

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

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Operating Statement	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to and Forming Part of the Financial Report	7 to 36
Independent Audit Report	37

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

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Coorow being the annual financial report and other information for the financial year ended 30th June 2005 are in my opinion properly drawn up to present fairly the financial position of the Shire of Coorow at 30th June 2005 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and regulations under that Act.

Signed on the 10 day of August 2005.



GA Sherry
Chief Executive Officer

SHIRE OF COOROW

OPERATING STATEMENT

FOR THE YEAR ENDED 30TH JUNE 2005

	NOTE	2005	2005	2004
		\$	Budget	\$
			\$	
REVENUES FROM ORDINARY ACTIVITIES				
Governance		24,358	13,620	23,898
General Purpose Funding		2,424,775	2,400,463	2,240,310
Law, Order, Public Safety		47,342	77,795	35,985
Health		17,003	22,292	52,836
Education and Welfare		20,245	19,670	19,365
Housing		11,229	0	1,302
Community Amenities		208,069	206,150	148,729
Recreation and Culture		58,666	103,620	67,097
Transport		583,656	342,924	511,492
Economic Services		15,108	25,930	33,285
Other Property and Services		63,221	156,899	392,554
	2	<u>3,473,672</u>	<u>3,369,363</u>	<u>3,526,853</u>
EXPENSES FROM ORDINARY ACTIVITIES EXCLUDING BORROWING COSTS EXPENSE				
Governance		278,843	254,583	250,003
General Purpose Funding		172,736	140,615	148,338
Law, Order, Public Safety		165,683	188,089	160,358
Health		115,824	136,355	134,863
Education and Welfare		61,085	60,841	20,806
Housing		-6,078	0	1,431
Community Amenities		273,169	277,597	276,767
Recreation & Culture		672,007	688,613	642,314
Transport		1,652,064	1,728,242	1,756,068
Economic Services		142,174	124,030	168,457
Other Property and Services		28,043	44,164	345,485
	2	<u>3,555,550</u>	<u>3,643,129</u>	<u>3,904,890</u>
BORROWING COSTS EXPENSE				
Housing		12,831	12,836	13,450
Community Amenities		32,699	15,164	16,316
Recreation & Culture		17,494	17,711	19,498
Transport		13,425	13,445	10,923
Economic Services		0	5,291	5,907
Other Property & Services		0	8,092	4,296
	2	<u>76,449</u>	<u>72,539</u>	<u>70,390</u>
NET RESULT		<u>(158,327)</u>	<u>(346,305)</u>	<u>(448,427)</u>

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

SHIRE OF COOROW
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2005

	NOTE	2005	2004
		\$	\$
CURRENT ASSETS			
Cash Assets	3	294,626	291,761
Receivables	4	133,427	119,128
Inventories	5	52,267	20,450
TOTAL CURRENT ASSETS		<u>480,320</u>	<u>431,339</u>
NON-CURRENT ASSETS			
Receivables	4	328,631	246,578
Property, Plant and Equipment	6	5,817,402	5,812,726
Infrastructure	7	14,220,430	14,426,430
TOTAL NON-CURRENT ASSETS		<u>20,366,463</u>	<u>20,485,734</u>
TOTAL ASSETS		<u>20,846,783</u>	<u>20,917,073</u>
CURRENT LIABILITIES			
Payables	8	225,503	104,868
Interest-bearing Liabilities	9	173,985	155,190
Provisions	10	215,097	207,822
TOTAL CURRENT LIABILITIES		<u>614,585</u>	<u>467,880</u>
NON-CURRENT LIABILITIES			
Interest-bearing Liabilities	9	1,061,159	1,119,667
Provisions	10	9,885	10,045
TOTAL NON-CURRENT LIABILITIES		<u>1,071,044</u>	<u>1,129,712</u>
TOTAL LIABILITIES		<u>1,685,629</u>	<u>1,597,592</u>
NET ASSETS		<u>19,161,154</u>	<u>19,319,481</u>
EQUITY			
Retained Surplus		18,929,530	19,129,669
Reserves - Cash Backed	11	231,624	189,812
Reserves - Asset Revaluation	12	0	0
TOTAL EQUITY		<u>19,161,154</u>	<u>19,319,481</u>

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

SHIRE OF COOROW
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2005

	NOTE	2005 \$	2004 \$
RETAINED SURPLUS			
Balance as at 1 July 2004		19,129,669	19,767,908
Net Result		(158,327)	(448,427)
Transfer from/(to) Reserves		<u>(41,812)</u>	<u>(189,812)</u>
Balance as at 30 June 2005		<u>18,929,530</u>	<u>19,129,669</u>
RESERVES - CASH BACKED			
Balance as at 1 July 2004		189,812	0
Amount Transferred (to)/from Retained Surplus		<u>41,812</u>	<u>189,812</u>
Balance as at 30 June 2005	11	<u>231,624</u>	<u>189,812</u>
RESERVES - ASSET REVALUATION			
Balance as at 1 July 2004		0	0
Revaluation Increment		0	0
Revaluation Decrement		<u>0</u>	<u>0</u>
Balance as at 30 June 2005	12	<u>0</u>	<u>0</u>
TOTAL EQUITY		<u>19,161,154</u>	<u>19,319,481</u>

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

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

	NOTE	2005 \$	2005 Budget \$	2004 \$
Cash Flows From Operating Activities				
Receipts				
Rates		1,487,157	1,446,862	1,370,411
Grants and Subsidies - operating		949,079	944,091	932,007
Contributions, Reimbursements & Donations		120,135	100,465	80,971
Service Charges		17,985	19,305	18,962
Fees and Charges		263,480	280,695	575,635
Interest Earnings		42,724	34,800	36,286
Goods and Services Tax		203,273	0	155,495
Other		37,329	95,233	38,574
		<u>3,121,162</u>	<u>2,921,451</u>	<u>3,208,341</u>
Payments				
Employee Costs		(990,906)	(1,046,301)	(915,952)
Materials and Contracts		(558,242)	(732,751)	(1,136,556)
Utilities (gas, electricity, water, etc)		(195,431)	(174,050)	(200,815)
Insurance		(150,624)	(152,031)	(158,110)
Interest		(76,041)	(71,285)	(67,314)
Goods and Services Tax		(200,353)	0	(167,503)
Other		(52,013)	(85,066)	(14,471)
		<u>(2,223,610)</u>	<u>(2,261,484)</u>	<u>(2,660,721)</u>
Net Cash Provided By (Used In)				
Operating Activities	13(b)	<u>897,552</u>	<u>659,967</u>	<u>547,620</u>
Cash Flows from Investing Activities				
Payments for Development of				
Land Held for Resale		0	0	0
Payments for Purchase of				
Property, Plant & Equipment		(865,570)	(1,192,000)	(1,037,702)
Payments for Construction of				
Infrastructure		(852,446)	(751,309)	(495,059)
Grants/Contributions for				
the Development of Assets		426,686	326,953	354,639
Proceeds from Sale of				
Plant & Equipment		527,689	810,500	696,610
		<u>527,689</u>	<u>810,500</u>	<u>696,610</u>
Net Cash Provided By (Used In)				
Investing Activities		(763,641)	(805,856)	(481,512)
Cash Flows from Financing Activities				
Advances to Community Groups		(120,000)	0	(160,000)
Repayment of Debentures		(159,715)	(155,190)	(123,669)
Repayment of Finance Leases		0	0	0
Proceeds from Self Supporting Loans		28,669	24,147	27,060
Proceeds from Advances		0	0	0
Proceeds from New Debentures		120,000	270,000	260,000
		<u>120,000</u>	<u>270,000</u>	<u>260,000</u>
Net Cash Provided By (Used In)				
Financing Activities		(131,046)	138,957	3,391
Net Increase (Decrease) in Cash Held		2,865	(6,932)	69,499
Cash at Beginning of Year		291,761	290,471	222,262
Cash at End of Year	13(a)	<u>294,626</u>	<u>283,539</u>	<u>291,761</u>

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

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards and the Local Government Act 1995 (as amended) and accompanying regulations (as amended). The report has also been prepared on the accrual basis under the convention of historical cost accounting.

(b) The Local Government Reporting Entity

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

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

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

(c) Goods and Services Tax

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

(d) Fixed Assets

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

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

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

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

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) 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 operating statement as at the time of signing a binding contract of sale.

(f) Depreciation of Non-Current Assets

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

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

Buildings	40 years	2.5% per annum
Office Furniture and Equipment	10 years	10% per annum
Electrical Office Equipment	5 Years	20% per annum
Computer	5 Years	20% per annum
Plant and Equipment	8 years	12.5% per annum
Mobile Plant and Vehicles	5 Years	20% per annum
Tools	5 Years	20% per annum
Sealed Roads	14 Years	7% per annum
Unsealed Roads	40 Years	2.5% per annum
Footpaths and Cycleways	25 years	4% per annum
Drainage	25 years	4% per annum

(g) Leases

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

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

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Investments

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

(i) Employee Benefits

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

(i) Wages, Salaries and Annual Leave

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

(ii) Long Service Leave

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

(j) Rates, Grants, Donations and Other Contributions

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

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

(k) Superannuation

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

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Interest Rate Risk

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

(m) Credit Risk

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

(n) Net Fair Values

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

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

(o) Rounding Off Figures

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

(p) Comparative Figures

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

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

2. REVENUES AND EXPENSES	2005	2004
	\$	\$
(a) Result from Ordinary Activities		
The Result from Ordinary Activities includes:		
(i) Charging as an Expense:		
Significant Expense		
Nil.	0	0
Amortisation		
Capitalised Leased Assets	0	0
Auditors Remuneration		
- Audit	5,900	7,875
- Other Services	220	2,500
Bad and Doubtful Debts		
Rates		3,880
Sundry Debtors	0	0
Depreciation		
Buildings	125,019	125,213
Furniture and Equipment	14,813	12,360
Plant and Equipment	313,891	315,937
Tools	640	417
Roads	1,020,239	996,741
Other Infrastructure	38,207	36,128
	<u>1,512,809</u>	<u>1,486,796</u>
Rental Charges		
- Operating Leases	<u>11,625</u>	<u>11,625</u>
(ii) Crediting as Revenue:		
	2005	2005
	\$	Budget
		\$
Interest Earnings		
Investments		
- Reserve Funds	6,197	8,000
- Other Funds	23,150	14,000
Other Interest Revenue (refer note 27)	13,377	12,794
	<u>42,724</u>	<u>36,286</u>
	<u>34,800</u>	<u>36,286</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

2. REVENUES AND EXPENSES (Continued)

(b) Revenues and Expenses from Ordinary Activities Classified According to Nature and Type	2005 \$	2004 \$
Revenues from Ordinary Activities		
Rates (refer note 23)	1,488,070	1,381,748
Grants and Subsidies - operating (refer note 29)	964,079	932,007
Grants and Subsidies - non-operating (refer note 29)	426,686	354,639
Contributions Reimbursements and Donations	120,135	78,998
Profit on Asset Disposals (refer note 20)	121,158	125,461
Service Charges (refer note 25)	17,985	18,962
Fees and Charges (refer note 28)	255,506	560,178
Interest Earnings (refer note 2(a))	42,724	36,286
Other Revenue	37,329	38,574
	<u>3,473,672</u>	<u>3,526,853</u>
Expenses from Ordinary Activities		
Employee Costs	1,001,612	969,513
Materials and Contracts	643,061	1,071,305
Utilities (gas, electricity, water, etc)	195,431	200,815
Depreciation on Non-current Assets (refer note 2(a))	1,512,809	1,486,796
Loss on Asset Disposals (refer note 20)	0	0
Insurance	150,624	158,110
Other	52,013	18,351
	<u>3,555,550</u>	<u>3,904,890</u>
Interest/Borrowing Costs (refer Note 2(c))	76,449	70,390
	<u>3,631,999</u>	<u>3,975,280</u>
(c) Borrowing Costs Expense		
Comprises:		
Finance Lease Charges	0	
Debentures (refer Note 22(a))	76,449	70,390
	<u>76,449</u>	<u>70,390</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

2. REVENUES AND EXPENSES (Continued)

(d) Statement of Objective

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

GOVERNANCE

Members of Council

Auditing, reporting to electors and ratepayers

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue

LAW, ORDER, PUBLIC SAFETY

Fire prevention - Assisting Volunteer Fire Brigade, fire shed and plant maintenance

Animal Control - Registration of dogs, control straying stock

Ranger responsibilities - enforcement of local laws

HEALTH

Environmental Health - notifiable diseases, industrial emissions, rubbish disposal

Food control - periodic testing of locally prepared foods

Pest control - mosquitoes & fly control

Immunisation services

Maintenance of Doctor's Surgery at Coorow

EDUCATION AND WELFARE

Care of Families and Children - Rural Counsellor, Child Minding Centre

Senior Citizens - HACC activities, Aged Persons Accommodation

Education - Pre Schools, Telecentres

HOUSING

Employee Housing

COMMUNITY AMENITIES

Rubbish collection services - Coorow, Leeman and Green Head

Rubbish tip maintenance - Coorow, Marchagee, Coast

Sewerage - inspection of septic tanks

Protection of the environment - rehabilitation of Squatters Area beachfront

Public toilets Leeman, Green Head, Coorow and Squatters Area

Cemeteries - contribution to Winchester cemetery

Administration and review of Town Planning Scheme

Rental accommodation of community housing

RECREATION AND CULTURE

Halls - Coorow Hall, Maley Park, Green Head Community Centre

Swimming Pools - operation of Coorow Swimming Pool

Other Rec & Sport - Coorow and Leeman ovals, parks, gardens, foreshore reserves

Boat ramps, Leeman Recreation Centre, townscaping

Libraries - Coorow, Leeman and Green Head

Television Retransmission - Coorow, Leeman and Green Head

Other Culture - sponsorship of arts, festivals

TRANSPORT

Construction and maintenance of roads, drainage works, footpaths and parking facilities. Leeman Aerodrome.

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

2. OPERATING REVENUES AND EXPENSES (Continued)

(d) Statement of Objective (Continued)

ECONOMIC SERVICES

Rural Services - Landcare, Community Agricultural Centres
 Tourism - local publications, area promotion, Coorow caravan park
 Building controls - Issue of building licenses, demolition permits
 Other Economic Services - Business Facilitator

OTHER PROPERTY & SERVICES

Private Works
 Plant Maintenance costs
 Public works overheads
 Other unclassified expenditure

	2005	2004
	\$	\$
(e) 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).		
Warradargee NHT Grant		27,367
Roads to Recovery	132,516	27,367
	132,516	27,367
Add:		
New grants which were recognised as revenues during the reporting period and which had not yet been fully expended by the contributor.		
Roads to Recovery		132,516
Regional Road Grants	56,622	
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.		
Warradargee NHT Grant		(27,367)
Roads to Recovery	(132,516)	
Closing balances of unexpended grants	56,622	132,516
	56,622	132,516
Comprises:		
Roads to Recovery	0	132,516
Regional Road Grants	56,622	
	56,622	132,516

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

	2005	2004
	\$	\$
3. CASH ASSETS		
Unrestricted	6,380	(30,567)
Restricted	288,246	322,328
	<u>294,626</u>	<u>291,761</u>
<p>The following restrictions have been imposed by regulations or other externally imposed requirements:</p>		
Leave Reserve	201,236	189,812
Building Reserve	26,647	0
Resource Sharing Reserve	3,741	0
Unspent Grants	56,622	132,516
Unspent Loans	0	0
	<u>288,246</u>	<u>322,328</u>
4. RECEIVABLES		
Current		
Rates Outstanding	58,653	59,241
Sundry Debtors	38,771	31,743
Provision for Doubtful Debts	(8,000)	(8,000)
GST Receivable	9,078	11,998
Loans - Clubs/Institutions	34,925	24,146
	<u>133,427</u>	<u>119,128</u>
Non-Current		
Rates Outstanding - Pensioners	7,393	5,892
Loans - Clubs/Institutions	321,238	240,686
	<u>328,631</u>	<u>246,578</u>
5. INVENTORIES		
Current		
Fuel	52,267	20,450
	<u>52,267</u>	<u>20,450</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

	2005	2004
	\$	\$
6. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings - Cost	5,081,181	5,023,240
Less Accumulated Depreciation	<u>(1,161,713)</u>	<u>(1,042,321)</u>
	3,919,468	3,980,919
Furniture and Equipment - Cost	366,578	331,806
Less Accumulated Depreciation	<u>(270,499)</u>	<u>(255,685)</u>
	96,079	76,121
Plant and Equipment - Cost	4,112,198	3,998,839
Less Accumulated Depreciation	<u>(2,311,525)</u>	<u>(2,244,975)</u>
	1,800,673	1,753,864
Tools	67,100	67,100
Less Accumulated Depreciation	<u>(65,918)</u>	<u>(65,278)</u>
	1,182	1,822
	<u>5,817,402</u>	<u>5,812,726</u>

Effective from 1 July 2001, Council deemed the carrying amount of land and buildings previously carried at a revalued amount based on market value to be their cost.

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

Valuations of Land and Buildings Measured at Cost Basis

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

Current Valuation: \$3,900,523

The above valuation is a management valuation based on the written down replacement cost of all of Council's land and buildings as at 30 June 2005.

It is not considered independent in nature.

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

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

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

	Land & Buildings \$	Furniture & Equipment \$	Plant & Equipment \$	Tools \$	Total \$
Balance as at 1 July 2004	3,980,919	76,121	1,753,864	1,822	5,812,726
Additions	84,696	34,771	746,103	0	865,570
(Disposals)	(21,128)	0	(385,403)	0	(406,531)
Revaluation - Increments - (Decrements)					0 0
Write-downs					0
Depreciation (Expense)	(125,019)	(14,813)	(313,891)	(640)	(454,363)
Other Movements					0
Balance as at 30 June 2005	<u>3,919,468</u>	<u>96,079</u>	<u>1,800,673</u>	<u>1,182</u>	<u>5,817,402</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

	2005	2004
	\$	\$
7. INFRASTRUCTURE		
Roads - management valuation 2001	27,261,811	27,261,811
Roads - Cost	2,435,185	1,702,899
Less Accumulated Depreciation	<u>(16,470,020)</u>	<u>(15,449,781)</u>
	13,226,976	13,514,929
Other Infrastructure - Cost	1,218,391	1,098,231
Less Accumulated Depreciation	<u>(224,937)</u>	<u>(186,730)</u>
	993,454	911,501
	<u><u>14,220,430</u></u>	<u><u>14,426,430</u></u>

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

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

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

Council have adopted a policy of re-valuing roads with sufficient regularity to ensure the carrying amount of each road asset is fairly stated at reporting date. This policy accords with the requirements of AASB 1041.

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

7. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

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

	Roads	Other	Total
	\$	Infrastructure	\$
	<u> </u>	<u> </u>	<u> </u>
Balance as at 1 July 2004	13,514,929	911,501	14,426,430
Additions	732,286	120,160	852,446
(Disposals)			0
Revaluation - Increments			0
- (Decrements)			0
Write-downs			0
Depreciation (Expense)	(1,020,239)	(38,207)	(1,058,446)
Other Movements			0
Balance as at 30 June 2005	<u>13,226,976</u>	<u>993,454</u>	<u>14,220,430</u>

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

	2005	2004
	\$	\$
8. PAYABLES		
Current		
Sundry Creditors	211,271	94,635
Accrued Interest on Loans	10,641	10,233
Accrued Salaries and Wages	3,591	0
	<u>225,503</u>	<u>104,868</u>
9. INTEREST-BEARING LIABILITIES		
Current		
Secured by Floating Charge		
Debentures	173,985	155,190
Lease Liability	0	0
	<u>173,985</u>	<u>155,190</u>
Non-Current		
Secured by Floating Charge		
Debentures	1,061,157	1,119,667
Lease Liability	0	0
	<u>1,061,157</u>	<u>1,119,667</u>
Additional detail on borrowings is provided in Note 22.		
10. PROVISIONS		
Current		
Provision for Annual Leave	103,163	94,868
Provision for Long Service Leave	111,934	112,954
	<u>215,097</u>	<u>207,822</u>
Non-Current		
Provision for Annual Leave	0	0
Provision for Long Service Leave	9,885	10,045
	<u>9,885</u>	<u>10,045</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

	2005 \$	2005 Budget \$	2004 \$
11. RESERVES - CASH BACKED			
(a) Leave Reserve			
Opening Balance	189,812	189,812	0
Amount Set Aside / Transfer to Reserve	11,424	13,227	189,812
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>201,236</u>	<u>203,039</u>	<u>189,812</u>
(b) Building Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	26,647	80,500	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>26,647</u>	<u>80,500</u>	<u>0</u>
(c) Resource Sharing Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	3,741	0	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>3,741</u>	<u>0</u>	<u>0</u>
TOTAL CASH BACKED RESERVES	<u><u>231,624</u></u>	<u><u>283,539</u></u>	<u><u>189,812</u></u>

All of the cash backed reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

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

Leave Reserve

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

Plant Reserve

- to be used for the purchase of major plant

Resource Sharing Reserve

- to be used for the resource sharing projects

The Leave Reserve is not expected to be used within a set period as further transfers to the reserve account is expected as funds are utilised.

The Building Reserve is expected to be utilised in 2005/06.

The Resource Sharing Reserve is not expected to be used within a set period.

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

12. RESERVES - ASSET REVALUATION	2005	2004
	\$	\$
Asset revaluation reserves have arisen on revaluation of the following classes of assets:		
(a) Land and Buildings		
Balance as at 1 July 2004	0	0
Revaluation Increment	0	0
Revaluation Decrement	0	0
Balance as at 30 June 2005	<u>0</u>	<u>0</u>
(b) Roads		
Balance as at 1 July 2004	0	0
Revaluation Increment	0	0
Revaluation Decrement	0	0
Balance as at 30 June 2005	<u>0</u>	<u>0</u>
TOTAL ASSET REVALUATION RESERVES	<u>0</u>	<u>0</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

13. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	2005	2005	2004
	\$	Budget	\$
		\$	
Cash Assets	<u>294,626</u>	<u>283,539</u>	<u>291,761</u>

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

Net Result	(158,327)	(346,305)	(448,427)
Amortisation	0		0
Depreciation	1,512,809	1,461,267	1,486,796
Bad and Doubtful Debts	0	(142,505)	3,880
(Increase)/Decrease in Receivables	(5,019)	(19,810)	7,985
(Profit)/Loss on Sale of Asset	(121,158)		(125,461)
(Increase)/Decrease in Inventories	(31,817)	450	6,021
Increase/(Decrease) in Payables	120,635	25,000	(94,104)
Increase/(Decrease) in Employee Provisions	7,115	8,823	65,569
Grants/Contributions for the Development of Assets	<u>(426,686)</u>	<u>(326,953)</u>	<u>(354,639)</u>
Net Cash from Operating Activities	<u><u>897,552</u></u>	<u><u>659,967</u></u>	<u><u>547,620</u></u>

(c) Credit Standby Arrangements

Bank Overdraft limit	0	0
Bank Overdraft at Balance Date	0	0
Credit Card limit	15,000	15,000
Credit Card Balance at Balance Date	<u>(2,953)</u>	<u>(966)</u>
Total Amount of Credit Unused	<u><u>12,047</u></u>	<u><u>14,034</u></u>

(d) Loan Facilities

Loan Facilities - Current	173,985	155,190
Loan Facilities - Non-Current	<u>1,061,157</u>	<u>1,119,667</u>
Total Facilities in Use at Balance Date	<u><u>1,235,142</u></u>	<u><u>1,274,857</u></u>
Unused Loan Facilities at Balance Date	<u><u>0</u></u>	<u><u>0</u></u>

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

	2005	2004
	\$	\$
14. CAPITAL AND LEASING COMMITMENTS		
(a) Finance Lease Commitments		
Council currently has no hire purchase or finance lease commitments.		
(b) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
Payable:		
- not later than one year	11,625	11,625
- later than one year but not later than five years	21,313	32,938
- later than five years	<u>0</u>	<u>0</u>
	<u><u>32,938</u></u>	<u><u>44,563</u></u>
(c) Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	0	0
- plant & equipment purchases	0	0
Payable:		
- not later than one year	0	0

15. CONTINGENT LIABILITIES

Council is not aware of any contingent liabilities at balance date.

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

16. JOINT VENTURE

Council is not involved in a joint venture.

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY	2005	2004
	\$	\$
Governance	548,829	0
General Purpose Funding	498,136	929,967
Law, Order, Public Safety	185,727	216,312
Health	163,212	167,173
Education and Welfare	97,779	100,331
Housing	260,925	271,488
Community Amenities	472,351	550,822
Recreation and Culture	2,866,708	3,230,059
Transport	13,267,640	13,582,874
Economic Services	205,728	213,175
Other Property and Services	1,853,808	1,654,872
Unallocated	425,940	
	<u>20,846,783</u>	<u>20,917,073</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

18. FINANCIAL RATIOS	2005	2004	2003
Current Ratio	0.46	0.39	0.72
Untied Cash to Trade Creditors Ratio	0.03	(0.33)	1.17
Debt Ratio	0.08	0.08	0.07
Debt Service Ratio	0.08	0.06	0.06
Gross Debt to Revenue Ratio	0.42	0.42	0.44
Gross Debt to Economically Realisable Assets Ratio	0.19	0.20	0.18
Rate Coverage Ratio	0.43	0.38	0.40
Outstanding Rates Ratio	0.04	0.05	0.04

The above rates are calculated as follows:

Current Ratio	$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$
Untied Cash to Trade Creditors Ratio	$\frac{\text{Untied cash}}{\text{Unpaid trade creditors}}$
Debt Ratio	$\frac{\text{Total liabilities}}{\text{Total assets}}$
Debt Service Ratio	$\frac{\text{Debt Service Cost (Principal \& Interest)}}{\text{Available operating revenue}}$
Gross Debt to Revenue Ratio	$\frac{\text{Gross debt}}{\text{Total revenue}}$
Gross Debt to Economically Realisable Assets 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 COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

19. TRUST FUNDS

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

	Balance 1-Jul-04	Amounts Received	Amounts Paid	Balance 30-Jun-05
	\$	\$	(\$)	\$
House Bonds	2,120			2,120
LGCHP Surplus	6,848	34,516	0	41,364
Police Licensing	0	579,752	(579,752)	0
BCITF Levy	0	3,060	(2,893)	167
BRB Levy	125	2,280	(2,130)	275
RSL Thailand Competition	185			185
Kerbing Deposits	6,000	4,000	(4,500)	5,500
Marchagee Tidy Towns	0			0
Nomination Deposits	0	400	(400)	0
Leeman Aged Persons Accom.	0			0
Library Deposits	0			0
Dust Control Bonds	0	5,100	0	5,100
				0
	<u>15,278</u>	629,108	(589,675)	<u>54,711</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

20. DISPOSALS OF ASSETS - 2004/05 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						
CW00 - Holden Statesman	36,395	39,750	39,232	40,000	2,837	250
CW00 - Holden Statesman	40,353	39,750	40,690	40,000	337	250
CW00 - Holden Statesman	0	39,750	0	40,000	0	250
CW000 - Ford Fairmont	28,272	29,000	29,090	30,000	818	1,000
CW000 - Holden Berlina	20,752	25,500	23,637	26,000	2,885	500
DCEO Vehicle	0	29,000	0	30,000	0	1,000
Law Order Public Safety						
CW0050 - Rangers Ute	1283	2,995	13,636	10,000	12,353	7,005
Health						
CW001 - Toyota Landcruiser	50,019	54,250	54,546	57,000	4,527	2,750
CW001 - Toyota Landcruiser	50,655	54,750	54,546	57,000	3,891	2,250
CW001 - Toyota Landcruiser		54,750		57,000	0	2,250
Housing						
Lot 121 Commercial St	0	10,000	0	28,000	0	18,000
Lot 17 North Street		6,000		25,000		19,000
Lot 119 Commercial St	14,158	5,000	26,647	20,000	12,489	15,000
Transport						
CW002 - Toyota Landcruiser	51,578	55,000	54,545	57,000	2,967	2,000
CW002 - Toyota Landcruiser	51,578	57,000	51,818	57,000	240	0
CW002 - Toyota Landcruiser	0	57,000	0	57,000	0	0
CW003 - Toyota Hilux	28,387	27,000	29,091	29,000	704	2,000
CW003 - Toyota Hilux	0	27,000	0	29,000	0	2,000
CW003 - Toyota Hilux	0	27,000	0	29,000	0	2,000
Coastal Works Dual Cab	26,130	20,000	28,182	25,000	2,052	5,000
Prime Mover	0	0	53,000	20,000	53,000	20,000
Low Loader	0	0	22,000	40,000	22,000	40,000
Other Property & Services						
Lot 3 Poynton Parade	478	0	594	0	116	0
Sale of Land	6493	7,500	6,435	7,500	(58)	0
	406,531	667,995	527,689	810,500	121,158	142,505

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

21. BUDGET COMPARISON

	2005	2005
	\$	Budget
		\$
(a) Non Operating Revenue and Expenditure		
<p>The following is a comparison of capital revenue and expenditure and movements to and from reserve accounts and the amounts contained in the Rate Setting Statement in the annual budget.</p>		
Non Operating Revenue		
Proceeds on sale of assets	527,689	810,500
Debentures raised	120,000	270,000
Repayments of self supporting loans	28,669	24,147
Proceeds from advances	0	0
Transfers from Reserves	0	0
Non Operating Expenditure		
Advances to Community Groups	120,000	0
Principal repayment of Debentures	159,715	155,190
Principal repayment of finance leases	0	0
Construction/Purchase of Assets		
Land Held for Resale		0
Land and Buildings	84,696	199,000
Plant and Equipment	746,103	970,500
Furniture and Equipment	34,771	22,500
Roads	732,286	618,677
Other Infrastructure	120,160	132,632
Transfers to Reserves	41,812	94,357

(b) Current Position at 1st July 2004

The current position balance carried forward from the previous financial year for the purpose of the 2004/05 budget was \$115,860

The actual current position balance shown in the audited financial report as at 30th June 2004 was \$118,639

This difference amounts to \$2,779 which was a small change in GST receivable.

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

22. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1-Jul-04 \$	New Loans \$	Principal Repayments		Principal 30-Jun-05		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Housing								
Loan 79 - Leeman House	238,856		11,759	11,759	227,097	227,096	12,831	12,836
Community Amenities								
Loan 69 - Coorow House	88,905		10,520	10,520	78,385	78,385	4,968	5,291
Loan 71 - Leeman House	113,398		5,224	5,224	108,174	108,174	7,076	7,130
Loan 75 - Mobile Phones	45,732		5,380	5,379	40,353	40,354	2,794	2,807
Loan 78 - GH Drainage	84,652		8,422	8,422	76,230	76,230	5,133	5,227
Loan 77 - CCLI (*)	153,852		12,795	12,795	141,057	141,057	7,800	8,092
Loan 81 - CCLI (*)	0	120,000	4,523		115,477	0	4,928	0
Recreation & Culture								
Loan 68 - Leeman CC (*)	110,980		11,351	11,351	99,629	99,629	5,865	6,037
Loan 70 - Leeman Rec Cen	162,267		16,251	16,251	146,016	146,015	9,697	9,733
Loan 76 - GH Boat Ramp	31,277		3,671	3,671	27,606	27,606	1,932	1,941
Loan 82 - Swimming Pool Upgrade	0		0	0	0	100,000	0	0
Transport								
Loan 72 - Roadworks	70,917		16,170	16,170	54,747	54,747	4,033	4,070
Loan 74 - Truck	74,019		35,927	35,926	38,093	38,092	3,988	3,871
Loan 80 - Grader	100,000		17,722	17,722	82,278	82,278	5,404	5,504
Loan 81 - Prime Mover	0		0	0	0	170,000	0	0
	1,274,855	0	159,715	155,190	1,235,142	1,389,663	76,449	72,539

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

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

22. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2004/05

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate %	Amount Used		Balance Unspent
	Actual \$	Budget \$						Actual \$	Budget \$	
Loan 81 - Prime Mover	0	170,000	WATC	Debenture	5	0	6	0	0	0
Loan 81 - CCLI (*)	120,000	0	WATC	Debenture	10	144,155	6	120,000	0	0
Coorow Roadhouse										
Loan 82 - Swimming Pool Upgrade	0	100,000	WATC	Debenture	10	0	6	0	0	0

(c) Unspent Debentures

Council had no unspent debentures at 30 June 2005.

(d) Overdraft

Council established a temporary overdraft facility of \$150,000 in July 2005 to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2004 and 30 June 2005 was \$Nil.

(e) Interest Rate Risk

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

<u>Borrowings</u>	2005 \$	2004 \$
Floating interest rates		
Fixed interest rate maturing		
- within one year	38,092	0
- one to five years	283,371	244,936
- over five years	913,678	1,029,919
Non interest bearing		
Total Borrowings	<u><u>1,235,142</u></u>	<u><u>1,274,855</u></u>
Weighted average effective interest rate	5.88%	5.88%

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

23. RATING INFORMATION - 2004/05 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential General Rate											
GRV - Townsite	11.8440	689	4,218,920	499,905	4,467	4,523	508,895	499,689	9,000	0	508,689
UV - Agricultural	2.6425	194	35,894,500	948,962	0	0	948,962	948,511	0	0	948,511
UV - Mining	5.7196	14	545,868	31,461	0	0	31,461	31,221	1,000	0	32,221
							0				0
							0				0
Sub-Totals		897	40,659,288	1,480,328	4,467	4,523	1,489,318	1,479,421	10,000	0	1,489,421
Minimum Rates	Minimum \$										
GRV - Townsite	400	135	252,534	54,000	0	0	54,000	54,000	0	0	54,000
UV - Agricultural	400	7	39,900	2,800	0	0	2,800	2,800	0	0	2,800
UV - Mining	400	22	44,098	8,800	0	0	8,800	8,800	0	0	8,800
							0				0
							0				0
Sub-Totals		164	336,532	65,600	0	0	65,600	65,600	0	0	65,600
Specified Area Rates							1,554,918				1,555,021
							0				0
Discounts (refer note 26)							1,554,918				1,555,021
							(66,848)				(72,828)
Totals							1,488,070				1,482,193

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

24. SPECIFIED AREA RATE - 2004/05 FINANCIAL YEAR

Council did not levy a Specified Area Rate during the 2004/05 financial year.

25. SERVICE CHARGES - 2004/05 FINANCIAL YEAR

	Amount of Charge \$	Revenue Raised \$	Budget Revenue \$	Applied to Service Costs \$	Budget Applied to Costs \$
TV Service Charge	30	17,100	19,305	20,893	21,200
TV Serv Charge - Pensioners	15	885	0	885	0
		17,985	19,305	21,778	21,200

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

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

No transfer to or from reserve accounts has occurred.

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

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount		66,848	72,828
			66,848	72,828
Photocopy Charge	Waiver		0	0
Rate Assessment	Write-Off		139	0

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

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

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

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11		10,573	10,200
Interest on Instalments Plan	5		2,804	2,600
Charges on Instalment Plan		5	1,905	2,300
			<u>15,282</u>	<u>15,100</u>

Ratepayers had the option of paying rates in four equal instalments, due on 3rd September 2004, 3rd November 2004, 3rd January 2005 and 3rd March 2005. Administration charges and interest applied for the final three instalments.

28. FEES & CHARGES	2005 \$	2004 \$
Governance	18	0
General Purpose Funding	4,535	4,674
Law, Order, Public Safety	4,188	3,893
Health	1,177	2,109
Education and Welfare	19,882	19,260
Housing	10,360	10,885
Community Amenities	153,482	136,795
Recreation & Culture	17,551	34,549
Transport	0	0
Economic Services	12,324	26,878
Other Property & Services	31,989	321,135
	<u>255,506</u>	<u>560,178</u>

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

29. GRANT REVENUE

By Nature and Type:

Grants and Subsidies - operating	964,079	932,007
Grants and Subsidies - non-operating	426,686	354,639
	<u>1,390,765</u>	<u>1,286,646</u>

By Program:

General Purpose Funding	857,100	792,835
Governance	0	550
Law, Order, Public Sector	30,000	27,000
Health	4,599	34,629
Community Amenities	364	0
Recreation and Culture	5,045	20,455
Transport	493,657	406,177
Economic Services	0	5,000
	<u>1,390,765</u>	<u>1,286,646</u>

SHIRE OF COOROW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

30. COUNCILLORS' REMUNERATION	2005	2005	2004
	\$	Budget	\$
		\$	
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	4,000	4,400	4,475
President's Allowance	0	0	0
Deputy President's Allowance	0	0	0
Travelling Expenses	7,585	10,500	9,476
Telecommunications Allowance	0	0	0
	<u>11,585</u>	<u>14,900</u>	<u>13,951</u>

31. EMPLOYEES' REMUNERATION

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

Salary Range	2005	2004
\$		
100,000 - 109,999	0	0
110,000 - 119,999	0	0
120,000 - 129,999	0	0
130,000 - 139,999	0	0
140,000 - 149,999	0	0
150,000 - 159,999	0	0
160,000 - 169,999	0	0

32. EMPLOYEE NUMBERS	2005	2004
The number of full-time equivalent Employees at balance date	<u>27</u>	<u>28</u>

33. ECONOMIC DEPENDENCY

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

34. MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions during the 2004/05 financial year.

35. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2004/05 financial year.

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

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

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

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

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

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

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

The summary should not be taken as an exhaustive list as the Shire of Coorow is still assessing the impacts of AIFRSs. Consequently, in some instances, quantified impacts of AIFRSs may not have been disclosed as disclosure of information may be misleading and not fully represent the overall impact of transition.