply to all business activities which generate a user pays income of over \$200,000 unless it can be shown that it is not in the public interest.

Review of Local Laws

In accordance with the National Competition Policy Local Law Review Guidelines, the Shire of Plantagenet is continually reviewing its Local Laws. There were no activities to which competitive neutrality was accepted or considered but rejected, similarly, there were no allegations of non-compliance by a private entity. The Council is currently in the process of adopting new local laws for the operation of bush fire brigades and refuse sites. A complete review of all other local laws is planned for 2005/2006.

40. PRINCIPAL ACTIVITIES PLAN

Under the *Local Government Act 1995*, each year the Council is required to prepare a plan of its principal activities for the next 4 or more years. The plan must be developed in conjunction with the community and, when finalised, will be considered when adopting annual Council budgets.

The Shire of Plantagenet prepares a five (5) year budget annually which meets the requirements of both the annual budget and plan of principal activities.

**SHIRE OF PLANTAGENET
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2005**

Council resolved to purchase the City of Albany's 50% share in the Great Southern Regional Saleyards during the year. This was not included in the original 5 year budget and Plan of Principal Activities.