



SHIRE OF SERPENTINE JARRAHDALÉ
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

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SHIRE OF SERPENTINE JARRAHDALÉ

CONCISE FINANCIAL REPORT

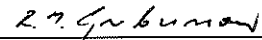
FOR THE YEAR ENDED 30TH JUNE 2013

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Serpentine Jarrahdale being the concise annual financial report and other information for the financial year ended 30th June 2013 are in my opinion properly drawn up to present fairly the financial position of the Shire of Serpentine Jarrahdale at 30th June 2013 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 the regulations under that Act.

Signed on the 26th day of November 2013


Richard Gorbunow
Chief Executive Officer

BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with AASB 1039 "Concise Financial Reports". The accounting policies adopted have been consistently applied to all financial periods presented unless otherwise stated. The concise financial report is an extract from the full financial report for the financial year ended 30 June 2013. The financial statements, specific disclosures, and other information included in the concise financial report are derived from and are consistent with, the full financial report of the Shire of Serpentine Jarrahdale. The concise financial report cannot be expected to provide a full understanding of the financial performance, financial position, financing and investing activities of the Shire of Serpentine Jarrahdale as the full financial report.

A copy of the full financial report and auditors report can be obtained free of charge, via the website www.sjshire.wa.gov.au or upon request.

SHIRE OF SERPENTINE JARRAHDALÉ
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2013

	2013 \$	2013 Budget \$	2012 \$
Revenue			
General Rates	12,976,751	12,801,944	11,703,461
Specified Area Rate	50,597	49,534	12,904
Operating Grants, Subsidies and Contributions	2,958,255	2,890,133	4,091,714
Reimbursements	1,346,966	802,104	1,129,726
Fees and Charges	3,905,183	3,654,781	3,267,351
Interest Earnings	903,730	960,900	948,541
Other Revenue	1,387,775	362,180	344,682
	<u>23,529,257</u>	<u>21,521,576</u>	<u>21,498,379</u>
Expenses			
Employee Costs	(8,890,810)	(10,096,442)	(8,453,084)
Materials and Contracts	(8,984,476)	(8,749,115)	(8,833,587)
Utility Charges	(853,838)	(821,505)	(766,235)
Depreciation on Non-Current Assets	(2,720,018)	(2,597,043)	(2,656,714)
Interest Expenses	(234,500)	(234,336)	(260,109)
Insurance Expenses	(388,727)	(515,463)	(363,355)
Other Expenditure	(388,188)	(185,588)	(191,415)
	<u>(22,460,557)</u>	<u>(23,199,492)</u>	<u>(21,524,499)</u>
	1,068,700	(1,677,916)	(26,120)
Non-Operating Grants, Subsidies and Contributions	3,954,915	6,041,480	4,603,702
Profit on Asset Disposals	114,646	30,209	333,157
Loss on Asset Disposal	(102,220)	(59,730)	(43,195)
Net Result	<u>5,036,041</u>	<u>4,334,043</u>	<u>4,867,544</u>
Other Comprehensive Income			
Changes on revaluation of non-current assets	165,993	0	0
Total Other Comprehensive Income	<u>165,993</u>	<u>0</u>	<u>0</u>
Total Comprehensive Income	<u><u>5,202,034</u></u>	<u><u>4,334,043</u></u>	<u><u>4,867,544</u></u>

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



SHIRE OF SERPENTINE JARRAHDALE
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2013

	2013 \$	2013 Budget \$	2012 \$
Revenue			
Governance	346,361	415,288	355,362
General Purpose Funding	16,849,513	16,240,281	16,258,831
Law, Order, Public Safety	487,527	492,760	471,312
Health	42,455	31,227	36,244
Education and Welfare	191	300	303
Community Amenities	2,823,529	2,660,934	2,558,588
Recreation and Culture	1,066,406	150,966	143,693
Transport	554,082	379,470	398,661
Economic Services	573,052	524,950	559,627
Other Property and Services	786,141	625,400	715,758
	<u>23,529,257</u>	<u>21,521,576</u>	<u>21,498,379</u>
Expenses			
Governance	(4,916,786)	(5,127,741)	(4,703,978)
General Purpose Funding	(316,813)	(487,835)	(523,265)
Law, Order, Public Safety	(1,669,327)	(1,529,877)	(1,688,118)
Health	(434,386)	(480,632)	(446,627)
Education and Welfare	(17,155)	(17,615)	(25,934)
Community Amenities	(5,069,986)	(5,167,388)	(4,886,458)
Recreation and Culture	(3,088,027)	(3,186,199)	(2,431,315)
Transport	(5,281,681)	(5,603,920)	(5,115,338)
Economic Services	(592,501)	(716,184)	(634,415)
Other Property and Services	(839,395)	(647,765)	(808,942)
	<u>(22,226,057)</u>	<u>(22,965,156)</u>	<u>(21,264,390)</u>
Finance Costs			
Community Amenities	(67,623)	(67,459)	(72,040)
Recreation and Culture	(127,147)	(127,147)	(145,795)
Transport	(38,409)	(38,409)	(39,432)
Economic Services	(1,321)	(1,321)	(2,842)
	<u>(234,500)</u>	<u>(234,336)</u>	<u>(260,109)</u>
Non-Operating Grants, Subsidies and Contributions			
Law, Order, Public Safety	0	85,000	715,494
Recreation and Culture	546,997	1,039,664	2,597,748
Transport	3,407,918	4,916,816	1,202,033
Economic Services	0	0	60,000
Other Property and Services	0	0	28,427
	<u>3,954,915</u>	<u>6,041,480</u>	<u>4,603,702</u>
Profit/(Loss) on Disposal of Assets			
General Purpose	(7,540)	0	0
Governance	(45,504)	(15,787)	14,419
Law, Order, Public Safety	66,556	5,500	70,184
Health	(4,793)	739	(4,811)
Community Amenities	(10,960)	(5,067)	(6,039)
Transport	12,544	(9,295)	15,797
Economic Services	(3,621)	(3,362)	(4,561)
Other Property and Services	5,744	(2,249)	204,973
	<u>12,426</u>	<u>(29,521)</u>	<u>289,962</u>
Net Result	<u>5,036,041</u>	<u>4,334,043</u>	<u>4,867,544</u>
Other Comprehensive Income			
Changes on revaluation of non-current assets	165,993	0	0
Total Other Comprehensive Income	<u>165,993</u>	<u>0</u>	<u>0</u>
Total Comprehensive Income	<u><u>5,202,034</u></u>	<u><u>4,334,043</u></u>	<u><u>4,867,544</u></u>

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

SHIRE OF SERPENTINE JARRAHDALE
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2013

	NOTE	2013 \$	2012 \$
CURRENT ASSETS			
Cash and Cash Equivalents	1	12,801,753	12,905,438
Trade and Other Receivables	2	2,115,263	1,360,785
Inventories	3	18,250	25,090
TOTAL CURRENT ASSETS		<u>14,935,266</u>	<u>14,291,313</u>
NON-CURRENT ASSETS			
Investments		24,305	21,095
Other Receivables	2	124,366	110,947
Inventories	3	143,345	143,345
Property, Plant and Equipment	4	19,908,782	16,902,363
Infrastructure	5	59,838,525	56,286,773
TOTAL NON-CURRENT ASSETS		<u>80,039,323</u>	<u>73,464,523</u>
TOTAL ASSETS		<u>94,974,589</u>	<u>87,755,836</u>
CURRENT LIABILITIES			
Trade and Other Payables	6	1,766,086	1,170,523
Long Term Borrowings	7	1,256,240	1,083,079
Provisions	8	1,399,122	1,274,672
TOTAL CURRENT LIABILITIES		<u>4,421,448</u>	<u>3,528,274</u>
NON-CURRENT LIABILITIES			
Long Term Borrowings	7	4,531,097	3,403,213
Provisions	8	180,730	188,279
TOTAL NON-CURRENT LIABILITIES		<u>4,711,827</u>	<u>3,591,492</u>
TOTAL LIABILITIES		<u>9,133,275</u>	<u>7,119,766</u>
NET ASSETS		<u>85,841,314</u>	<u>80,636,070</u>
EQUITY			
Retained Surplus		83,065,268	78,524,924
Reserves - Cash/Investments Backed		2,617,973	2,122,276
Revaluation Surplus	9(a)	165,993	0
Reserves - Financial Asset Revaluation	9(b)	(7,920)	(11,130)
TOTAL EQUITY		<u>85,841,314</u>	<u>80,636,070</u>

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

**SHIRE OF SERPENTINE JARRAHDALE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2013**

NOTE	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	REVALUATION SURPLUS \$	FINANCIAL ASSET REVALUATION RESERVE \$	TOTAL EQUITY \$
Balance as at 1 July 2011	73,830,641	1,949,015	0	(13,440)	75,766,216
Comprehensive Income					
Net Result	4,867,544	0	0	0	4,867,544
Changes on Revaluation of Non-Current Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Comprehensive Income	4,867,544	0	0	0	4,867,544
Revaluation Increment	0	0	0	2,310	2,310
Reserve Transfers	<u>(173,261)</u>	<u>173,261</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance as at 30 June 2012	78,524,924	2,122,276	0	(11,130)	80,636,070
Comprehensive Income					
Net Result	5,036,041	0	0	0	5,036,041
Changes on Revaluation of Non-Current Assets	<u>0</u>	<u>0</u>	<u>165,993</u>	<u>0</u>	<u>165,993</u>
Total Comprehensive Income	5,036,041	0	165,993	0	5,202,034
Revaluation Increment	0	0	0	3,210	3,210
Reserve Transfers	<u>(495,697)</u>	<u>495,697</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance as at 30 June 2013	<u>83,065,268</u>	<u>2,617,973</u>	<u>165,993</u>	<u>(7,920)</u>	<u>85,841,314</u>

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

**SHIRE OF SERPENTINE JARRAHDALÉ
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2013 \$	2013 Budget \$	2012 \$
Cash Flows From Operating Activities				
Receipts				
General Rates		12,825,850	12,966,637	11,660,270
Specified Area Rates		49,641	49,534	12,891
Operating Grants, Subsidies and Contributions		2,958,255	2,890,133	4,091,714
Reimbursements		1,346,966	802,104	1,129,722
Fees and Charges		3,365,579	3,948,141	3,965,138
Interest Earnings		903,730	960,900	948,541
Goods and Services Tax		1,150,924	81,000	153,933
Other Revenue		491,351	362,180	208,297
		<u>23,092,296</u>	<u>22,060,629</u>	<u>22,170,506</u>
Payments				
Employee Costs		(8,747,588)	(10,096,442)	(8,339,375)
Materials and Contracts		(8,984,474)	(7,947,077)	(8,604,143)
Utility Charges		(272,917)	(821,505)	(766,235)
Insurance Expenses		(388,727)	(515,463)	(363,355)
Interest expenses		(224,658)	(234,336)	(260,108)
Goods and Services Tax		(1,248,859)	0	(294,953)
Other Expenditure		(148,346)	(185,588)	(94,122)
		<u>(20,015,569)</u>	<u>(19,800,411)</u>	<u>(18,722,291)</u>
Net Cash Provided By (Used In)				
Operating Activities	11(b)	<u>3,076,727</u>	<u>2,260,218</u>	<u>3,448,215</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment		(3,719,023)	(4,953,172)	(3,319,697)
Payments for Construction of Infrastructure		(5,400,828)	(7,821,347)	(1,779,046)
Payments for Purchase of Available for Sale Financial Assets		0	0	(25)
Non-Operating Grants, Subsidies and Contributions		3,954,915	6,041,480	4,603,702
Proceeds from Sale of Property, Plant & Equipment		676,663	804,000	1,006,988
Net Cash Provided By (Used In) Investing Activities		<u>(4,488,273)</u>	<u>(5,929,039)</u>	<u>511,922</u>
Cash Flows from Financing Activities				
Repayment of Debentures		(1,083,079)	(1,083,080)	(917,008)
Proceeds from Self Supporting Loans		6,816	6,816	6,449
Proceeds from New Debentures		2,384,124	2,688,164	992,197
Net Cash Provided By (Used In) Financing Activities		<u>1,307,861</u>	<u>1,611,900</u>	<u>81,638</u>
Net Increase (Decrease) in Cash Held		(103,685)	(2,056,921)	4,041,775
Cash at Beginning of Year		12,905,438	9,624,922	8,863,663
Cash and Cash Equivalents at the End of the Year	11(a)	<u><u>12,801,753</u></u>	<u><u>7,568,001</u></u>	<u><u>12,905,438</u></u>

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

**SHIRE OF SERPENTINE JARRAHDALE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2013**

	2013 Actual \$	2013 Budget \$	2012 Actual \$
Revenue			
Governance	350,272	417,676	371,793
General Purpose Funding	3,872,762	3,438,337	4,542,466
Law, Order, Public Safety	555,117	587,760	1,275,899
Health	42,555	32,818	36,244
Education and Welfare	191	300	303
Community Amenities	2,823,960	2,677,164	2,558,652
Recreation and Culture	1,613,403	1,190,630	2,741,441
Transport	3,994,380	5,296,286	1,633,897
Economic Services	573,052	524,950	619,627
Other Property and Services	796,375	625,400	951,455
	<u>14,622,067</u>	<u>14,791,321</u>	<u>14,731,777</u>
Expenses			
Governance	(4,966,201)	(5,145,916)	(4,705,690)
General Purpose Funding	(324,353)	(487,838)	(523,265)
Law, Order, Public Safety	(1,670,362)	(1,534,377)	(1,707,027)
Health	(439,279)	(481,484)	(451,438)
Education and Welfare	(17,155)	(17,615)	(25,934)
Community Amenities	(5,149,000)	(5,239,914)	(4,964,601)
Recreation and Culture	(3,215,173)	(3,313,346)	(2,577,110)
Transport	(5,339,926)	(5,667,854)	(5,159,572)
Economic Services	(597,443)	(720,867)	(641,817)
Other Property and Services	(843,885)	(650,014)	(811,240)
	<u>(22,562,777)</u>	<u>(23,259,225)</u>	<u>(21,567,694)</u>
Net Result Excluding Rates	(7,940,710)	(8,467,904)	(6,835,917)
Adjustments for Cash Budget Requirements:			
Non-Cash Expenditure and Revenue			
Initial Recognition of Assets Due to Change to Regulations			
- Land under Control	(896,424)	0	0
(Profit)/Loss on Asset Disposals	(12,426)	29,521	(289,962)
Fair Value Adjustments through Profit or Loss	239,842	0	0
Movement in Deferred Pensioner Rates (Non-Current)	(20,624)	0	(3,834)
Movement in Employee Benefit Provisions (Non-Current)	(7,549)	0	(170,852)
Increase in Financial Asset - Investment	3,210	0	0
Depreciation and Amortisation on Assets	2,720,018	2,597,043	2,656,714
Capital Expenditure and Revenue			
Purchase Land and Buildings	(2,634,654)	(3,546,672)	(1,353,431)
Purchase Infrastructure Assets - Roads & Footpaths	(4,891,020)	(7,821,347)	(1,726,211)
Purchase Infrastructure Assets - Parks & Ovals	(509,808)	0	(52,835)
Purchase Plant and Equipment	(1,084,369)	(1,406,500)	(1,882,498)
Purchase Furniture and Equipment	0	0	(83,768)
Purchase of Investments	0	0	(25)
Proceeds from Disposal of Assets	676,663	804,000	1,006,988
Repayment of Debentures	(1,083,079)	(1,083,080)	(917,008)
Proceeds from New Debentures	2,384,124	2,688,164	992,197
Self-Supporting Loan Principal Income	6,816	6,816	6,449
Transfers to Restricted Assets	(1,797,556)	(1,222,286)	(2,533,144)
Transfers from Restricted Assets	2,562,327	1,180,687	790,762
Transfers to Reserves (Restricted Assets)	(1,225,084)	(423,900)	(1,017,409)
Transfers from Reserves (Restricted Assets)	729,387	2,820,578	846,458
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	1,775,324	1,042,936	639,189
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	1,971,159	0	1,775,324
Amount Required to be Raised from Rates	<u>(12,976,751)</u>	<u>(12,801,944)</u>	<u>(11,703,461)</u>

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



SHIRE OF SERPENTINE JARRAHDALÉ
NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

	2013	2012
	\$	\$
1. CASH AND CASH EQUIVALENTS		
Cash on Hand - Unrestricted	1,000	1,000
Cash at Bank - Municipal	10,207,060	10,803,232
Restricted - Reserves	2,593,693	2,101,206
	<u>12,801,753</u>	<u>12,905,438</u>
<u>Cash at Bank - Municipal</u>		
Unrestricted	3,009,059	2,840,460
Restricted - Other	7,198,001	7,962,772
	<u>10,207,060</u>	<u>10,803,232</u>
2. TRADE AND OTHER RECEIVABLES		
Current		
Rates Outstanding	951,594	820,361
Sundry Debtors	929,095	382,179
GST Receivable	222,487	124,553
Prepaid Expenses	4,882	26,876
Loans - Clubs/Institutions	7,205	6,816
	<u>2,115,263</u>	<u>1,360,785</u>
Non-Current		
Rates Outstanding - Pensioners	124,366	103,742
Loans - Clubs/Institutions	0	7,205
	<u>124,366</u>	<u>110,947</u>
3. INVENTORIES		
Current		
Fuel and Materials	8,741	11,993
History Books	9,509	13,097
	<u>18,250</u>	<u>25,090</u>
Non-Current		
Land Held for Resale - Cost		
Cost of Acquisition	143,345	143,345
	<u>143,345</u>	<u>143,345</u>

SHIRE OF SERPENTINE JARRAHDALÉ
NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

4. PROPERTY, PLANT AND EQUIPMENT	2013	2012
	\$	\$
Land and Buildings		
Freehold Land at:		
- Cost	1,741,457	1,741,457
Reserves vested in and under the control of Council - At Cost	896,424	0
Total Land	<u>2,637,881</u>	<u>1,741,457</u>
Buildings at:		
- Cost	16,777,773	14,143,120
Less Accumulated Depreciation	<u>(3,566,611)</u>	<u>(3,212,366)</u>
Total Buildings	<u>13,211,162</u>	<u>10,930,754</u>
Total Land and Buildings	<u>15,849,043</u>	<u>12,672,211</u>
Furniture and Equipment - Management Valuation 2013	9,580	0
Furniture and Equipment - Independent Valuation 2013	132,927	0
Furniture and Equipment - Cost	0	841,794
Less Accumulated Depreciation	<u>0</u>	<u>(718,680)</u>
	142,507	123,114
Plant and Equipment - Independent Valuation 2013	2,339,384	0
Plant and Equipment - Cost	0	3,719,398
Less Accumulated Depreciation	<u>0</u>	<u>(1,490,800)</u>
	<u>2,339,384</u>	<u>2,228,598</u>
Motor Vehicles - Independent Valuation 2013	559,325	0
Motor Vehicles - Management Valuation 2013	977,366	0
Motor Vehicles - Cost	0	2,337,125
Less Accumulated Depreciation	<u>0</u>	<u>(534,609)</u>
	<u>1,536,691</u>	<u>1,802,516</u>
Computer Equipment - Independent Valuation 2013	7,208	0
Computer Equipment - Management Valuation 2013	33,949	0
Computer Equipment - Cost	0	275,172
Less Accumulated Depreciation	<u>0</u>	<u>(199,248)</u>
	<u>41,157</u>	<u>75,924</u>
	<u>19,908,782</u>	<u>16,902,363</u>
5. INFRASTRUCTURE		
Roads - Cost	93,406,702	88,522,613
Less Accumulated Depreciation	<u>(39,013,511)</u>	<u>(37,271,234)</u>
	<u>54,393,191</u>	<u>51,251,379</u>
Footpaths - Cost	2,041,949	2,035,019
Less Accumulated Depreciation	<u>(516,962)</u>	<u>(466,073)</u>
	<u>1,524,987</u>	<u>1,568,946</u>
Drainage - Cost	2,476,688	2,476,688
Less Accumulated Depreciation	<u>(677,252)</u>	<u>(627,719)</u>
	<u>1,799,436</u>	<u>1,848,969</u>
Parks & Ovals - Cost	2,131,906	1,622,098
Less Accumulated Depreciation	<u>(10,995)</u>	<u>(4,619)</u>
	<u>2,120,911</u>	<u>1,617,479</u>
	<u>59,838,525</u>	<u>56,286,773</u>
6. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	1,576,312	884,652
Accrued Interest on Debentures	13,945	4,104
Accrued Salaries and Wages	153,191	119,557
Accrued Expenses	<u>22,638</u>	<u>162,210</u>
	<u>1,766,086</u>	<u>1,170,523</u>

SHIRE OF SERPENTINE JARRAHDALE
NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

	2013 \$	2012 \$
7. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge		
Debentures	1,256,240	1,083,079
	<u>1,256,240</u>	<u>1,083,079</u>
Non-Current		
Secured by Floating Charge		
Debentures	4,531,097	3,403,213
	<u>4,531,097</u>	<u>3,403,213</u>
8. PROVISIONS		
Analysis of Total Provisions		
Current	1,399,122	1,274,672
Non-Current	180,730	188,279
	<u>1,579,852</u>	<u>1,462,951</u>
9. (a) RESERVES - ASSET REVALUATION		
Asset revaluation reserves have arisen on revaluation of the following classes of non-current assets:		
(i) Plant & Equipment		
Opening Balance	0	0
Revaluation Increment	114,504	0
Revaluation Decrement	0	0
	<u>114,504</u>	<u>0</u>
(ii) Computer Equipment		
Opening Balance	0	0
Revaluation Increment	6,246	0
Revaluation Decrement	0	0
	<u>6,246</u>	<u>0</u>
(iii) Furniture & Equipment		
Opening Balance	0	0
Revaluation Increment	45,243	0
Revaluation Decrement	0	0
	<u>45,243</u>	<u>0</u>
TOTAL ASSET REVALUATION RESERVES	<u>165,993</u>	<u>0</u>
9. (b) RESERVES - FINANCIAL ASSETS		
Opening Balance	(11,130)	(13,440)
Revaluation Increment	3,210	2,310
Revaluation Decrement	0	0
	<u>(7,920)</u>	<u>(11,130)</u>

SHIRE OF SERPENTINE JARRAHDALÉ
NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

	2013 \$	2012 \$
10. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY		
Governance	1,937,192	988,347
General Purpose Funding	9,147,611	6,819,011
Law, Order, Public Safety	1,943,746	2,138,339
Health	26,502	5,000
Community Amenities	1,055,930	759,043
Recreation and Culture	10,059,328	9,316,542
Transport	69,191,072	66,100,192
Economic Services	277,348	294,844
Other Property and Services	1,335,860	1,334,518
	<u>94,974,589</u>	<u>87,755,836</u>

11. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash and cash equivalents, 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:

	2013 \$	2013 Budget \$	2012 \$
Cash and Cash Equivalents	<u>12,801,753</u>	<u>7,568,001</u>	<u>12,905,438</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net Result	5,036,041	4,334,043	4,867,544
Depreciation	2,720,018	2,597,043	2,656,714
(Profit)/Loss on Sale of Asset	(12,426)	29,521	(289,962)
Movement in Fair Value of Investments	239,842	0	0
(Increase)/Decrease in Receivables	(784,798)	539,053	537,067
(Increase)/Decrease in Inventories	6,839	1,637	2,193
(Increase)/Decrease in Prepaid Expenses	21,994	0	(12,536)
Increase/(Decrease) in Payables	552,088	800,401	(12,705)
Increase/(Decrease) in Accrued Interest	9,842	0	1,506
Increase/(Decrease) in Accrued Wages	33,634	0	20,405
Increase/(Decrease) in Employee Provisions	109,588	0	274,379
Increase/(Decrease) in Provision for Doubtful Debts	(4,596)	0	7,312
Grants/Contributions for the Development of Assets	(3,954,915)	(6,041,480)	(4,603,702)
Non-Current Assets recognised due to changes in legislative requirements	(896,424)	0	0
Net Cash from Operating Activities	<u>3,076,727</u>	<u>2,260,218</u>	<u>3,448,215</u>
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank Overdraft limit	100,000		100,000
Bank Overdraft at Balance Date	0		0
Credit Card limit	21,500		20,000
Credit Card Balance at Balance Date	(8,820)		(4,915)
Total Amount of Credit Unused	<u>112,680</u>		<u>115,085</u>
Loan Facilities			
Loan Facilities - Current	1,256,240		1,083,079
Loan Facilities - Non-Current	4,531,097		3,403,213
Total Facilities in Use at Balance Date	<u>5,787,337</u>		<u>4,486,292</u>
Unused Loan Facilities at Balance Date	<u>0</u>		<u>0</u>



**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF SERPENTINE JARRAHDAL**

REPORT ON THE CONCISE FINANCIAL REPORT

We have audited the accompanying concise financial report of the Shire of Serpentine Jarrahdale, which comprises the statement of financial position as at 30 June 2013, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and rate setting statement for the year then ended, and the statement by Chief Executive Officer. The concise financial report does not contain all disclosures required by Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

MANAGEMENT'S RESPONSIBILITY FOR THE CONCISE FINANCIAL REPORT

Management is responsible for the preparation of the concise financial report that gives a true and fair view in accordance with Standard AASB 1039: Concise Financial Reports, and for such internal control as management determines is necessary to enable the preparation of the concise financial report that is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the concise financial report based on our procedures which are conducted in accordance with Auditing Standard ASA 810: Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the full financial report of the Shire of Serpentine Jarrahdale for the year ended 30 June 2013. We expressed an unmodified audit opinion on that financial report in our report dated 26 November 2013. The Australian 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 concise financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Shire's preparation of the concise 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 Shire's internal control. Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the full financial report for the year, and examination on a test basis, of audit evidence supporting the amounts and other disclosures which were not directly derived from the full financial report for the year. These procedures have been undertaken to form an opinion on whether, in all material respects, the concise financial report complies with AASB 1039: Concise Financial Reports and whether the other disclosures complies with the requirements laid down in AASB 1039: Concise Financial Reports.

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



**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF SERPENTINE JARRAHDAL (CONTINUED)**

AUDITOR'S OPINION

In our opinion, the concise financial report of the Shire of Serpentine Jarrahdale for the year ended 30 June 2013 complies with Accounting Standard AASB 1039: Concise Financial Reports.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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) 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



GREG GODWIN
PARTNER

Date: 26 November 2013
Perth, WA



Shire of Serpentine Jarrahdale

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