

Rio Tinto Alcan Ltd [ABN 51 009 679 127] T/A

## **WEIPA TOWN AUTHORITY**

# **2007/08 Financial Statements**

# **Rio Tinto Alcan Ltd - Weipa Town Authority**

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# Rio Tinto Alcan Ltd - Weipa Town Authority

## Income Statement

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>Income</b>			
<b>Revenue</b>			
<b>Recurrent revenue</b>			
Net rate and utility charges	3	2,846,024	3,510,317
Fees and charges	3	212,019	209,343
Rental income	3	38,160	27,049
Interest received	3	61,877	75,864
Other recurrent income	3	0	0
Grants, subsidies, contributions and donations	4	12,937	4,500
<b>Total recurrent revenue</b>		<b>3,171,017</b>	<b>3,827,073</b>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	4	0	0
<b>Total capital revenue</b>		<b>0</b>	<b>0</b>
<b>Total revenue</b>		<b>3,171,017</b>	<b>3,827,073</b>
<b>Gain/(loss) on disposal of non-current assets</b>	5	<b>0</b>	<b>0</b>
<b>Reduction in provision for land restoration</b>		<b>0</b>	<b>0</b>
<b>Total income</b>		<b>3,171,017</b>	<b>3,827,073</b>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	6	(500,200)	(611,586)
Materials and services	7	(2,425,641)	(2,250,602)
Finance costs	8	(5,792)	(7,611)
Depreciation and amortisation	9	(49,523)	(64,013)
<b>Total recurrent expenses</b>		<b>(2,981,156)</b>	<b>(2,933,812)</b>
<b>Capital expenses</b>			
Impairment losses		0	0
Revaluation decrements		0	0
		<b>0</b>	<b>0</b>
<b>Total expenses</b>		<b>(2,981,156)</b>	<b>(2,933,812)</b>
<b>Net result attributable to WTA</b>		<b>189,862</b>	<b>893,261</b>

The above Statement should be read in conjunction with the accompanying notes and the Summary of Significant Accounting Policies.

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Balance Sheet

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>Current Assets</b>			
Cash and cash equivalents	10	1,098,857	1,612,331
Trade and other receivables	11	100,026	453,735
Inventories		0	0
Other financial assets	12	0	319
		<b>1,198,883</b>	<b>2,066,385</b>
Non-current assets classified as held for sale		0	0
<b>Total current assets</b>	<b>2</b>	<b>1,198,883</b>	<b>2,066,385</b>
<b>Non-current Assets</b>			
Receivables	11	0	0
Investments		0	0
Investment property		0	0
Property, plant and equipment	13 29	341,369	791,099
Capital works in progress	14	45,827	13,560
Intangible assets		0	0
<b>Total non-current assets</b>	<b>2</b>	<b>387,196</b>	<b>804,659</b>
<b>TOTAL ASSETS</b>		<b>1,586,079</b>	<b>2,871,043</b>
<b>Current Liabilities</b>			
Trade and other payables	15	169,861	561,565
Borrowings		0	0
Provisions		0	0
Other		0	0
<b>Total current liabilities</b>		<b>169,861</b>	<b>561,565</b>
<b>Non-current Liabilities</b>			
Trade and other payables	15	0	0
Borrowings		0	0
Provisions		0	0
Other		0	0
<b>Total non-current liabilities</b>		<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>		<b>169,861</b>	<b>561,565</b>
<b>NET COMMUNITY ASSETS</b>		<b>1,416,218</b>	<b>2,309,479</b>
<b>Community Equity</b>			
Asset revaluation reserve		0	0
Retained surplus/(deficiency)	16	1,416,218	2,309,479
Other reserves		0	0
<b>TOTAL COMMUNITY EQUITY</b>		<b>1,416,218</b>	<b>2,309,479</b>

The above Statement should be read in conjunction with the accompanying notes and the Summary of Significant Accounting Policies.

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Statement of Changes in Equity

For the year ended 30 June 2008

Notes	Asset revaluation reserve		Retained surplus		Other reserves		Total
	2007 Actual	2008 Actual	2007 Actual	2008 Actual	2007 Actual	2008 Actual	
<b>Opening balance</b>	0	0	1,226,356	1,416,218	0	0	1,226,356
Adjustments to opening equity	0	0	0	0	0	0	0
<b>Adjusted opening equity</b>	0	0	1,226,356	1,416,218	0	0	1,226,356
Revaluations of property, plant and equipment	0	0	0	0	0	0	0
Available for sale investments:							
Valuation gains/(losses)	0	0	0	0	0	0	0
Transferred to income statement on sale	0	0	0	0	0	0	0
Impairment losses	0	0	0	0	0	0	0
Change in value of future rehabilitation costs	0	0	0	0	0	0	0
<b>Net income recognised directly in equity</b>	0	0	0	0	0	0	0
Surplus for the period	0	0	189,862	893,261	0	0	189,862
<b>Total recognised income and expense</b>	0	0	189,862	893,261	0	0	189,862
<b>Transfers to and from reserves</b>							
Transfers to general reserves	0	0	0	0	0	0	0
Transfers from general reserves	0	0	0	0	0	0	0
<b>Total transfers to and from reserves</b>	0	0	0	0	0	0	0
<b>Closing balance</b>	0	0	1,416,218	2,309,479	0	0	1,416,218

The above Statement should be read in conjunction with the accompanying notes and the Summary of Significant Accounting Policies.

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Statement of Cash Flows

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>Cash flows from operating activities:</b>			
Receipts from customers		3,222,217	3,444,013
Payments to suppliers and employees		(2,712,485)	(2,556,475)
		<b>509,732</b>	<b>887,538</b>
Dividends received		0	0
Interest received		61,877	75,864
Rental income		38,160	27,049
Income from investments		0	0
Borrowing costs		0	0
<b>Net cash inflow (outflow) from operating activities</b>	17	<b>609,769</b>	<b>990,450</b>
<b>Cash flows from investing activities:</b>			
Payments for property, plant and equipment		(42,457)	(481,476)
Payments for intangible assets		0	0
Net movement on loans and advances		0	0
Proceeds from sale of property, plant and equipment	5	0	0
<b>Net cash inflow (outflow) from investing activities</b>		<b>(42,457)</b>	<b>(481,476)</b>
<b>Cash flows from financing activities</b>			
Grants, subsidies, contributions and donations		12,937	4,500
Proceeds from borrowings		0	0
Repayment of borrowings		0	0
Repayments made on finance leases		0	0
<b>Net cash inflow (outflow) from financing activities</b>		<b>12,937</b>	<b>4,500</b>
<b>Net increase (decrease) in cash held</b>		<b>580,250</b>	<b>513,474</b>
Cash at beginning of reporting period		518,607	1,098,857
<b>Cash at end of reporting period</b>	10	<b>1,098,857</b>	<b>1,612,331</b>

The above Statement should be read in conjunction with the accompanying notes and the Summary of Significant Accounting Policies.

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 1: Summary of significant accounting policies

For the year ended 30 June 2008

### Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and complies with the requirements of the Local Government Act 1993 and the Local Government Finance Standard 2005.

### Statement of Compliance

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS).

### Currency

The WTA uses the Australian Dollar as its functional currency and its presentation currency.

### Changes to Accounting Policies

Unless otherwise stated, accounting policies are the same as for the previous year.

### Rates, Grants and Other Revenue

Rates, Grants and Other Revenue are recognised as revenue on receipt of funds or earlier unconditional entitlement to the funds.

#### (i) Rates

Where rate monies are received prior to the commencement of the rating period, the amount is recognised as revenue in the period in which they are received.

#### (ii) Grants and subsidies

Where the WTA has an obligation to use a grant or subsidy in a particular manner the amount is recognised as revenue on receipt. An equivalent amount is placed in the constrained works reserve until the obligation is satisfied.

#### (iii) Other revenue including contributions

Other Revenue is recognised as a receivable when it is probable that it will be received and the amount is known, otherwise the amount is recognised upon receipt.

### Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked as well as deposits at call with financial institutions. It also includes bank overdrafts and liquid investments with short periods to maturity that are readily convertible to cash at the WTA's option without penalty and that are subject to a low risk of changes in value.

The WTA considers all its term deposits, being for periods of less than one year to be cash equivalents.

### Receivables

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery, settlement on trade debtors being generally required within 30 days from the invoice date. The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts were written-off at 30 June. Loans and advances are recognised at cost.

### Other Financial Assets

Other Financial Assets are recognised at cost.

## **Property, Plant and Equipment**

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment with a total value of less than \$5,000, and infrastructure assets, and buildings with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

### **(i) Acquisition of assets**

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs.

Non-monetary assets, including property, plant and equipment, are recognised as assets and revenues at fair value by WTA valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

### **(ii) Capital and operating expenditure**

Wage and materials expenditure incurred for the acquisition or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of the non-current asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

### **(iii) Valuation**

Land, buildings, major plant and equipment, infrastructure and heritage and cultural assets are measured on the revaluation basis, at fair value, in accordance with AASB116 Property, Plant and Equipment and the Local Government Finance Standard 2005. All other non-current assets, principally plant and equipment and intangibles, are measured at cost.

Plant and equipment, other than major plant and equipment, are measured at depreciated cost. The carrying amounts for plant and equipment measured at depreciated cost should not differ materially from their fair value.

### **(iv) Depreciation**

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the WTA.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the WTA.

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the WTA or the unexpired period of the lease, whichever is the shorter.

The estimated useful lives of property, plant and equipment are reviewed annually.

## **Capital Work in Progress**

The cost of property, plant and equipment being constructed by the WTA includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

## **Impairment of Non Current Assets**

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the department determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Income Statement, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### **Payables**

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

### **Retained Surplus**

This represents the amount of WTA's net funds not set aside in reserves to meet specific future needs. The main part of this amount is not available for WTA to spend as it has already been invested in assets used to provide services.

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 2: Analysis of Results by Function

For the year ended 30 June 2008

	2007	2007	2007	2007	2007	2007	2007	2007	2007	2007	2007
	Gross recurring income	Gross capital income	Eliminate inter-fn trans.	Total income	Gross recurring expenses	Gross capital expenses	Eliminate inter-fn trans.	Total expenses	Net result from recurring	Net result attributable to council	Assets
Finance	1,778,728	0	0	1,778,728	107,133	0	0	107,133	0	1,671,594	1,198,883
Administration	34,116	0	0	34,116	459,294	0	0	459,294	0	(425,178)	31,032
Planning and Building	126,540	0	0	126,540	65,383	0	0	65,383	0	61,157	166,052
Town Works & Engineering	0	0	0	0	208,558	0	0	208,558	0	(208,558)	175,058
Health Safety & Environment	30,051	0	0	30,051	147,100	0	0	147,100	0	(117,049)	0
Community & Cultural	45,069	0	0	45,069	1,113,009	0	0	1,113,009	0	(1,067,940)	0
Town Utilities & Infrastructure	1,184,247	0	0	1,184,247	908,412	0	0	908,412	0	275,835	15,053
<b>Total Council</b>	<b>3,198,751</b>	<b>0</b>	<b>0</b>	<b>3,198,751</b>	<b>3,008,889</b>	<b>0</b>	<b>0</b>	<b>3,008,889</b>	<b>0</b>	<b>189,862</b>	<b>1,586,079</b>
Controlled entity net of eliminations	0	0	0	0	0	0	0	0	0	0	0
<b>Total consolidated</b>	<b>3,198,751</b>	<b>0</b>	<b>0</b>	<b>3,198,751</b>	<b>3,008,889</b>	<b>0</b>	<b>0</b>	<b>3,008,889</b>	<b>0</b>	<b>189,862</b>	<b>1,586,079</b>

**Income and expenses defined between recurring and capital are attributed to the following functions:**

	2008	2008	2008	2008	2008	2008	2008	2008	2008	2008	2008	2008
	Gross recurring income	Gross capital income	Eliminate inter-fn trans.	Total income	Gross recurring expenses	Gross capital expenses	Eliminate inter-fn trans.	Total expenses	Net result from recurring	Net result attributable to council	Assets	
Finance	2,048,925	0	0	2,048,925	64,520	0	0	64,520	0	1,985,404	2,066,385	
Administration	48,189	0	0	48,189	782,088	0	0	782,088	0	(733,899)	23,602	
Planning and Building	106,987	0	0	106,987	64,827	0	0	64,827	0	42,160	602,175	
Town Works & Engineering	0	0	0	0	267,716	0	0	267,716	0	(267,716)	165,334	
Health Safety & Environment	33,186	0	0	33,186	74,538	0	0	74,538	0	(41,352)	0	
Community & Cultural	32,054	0	0	32,054	915,198	0	0	915,198	0	(883,144)	0	
Town Utilities & Infrastructure	1,608,619	0	0	1,608,619	816,811	0	0	816,811	0	791,808	13,548	
<b>Total Council</b>	<b>3,878,959</b>	<b>0</b>	<b>0</b>	<b>3,878,959</b>	<b>2,985,699</b>	<b>0</b>	<b>0</b>	<b>2,985,699</b>	<b>0</b>	<b>893,261</b>	<b>2,871,043</b>	
Controlled entity net of eliminations	0	0	0	0	0	0	0	0	0	0	0	
<b>Total consolidated</b>	<b>3,878,959</b>	<b>0</b>	<b>0</b>	<b>3,878,959</b>	<b>2,985,699</b>	<b>0</b>	<b>0</b>	<b>2,985,699</b>	<b>0</b>	<b>893,261</b>	<b>2,871,043</b>	

**Income and expenses defined between recurring and capital are attributed to the following functions:**

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 3: Revenue analysis

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>(a) Rates and charges</b>			
General rates		1,704,681	1,970,542
Water		590,795	722,168
Sewerage		254,441	532,229
Waste management		336,698	357,757
Total rates and utility charge revenue		<u>2,886,615</u>	<u>3,582,695</u>
Less: Discounts		(40,590)	(72,378)
Net rates and utility charges		<u>2,846,024</u>	<u>3,510,317</u>
<b>(b) Fees and charges</b>			
Fees and Charges		212,019	209,343
		<u>212,019</u>	<u>209,343</u>
<b>(c) Rental income</b>			
Community Property rentals		38,160	27,049
		<u>38,160</u>	<u>27,049</u>
<b>(d) Interest received</b>			
Interest received from investments		58,556	73,554
Interest from overdue rates and utility charges		3,321	2,310
		<u>61,877</u>	<u>75,864</u>
<b>(g) Other recurrent income</b>			
Dividend		0	0
Other income		0	0
		<u>0</u>	<u>0</u>

**Rio Tinto Alcan Ltd - Weipa Town Authority**  
**Note 4: Grants, Subsidies, Contributions and Donations**

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>(a) Recurrent - government grants, subsidies, and other contributions are analysed as follows</b>			
General purpose grants		12,937	4,500
State Government subsidies and grants		0	0
Donations		0	0
Contributions		0	0
<b>Total recurrent revenue</b>		<b><u>12,937</u></b>	<b><u>4,500</u></b>
<b>(b) Capital - government grants and subsidies, and other contributions are analysed as follows</b>			
State Government subsidies and grants		0	0
Contributions		0	0
<b>Total capital revenue</b>		<b><u>0</u></b>	<b><u>0</u></b>
<b>(c) Conditions over contributions</b>			
Contributions and grants which were recognised as revenues during the reporting period and which were obtained on the condition they be expended in a manner specified by the contributor but had not been expended at the reporting date.			
Grants for expenditure on infrastructure		0	0
Contributions for infrastructure		0	0
Contributions and grants which were recognised as revenues during a previous reporting period and were expended during the current reporting period in accordance with Council's obligations.			
Grants expended on infrastructure		0	0
Contributions expended on infrastructure		0	0
		<b><u>0</u></b>	<b><u>0</u></b>

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 5: Capital income

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>Gain (loss) on the disposal of non-current assets</b>			
(a) Proceeds from the sale of property, plant and equipment		0	0
Less: Book value of property, plant and equipment disposed		0	0
		<u>0</u>	<u>0</u>
(b) Proceeds from the sale of land and improvements		0	0
Less: Book value of land sold		0	0
		<u>0</u>	<u>0</u>
Revaluation up of property, plant and equipment reversing previous revaluation down		0	0
Revaluation up of investment property		0	0
<b>Total gain (loss) on the disposal of non-current assets</b>		<u>0</u>	<u>0</u>

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 6: Employee costs

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
WTA Office staff wages and salaries		486,211	600,065
WTA Member Remuneration		13,989	11,521
		<u>500,200</u>	<u>611,586</u>
		<u>500,200</u>	<u>611,586</u>
		<u>500,200</u>	<u>611,586</u>

WTA Member remuneration represents salary, superannuation contributions and other allowances paid in respect of carrying out their duties.

### Total Council employees at period end

Elected members	4	4
Appointed Members	3	3
WTA Office staff	7	8

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 7: Materials and services

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
Advertising and marketing		14,726	11,206
Administration supplies and consumables		142,413	75,074
Audit services		0	0
Communications and IT		23,833	12,844
Consultants		166,596	151,877
Contractors		969,960	904,709
Donations paid		0	0
Community Property expenses		234,390	59,170
Power		152,824	93,034
Repairs and maintenance		375,507	355,199
Other material and services		345,391	587,489
		<u>2,425,641</u>	<u>2,250,602</u>

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 8: Finance costs

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
Finance costs charged by Queensland Treasury Corporation		0	0
Interest on finance leases		0	0
Finance costs relating to other bank loans		0	0
Bank charges		5,792	7,611
Impairment of debts		0	0
		<u>5,792</u>	<u>7,611</u>

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 9: Depreciation and amortisation

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>(a) Depreciation of non-current assets</b>			
Land improvements		0	0
Buildings		2,345	2,345
Other plant and equipment		11,929	13,904
Road, drainage and bridge network		9,724	9,724
Water		1,505	1,505
Sewerage		0	0
Other infrastructure assets		24,020	36,536
<b>Total depreciation of non-current assets</b>		<b>49,523</b>	<b>64,013</b>
<b>(b) Amortisation of intangible assets</b>			
Software		0	0
<b>Total depreciation and amortisation</b>		<b>49,523</b>	<b>64,013</b>

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 10: Cash and cash equivalents

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
Cash at bank and on hand		68,149	5,806
Deposits at call		1,030,707	1,606,525
Term deposits		0	0
Less: Bank overdraft		0	0
<b>Balance per Statement of Cash Flows</b>	<b>18</b>	<b><u>1,098,857</u></b>	<b><u>1,612,331</u></b>
Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies		0	0
Unspent developer contributions		0	0
Unspent loan monies		0	0
<b>Total unspent restricted cash for capital projects</b>		<b><u>0</u></b>	<b><u>0</u></b>

Cash and deposits at call are held in the National Australia Bank in normal term deposits and business cheque accounts. The Bank currently has a short term credit rating of A1+ and a long term rating of AA-.

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 11: Trade and other receivables

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>(a) Current</b>			
Rateable revenue and utility charges		5,594	75,906
Other debtors		83,816	73,656
Less: Provision for doubtful debts		55	(3,646)
GST recoverable		10,562	3,106
Loans and advances to controlled entities and associates		0	304,712
		<u>100,026</u>	<u>453,735</u>
<b>(b) Non-current</b>			
Loans and advances to community organisations		0	0
Loans and advances to controlled entities and associates		0	0
		<u>0</u>	<u>0</u>

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

Loans relate to advances made to various sporting bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 12: Other financial assets

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>Current</b>			
Prepayments	18	0	319
		<u>0</u>	<u>319</u>

**Rio Tinto Alcan Ltd - Weipa Town Authority**  
**Note 13: Council Property, Plant and Equipment**

For the year ended 30 June 2008

	Land & Land Improvement	Buildings	Other Structures	Plant & Vehicles	Furniture & Office Equipment	Roads & Drainage	Water Infrastructure	Sewerage Infrastructure	Total
<b>Asset Values</b>									
Opening gross value at cost	0	42,922	127,104	0	51,158	194,479	18,059	0	433,722
Opening gross value at valuation	0	0	0	0	0	0	0	0	0
Additions at cost	0	0	505,801	0	7,943	0	0	0	513,743
Disposals	0	0	0	0	0	0	0	0	0
Revaluation adjustment to the ARR	0	0	0	0	0	0	0	0	0
Revaluation adjustment to income	0	0	0	0	0	0	0	0	0
Assets classified as held for sale	0	0	0	0	0	0	0	0	0
Assets transferred to investment property	0	0	0	0	0	0	0	0	0
Internal transfers	0	0	0	0	0	0	0	0	0
<b>Closing gross value</b>	<b>0</b>	<b>42,922</b>	<b>632,905</b>	<b>0</b>	<b>59,101</b>	<b>194,479</b>	<b>18,059</b>	<b>0</b>	<b>947,466</b>
<b>Accumulated Depreciation</b>									
Opening balance	0	4,684	45,091	0	20,152	19,421	3,006	0	92,354
Depreciation provided in period	0	2,345	35,092	0	15,347	9,724	1,505	0	64,013
Depreciation on disposals	0	0	0	0	0	0	0	0	0
Revaluation adjustment to the ARR	0	0	0	0	0	0	0	0	0
Impairment adjustment to the ARR	0	0	0	0	0	0	0	0	0
Impairment adjustment to income	0	0	0	0	0	0	0	0	0
Assets classified as held for sale	0	0	0	0	0	0	0	0	0
Assets transferred to investment property	0	0	0	0	0	0	0	0	0
Internal transfers	0	0	0	0	0	0	0	0	0
<b>Accumulated depreciation at period end</b>	<b>0</b>	<b>7,029</b>	<b>80,183</b>	<b>0</b>	<b>35,499</b>	<b>29,145</b>	<b>4,511</b>	<b>0</b>	<b>156,367</b>
<b>Written down value at cost</b>	<b>0</b>	<b>35,894</b>	<b>552,721</b>	<b>0</b>	<b>23,602</b>	<b>165,334</b>	<b>13,548</b>	<b>0</b>	<b>791,099</b>
<b>Written down value at fair value at period end</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total written down value at period end</b>	<b>0</b>	<b>35,894</b>	<b>552,721</b>	<b>0</b>	<b>23,602</b>	<b>165,334</b>	<b>13,548</b>	<b>0</b>	<b>791,099</b>
<b>Total written down value at 30 June 2007</b>	<b>0</b>	<b>38,239</b>	<b>82,013</b>	<b>0</b>	<b>31,006</b>	<b>175,058</b>	<b>15,053</b>	<b>0</b>	<b>341,369</b>
Residual value	0	0	0	0	0	0	0	0	0

Land & Land Improvement	Buildings	Other Structures	Plant & Vehicles	Furniture & Office Equipment	Roads & Drainage	Water Infrastructure	Sewerage Infrastructure	Total

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 14: Capital works in progress

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
Capital works in progress		45,827	13,560
		<u>45,827</u>	<u>13,560</u>

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 15: Trade and other payables

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>Current</b>			
Creditors and accruals		169,861	561,565
Annual leave		0	0
Sick leave		0	0
Long service leave		0	0
Other entitlements		0	0
	18	<u>169,861</u>	<u>561,565</u>
<b>Non-current</b>			
Annual leave		0	0
Long service leave		0	0
		<u>0</u>	<u>0</u>

As employees are paid through a centralised Rio Tinto Alcan payroll system, there is no accrual for employee benefits at this level.

# Rio Tinto Alcan Ltd - Weipa Town Authority

## Note 16: Retained surplus

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
Movements in the retained surplus were as follows:			
Retained surplus/(deficit) at the beginning of the financial year		1,226,356	1,416,218
Result from ordinary activities		189,862	893,261
Transfers (to) from capital reserves for future capital project funding, or from reserves funds that have been expended:			
Future capital works reserve		0	0
Asset replacement reserve		0	0
Constrained public contributions reserve		0	0
Constrained works reserve		0	0
Transfers (to) from recurrent reserves for future project funding, or from reserves funds that have been expended:			
Recurrent expenditure reserve		0	0
Transfers (to)/from Shire Capital		0	0
<b>Retained surplus at the end of the financial year</b>		<b><u>1,416,218</u></b>	<b><u>2,309,479</u></b>

## Rio Tinto Alcan Ltd - Weipa Town Authority

### Note 17: Reconciliation of result from ordinary activities to net cash inflow (outflow) from operating activities

For the year ended 30 June 2008

	<u>Notes</u>	<u>2007 Actual</u>	<u>2008 Actual</u>
<b>Result from ordinary activities</b>		<b>189,862</b>	<b>893,261</b>
<b>Non-cash operating items:</b>			
Depreciation and amortisation		49,523	64,013
Revaluation down of property, plant and equipment		0	0
Loss on impairment of property, plant and equipment		0	0
Loss on impairment of assets classified as land held for sale		0	0
Change in future rehabilitation costs		0	0
		<u>49,523</u>	<u>64,013</u>
<b>Investing and development activities:</b>			
Net (profit) loss on disposal of non-current assets		0	0
Payment for land for sale and development costs in the period		0	0
Payment for restoration added to asset		0	0
Profit retained in joint venture		0	0
		<u>0</u>	<u>0</u>
<b>Financing activities:</b>			
Capital grants and contributions		(12,937)	(4,500)
		<u>(12,937)</u>	<u>(4,500)</u>
<b>Changes in operating assets and liabilities:</b>			
(Increase) decrease in receivables		123,711	(349,671)
(Increase) decrease in other operating assets		0	0
Increase (decrease) in payables		259,611	387,348
Increase (decrease) in other provisions		0	0
Increase (decrease) in other liabilities		0	0
		<u>383,321</u>	<u>37,676</u>
<b>Net cash inflow from operating activities</b>		<b><u>609,769</u></b>	<b><u>990,450</u></b>