

**TAMALA PARK REGIONAL COUNCIL**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2011 TO 31 AUGUST 2011**

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**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2011 TO 31 AUGUST 2011**

	NOTE	31 August 2011 Actual \$	31 August 2011 Y-T-D Budget \$	2011/12 Annual Budget \$	Variances Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>					
	1,2	136,748	41,540	207,700	229.20%
Interest Earnings		136,748	41,540	207,700	229.20%
Other Revenue		0	0	1,894,752	0.00%
		<u>136,748</u>	<u>41,540</u>	<u>2,102,452</u>	229.20%
<b>(Expenses)</b>					
	1,2	(56,035)	(98,252)	(569,370)	(42.97%)
Employee Costs		(56,035)	(98,252)	(569,370)	(42.97%)
Materials and Contracts					
- Professional Consulting Fees		(34,912)	(19,800)	(445,000)	76.32%
- Materials and Contracts Other		(45,253)	(231,466)	(1,491,274)	(80.45%)
Depreciation		0	(810)	(4,501)	(100.00%)
Utilities		0	0	0	0.00%
Insurance		(12,834)	0	(7,400)	0.00%
Loss on Sale of Asset		0	0	0	0.00%
Other Expenditure		(24,625)	0	(118,500)	0.00%
		<u>(173,659)</u>	<u>(350,328)</u>	<u>(2,636,045)</u>	(50.43%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	810	4,501	(100.00%)
Movement in Employee Benefit Provisions		0	0	9,000	0.00%
					0.00%
<b><u>Capital Revenue and (Expenditure)</u></b>					
Contributed Equity		0	0	(75,000)	0.00%
Land Held for Resale	3	(227,396)	0	(13,329,209)	0.00%
Furniture and Equipment	3	(859)	0	(40,000)	0.00%
					0.00%
ADD Net Current Assets July 1 B/Fwd	7	14,751,169	14,800,401	14,800,401	(0.33%)
Net Current Assets Year to Date	7	<u>14,486,003</u>	<u>14,492,423</u>	<u>827,100</u>	

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2011 TO 31 AUGUST 2011**

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Accounting**

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

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

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

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.

The Council does not hold any monies in trust.

**(c) Rounding Off Figures**

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

**(d) 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.

**(e) Goods and Services Tax**

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

**(f) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits 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.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2011 TO 31 AUGUST 2011**

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

**(g) Trade and Other Receivables**

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

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

**(h) Inventories**

**General**

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

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

**Land Held for Resale**

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

Revenue arising from the sale of property is recognised in the operating 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

**(i) Fixed Assets**

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 by the Municipality includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**(j) 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:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2011 TO 31 AUGUST 2011**

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

**(k) Impairment**

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

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

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

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

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2012.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

**(l) Trade and Other Payables**

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

**(m) Employee Benefits**

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

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

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

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

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2011 TO 31 AUGUST 2011**

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

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

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

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

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

***Borrowing Costs***

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

**(o) Provisions**

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

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

**(p) Current and Non-Current Classification**

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

**TAMALA PARK REGIONAL COUNCIL  
 NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
 FOR THE PERIOD 1 JULY 2011 TO 31 AUGUST 2011**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

- a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
- b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

- 1. To develop and improve the value of the land;
- 2. To maximise, and with prudent risk parameters, the financial return to the Participants;
- 3. To balance economic, social and environmental issues; and
- 4. To produce a quality development demonstrating the best urban design and development practice.

**3. ACQUISITION OF ASSETS**

The following assets are budgeted to be acquired during the year:

	<b>31 August 2011 Actual \$</b>	<b>Annual 2011/12 Budget \$</b>
<b><u>By Program</u></b>		
<b>Other Property and Services</b>		
Phones	FE <u>859</u>	<u>13,629,209</u>
	<b><u>859</u></b>	<b><u>13,629,209</u></b>
<b><u>By Class</u></b>		
Land Held for Resale	LB 227,396	13,329,209
Furniture and Equipment	FE <u>859</u>	<u>40,000</u>
	<b><u>228,255</u></b>	<b><u>13,369,209</u></b>

**4. DISPOSALS OF ASSETS**

No assets were disposed during the reporting period to the 31st August 2011.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2011 TO 31 AUGUST 2011**

**5. INFORMATION ON BORROWINGS**

No borrowings have been made in the period under review. No borrowings are budgeted for the 2011-12 financial year.

**6. CONTRIBUTED EQUITY**

The amount of Contributed Equity is \$16,076,453 as at 1st July 2011.

	<b>31 August 2011/12 Actual \$</b>	<b>2010 Actual \$</b>
Town of Victoria Park	1,339,705	1,338,975
City of Perth	1,339,705	1,338,975
Town of Cambridge	1,339,705	1,338,975
City of Joondalup	2,679,408	2,677,951
City of Wanneroo	2,679,409	2,677,951
Town of Vincent	1,339,705	1,338,975
City of Stirling	5,358,816	5,355,901
<b>TOTAL</b>	<u><u>16,076,453</u></u>	<u><u>16,067,703</u></u>

**7. NET CURRENT ASSETS**

<b>Composition of Estimated Net Current Asset Position</b>	<b>31 August 2011 Actual \$</b>	<b>Brought Forward 1-Jul \$</b>
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	14,491,831	14,832,197
Receivables	51,726	64,145
	<u>14,543,557</u>	<u>14,896,342</u>
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	<u>(57,554)</u>	<u>(145,173)</u>
<b>NET CURRENT ASSET POSITION</b>	14,486,003	14,751,169
<b>NET CURRENT ASSET POSITION</b>	<u><u>14,486,003</u></u>	<u><u>14,751,169</u></u>

**8. RATING INFORMATION**

Being a Regional Council, no rates will be raised during the year ending 30 June 2012.

**9. TRUST FUNDS**

The Regional Council does not hold any funds in trust on behalf of third parties.



**Tamala Park Regional Council**  
**Balance Sheet**  
As of August 31, 2011

	Aug 31, 11	Jul 31, 11	\$ Change	Aug 31, 10	\$ Change
<b>ASSETS</b>					
<b>Current Assets</b>					
<b>Chequing/Savings</b>					
<b>A01100 - Cash at Bank</b>					
A01101 - Unrestricted Municipal Bank	267,345.98	69,635.53	197,710.45	1,441.81	265,904.17
A01102 - Unrestricted Short Term Investm	596.28	595.24	1.04	76,953.61	-76,357.33
A01106 - Fixed Term Deposit_BankWest	7,293,062.63	7,393,062.63	-100,000.00	7,693,062.63	-400,000.00
A01107 - Fixed Term Deposit Suncorp Metw	2,405,851.60	5,105,851.60	-2,700,000.00	7,382,487.51	-4,976,635.91
A01108 - Fixed Term Deposit ANZ Bank	4,486,008.76	1,986,008.76	2,500,000.00	0.00	4,486,008.76
A01109 - ANZ Online Saver Account	8,792.45	0.00	8,792.45	0.00	8,792.45
<b>Total A01100 - Cash at Bank</b>	<b>14,461,657.70</b>	<b>14,555,153.76</b>	<b>-93,496.06</b>	<b>15,153,945.56</b>	<b>-692,287.86</b>
<b>Total Chequing/Savings</b>	<b>14,461,657.70</b>	<b>14,555,153.76</b>	<b>-93,496.06</b>	<b>15,153,945.56</b>	<b>-692,287.86</b>
<b>Accounts Receivable</b>					
<b>A01120 - ACCOUNTS RECEIVABLE</b>					
A011201 - Accrued Interest	18,518.59	18,518.59	0.00	36,364.68	-17,846.09
A011203 - Aaustralian Tax Office _GST BAS	34,524.00	0.00	34,524.00	0.00	34,524.00
<b>Total A01120 - ACCOUNTS RECEIVABLE</b>	<b>53,042.59</b>	<b>18,518.59</b>	<b>34,524.00</b>	<b>36,364.68</b>	<b>16,677.91</b>
<b>Total Accounts Receivable</b>	<b>53,042.59</b>	<b>18,518.59</b>	<b>34,524.00</b>	<b>36,364.68</b>	<b>16,677.91</b>
<b>Other Current Assets</b>					
A01105 - Petty Cash and Cash on Hand	30.00	30.00	0.00	30.00	0.00
A01180 - Accommodation Bond - CoS	1,000.00	1,000.00	0.00	1,000.00	0.00
<b>Total Other Current Assets</b>	<b>1,030.00</b>	<b>1,030.00</b>	<b>0.00</b>	<b>1,030.00</b>	<b>0.00</b>
<b>Total Current Assets</b>	<b>14,515,730.29</b>	<b>14,574,702.35</b>	<b>-58,972.06</b>	<b>15,191,340.24</b>	<b>-675,609.95</b>
<b>Fixed Assets</b>					
<b>A0151 - Land</b>					
<b>A01512 - At Cost</b>					
<b>E168010 - Land Acquisition 2009-10</b>					
E168011 - Acquisition lot 807 Neerabup Rd	2,000,000.00	2,000,000.00	0.00	2,000,000.00	0.00
<b>Total E168010 - Land Acquisition 2009-10</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	<b>2,000,000.00</b>	<b>0.00</b>
<b>Total A01512 - At Cost</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	<b>2,000,000.00</b>	<b>0.00</b>
<b>Total A0151 - Land</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	<b>2,000,000.00</b>	<b>0.00</b>
<b>A0154 - Furniture &amp; Equipment</b>					
A01541 - Accumulated Depn - F&E	-20,119.00	-20,119.00	0.00	-13,796.00	-6,323.00
<b>A01542 - At Cost</b>					
<b>E168200 - Additiions - 2007-08</b>					
E168201 - Telephones, Faxes	0.00	0.00	0.00	662.73	-662.73
E168203 - Computer Equipment	0.00	0.00	0.00	7,857.14	-7,857.14
E168204 - Printers Photocopiers Scanners	0.00	0.00	0.00	6,821.73	-6,821.73
E168205 - Furniture & Equipment	0.00	0.00	0.00	136.36	-136.36
E168206 - Floor Coverings	0.00	0.00	0.00	2,050.00	-2,050.00

**Tamala Park Regional Council**  
**Balance Sheet**  
As of August 31, 2011

	Aug 31, 11	Jul 31, 11	\$ Change	Aug 31, 10	\$ Change
<b>Total E168200 · Additions - 2007-08</b>	0.00	0.00	0.00	17,527.96	-17,527.96
<b>E168500 · Additions 2008-09</b>					
E168502 · Computer - Project Dev Mgr	0.00	0.00	0.00	2,490.82	-2,490.82
<b>Total E168500 · Additions 2008-09</b>	0.00	0.00	0.00	2,490.82	-2,490.82
<b>E168510 · F&amp;OEquip Additions 2009-10</b>					
E168511 · Elect-Compute Equipment 2009-10	0.00	0.00	0.00	3,434.55	-3,434.55
E168514 · Printers Copiers Scanners Camer	0.00	0.00	0.00	346.28	-346.28
E168515 · Phones	0.00	0.00	0.00	800.00	-800.00
<b>Total E168510 · F&amp;OEquip Additions 2009-10</b>	0.00	0.00	0.00	4,580.83	-4,580.83
<b>E168530 · F&amp;OEquip Additions 2010-11</b>					
E168516 · Office Furniture CEO 2010/11	3,480.00	3,480.00	0.00	0.00	3,480.00
E168517 · Computer Equipment 2010/11	2,600.00	2,600.00	0.00	0.00	2,600.00
E168518 · Microwave Oven 2010/11	45.00	45.00	0.00	0.00	45.00
<b>Total E168530 · F&amp;OEquip Additions 2010-11</b>	6,125.00	6,125.00	0.00	0.00	6,125.00
<b>E168540 · F&amp;OEquip Additions 2011-12</b>					
E168519 · Phones 2011/12	859.00	0.00	859.00	0.00	859.00
<b>Total E168540 · F&amp;OEquip Additions 2011-12</b>	859.00	0.00	859.00	0.00	859.00
<b>A01542 · At Cost - Other</b>	27,558.88	27,558.88	0.00	2,959.27	24,599.61
<b>Total A01542 · At Cost</b>	34,542.88	33,683.88	859.00	27,558.88	6,984.00
<b>Total A0154 · Furniture &amp; Equipment</b>	14,423.88	13,564.88	859.00	13,762.88	661.00
<b>Total Fixed Assets</b>	2,014,423.88	2,013,564.88	859.00	2,013,762.88	661.00
<b>TOTAL ASSETS</b>	<b>16,530,154.17</b>	<b>16,588,267.23</b>	<b>-58,113.06</b>	<b>17,205,103.12</b>	<b>-674,948.95</b>
<b>LIABILITIES &amp; EQUITY</b>					
<b>Liabilities</b>					
<b>Current Liabilities</b>					
<b>Accounts Payable</b>					
L01215 · SUNDRY CREDITORS	0.00	0.00	0.00	-0.75	0.75
<b>Total Accounts Payable</b>	0.00	0.00	0.00	-0.75	0.75
<b>Credit Cards</b>					
A01110 · Westpac Visa Corp Credit Card	167.60	97.10	70.50	491.25	-323.65
<b>Total Credit Cards</b>	167.60	97.10	70.50	491.25	-323.65
<b>Other Current Liabilities</b>					
<b>2100 · Payroll Liabilities</b>					
L2001 · PAYG Deductions	8,154.00	17,326.00	-9,172.00	6,724.00	1,430.00
L2002 · Superannuation Contributions	-50.94	-50.94	0.00	0.00	-50.94
<b>Total 2100 · Payroll Liabilities</b>	8,103.06	17,275.06	-9,172.00	6,724.00	1,379.06
<b>2200 · Tax Payable</b>	-36,537.09	-65,458.73	28,921.64	-3,445.51	-33,091.58

**Tamala Park Regional Council**  
**Balance Sheet**  
As of August 31, 2011

	Aug 31, 11	Jul 31, 11	\$ Change	Aug 31, 10	\$ Change
<b>L0122 - Employee Entitlements</b>					
L01225 - Annual Leave	39,882.19	39,882.19	0.00	33,894.05	5,988.14
<b>Total L0122 - Employee Entitlements</b>	39,882.19	39,882.19	0.00	33,894.05	5,988.14
L01229 - Prov for Audit Fees	9,350.00	9,350.00	0.00	7,000.00	2,350.00
<b>Total Other Current Liabilities</b>	20,798.16	1,048.52	19,749.64	44,172.54	-23,374.38
<b>Total Current Liabilities</b>	20,965.76	1,145.62	19,820.14	44,663.04	-23,697.28
<b>Long Term Liabilities</b>					
L01230 - Provision - Employee LSL	13,046.69	13,046.69	0.00	6,918.42	6,128.27
<b>Total Long Term Liabilities</b>	13,046.69	13,046.69	0.00	6,918.42	6,128.27
<b>Total Liabilities</b>	34,012.45	14,192.31	19,820.14	51,581.46	-17,569.01
<b>Equity</b>					
<b>3000 - Opening Bal Equity</b>					
L019051 - TVP Dist Rates Equiv 07-11	-26,397.49	-26,397.49	0.00	-19,239.97	-7,157.52
L019052 - CP Dist Rates Equiv 07-11	-26,397.49	-26,397.49	0.00	-19,239.97	-7,157.52
L019053 - TC Dist Rates Equiv 07-11	-26,397.49	-26,397.49	0.00	-19,239.97	-7,157.52
L019054 - CJ Dist Rates Equiv 07-11	-52,794.96	-52,794.96	0.00	-38,479.93	-14,315.03
L019055 - CW Dist Rates Equiv 07-11	-52,794.96	-52,794.96	0.00	-38,479.93	-14,315.03
L019056 - TV Dist Rates Equiv 07-11	-26,397.49	-26,397.49	0.00	-19,239.97	-7,157.52
L019057 - CS Dist Rates Equiv 07-11	-105,589.93	-105,589.93	0.00	-76,959.86	-28,630.07
<b>Total 3000 - Opening Bal Equity</b>	-316,769.81	-316,769.81	0.00	-230,879.60	-85,890.21
<b>3900 - *Retained Earnings</b>	847,017.81	847,017.81	0.00	1,128,009.20	-280,991.39
<b>L019001 - Town of Victoria Park</b>					
L019101 - TVP Contributed Equity	1,351,786.60	1,351,786.60	0.00	1,351,786.60	0.00
<b>Total L019001 - Town of Victoria Park</b>	1,351,786.60	1,351,786.60	0.00	1,351,786.60	0.00
<b>L019002 - City of Perth</b>					
L019102 - CP Contributed Equity	1,351,786.60	1,351,786.60	0.00	1,351,786.60	0.00
<b>Total L019002 - City of Perth</b>	1,351,786.60	1,351,786.60	0.00	1,351,786.60	0.00
<b>L019003 - Town of Cambridge</b>					
L019103 - TC Contributed Equity	1,351,786.60	1,351,786.60	0.00	1,351,786.60	0.00
<b>Total L019003 - Town of Cambridge</b>	1,351,786.60	1,351,786.60	0.00	1,351,786.60	0.00
<b>L019004 - City of Joondalup</b>					
L019104 - CJ Contributed Equity	2,703,573.19	2,703,573.19	0.00	2,703,573.19	0.00
<b>Total L019004 - City of Joondalup</b>	2,703,573.19	2,703,573.19	0.00	2,703,573.19	0.00
<b>L019005 - City of Wanneroo</b>					
L019105 - CW Contributed Equity	2,703,573.19	2,703,573.19	0.00	2,703,573.19	0.00
<b>Total L019005 - City of Wanneroo</b>	2,703,573.19	2,703,573.19	0.00	2,703,573.19	0.00
<b>L019006 - Town of Vincent</b>					
L019106 - TV Contributed Equity	1,351,786.60	1,351,786.60	0.00	1,351,786.60	0.00

# Tamala Park Regional Council

## Balance Sheet

As of August 31, 2011

	<b>Aug 31, 11</b>	<b>Jul 31, 11</b>	<b>\$ Change</b>	<b>Aug 31, 10</b>	<b>\$ Change</b>
<b>Total L019006 - Town of Vincent</b>	1,351,786.60	1,351,786.60	0.00	1,351,786.60	0.00
<b>L019007 - City of Stirling</b>					
<b>L019107 - CS Contributed Equity</b>	5,407,146.39	5,407,146.39	0.00	5,407,146.39	0.00
<b>Total L019007 - City of Stirling</b>	5,407,146.39	5,407,146.39	0.00	5,407,146.39	0.00
<b>Net Income</b>	-255,545.45	-177,612.25	-77,933.20	34,952.89	-290,498.34
<b>Total Equity</b>	16,496,141.72	16,574,074.92	-77,933.20	17,153,521.66	-657,379.94
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>16,530,154.17</b>	<b>16,588,267.23</b>	<b>-58,113.06</b>	<b>17,205,103.12</b>	<b>-674,948.95</b>

**Tamala Park Regional Council**  
**Profit & Loss Budget Performance**  
August 2011

	Jul - Aug 11	YTD Budget	\$ Over Budget	Annual Budget
<b>Income</b>				
<b>I03 - GENERAL PURPOSE FUNDING</b>				
<b>I032 - Other GPF</b>				
I032030 - Interest on Investment	145,509.78	41,540.00	103,969.78	207,700.00
<b>Total I032 - Other GPF</b>	<b>145,509.78</b>	<b>41,540.00</b>	<b>103,969.78</b>	<b>207,700.00</b>
<b>Total I03 - GENERAL PURPOSE FUNDING</b>	<b>145,509.78</b>	<b>41,540.00</b>	<b>103,969.78</b>	<b>207,700.00</b>
<b>I14 - OTHER PROPERTY &amp; SERVICES</b>				
<b>I145 - Administration</b>				
I145011 - Income Sale on Lots	0.00			1,894,752.00
<b>Total I145 - Administration</b>	<b>0.00</b>			<b>1,894,752.00</b>
<b>Total I14 - OTHER PROPERTY &amp; SERVICES</b>	<b>0.00</b>			<b>1,894,752.00</b>
<b>Total Income</b>	<b>145,509.78</b>	<b>41,540.00</b>	<b>103,969.78</b>	<b>2,102,452.00</b>
<b>Gross Profit</b>	<b>145,509.78</b>	<b>41,540.00</b>	<b>103,969.78</b>	<b>2,102,452.00</b>
<b>Expense</b>				
<b>E04 - GOVERNANCE.</b>				
<b>E041 - Membership</b>				
E041005 - Chairman Allowance	3,250.00	0.00	3,250.00	6,000.00
E041010 - Deputy Chair Allowance	375.00	0.00	375.00	1,500.00
E041018 - Composite Allowance	21,000.00	0.00	21,000.00	91,000.00
E041020 - Conference Expenses	0.00	0.00	0.00	10,000.00
E041025 - Training	0.00			
E041030 - Other Costs	0.00	0.00	0.00	10,000.00
<b>Total E041 - Membership</b>	<b>24,625.00</b>	<b>0.00</b>	<b>24,625.00</b>	<b>118,500.00</b>
<b>Total E04 - GOVERNANCE.</b>	<b>24,625.00</b>	<b>0.00</b>	<b>24,625.00</b>	<b>118,500.00</b>
<b>E14 - ADMINISTRATION</b>				
<b>E145 - Administration</b>				
E145005 - Salaries - Basic Costs	49,207.20	86,400.00	-37,192.80	480,000.00
E145007 - Salaries Occ. Superannuation	4,377.70	7,776.00	-3,398.30	43,200.00
E145009 - Salaries WALGS Superannuation	0.00	566.00	-566.00	3,144.00
E145011 - Advertising Staff Vacancies	0.00	0.00	0.00	10,000.00
E145015 - Insurance W/comp.	5,875.00	0.00	5,875.00	13,325.00
E145017 - Medical Exam. Costs	0.00	0.00	0.00	200.00
E145019 - Staff Training & Dev.	450.00	360.00	90.00	2,000.00
E145020 - Conference Expenses CEO	0.00	2,160.00	-2,160.00	12,000.00
E145021 - Telephone - Staff Reimbursement	0.00	90.00	-90.00	501.00
E145024 - Travel Expenses CEO	0.00	900.00	-900.00	5,000.00
E145025 - Other Accom & Property Costs	1,033.20	2,700.00	-1,666.80	15,000.00
E145027 - Advertising General	0.00	1,800.00	-1,800.00	10,000.00
E145029 - Advertising Public/Statutory	482.42	1,080.00	-597.58	6,000.00
E145031 - Graphics Consumables	0.00	900.00	-900.00	5,000.00

**Tamala Park Regional Council**  
**Profit & Loss Budget Performance**  
August 2011

	Jul - Aug 11	YTD Budget	\$ Over Budget	Annual Budget
E145033 - Photocopying	357.29	270.00	87.29	1,501.00
E145037 - Postage, Courier & Freight	131.68	90.00	41.68	501.00
E145039 - Printing	0.00	900.00	-900.00	5,000.00
E145043 - Stationery	193.21	180.00	13.21	1,000.00
E145045 - Other Admin Expenses	2,000.00	900.00	1,100.00	5,000.00
E145047 - Office Telephones & Faxes	218.41	540.00	-321.59	3,000.00
E145049 - Mobil Phones, Pages, Radios	0.00	360.00	-360.00	2,000.00
E145053 - Bank Charges	148.15	90.00	58.15	501.00
E145055 - Credit Charges	0.00	18.00	-18.00	101.00
E145057 - Audit Fees	2,000.00	0.00	2,000.00	15,000.00
E145059 - Membership Fees	2,250.00	0.00	2,250.00	7,550.00
E145061 - Legal Expenses (General)	0.00	9,000.00	-9,000.00	50,000.00
E145069 - Valuation Fees	0.00	5,400.00	-5,400.00	30,000.00
E145075 - Promotions	0.00	1,800.00	-1,800.00	10,000.00
E145077 - Business Hospitality Expenses	172.81	1,800.00	-1,627.19	10,000.00
E145082 - Lawyers	0.00	5,400.00	-5,400.00	30,000.00
E145083 - Research	0.00	5,400.00	-5,400.00	30,000.00
E145086 - Probity Auditor	1,386.00	0.00	1,386.00	20,000.00
E145087 - Computer Software Mtce	669.18	900.00	-230.82	5,000.00
E145088 - Accounting Management	2,915.00	4,500.00	-1,585.00	25,000.00
E145089 - Computer Software Purchase	0.00	0.00	0.00	10,000.00
E145091 - Computer Sundries	0.00	0.00	0.00	5,000.00
E145092 - Data Communication Links	0.00	360.00	-360.00	2,000.00
E145093 - Internet Provider Costs	443.64	0.00	443.64	5,000.00
E145094 - Plant & Equipment Purchase Non-	0.00	0.00	0.00	1,000.00
E145095 - Furniture & Equipment Purchase	0.00	900.00	-900.00	5,000.00
E145097 - Hire of Equipment	0.00	360.00	-360.00	2,000.00
E145100 - Safety Clothes and Equipment	0.00	360.00	-360.00	2,000.00
E145101 - Consumable Stores	22.41	90.00	-67.59	501.00
E145103 - Newspapers & Periodicals	0.00	36.00	-36.00	200.00
E145105 - Publications & Brochures	0.00	144.00	-144.00	800.00
E145107 - Subscriptions	0.00	90.00	-90.00	501.00
E145109 - Parking Expenses	0.00	90.00	-90.00	501.00
E145111 - Plans	0.00	270.00	-270.00	1,501.00
E145113 - Emergency Services	0.00	180.00	-180.00	1,000.00
E145117 - Electricity	0.00	324.00	-324.00	1,800.00
E145119 - Professional Indemnity	1,525.43	0.00	1,525.43	1,600.00
E145121 - Insurance - Public Liability	1,024.00	0.00	1,024.00	2,300.00
E145123 - Insurance - Property (ISR)	449.85	0.00	449.85	2,500.00
E145126 - Insurance - Personal Accident	3,885.00	0.00	3,885.00	1,000.00
E145127 - Insurance - Other	75.00			
E145222 - Depreciation Furniture_office E	0.00	810.00	-810.00	4,501.00
<b>Total E145 - Administration</b>	<b>81,292.58</b>	<b>146,294.00</b>	<b>-65,001.42</b>	<b>907,229.00</b>

**Total E14 - ADMINISTRATION** 81,292.58 146,294.00 -65,001.42 907,229.00

**E24 - CONSULTANT EXPENSE**

E145079 - Consultancy

**Tamala Park Regional Council**  
**Profit & Loss Budget Performance**  
August 2011

	Jul - Aug 11	YTD Budget	\$ Over Budget	Annual Budget
<b>E145400 - Structure Planning</b>				
E145401 - Direct Component	0.00	800.00	-800.00	40,000.00
E145402 - Variation SP Options	16,205.74	0.00	16,205.74	0.00
E145403 - Aerial Perspective Diagrams	0.00	0.00	0.00	0.00
E145405 - TPG Syrinx Component	0.00	200.00	-200.00	10,000.00
E145409 - Traffic consultant	7,855.00	200.00	7,655.00	10,000.00
E145410 - Economic Component	0.00	100.00	-100.00	5,000.00
E145413 - Structure Plan Modification	0.00	200.00	-200.00	10,000.00
<b>Total E145400 - Structure Planning</b>	<b>24,060.74</b>	<b>1,500.00</b>	<b>22,560.74</b>	<b>75,000.00</b>
<b>E145430 - Other Struct_PI Consultancies</b>				
E145435 - Local Water Mgmt Strategy	0.00	0.00	0.00	0.00
E145437 - Landscaping & Env Detail Plan	0.00	0.00	0.00	0.00
<b>Total E145430 - Other Struct_PI Consultancies</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>E145440 - Env Innovation Consultancies</b>				
E145441 - Sustainability Assessment Syst	0.00	800.00	-800.00	40,000.00
E145443 - Hydrology Mgmt & Reuse	0.00	0.00	0.00	0.00
E145444 - Energy Generation-Application	0.00	400.00	-400.00	20,000.00
E145445 - Communication Systems	0.00	0.00	0.00	0.00
E145446 - MRC landfill Future Use/Integra	0.00	0.00	0.00	0.00
E145447 - Graceful Sun Moth Survey	2,470.04	200.00	2,270.04	10,000.00
E145448 - EPBC Act Management	5,876.10	1,000.00	4,876.10	50,000.00
<b>Total E145440 - Env Innovation Consultancies</b>	<b>8,346.14</b>	<b>2,400.00</b>	<b>5,946.14</b>	<b>120,000.00</b>
<b>E145450 - Admin-Operational Consultancies</b>				
E145451 - GST management	0.00	400.00	-400.00	20,000.00
E145452 - Recruitment_Human Resources	0.00	200.00	-200.00	10,000.00
E145453 - GST Margin Scheme Consultancy	0.00	0.00	0.00	100,000.00
<b>Total E145450 - Admin-Operational Consultancies</b>	<b>0.00</b>	<b>600.00</b>	<b>-600.00</b>	<b>130,000.00</b>
<b>E145079 - Consultancy - Other</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total E145079 - Consultancy</b>	<b>32,406.88</b>	<b>4,500.00</b>	<b>27,906.88</b>	<b>325,000.00</b>
<b>Total E24 - CONSULTANT EXPENSE</b>	<b>32,406.88</b>	<b>4,500.00</b>	<b>27,906.88</b>	<b>325,000.00</b>
<b>E34 - PROPERTY DEVELOPMENT- SERVICES</b>				
<b>E345 - Property Admin &amp; Approvals</b>				
E145041 - Signage/Decals	0.00	100.00	-100.00	5,000.00
E145042 - Branding/Marketing	201.22	400.00	-198.78	20,000.00
E145063 - Conveyancing Expenses	0.00	0.00	0.00	0.00
E145065 - Surveyors Fees	13,595.00	0.00	13,595.00	0.00
E145067 - Title Searches	0.00	0.00	0.00	0.00
E145070 - Preliminary Engineering Design	0.00	0.00	0.00	0.00
E145072 - Subdivision Design - Stage 1	20,998.64	0.00	20,998.64	0.00
E145074 - Environmental Management Plans	540.00	0.00	540.00	0.00
<b>Total E345 - Property Admin &amp; Approvals</b>	<b>35,334.86</b>	<b>500.00</b>	<b>34,834.86</b>	<b>25,000.00</b>

**Tamala Park Regional Council**  
**Profit & Loss Budget Performance**  
August 2011

	Jul - Aug 11	YTD Budget	\$ Over Budget	Annual Budget
<b>E346 - Mtce Services - Land</b>				
E145204 - Fences/Walls	0.00	100.00	-100.00	5,000.00
E145206 - Mtce Services - Land - Other	0.00	100.00	-100.00	5,000.00
E145216 - Direct Selling Expenses	0.00			250,316.00
E145218 - Sales and Marketing	0.00	198,834.00	-198,834.00	1,000,000.00
<b>Total E346 - Mtce Services - Land</b>	<b>0.00</b>	<b>199,034.00</b>	<b>-199,034.00</b>	<b>1,260,316.00</b>
<b>Total E34 - PROPERTY DEVELOPMENT- SERVICES</b>	<b>35,334.86</b>	<b>199,534.00</b>	<b>-164,199.14</b>	<b>1,285,316.00</b>
<b>E347 - Land Development Costs</b>				
E145210 - Infrastructure	22,770.91			
E145211 - Lot Production	204,625.00			
<b>Total E347 - Land Development Costs</b>	<b>227,395.91</b>			
<b>Total Expense</b>	<b>401,055.23</b>	<b>350,328.00</b>	<b>50,727.23</b>	<b>2,636,045.00</b>
<b>Net Income</b>	<b>-255,545.45</b>	<b>-308,788.00</b>	<b>53,242.55</b>	<b>-533,593.00</b>



# Tamala Park Regional Council



## Cheque Detail

August 2011

Num	Date	Name	Description	Paid Amount
CH-200222	11/08/2011	Reckon	Quickbooks Premier 2011/12 Direct subscription	
SUB3248688	11/08/2011		E145087 · Computer Software Mtce - Quickbooks Premier 2011/12 Direct subscription	-580.91
		Australian Taxation Office	Non-Cap. Acq. - Inc GST	-58.09
				<b>-639.00</b>
CH-200224	25/08/2011	Proud, Stephanie	Composite allowance for May/June/July 2011	
May/Jun/Jul11	25/08/2011		Composite allowance for May/June/July 2011	-1,750.00
				<b>-1,750.00</b>
CH-200225	25/08/2011	Catania, Nick	Composite allowance for May/June/July 2011	
May/Jun/Jul11	25/08/2011		Composite allowance for May/June/July 2011	-1,750.00
				<b>-1,750.00</b>
CH-200226	25/08/2011	City of Stirling	Rent MR1 SCC for MRC Meeting 6/10/11	
Rental 11086	25/08/2011		E145025 · Other Accom & Property Costs - Rent MR1 SCC for MRC Meeting 6/10/11	-106.36
		Australian Taxation Office	Non-Cap. Acq. - Inc GST	-10.64
				<b>-117.00</b>
CH-200227	25/08/2011	City of Stirling	Rent August 2011 MR2 & MR3 SCC	
August 2011	25/08/2011		E145025 · Other Accom & Property Costs - Rent August 2011 MR2 & MR3 SCC	-926.84
		Australian Taxation Office	Non-Cap. Acq. - Inc GST	-92.68
				<b>-1,019.52</b>
CH-200223	25/08/2011	City of Wanneroo - Supplier	Application for approval to commence development	
	25/08/2011		Subdivision Design - Stage 1 - Application for approval to commence development	-523.64
		Australian Taxation Office	Non-Cap. Acq. - Inc GST	-52.36
				<b>-576.00</b>
CH-200228	29/08/2011	Western Power	Cutting and rejoining high voltage underground power cables in Neerabup Road to allow earthworks...	
Nathan Butson C&W	29/08/2011		Infrastructure - Cutting and rejoining high voltage underground power cables in Neerabup Road to...	-22,770.91
		Australian Taxation Office	Non-Cap. Acq. - Inc GST	-2,277.09
				<b>-25,048.00</b>

**Cheque Total -30,899.52**

# 2012

 TPRC meetings  
 CEO group meetings

January '12						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February '12						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29			

**City of Wanneroo**

March '12						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April '12						
Su	M	Tu	W	Th	F	Sa
				5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

**Town of Cambridge**

May '12						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June '12						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

**City of Joondalup**

July '12						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August '12						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

**City of Stirling**

September '12						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

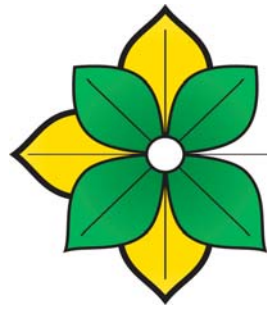
October '12						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

**Town of Victoria Park**

November '12						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

December '12						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

**City of Vincent**



**TAMALA PARK**  
Regional Council



# Annual Report 2010-2011



# What is Tamala Park Regional Council?

Tamala Park Regional Council (TPRC) is a body formed specifically to manage the urban development of 180 hectares of land situated in City of Wanneroo. The land is jointly owned by 7 local governments.

Tamala Park Regional Council comprises 7 local authority members:

- \* Town of Cambridge
- \* City of Joondalup
- \* City of Perth
- \* City of Stirling
- \* Town of Victoria Park
- \* City of Vincent
- \* City of Wanneroo

The purpose of the Council is to undertake the rezoning, subdivision, development, marketing and sale of the Tamala Park land.

When the land is fully developed the TPRC will have completed its Charter and will cease to exist.

The life of the Council is currently projected to be 10-12 years.

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## Message from the Chairman

This is the fifth annual report of the Tamala Park Regional Council (TPRC) .

The Council comprises 12 members nominated by the 7 owner local governments according to ownership shares. The Regional Council operates under the Local Government Act in the same manner as other local authorities. An Establishment Agreement between the Council participants deals with equity issues and Council decision-making.

The focus over the last 12 months was obtaining the required planning and environmental approvals which would enable the project to commence.

The Tamala Park Local Structure Plan was approved by the City of Wanneroo and the Western Australian Planning Commission during the year. The Local Structure Plan provides the framework for the Tamala Park project for the next 10-12 years. I would like to thank Councillors and Officers of the City of Wanneroo for their assistance in finalising the Local Structure Plan.

The Local Structure Plan will also provide for the management of natural elements and features, such as the protection of significant tracts of native flora and associated fauna within a quality urban landscaping.

For the fifth year the Council has reached its goal of covering all operating expenses through investment activity and has also made a partial distribution of income to participate local authorities.

At the time of writing this report bulk earthworks have commenced on the site which is another significant milestone. The Council has decided to use 'Catalina' as the marketing name and project name, which I am sure will enhance its attractiveness.

The next 12 months will be an exciting time with more significant milestones being achieved with the commencement of marketing and sales of the Project.



Cr Giovanni Italiano JP  
**CHAIRMAN**

## Message from the Chief Executive Officer

This year saw the finalization of the Local Structure Plan (LSP) following considerable effort from the Project Consultancy Team and the support of Councillors and officers of the City of Wanneroo.

The Phase 1 Subdivision Application was approved by the Western Australian Planning Commission in August, 2011 and seeks to create 271 residential zoned lots, the Biodiversity Conservation Area lot (6.2ha), and public open space and drainage areas of 2.2ha, and local roads and connections to Marmion Avenue and Neerabup Road.

Another significant milestone for the Council was approval to the proposed development works by the Department of Sustainability, Environment, Water, Population and Communities (SEWPAC) under the EPBC Act. The TPRC was required to prepare a mitigation strategy outlining measures to avoid or reduce impacts to Carnaby's Black Cockatoo and Graceful Sun Moth. The TPRC will begin the implementation of the SEWPAC conditions over the next 12 months.

Since the City of Wanneroo approval to Development Application – Phase 1 Bulk Earthworks in August, 2011 works have commenced on site. The following provides the status of works components to date;

- Phase 1 Fauna relocation completed,
- Phase 1 Grass tree and Zamia Palms relocation complete,
- Phase 1 clearing and mulching complete,
- Biodiversity Conservation Area construction fencing complete,
- Bulk Earthworks commenced,

The next 12 months will see the initial stages of the Catalina project being constructed. The Bulk Earthworks for the Phase 1 area, in the vicinity of Neerabup Road and Marmion Avenue, are well underway and should be completed by December 2011. The Stage 1 civil works will follow this and are planned for completion in May 2012.

The marketing and branding strategy will commence this year in anticipation of sales of the residential lots commencing later in 2011 or early 2012. The approved Council budget anticipates 105 lots being sold and 8 lots being settled in the 2011/12 financial year.



Mr Tony Arias  
**CHIEF EXECUTIVE OFFICER**

# Statutory Compliance Reports



## **Local Government Compliance Audit Report**

The Compliance Audit Report required of Local Governments by the Minister for Local Government under pursuant to Section 7.13. of the Local Government Act has been completed and submitted in the required form.

There has been no adverse comment in respect of the report.

## **Competition Policy**

The TPRC has met its obligations with regard to competition policy. The Council has no local laws or policies that reflect anti-competitive practice.

No complaints have been received by the TPRC in 2009/10 in relation to anti-competitive practices.

## **Recordkeeping Plan Required under the State Records Act**

A Recordkeeping Plan meeting the requirements of the State Records Office was completed by the Council in August 2006. The Plan was comprehensive and addressed all requirements and was formally approved by the State Records Commission in October 2006 for a period of 3 years.

An amended Recordkeeping Plan was submitted to the State Records Office in April 2011. At its meeting on 8 April 2011 the State Records commission approved the amended Plan. The TPRC will next review the Plan before April 2016.

The Plan has worked efficiently and effectively with minimum modification and provides a comprehensive record for the TPRC.

## **Disability Services Plan**

Local governments are required to prepare a Disability Services Plan in accordance with prescribed standards for public access and infrastructure. The Plan is required to be submitted to the Disability Services Commission with project timetables that must be approved by the Commission.

The Tamala Park Regional Council does not currently have responsibilities that require reporting under the Disability Services Act. In consequence, there has been no Plan prepared or required.

Disability access matters will be incorporated in the design of the TPRC urban development and will become the responsibility for the City of Wanneroo as the local authority responsible for the area covering Tamala Park.

## **Financial Budget Review**

A formal review of the TPRC budget is required in the manner prescribed under the Local Government Act 1995 between 1 January and 31 March each year. The review was undertaken in 17 February 2011 and no adverse findings or matters of consequence found during the review. The Council considered the review and determined to adopt the review at its meeting on 17

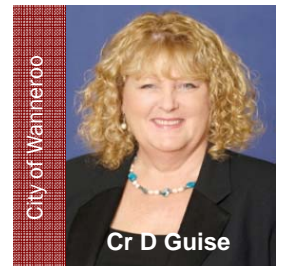
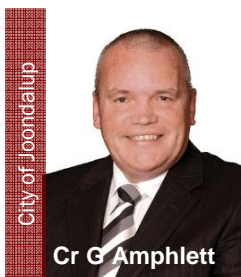
# Committee Membership

Councillor	Audit	CEO Performance Review	Project Steering	Management
Cr Geoff Amphlett		✓	✓	✓
Cr Nick Catania	✓		✓	✓
Cr Eleni Evangel				
Cr Leonie Getty				
Cr Dianne Guise	✓		✓	✓
Cr Giovanni Italiano	✓	✓	✓	✓
Cr Tom McLean	✓			
Cr David Michael	✓			
Cr Glynis Monks		✓		
Cr Stephanie Proud		✓		
Cr Trevor Vaughan			✓	✓
Cr Simon Withers			✓	✓

### Chairman



### Deputy Chairman



## Attendance at Meetings by Council Members

Meeting attendances for the 12-month period under review. Meeting attendances by Council members shown in the table below.

Councillor	Council (6)	Audit (3)	CEO Performance Review (3)	Project Steering Committee (1)	Management Committee (5)
Cr Geoff Amphlett	4		3		3
Cr Nick Catania	5	2		1	5
Cr Eleni Evangel	4				
Cr Leonie Getty	4				
Cr Dianne Guise	5	3		1	3
Cr Giovanni Italiano	6	3	2	1	5
Cr Tom McLean	5	2			
Cr David Michael	5	2			
Cr Glynis Monks	6		3		
Cr Stephanie Proud	6		3		
Cr Trevor Vaughan	5			1	3
Cr Simon Withers	6				5

### Notes:

Nil

# Year 2010/11 Under Review

## Council Activity

The current Council comprises 12 members. Members are elected by constituent local authorities following the ordinary bi-annual Council elections. There has been no changes in Council membership during the year.

The next nomination of all 12 Council positions by participant local authorities will occur following the 15 October 2011 ordinary Council elections.

During the year the Council has held 6 ordinary bi-monthly Council meetings and the following Committee meetings:

Audit Committee —3 meetings  
CEO Performance Committee — 3 meetings  
Project Steering Committee —1 meeting  
Management Committee — 5 meetings

## Legislative Matters

Changes have been made to the financial management regulations that have required a response by the TPRC. These changes relate to the presentation of annual accounts and are reflected in the accounts for the year ended 30 June 2011.

The following reflects the member local governments equity in the Tamala Park project.

	<b>2009/2010</b>	<b>2010/2011</b>
TVP Contributed Equity	1,426,547	1,395,974
COP Contributed Equity	1,426,547	1,395,974
TOC Contributed Equity	1,426,547	1,395,974
COJ Contributed Equity	2,853,095	2,791,948
COW Contributed Equity	2,853,095	2,791,948
COV Contributed Equity	1,426,547	1,395,974
COS Contributed Equity	5,706,190	5,583,896
<b>TOTAL EQUITY</b>	<b>17,118,569</b>	<b>16,751,688</b>

## Employee Remuneration

The number of employees whose annual salary exceeded \$100,000 during the financial year is shown below within each band of \$10,000.

Income Range	2010	2011	Income Range	2010	2011
\$100,000—\$110,000	-	-	\$190,000-\$200,000	-	-
\$110,000—\$120,000	-	-	\$200,000-\$210,000	-	-
\$120,000-\$130,000	-	-	\$210,000-\$220,000	-	-
\$130,000-\$140,000	-	-	\$220,000-\$230,000	-	-
\$140,000-\$150,000	-	-	\$230,000-\$240,000	-	-
\$150,000-\$160,000	-	-	\$240,000-\$250,000	-	-
\$160,000-\$170,000	-	-	\$250,000-\$260,000	-	-
\$170,000-\$180,000	-	-	\$260,000-\$270,000	-	-
\$180,000-\$190,000	-	-	\$270,000-\$280,000	1	1

## Distribution to Participating Councils

TPRC has not exercised its option under the Establishment Agreement to require Councils to transfer their shares in the urban and deferred urban landholding jointly held by Councils at Tamala Park. Council is determining GST payment implications prior to implementing any transfer. Individual Councils continue to pay municipal rate levies to City of Wanneroo and the TPRC has decided to reimburse the Councils for an amount equivalent to rates paid from retained earnings. Distributions for 2010/11 are shown in the 3 year schedule of distributions (table to be inserted below).

	2008/09	2009/10	2010/11
	Rate Equiv Pmt	Rate Equiv Pmt	Rate Equiv Pmt
Participant Council	Equity Return		
Town of Cambridge	6,104	6,707	7,157
City of Perth	6,104	6,707	7,157
Town of Victoria Park	6,104	6,707	7,157
City of Vincent	6,104	6,707	7,157
City of Joondalup	12,208	13,414	14,315
City of Wanneroo	12,208	13,414	14,315
City of Stirling	24,418	26,828	28,630
	<b>73,250</b>	<b>80,484</b>	<b>85,888</b>

## Infrastructure & Land Use Changes in 2011/12 Impacting Tamala Park Planning & Development

The land is surrounded by the residential areas of Burns Beach, Kinross, Clarkson and Mindarie and is within one of the fastest growing regions in Australia.

Whilst the property market has been 'soft' over the last 12 months significant development is occurring further north at Butler, Jindalee, Eglinton and Yanchep Two Rocks. Residential lot sales are continuing within this area. The pedestrian and local access infrastructure from within Clarkson to the rail and bus stations is now well defined and there is a consolidation of commercial and business activity within available space in the defined rail station precinct.

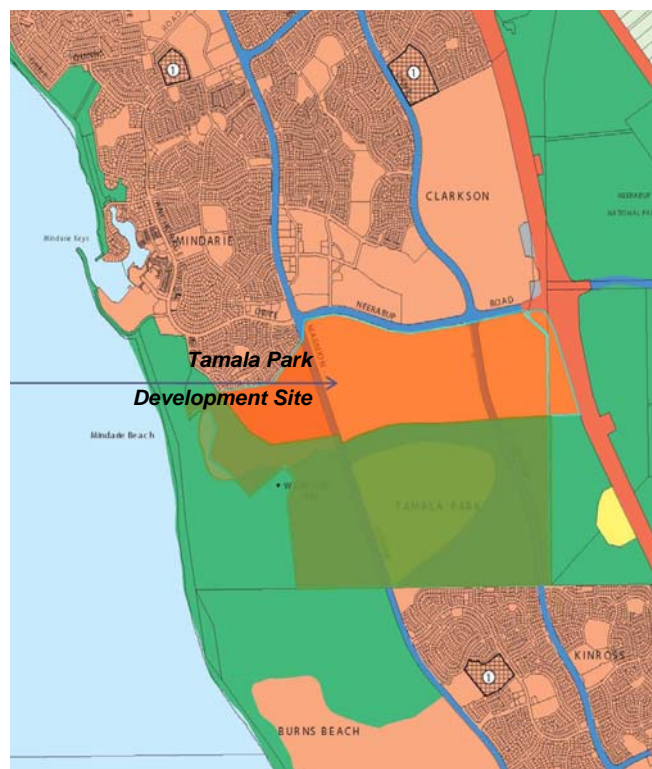
Within the Clarkson commercial centre and development of light industry and commercial businesses has continued, consolidating the area as an area for local employment.

The owners of the Ocean Keys Shopping commercial centre are proposing an expansion of the centre which will improve services for existing residents of the area and provide significant services to the future residents of Tamala Park.

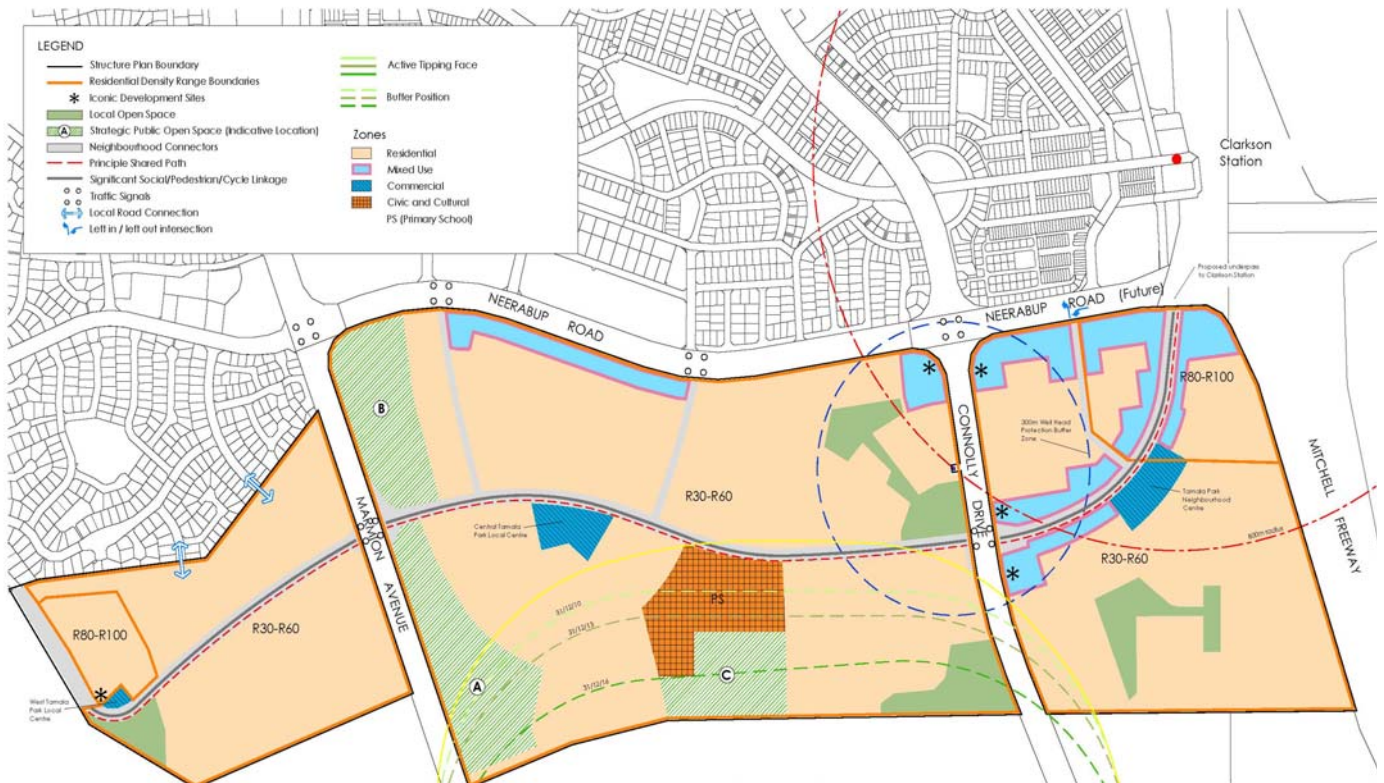
Lot sales have continued within the Peet & Co Burns Beach subdivision to the southwest with substantial new housing under construction. The Mindarie Keys development has only a handful of residential lots available for sale.

### TPRC Local Structure Plan

During the year the Local Structure Plan for the TPRC was approved by the City of Wanneroo and West Australian Planning Commission. The land subject of the Structure Plan is shown red in the diagram below.



## TPRC Local Structure Plan continued:



Key aspects of the Local Structure Plan include:

- Providing for the orderly distribution of residential density and a range of housing types that address changing demographics and the needs of future populations within the north-west sector of the Perth Metropolitan Region.
- Providing for sustainable environmental outcomes with respect to such matters as water use, energy efficiency, conservation and transport, while taking advantage of natural features and views.
- Providing active commercial centres and community hubs that meet the daily and weekly needs of residents and provide employment opportunities that are co-located with local recreation and community facilities.
- Providing an appropriate urban design response in recognition of adjoining public transport infrastructure.
- A high level of linkage both within and beyond the boundaries of the Tamala Park landholding to commercial centres, coastal reserves and transport nodes via cycle and pedestrian access, public transport and private vehicle.
- Addressing the forecast demand for a variety of community services and social infrastructure.



## TPRC Local Structure Plan continued:

The major land use elements of the Local Structure Plan are set out as follows:

Precincts	West	Central West	Central East	Eastern Precinct	Total	
Area	HA	HA	HA	HA	HA	%
Residential	21.03	22.33	21.03	23.89	88.28	49.54%
Mixed use			2.50	5.71	8.21	4.61%
Centre	0.16	0.70		0.90	1.76	0.99%
Business		2.08			2.08	1.17%
Active/Passive POS	1.02	0.91	3.28	3.27	8.48	4.76%
School			5.0		5.00	2.81%
Green Link	1.38	1.20	0.61	0.92	4.11	2.31%
Conservation Reserves		11.57			11.57	6.49%
Roads 8.82		11.67	15.09	13.14	48.72	27.34%
<b>Total including Roads</b>	<b>32.41</b>	<b>50.46</b>	<b>47.51</b>	<b>47.83</b>	<b>178.21</b>	<b>100%</b>

The indicative development plan envisages a central greenlink connecting the Clarkson rail and bus stations under Neerabup Road through the entire east/west extent of the development. All residential land in the development will be within 400m of the central greenlink which will connect to public amenities including a primary school.

A mixed use zone has been created close to the Clarkson rail station and the junction of Neerabup Road and Mitchell Freeway.

## Environmental Management

An Environmental Management Plan (EMP) has been prepared which provides management and mitigation measures for impacts of the proposed TPD on biodiversity assets and values of the area. The EMP is intended to accompany the LSP and to address the specific Ministerial Conditions set for the development. These conditions are summarized as follows:

- Management of remnant vegetation whilst strengthening links between the coast and the Neerabup National Park.
- Control of exotic flora and fauna species.
- Specially protected fauna species.
- Fire management.
- Management of public access to the areas reserved for conservation and recreation.
- Recommendations for revegetation.
- Recommendations for public education and awareness to ensure long-term protection of the natural environment.

## Key Activities 2011

Project	Timeframe
<p><b>Implementation of Environmental Approval Conditions - Environmental Protection &amp; Biodiversity Conservation Act (EPBC Act)</b>            The EPBC Act approval stipulates a number of conditions. These will be progressively implemented in 2011/2012</p>	2011\2012
<p><b>Implementation of Stage 1 Subdivision Plan</b>            The Application for Approval of Stage 1 Subdivision Plan was approved by the WAPC in August 2011. The Council will progressively implement the approved Subdivision Plan and work with the designated authorities to satisfy the required conditions of subdivision.</p>	2011/2012
<p><b>Project Marketing and Branding</b>            The TPRC approved an Overall Marketing Plan in 2011 which will be implemented to promote the Catalina project. The marketing strategy for the project will commence in September 2011.</p>	2011/2012
<p><b>Bulk Earthworks—Phase 1</b>            The bulk earthworks for Phase 1 are underway and are anticipated to be completed in December 2011.</p>	2011
<p><b>Construction of Stage 1</b>            Civil construction works on Stage 1 is to commence in December 2011 and anticipated to be completed in May 2012. Stage 1 comprises 36 residential lots.</p>	2012
<p><b>New Home Builders Display Village</b>            The design and terms for the new home builders village will be settled in 2011 and will include traditional and cottage homes. The allocation of the Display Village lots to builders is planned to occur in late 2011. Construction of display homes within the village is expected to commence in mid/late 2012.</p>	2011/2012
<p><b>Sale of Residential Lots</b>            It is anticipated that the sale of residential lots will commence in late 2011 or early 2012. The project budget indicates 105 residential lots being sold in financial year 2011/12.</p>	2011/2012

# Financial Report (including Audit Report)



**TAMALA PARK**  
**Regional Council**

# **ANNUAL FINANCIAL STATEMENTS**

**2010-2011**

## TAMALA PARK REGIONAL COUNCIL

### FINANCIAL STATEMENT

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TAMALA PARK REGIONAL COUNCIL  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 TH JUNE 2011  
LOCAL GOVERNMENT ACT 1995  
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Tamala Park Regional Council being the annual financial report and other information for the financial year ended 30th June 2011 are in my opinion properly drawn up to present fairly the financial position of the Tamala Park Regional Council as at 30 th June 2011 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 the Act.

Signed on the <sup>6<sup>th</sup></sup> day of October 2011

  
Tony Arias  
Chief Executive Officer

**TAMALA PARK REGIONAL COUNCIL**  
**STATEMENT OF COMPREHENSIVE INCOME BY NATURE/TYPE**  
**FOR THE YEAR ENDED 30 JUNE 2011**

2009/10 ACTUAL		Note	2010/11 ADOPTED BUDGET	2010/11 ACTUAL
\$	<b>REVENUE</b>		\$	\$
796,188	Interest Earnings	2,33	838,236	877,022
0	Contributions and Donations, Reimbursements		0	1,251
243	Other Revenue		0	0
796,431			838,236	878,273
	<b>EXPENSES</b>			
(431,550)	Employee Costs		(529,983)	(408,146)
	Material and Contracts		0	0
(269,169)	Professional Consulting Fees		(508,800)	(536,262)
(82,552)	Other		(440,710)	(61,670)
0	Utility Charges (Gas, Electricity, Water, etc)		(10,000)	(1,560)
(5,736)	Depreciation on Non-Current Assets		(4,502)	(6,323)
(6,523)	Insurance Expenses		(7,005)	(4,858)
(97,575)	Other Expenditure		(118,500)	(140,445)
(893,105)	<i>Increase(Decrease)</i>		(1,619,500)	(1,159,264)
	<b>DISPOSAL OF ASSETS</b>	7		
0	Land		0	0
0	Plant and Equipment		0	0
0	Furniture and Equipment		0	0
0	<i>Gain (Loss) on Disposal</i>		0	0
<b>(96,674)</b>	<b><u>NET RESULT</u></b>		<b>(781,264)</b>	<b>(280,991)</b>
0	Other Comprehensive Income		0	0
<b>(96,674)</b>	<b><u>TOTAL COMPREHENSIVE INCOME</u></b>		<b>(781,264)</b>	<b>(280,991)</b>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM  
FOR THE YEAR ENDED 30 JUNE 2011**

2009/10 ACTUAL		Note	2010/11 ADOPTED BUDGET	2010/11 ACTUAL
<b>\$</b>	<b>REVENUE</b>	<b>1,2,3</b>	<b>\$</b>	<b>\$</b>
796,218	General Purpose Funding		838,236	877,072
213	Other Property and Services		0	1,201
796,431			838,236	878,273
<b>(110,848)</b>	<b>EXPENSES</b>	<b>1,2,3</b>	<b>(118,500)</b>	<b>(99,036)</b>
(110,848)	Governance		(118,500)	(99,036)
(782,257)	Other Property & Services		(1,501,000)	(1,060,228)
(893,105)			(1,619,500)	(1,159,264)
(96,674)	<i>Increase(Decrease)</i>		(781,264)	(280,991)
	<b>DISPOSAL OF ASSETS</b>	<b>7</b>		
0	Land		0	0
0	Plant and Equipment		0	0
0	Furniture and Equipment		0	0
0	<i>Gain (Loss) on Disposal</i>		0	0
<b>(96,674)</b>	<b>NET RESULT</b>		<b>(781,264)</b>	<b>(280,991)</b>
0	Other Comprehensive Income		0	0
<b>(96,674)</b>	<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(781,264)</b>	<b>(280,991)</b>

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



**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2011**

	Note	2009/10 ACTUAL \$	2010/11 ACTUAL \$
<b>Current assets</b>			
Cash and cash equivalents	4	15,225,107	14,832,197
Trade and other receivables	5	43,934	64,196
<b>Total current assets</b>		<b>15,269,041</b>	<b>14,896,393</b>
<b>Non-current assets</b>			
Inventories	6	2,000,000	2,000,000
Property, plant, furniture and equipment	7	13,763	13,565
<b>Total non-current assets</b>		<b>2,013,763</b>	<b>2,013,565</b>
<b>Total assets</b>		<b>17,282,804</b>	<b>16,909,958</b>
<b>Current liabilities</b>			
Trade and other payables	8	123,423	105,342
Provisions	9	33,894	39,882
<b>Total current liabilities</b>		<b>157,317</b>	<b>145,224</b>
<b>Non-current liabilities</b>			
Provisions	9	6,918	13,046
<b>Total non-current liabilities</b>		<b>6,918</b>	<b>13,046</b>
<b>Total liabilities</b>		<b>164,235</b>	<b>158,270</b>
<b>Net assets</b>		<b>17,118,569</b>	<b>16,751,688</b>
<b>Equity</b>			
Contributed Equity	2	16,067,703	15,981,813
Retained surplus		1,050,866	769,875
<b>Total equity</b>		<b>17,118,569</b>	<b>16,751,688</b>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	CONTRIBUTED EQUITY \$	RETAINED SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2009</b>		<b>16,148,189</b>	<b>1,147,540</b>	<b>17,295,729</b>
Net Result		0	(96,674)	(96,674)
Total Other Comprehensive Income		0	0	0
Distribution to Participants		(80,486)	0	(80,486)
<b>Balance as at 30 June 2010</b>		<b>16,067,703</b>	<b>1,050,866</b>	<b>17,118,569</b>
Net Result		0	(280,991)	(280,991)
Total Other Comprehensive Income		0	0	0
Distribution to Participants		(85,890)	0	(85,890)
<b>Balance as at 30 June 20101</b>		<b>15,981,813</b>	<b>769,875</b>	<b>16,751,688</b>

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

**TAMALA PARK REGIONAL COUNCIL**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2011**

2009/10 ACTUAL		Note	2010/11 ADOPTED BUDGET	2010/11 ACTUAL
\$			\$	\$
	<b>Cash Flows from operating activities</b>			
	<b>PAYMENTS</b>			
(445,095)	Employee Costs		(529,983)	(415,811)
(94,523)	Materials & Contracts		(508,800)	(536,262)
(32,553)	Professional Consulting Fees		(440,710)	(60,021)
0	Other		(10,000)	(1,560)
(6,523)	Utilities		(7,005)	(4,858)
(236,983)	Insurance		(160,000)	(38,057)
(40,592)	Goods and Services Tax		(118,500)	(140,445)
<b>(\$856,269)</b>	<b>Other</b>		<b>(\$1,774,998)</b>	<b>(\$1,197,014)</b>
	<b>RECEIPTS</b>			
0	Operating Grants, Subsidies and Contributions		0	1,251
806,727	Interest Received		838,236	894,868
16,958	Goods and Services Tax		160,000	0
244	Other		0	0
<b>\$823,929</b>			<b>\$998,236</b>	<b>\$896,119</b>
<b>(\$32,340)</b>	<b>Net Cash flows used in Operating Activities</b>	<b>10</b>	<b>(\$776,762)</b>	<b>(\$300,895)</b>
	<b>Cash flows from investing activities</b>			
	<b>Payments</b>			
(2,000,000)	Payments for Development of Land for Resale		0	0
0	Purchase Renovation Works		(80,000)	0
(4,581)	Purchase Plant and Equipment		0	0
0	Purchase Furniture and Equipment	<b>7</b>	(40,000)	(6,125)
<b>(2,004,581)</b>			<b>(120,000)</b>	<b>(6,125)</b>
	<b>Receipts</b>			
0	Disposal of Land		0	0
0	Disposal of Furniture and Equipment		0	0
0	Disposal of Plant and Equipment		0	0
0	Contributions from Other Parties		0	0
<b>0</b>			<b>0</b>	<b>0</b>
<b>(\$2,004,581)</b>	<b>Net cash flows used in investing activities</b>		<b>(\$120,000)</b>	<b>(\$6,125)</b>
	<b>Cash flows from financing activities</b>			
(80,486)	Contribution Returned		(94,537)	(85,890)
<b>(\$80,486)</b>	<b>Net cash flows used in financing activities</b>		<b>(\$94,537)</b>	<b>(\$85,890)</b>
<b>(\$2,117,407)</b>	<b>Net (decrease)/increase in cash held</b>		<b>(\$991,299)</b>	<b>(\$392,910)</b>
17,342,514	Cash at the Beginning of Reporting Period		15,225,107	15,225,107
<b>\$15,225,107</b>	<b>Cash at the End of Reporting Period</b>	<b>4</b>	<b>\$14,233,808</b>	<b>\$14,832,197</b>

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

**TAMALA PARK REGIONAL COUNCIL  
RATE SETTING STATEMENT FOR THE YEAR ENDED 30 JUNE 2011**

2009/10 ACTUAL		NOTES	2010/11 ADOPTED BUDGET	2010/11 ACTUAL
\$	<b>REVENUE</b>	1,2,3	\$	\$
796,218	General Purpose Funding		838,236	877,072
213	Other Property and Services		0	1,201
<b>\$796,431</b>			<b>\$838,236</b>	<b>\$878,273</b>
	<b>LESS EXPENDITURE</b>	1,2,3		
(110,848)	Governance		(118,500)	(99,036)
(782,257)	Other Property & Services		(1,501,000)	(1,060,228)
<b>(893,105)</b>			<b>(1,619,500)</b>	<b>(1,159,264)</b>
<b>(96,674)</b>	<i>Increase(Decrease)</i>		<b>(781,264)</b>	<b>(280,991)</b>
	<b>ADD</b>			
40,812	Provisions Employee Entitlements Accrued		0	19,117
0	Profit/ Loss on the disposal of assets		0	0
5,736	Depreciation Written Back	34	4,502	6,323
0	Provision for Audit Fees		0	2,349
<b>\$46,548</b>			<b>\$4,502</b>	<b>\$27,789</b>
<b>(\$50,126)</b>	<i>Sub Total</i>		<b>(\$776,762)</b>	<b>(\$253,202)</b>
	<b>LESS CAPITAL PROGRAMME</b>			
(2,000,000)	Purchase Renovation Works		(80,000)	0
(4,581)	Purchase Furniture and Equipment	7	(40,000)	(6,125)
(80,486)	Contribution Return		(94,537)	(85,890)
(2,085,067)			(214,537)	(92,015)
<b>(\$2,135,193)</b>	<i>Sub Total</i>		<b>(\$991,299)</b>	<b>(\$345,217)</b>
	<b>LESS FUNDING FROM</b>			
17,280,811	Opening Funds - July 1 B/Fwd	31	15,104,806	15,145,618
(15,145,618)	Closing Funds - June 30 C/Fwd	31	(14,113,507)	(14,800,401)
<b>2,135,193</b>			<b>991,299</b>	<b>\$345,217</b>
<b>\$0</b>	<b>AMOUNT TO BE MADE UP FROM RATES</b>		<b>\$0</b>	<b>\$0</b>

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**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 the applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 (as amended) and accompanying regulations.

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 a fair value through profit and loss and certain classes of non-current assets.

**Critical Accounting Estimates**

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

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

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

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this 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 17 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) Cash and Cash Equivalents**

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

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

**(e) Trade and Other Receivables**

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

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**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 12 months.

**Land Held for Resale**

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

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

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

**(g) Fixed Assets**

**Initial Recognition**

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

**Revaluation**

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

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

**Land under Roads**

In Western Australia, all land under roads is crown land, the responsibility for managing which is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in the Australian Accounting Standard AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 16 (a)(l) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16 (a)(l) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB1051, Local Government (Financial Management) Regulation prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

**(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:

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Computer Equipment	4 years
Furniture and Equipment	4 to 10 years
Printers, Photocopiers and Scanners	5 years
Floor Coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

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

***Classification***

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

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

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

***(ii) Loans and receivables***

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

***(iii) Held-to-maturity investments***

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

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

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

***Recognition and derecognition***

Regular purchases and sales of financial assets are recognised on trade-date – the date on which Council commits to purchase or sell the asset. Investments are initially recognised at

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2011**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Recognition and derecognition**

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

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

**Subsequent measurement**

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

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

**Impairment**

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



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2011**

**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 date.

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

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

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

**(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 statement of comprehensive income.

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

**(l) Trade and Other Payables**

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

**(m) Employee Benefits**

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

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

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

(n) Interest-bearing Loans and Borrowings

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

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

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

**Borrowing Costs**

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

(o) Provisions

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

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

(p) Leases

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

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

(q) Joint Venture

The municipality's interest in a joint venture has been recognised in the annual budget by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the statement of financial position and statement of comprehensive income. Information about the joint venture is set out in Note 13.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

**(s) Superannuation**

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

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

**(t) Current and Non-Current Classification**

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

**(u) Rounding Off Figures**

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

**(v) Comparative Figures**

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

**(w) Budget Comparative Figures**

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

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

**(x) New Accounting Standards and Interpretations for Application in Future Periods**

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 ended 30 June 2011.

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

Title and topic	Issued	Applicable	Impact
(i) AASB 9 – Financial Instruments	Dec-09	1-Jan-13	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated that the standard will have any material effect.
(ii) AASB 124 – Related Party Disclosures	Dec-09	1-Jan-11	Nil – It is not anticipated the Council will have any related parties as defined by the Standard.
(iii) AASB 1053 – Application of Tiers of Australian Accounting Standards	Jun-10	1-Jul-13	Nil – Due to its nature and statutory requirements the Council will be deemed a Tier 1 entity and will continue to prepare general purpose financial statements.
(iv) AASB 2009-12 Amendments to Australian Accounting Standard [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	Dec-09	1-Jan-11	Nil – The revisions embodied in this standard relate to standards which do not apply to local government (ie AASB 8) or are largely editorial in nature and will have minimal effect (if any) on the accounting practices of the Council.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

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

**(x) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

(v) AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and interpretations 10 & 12]	Dec-09	1-Jan-13	Nil – The revisions embodied in this standard give effect to consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
(vi) AASB 2010 – 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052]	Jun-10	1-Jul-13	Nil – None of these amendments will have any effect on the financial report as the standard does not apply in the case of general purpose financial statements.
(vii) AASB 2010 – 4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB134 and Interpretation 13]	Jun-10	1-Jan-11	Nil – The revisions are part of the AASB's annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs. It is not anticipated these will have any effect on the Council.
(viii) AASB 2010 – 5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]	Oct-10	1-Jan-11	Nil – The revisions embodied in this standard are largely editorial in nature or relate to standards not applicable to the Council and will have minimal effect (if any) on the accounting practices of the Council.
(ix) AASB 2010 – 6 Amendments to Australian Accounting Standards – Disclosure on Transfer of Financial Assets [AASB 1 & AASB 7]	Nov-10	1-Jul-11	Nil – The revisions embodied in this standard amend disclosures required on transfer of financial assets. The Council is not expected to have any qualifying transfer.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

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

**(x) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

(x) AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	Dec-10	1-Jan-13	Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
(xi) AASB 2010 – 8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112]	Dec-10	1-Jan-12	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2010 – 9 Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1]	Dec-10	1-Jul-11	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2009 – 14 Amendments to Australian Interpretations -- Prepayments of a minimum Funding Requirement [AASB Interpretation 14]	Dec-09	1-Jan-11	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2010 – 10 Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7]	Dec-10	1-Jan-13	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.

**(y) Adoption of New and Revised Accounting Standards**

During the current year, the Council adopted all of the new and revised Australian Accounting Standards and Interpretations which became mandatory and which were applicable to its operations.

These new and revised standards were:

AASB 2009 – 5  
AASB 2009 – 8  
AASB 2009 –10  
AASB 2009 –13  
AASB 2010 – 1  
AASB 2010 – 3  
Interpretation 19

The standards adopted had a minimal effect on the accounting and reporting practices of the Council as they were either largely editorial in nature and were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**2 REVENUES AND EXPENSES**

(a) Net Result

The Net Result includes:

<b>Actual</b>		<b>Adopted Budget</b>	<b>Actual</b>
<b>2009/2010</b>		<b>2010/2011</b>	<b>2010/2011</b>
\$		\$	\$
	<b>Charging as an Expense</b>		
	Depreciation on Non-Current Assets		
5,736	Furniture and Equipment	4,502	6,323
6,400	Auditors Remuneration		
	Audit	13,800	7,090
	<b>Crediting as Revenue</b>		
	Interest on Earnings		
796,188	Municipal Funds	838,236	877,022
	Profit/(Loss) on Sale of Non-Current Assets		
0	Land	0	0
0	Buildings	0	0
0	Plant and Equipment	0	0
0	Furniture and Equipment	0	0
<u>0</u>		<u>0</u>	<u>0</u>

(b) Statement of Objective

The Regional Council has a specific regional purpose which is:

a) To undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of the land, comprising the developable portion of lot 9504, and

b) To carry out and do all other acts and things which are reasonably necessary for bringing into effect of the matters referred to in paragraph (a)

The objectives of the Regional council are:

1. To develop and improve the value of the land.
2. To maximise, with prudent risk parameters, the financial return to the Participants.
3. To balance economic, social and environmental issues, and
4. To produce a quality development demonstrating the best urban design and development practise.

The equity held by the member councils is as follows.

<b>Actual</b>			<b>Actual</b>
<b>2009/2010</b>			<b>2010/2011</b>
\$			\$
1,426,547	Town of Cambridge	One Twelfth	1,395,974
2,853,095	City of Joondalup	Two Twelfths	2,791,948
1,426,547	City of Perth	One Twelfth	1,395,974
5,706,190	City of Stirling	Four Twelfths	5,583,896
1,426,547	Town of Victoria Park	One Twelfth	1,395,974
1,426,547	Town of Vincent	One Twelfth	1,395,974
2,853,095	City of Wanneroo	Two Twelfths	2,791,948
<u>17,118,569</u>			<u>16,751,688</u>

(c) Conditions Over Grants/ Contributions

The Regional Council did not have any conditions over grants/contributions as at 30 June 2011.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**3 DESCRIPTION OF FUNCTIONS/ACTIVITIES**

The principal activities of the Regional Council covers the governance and other property services as permitted under the Local Government Act or other written law.

**Description of Programs**

**Governance**

Member of Council Allowances and Reimbursements, Civic Functions, and Administration Expenses.

**Other Property and Services**

Other Unclassified Activities.

**4 CASH AND CASH EQUIVALENTS**

Actual		Adopted Budget	Actual
2009/2010		2010/2011	2010/2011
\$		\$	\$
30	Cash on Hand	30	30
(2,130)	Cash at Bank	14,233,778	356,617
15,227,207	Term Deposits	0	14,475,550
<u>15,225,107</u>	Represented by:-	<u>14,233,808</u>	<u>14,832,197</u>
15,225,107	Unrestricted	14,233,808	14,832,197
<u>15,225,107</u>		<u>14,233,808</u>	<u>14,832,197</u>

(a) Restricted Funds

The following restrictions have been imposed by regulations or other externally  
Nil

**5 TRADE AND OTHER RECEIVABLES**

Receivables due to the Regional Council include the following:

Actual		Actual
2009/2010		2010/2011
\$		\$
36,365	Interest Receivable	18,519
6,569	GST Receivable	44,626
1,000	Accommodation Bond - City of Stirling	1,000
0	Superannuation Contributions	51
<u>43,934</u>		<u>64,196</u>

**6 INVENTORIES**

Actual		Actual
2009/2010		2010/2011
\$		\$
2,000,000	Non Current	
	Land Held for Resale - Cost of Acquisition	2,000,000
<u>2,000,000</u>		<u>2,000,000</u>



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**7 PROPERTY , PLANT , FURNITURE AND EQUIPMENT**

**(a) Disposal of Assets**

In accordance with Financial Management Regulation 36(1)(c), the following information is provided in relation to the disposal of Assets by Asset Class:

	Proceeds Sale of Assets		Written Down Value		Gain(Loss) on Disposal	
	2010/11	2010/11	2010/11	2010/11	2010/11	2010/11
	Adopted Budget	Actual	Adopted Budget	Actual	Adopted Budget	Actual
	\$	\$	\$	\$	\$	\$
Asset by Class						
Furniture and Equipment	0	0	0	0	0	0
<b>TOTAL BY CLASS OF ASSET</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Asset by Program	Proceeds	Written	Gain/(Loss)
	Sale of Assets \$	Down Value \$	on Disposal \$
Governance	0	0	0
Other Property and Services	0	0	0
<b>TOTAL BY PROGRAM</b>	<b>0</b>	<b>0</b>	<b>0</b>

**(b) Borrowing Costs Incurred and Capitalised as Part of a Qualifying Asset**

No Borrowing Costs were incorporated in the Financial Statement as Assets purchased were funded from General Purpose Funding.

**(c) Fixed Assets Classified according to Class**

Actual 2009/2010			Actual 2010/2011	
\$	\$		\$	\$
27,559		Furniture and Equipment (at cost)	33,684	
<u>(13,796)</u>	13,763	Less Accumulated Depreciation	<u>(20,119)</u>	13,565

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**(d) Movements in Carrying Amounts**

Movement in the carrying amounts of each class of property, plant, and equipment between the beginning and the end of the current financial year

Program	Furniture and Equip.	Total
	\$	\$
Asset Balance at the beginning of the year	27,559	27,559
Assets Acquired during the year	6,125	6,125
Assets Disposed during the year	0	0
Revaluation Increments/□(decrements)	0	0
Asset Balance at the end of the year	33,684	33,684
Accumulated Depreciation at the beginning of the year	(13,796)	(13,796)
Depreciation□ Expense Raised	(6,323)	(6,323)
Revaluation Increments/□(decrements)	0	0
Accumulated Depreciation at the end of year	(20,119)	(20,119)
Net Asset Values at the end of the year	<u>13,565</u>	<u>13,565</u>

**8 TRADE AND OTHER PAYABLES**

Actual		Actual
2009/2010		2010/2011
93,591	Trade Creditors and Accruals	95,240
29,832	PAYG Withholding	10,102
<u>123,423</u>	<b>Total</b>	<u>105,342</u>

**9 PROVISIONS**

Provision for Employees' entitlements at balance date are as follows:

Actual		Actual
2009/2010		2010/2011
33,894	<b>Current</b>	
0	Provision for Annual Leave	39,882
	Provision for Long Service Leave	0
<u>33,894</u>		<u>39,882</u>
6,918	<b>Non - Current</b>	
	Provision for Long Service Leave	13,046
<u>6,918</u>		<u>13,046</u>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**10 CASH FLOW INFORMATION**

Reconciliation of cash flows from operations with change in net equity resulting from operations.

For the purpose of the Statement of Cashflow , cash includes cash on hand and in or at call deposits with Banks or Financial Institutions.

Actual 2009/2010 \$		Adopted Budget 2010/2011 \$	Actual 2010/2011 \$
	<b>Change in net equity from operations</b>		
(96,674)	Net Result	(781,264)	(280,991)
5,736	Depreciation	4,502	6,323
0	(Profit) loss on sale of Fixed Assets	0	
	<b>Change in Assets and Liabilities</b>		
0	(Increase)/Decrease in Inventory	0	0
(6,333)	Increase (Decrease) in Employee Provisions	0	12,116
27,497	(Increase)/Decrease in Debtors	0	(20,262)
37,434	Increase (Decrease) in Creditors	0	(18,081)
<u>(32,340)</u>	Cash flows from Operations	<u>(776,762)</u>	<u>(300,895)</u>
6,000	Credit Card Facility	7,000	7,000
(3,665)	Amount Utilised	0	0
<u>2,335</u>	Unused Facility available	<u>7,000</u>	<u>7,000</u>
	<b>RECONCILIATION OF CASH</b>		
15,225,107	Cash at Bank - Operating	14,233,808	14,832,197
<u>15,225,107</u>	<b>TOTAL CASH</b>	<u>14,233,808</u>	<u>14,832,197</u>

**11 CONTINGENT LIABILITIES**

The Regional Council does not have any known contingent liabilities at 30th June 2011

**12 CAPITAL AND LEASING COMMITMENTS**

(a) Leasing Commitments during the 2010/11 financial year. Nil

(b) Capital Commitments during the 2010/11 financial year.

Catalina - Earthworks and Civil Works Contract with Ralmana Pty Ltd Trading as R.J.Vincent & Co. for \$1,991,402 (excluding GST)

**13 JOINT VENTURE**

The Regional Council did not participate in any joint ventures with other entities.

**14 CAPITAL EXPENDITURE BY PROGRAM**

Actual Capital Expenditure incurred by Program is summarised as follows:

Program	Total	Cash and	Trade and	Plant	Inventories	Total
	2009/2010	Cash	Other	Furniture		2010/2011
	\$	Equivalents	Receivables	Equipment	\$	\$
General Purpose Funding	43,934	0	64,196	0	0	64,196
Economic Services	2,000,000	0	0	0	2,000,000	2,000,000
Other Property & Services	13,763	0	0	13,565	0	13,565
Unallocated	15,225,107	14,832,197	0	0	0	14,832,197
<b>TOTAL</b>	<b>17,282,804</b>	<b>14,832,197</b>	<b>64,196</b>	<b>13,565</b>	<b>2,000,000</b>	<b>16,909,958</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**15 FINANCIAL INFORMATION BY RATIO**

In accordance with Financial Management Regulation 50 the following Financial Information by Ratio is provided.

2008/2009	2009/2010		2010/2011
133.231	97.059	(a) <b>Current Ratio</b> (Current Assets Minus Restricted Assets) (Current Liabilities-Liabilities Associated with Restricted Assets)	102.575
0.008	0.010	(b) <b>Debt Ratio</b> $\frac{\text{Total Liabilities}}{\text{Total Assets}}$	0.009
0.000	0.000	(c) <b>Debt Service Ratio</b> $\frac{\text{Debt Service Cost}}{\text{Available Operating Revenue}}$	0.000
0.000	0.000	(d) <b>Rate Coverage Ratio</b> $\frac{\text{Net Rate Revenue}}{\text{Operating Revenue}}$	0.000
0.000	0.000	(e) <b>Outstanding Rates Ratio</b> $\frac{\text{Rates Outstanding}}{\text{Rates Collectable}}$	0.000
0.000	0.000	(f) <b>Gross Debt to Revenue Ratio</b> $\frac{\text{Gross Debt}}{\text{Total Revenue}}$	0.000
220.147	162.677	(g) <b>Unfunded Cash to Trade Creditors Ratio</b> $\frac{\text{Unfunded Cash}}{\text{Unpaid Trade Creditors}}$	155.735
0.000	0.000	(h) <b>Gross Debt to Economically Realisable Assets Ratio</b> $\frac{\text{Gross Debt}}{\text{Economically Realisable Assets}}$	0.000

**DEFINITIONS**

“current assets” means the total current assets as shown in the statement of financial position;

includes roads, bridges, drains and recreational facilities;

“restricted assets” has the same meaning as in Australian Accounting Standard 27 (AAS27);

“total assets” means all current and non-current assets as shown in the Statement of Financial Position;

“total liabilities” means all current and non-current liabilities as shown in the Statement of Financial Position;

“total revenue” means the total operating revenue excluding all specific purpose grants;

**16 RESERVES**

The Regional Council has no Reserve Accounts set aside for specific purposes as at balance date of 30 June 2011.

**17 TRUST FUND INFORMATION**

The Regional Council does not hold any funds in trust on behalf of third parties.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**18 BORROWINGS INFORMATION**

- (a) The Regional Council has no borrowings as at balance date of 30 June 2011.  
 (b) The Regional Council has no overdraft facility as at balance date of 30 June 2011.

**19 RATING INFORMATION**

Being a Regional Council, no rates were raised during the year ended 30 June 2011.

**20 SPECIFIED AREA RATES**

Being a Regional Council, no rates were raised during the year ended 30 June 2011.

**21 SERVICE CHARGES**

No service charges were raised during the year ended 30 June 2011.

**22 INFORMATION ABOUT DISCOUNTS, INCENTIVES, CONCESSIONS AND WRITE OFFS**

No discounts, incentives, concessions or write-offs during the year ended 30 June 2011.

**23 INTEREST CHARGES AND INSTALMENTS**

No interest charges and instalments apply.

**24 FEES AND CHARGES INFORMATION**

There was no income from fees and charges during the 2010/11 financial year.

**25 GRANT REVENUE**

There was no income from grants during the 2010/11 financial year.

**26 COUNCILLORS' REMUNERATION**

In accordance with Financial Management Regulation 44 Fees, Expenses or Allowances paid to Council Members are

Actual 2009/2010 \$		Adopted Budget 2010/2011 \$	Actual 2010/2011 \$
	<b>- Annual Attendance Fee</b>		
91,000	- Elected Members Remuneration	91,000	84,000
	<b>- Telecommunication, Travel, and Information Technology Allowance</b>		
0	- Telecommunication	0	0
0	- Information Technology	0	0
0	- Travel Expenses	0	0
	<b>- Annual Local Government Allowance</b>		
6,000	- Chairman	6,000	13,000
1,500	- Deputy Chairman	1,500	1,500

**27 EMPLOYEE NUMBER**

In accordance with the Local Government (Administration) Regulation 19B the following information is provided in relation to annual salaries paid to employees.

2009/2010		2010/2011
	<b>Total Number of Employees</b>	
2	The number of full time equivalent employees at 30 June	2

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**28 MAJOR LAND TRANSACTIONS**

**Lot 807 Neerabup Road**

**(a) Details**

One major land transaction was completed during the year ended 30 June 2010, being the acquisition of lot 807 Neerabup Road from Mains Road WA.

Future in the future the Council will enter into negotiations with the Government of Western Australia (WAPC) to purchase 10.8 hectares of urban deferred land.

**(b) Current year transactions**

Actual		Actual
<u>2009/2010</u>		<u>2010/2011</u>
\$		\$
0	<b>Operating Revenue</b>	
	- Profit on Sale	0
0	<b>Capital Revenue</b>	
	- Sale Proceeds	0
2,000,000	<b>Capital Expenditure</b>	
	- Purchase of Land	0
0	- Development Costs	0
<u>2,000,000</u>		<u>0</u>

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

There are no liabilities in relation to this land transaction as at 30 June 2011.

**(c) Expected Future Cash Flows**

	2011	2012	2013	2014	TOTAL
	\$	\$	\$	\$	\$
<b>Cash Outflows</b>					
- Development Costs	0	(120,000)	(200,000)	(200,000)	(520,000)
	0	(120,000)	(200,000)	(200,000)	(520,000)
<b>Cash Inflows</b>					
- Sale Proceeds	0	0	600,000	2,600,000	3,200,000
	0	0	600,000	2,600,000	3,200,000
<b>Net Cash Flows</b>	0	(120,000)	400,000	2,400,000	2,680,000

**29 TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

Council did not participate in any trading undertakings or major trading undertakings during the 2010/11 financial year.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**30 FINANCIAL INSTRUMENTS**

**(a) Interest Rate Risk**

The following table details the Tamala Park Regional Council's exposure to interest rate risks as at 30th June 2011.

	2009/2010	Average Interest %	Variable Interest Rate	Less than 1 year	1 to 5 years	5 to 10 years	Non Interest Bearing	2010/2011
	\$			\$	\$	\$	\$	\$
<b>Financial Assets</b>								
Cash and Cash Equivalents	15,225,107	5.76	5.76	14,832,197				14,832,197
Receivables	42,934						63,196	63,196
	<u>15,268,041</u>			<u>14,832,197</u>	<u>0</u>	<u>0</u>	<u>63,196</u>	<u>14,895,393</u>
<b>Financial Liabilities</b>								
Payables	123,423						105,342	105,342
Borrowings	0						0	0
	<u>123,423</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>105,342</u>	<u>105,342</u>

(b) Council does not have any material credit risk exposure to any single debtor under any financial instruments entered into.

(c) The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the notes to and forming part of the Annual Financial Statements.

**(d) Investment of Council Funds:**

The Tamala Park Regional Council has adopted a formal Investment Policy. Staff have been operating under this policy with regards to the risk of Council funds and have restricted investment of funds to fixed interest term deposits with Australian Banks.

**(e) Credit Risk**

The Council's receivables are classified as Interest Receivables, Goods and Services Tax and General Debtors. Interest Receivables represents interest earned on surplus funds invested, Good and Services Tax represents monies owed by the Australian Taxation Office to the Council. The Council's General Debtors include bond, reimbursements and contributions. The Council has exposure to credit risk in that debtors may not be able to meet their commitments to repay debts. The Council reviews its outstanding debts regularly and commences a variety of recovery techniques.

2009/2010			2011/2011	
Current	Non Current		Current	Non Current
\$	\$		\$	\$
		<b>Financial Assets</b>		
36,365		Interest Receivables	18,519	
1,000		Accommodation Bond City of Stirling	1,000	
6,569		Goods and Services Tax	44,626	
0		Superannuation Contributions	51	
<u>43,934</u>	<u>0</u>		<u>64,196</u>	<u>0</u>
<u>100%</u>		Percentage Receivable	<u>100%</u>	

**(f) Market Risk**

The Council invests funds that are not required immediately in Financial Instruments such as Term Deposits. The Council may be subject to interest rate risk in that future cash flows may fluctuate because of changes in market interest rate.

Actual 2009/2010		Actual 2010/2011
\$		\$
165,182	Impact of 1% Movement in Interest Rates on Investment Earnings (+/-)	152,260

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**(g) Liquidity Risk**

The maturity analysis for the Council's financial liabilities is detailed as follows;

	2009/2010	Less than 1 year	1 to 5 years	Greater than 5 years	2010/2011
		\$	\$	\$	\$
<b>Financial Liabilities</b>					
Accounts Payable - Current	93,591	95,240			95,240
PAYG Deductions	29,832	10,102			10,102
	<b>123,423</b>	<b>105,342</b>	<b>0</b>	<b>0</b>	<b>105,342</b>

**31 POSITION AT COMMENCEMENT OF FINANCIAL YEAR**

**(a) DETERMINATION OF OPENING FUNDS**

Actual		Adopted Budget	Actual
2009/2010		2010/2011	2010/2011
\$		\$	\$
	<b>Current Assets</b>		
15,225,077	Cash at Bank	14,233,778	14,832,167
30	Cash Advances	30	30
43,934	Receivables	43,934	64,196
<b>15,269,041</b>		<b>14,277,742</b>	<b>14,896,393</b>
	<b>Less Current Liabilities</b>		
(123,423)	Accounts Payable	(164,235)	(95,992)
(123,423)		(164,235)	(95,992)
<b>15,145,618</b>	<b>SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES</b>	<b>14,113,507</b>	<b>14,800,401</b>
	<b>ADJUSTMENTS</b>		
0	Less Cash Backed Reserves and Restricted Funds	0	0
0	Rounding	0	0
<b>15,145,618</b>	<b>OPENING/CLOSING FUNDS</b>	<b>14,113,507</b>	<b>14,800,401</b>

**(b) STATEMENT OF RECONCILIATION OF NET CURRENT ASSETS BROUGHT FORWARD**

In accordance with Financial Management Regulation 36(1)(b) the following reconciliation is provided between the Net

Net Current Asset detailed in the 2010/2011 Annual Budget 15,104,896

Net Current Assets Brought Forward as at 1st July 2010. 15,145,618

**32 COMPARISON WITH RATE SETTING STATEMENT**

The following information provides details of all movements of money to and from Reserve Accounts which have been included in the Rate Setting Statement but which have not been included in the Statement of Comprehensive Income .

Actual		Adopted Budget	Actual
2009/2010		2010/2011	2010/2011
\$		\$	\$
	<b>Non Operating Income</b>		
0	Reserve Transfers	0	0
<b>0</b>	<b>TOTAL</b>	<b>0</b>	<b>0</b>
	<b>Non Operating Expenditure</b>		
0	Reserve Transfers	0	0
<b>0</b>	<b>TOTAL</b>	<b>0</b>	<b>0</b>



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**33 INVESTMENTS**

Earnings from Investments is summarised as follows:

<b>Actual</b>		<b>Adopted Budget</b>	<b>Actual</b>
<b>2009/2010</b>		<b>2010/2011</b>	<b>2010/2011</b>
\$		\$	\$
796,188	Municipal Funds	838,236	877,022
<u>796,188</u>	<b>TOTAL</b>	<u>838,236</u>	<u>877,022</u>

**34 DEPRECIATION ON NON-CURRENT ASSETS**

The Depreciation charge included in the Financial Statements are summarised as follows:

<b>Actual</b>		<b>Adopted Budget</b>	<b>Actual</b>
<b>2009/2010</b>		<b>2010/2011</b>	<b>2010/2011</b>
\$		\$	\$
5,736	Other Property and Services	4,502	6,323
<u>5,736</u>	<b>TOTAL</b>	<u>4,502</u>	<u>6,323</u>

**INDEPENDENT AUDITOR'S REPORT**

**TO: MEMBERS OF TAMALA PARK REGIONAL COUNCIL**

We have audited the financial report of the Tamala Park Regional Council, which comprises the Statement of Financial Position as at 30 June 2011 and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows 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 controls 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. Our audit has been conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with the 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 judgement, 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 followed applicable independence requirements of Australian professional ethical pronouncements.

**Auditor's Opinion**

In our opinion, the financial report of the Tamala Park Regional Council:

- (i) gives a true and fair view of the financial position of the Tamala Park Regional Council as at 30 June 2011 and of its financial performance for the year ended on that date; and
- (ii) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards (including the Australian Accounting Interpretations).

**Statutory Compliance**

We did not during the course of our audit become aware of any instances where the Council did not comply with the requirements of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

*MACRI PARTNERS*  
\_\_\_\_\_  
MACRI PARTNERS  
CERTIFIED PRACTISING ACCOUNTANTS  
SUITE 2, 137 BURSWOOD ROAD  
BURSWOOD WA 6100

PERTH  
DATED THIS 5<sup>th</sup> DAY OF OCTOBER 2011.

*Amicus*  
\_\_\_\_\_  
A MACRI  
PARTNER





Tamala Park Regional Council (TPRC) has been formed by 7 local governments which are joint owners of the Tamala Park land:

- Town of Cambridge
- City of Joondalup
  - City of Perth
  - City of Stirling
- Town of Victoria Park
  - City of Vincent
  - City of Wanneroo



**TAMALA PARK**  
**Regional Council**

# **ANNUAL FINANCIAL STATEMENTS**

**2010-2011**

**TAMALA PARK REGIONAL COUNCIL**  
**FINANCIAL STATEMENT**

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TAMALA PARK REGIONAL COUNCIL  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 TH JUNE 2011  
LOCAL GOVERNMENT ACT 1995  
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Tamala Park Regional Council being the annual financial report and other information for the financial year ended 30th June 2011 are in my opinion properly drawn up to present fairly the financial position of the Tamala Park Regional Council as at 30 th June 2011 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 the Act.

Signed on the <sup>6<sup>th</sup></sup> day of October 2011

  
Tony Arias  
Chief Executive Officer

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF COMPREHENSIVE INCOME BY NATURE/TYPE  
FOR THE YEAR ENDED 30 JUNE 2011**

2009/10 ACTUAL		Note	2010/11 ADOPTED BUDGET	2010/11 ACTUAL
\$	<b>REVENUE</b>		\$	\$
796,188	Interest Earnings	2,33	838,236	877,022
0	Contributions and Donations, Reimbursements		0	1,251
243	Other Revenue		0	0
796,431			838,236	878,273
	<b>EXPENSES</b>			
(431,550)	Employee Costs		(529,983)	(408,146)
	Material and Contracts		0	0
(269,169)	Professional Consulting Fees		(508,800)	(536,262)
(82,552)	Other		(440,710)	(61,670)
0	Utility Charges (Gas, Electricity, Water, etc)		(10,000)	(1,560)
(5,736)	Depreciation on Non-Current Assets		(4,502)	(6,323)
(6,523)	Insurance Expenses		(7,005)	(4,858)
(97,575)	Other Expenditure		(118,500)	(140,445)
(893,105)	<i>Increase(Decrease)</i>		(1,619,500)	(1,159,264)
	<b>DISPOSAL OF ASSETS</b>	7		
0	Land		0	0
0	Plant and Equipment		0	0
0	Furniture and Equipment		0	0
0	<i>Gain (Loss) on Disposal</i>		0	0
<b>(96,674)</b>	<b><u>NET RESULT</u></b>		<b>(781,264)</b>	<b>(280,991)</b>
0	Other Comprehensive Income		0	0
<b>(96,674)</b>	<b><u>TOTAL COMPREHENSIVE INCOME</u></b>		<b>(781,264)</b>	<b>(280,991)</b>

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



**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM  
FOR THE YEAR ENDED 30 JUNE 2011**

2009/10 ACTUAL		Note	2010/11 ADOPTED BUDGET	2010/11 ACTUAL
<b>\$</b>	<b>REVENUE</b>	<b>1,2,3</b>	<b>\$</b>	<b>\$</b>
796,218	General Purpose Funding		838,236	877,072
213	Other Property and Services		0	1,201
796,431			838,236	878,273
	<b>EXPENSES</b>	<b>1,2,3</b>		
(110,848)	Governance		(118,500)	(99,036)
(782,257)	Other Property & Services		(1,501,000)	(1,060,228)
(893,105)			(1,619,500)	(1,159,264)
(96,674)	<i>Increase(Decrease)</i>		(781,264)	(280,991)
	<b>DISPOSAL OF ASSETS</b>	<b>7</b>		
0	Land		0	0
0	Plant and Equipment		0	0
0	Furniture and Equipment		0	0
0	<i>Gain (Loss) on Disposal</i>		0	0
<b>(96,674)</b>	<b><u>NET RESULT</u></b>		<b>(781,264)</b>	<b>(280,991)</b>
0	Other Comprehensive Income		0	0
<b>(96,674)</b>	<b><u>TOTAL COMPREHENSIVE INCOME</u></b>		<b>(781,264)</b>	<b>(280,991)</b>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2011**

	Note	2009/10 ACTUAL \$	2010/11 ACTUAL \$
<b>Current assets</b>			
Cash and cash equivalents	4	15,225,107	14,832,197
Trade and other receivables	5	43,934	64,196
<b>Total current assets</b>		<b>15,269,041</b>	<b>14,896,393</b>
<b>Non-current assets</b>			
Inventories	6	2,000,000	2,000,000
Property, plant, furniture and equipment	7	13,763	13,565
<b>Total non-current assets</b>		<b>2,013,763</b>	<b>2,013,565</b>
<b>Total assets</b>		<b>17,282,804</b>	<b>16,909,958</b>
<b>Current liabilities</b>			
Trade and other payables	8	123,423	105,342
Provisions	9	33,894	39,882
<b>Total current liabilities</b>		<b>157,317</b>	<b>145,224</b>
<b>Non-current liabilities</b>			
Provisions	9	6,918	13,046
<b>Total non-current liabilities</b>		<b>6,918</b>	<b>13,046</b>
<b>Total liabilities</b>		<b>164,235</b>	<b>158,270</b>
<b>Net assets</b>		<b>17,118,569</b>	<b>16,751,688</b>
<b>Equity</b>			
Contributed Equity	2	16,067,703	15,981,813
Retained surplus		1,050,866	769,875
<b>Total equity</b>		<b>17,118,569</b>	<b>16,751,688</b>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	CONTRIBUTED EQUITY \$	RETAINED SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2009</b>		<b>16,148,189</b>	<b>1,147,540</b>	<b>17,295,729</b>
Net Result		0	(96,674)	(96,674)
Total Other Comprehensive Income		0	0	0
Distribution to Participants		(80,486)	0	(80,486)
<b>Balance as at 30 June 2010</b>		<b>16,067,703</b>	<b>1,050,866</b>	<b>17,118,569</b>
Net Result		0	(280,991)	(280,991)
Total Other Comprehensive Income		0	0	0
Distribution to Participants		(85,890)	0	(85,890)
<b>Balance as at 30 June 20101</b>		<b>15,981,813</b>	<b>769,875</b>	<b>16,751,688</b>

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

**TAMALA PARK REGIONAL COUNCIL**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2011**

2009/10 ACTUAL		Note	2010/11 ADOPTED BUDGET	2010/11 ACTUAL
\$			\$	\$
	<b>Cash Flows from operating activities</b>			
	<b>PAYMENTS</b>			
(445,095)	Employee Costs		(529,983)	(415,811)
	Materials & Contracts			
(94,523)	Professional Consulting Fees		(508,800)	(536,262)
(32,553)	Other		(440,710)	(60,021)
0	Utilities		(10,000)	(1,560)
(6,523)	Insurance		(7,005)	(4,858)
(236,983)	Goods and Services Tax		(160,000)	(38,057)
(40,592)	Other		(118,500)	(140,445)
<b>(\$856,269)</b>			<b>(\$1,774,998)</b>	<b>(\$1,197,014)</b>
	<b>RECEIPTS</b>			
0	Operating Grants, Subsidies and Contributions		0	1,251
806,727	Interest Received		838,236	894,868
16,958	Goods and Services Tax		160,000	0
244	Other		0	0
<b>\$823,929</b>			<b>\$998,236</b>	<b>\$896,119</b>
<b>(\$32,340)</b>	<b>Net Cash flows used in Operating Activities</b>	<b>10</b>	<b>(\$776,762)</b>	<b>(\$300,895)</b>
	<b>Cash flows from investing activities</b>			
	<b>Payments</b>			
(2,000,000)	Payments for Development of Land for Resale		0	0
0	Purchase Renovation Works		(80,000)	0
(4,581)	Purchase Plant and Equipment		0	0
0	Purchase Furniture and Equipment	<b>7</b>	(40,000)	(6,125)
<b>(2,004,581)</b>			<b>(120,000)</b>	<b>(6,125)</b>
	<b>Receipts</b>			
0	Disposal of Land		0	0
0	Disposal of Furniture and Equipment		0	0
0	Disposal of Plant and Equipment		0	0
0	Contributions from Other Parties		0	0
<b>0</b>			<b>0</b>	<b>0</b>
<b>(\$2,004,581)</b>	<b>Net cash flows used in investing activities</b>		<b>(\$120,000)</b>	<b>(\$6,125)</b>
	<b>Cash flows from financing activities</b>			
(80,486)	Contribution Returned		(94,537)	(85,890)
<b>(\$80,486)</b>	<b>Net cash flows used in financing activities</b>		<b>(\$94,537)</b>	<b>(\$85,890)</b>
<b>(\$2,117,407)</b>	<b>Net (decrease)/increase in cash held</b>		<b>(\$991,299)</b>	<b>(\$392,910)</b>
17,342,514	Cash at the Beginning of Reporting Period		15,225,107	15,225,107
<b>\$15,225,107</b>	<b>Cash at the End of Reporting Period</b>	<b>4</b>	<b>\$14,233,808</b>	<b>\$14,832,197</b>

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

**TAMALA PARK REGIONAL COUNCIL**  
**RATE SETTING STATEMENT FOR THE YEAR ENDED 30 JUNE 2011**

2009/10 ACTUAL		NOTES	2010/11 ADOPTED BUDGET	2010/11 ACTUAL
\$	<b>REVENUE</b>	1,2,3	\$	\$
796,218	General Purpose Funding		838,236	877,072
213	Other Property and Services		0	1,201
<b>\$796,431</b>			<b>\$838,236</b>	<b>\$878,273</b>
	<b>LESS EXPENDITURE</b>	1,2,3		
(110,848)	Governance		(118,500)	(99,036)
(782,257)	Other Property & Services		(1,501,000)	(1,060,228)
<b>(893,105)</b>			<b>(1,619,500)</b>	<b>(1,159,264)</b>
<b>(96,674)</b>	<i>Increase(Decrease)</i>		<b>(781,264)</b>	<b>(280,991)</b>
	<b>ADD</b>			
40,812	Provisions Employee Entitlements Accrued		0	19,117
0	Profit/ Loss on the disposal of assets		0	0
5,736	Depreciation Written Back	34	4,502	6,323
0	Provision for Audit Fees		0	2,349
<b>\$46,548</b>			<b>\$4,502</b>	<b>\$27,789</b>
<b>(\$50,126)</b>	<i>Sub Total</i>		<b>(\$776,762)</b>	<b>(\$253,202)</b>
	<b>LESS CAPITAL PROGRAMME</b>			
(2,000,000)	Purchase Renovation Works		(80,000)	0
(4,581)	Purchase Furniture and Equipment	7	(40,000)	(6,125)
(80,486)	Contribution Return		(94,537)	(85,890)
(2,085,067)			(214,537)	(92,015)
<b>(\$2,135,193)</b>	<i>Sub Total</i>		<b>(\$991,299)</b>	<b>(\$345,217)</b>
	<b>LESS FUNDING FROM</b>			
17,280,811	Opening Funds - July 1 B/Fwd	31	15,104,806	15,145,618
(15,145,618)	Closing Funds - June 30 C/Fwd	31	(14,113,507)	(14,800,401)
<b>2,135,193</b>			<b>991,299</b>	<b>\$345,217</b>
<b>\$0</b>	<b>AMOUNT TO BE MADE UP FROM RATES</b>		<b>\$0</b>	<b>\$0</b>

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**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 the applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 (as amended) and accompanying regulations.

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 a fair value through profit and loss and certain classes of non-current assets.

**Critical Accounting Estimates**

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

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

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

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this 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 17 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) Cash and Cash Equivalents**

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

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

**(e) Trade and Other Receivables**

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

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2011**

**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 12 months.

**Land Held for Resale**

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

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

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

**(g) Fixed Assets**

**Initial Recognition**

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

**Revaluation**

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

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

**Land under Roads**

In Western Australia, all land under roads is crown land, the responsibility for managing which is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in the Australian Accounting Standard AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 16 (a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16 (a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB1051, Local Government (Financial Management) Regulation prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

**(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:

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Computer Equipment	4 years
Furniture and Equipment	4 to 10 years
Printers, Photocopiers and Scanners	5 years
Floor Coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

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

***Classification***

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

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

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

***(ii) Loans and receivables***

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

***(iii) Held-to-maturity investments***

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

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

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

***Recognition and derecognition***

Regular purchases and sales of financial assets are recognised on trade-date – the date on which Council commits to purchase or sell the asset. Investments are initially recognised at



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Recognition and derecognition**

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

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

**Subsequent measurement**

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

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

**Impairment**

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2011**

**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 date.

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

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

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

**(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 statement of comprehensive income.

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

**(l) Trade and Other Payables**

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

**(m) Employee Benefits**

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

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

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

***Borrowing Costs***

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

**(o) Provisions**

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

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

**(p) Leases**

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

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

**(q) Joint Venture**

The municipality's interest in a joint venture has been recognised in the annual budget by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the statement of financial position and statement of comprehensive income. Information about the joint venture is set out in Note 13.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

**(s) Superannuation**

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

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

**(t) Current and Non-Current Classification**

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

**(u) Rounding Off Figures**

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

**(v) Comparative Figures**

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

**(w) Budget Comparative Figures**

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

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

**(x) New Accounting Standards and Interpretations for Application in Future Periods**

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 ended 30 June 2011.

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

Title and topic	Issued	Applicable	Impact
(i) AASB 9 – Financial Instruments	Dec-09	1-Jan-13	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated that the standard will have any material effect.
(ii) AASB 124 – Related Party Disclosures	Dec-09	1-Jan-11	Nil – It is not anticipated the Council will have any related parties as defined by the Standard.
(iii) AASB 1053 – Application of Tiers of Australian Accounting Standards	Jun-10	1-Jul-13	Nil – Due to its nature and statutory requirements the Council will be deemed a Tier 1 entity and will continue to prepare general purpose financial statements.
(iv) AASB 2009-12 Amendments to Australian Accounting Standard [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	Dec-09	1-Jan-11	Nil – The revisions embodied in this standard relate to standards which do not apply to local government (ie AASB 8) or are largely editorial in nature and will have minimal effect (if any) on the accounting practices of the Council.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

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

**(x) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

(v) AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and interpretations 10 & 12]	Dec-09	1-Jan-13	Nil – The revisions embodied in this standard give effect to consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
(vi) AASB 2010 – 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052]	Jun-10	1-Jul-13	Nil – None of these amendments will have any effect on the financial report as the standard does not apply in the case of general purpose financial statements.
(vii) AASB 2010 – 4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB134 and Interpretation 13]	Jun-10	1-Jan-11	Nil – The revisions are part of the AASB's annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs. It is not anticipated these will have any effect on the Council.
(viii) AASB 2010 – 5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]	Oct-10	1-Jan-11	Nil – The revisions embodied in this standard are largely editorial in nature or relate to standards not applicable to the Council and will have minimal effect (if any) on the accounting practices of the Council.
(ix) AASB 2010 – 6 Amendments to Australian Accounting Standards – Disclosure on Transfer of Financial Assets [AASB 1 & AASB 7]	Nov-10	1-Jul-11	Nil – The revisions embodied in this standard amend disclosures required on transfer of financial assets. The Council is not expected to have any qualifying transfer.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2011**

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

**(x) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

(x) AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	Dec-10	1-Jan-13	Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
(xi) AASB 2010 – 8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112]	Dec-10	1-Jan-12	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2010 – 9 Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1]	Dec-10	1-Jul-11	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2009 – 14 Amendments to Australian Interpretations -- Prepayments of a minimum Funding Requirement [AASB Interpretation 14]	Dec-09	1-Jan-11	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2010 – 10 Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7]	Dec-10	1-Jan-13	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.

**(y) Adoption of New and Revised Accounting Standards**

During the current year, the Council adopted all of the new and revised Australian Accounting Standards and Interpretations which became mandatory and which were applicable to its operations.

These new and revised standards were:

- AASB 2009 – 5
- AASB 2009 – 8
- AASB 2009 –10
- AASB 2009 –13
- AASB 2010 – 1
- AASB 2010 – 3
- Interpretation 19

The standards adopted had a minimal effect on the accounting and reporting practices of the Council as they were either largely editorial in nature and were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**2 REVENUES AND EXPENSES**

(a) Net Result

The Net Result includes:

<b>Actual</b>		<b>Adopted Budget</b>	<b>Actual</b>
<b>2009/2010</b>		<b>2010/2011</b>	<b>2010/2011</b>
\$		\$	\$
	<b>Charging as an Expense</b>		
	Depreciation on Non-Current Assets		
5,736	Furniture and Equipment	4,502	6,323
	Auditors Remuneration		
6,400	Audit	13,800	7,090
	<b>Crediting as Revenue</b>		
	Interest on Earnings		
796,188	Municipal Funds	838,236	877,022
	Profit/(Loss) on Sale of Non-Current Assets		
0	Land	0	0
0	Buildings	0	0
0	Plant and Equipment	0	0
0	Furniture and Equipment	0	0
<b>0</b>		<b>0</b>	<b>0</b>

(b) Statement of Objective

The Regional Council has a specific regional purpose which is:

a) To undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of the land, comprising the developable portion of lot 9504, and

b) To carry out and do all other acts and things which are reasonably necessary for bringing into effect of the matters referred to in paragraph (a)

The objectives of the Regional council are:

1. To develop and improve the value of the land.
2. To maximise, with prudent risk parameters, the financial return to the Participants.
3. To balance economic, social and environmental issues, and
4. To produce a quality development demonstrating the best urban design and development practise.

The equity held by the member councils is as follows.

<b>Actual</b>			<b>Actual</b>
<b>2009/2010</b>			<b>2010/2011</b>
\$			\$
1,426,547	Town of Cambridge	One Twelfth	1,395,974
2,853,095	City of Joondalup	Two Twelfths	2,791,948
1,426,547	City of Perth	One Twelfth	1,395,974
5,706,190	City of Stirling	Four Twelfths	5,583,896
1,426,547	Town of Victoria Park	One Twelfth	1,395,974
1,426,547	Town of Vincent	One Twelfth	1,395,974
2,853,095	City of Wanneroo	Two Twelfths	2,791,948
<b>17,118,569</b>			<b>16,751,688</b>

(c) Conditions Over Grants/ Contributions

The Regional Council did not have any conditions over grants/contributions as at 30 June 2011.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**3 DESCRIPTION OF FUNCTIONS/ACTIVITIES**

The principal activities of the Regional Council covers the governance and other property services as permitted under the Local Government Act or other written law.

**Description of Programs**

**Governance**

Member of Council Allowances and Reimbursements, Civic Functions, and Administration Expenses.

**Other Property and Services**

Other Unclassified Activities.

**4 CASH AND CASH EQUIVALENTS**

<u>Actual</u>		<u>Adopted Budget</u>	<u>Actual</u>
<u>2009/2010</u>		<u>2010/2011</u>	<u>2010/2011</u>
\$		\$	\$
30	Cash on Hand	30	30
(2,130)	Cash at Bank	14,233,778	356,617
15,227,207	Term Deposits	0	14,475,550
<u>15,225,107</u>	Represented by:-	<u>14,233,808</u>	<u>14,832,197</u>
15,225,107	Unrestricted	14,233,808	14,832,197
<u>15,225,107</u>		<u>14,233,808</u>	<u>14,832,197</u>

(a) Restricted Funds

The following restrictions have been imposed by regulations or other externally  
Nil

**5 TRADE AND OTHER RECEIVABLES**

Receivables due to the Regional Council include the following:

<u>Actual</u>		<u>Actual</u>
<u>2009/2010</u>		<u>2010/2011</u>
\$		\$
36,365	Interest Receivable	18,519
6,569	GST Receivable	44,626
1,000	Accommodation Bond - City of Stirling	1,000
0	Superannuation Contributions	51
<u>43,934</u>		<u>64,196</u>

**6 INVENTORIES**

<u>Actual</u>		<u>Actual</u>
<u>2009/2010</u>		<u>2010/2011</u>
\$		\$
2,000,000	<b>Non Current</b> Land Held for Resale - Cost of Acquisition	2,000,000
<u>2,000,000</u>		<u>2,000,000</u>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**7 PROPERTY, PLANT, FURNITURE AND EQUIPMENT**

**(a) Disposal of Assets**

In accordance with Financial Management Regulation 36(1)(e), the following information is provided in relation to the disposal of Assets by Asset Class:

	Proceeds		Written Down		Gain(Loss)	
	Sale of Assets		Value		on Disposal	
	2010/11 Adopted Budget	2010/11 Actual	2010/11 Adopted Budget	2010/11 Actual	2010/11 Adopted Budget	2010/11 Actual
	\$	\$	\$	\$	\$	\$
<b>Asset by Class</b>						
Furniture and Equipment	0	0	0	0	0	0
<b>TOTAL BY CLASS OF ASSET</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Asset by Program	Proceeds	Written	Gain/(Loss)
	Sale of Assets	Down Value	on Disposal
	\$	\$	\$
Governance	0	0	0
Other Property and Services	0	0	0
<b>TOTAL BY PROGRAM</b>	<b>0</b>	<b>0</b>	<b>0</b>

**(b) Borrowing Costs Incurred and Capitalised as Part of a Qualifying Asset**

No Borrowing Costs were incorporated in the Financial Statement as Assets purchased were funded from General Purpose Funding.

**(c) Fixed Assets Classified according to Class**

Actual 2009/2010			Actual 2010/2011	
\$	\$		\$	\$
27,559		Furniture and Equipment (at cost)	33,684	
(13,796)	13,763	Less Accumulated Depreciation	(20,119)	13,565

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

(d) **Movements in Carrying Amounts**

Movement in the carrying amounts of each class of property, plant, and equipment between the beginning and the end of the current financial year

Program	Furniture and Equip.	Total
	\$	\$
Asset Balance at the beginning of the year	27,559	27,559
Assets Acquired during the year	6,125	6,125
Assets Disposed during the year	0	0
Revaluation Increments/ (decrements)	0	0
Asset Balance at the end of the year	33,684	33,684
Accumulated Depreciation at the beginning of the year	(13,796)	(13,796)
Depreciation Expense Raised	(6,323)	(6,323)
Revaluation Increments/ (decrements)	0	0
Accumulated Depreciation at the end of year	(20,119)	(20,119)
Net Asset Values at the end of the year	<u>13,565</u>	<u>13,565</u>

**8 TRADE AND OTHER PAYABLES**

Actual		Actual
<u>2009/2010</u>		<u>2010/2011</u>
93,591	Trade Creditors and Accruals	95,240
29,832	PAYG Withholding	10,102
<u>123,423</u>	<b>Total</b>	<u>105,342</u>

**9 PROVISIONS**

Provision for Employees' entitlements at balance date are as follows:

Actual		Actual
<u>2009/2010</u>		<u>2010/2011</u>
33,894	<b>Current</b>	
0	Provision for Annual Leave	39,882
	Provision for Long Service Leave	0
<u>33,894</u>		<u>39,882</u>
	<b>Non - Current</b>	
6,918	Provision for Long Service Leave	13,046
<u>6,918</u>		<u>13,046</u>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**10 CASH FLOW INFORMATION**

Reconciliation of cash flows from operations with change in net equity resulting from operations.

For the purpose of the Statement of Cashflow , cash includes cash on hand and in or at call deposits with Banks or Financial Institutions.

<b>Actual</b>		<b>Adopted Budget</b>	<b>Actual</b>
<b>2009/2010</b>		<b>2010/2011</b>	<b>2010/2011</b>
\$		\$	\$
	<b>Change in net equity from operations</b>		
(96,674)	Net Result	(781,264)	(280,991)
5,736	Depreciation	4,502	6,323
0	(Profit) loss on sale of Fixed Assets	0	
	<b>Change in Assets and Liabilities</b>		
0	(Increase)/Decrease in Inventory	0	0
(6,333)	Increase/(Decrease) in Employee Provisions	0	12,116
27,497	(Increase)/Decrease in Debtors	0	(20,262)
37,434	Increase/(Decrease) in Creditors	0	(18,081)
<b>(32,340)</b>	Cash flows from Operations	<b>(776,762)</b>	<b>(300,895)</b>
6,000	Credit Card Facility	7,000	7,000
(3,665)	Amount Utilised	0	0
<b>2,335</b>	Unused Facility available	<b>7,000</b>	<b>7,000</b>
	<b>RECONCILIATION OF CASH</b>		
15,225,107	Cash at Bank - Operating	14,233,808	14,832,197
<b>15,225,107</b>	<b>TOTAL CASH</b>	<b>14,233,808</b>	<b>14,832,197</b>

**11 CONTINGENT LIABILITIES**

The Regional Council does not have any known contingent liabilities at 30th June 2011

**12 CAPITAL AND LEASING COMMITMENTS**

(a) Leasing Commitments during the 2010/11 financial year. Nil

(b) Capital Commitments during the 2010/11 financial year.

Catalina - Earthworks and Civil Works Contract with Ralmana Pty Ltd Trading as R.J.Vincent & Co. for \$1,991,402 (excluding GST)

**13 JOINT VENTURE**

The Regional Council did not participate in any joint ventures with other entities.

**14 CAPITAL EXPENDITURE BY PROGRAM**

Actual Capital Expenditure incurred by Program is summarised as follows:

Program	Total	Cash and	Trade and	Plant	Inventories	Total
	2009/2010	Cash	Other	Furniture		2010/2011
	\$	Equivalents	Receivables	Equipment	\$	\$
General Purpose Funding	43,934	0	64,196	0	0	64,196
Economic Services	2,000,000	0	0	0	2,000,000	2,000,000
Other Property & Services	13,763	0	0	13,565	0	13,565
Unallocated	15,225,107	14,832,197	0	0	0	14,832,197
<b>TOTAL</b>	<b>17,282,804</b>	<b>14,832,197</b>	<b>64,196</b>	<b>13,565</b>	<b>2,000,000</b>	<b>16,909,958</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**15 FINANCIAL INFORMATION BY RATIO**

In accordance with Financial Management Regulation 50 the following Financial Information by Ratio is provided.

<u>2008/2009</u>	<u>2009/2010</u>		<u>2010/2011</u>
133.231	97.059	(a)	102.575
0.008	0.010	(b)	0.009
0.000	0.000	(c)	0.000
0.000	0.000	(d)	0.000
0.000	0.000	(e)	0.000
0.000	0.000	(f)	0.000
220.147	162.677	(g)	155.735
0.000	0.000	(h)	0.000

**DEFINITIONS**

“current assets” means the total current assets as shown in the statement of financial position;

includes roads, bridges, drains and recreational facilities;

“restricted assets” has the same meaning as in Australian Accounting Standard 27 (AAS27);

“total assets” means all current and non-current assets as shown in the Statement of Financial Position;

“total liabilities” means all current and non-current liabilities as shown in the Statement of Financial Position;

“total revenue” means the total operating revenue excluding all specific purpose grants;

**16 RESERVES**

The Regional Council has no Reserve Accounts set aside for specific purposes as at balance date of 30 June 2011.

**17 TRUST FUND INFORMATION**

The Regional Council does not hold any funds in trust on behalf of third parties.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**18 BORROWINGS INFORMATION**

- (a) The Regional Council has no borrowings as at balance date of 30 June 2011.
- (b) The Regional Council has no overdraft facility as at balance date of 30 June 2011.

**19 RATING INFORMATION**

Being a Regional Council , no rates were raised during the year ended 30 June 2011.

**20 SPECIFIED AREA RATES**

Being a Regional Council , no rates were raised during the year ended 30 June 2011.

**21 SERVICE CHARGES**

No service charges were raised during the year ended 30 June 2011.

**22 INFORMATION ABOUT DISCOUNTS, INCENTIVES, CONCESSIONS AND WRITE OFFS**

No discounts, incentives, concessions or write-offs during the year ended 30 June 2011.

**23 INTEREST CHARGES AND INSTALMENTS**

No interest charges and instalments apply.

**24 FEES AND CHARGES INFORMATION**

There was no income from fees and charges during the 2010/11 financial year.

**25 GRANT REVENUE**

There was no income from grants during the 2010/11 financial year.

**26 COUNCILLORS' REMUNERATION**

In accordance with Financial Management Regulation 44 Fees, Expenses or Allowances paid to Council Members are

<u>Actual</u> <u>2009/2010</u> \$		<u>Adopted Budget</u> <u>2010/2011</u> \$	<u>Actual</u> <u>2010/2011</u> \$
	<b>- Annual Attendance Fee</b>		
91,000	- Elected Members Remuneration	91,000	84,000
	<b>- Telecommunication, Travel, and Information Technology Allowance</b>		
0	- Telecommunication	0	0
0	- Information Technology	0	0
0	- Travel Expenses	0	0
	<b>- Annual Local Government Allowance</b>		
6,000	- Chairman	6,000	13,000
1,500	- Deputy Chairman	1,500	1,500

**27 EMPLOYEE NUMBER**

In accordance with the Local Government (Administration) Regulation 19B the following information is provided in relation to annual salaries paid to employees.

<u>2009/2010</u>		<u>2010/2011</u>
2	<b>Total Number of Employees</b> The number of full time equivalent employees at 30 June	2

**TAMALA PARK REGIONAL COUNCIL  
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FOR THE YEAR ENDED 30TH JUNE 2011**

**28 MAJOR LAND TRANSACTIONS**

**Lot 807 Neerabup Road**

**(a) Details**

One major land transaction was completed during the year ended 30 June 2010, being the acquisition of lot 807 Neerabup Road from Mains Road WA.

Future in the future the Council will enter into negotiations with the Government of Western Australia (WAPC) to purchase 10.8 hectares of urban deferred land .

**(b) Current year transactions**

<b>Actual</b>		<b>Actual</b>
<b>2009/2010</b>		<b>2010/2011</b>
\$		\$
0	<b>Operating Revenue</b>	
	- Profit on Sale	0
0	<b>Capital Revenue</b>	
	- Sale Proceeds	0
2,000,000	<b>Capital Expenditure</b>	
	- Purchase of Land	0
0	- Development Costs	0
<u>2,000,000</u>		<u>0</u>

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

There are no liabilities in relation to this land transaction as at 30 June 2011.

**(c) Expected Future Cash Flows**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>TOTAL</b>
	\$	\$	\$	\$	\$
<b>Cash Outflows</b>					
- Development Costs	0	(120,000)	(200,000)	(200,000)	(520,000)
	<u>0</u>	<u>(120,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(520,000)</u>
<b>Cash Inflows</b>					
- Sale Proceeds	0	0	600,000	2,600,000	3,200,000
	<u>0</u>	<u>0</u>	<u>600,000</u>	<u>2,600,000</u>	<u>3,200,000</u>
<b>Net Cash Flows</b>	<u>0</u>	<u>(120,000)</u>	<u>400,000</u>	<u>2,400,000</u>	<u>2,680,000</u>

**29 TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

Council did not participate in any trading undertakings or major trading undertakings during the 2010/11 financial year.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**30 FINANCIAL INSTRUMENTS**

**(a) Interest Rate Risk**

The following table details the Tamala Park Regional Council's exposure to interest rate risks as at 30th June 2011.

	2009/2010	Average Interest %	Variable Interest Rate	Less than 1 year	1 to 5 years	5 to 10 years	Non Interest Bearing	2010/2011
	\$			\$	\$	\$	\$	\$
<b>Financial Assets</b>								
Cash and Cash Equivalents	15,225,107	5.76	5.76	14,832,197				14,832,197
Receivables	42,934						63,196	63,196
	<u>15,268,041</u>			<u>14,832,197</u>	<u>0</u>	<u>0</u>	<u>63,196</u>	<u>14,895,393</u>
<b>Financial Liabilities</b>								
Payables	123,423						105,342	105,342
Borrowings	0						0	0
	<u>123,423</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>105,342</u>	<u>105,342</u>

(b) Council does not have any material credit risk exposure to any single debtor under any financial instruments entered into.

(c) The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the notes to and forming part of the Annual Financial Statements.

**(d) Investment of Council Funds:**

The Tamala Park Regional Council has adopted a formal Investment Policy. Staff have been operating under this policy with regards to the risk of Council funds and have restricted investment of funds to fixed interest term deposits with Australian Banks.

**(e) Credit Risk**

The Council's receivables are classified as Interest Receivables, Goods and Services Tax and General Debtors. Interest Receivables represents interest earned on surplus funds invested, Good and Services Tax represents monies owed by the Australian Taxation Office to the Council. The Council's General Debtors include bond, reimbursements and contributions. The Council has exposure to credit risk in that debtors may not be able to meet their commitments to repay debts. The Council reviews its outstanding debts regularly and commences a variety of recovery techniques.

2009/2010			2011/2011	
Current	Non Current		Current	Non Current
\$	\$		\$	\$
		Financial Assets		
36,365		Interest Receivables	18,519	
1,000		Accommodation Bond City of Stirling	1,000	
6,569		Goods and Services Tax	44,626	
0		Superannuation Contributions	51	
<u>43,934</u>	<u>0</u>		<u>64,196</u>	<u>0</u>
<u>100%</u>		Percentage Receivable	<u>100%</u>	

**(f) Market Risk**

The Council invests funds that are not required immediately in Financial Instruments such as Term Deposits. The Council may be subject to interest rate risk in that future cash flows may fluctuate because of changes in market interest rate.

Actual 2009/2010		Actual 2010/2011
\$		\$
165,182	Impact of 1% Movement in Interest Rates on Investment Earnings (+/-)	152,260



**TAMALA PARK REGIONAL COUNCIL  
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**(g) Liquidity Risk**

The maturity analysis for the Council's financial liabilities is detailed as follows;

	2009/2010	Less than 1 year	1 to 5 years	Greater than 5 years	2010/2011
	\$	\$	\$	\$	\$
<b>Financial Liabilities</b>					
Accounts Payable - Current	93,591	95,240			95,240
PAYG Deductions	29,832	10,102			10,102
	<b>123,423</b>	<b>105,342</b>	<b>0</b>	<b>0</b>	<b>105,342</b>

**31 POSITION AT COMMENCEMENT OF FINANCIAL YEAR**

**(a) DETERMINATION OF OPENING FUNDS**

Actual		Adopted Budget	Actual
2009/2010		2010/2011	2010/2011
\$		\$	\$
	<b>Current Assets</b>		
15,225,077	Cash at Bank	14,233,778	14,832,167
30	Cash Advances	30	30
43,934	Receivables	43,934	64,196
<b>15,269,041</b>		<b>14,277,742</b>	<b>14,896,393</b>
	<b>Less Current Liabilities</b>		
(123,423)	Accounts Payable	(164,235)	(95,992)
(123,423)		(164,235)	(95,992)
<b>15,145,618</b>	<b>SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES</b>	<b>14,113,507</b>	<b>14,800,401</b>
	<b>ADJUSTMENTS</b>		
0	Less Cash Backed Reserves and Restricted Funds	0	0
0	Rounding	0	0
<b>15,145,618</b>	<b>OPENING/CLOSING FUNDS</b>	<b>14,113,507</b>	<b>14,800,401</b>

**(b) STATEMENT OF RECONCILIATION OF NET CURRENT ASSETS BROUGHT FORWARD**

In accordance with Financial Management Regulation 36(1)(b) the following reconciliation is provided between the Net Current Asset detailed in the 2010/2011 Annual Budget	<u><b>15,104,896</b></u>
Net Current Assets Brought Forward as at 1st July 2010.	<u><b>15,145,618</b></u>

**32 COMPARISON WITH RATE SETTING STATEMENT**

The following information provides details of all movements of money to and from Reserve Accounts which have been included in the Rate Setting Statement but which have not been included in the Statement of Comprehensive Income .

Actual		Adopted Budget	Actual
2009/2010		2010/2011	2010/2011
\$		\$	\$
	<b>Non Operating Income</b>		
0	Reserve Transfers	0	0
<b>0</b>	<b>TOTAL</b>	<b>0</b>	<b>0</b>
	<b>Non Operating Expenditure</b>		
0	Reserve Transfers	0	0
<b>0</b>	<b>TOTAL</b>	<b>0</b>	<b>0</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2011**

**33 INVESTMENTS**

Earnings from Investments is summarised as follows:

<b>Actual</b>		<b>Adopted Budget</b>	<b>Actual</b>
<u>2009/2010</u>		<u>2010/2011</u>	<u>2010/2011</u>
\$		\$	\$
796,188	Municipal Funds	838,236	877,022
<u>796,188</u>	<b>TOTAL</b>	<u>838,236</u>	<u>877,022</u>

**34 DEPRECIATION ON NON-CURRENT ASSETS**

The Depreciation charge included in the Financial Statements are summarised as follows:

<b>Actual</b>		<b>Adopted Budget</b>	<b>Actual</b>
<u>2009/2010</u>		<u>2010/2011</u>	<u>2010/2011</u>
\$		\$	\$
5,736	Other Property and Services	4,502	6,323
<u>5,736</u>	<b>TOTAL</b>	<u>4,502</u>	<u>6,323</u>

**INDEPENDENT AUDITOR'S REPORT**

**TO: MEMBERS OF TAMALA PARK REGIONAL COUNCIL**

We have audited the financial report of the Tamala Park Regional Council, which comprises the Statement of Financial Position as at 30 June 2011 and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows 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 controls 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. Our audit has been conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with the 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 judgement, 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 followed applicable independence requirements of Australian professional ethical pronouncements.

**Auditor's Opinion**

In our opinion, the financial report of the Tamala Park Regional Council:

- (i) gives a true and fair view of the financial position of the Tamala Park Regional Council as at 30 June 2011 and of its financial performance for the year ended on that date; and
- (ii) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards (including the Australian Accounting Interpretations).

**Statutory Compliance**

We did not during the course of our audit become aware of any instances where the Council did not comply with the requirements of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

*MACRI PARTNERS*  
\_\_\_\_\_  
MACRI PARTNERS  
CERTIFIED PRACTISING ACCOUNTANTS  
SUITE 2, 137 BURSWOOD ROAD  
BURSWOOD WA 6100

*A Macri*  
\_\_\_\_\_  
A MACRI  
PARTNER

PERTH  
DATED THIS 5<sup>th</sup> DAY OF OCTOBER 2011.

