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Administration Details

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Plantagenet in Brief

The Shire of Plantagenet is a local government area in the Great Southern region of Western Australia.

The Shire's administrative centre, Mount Barker serves a wide and diverse agricultural area, including the settlements of Kendenup, Narrikup, Rocky Gully and Porongurup.

The region is noted for agriculture, principally wheat, sheep, beef cattle, canola and olives. Since the 1960's, Plantagenet has become a significant wine growing area, with a number of vineyards and wine makers in the region. Plantations of Tasmanian Blue Gums have also become a major industry in the shire.



Mount Barker was first explored in late 1829, nearly four years after the establishment of the penal colony at Albany. The penal colony's surgeon Dr Thomas Braidwood Wilson with a small party consisting of two convicts, an Aboriginal guide named Mokare, a soldier and a Mr Kent, Albany's commissariat officer, set off from Albany on 2 December 1829 to explore the hinterland. They reached Mount Barker (which was named after Captain Collett Barker, the settlement's commandant) in late 1829 and then turned west and south reaching the coast near the present day site of Denmark.

Wilson's report on the area was favourable. Upon his return he wrote of one of the local creeks *'we observed that its banks were covered with luxuriant grass, sprinkled with yellow buttercups which put us in mind of home'* and that the *'gently swelling lightly wooded adjacent hills are well adapted for sheep-walks'*.

The first settler into the area was Sir Richard Spencer, the Government Resident in Albany. In 1835 he bought 1,940 acres from Captain James Stirling who had been granted 100,000 acres in the area. This farm was an immediate success and although Spencer died in 1839 his wife continued to operate the farm until her death in 1855.

A rough track was eventually established between Perth and Albany which had reached Mount Barker by late 1835 and by 1860 the traffic on the track was sufficient for William Cooper to build the Bush Inn to cater for passing trade.

The Plantagenet Road Board was gazetted on 24 January 1871 as one of 18 elected boards to manage roads and services in Western Australia, and initially included a reasonably large section of the Great Southern Region. On 1 July 1961, it became the Shire of Plantagenet following changes to the Local Government Act.

The area has always been agriculturally rich. Mixed farming was established towards the end of the nineteenth century and by 1910 there were 75 commercial orchards (mostly concentrating on apple growing) in the area. In 1917 the Mount Barker Fruitgrowers Cool Storage Co-operative was established. It was closed in 1975 and the orchards have largely given way to a thriving grape growing industry with high quality vineyards producing a range of excellent wines.

Plantagenet in Brief

The Shire has some spectacular scenery such as the Porongurup National Park which lies east of Mount Barker and covers 2,350 ha. The Porongurup Range boasts a number of good walks and unusual rock formations such as Castle Rock and the Balancing Rock. The Stirling Range to the north is breathtaking, being one of the few true rugged mountain ranges in Western Australia. It is one of the world's most spectacular wildflower areas with approximately 1,525 species of plants, of which 87 are found nowhere else in the world.

The chief historical attraction in Mount Barker is the old Police Station Museum. Built in 1867-68 by a convict road party, it originally consisted of a living quarters, coach house and stables for the police horses. Today it is an unusual thematic museum with each room being a careful recreation of the way the rooms were used originally.



Plantagenet at a Glance

- Distance from Perth (from Mount Barker) 359 km
- Distance from Albany (from Mount Barker) 51 km
- Population 4,484 (2006 census)
- Area 4,792 km²
- Number of wards 5
- Number of elected members 9
- Number of dwellings 1,967
- Number of rate assessments 3,146
- Length of sealed roads 326 km
- Length of unsealed roads 908 km
- Number of electors 3,111
- Number of bushfire brigades 12



I have great pleasure in providing the ratepayers and residents of the Shire of Plantagenet with this overview of goals and achievements reached during the financial year ending 30 June 2008. It was another very productive year with a number of initiatives being progressed, including:

- Bush fire control room and bush fire brigade shed improvements
- Cemetery expansion - Mount Barker;
- Great Southern Regional Cattle Saleyards - environmental initiatives and future ownership;
- Proposed subdivision of Council property - Lot 337 Martin Street;
- New medical centre;
- Opening of the Mount Barker northern by-pass;
- Local planning strategy;
- Lowood Road redevelopment;
- Continuation of capital roadworks program with the Spencer Road upgrade being the highlight;
- New HACC building;
- Investigations for a new waste disposal facility;
- Strategic recreation plan;
- South Mount Barker Football Club negotiations;
- Decontamination of old depot site;
- Local government systemic sustainability study.



Governance and Finance

The 2007 elections brought about the end of an era, with Cr Joan Cameron retiring from the Council after 26½ years. Cr Cameron made an outstanding contribution to the Shire over that period. Cr David Williss also retired from the Council after 7½ years and had worked very hard for his electorate. Both of these councillors spent time in the role of Deputy Shire President and I would again like to acknowledge their considerable efforts for the community as elected representatives.

Shire President's Report

I would also like to take this opportunity to welcome new councillors Simon Grylls, Andrus Budrikis and Deb Nye-Chart and hope they enjoy their time on the Council.

The corporate compliance requirements placed on local government are becoming increasingly complex and the Shire again performed to a high standard. As part of its ongoing commitment to maintaining a transparent and accountable organisation, an interim audit and final audit of the Council's financial affairs were conducted. These audits identified only minor operational deficiencies which have since been addressed.

In addition, a more detailed financial management review was carried out which further confirmed that the financial operations of the Shire are being carried out appropriately. During the year, a finance workshop was conducted by a well respected local government accountant, Ron Back for the benefit of both new and long standing councillors.

Electoral Boundaries

The Local Government Advisory Board has again instructed the Council to undertake a review of its electoral wards and councillor representation. The review will aim to achieve a balanced representation across all wards, with one of the options being no wards.

Local Government Sustainability

The local government industry Australia wide is placing an increased emphasis on sustainability of local government. During 2007/08, I attended a number of meetings where this issue was discussed. The Council also held workshops to discuss the publication 'The Journey: Sustainability into the Future' published by the Western Australian Local Government Association (WALGA) in February 2008. The Council generally considered that the regional local government model has merit but that the formation of voluntary regional organisations of Councils in groupings at their discretion in the first instance, to 'test' the concept.

Law, Order and Public Safety

The Council has again been an active contributor to the operations of the Local Emergency Management Committee (LEMC), Bush Fire Brigades, animal control and public safety.

This year the Kendenup Bush Fire Brigade shed was upgraded and the new Porongurup fire shed was commenced. These improvements were funded by the Emergency Services Levy (ESL) administered through the Fire and Emergency Services Authority of Western Australia (FESA). The Council also spent almost \$50,000 on upgrading its committee room to be used as a bush fire control room in the event of such an emergency. A new broadacre fire truck was received from FESA for the Kendenup / Martigallup brigade together with a light duty, rapid response unit for the Porongurup brigade.

I attended the FESA Capital Grants Committee in August 2007 in Perth which unfortunately decided that there would be no extra money coming to the Shire of Plantagenet. However, if unavoidable over expenditure is necessary such over expenditure will be met from the fund.

I also met with representatives from FESA, WALGA and the Department of Environment and Conservation (DEC) during the year to discuss establishing a Memorandum of Understanding (MOU) between DEC and local government. The MOU has been prepared and endorsed by a majority of local governments and is now with WALGA for final consideration.

The Shire has continued to focus on fire prevention and preparedness activities conducting several community education programs, installing and maintaining strategic fire breaks and access tracks and inspecting properties throughout the Shire for compliance with the Annual Firebreak Notice. Agreement has also been reached with the property owners on the alternative access route for the Mira Flores subdivision.

Shire President's Report

The Local Emergency Management Committee continued to develop and test emergency management plans for a variety of potential emergencies. The Committee also hosted an Emergency Service promotion day which proved very successful, with some new volunteers joining different agencies. The Shire's preparedness for bush fires was tested twice during this year.

Health Inspection

The Council's focus on health continued with the inspection of food handling premises, inspection and licensing of accommodation establishments, inspection of public buildings for compliance and food and water sampling. The main issue considered by the Council in this regard was the Narrikup composting facility which had been the subject of a number of odour related complaints. In April 2008 a workshop was conducted with the operator of that facility to discuss the changes required to reduce odours. The workshop was attended by Council staff, Cr Hollingworth and myself, West Narrikup residents, representatives of Mount Barker Chickens and state government departments.

New Medical Centre

Last year, doctors from the Plantagenet Medical Group approached the Council seeking assistance to construct a new medical centre. The present medical facility is an old building with no room for expansion and doctors have indicated they have been unsuccessful in raising the sufficient capital to construct a new building themselves. The Council has supported the proposal and has approved the development application for the centre on Reserve 23108 (corner Marmion Street and Langton Road, Mount Barker). Staff are refining building plans with an architect and a detailed budget for the construction of the facility. Redman House was sold during the year for \$550,000 to assist in funding the new medical centre. Grants totaling \$620,000 have also been secured for this development.

Child Care Centre

The Plantagenet Child Care Centre continues to be in high demand by the community, providing quality care for children of working parents. Nevertheless, the Council believes that this is a service which could be more appropriately run by private enterprise if there is a company interested in doing so. The Council has therefore commenced discussions with Wanslea Family Services, a leading provider of services to children and families in Western Australia, regarding the transition of the centre to their agency. Discussions have taken into account the future interests of staff members and assurances that service levels at the Centre will not decrease.

New HACCC Facility

The proposal for a new Home and Community Care (HACC) facility has been mooted for some time and the Council has held State Government grant funding in Trust for this project. This year the Council has approved the development application and accepted a tender from Ausco Building Systems to supply and deliver a transportable building for this purpose at a cost of \$421,050. It is anticipated that the building will be delivered in late 2008.

Mount Barker Cemetery

The expansion of the cemetery was progressed with the Metropolitan Cemeteries Board visiting the Shire to provide advice and input on the design of the development. The Council intends to progress the capital works over the next couple of years.

Shire President's Report

Planning and Development

Development applications continued to be assessed, along with scheme amendments and 32 subdivision proposals were received for consideration. Eleven amendments to the Shire of Plantagenet Town Planning Scheme No. 3 progressed through stages of the legislative process, with five being finalised.

The Council agreed that Amendment No. 49 to Town Planning Scheme No. 3 be initiated and referred to the Environmental Protection Authority. The purpose of this amendment is to rezone lots 1 and 1664 Boxhill Road and Lots 5 and 11 Mount Barker-Porongurup Road from the Rural zone to a Rural Village Zone. If finalised, this amendment will lead to the creation over time of the Porongurup Village as originally proposed in the Porongurup Rural Strategy of 1996.

The Council commenced work on a draft Local Planning Strategy in 2005/06 and this is progressing well. The Council held five workshops to consider the draft strategy which was then adopted by the Council and referred to the WAPC for its approval to advertise for public comment. This is an important development as this strategy will set the direction for future growth and development in the area.

The Council also adopted a Mount Barker Open Space Strategy which will guide the use and expenditure of funds received from subdividers in lieu of providing public open space at the time of subdivision of residential land.

During the year Council staff and Councillors met with Forest Hill / Denbarker residents to discuss rural planning for the area. We also met with Porongurup residents to discuss current planning issues and strategies.

Waste Disposal

It has become evident in recent years that the current Mount Barker waste disposal facility on O'Neill Road will not be capable of servicing the Shire of Plantagenet in the long term future due to lack of space. The Council is investigating options relating to a new landfill site for the Shire, which includes co-operation with the neighbouring Shires of Cranbrook and Denmark.

The Council is of the view that the site previously purchased for a waste disposal site on Chillinup Road (with the Shires of Cranbrook, Denmark, Gnowangerup and the City of Albany) should be sold, although it agreed to delay such action until an alternative landfill site has been located, acquired and works approval received, which will take some time to achieve.

Townscape Improvements

The redevelopment of the Lowood Road precinct progressed again this year in consultation with the Townscape Steering Committee. Brick paving of footpaths and landscaping works are almost complete.

Recreation and Culture

During the year, the Council commissioned the production of a Strategic Recreation Plan for the Shire. As at the end of the financial year, a draft report had been prepared, however there was more work to do before a final document could be adopted by the Council. In March 2008 Councillors and staff attended a public meeting in Kendenup on recreation and community needs, including the need for a united direction.

A self supporting loan of \$187,000 was granted to the Mount Barker Golf Club Inc to assist with the conversion of the Club's turf bowling greens to synthetic carpet.

Shire President's Report

The Shire has continued the partnership with the Department of Sport and Recreation and the Shires of Cranbrook and Denmark for a part time Club Development Officer. The Officer's role is to assist the sport and recreation clubs throughout the three Shires to become more effective with their existing resources. Strategies such as volunteer recruitment, sourcing funding and sponsorship and streamlining financial processes are some of the key activities being addressed by the Club Development Officer.

Mount Barker Baptist Church Community Centre

Last year, the Shire decided that it would be prepared to enter into a long term lease with the Mount Barker Baptist Church over the library building for the purpose of establishing the Mount Barker Baptist Church Community Centre. This would involve renovations and extensions required to the building to accommodate the requirements of both the community centre and the library. It is understood that the Church had applied for federal funding which was not forthcoming, however it still intends to progress this concept in the future.

Roadworks Program

On 12 April 2008 the long awaited Mount Barker Northern By-Pass was opened by Hon. Matt Benson MLC representing Minister MacTiernan. Steve Potter from the Minister's office, John Marmion from Main Roads Western Australia together with Councillors and staff were in attendance.

The Council continued to strongly pursue grant funding for preservation and improvement works of its road network. In July 2007, Cr Williss, Manager Works and Services, Ian Bartlett and I attended the 2007 Australian Local Government Rural Roads Congress in Newcastle NSW. The conference was attended by 400 delegates with over 50 from WA. This forum consistently applies pressure on the Federal Government for road funding and the Roads to Recovery program is a direct result of these forums. Mr Bartlett and I also attended the 2008 Congress held in Shepperton in June 2008.

In May 2008 I attended the Timber Industry Roads Evaluation Strategy (TIRES) Meeting which confirmed current figures, however we have since been advised of further funding of \$100,000. TIRES members agreed to allocate that money to slip lanes where the Narrikup by-pass meets Albany Highway.

Total funds spent on grant funded roads during 2007/08 year was as follows:

	Grant Funds	Council Funds
Regional Roads Group (RRG)		
Woogenellup Road	\$328,000	\$175,995
Porongurup Road	\$116,992	\$58,496
Roads to Recovery (R2R)		
Lowood Road	\$399,984	\$26,096
Barrow Road	\$4,370	\$Nil
Carbarup Road	\$280,534	\$7,311
Timber Industry Roads Evaluation Study (TIRES)		
Spencer Road	\$1,552,504	\$190,035
Martagallup Road	\$107,305	\$53,652
Springs Road	\$51,977	\$Nil
Total	\$2,841,666	\$511,585

Shire President's Report

In addition, the Council spent \$265,729 on Council funded road upgrades with the main jobs being on Old Coach Road, Craddock Road and Lake Matilda Roads. The Council's total expenditure on road maintenance activities was \$2.8 million. By maintaining such a programme, we will continue to develop and improve the Shire's road network.

Road Safety

During the year the Council formed a Roadwise Committee, chaired by Cr John Mark. The Committee has come up with a number of initiatives including a 'Blessing of the Roads' function. The Committee has sought urgent action from the State Government in relation to the need for a raised traffic device in Lowood Road and it sought information from the Local Emergency Management Committee (LEMC) requesting information on their position with emergency speed limits. The Committee also met with the Police, Main Roads WA, and Principals of the Mount Barker Primary School and the Mount Barker Community College about crosswalks on Woogenellup Road and Albany Highway.

Members of the public may have seen a mobile speed trailer around Mount Barker which was purchased with road safety grant funds.

Plant Replacement

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

- Isuzu tip truck (Net cost of \$27,275);
- Skid steer loader (Net cost of \$29,000);
- A Mitsubishi 6x4 tip truck and pig trailer has been ordered but not yet delivered (Net cost of \$159,715).

Tourism

The Council's support of tourism continued during the year, with a \$43,000 contribution to the Mount Barker Tourist Bureau Inc. The Bureau successfully completed its Strategic and Business plans and a Memorandum of Understanding between the Shire and the Tourist Bureau for 2007 – 2009 was also signed. The Mount Barker Visitor Centre also held a function in the Shire Office to release their new visitor guide.

Saleyards

It was a very busy year for the saleyards with a throughput of 74,285 cattle, 31% more than the previous year. I have been involved in a number of discussions with the Minister for Agriculture and other industry stakeholders about opportunities coming out of the sale of land at the Midland saleyards. Proposals range from the provision of funding to repay debt to the yards being purchased by the government. In January 2008, the Council resolved to advise WAMIA that the Shire would be agreeable for the saleyards to be sold to the Authority at a consideration equivalent to the Shire's original capital cost less grants. This matter is still being progressed with WAMIA and it is hoped to finalise a sale of the yards during 2008/09.

Water Supply

During the year I met with representatives of the Water Corporation, Department of Agriculture and Food and Department of Environment and Conservation and Shire of Cranbrook in relation to the availability of stock water as well as the water requirements for the region. Bolganup Dam is now used for stock rather than being a domestic water supply.

Shire President's Report

Plantation and Timber Issues

During the year Cr Hollingworth and I attended numerous plantation and timber industry forums, such as the Plantation Industry Ministerial Advisory Committee (PIMAC) and the Timber Plantation Strategy Group (TPSG).

The Minister for Agriculture subsequently announced that the PIMAC and the TPSG were going to be disbanded and that a new committee formed known as the Plantation and Farm Forestry Ministerial Advisory Committee (PFFMAC). I was fortunate enough to be asked to be the local government representative on that committee and together with members from all spheres of plantation forestry, to make recommendations to the Minister on requirements for development of the industry.

A teleconference was held with Timber Towns Australia to discuss their incorporation and constitution and we attended a FESA meeting in Bunbury to review plantation fire breaks. In April 2008, representatives from the Glenelg Shire Council from West Victoria came to the Shire to discuss the timber industry.

Western Power Transmission Line

Numerous meetings were attended by councillors to lobby Western Power on the new transmission line between Kojonup and Albany. Particular concerns were raised on the route of the line, a request for poles instead of towers in visually sensitive areas, minimum setback of 500m from residences, alternative power supplies for the region and a request to reconsider the line to Denmark to overcome power and water issues to region. Concern was also raised that there is no compensation for loss of land value, only compensation for loss of income.

Conclusion

The 2007/08 year has again been very busy with the continuation of major infrastructure projects and other important initiatives. The Council has aimed to provide the levels of service sought by the community in an efficient, effective and sustainable manner and to develop and maintain an appropriate degree of infrastructure given the Shire's financial constraints.

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, AM
Shire President

Chief Executive Officer's Report

The year 2007/08 continued to see financial pressure on Local Government in rural areas, including the Shire of Plantagenet.

The District has been experiencing steady population growth resulting in an increased demand for land and housing. This has resulted in the private sector responding to the demand with a potential 1,084 lots coming onto the market within the next 1 – 5 years.

With increased population comes increasing demands on the Shire's services creating an opportunity for the Shire to assess its capacity to maintain infrastructure, especially roads and buildings.

Some rationalisation has occurred with not only the sale of under performing assets but also the formal consideration for services previously provided by the Shire, to be given or sold to others. Such rationalisation enables scarce resources to be allocated to alternative areas.

It is such rationalisation that has allowed the Council to continue with high profile projects such as the Plantagenet Medical Centre and the Home and Community Care extensions.

During the year the Council continued discussions with the Mount Barker Community Centre for the leasing of the Library Building. This agreement, if successful, would see a new library built in Mount Barker at no cost to ratepayers.

The Structural Reform of Local Government continues to be a major consideration. During the year the Queensland State Government undertook forced amalgamation of local governments in that state.

In February 2008, the Western Australian Local Government Association (WALGA) released a paper recommending reform within the local government industry through the voluntary alliances of individual local governments. Although creating a good deal of discussion in local government circles the report received only marginal wider coverage. Along with consideration of structural reform, continuing debate ensued relating to the recognition of local government as a legitimate third tier of government in the Federal Constitution of Australia. If considered, this would require a referendum.

Climate change and environmental sustainability are also on the local government agenda. During the year the Council adopted fees and restricted hours for the placing of waste at our various facilities. Much of the impetus for this relates to the government's 'Towards Zero Waste' policy, aimed directly at reducing the amount of waste going into landfill.

The Council concluded the financial year in a sound financial position, reported elsewhere.

Our capital works program continues to see long term investment in infrastructure with continuing land acquisition and road building on Spencer Road, Narrikup, the long awaited Mount Barker Bypass was finished, with landscaping still in progress.



A handwritten signature in blue ink, appearing to read 'Rob Stewart'.

Rob Stewart
CHIEF EXECUTIVE OFFICER

Councillors



**Shire President
Cr Kevin Forbes
AM
Rocky Gully /
West Ward**



**Deputy Shire
President
Cr Bill
Hollingworth
Town Ward**



**Cr John Mark
Town Ward**



**Cr Jeff Moir
South Ward**



**Cr Ken Clements
Town Ward**



**Cr Simon Grylls
Rocky Gully /
West Ward**



**Cr Deb Nye-Chart
East Ward**



**Cr Andrus
Budrikis
Kendenup Ward**



**Cr Michael
Skinner
East Ward**



Retiring Councillors

Cr David Williss
East Ward



Cr Joan
Cameron
Rocky Gully /
West Ward



Cr Keith Hart
East Ward



Chief Executive Officer – Rob Stewart

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



Deputy Chief Executive Officer – John Fathers

- Organisational Practice
- Trading Undertakings
- Financial Management
- Administration
- Information Technology



Manager Development Services – Peter Duncan

- Town Planning
- Health Services
- Building Control



Manager Community Services – Nicole Selesnew

- Community Services
- Regulatory Services



Manager Works & Services – Ian Bartlett

- Natural Resource Management
- Waste & Recycling
- Infrastructure

Summary of Activities

EXECUTIVE SERVICES

Administration

Collective Workplace Agreement

After a number of years in negotiations, a new Collective Workplace Agreement was endorsed. The agreement provided for a five percent increase in remuneration for all staff responding to the agreement and a four percent increase in most allowances (both indexed to CPI annually) and the introduction of two weeks' paid maternity leave. It also included the introduction of buying out a proportion of annual leave, pro rata long service leave after fifteen years service and an emergency telephone allowance.

South Mount Barker Football Club

Further meetings were held with representatives of the South Mount Barker Football Club in order to resolve the long running dispute over the non-payment of rent for the use of Sounness Park. The Club and the Council agreed to enter into an agreement providing for (amongst other things) the Club utilise the club rooms free of charge on nominated days up to 31 July 2008, so that a farewell function could be held.

Mount Barker Tourist Bureau and Visitor Centre

The Council again made a contribution of \$43,000 to the Mount Barker Tourist Bureau for the running of the Visitor Centre.

During the year, the Tourist Bureau's Strategic Plan and Business Plan were received by the Council and the professionalism and enthusiasm of the Board in producing these plans was acknowledged. It was gratifying that the plans make little, if any, mention of the need for Council support and embrace the acknowledged need to seek self sufficiency.

Property Transactions

Lots 6 & 7 Lord Street, Mount Barker (known as Redman House) were sold for \$550,000. Moneys were placed in restricted funds, with the intention of being used to contribute towards the funding of the new Plantagenet Medical Centre.

Two lots (Lots 105 and 302) formerly part of the Shire's depot site were transferred to the Commissioner of Main Roads for the newly constructed Mount Barker Bypass. Compensation of \$180,000 was paid to the Shire which, with some other funds, has been placed into a Shire Development Reserve Fund.

Wards and Representation

Currently the Shire has nine councillors elected from five wards. There are a number of imbalances in representation with East, Rocky Gully/West and South Wards being over represented and Kendenup and Mount Barker Town Wards being under represented.

The Local Government Advisory Board has instructed the Council to undertake a review of its electoral wards and councillor representation to address the existing imbalances in councillor to elector representation. The Council last undertook a review in 2005.

A discussion paper has been made available to the community for a public submission period. The review will aim to achieve a balanced representation across all wards, with one of the options being no wards.

Summary of Activities

Asset Management

The Council has enrolled in the Western Australian Asset Management Improvement Programme (WAAMI) renewal gap program, sponsored by WALGA. The program helps local governments to identify what assets they own and understand asset condition and expected life. Based on the levels of service expected by the community, a formal process is developed to establish priorities and allocate funds. The program also aims to prepared formal asset management plans and establish long-term funding requirements.

Occupational Health and Safety

Workplace safety and health practices were a continued focus throughout the year. The Shire has prepared a continuous improvement program to ensure ongoing compliance with the Silver Certificate of Occupational Safety and Health status. The major achievement was the development of a comprehensive fleet safety policy.

Summary of Activities

CORPORATE SERVICES

Finance

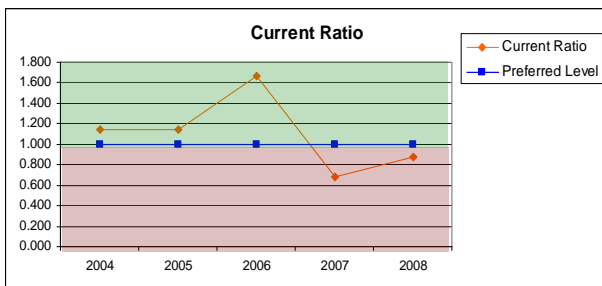
Rate revenue increased from \$3.41 million in 2006/07 to \$3.62 million in 2007/08. Outstanding borrowings reduced from \$5.09 million in 2006/07 to \$4.88 million in 2007/08. A sum of \$235,587 remained unspent on Loan 89 – Remedial Works – Saleyards.

Grants and contributions for the development of assets increased from \$1.23 million in 2006/07 to \$2.20 million in 2007/08. Total grants and contributions increased from \$2.65 million to 3.92 million.

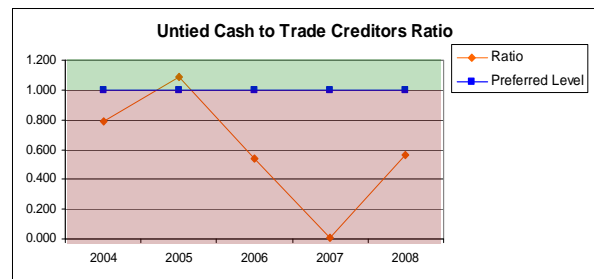
The level of reserve funds reduced from \$987,180 in 2006/07 to \$481,397 in 2007/08. The main changes related to roadworks carried forward funds being held in restricted funds instead of reserves. A sum of \$211,047 was transferred to a new Shire Development Reserve, these funds coming from sale of three lots in Rocky Gully and sale of depot site land to Main Roads for the Mount Barker Bypass.

During this period, a Financial Management Review was performed to test the Shire's financial management systems and to report on the appropriateness and effectiveness of the control environment within as required by Local Government (Financial Management) Regulation 5(2)(c). The Council's auditors, UHY Haines Norton were engaged to carry out this investigation and a number of minor operational issues were identified during the review which have all now been or being addressed.

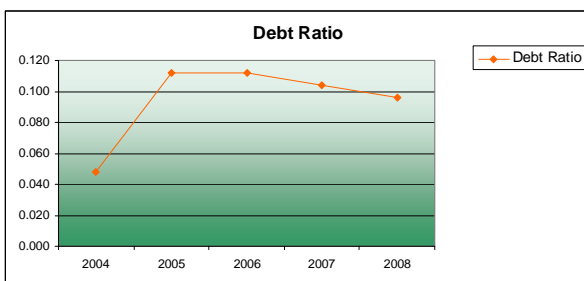
Financial Ratios



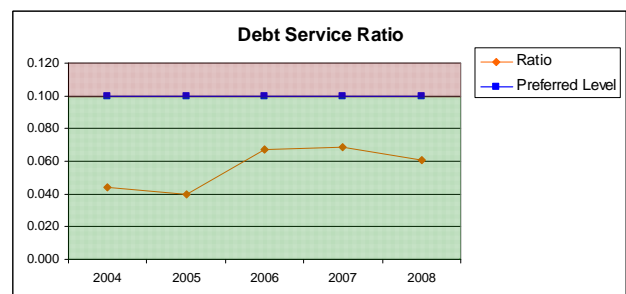
This ratio gives an indication of short term liquidity. That is the ability to meet financial obligations when they fall due. A ratio of greater than 1 is desirable.



This ratio indicates the ability to meet immediate obligations to creditors with unrestricted / untied cash. A ratio less than 1 requires close examination of cash flow.

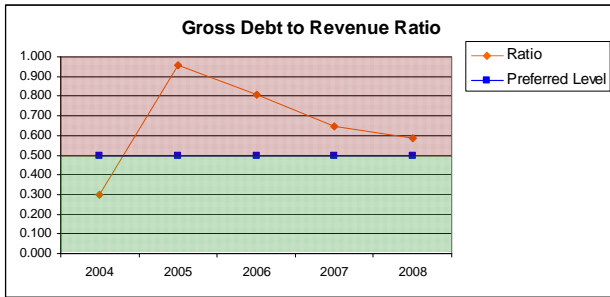


This ratio measures the Council's liabilities as a percentage of its assets. The lower the percentage generally indicates a greater ability to borrow against assets.

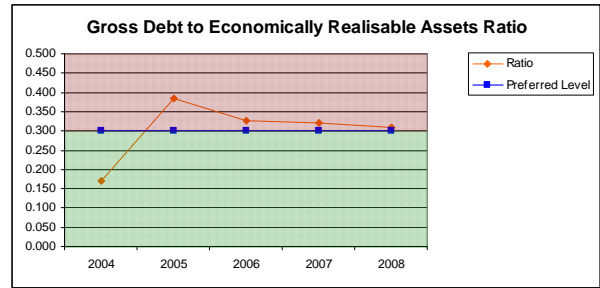


This ratio indicates the Council's ability to service debt.

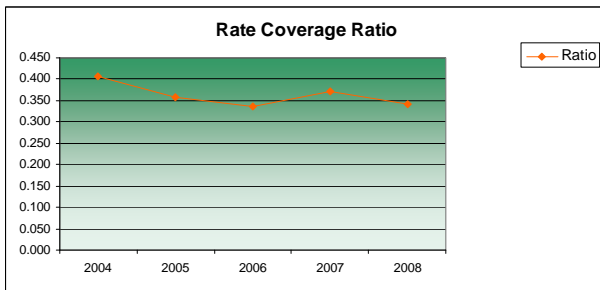
Summary of Activities



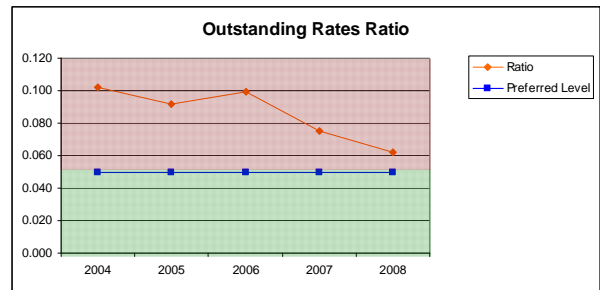
This ratio illustrates Council's ability to cover debt with its revenue in any given year if required by comparing it to total revenue received.



This ratio indicates Council's level of debt as a proportion of assets. In conjunction with other debt ratios it provides an indication of reliance upon debt to fund projects.



This ratio measures the use of rates to fund operations. Councils with a higher ratio normally have greater flexibility and budget control to respond to unforeseen events. Lower ratios often indicate reliance upon government and other grant funding that may not be available or sustainable in the long term.



This ratio indicates the effectiveness of Council's rate collection system. The lower the percentage of rates outstanding, the better the performance.

Many of these ratios are outside preferred benchmarks, however, they largely demonstrate good trends and are within expected levels. The Council will continue to use these key ratios to guide its decision making, especially regarding the use of debt.

Staff

The Council approved a change to the external staff structure, whereby the new position of Works Supervisor – Maintenance was created with the position being offered to Geoff Scott. By creating this position, some of the workload was taken from the Works Supervisor – Construction, Wayne Griffiths who had been under some pressure with the broad scope of his responsibilities.

Other staff movements during the year were as follows:

Patrick (Paddy) Knapp resigned from his position as General Hand Parks and Gardens after 29 years of service. His position was filled by Brett Ashton.

Garry Jenkins, Nicole Tenbokkel and Garry Spencer resigned from their positions as Casual Traffic Controllers and were replaced with Melvyn Woollard, Bradley Waters and William (Bill) Cotton.

Plant Operators, Brian Langmead and Barry McHardy were replaced with Raymond Batty and Ian Henderson.

Traffic Controller Kevin White took over the position of Rubbish Truck Operator.

Summary of Activities

Gavin Watson and Graeme Nicol were appointed the positions of General Hand Parks and Gardens. Graeme later resigned and his position was still vacant at the end of 2007/2008.

The vacancy left from the resignation of Rates Officer Colin Molloy was filled by Vanessa Ward.

The resignation of Accountant, Ross MacDonald saw the internal promotion of Cherie Delmage. This appointment initiated a number of internal changes within the administration. Accounts Officer Rayona Evans was appointed to the position of Administration Officer and Customer Service Officer Donna-Jo Fawcett became the new Accounts Officer.

Christine McAleese resigned as Telephonist/Customer Service Officer and was replaced by Karen Thompson. Alison Lambert was appointed as part time Customer Service Officer.

Vicky Hawkins resigned from her position as Part time Library Officer at the Mount Barker Library and was replaced by Christina Jones. Casual Library Officer Violet McGlenn became the Part Time Library Officer at the Rocky Gully Library following the resignation of Elizabeth Carpenter last year.

Sidney Jarvis and Desiree Cailles were appointed as Casual Transfer Station Operators at the Kendenup Waste Disposal Facility.

The Plantagenet Child Care saw a number of staff changes. The vacancy left by Qualified Child Carer Donna Edwards was filled by Jane Forward. Julia (Ann) Wood was also appointed as a casual Qualified Child Carer to relieve during periods of leave. Trainee Bridget Brown resigned and casual Carer Donna Thompson's position was made full time.

Great Southern Regional Cattle Saleyards Manager Warren Lloyd resigned and headed to the warmer climate of Broome. His position was filled by Stewart Smith. Casual General Hands, Glasson Gardner and John Stoney resigned from their positions at the Saleyards. One of these vacancies was filled by Amanda Brown.

Ronnie Smith filled the vacancy of Recreation Officer / Instructor at the Mount Barker Recreation Centre and Andrea Mentha was appointed as Recreation Officer. Andrea shares her time between the Recreation Centre and the Swimming Pool during the summer season. Keziah Hambley was appointed as a Casual Cleaner at the Centre.

Information Technology

The finance and property modules of the new Civica Authority computer system went live on 1 July 2007. The building and health modules came on stream in October 2007 and the companion animals module in January 2008. The migration of property and rates data from the old LOGIS system was completed successfully. Other system parameters and business data was inputted manually before and after go live.

A number of problems were experienced during the year due to system complexity, training deficiencies and system setup problems. With the system now being operational for a full year, those issues have largely been resolved and staff are now familiar with the weekly, monthly and annual procedures required to operate the system efficiently and in line with legislation.

Staff will continue to refine the way they do things and learn more about the product's functionality as time goes by. Crystal reports will also continue to be developed to enable data and reports to be extracted more efficiently.

Summary of Activities

Local Law Reviews

In accordance with Section 3.16(1) of the Local Government Act 1995, the Council commenced a review of all its local laws in 2007/08. A consultant was engaged to review and recommend modified local laws which were adopted by the Council for advertising. At the end of 2007/08, the following new or modified local laws had been adopted:

- Pest Plants.
- Property.
- Bush Fire Brigades.
- Extractive Industries.
- Landfill and Transfer Station Facilities.
- Dogs.
- Cemeteries.
- Health.
- Parking and Parking Facilities.
- Standing Orders.

The amendments to the Activities in Thoroughfares and Public Places and Trading Local Law had progressed through the majority of the review process, but had not yet been finalised.

The following local laws were considered obsolete and therefore repealed:

- By-Law relating to the Control and Storage of Old and Disused Motor Vehicles and Machinery.
- Local Government Draft Model By-law Relating to Caravan Parks No 2.
- Shire of Plantagenet (Local Government) Local Laws.

Policy Reviews

With the majority of policies reviewed in the previous year, the following Council policies relating to Corporate Services were reviewed during 2007/08:

- Internet and Email Usage
- Pensioner Rebates on Rural Properties
- Investments
- Hire of Council Controlled Property
- Hall Hire Donations

Great Southern Regional Cattle Saleyards

The Saleyards Manager, Warren Lloyd, attended the National Saleyards Conference in NSW in July and took the opportunity to visit six different saleyards.

A number of works were completed during the year. The auctioneer's walkway over the bull pens was installed. A new truckwash sump pump was installed and operating successfully. A new (part grant funded) Aleis scanner was installed replacing the Boontech reader. The reader was installed to communicate with the original scanner we had installed to minimise the number of missed scans. It is working very successfully and has minimised the amount of time spent hand scanning. The southern boundary fence was taken down and a new fence erected by the adjoining owners. Two silted up water monitoring bores were re-drilled in April 2008.

Animal welfare inspectors visited the Saleyards during the year. They noted that the saleyards were in very good condition and that they are managed with consideration to the animals' health, safety and welfare. The stock squad also visited with no complaints.

Summary of Activities

Warren Lloyd resigned in May to manage an export cattle yard in Broome. The Council was very pleased to have Stewart Smith starting as Saleyards Manager in July. He brings a wealth of experience as a cattle, sheep and wheat farmer and over 20 years experience working in the Department of Agriculture.

Discussions continued with WAMIA on a possible buy-out of the yards or financial assistance package by the State Government, in accordance with the principles of the State Saleyards Strategy. This has been brought about by the excess funds from the sale of the Midland Saleyards lots, in order to build a new saleyards in Muchea. The Shire President and Saleyards Manager also attended many meetings with WAMIA on the draft code of practice for animal welfare and working group meetings for the Muchea Saleyards.

The desludging of the effluent ponds continued with some difficulty. The Shire engaged a grader contractor to prepare a new drying pit to enable the contractor, Aquasol to continue desludging. The sludge from the northern dam was transferred into the southern dam and from there into the new pit. With the approval of the Department of Conservation and Environment, AD Contractors was finally engaged to remove as much sludge as possible with a long-reach excavator and transport it to the old Saleyards site on Woogenellup Road.

The Council continued to pursue environmental improvement works at the Saleyards, however the environmental engineers could not recommend any changes to the treatment system until its performance is monitored and assessed following upgrades to the truckwash. The Council is therefore currently pursuing a waste water re-use system and has preliminary advice that unspent RIFP grant funds should be able to be used for that purpose.

Summary of Activities

COMMUNITY SERVICES

Community Buildings

The Mount Barker Public Library has become the focus for a future Community Centre project. The Mount Barker Baptist Church and the Shire are working on a partnership that will see the construction of a purpose built community centre on the public library site. Subject to the Church receiving funding for the project, the existing library building will be converted and refurbished to accommodate community centre activities and a new public library building will be constructed adjacent to the centre.

A Memorandum of Understanding (MOU) has been signed between the Baptist Church and the Shire which provides the framework for a lease agreement between the two groups for the library building. The MOU also outlines the types of activities that will be run at the community centre and the future operation of the library, which will remain a Shire managed service. The Baptist Church has started to provide some of the community centre programs from the library building by successfully tendering for the Centrelink and Emergency Relief services.

The Plantagenet Child Care Centre continued to be a well utilised, long day care service for families. The Council started investigations with Wanslea Family Services Inc regarding the transition of management of the Centre. The transition would provide the Centre with a management base that is experienced in the delivery of child care services and provide staff with more training and career development opportunities.

Emergency and Ranger Services

Emergency management, workplace safety and health and animal control were the focus of Ranger Service activities throughout the year. FESA funded the construction of a new three bay shed for the Porongurup Bush Fire Brigade. Funding was also received from Emergency Management Australia's 'National Emergency Volunteer Support Grant' fund to install ablution facilities and refurbish the office at the Kendenup Bush Fire Brigade shed, to enable the shed to be utilised as a control point in the event of a large scale fire in the northern portion of the Shire.

Further funds were received from the Local Grants Scheme, also administered through Emergency Management Australia, to fit out the Shire's Control Room including an external power source, independent phone lines, radios and office furniture used for emergency co-ordination centre activities.

Recreation

The Mount Barker Swimming Pool season was well attended. Local community groups held social events at the pool including a movie night with an oversized inflatable screen and playtime activities for small children. Regular pool activities such as VACSwim classes, school swimming carnivals, lap swimmers and swimming club meetings were very popular.

Ongoing replacement of gym equipment at the Recreation Centre continued with one of the major items being a treadmill. Recreation Centre popularity continued to grow with record memberships during some months and good overall attendances. The Recreation Centre hosted the Albany Netball Association fixtures while the Albany Recreation Centre was being renovated which saw hundreds of people utilise the facility on Saturday afternoons.

The Shire has continued the partnership agreement with the Department of Sport and Recreation and the Shires of Cranbrook and Denmark to engage a part time Club Development Officer. The Club Development Officer has been working on auditing all of the existing clubs, identifying marketing and promotion opportunities for sport and recreation and delivering workshops to address club needs.

Summary of Activities

WORKS AND SERVICES

Transport

The following construction works have been completed during the year:

- Woogenellup Road – completion of pavement and shoulder widening and sealing of a 4km section. Also resealed the section from the railway crossing to Carbarup Road.
- Carbarup Road - carried out clearing, shoulder widening and pavement repairs and resealed an 8km section from Woogenellup Road to the rail crossing.
- Martagallup Road - completed a 10km section of second coat seal.
- Spencer Road – the construction of a new multi span culvert was completed at the Hay River crossing. Also construction on the 2.16 km Spencer Road by-pass was started.
- Lowood Road – Stage two of the Lowood Road upgrade was completed which included brick paving and landscaping.
- Jones Road - started upgrading works including drainage and formation.
- Porongurup Road - final construction plans for earthworks, drainage and gravel work were received for the section from Magpie Hill to Woodlands Road and the previous 3km section was sealed.
- Lake Matilda Road - complete upgrade and sealing of the section from the rail crossing to the Mount Barker Chickens facility.
- Langton Road – upgraded a section of footpath.
- An extensive maintenance program was completed on roads throughout the Shire. Maintenance activities included tree lopping, slashing, grading, drain and road verge clearing.

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 five townsite road verges. Routine maintenance of these areas includes:

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

In addition to routine maintenance, the Parks and Gardens team supports the Shire's weed action groups by assisting in their working bees.

Waste Management Sites

The Porongurup and Kamballup tip sites were fenced.

Vehicle Management

The Shire of Plantagenet is committed to workplace safety and vehicles can be an extension of the workplace. The Council's previous policy on vehicle specifications did not make adequate reference to safety requirements for fleet vehicles purchased by the Shire. Now, all light fleet vehicles shall have a 4 star Australasian New Car Assessment Program (ANCAP) rating or better.

Summary of Activities

A new policy was endorsed by the Council and has now been implemented. The inclusion into the policy of standard features such as electronic stability control, airbags, ABS brakes, seatbelt alert system, cargo barriers, automatic daytime running lights, fire extinguisher and first aid kit will assist in the purchasing of safer vehicles for the Council's light vehicle fleet and address a vital component of the implementation of an overall comprehensive workplace fleet safety policy.

Summary of Activities

DEVELOPMENT SERVICES

Town Planning

Scheme Amendments

Several amendments to the Shire of Plantagenet Town Planning Scheme No. 3 have progressed through various stages of the legislative process. The Amendments include:

- Amendment No. 38 – rezoned land at Ormond and Osborne Roads from Public Purpose Reserve to the Residential (R20) zone and this was finalised on 23 November 2007.
- Amendment No. 39 – proposes the creation of a Rural Residential Zone on land in Spring Road to the north of the Porongurup Range. The Amendment was initiated by the Council in June 2006 and the planning consultants were asked to prepare comprehensive amendment documents including land capability work and a subdivision guide plan. Public advertising was carried out and the Council recommended to the Western Australian Planning Commission (WAPC) that it receives final approval subject to modifications on 9 October 2007.
- Amendment No. 40 – introduced changes to the Scheme to allow for a windfarm to be established north of Mount Barker and this was finalised on 21 August 2007.
- Amendment No. 41 – introduced a range of changes to the Scheme to update it and correct many anomalies and this was finalised on 24 July 2007.
- Amendment No. 42 – recoded the Residential zoned land bounded by Martin, Booth and Follows Streets and Oatlands Road from R2.5 to R5 and R20 and this was finalised on 21 August 2007.
- Amendment No. 43 – introduced changes to the Zone Development Table for house setbacks in the Kendenup settlement and this was finalised on 8 January 2008.
- Amendment No. 44 – proposes to rezone Rural zoned Lots 756, 1233 and 1234 to the north of Mount Barker to the Residential zone. The Amendment was initiated by the Council on 13 March 2007 subject to modifications. Modified documents were received in August 2007 and then referred to the Environmental Protection Authority (EPA). The EPA authorised the amendment to proceed and it was then referred to the WAPC for approval to advertise. The WAPC granted consent to advertise subject to modifications. Modified documents were received in May 2008 and advertising commenced. The advertising closed on 27 June 2008.
- Amendment No. 46 – proposes to rezone land in Warburton Road from Rural to Rural Residential. The Amendment was initiated on 12 February 2008 subject to modifications. Modified documents were received on 20 May 2008 and then referred to the EPA for approval to advertise.
- Amendment No. 47 – proposes to rezone land in Lowood Road from Rural to Residential (R15). The Amendment was initiated on 8 April 2008 and referred to the EPA. Following authorisation from the EPA public advertising commenced on 29 May 2008.
- Amendment No. 48 – proposes to alter the subdivision guide plan for an existing Rural Residential zone in Warburton Road. The Amendment was initiated by the Council on 13 May 2008 subject to modifications. Modified documents were received in June 2008 and then referred to the EPA.

Summary of Activities

- Amendment No. 49 – proposes to rezone land to enable the establishment of the Porongurup Rural Village. The Amendment was initiated on 11 March 2008 and referred to the EPA. Authorisation to proceed was received from the EPA on 28 May 2008 and public advertising commenced on 12 June 2008. A public information session was held at the Porongurup Hall on 30 June 2008.

Policy Reviews

The Council has been regularly reviewing its various policies including those adopted as Town Planning Scheme Policies under the provisions of Town Planning Scheme No. 3. As part of that review one new Town Planning Scheme Policy was adopted, namely Town Planning Scheme Policy No. 17 – Sea Containers

Local Planning Strategy

The Local Planning Strategy (LPS) will be a key factor in the future planning of the Council for the next 10 to 20 years. The LPS will go through a process set by the WAPC which involves public consultation. As part of the preparation process, Councillors have been briefed on the various components of the document as it was being compiled. Workshops with Councillors were held on 13 and 27 November 2007, 11 December 2007, 12 February 2008 and 27 May 2008.

The full draft of the LPS was adopted by the Council on 10 June 2008 after which it was referred to the WAPC for its approval to advertise for public feedback.

Townscape Committee

A Townscape Review Steering Committee was formed several years ago and includes representatives from the community, Councillors and staff. The purpose of that committee is to provide guidance on townscape improvement initiatives in Mount Barker particularly the Lowood Road upgrading works.

During the 2007 / 2008 year a total of three meetings were held in October, February and March.

Development and Subdivision Applications

A broad range of development applications were processed and received planning consent under Town Planning Scheme No. 3. In the 2007/08 year a total of 32 applications were processed.

Another sign of positive growth of the Shire is the level of subdivision activity. During the 2007/08 a total of 46 subdivision applications were considered and recommendations provided to the WAPC which is the government agency that determines subdivisions.

Building

A total of 172 building licences were issued. These licences included 62 houses, 6 carports, 15 patios and 56 sheds/garages. This total of 172 licences is a decrease from 204 issued in the 2006 / 2007 financial year.

The Council's Principal Building Surveyor is compiling a building maintenance asset register for all of the Council's buildings.

Summary of Activities

Environmental Health Services

Environmental Health Services involves monitoring of food premises, waste water management, providing input to various development applications, investigating notifiable contagious diseases, nuisance complaints, unauthorised camping, temporary accommodation, regulating offensive trades, and inspecting public buildings for compliance. The following statistics provide a guide into the basic environmental health activities during the year:

Food Premises

A total of 53 inspections were conducted including routine inspections, follow-up reinspections, temporary food stall approvals and development / renovation of premises.

Food Sampling

A total of 78 food samples were collected from Mount Barker Chickens, Ravenhill Dairy and assorted local primary producers for microbiological analysis.

Water Sampling

- Great Southern Regional Cattle Saleyards – a total of 66 waste water samples were collected to assess the water quality suitability for reuse to OS&H standards.
- Processing Waters – Mount Barker Chickens – a total of 48 poultry processing water samples were collected for microbiological analysis.
- Swimming Pools – A total of 51 water samples were collected for microbiological analysis.
- Drinking water supplies – A total of 28 water samples were collected from public and private drinking water supplies for microbiological analysis.

Registered Premises

A total of 10 inspections were conducted at registered premises operating within the Plantagenet Shire. These included hairdressers, body care, tattoo, child care, family day care, clothing and second hand stores.

Public Buildings

Seventeen inspections were conducted of public buildings to ensure compliance with relevant legislation and public safety. As an example, public buildings include community halls, recreation centre, sporting clubs and meeting venues.

Public Events

Six major public events were approved and this required detailed assessment and consultation with the various parties. These events included the D'Vine Wine Festival, the Great Southern Wine Festival, Mount Barker Community Fair and assorted theatrical events.

Holiday Accommodation

Twelve inspections were carried out on various forms of holiday accommodation including caravan parks, chalets, lodging houses and bed and breakfast establishments.

Buildings

As part of the building assessment procedures, all are considered in terms of the health aspects of each proposal. As an example this includes onsite effluent disposal systems proposed for houses. Each onsite disposal system requires a site inspection by the Environmental Health Officer prior to installation and a final inspection for approval to use the system and a total of 55 applications were received and subsequently approved.

Summary of Activities

Complaints

Fourteen complaints were investigated throughout the year and these included matters such as excessive noise, odour, dust, effluent discharges, chemical spray drift, and occupation of caravans. These complaints have the potential to require extensive time and resource allocation and in most cases, each complaint will involve multiple complainants (dust and odour), detailed investigation, assessment and mediation to resolve. Investigation of complaints involving the operation of offensive trades within the Shire continues to occupy a disproportionate percentage of officer time and resources.

DrumMuster / ChemCollect

These programs are designed to provide a mechanism for the collection of clean used pesticide containers and unwanted agricultural chemicals. The DrumMuster program collected in excess 750 used chemical containers for reprocessing and the ChemCollect program collected approximately 150 litres of unwanted farm chemicals.

As well as the extensive range of monitoring, reporting and inspection activities listed above, the Council's Environmental Health Officer has been providing support on activities such as environmental monitoring of the cattle saleyards and investigations into a possible new rubbish tip site.

Statutory Reporting

Record Keeping

The Shire of Plantagenet is committed to the reliable and systematic management of records. The Shire submitted to State Records Commission the latest Record Keeping Plan in July 2007 laying out Policies and Procedures for its Record Keeping vision.

All elected members, staff and contractors are responsible for maintaining complete, accurate and reliable evidence of all business transactions and ensuring all corporate documents are retained within the Shire's official record keeping system (RMS) at the point of creation regardless of the format, in accordance with:

- State Records Act 2000;
- Evidence Act 1906;
- Acts Amendment (Evidence) Act 2000;
- Freedom of Information Act 1992;
- Local Government Act 1995 & associated regulations

All must abide by the recordkeeping requirements of the Shire as defined in the Recordkeeping Plan, which is a requirement of the State Records Act 2000.

The Shire's Record Keeping Plan provides for continuous education of all staff and elected members, to maintain a stable knowledge and base skills platform for the Electronic Record Keeping System, Record Keeping Plan and State Records requirements.

To maintain this base level of skills for all staff and elected members the Shire has implemented a number of training and evaluation systems including, monthly question and answer sessions, formal training on a six monthly basis and presentations to the Council covering topics such as:

- What is a Record;
- Penalties for non-compliance with the Record Keeping Plan;
- Record Keeping responsibilities; and
- Freedom of Information Act.

Evaluation of staff is conducted at induction stage for all new staff, to ascertain level of Records understanding, with follow-up three months later, ensuring that any issues are dealt with on the spot in the intervening period. Evaluation of this procedure is based on feedback from staff that undergo this process. Surveys have been conducted to ascertain the effectiveness of the Electronic Records Keeping System and understanding by staff of their responsibilities under the:

- State Records Act;
- Freedom of Information Act; and
- Evidence Act.

In conjunction with the preparation of the Records Keeping Plan, a self assessment was conducted of the Shire's record keeping systems. On the basis of the staff training, information sessions, publications and performance indicators in place, the Recordkeeping systems were assessed as being efficient and effective within the organization.

This report has been published in accordance with the State Records Act, 2000.

Statutory Reporting

Disability Services Plan

The Council endorsed the Shire's Disability Access and Inclusion Plan (DAIP) in July 2007 which was promptly followed by the adoption of a new Disability Access and Inclusion Policy.

The DAIP has provided the Council and staff with a series of key objectives which will ensure the progress of service for people with disabilities. A Shire Officer has been appointed the task of managing the Shire's Disability Access and Inclusion Plan to ensure progress towards the endorsed actions. Several actions have been completed, including a website upgrade and staff training.

Funding was sourced through WALGA to upgrade the Shire's website to provide information on disabled facilities throughout the district, expand the on-line business transaction opportunities and to ensure the website complied with software that enables sight disadvantaged people access to the information on a webpage. The upgrade is nearly complete and tests have shown it to be working effectively.

Shire staff recently completed a training course that provided them with skills for working with customers that have a disability. Following the course, changes have been implemented at various Council sites to ensure access to the same level of service for people with a disability.

National Competition Policy (NCP)

In April 1995, all Australian governments reached agreement on a National Competition Policy (NCP) for Australia. Three intergovernmental agreements underpin the NCP, being the Competition Principles Agreement (CPA), the Conduct Code Agreement and the Agreement to Implement the National Competition Policy and Related Reforms.

The CPA is binding on Local Government. This requires councils to carry out a number of procedures and include a report on the matter in each year's Annual Report. The three areas that affect local government are:

- Competitive Neutrality – To remove benefits (and costs) which accrue to government business as a result of their public ownership.
- Structural Reform – local government is required to reform the structure of publicly owned monopoly business where it is proposed to introduce competition.
- Legislation Review – To review legislation that restricts competition.

The Council has a limited number of local laws, which were reviewed in the 2007/08 financial year including a review of compliance with the reporting requirements. The Shire undertook all other relevant NCP checks required as part of its normal review processes.

Employee Remuneration

One Shire employee was entitled to an annual cash salary of \$100,000 or more, in the range of \$100,000 - \$119,999.

Plan for the Future

The Shire of Plantagenet's Plan for the Future was adopted by the Council on 1 July 2008 and was prepared pursuant to Section 5.56 of the Local Government Act 1995 which provides that:

'(1) A local government is to plan for the future of the district.'

Statutory Reporting

Further the Local Government (Administration) Regulations provide for, at 19C and 10D, among other things, that the Plan for the Future is to be adopted by the Council and that the electors and ratepayers of the district are consulted during the development of the plan. Once adopted, local public notice of the plan is to be given.

The Shire of Plantagenet's Plan for the Future has been shaped with reference to the Council's Community Needs Study undertaken in 2002 and the resulting Strategic Plan. Notification that a draft plan for the future was available for public input and that a public meeting was to be held on 20 May 2008 was given in the Plantagenet News dated Wednesday 30 April 2008, Wednesday 14 May 2008 and the Albany Advertiser dated 29 April 2008.

The plan covers the period 1 July 2008 to 30 June 2010 and addresses the objectives of the Council over that period and action plans to achieve those objectives. In planning for the future of the district there is a need to realistically examine the resources available and therefore, wherever specific funds have been allocated, this is cross-referenced to the appropriate budget program.

It is intended to review the plan annually on a rolling basis to ensure it remains current. This review will take place in conjunction with the Council's annual budget adoption process.

2008/09 Budget Initiatives

The major initiatives that are included in the 2008/09 budget are as follows:

- Construction of new \$1.2 million Plantagenet Medical Centre (Part grant funded).
- Construction of new \$480,000 Home and Community Care Facility (Part grant funded).
- Financial Assistance Grants to local groups \$116,462.
- Karriok Airstrip - Water Bomber Facilities \$10,590 (Part grant funded).
- New or refurbished FESA fire truck (Grant funded).
- Continuation of development of the extension to the Mount Barker cemetery \$50,000.
- Road construction program totalling \$3.52 million.
- Investigation and testing of potential new tip sites \$25,000.
- Continuation of Mount Barker Recreation Centre gym equipment renewal program \$12,650.
- Wilson Park/Centenary Park Redevelopment (Toilets) \$100,000 (Part grant funded).
- Mitchell House - Replace Craft Room Roof.
- Playground Equipment \$15,000.
- Installation of Communication Tower - Mount Barrow \$50,000.
- Shire wide Recreation Feasibility Study \$10,000.
- Demolition of Sounness Park Change Rooms \$45,000.

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 Council and to enable the public to ensure that personal information in documents is accurate, complete, up to date and not misleading.

During the 2007/08 year, no FOI applications were received.

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%
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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.

Freedom of Information

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 Council 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.

Information Statement

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.'*

Vision and Mission Statements

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.

Public Participation on Council Committees

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

Townscape Review Steering 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 council representatives, one staff representative and four 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 Council on 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.

Information Statement

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.

Roadwise Committee

This committee has been created to provide a structured forum for stakeholders to consider and discuss road safety issues and discuss and make recommendation regarding the identification and appropriate counter measures to negative attitudinal, behavioural and environment factors lined to enforcement, engineering, education, encouragement and evaluation of road safety initiatives.

Kamballup Hall Management Committee

The daily operations of the Kamballup Hall are overseen by a management committee. The Committee consists of one Council representative and four 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 Council representative and four 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 Council representative and four 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;
- (aa) regulations prescribing rules of conduct of the Council;
- (ab) register of complaints;
- (b) register of financial interests;
- (c) annual report;
- (d) annual budget;
- (e) schedule of fees and charges;
- (f) plan for the future of the district;
- (g) proposed local law of which the local government has given state wide 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;

Information Statement

- (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 state wide 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 the 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 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.

Information Statement

Federal & State Acts

Aboriginal Heritage Act 1972
Archives Act 1983 (Federal)
Bush Fires Act 1954
Caravan Parks & Camping Grounds Act 1995
Children and Community Services Act 2004
Commonwealth Places (Administration of Laws) Act 1970
Control Of Vehicles (Off-Road Areas) Act 1978
Corruption and Crime Commission Act 2003
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
Gaming and Wagering Act 1987
Industrial Relations Act 1979
Interpretation Act 1984
Land Administration Act 1997
Library Board Of Western Australia Act 1951
Liquor Licensing Act 1988
Litter Act 1979
Local Government (Miscellaneous Provisions) Act 1960
Local Government Act 1995
Local Government Grants 1978
Long Service Leave Act 1958
Main Roads Act 1930
Minimum Conditions of Employment Act 1993
Native Title (State Provisions) Act 1999
Occupational Safety and Health Act 1984
Parks & Reserves Act 1895
Planning & Development Act 2005
Property Law Act 1969
Public Interest Disclosure Act 2003
Public Works Act 1902
Rates & Charges (Rebates & Deferments) Act 1992
Residential Tenancies Act 1987
Road Traffic Act 1974
Sex Discrimination Act 1984 (Federal)
State Administrative Tribunal Act 2004
State Records Act 2000

Information Statement

State Superannuation Act 2000
Strata Titles Act 1985
The Criminal Code
Transfer Of Land Act 1893
Workers' Compensation & Injury Management Act 1981
Workplace Relations Act 1996 (Federal)

Federal & State Regulations

Aboriginal Heritage Regulations 1974
Building Regulations 1989
Caravan Parks & Camping Grounds Regulations 1997
Children And Community Services Regulations 2006
Children And Community Services (Child Care) Regulations 2006
Children And Community Services (Family Day Care) Regulations 2006
Children And Community Services (Outside School Hours Care) Regulations 2006
Children And Community Services (Outside School Hours Family Day Care) Regulations 2006
Dividing Fences Regulations 1971
Dog Regulations 1976
Environmental Protection (Noise) Regulations 1997
Equal Opportunity Regulations 1986
Fair Trading (Retirement Villages Code) Regulations 1993
Fire & Emergency Services Authority of WA Regulations 1998
Freedom Of Information Regulations 1993
Health Act (Carbon Monoxide) Regulations 1975
Health Act (Laundries And Bathrooms) Regulations 1971
Health Act (Underground Water Supply) Regulations 1959
Health Laboratory Service (Fees) Regulations
Health Services (Quality Improvement) Regulations 1995
Health (Air-Handling And Water Systems) Regulations 1994
Health (Anz Food Standards Code Adoption) Regulations 2001
Health (Asbestos) Regulations 1992
Health (Cloth Materials) Regulations 1985
Health (Construction Work) Regulations 1973
Health (Food Hygiene) Regulations 1993
Health (Food Standards) (Administration) Regulations 1986
Health (Garden Soil) Regulations 1998
Health (Immunisation By Local Governments) Regulations 2000
Health (Meat Hygiene) Regulations 2001
Health (Offensive Trades Fees) Regulations 1976
Health (Pesticides) Regulations 1956
Health (Pet Meat) Regulations 1990
Health (Poultry Manure) Regulations 2001
Health (Public Buildings) Regulations 1992
Health (Skin Penetration Procedure) Regulations 1998
Health (Swimming Pools) Regulations 1964
Health (Temporary Sanitary Conveniences) Regulations 1997
Health (Treatment Of Sewage And Disposal Of Effluent And Liquid Waste) Regulations 1974
Litter Regulations 1981

Information Statement

Local Government (Administration) Regulations 1996
Local Government (Amendment Of Part Via - Employee Superannuation) Regulations 2006
Local Government (Audit) Regulations 1996
Local Government (Constitution) Regulations 1998
Local Government (Elections) Regulations 1997
Local Government (Financial Management) Regulations 1996
Local Government (Functions And General) Regulations 1996
Local Government (Long Service Leave) Regulations 1977
Local Government (Parking For Disabled Persons) Regulations 1988
Local Government (Prohibition On Dealings In Land) Regulations 1973
Local Government (Qualification Of Municipal Officers) Regulations 1984
Local Government (Uniform Local Provisions) Regulations 1996
Occupational Safety and Health Regulations 1996
State Administrative Tribunal Regulations 2004
State Administrative Tribunal Rules 2004
State Administrative Tribunal Amendment Regulations 2007
Town Planning And Development (Easement) Regulations 1983
Town Planning And Development (Ministerial Determinations) Regulations 2003
Town Planning And Development (Subdivisions) Regulations 2000
Town Planning Regulations 1967
Town Planning (Local Government Planning Fees) Regulations 2000

Australian and International Standards

AS 4390.4 – Records Management - Control
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 – Financial Reporting by Local Government
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

Information Statement

Plans, Programs & Guides

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

Codes

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

Bushfire Brigades
Cemeteries
Dogs
Extractive Industries
Health
Landfill and Transfer Station Facilities
Parking & Parking Facilities
Standing Orders
Thoroughfares and Public Places and Trading
Property
Pest Plants



Financial Report
For The Year Ended 30 June 2008

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Shire of Plantagenet
Financial Report
For The Year Ended 30 June 2008

Local Government Act 1995
Local Government (Financial Management) Regulations 1996

Statement By Chief Executive Officer

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

Signed on the 10th day of November 2008.



Rob Stewart
Chief Executive Officer

Shire Of Plantagenet
Income Statement
By Nature Or Type
For The Year Ended 30 June 2008

	Note	2008 \$	2008 Budget \$	2007 \$
Revenues From Ordinary Activities				
Rates	22	3,620,848	3,617,790	3,414,874
Operating Grants & Subsidies	28	1,719,592	1,779,961	1,406,223
Contributions, Reimbursements & Donations		460,315	236,578	431,962
Service Charges	24	0	0	0
Fees & Charges	27	2,071,084	1,450,792	1,802,005
Interest Earnings	2(a)	261,632	194,441	237,704
Other Revenue		23,482	856,184	369,696
		<u>8,156,953</u>	<u>8,135,746</u>	<u>7,662,464</u>
Expenses From Ordinary Activities				
Employee Costs		(3,559,718)	(2,874,005)	(3,530,793)
Materials & Contracts		(1,477,978)	(1,701,033)	(2,061,211)
Utilities		(165,009)	(158,887)	(61,080)
Depreciation	2(a)	(2,415,961)	(2,884,567)	(2,465,581)
Interest Expenses	2(a)	(303,839)	(312,887)	(323,004)
Insurance		(163,492)	(286,169)	(160,947)
Other Expenditure		(393,512)	(9,653)	(12,071)
		<u>(8,479,509)</u>	<u>(8,227,201)</u>	<u>(8,614,687)</u>
		(322,556)	(91,455)	(952,223)
Non-Operating Grants, Subsidies & Contributions				
	28	2,203,764	2,617,643	1,239,889
Profit On Asset Disposals	20	406,308	622,560	416,544
Loss On Asset Disposals	20	<u>(15,033)</u>	<u>(104,481)</u>	<u>(207,446)</u>
Net Result		<u><u>2,272,483</u></u>	<u><u>3,044,267</u></u>	<u><u>496,764</u></u>

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

Shire Of Plantagenet
Income Statement
By Program
For The Year Ended 30 June 2008

	Note	2008 \$	2008 Budget \$	2007 \$
Revenues From Ordinary Activities				
Governance		115,704	93,241	339,960
General Purpose Funding		5,078,406	4,984,221	4,828,433
Law, Order, Public Safety		463,437	707,429	454,708
Health		389,302	795,967	37,792
Education & Welfare		293,411	282,783	287,711
Community Amenities		508,913	458,130	636,094
Recreation & Culture		144,316	143,306	156,045
Transport		2,140,517	2,682,264	1,012,138
Economic Services		998,945	789,793	982,287
Other Property & Services		<u>634,074</u>	<u>438,815</u>	<u>583,729</u>
2(a)		10,767,025	11,375,949	9,318,897
Expenses From Ordinary Activities				
Excluding Borrowing Costs Expense				
Governance		(587,072)	(612,793)	(592,557)
General Purpose Funding		(323,437)	(252,097)	(254,983)
Law, Order, Public Safety		(383,017)	(517,429)	(405,489)
Health		(134,028)	(150,189)	(123,897)
Education & Welfare		(356,938)	(333,911)	(339,284)
Community Amenities		(1,030,667)	(788,884)	(783,502)
Recreation & Culture		(1,067,834)	(1,121,982)	(1,122,862)
Transport		(2,801,444)	(3,048,338)	(2,771,847)
Economic Services		(1,171,274)	(1,021,698)	(1,000,838)
Other Property & Services		<u>(334,991)</u>	<u>(171,474)</u>	<u>(1,103,870)</u>
2(a)		(8,190,702)	(8,018,795)	(8,499,129)
Borrowing Costs Expense				
Governance		(148,155)	(147,061)	(151,698)
Education & Welfare		(379)	(387)	(483)
Recreation & Culture		(445)	(452)	(522)
Economic Services		<u>(154,861)</u>	<u>(164,987)</u>	<u>(170,301)</u>
2(a)		(303,840)	(312,887)	(323,004)
Net Result		<u><u>2,272,483</u></u>	<u><u>3,044,267</u></u>	<u><u>496,764</u></u>

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

**Shire Of Plantagenet
Balance Sheet
As At 30 June 2008**

	Note	2008 \$	2007 \$
Current Assets			
Cash & Cash Equivalents	3	2,000,254	1,886,475
Trade & Other Receivables	4(a)	741,817	854,770
Inventories	5	46,909	51,948
Total Non Current Assets		<u>2,788,980</u>	<u>2,793,193</u>
Non-Current Assets			
Other Receivables	4(a)	37,938	48,284
Investment	4(b)	4,692	4,692
Property, Plant & Equipment	6	12,914,350	13,005,547
Infrastructure	7	44,584,451	42,480,499
Total Non-Current Assets		<u>57,541,431</u>	<u>55,539,022</u>
Total Assets		<u>60,330,411</u>	<u>58,332,215</u>
Current Liabilities			
Trade & Other Payables	8	291,976	473,001
Current Portion of Long Term Borrowings	9	216,994	203,920
Provisions	10	492,315	419,697
Total Current Liabilities		<u>1,001,285</u>	<u>1,096,618</u>
Non-Current Liabilities			
Long Term Borrowings	9	4,667,618	4,884,612
Provisions	10	108,443	70,403
Total Non-Current Liabilities		<u>4,776,061</u>	<u>4,955,015</u>
Total Liabilities		<u>5,777,346</u>	<u>6,051,633</u>
Net Assets		<u>54,553,065</u>	<u>52,280,582</u>
Equity			
Retained Surplus		53,992,468	51,214,202
Reserves - Cash Backed	11	481,397	987,180
Reserves - Asset Revaluation	12	79,200	79,200
Total Equity		<u>54,553,065</u>	<u>52,280,582</u>

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

**Shire Of Plantagenet
Statement Of Changes In Equity
For The Year Ended 30 June 2008**

	Note	2008 \$	2007 \$
Retained Surplus			
Balance As At 1 July 2007		51,214,202	50,620,844
Correction of Errors	35	<u>0</u>	<u>30,837</u>
Restated Balance		51,214,202	50,651,681
Net Result		2,272,483	496,764
Transfer From / (To) Reserves		505,783	65,757
Balance As At 30 June 2008		<u>53,992,468</u>	<u>51,214,202</u>
Reserves - Cash Backed			
Balance As At 1 July 2007		987,180	1,052,937
Amount Transferred (To) / From Retained Surplus		(505,783)	(65,757)
Balance As At 30 June 2008	11	<u>481,397</u>	<u>987,180</u>
Reserves - Asset Revaluation			
Balance As At 1 July 2007		79,200	79,200
Revaluation Increment		0	0
Revaluation Decrement		<u>0</u>	<u>0</u>
Balance As At 30 June 2008	12	<u>79,200</u>	<u>79,200</u>
Total Equity		<u>54,553,065</u>	<u>52,280,582</u>

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

**Shire of Plantagenet
Cash Flow Statement
For The Year Ended 30 June 2008**

	Note	2008 \$	2008 Budget \$	2007 \$
Cash Flows From Operating Activities				
Receipts				
Rates		3,668,495	3,676,941	3,441,213
Operating Grants & Subsidies		1,753,765	1,229,661	1,971,473
Contributions, Reimbursements & Donations		437,968	236,578	431,962
Fees & Charges		2,034,000	1,442,142	1,911,742
Interest Earnings		261,632	143,941	237,704
Goods & Services Tax		565,593	567,326	561,955
Other		24,245	1,156,184	369,696
		<u>8,745,698</u>	<u>8,452,773</u>	<u>8,925,745</u>
Payments				
Employee Costs		(3,418,481)	(2,874,005)	(3,417,938)
Materials & Contracts		(1,686,637)	(1,708,325)	(2,375,345)
Utilities (gas, electricity, water etc)		(164,999)	(158,887)	(61,080)
Insurance		(163,492)	(286,169)	(160,947)
Interest		(306,910)	(312,887)	(327,137)
Goods & Services Tax		(545,525)	(567,326)	(566,903)
Other		(388,354)	(9,652)	(12,071)
		<u>(6,674,398)</u>	<u>(5,917,251)</u>	<u>(6,921,421)</u>
Net Cash Provided By (Used In)				
Operating Activities	13(b)	<u>2,071,300</u>	<u>2,535,522</u>	<u>2,004,324</u>
Cash Flows from Investing Activities				
Purch of Property, Plant & Equipment		(1,230,379)	(3,315,248)	(2,138,849)
Construction Of Infrastructure		(3,709,503)	(5,144,535)	(2,385,080)
Non-operating Grants, Subsidies & Contributions		2,280,877	3,315,436	1,239,889
Proceeds From Sale of Plant & Equipment		902,443	1,372,590	843,207
		<u>902,443</u>	<u>1,372,590</u>	<u>843,207</u>
Net Cash Provided By (Used In)				
Investing Activities		(1,756,562)	(3,771,757)	(2,440,833)
Cash Flows From Financing Activities				
Repayment Of Debentures		(203,920)	(203,920)	(226,639)
Proceeds From Self Supporting Loans		2,961	1,284	38,549
Proceeds From New Debentures		0	200,000	0
		<u>0</u>	<u>200,000</u>	<u>0</u>
Net Cash Provided By (Used In)				
Financing Activities		(200,959)	(2,636)	(188,090)
Net Increase (Decrease) in Cash Held				
Cash At Beginning of Year		1,886,475	1,566,844	2,511,073
Cash & Cash Equivalents				
At The End Of The Year	13(a)	<u>2,000,254</u>	<u>327,974</u>	<u>1,886,475</u>

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

**Shire Of Plantagenet
Rate Setting Statement
For The Year Ended 30 June 2008**

	Note	2008 \$	2008 Budget \$
Revenues			
Governance		115,704	93,241
General Purpose Funding		1,457,558	1,366,431
Law, Order, Public Safety		463,437	707,429
Health		389,302	795,967
Education & Welfare		293,411	282,783
Community Amenities		508,913	458,130
Recreation & Culture		144,316	143,306
Transport		2,140,517	2,682,264
Economic Services		998,945	789,793
Other Property & Services		634,074	438,815
		7,146,177	7,758,159
Expenses			
Governance		(735,227)	(759,854)
General Purpose Funding		(323,437)	(252,097)
Law, Order, Public Safety		(383,017)	(517,429)
Health		(134,028)	(150,189)
Education & Welfare		(357,317)	(334,298)
Community Amenities		(1,030,667)	(788,884)
Recreation & Culture		(1,068,279)	(1,122,434)
Transport		(2,801,444)	(3,048,338)
Economic Services		(1,326,135)	(1,186,685)
Other Property & Services		(334,991)	(171,474)
		(8,494,542)	(8,331,682)
Adjustments for Cash Budget Requirements:			
Non-Cash Expenditure and Revenue			
(Profit) / Loss On Asset Disposals		(391,275)	(518,079)
Movement In Employee Benefit Provisions		110,658	0
Depreciation & Amortisation On Assets		2,415,961	2,786,125
Capital Expenditure & Revenue			
Purchase Land & Buildings		(388,878)	(2,148,257)
Purchase Infrastructure Assets		(3,709,503)	(5,144,535)
Purchase Plant & Equipment		(687,628)	(1,569,035)
Purchase Furniture & Equipment		(153,875)	(148,255)
Proceeds From Disposal of Assets		902,443	1,345,664
Repayment Of Debentures		(203,920)	(203,920)
Proceeds From New Debentures		0	200,000
Self-Supporting Loan Principal Income		2,960	1,284
Transfer To Unspent Grants		(574,024)	0
Transfer From Unspent Loan		32,221	279,807
Transfer From Restricted Funds		177,632	295,293
Transfers To Reserves		(284,886)	(585,559)
Transfers From Reserves		790,669	1,805,955
Add Actual Surplus / (Deficit) July 1 B/Fwd		273,757	559,245
Less Actual Surplus / (Deficit) June 30 C/Fwd		584,795	0
Amount Required To Be Raised From Rates	22	(3,620,848)	(3,617,790)

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 30 June 2008

1. Significant Accounting Policies

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

(a) Basis Of Preparation

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

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

Critical Accounting Estimates

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

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

(b) The Local Government Reporting Entity

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

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those moneys appears at Note 19 to this financial report.

(c) Goods & Services Tax (GST)

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

(d) Cash & Cash Equivalents

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

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

(e) Trade & Other Receivables

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

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(f) Inventories

General

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

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

Land Held for Resale

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

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

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

(g) Fixed Assets

Initial Recognition

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

Revaluation

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

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

Land under Roads

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(h) Depreciation Of Non-Current Assets

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

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

Buildings	50 to 100 years
Furniture & Equipment	5 to 10 years
Plant & Equipment	5 to 15 years
Sealed Roads & Streets	
Clearing & Earthworks	not depreciated
Construction / Road Base	50 years
Original Surfacing & Major Re-Surfacing	
- Bituminous Seals	20 years
Gravel Roads	
Clearing & Earthworks	not depreciated
Construction / Road Base	50 years
Gravel Sheet	12 years
Formed Roads (Unsealed)	
Clearing & Earthworks	not depreciated
Construction / Road Base	50 years
Footpaths - Slab	40 years

(i) Investments & Other Financial Assets

Classification

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

(i) Financial Assets At Fair Value Through Profit & Loss

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

(ii) Loans & Receivables

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(i) Investments & Other Financial Assets (Continued)

(iii) Held-To-Maturity Investments

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

(iv) Available-For-Sale Financial Assets

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

Recognition & Derecognition

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

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

Subsequent Measurement

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

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

Impairment

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(j) Estimation of Fair Value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

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

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

(k) Impairment

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

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

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

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

(l) Trade and Other Payables

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(m) Employee Benefits

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

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

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

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

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

(n) Interest-Bearing Loans & Borrowings

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

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

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

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

(o) Provisions

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

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(p) Leases

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

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

(q) Joint Venture

The local government's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the Balance Sheet and Income Statement. Information about the joint venture is set out in Note 16.

(r) Rates, Grants, Donations & 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 as disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

(s) Superannuation

The Shire of Plantagenet contributes the 9% super guarantee to each employee's chosen fund as per the change in legislation that occurred on 1 July 2006. The only exception to this is state and federal funds which do not allow non-employees to contribute.

Any employees who take advantage of the Council's 3% co-contribution must have this portion of the funds contributed to the WA Local Government Superannuation Plan.

All funds that the Shire contributes to are defined contribution schemes.

(t) Rounding Off Figures

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(u) Comparative Figures

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

(v) Current & Non-Current Classification

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(w) New Accounting Standards and Interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2008. The Council's assessment of these new standards and interpretations is set out below:

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(w) New Accounting Standards and Interpretations (Continued)

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

1. Significant Accounting Policies (Continued)

(w) New Accounting Standards and Interpretations (Continued)

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

Notes:

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

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

2. Revenues & Expenses	Note	2008 \$	2007 \$
(a) Result From Ordinary Activities			
The Result From Ordinary Activities includes:			
(i) Charging As An Expense:			
Amortisation			
Capitalised Leased Assets (Mt Barker Recreation Centre)	6	63,708	60,380
Auditors Remuneration			
- Audit		15,450	15,192
- Other Services		9,550	7,050
Depreciation			
Buildings	6	275,284	284,624
Furniture and Equipment	6	95,935	53,766
Plant and Equipment	6	439,191	569,873
Infrastructure	7	1,541,843	1,496,938
		<u>2,352,253</u>	<u>2,405,201</u>
Interest Expenses			
Debentures		303,839	323,004
		<u>303,839</u>	<u>323,004</u>
Rental Charges			
- Operating Leases		15,862	18,289
		<u>15,862</u>	<u>18,289</u>
(ii) Crediting as Revenue:			
	2008	2008	2007
	\$	Budget	\$
		\$	
Interest Earnings			
Investments			
- Reserve Funds	66,577	53,941	73,474
- Other Funds	159,869	90,000	121,907
Other Interest Revenue	35,186	50,500	42,323
	<u>261,632</u>	<u>194,441</u>	<u>237,704</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

2. Revenues & Expenses (Continued)

(b) 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 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 & 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 & 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).

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

2. Revenues & Expenses (Continued)

(b) Statement of Objective (Continued)

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 & Services

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

(c) Conditions Over Contributions

Grants recognised as revenues in a previous reporting period which were not expended at the close of the previous reporting period ie: opening balances.	2008 \$	2007 \$
Roads to Recovery (Supp Pmt) - (restricted - municipal)	339,179	359,179
TIRES - Spencer Road (held in Roadworks reserve)	530,162	422,403
Council Funded Flood Damage from 05-06	41,421	0
RRG Spencer Road Land Acquisition	5,282	0
Safety Lighting Study - Wilson Park	4,500	0
Community Safety and Crime Prevention Grant	10,000	0
Great Southern Development Comm. - Snapshot Profile	<u>5,000</u>	<u>0</u>
	935,544	781,582
Add:		
New grants which were recognised as revenues during the reporting period and which had not yet been fully expended by the contributor.		
TIRES - Spencer Road (held in Roadworks reserve)	0	107,759
Council Funded Flood Damage from 05-06	0	5,282
RRG Spencer Road Land Acquisition	0	41,421
Safety Lighting Study - Wilson Park	0	4,500
Community Safety and Crime Prevention Grant	0	10,000
Great Southern Development Comm. - Snapshot Profile	0	5,000
TIRES - Spencer Road (held in restricted funds)	800,000	0
RTR - Barrow Road	60,000	0
RRG - Porongurup Road (SLK 12 to SLK 15)	101,333	0
RRG - Woogenellup Road (Floodway)	74,461	0
RRG - Carbarup Road - Rail Crossing	41,880	0
Zero Waste Grant	6,000	0
Community Risk Assessment Program	7,865	0
Disability and Inclusion Plan	12,519	0

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

2. Revenues & Expenses (Continued)

(c) Conditions Over Contributions (Continued)	2008	2007
	\$	\$
Less:		
Grants which were recognised as revenues in a previous reporting period and which were expended in the current reporting period in the manner specified by the contributor.		
Roads to Recovery (Supp Pmt) - (restricted - municipal)	(339,179)	0
TIRES - Spencer Road (held in restricted funds)	(600,267)	0
RTR - Barrow Road	(4,370)	0
RRG - Mount Barker-Porongurup Road (SLK 12 to SLK 15)	(48,821)	(20,000)
RRG - Woogenellup Road (Floodway)	(5,800)	0
RRG - Carbarup Road - Rail Crossing	(33,152)	0
Council Funded Flood Damage from 05-06	(41,421)	0
RRG Spencer Road Land Acquisition	(5,282)	0
Safety Lighting Study - Wilson Park	(4,500)	0
Community Safety and Crime Prevention Grant	(6,500)	0
Community Risk Assessment Program	(6,073)	0
Disability and Inclusion Plan Support Grant	(6,534)	0
Great Southern Development Comm. - Snapshot Profile	(5,000)	0
Closing balances of unexpended grants	<u>932,703</u>	<u>935,544</u>
Comprises:		
Roads to Recovery (Supp Pmt) - (restricted - municipal)	0	339,179
TIRES - Spencer Road (held in restricted funds)	729,895	530,162
Council Funded Flood Damage from 05-06	0	41,421
RRG Spencer Road Land Acquisition	0	5,282
Safety Lighting Study - Wilson Park	0	4,500
Community Safety and Crime Prevention Grant	3,500	10,000
Great Southern Development Comm. - Snapshot Profile	0	5,000
RTR - Barrow Road	55,630	0
RRG - Porongurup Road (SLK 12 to SLK 15)	52,512	0
RRG - Woogenellup Road (Floodway)	68,661	0
RRG - Carbarup Road - Rail Crossing	8,728	0
Zero Waste Grant	6,000	0
Community Risk Assessment Program	1,792	0
Disability and Inclusion Plan	5,985	0
	<u>932,703</u>	<u>935,544</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

	2008	2007
	\$	\$
3. Cash & Cash Equivalents		
Municipal - Cash on Hand - Unrestricted	3,600	2,900
Municipal - Cash at Bank - Unrestricted	57,237	(197,454)
Municipal - Cash at Bank - Restricted	1,458,020	1,093,849
Reserves - Restricted	481,397	987,180
	<u>2,000,254</u>	<u>1,886,475</u>

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

Reserve Funds

Employee Leave Reserve	0	7,622
Plant Replacement Reserve	78,879	73,329
Town Drainage Reserve	71,599	85,269
Great Southern Regional Saleyards Reserve	0	37,417
Land Rehabilitation Reserve	68,641	99,338
Kendenup Hall & Grounds Reserve	1,769	1,645
Waste Management Reserve	6,502	45,008
Recreation Reserve	28,448	26,446
Electronic Equipment Reserve	0	9,582
Roadworks Carried Forward Reserve	0	576,865
Kendenup Townsite Development Study Reserve	4,308	21,283
Cemetery Reserve	0	3,376
Outstanding Land Resumptions Reserve	10,204	0
Shire Development Reserve	211,048	0
	<u>481,397</u>	<u>987,180</u>

Restricted Funds

Others (Restricted)	289,730	467,362
Unspent Grants (Restricted)	932,703	358,679
Unspent Loans (Restricted)	235,587	267,808
	<u>1,458,020</u>	<u>1,093,849</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

4(a). Trade & Other Receivables	2008 \$	2007 \$
Current		
Rates Outstanding	246,132	283,970
Sundry Debtors	478,490	558,599
Other Receivables	5,497	15,776
GST Receivable	39,802	59,870
Loans - Clubs / Institutions	3,156	2,961
Provision For Doubtful Debts	<u>(31,259)</u>	<u>(66,406)</u>
	<u><u>741,817</u></u>	<u><u>854,770</u></u>
Non-Current		
Rates Outstanding - Pensioners	30,366	37,556
Loans - Clubs / Institutions	<u>7,572</u>	<u>10,728</u>
	<u><u>37,938</u></u>	<u><u>48,284</u></u>
4(b). Investment		
Non-current		
Available-for-Sale Financial Assets - at Cost		
- Shareholding of 8,099 Mount Barker Co-operative shares	<u>4,692</u>	<u>4,692</u>
	<u><u>4,692</u></u>	<u><u>4,692</u></u>
<p>The fair value of this investment cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, it is reflected at cost.</p>		
5. Inventories		
Current		
Fuel and Materials	<u>46,909</u>	<u>51,948</u>
	<u><u>46,909</u></u>	<u><u>51,948</u></u>
6. Property, Plant & Equipment		
Land & Buildings - Cost	11,257,811	11,464,970
Less Accumulated Depreciation	<u>(2,071,305)</u>	<u>(1,866,339)</u>
	9,186,506	9,598,631
Land & Buildings - Work in Progress	180,564	0
Less Accumulated Depreciation	<u>0</u>	<u>0</u>
	180,564	0
Furniture & Equipment - Cost	815,289	663,464
Less Accumulated Depreciation	<u>(472,617)</u>	<u>(377,502)</u>
	342,672	285,962
Plant & Equipment - Cost	6,428,586	6,054,455
Less Accumulated Depreciation	<u>(3,223,978)</u>	<u>(2,933,501)</u>
	3,204,608	3,120,954
	<u><u>12,914,350</u></u>	<u><u>13,005,547</u></u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

6. Property, Plant & Equipment (Continued)

Movements in Carrying Amounts

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

	Land & Buildings \$	Work In Progress (L & B) \$	Furniture & Equipment \$	Plant & Equipment \$	Total \$
Balance as at 1 July 2007	9,598,631	0	285,962	3,120,954	13,005,547
Additions	208,314	180,564	153,875	687,628	1,230,381
(Disposals)	(345,155)	0	(1,230)	(164,783)	(511,168)
Impairment - (losses)	0	0	0	0	0
- reversals	0	0	0	0	0
Depreciation (Expense)	(275,284)	0	(95,935)	(439,191)	(810,410)
Balance As At 30 June 2008	<u>9,186,506</u>	<u>180,564</u>	<u>342,672</u>	<u>3,204,608</u>	<u>12,914,350</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

7. Infrastructure	2008	2007
	\$	\$
Roads - Cost	80,527,877	77,862,658
Less Accumulated Depreciation	<u>(38,719,575)</u>	<u>(37,186,551)</u>
	41,808,302	40,676,107
Drains - Cost	1,065,539	336,137
Less Accumulated Depreciation	<u>(13,192)</u>	<u>(8,710)</u>
	1,052,347	327,427
Footpaths - Cost	436,841	173,528
Less Accumulated Depreciation	<u>(8,573)</u>	<u>(4,234)</u>
	428,268	169,294
Parks & Ovals - Cost	627,736	576,165
Less Accumulated Depreciation	<u>0</u>	<u>0</u>
	627,736	576,165
Recreation Facilities - Cost	1,274,168	1,274,168
Less Accumulated Amortisation	<u>(606,370)</u>	<u>(542,662)</u>
	667,798	731,506
	<u>44,584,451</u>	<u>42,480,499</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

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 \$	Footpaths \$	Drainage \$	Parks & Ovals \$	Recreation Facilities \$	Total \$
Balance as at 1 July 2007	40,676,107	169,294	327,427	576,165	731,506	42,480,499
Additions	2,665,218	263,312	729,402	51,571	0	3,709,503
(Disposals)	0	0	0	0	0	0
Impairment - (losses)	0	0	0	0	0	0
- reversals	0	0	0	0	0	0
Depreciation/Amortisation (Expense)	(1,533,023)	(4,338)	(4,482)	0	(63,708)	(1,605,551)
Balance as at 30 June 2008	<u>41,808,302</u>	<u>428,268</u>	<u>1,052,347</u>	<u>627,736</u>	<u>667,798</u>	<u>44,584,451</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

	2008	2007
	\$	\$
8. Trade & Other Payables		
Current		
Sundry Creditors	107,621	312,975
Other Creditors	75,575	62,777
ESL Liability	26,090	22,267
Accrued Interest on Debentures	44,718	47,789
Accrued Salaries and Wages	<u>37,971</u>	<u>27,193</u>
	<u><u>291,976</u></u>	<u><u>473,001</u></u>
9. Long-Term Borrowings		
Current		
Secured by Floating Charge Debentures	<u>216,994</u>	<u>203,920</u>
	<u><u>216,994</u></u>	<u><u>203,920</u></u>
Non-Current		
Secured by Floating Charge Debentures	<u>4,667,618</u>	<u>4,884,612</u>
	<u><u>4,667,618</u></u>	<u><u>4,884,612</u></u>
Additional detail on borrowings is provided in Note 21.		
10. Provisions		
Current		
Provision for Annual Leave	341,963	265,993
Provision for Long Service Leave	<u>150,352</u>	<u>153,704</u>
	<u><u>492,315</u></u>	<u><u>419,697</u></u>
Non-Current		
Provision for Long Service Leave	<u>108,443</u>	<u>70,403</u>
	<u><u>108,443</u></u>	<u><u>70,403</u></u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

	2008 \$	2008 Budget \$	2007 \$
11. Reserves - Cash Backed			
(a) Employee Leave Reserve			
Opening Balance	7,622	7,621	7,178
Amount Set Aside / Transfer to Reserve	413	302	444
Amount Used / Transfer from Reserve	<u>(8,035)</u>	<u>(7,923)</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>7,622</u>
(b) Plant Replacement Reserve			
Opening Balance	73,329	262,818	219,271
Amount Set Aside / Transfer to Reserve	5,550	310,428	13,547
Amount Used / Transfer from Reserve	<u>0</u>	<u>(354,320)</u>	<u>(159,489)</u>
	<u>78,879</u>	<u>218,926</u>	<u>73,329</u>
(c) Town Drainage Reserve			
Opening Balance	85,269	85,270	80,308
Amount Set Aside / Transfer to Reserve	6,453	3,383	4,961
Amount Used / Transfer from Reserve	<u>(20,123)</u>	<u>(25,000)</u>	<u>0</u>
	<u>71,599</u>	<u>63,653</u>	<u>85,269</u>
(d) Great Southern Regional Saleyards Reserve			
Opening Balance	37,417	37,417	35,240
Amount Set Aside / Transfer to Reserve	2,029	1,485	2,177
Amount Used / Transfer from Reserve	<u>(39,446)</u>	<u>(38,902)</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>37,417</u>
(e) Land Rehabilitation Reserve			
Opening Balance	99,338	99,338	93,558
Amount Set Aside / Transfer to Reserve	6,756	3,941	5,780
Amount Used / Transfer from Reserve	<u>(37,453)</u>	<u>(100,000)</u>	<u>0</u>
	<u>68,641</u>	<u>3,279</u>	<u>99,338</u>
(f) Kendenup Hall & Grounds Reserve			
Opening Balance	1,645	1,645	1,549
Amount Set Aside / Transfer to Reserve	124	65	96
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>1,769</u>	<u>1,710</u>	<u>1,645</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

	2008 \$	2008 Budget \$	2007 \$
11. Reserves - Cash Backed (Continued)			
(g) Lowood Road Upgrade Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>0</u>
(h) Waste Management Reserve			
Opening Balance	45,008	45,008	42,389
Amount Set Aside / Transfer to Reserve	2,758	1,786	2,619
Amount Used / Transfer from Reserve	<u>(41,264)</u>	<u>(46,794)</u>	<u>0</u>
	<u>6,502</u>	<u>0</u>	<u>45,008</u>
(i) Recreation Reserve			
Opening Balance	26,446	26,447	24,908
Amount Set Aside / Transfer to Reserve	2,002	1,049	1,538
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>28,448</u>	<u>27,496</u>	<u>26,446</u>
(j) Electronic Equipment Reserve			
Opening Balance	9,582	9,582	9,022
Amount Set Aside / Transfer to Reserve	520	380	560
Amount Used / Transfer from Reserve	<u>(10,102)</u>	<u>(9,962)</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>9,582</u>
(k) Roadworks Carried Forward Reserve			
Opening Balance	576,865	210,771	423,489
Amount Set Aside / Transfer to Reserve	35,607	8,362	153,376
Amount Used / Transfer from Reserve	<u>(612,472)</u>	<u>(219,133)</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>576,865</u>
(l) Kendenup Townsite Development Study Reserve			
Opening Balance	21,283	21,283	20,045
Amount Set Aside / Transfer to Reserve	1,240	844	1,238
Amount Used / Transfer from Reserve	<u>(18,215)</u>	<u>(18,215)</u>	<u>0</u>
	<u>4,308</u>	<u>3,912</u>	<u>21,283</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

	2008 \$	2008 Budget \$	2007 \$
11. Reserves - Cash Backed (Continued)			
(m) Cemetery Reserve			
Opening Balance	3,376	3,376	95,980
Amount Set Aside / Transfer to Reserve	183	134	5,930
Amount Used / Transfer from Reserve	<u>(3,559)</u>	<u>(3,510)</u>	<u>(98,534)</u>
	<u>0</u>	<u>0</u>	<u>3,376</u>
(n) TIRES Roadworks C/fwd Reserve			
Opening Balance	0	449,626	0
Amount Set Aside / Transfer to Reserve	0	17,839	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>(467,465)</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>0</u>
(o) Outstanding Land Resumptions Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	10,204	10,198	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>10,204</u>	<u>10,198</u>	<u>0</u>
(p) Shire Development Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	211,048	279,302	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>(155,552)</u>	<u>0</u>
	<u>211,048</u>	<u>123,750</u>	<u>0</u>
Total Cash Backed Reserves	<u>481,397</u>	<u>452,924</u>	<u>987,180</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

11. Reserves - Cash Backed (Continued)

All of the cash backed reserve accounts are supported by money held in Bendigo Bank and match the amounts shown as restricted reserves cash in Note 3 to this report.

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

Employee 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.

Great Southern Regional Saleyards Reserve

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

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.

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.

TIRES Roadworks C/Fwd Reserve

- reserved cash for the completion of TIRES funded roadworks.

Outstanding Land Resumptions Reserve

- to fund old / outstanding obligations for land resumptions associated with road realignments and the like

Shire Development Reserve

- to fund major projects and developments which the Council may decide to undertake from time to time

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

12. Reserves - Asset Revaluation		2008	2007
		\$	\$
Asset revaluation reserves have arisen on revaluation of the following classes of assets:			
Bushfire Equipment			
Balance as at 1 July 2007		79,200	79,200
Revaluation Increment		0	0
Revaluation Decrement		0	0
Balance as at 30 June 2008		<u>79,200</u>	<u>79,200</u>
Total Asset Revaluation Reserve		<u>79,200</u>	<u>79,200</u>

13. Notes To The Cash Flow Statement

(a) Reconciliation of Cash

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

	2008	2008	2007
	\$	Budget	\$
		\$	
Cash & Cash Equivalents	<u>2,000,254</u>	<u>327,974</u>	<u>1,886,475</u>

(b) Reconciliation of Net Cash Provided By

Operating Activities to Net Result

Net Result	2,272,483	3,044,267	496,764
Amortisation	63,708	60,186	60,380
Depreciation	2,352,253	2,725,939	2,423,040
Impairment (Loss) / Reversal	0	0	0
(Profit) / Loss on Sale of Asset	(391,275)	476,239	696,377
(Increase) / Decrease In Receivables	120,338	(518,076)	(209,098)
(Increase) / Decrease In Inventories	5,039	3,510	(2,862)
Increase / (Decrease) In Payables	(181,026)	58,893	(308,181)
Increase / (Decrease) In Employee Provisions	110,657	0	87,793
Grants / Contributions For The			
Development of Assets	<u>(2,280,877)</u>	<u>(3,315,436)</u>	<u>(1,239,889)</u>
Net Cash From Operating Activities	<u>2,071,300</u>	<u>2,535,522</u>	<u>2,004,324</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

13. Notes To The Cash Flow Statement (Continued)

(c) Undrawn Borrowing Facilities	2008	2007
	\$	\$
Credit Standby Arrangements		
Bank Overdraft limit	0	0
Bank Overdraft at Balance Date	0	0
Credit Card limit	10,000	15,000
Credit Card Balance at Balance Date	<u>(1,946)</u>	<u>(1,829)</u>
Total Amount of Credit Unused	<u>8,054</u>	<u>13,171</u>
Loan Facilities		
Loan Facilities - Current	216,994	203,920
Loan Facilities - Non-Current	<u>4,667,618</u>	<u>4,884,612</u>
Total Facilities in Use at Balance Date	<u>4,884,612</u>	<u>5,088,532</u>
Unused Loan Facilities at Balance Date	<u>235,587</u>	<u>267,808</u>

14. Contingent Liabilities

There were no known contingent liabilities at 30 June 2008.

15. Capital & Leasing Commitments

(a) Finance Lease Commitments

There are no outstanding finance lease commitments at 30 June 2008.

(b) Operating Lease Commitments

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

Payable:

	2008	2007
	\$	\$
- not later than one (1) year	15,860	9,890
- later than one (1) year but not later than five (5) years	<u>9,841</u>	<u>17,220</u>
	<u>25,701</u>	<u>27,110</u>

(c) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects (New HACC Building)	300,777	0
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Payable:

- not later than one year	300,777	0
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Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

16. Joint Venture

The Minister Of Education and the Shire of Plantagenet jointly funded the construction of the School and Community Recreation Centre during 1997 / 1998. The Recreation Centre was built on land vested in the Ministry of Education which has granted the Shire a twenty-one (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. The Council's share of these assets as follows:

	2008	2007
	\$	\$
Non-Current Assets		
Recreation Facilities - Cost	1,274,168	1,274,166
Less Accumulated Amortisation	<u>(606,370)</u>	<u>(542,661)</u>
	<u><u>667,798</u></u>	<u><u>731,505</u></u>

17. Total Assets Classified By Function & Activity

Governance	3,265,250	2,917,063
Law, Order, Public Safety	868,253	376,118
Health	21,014	60,203
Education and Welfare	94,018	260,598
Community Amenities	388,618	481,482
Recreation and Culture	2,268,427	2,602,880
Transport	43,288,916	41,469,992
Economic Services	3,510,692	3,732,374
Other Property and Services	3,536,724	3,422,808
Unallocated	<u>3,088,499</u>	<u>3,008,697</u>
	<u><u>60,330,411</u></u>	<u><u>58,332,215</u></u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

	2008	2007	2006
18. Financial Ratios			
Current Ratio	0.885	0.682	1.671
Untied Cash to Trade Creditors Ratio	0.565	0.009	0.536
Debt Ratio	0.096	0.104	0.112
Debt Service Ratio	0.061	0.069	0.067
Gross Debt to Revenue Ratio	0.584	0.644	0.809
Gross Debt to			
Economically Realisable Assets Ratio	0.310	0.321	0.326
Rate Coverage Ratio	0.340	0.372	0.335
Outstanding Rates Ratio	0.062	0.075	0.099

The above ratios are calculated as follows:

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

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-07	Amounts Received	Amounts Paid	Balance 30-Jun-08
	\$	\$	\$	\$
Feral Pig Eradication Committee	31,233	9,468	0	40,701
Middleward BFB Funds	9,283	0	365	8,918
Contribution - Public Open Space	0	191,492	0	191,492
Contribution - Roadworks	6,892	44,647	6,892	44,647
Bonds - Councillor Nominations	0	480	480	0
Bonds - Housing Relocation	48,500	10,000	10,000	48,500
Bonds - Extractive Industries	6,000	0	0	6,000
Bonds - Road Construction Guarantee	149,584	6,892	27,974	128,502
Bonds - Tree / Garden / Planting	0	11,072	0	11,072
Bonds - Subdivisional	105,607	52,307	90,662	67,252
Bonds - Parking	0	3,000	0	3,000
Bonds - Key & Hire	4,737	28,613	23,786	9,564
Social club (Office)	2,072	0	2,072	0
Great Southern Health	714	0	0	714
Payment in Advance - Rates	635	0	0	635
Sale of land due to non payment of rates	4,047	0	0	4,047
Tidy Towns Committee	1,167	0	0	1,167
Chillinup Landfill Lease Payment	20,250	0	20,250	0
Subdivision Lot 144 Warburton	4,111	0	4,111	0
Bushfire Relief Fund	417	0	417	0
PBRF	7,743	0	7,743	0
Unidentified Receipts	0	4,106	0	4,106
	<u>402,992</u>			<u>570,315</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

20. Disposals Of Assets - 2007 / 2008 Financial Year

The following assets were disposed of during the year:

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Governance						
Ford Fairmont (Pres) PL1	0	24,504	0	23,636	0	(868)
VW Golf (CEO) PL2	27,661	29,866	23,636	24,155	(4,025)	(5,711)
Holden Commodore (DCEO) PL10430	21,470	25,646	17,273	17,273	(4,197)	(8,373)
Toyota Hilux Dual Cab PL244	0	32,727	0	31,818	0	(909)
Law, Order and Public Safety						
Isuzu Fire Truck (Rocky Gully)	0	40,000	0	0	0	(40,000)
Toyota Hilux (Ranger) PL744	0	32,727	0	31,818	0	(909)
Toyota Hilux (Ranger) PL744	0	32,727	0	31,818	0	(909)
Health						
Toyota Ateva PL10440	19,947	21,308	20,000	16,236	53	(5,072)
Redman House	165,155	165,155	550,000	550,000	384,845	384,845
Community Amenities						
Ford Territory (Planning) PL10450	28,593	32,850	25,455	26,364	(3,139)	(6,486)
Ford Territory (Planning) PL10450	0	32,850	0	26,363	-	(6,487)
Recreation & Culture						
Gym / Sporting Equipment	1,230		382	0	(848)	0
Economic Services						
Toyota Ateva (Building) PL10460	16,600	20,261	16,818	18,000	218	(2,261)
Toyota Hilux (Saleyards) PL16	0	32,727	0	25,000	0	(7,727)
Transport						
Mount Barker Bypass Resumptions	180,000	0	180,000	180,000	0	180,000
Other Property & Services						
Ford Territory (Works Manager) PL10470	27,749	32,850	24,925	26,364	(2,824)	(6,486)
Toyota Hilux (Tech Officer) PL734	0	26,900	0	31,818	-	4,918
Toyota Hilux (Works Supervisor) PL777	0	32,727	0	31,818	-	(909)
Toyota Hilux (Works Supervisor) PL777	0	32,727	0	31,818	-	(909)
Toyota Hilux D/Cab (W/S Sup / Mechanic)	0	32,273	0	25,000	-	(7,273)
Toyota Hilux (Cleaner) PL1311	0	14,641	0	20,455	-	5,814
Toyota Hilux (Build Maint) PL531	0	17,625	0	20,455	-	2,830
Falcon Ute (Storeman) PL526	0	18,647	0	15,455	-	(3,192)
Bobcat Loader BC1 PL293	5,358	0	19,000	25,000	13,642	25,000
Hino 4x2 Truck PL199	0	22,716	0	33,000	-	10,284
Mitsubishi Truck PL1037	0	73,131	0	82,000	-	8,869
Isuzu Crew Cab PL9002	16,852	0	23,636	0	6,785	0
Plant - Minor	553	0	1,318	0	765	0
TOTAL	511,168	827,585	902,443	1,345,664	391,275	518,079

Shire of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

21. Information On Borrowings

(a) *Debenture Repayments*

Particulars	Principal 01-Jul-07 \$	New Loans \$	Principal Repayments		Principal 30-Jun-08		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Governance								
New Administration Centre (90)	2,547,314	0	83,169	78,532	2,464,145	2,468,782	148,155	153,334
Education & Welfare								
*Plantagenet Village Homes (85)	6,367	0	1,676	1,676	4,691	4,691	379	387
Recreation & Culture								
*Mount Barker Golf Club (86)	7,321	0	1,284	1,284	6,037	6,037	445	452
Economic Services								
Cattle Yards (83)	205,524	0	21,961	20,576	183,563	184,948	11,217	14,633
Cattle Yards (84)	1,092,472	0	57,224	53,440	1,035,248	1,039,032	67,852	78,842
Cattle Yards (89)	1,229,534	0	38,605	36,311	1,190,929	1,193,223	75,792	78,975
	5,088,532	0	203,920	191,819	4,884,612	4,896,713	303,839	326,623

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

(b) *New Debentures - 2007 / 2008*

No New Debentures Were Raised In The Current Financial Year

(c) *Unspent Debentures*

Particulars	Date Borrowed	Balance 1-Jul-07 \$	Borrowed During Year \$	Expended During Year \$	Balance 30-Jun-08 \$
Remedial Works Saleyards (89)	April 2005	267,808	0	(32,221)	235,587
		267,808	0	(32,221)	235,587

(d) *Overdraft*

The Council established an overdraft facility of \$500,000 in 2007/08 to assist with short term liquidity requirements. The balance of the bank overdraft at 30 June 2008 was \$0.00 (Nil).

Shire of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

22. Rating Information - 2007 / 2008 - 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	10.1050	771	5,836,135	584,603	3,529	0	588,132	579,143	7,000	0	586,143
GRV - Strata Title	10.1050	2	12,792	1,293	0	0	1,293	1,293	0	0	1,293
GRV - Rural Townsites	10.1050	140	950,270	83,644	11,323	0	94,967	84,253	4,000	0	88,253
GRV - Rural	10.1050	48	940,970	93,488	637	0	94,125	98,947	15,000	0	113,947
UV - Rural	0.8016	1,334	304,386,000	2,424,327	12,668	1,111	2,438,106	2,423,454	0	0	2,423,454
Sub-Totals		2,295	312,126,167	3,187,354	28,157	1,111	3,216,623	3,187,090	26,000	0	3,213,090
Minimum Rates	Minimum \$										
GRV - Mount Barker Townsite	475	178	449,109	84,550	0	0	84,550	83,600	0	0	83,600
GRV - Strata Title	475	89	133,500	42,275	0	0	42,275	42,275	0	0	42,275
GRV - Rural Townsites	475	379	424,523	180,025	0	0	180,025	180,975	0	0	180,975
GRV - Rural	475	26	92,355	12,350	0	0	12,350	12,350	0	0	12,350
UV - Rural	475	174	8,473,960	82,650	0	0	82,650	83,125	0	0	83,125
UV - Mining	475	5	69,061	2,375	0	0	2,375	2,375	0	0	2,375
Sub-Totals		851	9,642,508	404,225	0	0	404,225	404,700	0	0	404,700
Totals							3,620,848				3,617,790

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

23. Specified Area Rate - 2007 / 2008 Financial Year

There were no specified area rates levied in the 2007 / 2008 financial year.

24. Service Charges - 2007 / 2008 Financial Year

There were no service charges levied in the 2007 / 2008 financial year.

25. Discounts, Incentives, Concessions & Write-Offs - 2007 / 2008 Financial Year

	Type	Disc %	Total Cost / Value \$	Budget Cost / Value \$
Rate Assessment	Write-Off	N/A	1,726	0

Rates balances under \$5.00 are written off at the end of each year.

26. Interest Charges & Instalments - 2007 / 2008 Financial Year

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00	N/A	23,850	40,000
Interest on Instalments Plan	5.50	N/A	11,336	10,500
Charges on Instalment Plan	N/A	5.00	8,831	8,650
			44,017	59,150

Ratepayers had the option of paying rates in four equal instalments, due on 24 September 2007, 23 November 2007, 22 January 2008 and 22 March 2008. Administration charges and interest applied for the final three instalments.

27. Fees & Charges	2008 \$	2007 \$
Governance	7,384	6,761
General Purpose Funding	54,150	28,975
Law, Order, Public Safety	5,445	6,504
Health	4,294	6,488
Education & Welfare	86,363	63,278
Community Amenities	502,913	417,898
Recreation & Culture	133,614	123,760
Transport	0	66,450
Economic Services	752,352	418,657
Other Property & Services	524,569	663,234
	<u>2,071,084</u>	<u>1,802,005</u>

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

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

28. Grant Revenue	2008	2007
	\$	\$
By Nature & Type:		
Operating Grants, Subsidies and Contributions	1,719,592	1,406,223
Non-operating Grants, Subsidies and Contributions	<u>2,203,764</u>	<u>1,239,889</u>
	<u><u>3,923,356</u></u>	<u><u>2,646,112</u></u>
By Program:		
General Purpose Funding	1,140,747	1,126,466
Governance	21,425	9,607
Law, Order, Public Safety	455,718	403,372
Health	0	0
Education & Welfare	59,415	49,389
Community Amenities	6,000	0
Recreation and Culture	3,000	7,500
Transport	2,140,517	945,688
Economic Services	58,360	104,090
Other Property and Services	<u>38,174</u>	<u>0</u>
	<u><u>3,923,356</u></u>	<u><u>2,646,112</u></u>

29. Councillors' Remuneration	2008	2008	2007
	\$	Budget	\$
		\$	
The following fees, expenses and allowances were paid to Council members and / or the president.			
Conferences & Training	21,569	25,000	26,277
Councillors Incidental Expenses	6,357	8,000	4,480
Deputy President's Allowance	1,120	1,120	1,120
Elected Members - Sitting Fees	70,000	70,000	70,000
President's Allowance	4,480	4,480	7,854
Travelling Allowance	<u>13,870</u>	<u>20,000</u>	<u>0</u>
	<u><u>117,396</u></u>	<u><u>128,600</u></u>	<u><u>109,731</u></u>

30. Employees' Remuneration

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

Salary Range	2008	2007
\$	\$	\$
110,000 - 119,999	<u><u>1</u></u>	<u><u>1</u></u>

31. Employee Numbers

The number of full-time equivalent employees at balance date.

2008	2007
<u><u>56.5</u></u>	<u><u>55.4</u></u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

32. Major Land Transactions

The Council did not participate in any major land transactions during the 2007 / 2008 financial year.

33. Trading Undertakings & Major Trading Undertakings

The Great Southern Regional Cattle Saleyards	2008 \$	2008 Budget \$	2007 \$
Number of Cattle Sold	74,285	50,000	56,632
Operating Revenue			
Agent Contributions	78,943	60,000	62,245
Entry Fees	12,000	10,000	12,000
Saleyard Weigh & Pen Fees	485,236	400,000	365,599
Other Operating Income	3,476	15,000	76,384
Avdata Income	20,731	14,000	16,565
NLIS Tagging	12,547	0	0
Hay Feeding	11,396	0	0
Stock Removal	2,509	0	0
Sale of Manure	2,838	0	0
Yard Fees - Appraisal	6,989	0	0
Shippers / Private Weigh	5,640	0	0
Profit On Sale Of Assets	0	0	8,889
	<u>642,305</u>	<u>499,000</u>	<u>541,682</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

33. Trading Undertakings & Major Trading Undertakings (Continued)

The Great Southern Regional Cattle Saleyards	2008 \$	2008 Budget \$	2007 \$
Operating Expenditure			
Conferences & Training	711	2,800	375
Workers Compensation Insurance	4,179	5,478	0
Salaries / Management Contract	184,218	183,563	158,410
Superannuation	13,232	16,341	8,766
Uniforms, Clothing & Accessories	1,001	600	345
Travel & Accommodation	1,537	5,000	1,233
Telephone	2,464	1,000	0
Utilities	0	0	23,889
Computer Equipment Maintenance	6,461	7,100	6,214
Other Operating Costs	702	1,000	2,980
Insurances	16,523	15,000	0
Promotional Material & Public Relations	13,566	15,000	17,711
Water Monitoring	2,527	10,000	11,194
Licence Fees	1,269	1,875	1,076
Other Operating Costs	3,149	1,400	1,038
Feed Purchases	2,578	4,000	5,404
Tools & Sundry	746	1,500	0
NSQA Expenses	0	5,000	0
Survey of Groundwater Bores	0	1,000	0
Environmental Services	4,946	7,000	0
Admin Services Allocation	71,849	66,188	67,241
Depreciation - Furniture & Fittings	17,790	7,321	15,461
Depreciation - Land & Buildings	83,925	80,986	94,983
Depreciation - Plant, Machinery & Equip	10,723	10,135	10,959
Loss on Sale of Assets	0	7,727	0
Annual Leave Accrual	4,002	0	0
Long Service Leave Accrual	346	0	0
Building Maintenance	8,208	6,500	4,042
Building Operating	21,604	26,300	0
Grounds Maintenance	40,962	31,300	77,066
Motor Vehicle Allocations	10,558	15,000	19,130
Loan No. 83 - Saleyards	11,217	13,248	14,422
Loan No. 84 - Saleyards	67,852	75,057	77,706
Loan No. 89 - Saleyards	75,792	76,682	77,054
Total Operating Expenditure	684,637	701,101	696,699
Operating Profit / (Loss)	(42,332)	(202,101)	(155,017)

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

34. Financial Risk Management

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

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

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

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2008	2007	2008	2007
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	2,000,254	1,886,475	2,000,254	1,886,475
Receivables	784,447	907,746	784,447	907,746
Available for Sale Financial Assets (Shares)	4,692	4,692	4,692	4,692
	<u>2,789,393</u>	<u>2,798,913</u>	<u>2,789,393</u>	<u>2,798,913</u>
Financial Liabilities				
Payables	291,976	473,001	291,976	473,001
Borrowings	4,884,612	5,088,532	4,320,487	4,510,254
	<u>5,176,588</u>	<u>5,561,533</u>	<u>4,612,463</u>	<u>4,983,255</u>

Fair value is determined as follows:

* Cash and Cash Equivalents, Receivables, Payables - estimated to the carrying value which approximates net market value.

* Borrowings - estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

* Available For Sale Financial Assets - based on quoted market prices at the reporting date or independent valuation.

(a) Cash & Cash Equivalents
Available-for-sale financial assets

The Council's objective is to support the local community bank and achieve a moderate return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The Corporate Services Section manages the cash and investments portfolio with the assistance of Bendigo Bank advisors. The Council has an investment policy and the policy is subject to review by the Council.

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

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

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

The Council manages these risks by investing in low risk Bendigo Bank term deposits and NCD's. Bendigo Bank has a BBB+ credit rating, the highest for its size and traditionally has a conservative portfolio.

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

34. Financial Risk Management (Continued)

(a) Cash & Cash Equivalents (Continued)

Available-for-sale financial assets (Continued)

	30-Jun-08	30-Jun-07
	\$	\$
Impact of a 10% (*) movement in price of investments:		
- Equity	469	469
- Income Statement	469 (+)	469 (+)
Impact of a 1% (*) movement in interest rates on cash and investments:		
- Equity	27,307	30,257
- Income Statement	27,307	30,257

Notes:

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

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

(+) Maximum impact.

(b) Receivables

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

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

The level of outstanding receivables is monitored for acceptable collection performance. The Council makes suitable provision for doubtful receivables as required.

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

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

	30-Jun-08	30-Jun-07
Percentage of Rates and Annual Charges		
- Current	0.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of Other Receivables		
- Current	51.07%	88.13%
- Overdue	48.93%	11.87%

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

34. Financial Risk Management (Continued)

(c) Payables

Borrowings

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

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

	Due Within One (1) Year \$	Due Between One (1) & Five (5) Years \$	Due After Five (5) Years \$	Total Contractual Cash Flows \$	Carrying Values \$
<u>2008</u>					
Payables	291,976	0	0	291,976	291,976
Borrowings	518,443	2,066,878	5,078,482	7,663,803	4,884,612
	<u>810,419</u>	<u>2,066,878</u>	<u>5,078,482</u>	<u>7,955,779</u>	<u>5,176,588</u>
<u>2007</u>					
Payables	473,001	0	0	473,001	473,001
Borrowings	518,443	2,070,677	5,593,126	8,182,246	5,088,532
	<u>991,444</u>	<u>2,070,677</u>	<u>5,593,126</u>	<u>8,655,247</u>	<u>5,561,533</u>

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

34. Financial Risk Management (Continued)

(c) Borrowings (Continued)

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

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

	<1 Year \$	>1<2 Years \$	>2<3 Years \$	>3<4 Years \$	>4<5 Years \$	>5 Years \$	Total \$	Weighted Average Effective Interest Rate %
<u>Year Ended 30 June 2008</u>								
Borrowings								
Fixed Rate								
Debentures	0	0	4,691	6,036	0	4,873,885	4,884,612	6.19%
Weighted Average Effective Interest Rate			6.50%	6.45%		6.19%		
<u>Year Ended 30 June 2007</u>								
Borrowings								
Fixed Rate								
Debentures	0	0	0	6,368	7,321	5,074,844	5,088,533	6.20%
Weighted Average Effective Interest Rate				6.50%	6.45%	6.19%		

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

35. Comparative Figures

The 2007 comparative figures were changed for the following reasons:

Due to inaccuracies in the recording and transferring of annual leave entitlements from the previous finance software system to spreadsheet, resulting in an inadequate provision for annual leave in the 2006-2007 Annual Report. In addition the entire provision should have been current, rather than having a non-current element.

In addition, the Parks and Ovals sub-category of Infrastructure incorporates land components of parks, reserves and ovals. It has been determined that depreciation should therefore not apply the full amount of accumulated depreciation has been written back as at 30 June 2007.

This affected the 2007 comparatives as follows:

	<u>By</u> <u>\$</u>	<u>From</u> <u>\$</u>	<u>To</u> <u>\$</u>
Income Statement by Nature or Type:			
Increase Employee Cost Expenditure	118,997	3,411,796	3,530,793
Decrease Depreciation Expenditure	(17,838)	2,483,419	2,465,581
Increase Total Expenditure	118,997	8,495,690	8,614,687
Decrease Net Result	(101,159)	597,923	496,764
Income Statement by Program:			
Increase Governance Expenditure	38,169	554,388	592,557
Increase Law, Order, Public Safety Expenditure	2,509	402,980	405,489
Increase Health Expenditure	1,317	122,580	123,897
Increase Education & Welfare Expenditure	4,288	334,996	339,284
Increase Community Amenities Expenditure	3,219	780,283	783,502
Decrease Recreation & Culture Expenditure	(11,229)	1,134,091	1,122,862
Increase Economic Services Expenditure	16,485	984,353	1,000,838
Increase Other Property & Services Expenditure	46,401	1,057,469	1,103,870
Increase Total Expenditure	101,159	8,397,970	8,499,129
Decrease Net Result	(101,159)	597,923	496,764
Balance Sheet:			
Increased Non-current Assets - Infrastructure	48,675	42,431,824	42,480,499
Increased Total Non-Current Assets	48,675	55,490,347	55,539,022
Increased Total Assets	48,675	58,283,540	58,332,215
Increased Current Liabilities - Provisions	125,509	294,188	419,697
Increased Total Current Liabilities	125,509	971,109	1,096,618
Decreased Non-Current Liabilities - Provisions	(6,512)	76,915	70,403
Decreased Total Non-current Liabilities	(6,512)	4,961,527	4,955,015
Decreased Total Liabilities	118,997	5,932,636	6,051,633
Decreased Net Assets	(70,322)	52,350,904	52,280,582
Decreased Retained Surplus	(70,322)	51,284,524	51,214,202
Decreased Total Equity	(70,322)	52,350,904	52,280,582
Statement of Changes in Equity:			
Increased Balance as at 1 July 2006	30,837	50,620,844	50,651,681
Decreased Net Result	(101,159)	597,923	496,764
Decreased Balance as at 30 June 2007	(70,322)	51,284,524	51,214,202
Decreased Total Equity	(70,322)	52,350,904	52,280,582

Shire Of Plantagenet
Notes To And Forming Part Of The Financial Report
For The Year Ended 30 June 2008

35. Comparative Figures (Continued)

	<u>By</u> <u>\$</u>	<u>From</u> <u>\$</u>	<u>To</u> <u>\$</u>
Note 2(a)(i) Result from Ordinary Activities			
Increase Buildings Depreciation	60,380	224,244	284,624
Decrease Infrastructure Depreciation	(78,218)	1,575,156	1,496,938
Note 7 Infrastructure:			
Reduced Accumulated Depreciation - Parks and Ovals	48,675	(48,675)	0
Increased Carrying Amount - Parks and Ovals	48,675	527,490	576,165
Increased Carrying Amount - Infrastructure	48,675	42,431,824	42,480,499
Note 7a Movements in Carrying Amounts:			
Increased Balance as at 1 July 2007 - Parks and Ovals	48,675	527,490	576,165
Note 10 Provisions:			
Increased Current Liabilities - Provision for Annual Leave	125,509	140,484	265,993
Decreased Non-Current Liabilities - Provision for Annual Leave	(6,512)	6,512	0
Note 17 Total Assets Classified By Function & Activity:			
Increased Recreation and Culture Assets	48,675	2,554,205	2,602,880
Increased Total Assets	48,675	58,283,540	58,332,215
Note 18 Financial Ratios:			
Decrease Current Ratio	(0.088)	0.770	0.682
Increase Debt Ratio	0.001	0.103	0.104

14 November 2008

Mr Rob Stewart
Chief Executive Officer
Shire of Plantagenet
PO Box 48
MT BARKER WA 6324

Dear Rob

**AUDIT OF SHIRE OF PLANTAGENET
FOR THE YEAR ENDED 30TH JUNE 2008**

We advise that we have completed the audit of your Shire for the year ended 30th June 2008 and enclose our Audit Report and a copy of the Management Report.

A copy of the Audit Report and Management Report has also been sent directly to the President as is required by the Act.

We would like to take this opportunity to thank you and your staff for the assistance provided during the audit.

Please contact us if you have any queries.

Yours sincerely



DAVID TOMASI
PARTNER

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**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF PLANTAGENET**

Report on the Financial Report

We have audited the accompanying financial report of the Shire of Plantagenet, which comprises the balance sheet as at 30 June 2008 and the income statement by nature or type, income statement by program, statement of changes in equity, cash flow statement and rate setting statement for the year ended on that date and a summary of significant accounting policies and other explanatory notes.

Council's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

Auditor's Opinion

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

- a. giving a true and fair view of the Shire's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

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UHY Haines Norton - ABN 358 5397 1745

**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF PLANTAGENET (Continued)**

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) There were no 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

Address: Perth, WA
Date: 14 November 2008

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