

# *Annual* REPORT 2020/21



City of **Perth**











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## ACKNOWLEDGEMENT

The City of Perth acknowledges the Whadjuk Nyoongar people as the Traditional Owners of the lands and waters where Perth city is situated today and pays respects to Elders past, present and emerging.

# About the **ANNUAL** REPORT

**The Local Government Act 1995 requires local governments to adopt an Annual Report by 31 December each year or within two months of the Auditor General's report on the City's financial statement being available. The City of Perth (the City) meets this requirement by producing a detailed report annually.**

The City of Perth Annual Report is an important part of the Integrated Strategic Planning and Reporting Framework. It details the City's financial and operational performance in the 2020/21 financial year and documents the City's progress towards the Strategic Community Plan 2019-29 (SCP).

The SCP provides the City's long-term strategic direction and guides the organisation's decision-making, services and financial commitments. Since the SCP was first developed, the City has undergone significant change, disruption and growth. As such, the City's new council is reviewing the SCP to ensure it is people-focussed and fit for purpose.

While the SCP is evaluated, the City will continue to deliver exceptional quality services for the people of Perth.

To guide this effort and drive the organisation's future strategic vision, the City has adopted three strategic pillars:



#### **Liveable**

A community that is safe, socially cohesive, inclusive and activated.



#### **Sustainable**

A healthy environment, with social and economic systems in balance.



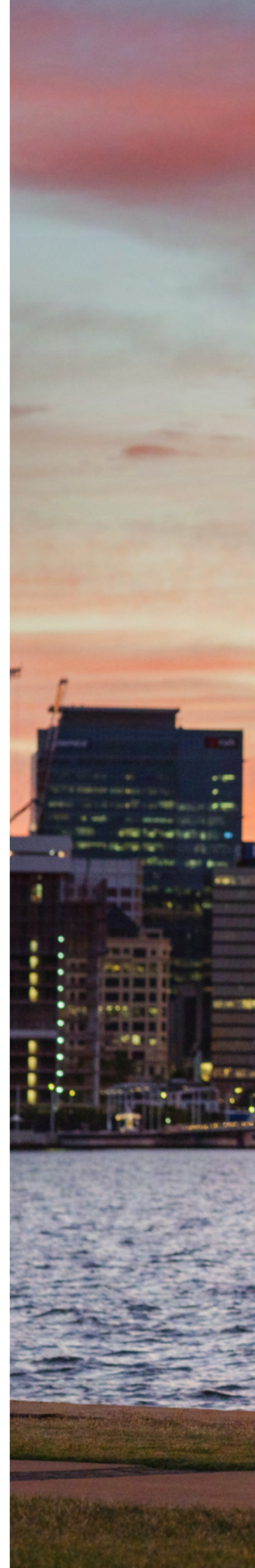
#### **Prosperous**

A successful, flourishing and thriving city.

The City of Perth Annual Report includes a snapshot of performance against these pillars and an overview of the City's outlook for the future.

In line with the City's sustainability goals, a limited number of hard copies of this Annual Report were produced. However, it can be downloaded electronically through the website **[perth.wa.gov.au](http://perth.wa.gov.au)**.

For any enquiries, contact the City of Perth on (08) 9461 3333 or email **[info@cityofperth.wa.gov.au](mailto:info@cityofperth.wa.gov.au)**.











**LORD MAYOR**  
Basil Zempilas

# LORD MAYOR'S MESSAGE

**It's been an important time for the City of Perth following the election of a new Council to represent the City.**

Since the 2020 election it has been a fresh new team, working hard, listening to the community and delivering for Perth ratepayers.

Di Bain, Sandy Anghie, Catherine Lezer, Rebecca Gordon, Liam Gobbert, Brent Fleeton, Clyde Bevan and Dr Viktor Ko have started a job and continue to put our ratepayers first in every decision we make, every time.

There was no greater example of that when we fought for a one-off payment of \$25 million for the WACA aquatic facility and not carrying the ongoing lifetime costs.

We delivered on a promise of a zero percent rate increase and then matched it with no increases to parking.

As a Council we continue to advocate for more police in the City and for the State Government to fulfill its obligations in the area of homelessness. I am immensely proud of Council's advocacy and action in this area and the opening of a Safe Night Shelter for Women.

We also instigated regular monthly Town Hall Meetings, a chance for ratepayers to raise the issues most concerning them.

Other achievements include the opening of the award-winning Wellington Square redevelopment with its world class children's playground.

The City of Perth has been a leader in the Local Government sector with the establishment of our LGBTQIA+ Advisory Group. The signing of Yacker Danjoo was another historic moment for the City.

This year we launched the new City of Perth brand, once again reclaiming the City of Perth as the City of Light.

And we were instrumental in championing and getting a new CAT bus service to Nedlands and Crawley.

For all we have achieved, importantly, it's the way we have achieved it – professionally, transparently, cohesively and respectfully. Exactly what you would expect from us and what we expect from each other.

There is much work still to be done, but the new era has begun and your new City of Perth Council is excited by what we can deliver together.

March 2022









**CHIEF EXECUTIVE OFFICER**  
Michelle Reynolds

## CEO'S MESSAGE

**Since coming on board at the City of Perth in August 2020, I have been struck by the enormous outreach of what we do and by the incredible work of our people.**

From street cleaning, to park maintenance, to emptying city bins, approving events, patrolling street parking and operating our many facilities – our people are our greatest asset.

The City of Perth continues to grow after many years of instability. We are evolving to excellence.

My priority has been establishing a strong foundation, upon which we can now place the building blocks – stage by stage.

With a \$263 million budget, the City's role is to prioritise spending to ensure that we best meet the needs of our ratepayers, residents, tenants, retailers and visitors, alike.

It is incredible to think that around 200,000 people visit our city every day – be it to work, socialise, study, shop or run a business.

There are many competing priorities, but the City is committed to keeping the community at the forefront of all we do, to being transparent in our spending and to continuing to make Western Australia's capital city liveable, sustainable and prosperous.

We have come a long way over the past year, and I look forward to even more progress towards our Evolution to Excellence.

March 2022











# COUNCIL



**Basil Zempilas**  
Lord Mayor

Basil Zempilas became the 18th Lord Mayor of the City of Perth in October 2020. His first foray into local government comes after a successful and ongoing broadcasting career in television and radio and as a newspaper columnist with The West Australian.

Basil began his television career at Channel 7 in Perth in 1994 and since 2001 has been the station's Senior Sports Presenter. He also hosts the Triple M Breakfast show on Perth radio.

He has been a host and commentator at eight Olympic Games for the Seven Network. For more than 10 years he was a commentator and host of Seven's Australian Open tennis coverage and for five years was Master of Ceremonies at the Melbourne Cup Carnival. Between 2012-2019 Zempilas was a host and commentator on the Seven Network's AFL coverage.

Away from sport, Zempilas spent two years commuting from Perth to Sydney from 2018 to co-host Seven's Weekend Sunrise. Since 2010, Basil has been host of the world renowned 26-hour live television charity fundraiser, Telethon.

Basil was educated at Hale School and gained a Bachelor of Arts Degree and a Graduate Diploma of Journalism from Murdoch University. In 2019, he was honoured with a Distinguished Alumni Award.



**Sandy Anghie**  
Deputy Lord Mayor

Elected to the City of Perth Council in October 2020, Councillor Sandy Anghie (LLB, BCom '97, BEnvDes '11, MArch '14) holds degrees in law, commerce, design and architecture, and has 25 years' experience across these fields.

Starting her career as a corporate tax lawyer in 1997, Sandy was admitted to the Supreme Court as a Barrister and Solicitor in 1999. She worked in Australia's leading law and accounting firms, before returning to the University of Western Australia in 2006 to become an architect.

Now a registered architect, Sandy has her own residential architecture practice and is actively involved in WA's architecture community, with current roles including Chapter Councillor at the Australian Institute of Architects WA, editor of The Architect magazine, and contributor to CO-Architecture and the Property Tribune.

Sandy has served on a number of not-for-profit boards for the past decade, including the Constable Care Child Safety Foundation and the West Australian Ballet. She currently represents the City of Perth on the Perth Theatre Trust Board and the Perth Cultural Centre Taskforce.



**Di Bain**  
Councillor

Di is a marketing and communications professional with more than two decades experience in the sector. She is Chair of Tourism Western Australia and was elected to the City of Perth Council in October 2020.

Following her career as a journalist at the Australian Broadcasting Corporation, Di established her own small business Bain Media which served clients in the property, tourism, government and cyber security sectors.

She is a qualified company director and former Chair of Activate Perth and the Perth Zoo.

Di is a graduate of the West Australian Academy of Performing Arts (WAAPA) and a Member of the Australian Institute of Company Directors.



**Catherine Lezer**  
Councillor

Councillor Catherine Lezer was elected to the City of Perth Council in October 2020.

Born and raised in Perth, Catherine is a passionate advocate for strata living with practical experience in environmental sustainability, community building, asset management and aesthetic improvements.

After various finance positions and property directorships, in Perth and Sydney, Catherine developed a passion for adding value to apartments and apartment buildings.

Keen to see the CBD stay relevant, Catherine is committed to its evolution to a CED (Central Experience District) with events, art and new technology playing a role alongside business and the Derbarl Yerrigan.

Catherine is a member of the Property Industry Advisory Committee, Council member of Heritage Council WA and President of Strata Community Association WA.

She completed a Bachelor of Business and Master of Business Administration, and is a graduate of the Australian Institute of Company Directors.

Catherine serves on many City of Perth and external committees.



**Rebecca Gordon**  
Councillor

Councillor Rebecca Gordon was elected to Council in October 2020 and is a member of the CEO Performance Review Committee, Policy Committee and Deputy Member of the Audit and Risk Committee.

She is also a Councillor on the Mindarie Regional Council. Rebecca has completed her Bachelor of Laws, Bachelor of Commerce, Master of Business Administration and Australian Institute of Company Directors' course.

As a Company Secretary, Councillor Gordon's day job focuses on the governance and compliance of a global group of nearly 100 entities.

She is also the chairperson for the professional standards panels for health practitioners, Australia-wide.

Rebecca has previous experience as a deputy mayor for one of Western Australia's most-awarded councils, as a member of the Local Government Standards Panel and a member of the Metro Central Development Assessment Panel.



**Liam Gobbert**  
Councillor

Liam was elected to the City of Perth Council in October 2020. He served as the inaugural Chair of the Policy Committee and is now as a member of the Audit Committee. He is the City's delegate to the Mindarie Regional Council, the WALGA Central Zone, Deputy Member to the Local Development Assessment Panel, and the Metropolitan (Deputy) Local Government Representative to the Western Australian Planning Commission.

Liam is an East Perth resident working in rail infrastructure project management and is passionate about creating vibrant and liveable communities. He is focused on improving safety and security, lighting, cultural experiences, public amenities, and attracting residents and businesses into Perth.

He holds qualifications in urban planning, project management, music, and retail, with a law degree underway.

Liam has served as a Councillor from 2009-2017 at the City of Joondalup and is the current Vice-President of the Independent Theatre Association of WA. He is also a Justice of the Peace for the State of Western Australia.

Liam's previous volunteer involvement has included serving as the Secretary for urban think tank FuturePerth, as a Committee Member for the Cancer Council's Relay for Life, as Musical Director for multiple community theatres, and has volunteered with Open House Perth, Propel Youth Arts, and the YMCA.





**Clyde Bevan**  
Councillor

Clyde Bevan was elected to the City of Perth Council in October 2020.

He has spent more than 30 years owning and running restaurants with his wife – including Friends Restaurant for more than two decades.

Clyde has won seven national awards, including Best Restaurant with Entertainment in Australia three times, Best Fine Dining Restaurant in Australia twice, and Best New Restaurant in Australia.

Further national recognition came when he was inducted into the Restaurant and Catering Association Hall of Fame for contributions to the hospitality industry.

He has regularly commented on food, wine and entertainment in the media and judged for numerous wine and food awards.

Clyde has worked as a Senior Policy Advisor for the WA Office of Premier and Cabinet.

He has been a Board Member and Chief Executive Officer of the WA Restaurant and Catering Association, the State Supply Commission and the Kalamunda and Districts Hospital Board. He was President of the Swan Valley Tourism Council for four years.

Clyde also served as Chairman of the Board for Lotterywest from 2004 to 2010.



**Dr Viktor Ko**  
Councillor

Dr Viktor Ko is an Australian born Chinese, medical doctor who was elected to the City of Perth Council in October 2020.

He currently serves on the Perth Local Development Assessment Panel, the Metropolitan Regional Road Group and represented Perth at the 2021 Chengdu International Sister Cities Mayoral conference.

Viktor earned his MBBS through Notre Dame University Fremantle (UNDF) and has done all his medical training in WA.

He held the medical portfolio in 2013 and 2014 for the National Rural Health Student Network (NRHSN), represented medical students as part of the National Rural Faculty of RACGP (2013) and played an essential role in representing medical students through the Australian College of Rural and Remote Medicine bonded support program.

Professionally, Viktor has worked across all three major tertiary centres, Fiona Stanley, Sir Charles Gairdner and Royal Perth Hospital. He has also worked in hospitals in Geraldton, Albany and Kalgoorlie.



**Brent Fleeton**  
Councillor

Councillor Brent Fleeton was elected to the City of Perth Council in October 2020. During FY2020/21 he chaired the City's Audit and Risk Committee and participated in the Policy Committee's red-tape reduction efforts. Additionally, he represented Perth on the Tamala Park Regional Council and the Development Assessment Panel.

Before his election, Brent consulted to property, hospitality and infrastructure businesses with government and public relations advice.

Adding to his experience, he spent time at NBN Co as WA's Corporate and Community Affairs Manager and from 2015 to 2018 he served as a City of Bayswater Councillor, where he studied in Advanced Management at the UWA Business School and the Australian Institute of Company Directors.

Brent is a member of Perth Racing, lives in East Perth and, since his election, he has taken a position at one of Perth's leading public relations firms – Clarity Communications.

*Council*

# COMMISSIONER AND

## ELECTED MEMBER

# Attendance

Member	Ordinary Meetings Held	Number of Ordinary Meetings Attended	Special Meetings Held	Number of Special Meetings Attended
<b>ORDINARY COUNCIL MEETING</b>				
Chair Commissioner Andrew Hammond	10	2 (out of 3)	9	5 (out of 5)
Deputy Commissioner Gaye McMath	10	3 (out of 3)	9	4 (out of 5)
Commissioner Len Kosova	10	3 (out of 3)	9	5 (out of 5)
Lord Mayor Basil Zempilas	10	7 (out of 7)	9	4 (out of 4)
Deputy Lord Mayor Sandy Anghie	10	7 (out of 7)	9	4 (out of 4)
Councillor Di Bain	10	7 (out of 7)	9	2 (out of 4)
Councillor Clyde Bevan	10	7 (out of 7)	9	4 (out of 4)
Councillor Brent Fleeton	10	7 (out of 7)	9	2 (out of 4)
Councillor Liam Gobbert	10	7 (out of 7)	9	4 (out of 4)
Councillor Rebecca Gordon	10	7 (out of 7)	9	3 (out of 4)
Councillor Dr Viktor Ko	10	7 (out of 7)	9	4 (out of 4)
Councillor Catherine Lezer	10	7 (out of 7)	9	4 (out of 4)
<b>AGENDA BRIEFING SESSIONS</b>				
Chair Commissioner Andrew Hammond	11	3 (out of 3)	N/A	
Deputy Commissioner Gaye McMath	11	3 (out of 3)	N/A	
Commissioner Len Kosova	11	3 (out of 3)	N/A	
Lord Mayor Basil Zempilas	11	8 (out of 8)	N/A	
Deputy Lord Mayor Sandy Anghie	11	8 (out of 8)	N/A	
Councillor Di Bain	11	8 (out of 8)	N/A	
Councillor Clyde Bevan	11	8 (out of 8)	N/A	
Councillor Brent Fleeton	11	8 (out of 8)	N/A	
Councillor Liam Gobbert	11	8 (out of 8)	N/A	
Councillor Rebecca Gordon	11	8 (out of 8)	N/A	
Councillor Dr Viktor Ko	11	7 (out of 8)	N/A	
Councillor Catherine Lezer	11	8 (out of 8)	N/A	



**AUDIT AND RISK COMMITTEE**

Chair Commissioner Andrew Hammond	4	1 (out of 1)	1	1
Deputy Commissioner Gaye McMath	4	1 (out of 1)	1	1
Commissioner Len Kosova	4	0 (out of 1)	1	1
Independent Member (Robert Maurich)	4	2 (out of 4)	1	1
Lord Mayor Basil Zempilas (deputy)	4	N/A	1	N/A
Deputy Lord Mayor Sandy Anghie	4	3 (out of 3)	1	N/A
Councillor Di Bain	4	1 observed	1	N/A
Councillor Clyde Bevan	4	N/A	1	N/A
Councillor Brent Fleeton	4	3 (out of 3)	1	N/A
Councillor Liam Gobbert	4	1 observed	1	N/A
Councillor Rebecca Gordon (deputy)	4	2 (out of 3)	1	N/A
Councillor Dr Viktor Ko	4	N/A	1	N/A
Councillor Catherine Lezer	4	2 (out of 3)	1	N/A

**POLICY COMMITTEE**

Lord Mayor Basil Zempilas	7	1	N/A
Deputy Lord Mayor Sandy Anghie	7	5	N/A
Councillor Di Bain	7	6	N/A
Councillor Clyde Bevan	7	6	N/A
Councillor Brent Fleeton	7	6	N/A
Councillor Liam Gobbert	7	7	N/A
Councillor Rebecca Gordon	7	6	N/A
Councillor Dr Viktor Ko	7	5	N/A
Councillor Catherine Lezer	7	6	N/A

**CEO PERFORMANCE REVIEW COMMITTEE**

Lord Mayor Basil Zempilas	2	2	N/A
Deputy Lord Mayor Sandy Anghie	2	1 observed	N/A
Councillor Di Bain	2	N/A	N/A
Councillor Clyde Bevan	2	2	N/A
Councillor Brent Fleeton	2	N/A	N/A
Councillor Liam Gobbert	2	N/A	N/A
Councillor Rebecca Gordon	2	2	N/A
Councillor Dr Viktor Ko	2	1	N/A
Councillor Catherine Lezer	2	N/A	N/A

**LORD MAYOR'S DISTRESS RELIEF FUND**

Lord Mayor Basil Zempilas	2	N/A	N/A
Deputy Lord Mayor Sandy Anghie	2	N/A	N/A
Councillor Di Bain	2	N/A	N/A
Councillor Clyde Bevan	2	N/A	N/A
Councillor Brent Fleeton	2	1	N/A
Councillor Liam Gobbert	2	N/A	N/A
Councillor Rebecca Gordon	2	N/A	N/A
Councillor Dr Viktor Ko	2	1	N/A
Councillor Catherine Lezer	2	N/A	N/A

# Leadership AND ADMINISTRATION

The Chief Executive Officer (CEO) is responsible for the management of the City of Perth's Administration. It is the CEO's role to provide overall strategic direction, leadership and coordination of the organisation's day-to-day operation. Along with the general managers and staff, the CEO acts on Council decisions by developing and putting into practice the Council's policies and resolutions.

Supporting the CEO is the Executive Leadership Team (ELT). On 30 June 2021, the ELT comprised the following:

## **Office of the Chief Executive** **Chief Executive Officer** **Michelle Reynolds**

The Office of the Chief Executive develops and implements strategic plans that enable the City to deliver its vision. It is responsible for Elected Member liaison, establishing inter-governmental frameworks and facilitating partnerships with key stakeholders. The Office of the Chief Executive includes Legal Services, Audit and Risk, Executive Services, Governance and Corporate Communications.

## **Community Development** **General Manager** **Kylie Johnson**

The Community Development Alliance delivers services to unite the community, protect the vulnerable and enrich Perth city. The team comprises five core service units including Activation and Cultural Experience, Community Safety and Amenity, Customer Experience and Community Services and Marketing.

## **Corporate Services** **General Manager** **Bill Parker**

The Corporate Services Alliance has responsibility for all corporate matters and provides services to internal teams. The alliance includes Financial Services, Strategy and Reporting, Human Resources, ICT Services, Property Services and Information and Record Management.

## **Infrastructure and Operations** **General Manager** **Allan Mason**

The Infrastructure and Operations Alliance designs, constructs, manages and maintains infrastructure, buildings, fleet assets and Perth's public spaces. It comprises specialists in construction and maintenance and includes the Operations and Parking Services and the Infrastructure and Assets Service Units.

## **Planning and Economic Development** **Acting General Manager** **Megan Adair**

The Planning and Economic Development Alliance performs research and creates the plans required to deliver a liveable, prosperous and sustainable city. Teams within this Alliance include City Planning, Development Approvals, Transport and Urban Design, Economic Development and City Future.





## Disclosure of Annual Salaries

Regulation 19B of the Local Government (Administration) Regulations 1996, requires this Annual Report to contain information on the number of employees entitled to an annual salary of \$130,000, or more, and the number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000.

Salary Range	No. of Employees
\$130,000 – \$139,999	12
\$140,000 – \$149,999	6
\$150,000 – \$159,999	4
\$160,000 – \$169,999	3
\$170,000 – \$179,999	6
\$180,000 – \$189,999	8
\$190,000 – \$199,999	0
\$200,000 – \$209,999	0
\$210,000 – \$219,999	2
\$220,000 – \$229,999	2
\$230,000 – \$239,999	0
\$240,000 – \$249,999	0
\$250,000 – \$259,999	0
\$260,000 – \$269,999	0
\$270,000 – \$279,999	2
\$280,000 – \$289,999	0
\$290,000 – \$299,999	0
\$300,000 – \$309,999	0
\$310,000 – \$319,999	1
\$320,000 – \$329,999	0
\$330,000 – \$339,999	0

The CEO remuneration package is \$379,532 (incl super) \$354,532 (excl super).

## Workforce

### SIZE

**664**  
Employees

### TENURE



The average tenure at the City of Perth is 7.25 years.



### FEMALE

Employees

**47%**

Managers/ELT/CEO

**43%**



### MALE

Employees

**53%**

Managers/ELT/CEO

**57%**

Age range

**21-82**

Average age

**45.7**



Representation of approx. 49 different cultures and nationalities

# About PERTH CITY

Perth is Western Australia's (WA) rapidly growing capital city. It sits on Whadjuk Nyoongar land and includes the neighbourhoods of Crawley-Nedlands, East Perth, Northbridge, Central Perth, Claisebrook and West Perth.

Located on the Indian Ocean Rim within the Asia Pacific Region, it is one of the world's fastest growing and developing economic zones. The Central Business District is the largest employment hub in Perth and is home to international, national and local business head offices.

## ECONOMIC



**135,026**

DAILY WORKFORCE  
POPULATION<sup>2</sup>

**\$94.4B**

ECONOMIC  
OUTPUT<sup>2</sup>



**2,167,341 sqm**

TOTAL OFFICE FLOORSPACE<sup>1</sup>

**\$52B**

GROSS REGIONAL PRODUCT<sup>2</sup>

### TOP INDUSTRY SECTORS BY ECONOMIC OUTPUT<sup>2</sup>

#### MINING



**34.6%**

**\$32.7** BILLION

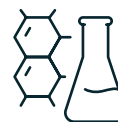
#### FINANCE/INSURANCE



**13.5%**

**\$12.7** BILLION

#### PROFESSIONAL/ SCIENTIFIC/TECHNICAL



**6.3%**

**\$10.1** BILLION



## ENVIRONMENTAL

**546.68**Ha

TOTAL AREA OF PARKLAND  
AND RESERVES

**28**

PARKS AND  
RESERVES<sup>3</sup>

**13.8**km

RIVER FRONTAGE<sup>4</sup>



**107.4**km

TOTAL LENGTH OF ROADS<sup>4</sup>

**3.3**km

HEIRISSON ISLAND<sup>3</sup>

## RESIDENTIAL<sup>5</sup>

**30,971**

ESTIMATED PERTH CITY  
RESIDENT POPULATION

**2,125,114**

ESTIMATED GREATER PERTH  
RESIDENTIAL POPULATION

**2,663,561**

ESTIMATED WA RESIDENTIAL  
POPULATION

**32.8**

MEDIAN  
RESIDENT AGE

**12,105**

NUMBER OF  
HOUSEHOLDS

**1.8**

AVERAGE  
HOUSEHOLD SIZE

**13,679**

RESIDENTS BORN  
OVERSEAS (54.7%)

### RESIDENTIAL GROWTH

	2021	2026	2031	2036	2041	2045	2050
Forecast Growth <sup>6</sup>	32,867	35,753	39,418	43,018	49,107		
City of Perth Aspirational Target <sup>7</sup>	32,000			55,000			90,000

#### Sources

1 - Property Council Office Market Report – August 2021

2 - REMPLAN Perth (C) – Published April 2021

3 - City of Perth Open Space Study 2018

4 - City of Perth ESRI portal, Road Reserves Map

5 - Australian Bureau of Statistics (2016-2020)

6 - <https://forecast.id.com.au/perth/population-households-dwellings> - accessed 16/9/21

7 - City of Perth Strategic Community Plan 2019-2029



# About THE CITY OF PERTH

**The City of Perth is Western Australia's capital city local government authority, proudly serving the people of Perth and their rapidly growing capital. The City of Perth's role is to recognise, promote and enhance the social, environmental, economic and cultural settings of the city for the community, now and into the future.**

By representing the broader Perth area and the state of Western Australia, the City builds on the progress made to date and ensures Perth city that continues to flourish for future generations.

Constituted under the *Local Government Act 1995*, the City of Perth provides services and facilities to a broad range of stakeholders including its 14,000 businesses, almost 30,000 residents, 134,000 workers and 230,000 visitors.

The City of Perth has origins from 1829 when the Swan River Colony was established by the British Government and was named after Perth, in Scotland. For thousands of years before, the area was an important meeting place for the Whadjuk Nyoongar people who have lived in the South-West region of Western Australia for more than 35,000 years.

In 1856, Perth formally attained 'city' status when it was declared a Bishop's See by Queen Victoria. The first meeting of the Perth City Council was held on 10 December 1858. However, it was not until the Centenary of Foundation in 1929 that the position of Mayor was elevated to Lord Mayor.

The Council met at several locations over the years, before moving to Council House in 1963. In 1994, the sprawling local government area was split into four separate authorities, with the creation of the Towns of Vincent, Victoria Park and Cambridge.







## SISTER CITIES

<b>Kagoshima</b> JAPAN (1974)	<b>San Diego</b> UNITED STATES (1987)
<b>Megisti</b> KASTELLORIZO (1984)	<b>Vasto</b> ITALY (1989)
<b>Houston</b> UNITED STATES (1984)	<b>Nanjing</b> CHINA (1998)
<b>Rhodes</b> GREECE (1984)	<b>Chengdu</b> CHINA (2012)

## CHARTERS OF MUTUAL FRIENDSHIP

<b>Perth</b> SCOTLAND (2006)	<b>Taipei</b> TAIWAN (1999)
<b>Seocho</b> REPUBLIC OF KOREA (2008)	

In May 2015, a Bill was introduced in State Parliament to establish the *City of Perth Act 2016*, to recognise Perth as the capital city of Western Australia and to establish the City of Perth Council as the State's preeminent local government authority. This came into effect on 1 July 2016.

Between 2015 and late 2020, the City of Perth experienced a period of significant change, growth and disruption. In 2018, the City's Council was suspended and the Minister for Local Government announced there would be a formal Inquiry into the City of Perth.

The Inquiry was the largest and most complex Inquiry so far conducted in Western Australia under the *Local Government Act 1995*. In June 2020, the Inquiry concluded and the Findings Report was released publicly.

This outlined 341 recommendations, 215 of which were assigned to the City of Perth for action.

Since then, the City has been on a vast and extensive journey of change.

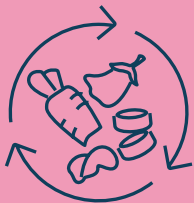
An entirely new leadership team has been established and a new Council was elected in October 2020. This era of stable, elected leadership signalled an exciting milestone for the City in its evolution to excellence. Together, the City's Administration and Council are committed to providing the leadership required to unlock Perth's potential to be increasingly liveable, sustainable and prosperous.







# City SERVICES



**3,953t**

WASTE RECYCLED



**258,258**

LIBRARY VISITS

**12,900sqm**

GRAFFITI REMOVED



**93,271**

PHONE CALLS RECEIVED

**75**

COMMUNITY ENGAGEMENT  
PROJECTS



**22,000**

VISITORS TO ENGAGE PERTH  
ENGAGEMENT PLATFORM



**132,962**

COMMUNITY  
CENTRE VISITS



**725,000**

SOCIAL MEDIA  
FOLLOWERS

**239**

TREES PLANTED



**7**

KANGAROOS  
CARED FOR



# Key **ACHIEVEMENTS**



## **LIVEABLE**

**A community that is safe,  
socially cohesive, inclusive  
and activated.**

### **Safe Night Space**

In March 2021, the City of Perth Council endorsed Ruah Community Services to operate the City's Safe Night Space for women. The Safe Night Space, at 160 Hay Street in East Perth, provides a centre where women can rest, access basic facilities, seek support and connect to other services in a safe and secure environment.

### **2025 Events Strategy**

The City has developed an Events Strategy and Signature Events Plan, which will see Perth become the events heart of WA. Through the strategy, the City seeks to oversee more events than any other Western Australian local government. The highlight of the calendar is the return of the Australia Day Skyworks in 2022, after a year off due to the COVID-19 pandemic.

### **Safe Night Shelter**

A two-month trial for a Safe Night Shelter at the Citiplace Community Centre was endorsed by Council in May 2021 and will commence in July 2021. This Safe Shelter will be a short-term, crisis intervention space where vulnerable men can rest in a safe, warm environment at night.

### **Rough Sleeper Action Plan**

On 27 April 2021, Council endorsed a Rough Sleeper Action Plan. The plan outlines the City's commitment and contribution to ending rough sleeping. Through the plan, the City will advocate for, coordinate and deliver support services for people sleeping rough, or street present people. Implementing the plan, alongside State Government, the City will better understand homelessness trends and raise community understanding.

### **Yacker Danjoo Ngala Bidi (Working Together Our Way)**

During 2020/21, the City of Perth worked alongside representatives of the City of Perth Elders Advisory Group to develop Yacker Danjoo Ngala Bidi (which means 'Working Together Our Way'). An important document that recognises Whadjuk Nyoongar people as the traditional owners of the land where Perth city is situated, the Yacker Danjoo will be signed in early 2021/22. The document will further demonstrate the commitment of both parties to respectfully work together to improve the future of Aboriginal people in Perth city and surrounds.





## LGBTQIA+ Plan and Advisory Group

The City established its first LGBTQIA+ Advisory Group in March 2021. The group guides the City in its growth as a diverse, equitable and inclusive organisation representing all members of the community. During 2020/21 the group developed a draft LGBTQIA+ Plan. The plan focuses on the City's role as a service provider, partner and facilitator in increasing the visibility, social inclusion and health and wellbeing of the LGBTQIA+ community. The draft plan will be published for community consultation in July 2021.

## Equity, Diversity and Inclusion Framework

With more than half of its residents born overseas, Perth's community is culturally and linguistically diverse. People living in the city speak more than 56 languages and practice 28 religions, while 1.6 per cent of residents live with a disability and 11 per cent are within the LGBTQIA+ community. In response, the City has developed the Equity, Diversity and Inclusion Framework. This will address barriers preventing full community participation for marginalised groups.

## Disability Access and Inclusion Plan 2021-2025

During 2020/21, the City worked alongside its Access and Inclusion Advisory Group to develop the 2021-25 Disability Access and Inclusion Plan (DAIP). The plan aims to reduce and eliminate barriers within the city and to advocate for equity of access for all. It outlines how the City will improve access and inclusion for people of all abilities and will be submitted for Council endorsement in July 2021.





## SUSTAINABLE

**A healthy environment,  
with social and economic  
systems in balance.**

### Three-Hour Free Parking Trial

The City introduced free three-hour weekend parking across all off-street City of Perth car parks from 1 December 2020 to 31 January 2021. In doing so, the City increased Perth's accessibility over the holiday period and encouraged visitors to shop in the city. This supported efforts to stimulate economic rebound during the COVID-19 pandemic.

### Neighbourhood Association Budget Development Forum

In April 2021, Elected Members and community groups participated in a collaborative Neighbourhood Association Budget Development Forum. The forum enabled attendees to articulate what they wanted to see in their neighbourhood during 2021/22, as well as during the next five years. As a result, neighbourhoods highlighted their priorities (including safety, events, business support and community amenities) and this feedback was used to develop the City of Perth Annual Budget 2021/22.

### City of Perth Parking Business Plan

One of the City's largest undertakings is its parking business. The business is a valuable asset to the City and its stakeholders, providing essential parking facilities and delivering a consistent financial contribution to the City. The business operates in direct competition with private operators in the parking industry. Unlike its competition, the City is subject to local government legislation and regulations. Under the *Local Government Act 1995* the City's parking business is classed as a 'Major Trading Undertaking' and is therefore required to provide a Business Plan. During 2020/21 the City developed the Parking Business Plan and this was submitted to the Department of Local Government, Sport and Cultural Industries as required.





## City of Perth Waste Plan

In support of the State Government's Waste Avoidance and Resource Recovery (WARR) Strategy, the City has developed an action-oriented Waste Plan. The plan supports the WARR Strategy's objective of making Western Australia a sustainable, low-waste, circular economy in which human health and the environment are protected from the impacts of waste.

The City's plan has two distinct parts. Part one establishes the City's waste profile and baseline information. Part two outlines the City's actions over the next five years, such as the continuation of the Containers for Change refund point on Aberdeen Street.

## 2021 Waterwise Building Program – Gold Recipients

In May 2021, the City was acknowledged for its ongoing commitment to water efficiency when Council House received Gold Waterwise Building status at the Water Corporation's 2021 Waterwise Recognition event. The 1960s building on St Georges Terrace was recognised for its consistent water efficiency efforts. This is the ninth year Council House has been recognised at Waterwise.





## PROSPEROUS

A successful,  
flourishing and  
thriving city.

### Perth City Deal

A \$1.5 billion partnership between the City of Perth, Commonwealth Government and State Government was announced in September 2020. The City's commitment includes \$25 million toward the redevelopment of the iconic WACA ground and \$10 million toward the CBD Transport Plan for the Roe Street Enhancement, to regenerate the area.

The City Deal will re-energise Perth, bringing government and private investment into the CBD, creating almost 10,000 jobs and encouraging more people back into the city. Under this plan more than 25,000 students and staff will be brought into the city and the construction of the campuses will bring more than \$1 billion of investment to Perth's CBD. It is estimated this will create more than 4,100 construction jobs and nearly 1,000 ongoing direct jobs.

### East End Revitalisation

In November 2020, the City completed WA's first Pedestrian Priority Precinct along Hay Street, in East Perth. The City celebrated this milestone in collaboration with Main Roads and the Road Safety Commission, with all three organisations working on the design to provide more space, safety and comfort for people of all ages and abilities. The Pedestrian Priority Precinct includes reduced speed limits, pedestrian priority over vehicles, wider footpaths, overhead lighting, outdoor dining and native plantings.

### Denpasar Memorandum of Understanding

In December 2020, the City formalised its relationship with Denpasar City by signing a Memorandum of Understanding (MOU). The intent of the MOU is to:

- establish connections between the digital and creative ecosystems in each city;
- facilitate exchange programs;
- give start-up companies and entrepreneurs opportunities to learn more from experts in counterpart cities;
- provide potential market entry opportunities for local businesses to leverage the \$1.69 trillion Indonesian economy.





## Wellington Square Redevelopment

The upgrade of Wellington Square (Moort-ak Waadiny) was completed in March 2021. The park boasts all new amenities including BBQ facilities, basketball courts, exercise equipment and an intergenerational playground (Koolangka Koolangka Waabiny) featuring a skate park, tower slides and ping pong tables. To celebrate its official launch, the City presented a family fun day with food trucks, free amusements, cultural activities and sport demonstrations and workshops in April.

In May 2021, the City was the proud winner of the Best Playspace Award (>.5M) for the Wellington Square Playground (Koolangka Koolangka Waabiny). The theme for the playground is 'Landscape of Play' and the design is influenced by Aboriginal themes and Western Australian iconic landforms. The award cements the City's vision of Perth as a great place to be – a safe, clean and attractive hub for residents, visitors, families and friends to meet, celebrate and explore.

## AILA WA Landscape Architecture Awards

The City's East End Revitalisation Pedestrian Priority Precinct was recognised at the AILA WA Landscape Architecture Awards in June 2021. The City was awarded the Landscape Architecture Award for Urban Design (highly commended) and the Award of Excellence for Infrastructure. The City's Urban Forest Plan Soil Specification was also awarded the 2021 AILA WA Landscape Architecture Award for Research, Policy and Communication.

# CORPORATE Achievements

## Election of Council and appointment of CEO

Late 2020 delivered a new era of stable, elected leadership for the City with the appointment of CEO Michelle Reynolds in August 2020. Lord Mayor Basil Zempilas and eight new Councillors were elected in October 2020.

## Long-Term Financial Plan

The City of Perth's Long-Term Financial Plan was adopted in 2020/21. The 10-year plan presents a \$2.6 billion financial blueprint that ensures the City's vision for Perth's growth and development is underpinned by robust financial management.

## Inquiry recommendations

Since receiving the *Report of the Inquiry into the City of Perth*, and subsequent recommendations, the City has been on an extensive journey of change. On 15 December 2020 the City of Perth Council endorsed the Inquiry into the City of Perth Implementation Plan. As at 30 June 2021, the City has completed almost half of the recommendations. Actions include the implementation of a Council Induction, audit of the Owner and Occupier Electoral Roll and delivery of organisation-wide key performance indicators.

## Elected Member Code of Conduct

The City has developed an Elected Member Code of Conduct collaboratively with Elected Members. The Code aligns with changes to legislation that were made during the year and was formally adopted by Council during 2020/21. The document outlines the standards of behaviour expected of an Elected Member and how the Council works together for the betterment of Perth and its people.

## Evolution to Excellence

During 2020/21 the City's Administration and Elected Members jointly developed the 'Evolution to Excellence'. The document comes into effect as of 1 July 2021 and symbolises a line in the sand as the City starts to deliver a revitalised and energised vision operating to the principles reflective of the new City leadership. Evolution to Excellence is a four-step transformation plan to operational excellence covering:

- strategy, performance and advocacy;
- leadership and organisational capacity;
- governance, risk and assurance;
- project and service delivery.

## Review of 77 Council Policies

The City has performed a large-scale review of its Council Policies during 2020/21. Policies cover the wide-ranging responsibilities of Council. As a result of this review, Elected Members and the City's Administration have clear guidelines to follow when performing their duties.



### **Independent Review of City of Perth's Rating Methodology**

The City appointed ACIL Allen to complete a thorough, independent, review of its rates methodology and establish its competitiveness against comparable local governments. The City's rate setting approach was benchmarked against industry best practice principles and assessed for legislative requirements using 13 key criteria. The assessment highlighted the City is legislatively compliant and at the forefront of best practice in the local government sector.

The assessment also identified the City of Perth has one of the lowest rate per square metre, compared to other Australian capital cities and offers a competitive environment to do business. Following the assessment, the City continues to take opportunities to enhance its best practice rating methodology.





# Key CHALLENGES





## COVID-19 pandemic

As the COVID-19 pandemic evolves, the City of Perth continues to actively monitor the COVID-19 situation and wherever needed, takes action to safeguard the health and wellbeing of the community, visitors and staff.

During 2020/21, the City continued to plan and make decisions based on expert advice from State and Federal governments and strongly supported a coordinated and consistent response to the pandemic across all WA local governments.

The City responded to State Government lockdowns and maintained mandatory registers of people accessing the City's community facilities including Citiplace Rest Centre, Perth Town Hall and the City of Perth Library.

The pandemic has had a profound impact on the community and businesses. In response, the City continues to deliver its COVID-19 Economic Rebound Strategy, which was adopted in 2019/20. The plan is providing immediate and long-term support for businesses, residents and the wider community to recover and thrive.

While the City has a responsibility to support Perth's social and economic recovery during and after the pandemic, it must also continue to deliver core services. During 2020/21, the City remained steadfast in its commitment to delivering high quality services and customer service.

## Homelessness

The COVID-19 pandemic has intensified the issue of homelessness. It has resulted in one of the toughest housing markets for many years and impacted the number of disadvantaged people sleeping rough, and street present people, in the CBD.

A count of people sleeping rough was undertaken by the City in early 2021. This highlighted that numbers grew 50 per cent in just six months. Additionally, with the COVID-19 rental moratorium ending in March 2021, there was an increase in housing instability and this resulted in a higher demand of specialist homeless services (SHS).

The City shares the vision for Western Australia to significantly reduce homelessness and rough sleeping. A major step towards this goal will be achieving 'functional zero' homelessness. This term describes a city in which homelessness has become manageable, and the available services and resources match or exceed demand for them. All levels of government must collaborate, show leadership and commitment, and work from a shared agenda to achieve this vision.

During 2020/21, the City continued to work with the sector, WA Police and the Department of Communities towards ending homelessness and led numerous projects and initiatives. These included expanding culturally appropriate assertive outreach services, establishing temporary safe night facilities and coordinating homelessness services.

There is no single solution to reduce rough sleeping. Rough sleeping requires a whole of community response. It will continue to demand sustained focus, interventions, strategies and coordinated partnerships and the City will maintain its commitment into the future.

## Antisocial behaviour and safety

Tackling antisocial behaviour and crime is a key factor in overcoming a difficult retail trading environment and addressing concerns from businesses and the community about public safety.

Addressing this issue will complement many of the objectives of the Strategic Community Plan including:

- increasing the residential population;
- attracting more tourist and business visitors;
- enticing new retail businesses;
- positioning a global brand and reputation for Perth.

The City has continued to work alongside WA Police to address antisocial behaviour. During 2020/21, the CityWatch Surveillance Centre helped ensure a fast and effective response to emergency situations and to assist in the detection and prosecution of offenders. CityWatch operates 24 hours a day, 7 days a week, 365 days of the year and in 2020/21 monitored more than 600 cameras across the city centre, Northbridge, East Perth and key public spaces.

# Disability Access AND INCLUSION PLAN

The City's Disability Access and Inclusion Plan (DAIP) 2016-2020 identified the outcomes the City would achieve to improve access and inclusion for people of all abilities. Since the DAIP was endorsed by Council in 2016, the City has focused on achieving seven outcome areas:

## OUTCOME 1

People with disability have the same opportunities as other people to access City of Perth services and events.

## OUTCOME 2

People with disability have the same opportunities as others to access City of Perth buildings and facilities.

## OUTCOME 3

People with disability receive information from the City of Perth in a format that enables them to access it as readily as other people.

## OUTCOME 4

People with disability receive the same level and quality of service from City of Perth staff as other people receive.

## OUTCOME 5

People with disability have the same opportunities as other people to make complaints to the City of Perth.

## OUTCOME 6

People with disability have the same opportunities as other people to participate in any public consultation with the City of Perth.

## OUTCOME 7

People with disability have the same opportunities as other people to obtain and maintain employment with the City of Perth.

The DAIP complies with Commonwealth and State legislative requirements to ensure that access for all is at the forefront of planning, partnership actions and developments within the City's boundaries.





During the implementation of the DAIP 2016-2020, the City improved access and inclusion for people living with disability and their families. Key successes include:

- The City's annual Australia Day Skyworks event built on its accessibility features every year from 2016 to 2020. The 2020 event included various initiatives such as:
  - two quiet zones offering art-related activities, iPads, bean bags and a quiet space away from crowds.
  - re-introduction of viewing zones with Disability in the Arts (DADAA) providing assistance for the Birak Concert and Skyworks show (bookings were available prior to the event).
  - AUSLAN interpretation and audio descriptors at accessible areas.
- In 2017, the City reinstated its Access and Inclusion Advisory Group.
- Portable hearing loops were installed in July 2019. A total of four hearing loops have been purchased and are used at the Council House concierge desk and meeting rooms.
- Universally accessible signage for the front entrance was installed at the Citiplace Community Centre in October 2018.
- The City's Writing Style Guide and Visual Style Guide were developed in 2017 and both consider accessibility. The Writing Style Guide educates staff on creating accessible documents for promotion.
- DADAA was engaged for New Year's Eve, Skyworks and Christmas Nativity in 2019/20.
- In 2017, the City delivered mandatory training to all staff and added it to onboarding for new staff. The City provided nine workshops to staff on: accessible communication; accessible and inclusive buildings and facilities; and access and inclusion to community services and events.
- The City of Perth partnered with Dementia Australia to deliver Dementia Awareness training for customer facing employees in October 2019.
- A report filter and categories were built into the City's Customer Relationship Management (CRM) so that feedback related specifically to access and inclusion can be tracked. This went live in June 2020.
- The City's Stakeholder Engagement Officer attends Access Inclusion Advisory Group meetings to provide ongoing engagement opportunities to all members.
- An access audit of Council House was undertaken in 2019 to determine the level of accessibility for visitors and employees.

With the DAIP 2016-20 now finalised, the City of Perth has developed the DAIP 2021-2025. This is expected to be adopted by Council in July 2021.

### Access and Inclusion Advisory Group

The Access and Inclusion Advisory Group consists of residents and regular visitors to Perth who are passionate about access and inclusion. The group has provided advice to the City on various plans and strategies since 1998, including recent initiatives such as the development of the DAIP 2021-2025, Australia Day Skyworks and East End Revitalisation project. The group met six times during 2020/21.



# RECONCILIATION

The City began rebuilding its relationship with Aboriginal people in November 2016. Throughout 2017, the City developed its first Reconciliation Action Plan (RAP) and launched its Reflect RAP in April 2018. Since then, the City has delivered or commenced 86 of the initial 93 actions. Many of these actions have been internally focused to build the organisation's understanding and capacity.

The City has a distinct leadership role as WA's capital city authority, to ensure it continues to develop and flourish without compromising future generations. By continuing to develop and implement the Innovate RAP, the City will demonstrate leadership and commitment to reconciliation with the Aboriginal community and set an example for organisations that are yet to commence their reconciliation journey.

The City of Perth is on a journey with Traditional Owners and is demonstrating respect and commitment to relationships and reconciliation with Aboriginal people.

## During 2020/21, the City:

- Officially named the Pedestrian Priority Precinct in Hay Street as Kaal yimniny, meaning 'fire here', and referring to the area historically used for fires.
- Developed a Yacker Danjoo Ngala Bidi in consultation with the City of Perth Elders Advisory Group.
- Contracted Aboriginal-led RooForce to deliver outreach services and connect people experiencing homelessness to appropriate services.
- Developed a framework to undertake cultural heritage assessments to inform future projects and consultation with the Whadjuk Nyoongar community.
- Installed an entry sign at Wellington Square with dual name (Moort-ak Waadiny) meaning 'Searching for Family'.
- Established dedicated place of healing for the Stolen Generations in the north-west corner of Wellington Square, including the implementation of a Sorry Pole. Commissioned a Stolen Generations Acknowledgement created by artist Sandra Hill, which will be installed in the area of reflection during 2020/21.
- Implemented bush tucker gardens at Wellington Square.
- Researched leading examples of Aboriginal Employment Frameworks and established recommendations to be implemented by the City's future Reconciliation Action Plans.
- Facilitated bi-monthly meetings with the Elders Advisory Group.
- The initiative 'Shining the Light' event was developed in collaboration with the Elders Advisory Group. This resulted in a video of Elders projected onto the Swan River.





# RECORDKEEPING STATEMENT

The City of Perth is committed to the reliable and systematic management of government records in accordance with legislative requirements and best practice standards.

## Evaluation of Business and Recordkeeping Systems

The City Records team assessed or re-assessed the following systems and provided advice on the compliant management of records:

- Who's On Location;
- Attain;
- SiteCore CM;
- Project Portfolio Services System.

The City Records team also provided subject matter expert advice on procurement panels for the following software acquisitions:

- scanning software;
- council agendas and minutes software;
- livestreaming of meetings software.

## Recordkeeping Training Program

Staff who use the recordkeeping system, Content Manager, are required to complete online system training before being provided full access to the system.

Training on the new SharePoint EDRMS, City Electronic Documents, Records and Collaboration (CEDREC) has been rolled out via group training sessions and individual configuration sessions.

## Evaluation of the Recordkeeping Training Program

Evaluation surveys are attached to the online Recordkeeping Awareness and Content Manager courses. The feedback is reviewed monthly to ensure the program remains relevant and effective. Surveys are also sent after CEDREC group training sessions.

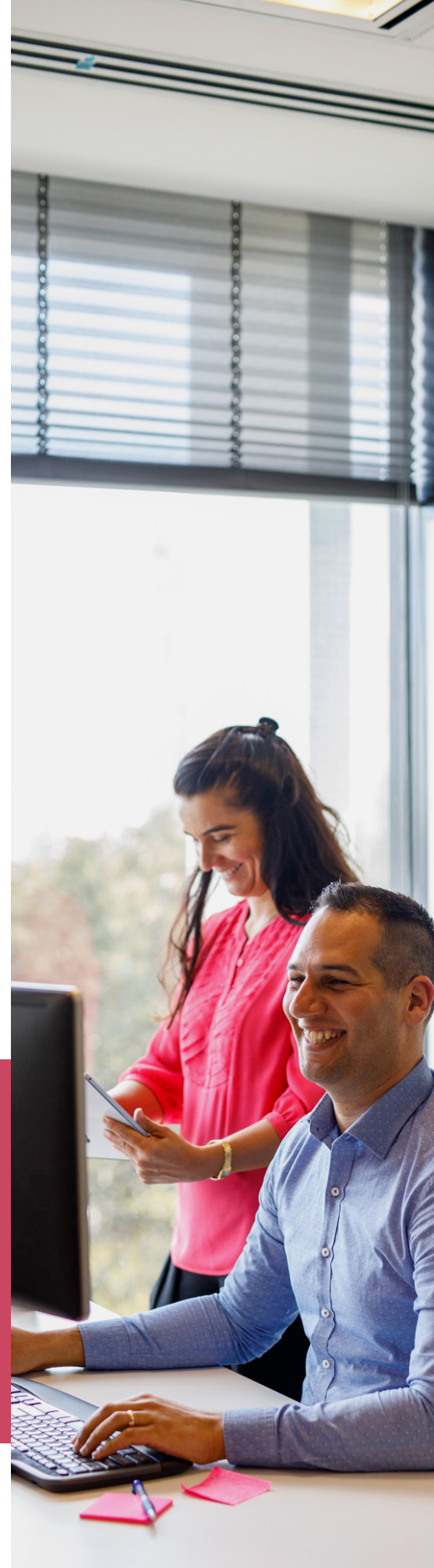
## Recordkeeping Induction Program

All new City staff are required to complete recordkeeping awareness training as part of the onboarding process. The course covers staff responsibilities, the Recordkeeping Policy and the Recordkeeping Plan.

This report has been published in accordance with the requirements of the *State Records Act 2000*.

## INFORMATION STATEMENT

The City of Perth's Information Statement is published as a stand-alone document and is available on the City's website, or upon request. This has been published in accordance with the requirements of Section 96(1) of the *Freedom of Information Act 1992*.





# CITY OF PERTH *Inquiry*

On Friday, 2 March 2018, the Minister for Local Government announced the City of Perth Council was suspended with immediate effect and three Commissioners would perform the duties of Council. At the same time, he announced that there would be a formal Inquiry into the City of Perth Council.

In April 2018, legal practitioner Tony Power was appointed as Inquirer and has led the formal Inquiry process. The process was extensive and included public and private hearings.

In June 2020, the Inquiry Report was released publicly; marking the formal closure of the Inquiry.

A number of the Inquiry's recommendations require the City to report on certain metrics and outcomes within its Annual Report. These are provided here.



Recommendation	Progress
<b>37.</b> If Recommendation 34 is not adopted, the City is to publish in its Annual Report its percentage of compliance for the financial year with the Code training requirement, according to the specified categories (as described in Recommendation 33 <sup>1</sup> ).	<b>Ongoing.</b> In 2020/21 a new Elected Member Code of Conduct for Council Members, Committee Members and Candidates was adopted. In 2021/22 it is proposed that a new Code of Conduct for Employees will be developed and implemented based on newly introduced legislation. Report on the training requirements under each Code will be considered as part of the 2021/22 Annual Report.
<b>100.</b> The City is to publish in its Annual Report each year, the total reimbursement provided to each council member under "CP10.6: Elected Members – Reimbursement of Expenses".	<b>Complete.</b> No reimbursement of expenses claims were paid during 2020/21.
<b>161.</b> The City's Annual Report contain performance assessment in the key people management metrics.	<b>Ongoing.</b> The development of key people management metrics and associated reporting is currently being considered as part of a new Human Resource Information System. Once the system is implemented, the metrics will form part of the Annual Report.
<b>218.</b> Key performance indicators and their targets or benchmarks form part of the City Corporate Business Plan and/or Annual Budget and the performance against the targets be reported in the City's Annual Report.	<b>Ongoing.</b> The City's Corporate Business Plan will be submitted to Council during 2021/22 for adoption.
<b>224.</b> The City set and adopt key performance indicators with targets or benchmarks for the CPP business, with them to be included in the City's Corporate Business Plan and the CPP business plan and reported on in the City's Annual Report.	<b>Ongoing.</b> To be developed.
<b>229.</b> The City establish appropriate systems and processes to accurately record, monitor and report on all partnership, grant, sponsorship and donation funding arrangements, be it a single instance of funding or multi-year funding. These should be reported in the Annual Report and include the type, the activity, the entity funded, the funding approved, who approved the funding and the amount acquitted as spent.	<b>Complete:</b> Supplied in Appendix A of this report.
<b>322.</b> The City publish in its Annual Report the findings of the audit described in Recommendation 321 <sup>2</sup> , along with the City's trend and outcome reporting on complaints and grievances.	<b>Ongoing.</b> The City expects to complete this Audit during 2021/22.

# FINANCIAL SUMMARY

## The New Financial Philosophy

Under the guidance of its Council elected in October 2020, the City has used 2020/21 to strategically re-position the financial management approach and its financial position of the capital city.

Informed by a detailed analysis of all aspects of our historical financial performance that examined value for money, project delivery outcomes and financial trends, the City has transitioned to a more transparent, accountable and sustainable approach to managing its financial resources.

Fundamental to this approach are:

- new budgeting and reporting models to support more informed decision making;
- customer-centric contemporary financial processes;
- a financial transformation program targeting best value from the use of the City's financial resources;
- enhanced accountability for the use of those financial resources.

Rigorous forward financial planning activities informed by a contemporary policy framework and meaningful engagement with community neighbourhoods is aligning community aspiration with a realistic assessment of our organisational delivery capacity.

Well-articulated methodology statements reflecting our financial management approach on rating, budgeting and overhead allocations (supplemented by an enhanced project management framework) provide clear, accountable and transparent representations of how the City delivers value for money outcomes to the community.

Together, these financial management initiatives are providing a structured framework for responsible, sustainable financial management that ensures effective stewardship of the City's financial and community assets into the future.

This approach supports the City's strategic aspiration for Perth to be liveable, prosperous and sustainable.

Table 1, below, shows that the value of community assets (net asset position) has remained consistent over time as a result of ongoing capital investment in enhancing important community infrastructure. It does, however, indicate that the challenging economic climate over recent years had seen operating costs growing at a faster rate than revenues, until a forced remedial intervention in 2019/20 to manage the significant financial impacts of COVID-19.

The City has since successfully re-positioned its finances in support of a more sustainable financial model through service reviews, value engineering, restructuring service delivery models and rigorous assessment of discretionary project initiatives to ensure that the community is receiving best value for its rates.

During 2020/21, the City engaged independent consultants ACIL Allen to conduct an independent review of the City's rating philosophy and rate competitiveness, as well as implementing an independent review of the City's property portfolio and parking operations to see how the City can maximise beneficial financial outcomes from its main revenue streams.

TABLE 1:

### Financial Performance – 5 Year Trend

	2016/17	2017/18	2018/19	2019/20	2020/21
Operating Revenue	201.06	201.99	206.66	191.36	192.89
Non Operating Revenue	2.15	3.32	1.84	1.86	6.39
Total Operating Expenditure	190.57	191.57	194.40	192.42	193.50
Non Operating Adjustments / Revaluation	6.80	(10.59)	6.59	(12.41)	2.79
Operating Result	5.84	24.33	7.87	13.21	8.57
Total Assets	1,432.77	1,315.84	1,319.00	1,287.31	1,299.76
Total Liabilities	67.20	56.93	52.21	48.44	52.32
Equity / Net Assets	1,365.57	1,258.91	1,266.79	1,238.87	1,247.44
Net Cash from Operating Activities	46.03	47.99	52.63	35.92	48.60



TABLE 2:

Key Financial Ratios – 5 Year Trend	2016/17	2017/18	2018/19	2019/20	2020/21
Current Ratio <i>(ideally should be greater than 1.00)</i>	1.33	1.20	1.52	2.03	1.64
Operating Surplus Ratio <i>(ideally positive between 0% and 15%)</i>	2.0%	4.0%	5.0%	(2.0%)	4.0%
Own Source Revenue Ratio <i>(ideally greater than 40%)</i>	100.0%	103.0%	101.0%	98.0%	98.0%
Debt Service Ratio <i>(ideally greater than 5.00)</i>	8.66	7.33	5.00	6.67	8.84
Asset Consumption Ratio <i>(ideally between 50% and 70%)</i>	56.0%	60.0%	58.0%	55.0%	53.0%
Asset Sustainability Ratio <i>(ideally greater than 90%)</i>	60.0%	72.0%	55.0%	48.0%	69.0%
Asset Renewal Funding Ratio <i>(ideally between 95% and 100%)</i>	100.0%	100.0%	99.0%	100.0%	100.0%
<b>Financial Health Indicator</b> <i>(ideally 70 or above out of 100)</i>	<b>86</b>	<b>80</b>	<b>84</b>	<b>67</b>	<b>84</b>

## Summary

Responsible, sustainable financial management that ensures the effective stewardship of financial and community assets is a core responsibility of local government. The community is entitled to expect rigorous, strategically-focused financial planning that ensures that community expectations are met and that the services and capital projects delivered to the community are properly funded and appropriately resourced.

The annual financial statements provide a perspective on how the City has performed against expectations. Whilst this report focusses specifically on 2020/21 results, it is important to view those results within the context of financial trends over a period of at least five years. The tables above provide summarised data and key financial ratio trends that indicate how the City has performed financially over that period.

As shown in Table 2, the trends in most financial ratios are consistent with industry benchmarks with the exception of the asset sustainability ratio which has improved; but is still below the ideal industry benchmark. This reflects a shortfall in renewal expenditure on City-owned buildings. The property portfolio review (currently underway) will assist in prioritising the increased building renewals funding in future years of the Long-Term Financial Plan.

Overall, the asset ratio trends suggest that the City is adequately funding for important asset renewal activities, but it has not been able to consistently execute the delivery of those proposed asset renewal works.

The operating surplus ratio for 2020/21 reflects an adjusted calculation to exclude the impact of the extra-ordinary transaction associated with the \$7.75M cost of the 2018/19 Inquiry into the City of Perth.

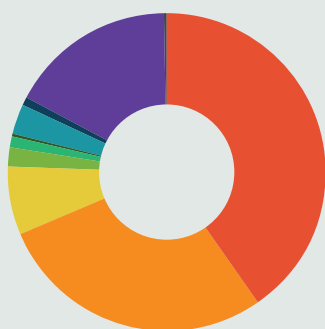
TABLE 3:

### Financial Snapshot FY2020/21

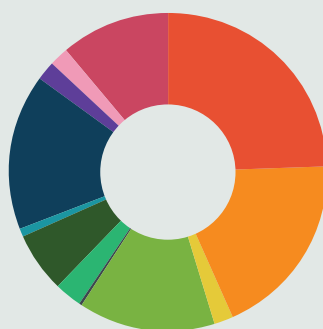
Description	\$Million
Operating Revenue	192.88
Profit on Sale of Assets	1.64
Other Non Recurrent Revenue	6.20
Operating Expenditure	(193.50)
Loss on Disposal of Assets	(2.21)
Asset Revaluation Adjustments	0.59
Contributed Assets	2.97
Operating Result	8.57
Capital Program Delivered	46.70
Cash Reserves – Discretionary & Quarantined	106.50
<b>Net Assets</b>	<b>1,247.44</b>

The information provided above relates specifically to the City's financial position and performance in relation to 2020/21.

GRAPH 1:  
Funding Sources 2020/21



GRAPH 2:  
Expenditure Types 2020/21



### Funding Sources

Rates Revenue	97,954,951	40%
Parking Revenue	69,446,883	28%
Fees & Charges	17,725,492	7%
Grants - Operational	4,367,293	2%
Interest Revenue	1,744,226	1%
Proceeds on Disposal of Assets	934,061	0%
Grants – Asset Acquisition	6,196,599	3%
Other Revenue	1,648,435	1%
Borrowings	0	0%
Opening Balance	39,844,242	16%
Accrual Movements	6,105,179	2%
	<b>245,967,361</b>	<b>100%</b>

### Fund Uses

Employee Costs	69,596,448	25%
Material & Contracts	54,097,325	19%
Utilities & Insurances	4,519,872	2%
Depreciation & Amortisation	38,265,343	14%
Interest Expense	409,060	0%
Other Expenses	9,167,855	3%
Parking Levy	17,444,109	6%
Loss on Disposal	2,210,676	1%
Assets Created	45,872,124	16%
Net Reserve Funds Created	5,368,423	2%
Repayment of Borrowings	4,233,037	2%
Closing Balance	32,054,701	11%
	<b>283,238,973</b>	<b>100%</b>

Add back Non Cash Items (40,476,019)

**Net Cash Expenses 241,221,468**

**Net Result 3,204,407**

### Financial Performance 2020/21

Annual operating revenue for the year reached \$192.89M against a budget of \$179.26M.

The overall favourable variance of 7.6 per cent was attributable to a better than anticipated performance on commercial parking operations and an extraordinary dividend payment received from the City's membership of the Tamala Park Regional Council. These gains were partly offset by a shortfall in anticipated investment revenues.

Revenue from fees and charges were around 16 per cent over budget due to stronger than expected performance from the City's commercial parking operations.

Operating grants and contribution revenues were disclosed as being 27 per cent ahead of budget, but this was due to the WA Local Government Grants Commission deciding to prepay half of the 2021/22 general purpose grant before to June 2021.



**TABLE 4: Capital Works Delivered by Year**

Capital Program	2016/17	2017/18	2018/19	2019/20	2020/21
Assets Acquired / Created	27.05	42.02	30.02	18.27	38.19
Increase / (Decrease) in Work in Progress	(1.67)	(1.68)	(2.83)	(4.65)	8.53
Contributed Assets	1.63	6.89	0.18	14.33	2.97
Assets - Initial Recognition	0.00	2.57	0.02	0.00	1.01
Total	27.01	49.80	27.39	27.95	50.70
Budget	62.73	60.37	56.29	50.08	62.90
% of Capital Budget Delivered	43.1%	82.5%	48.7%	55.8%	80.6%

Rates revenue was very close to the revised budget at year end, although it had been adversely impacted by having to refund \$0.8M earlier in the year, because of a change in the legislation relating to heritage land.

Investment revenues were 21 per cent under budget as a consequence of low investment rates and the weak performance of a long-term investment that was marked to the performance of the Australian share market. Invested capital was protected, but investment returns were much weaker than anticipated.

Capital revenue of \$6.21M was 14 per cent over budget expectations for the year. The City also recognised \$4M of contributed assets – those being assets handed over from other agencies to the City to control and maintain in the future.

Operating expenditure was \$193.5M against a budget target of \$199.2M representing a 3 per cent saving overall.

Employee costs were 8 per cent under budget in total, due to the reduction in employee numbers – to bring them back to financially sustainable levels – vacant positions at times during the year and an anticipated EBA adjustment that was not required prior to June 30.

Materials and contracts were 6 per cent under budget at year end. Utilities expenses were within 5 per cent of budget, as were insurance costs. Other expenses were also generally close to budget – with the exception being the successful collection of a debt previously provided for as a bad debt and higher than budgeted recoveries from insurance claims.

Depreciation (a non-cash cost) was around 6 per cent higher than budgeted, due to the revaluation of various classes of infrastructure assets and furniture and equipment.

## Capital Program

The City's capital expenditure program reflects the creation of new assets as well as renewal of existing ones. 2020/21 was a successful year for program delivery reflecting a significant improvement on recent years.

From the proposed capital works program, some \$46.7M worth of projects were completed. Capital projects completed represented 80.6 per cent of budget expectations at 30 June 2021. At that time, there were some in-progress but incomplete capital works that are being carried forward into 2021/22. These projects totaled around \$8.5M in value.

Currently, \$39M is recorded as Capital Work in Progress (from previous years plus 2020/21) and will subsequently be capitalised upon commissioning of the new assets.

## Rates

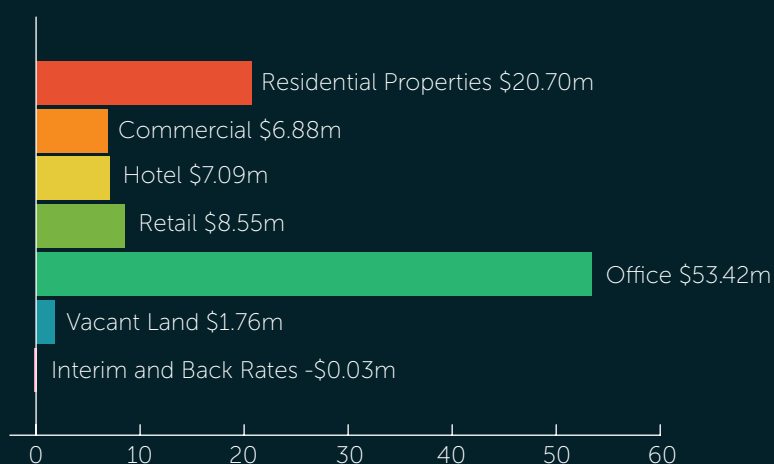
The data shown in Table 5 provides a concise summary of the City's 2020/21 differential rating model. It shows the respective revenue contributions from each rating property class and then, by contrasting the revenue generated from each property class, with the available gross rental values (GRV) from each property class; it derives a relative rating effort (RRE) co-efficient for each property class.

By contrasting the revenues generated from each property class in this way, a comparative measure can be actioned on how each property class is contributing relatively, to the total rates revenue.

Analysis of the current status of this model, when setting the budget, indicates to Council the proportionate contribution of each class allowing Council to adjust the rate in the dollar applied to differential rating categories – the first step in achieving a greater equity of contribution from ratepayers.



**GRAPH 3:**  
**Rates Information FY2020/21**



**TABLE 5:**  
**Rates Information 2020/21**

Property Type	No. of Properties	GRV \$M	Rates \$M	Revenue Contribution	Relative Rating Effort
Residential Properties	15,708	319.07	20.70	21.0%	6.49%
Commercial	714	105.98	6.88	7.0%	6.49%
Hotel	1,367	108.23	7.09	7.2%	6.55%
Retail	532	132.11	8.55	8.7%	6.47%
Office	2,390	979.46	53.42	54.3%	5.45%
Vacant Land	78	23.70	1.76	1.8%	7.41%
Interim & Back Rates	-	-	(0.03)	0.0%	
	20,789	1,668.54	98.37	100.0%	
<b>Adjust for Heritage Rate Concession</b>			(0.43)		
<b>Net Rates Revenue</b>			97.93		



## Financial Ratios

The long-term strength of the City's financial position is reflected in the financial ratios disclosed in the annual financial statements. The financial ratios show that the City meets, or better, the preferred industry benchmarks for six of the seven measures in 2020/21.

Overall, the headline financial ratios provide evidence of the City's solid statutory financial position—although it should be noted that these ratios do not reflect measures such as value for money or efficiency of operations.

The current ratio of 1.64 demonstrates the City's effective day-to-day management of its cash liquidity, ensuring that it has the financial capacity to meet its financial obligations as and when they become due. This ratio shows a consistent short term liquidity ratio trend that exceeds industry benchmarks. The own source revenue ratio of 98 per cent reflects the City's continuing financial autonomy.

The City's borrowings program reflects a debt service ratio of 8.94, which better the industry benchmark level of 5.00. There were no new borrowings in 2020/21 due to the City's better than expected performance from non-rates revenues.

The outstanding rates ratio of 1.6 per cent reflects an improvement over the previous year's COVID-19 impacted collection result for 2019/20. Maintaining this ratio at such a low level is important though, as it ensures the City has reliable cash inflows to support its planned expenditure programs.

The operating surplus ratio (as disclosed) is calculated on a comparative year to year basis by excluding the impact of the extraordinary \$7.7M transaction for the cost of the Inquiry into the City of Perth. This results in a revised ratio of 4 per cent—although even the raw, unadjusted value at 0 per cent was improved, relative to the 2019/20 value.

The trend in this ratio over recent years and indicative ratios in the Long-Term Financial Plan moving forward, highlight the importance of the City taking a more strategic, long-term financial planning perspective to improve this financial indicator in the medium-term.

The asset consumption and asset renewal ratios are within the preferred industry ranges, but the asset sustainability ratio continues to be below the preferred industry benchmark. The ideal industry benchmark reflects a balanced combination of all three asset ratios.

This infers that whilst the City appears to be providing adequate funding to support the renewal of its infrastructure and property plant and equipment assets, it has faced challenges delivering the proposed renewal activities – especially for the Buildings asset category. The independent review of the City's property portfolio (currently underway) should help to prioritise spending in that area.

During 2020/21, the City implemented and resourced more sophisticated approaches to improve its project management and project delivery outcomes in future years.

Successfully implementing these approaches should ensure that the City's stewardship of its community assets will result in appropriate and sustainable levels of funding being allocated and deployed to deliver on this important local government area of responsibility.

**TABLE 6:**  
**Financial Ratios 2020/21**

Key Financial Indicator	2020/21	Benchmark	
Current Ratio	1.64	1.00	●
Rates Outstanding Ratio	1.6%	Less than 5%	●
Operating Surplus Ratio*	4.0%	0% - 5.0%	●
Own Source Revenue Ratio	98.0%	More than 40%	●
Debt Service Ratio	8.84	5.00	●
Asset Consumption Ratio	53.0%	50.0%	●
Asset Sustainability Ratio	69.0%	90.0%	●
Asset Renewal Funding Ratio	100.0%	95.0%	●

\* Calculated excluding \$7.75M Extra-ordinary expense for Inquiry into the City of Perth

## Financial Health Indicator

The results from calculating each of the ratios are then 'standardised' and used to calculate a Financial Health Indicator (FHI) score, which is a composite assessment of a local government's financial health.

The FHI score is derived using a specialised model developed by the Western Australian Treasury that allows comparison of the financial health of all local governments.

A FHI score of at least 70 is required to demonstrate sound financial health for a local government. The City's FHI score at 30 June 2021 is 84. This score reflects good performance in most key financial ratios—but is adversely impacted by the failure to successfully execute the capital renewal program, despite a greatly improved performance in 2020/21 relative to prior years.

## Cash Reserves

Cash backed reserves, which play an important role in ensuring the long-term financial sustainability of local governments, are used to responsibly accumulate funds for projects in future years. Without these cash reserves, major community building projects and other important community infrastructure projects such as the Wellington Square Project, East End Revitalisation, Roe Street Enhancement, Major Streets Enhancement and Laneway Revitalisation and conversion to two-way traffic flows in Hay and Hill streets would not be able to be delivered without significant impost on ratepayers.

At 30 June 2021, a total of \$106.5M was held in cash backed Reserves. Of this, \$45.4M is quarantined in reserves relating to parking management, waste management and specific facility reserves. The remaining \$61.1 represents prudently accumulated funds to support current and future projects including the Roe Street Upgrade and Major Streets Refresh and is specifically identified as contributing to the funding models for major discretionary projects in the City's Long-Term Financial Plan.

## Accountability for Use of Financial Resources

The audited financial statements shown on pages 47 to 114 of this Annual Report include disclosures that meet all statutory requirements and demonstrate the City's ongoing commitment to financial accountability to the community.

Michael J Kent  
Chief Financial Officer

GRAPH 3:  
Radar Graph of FHI Scores

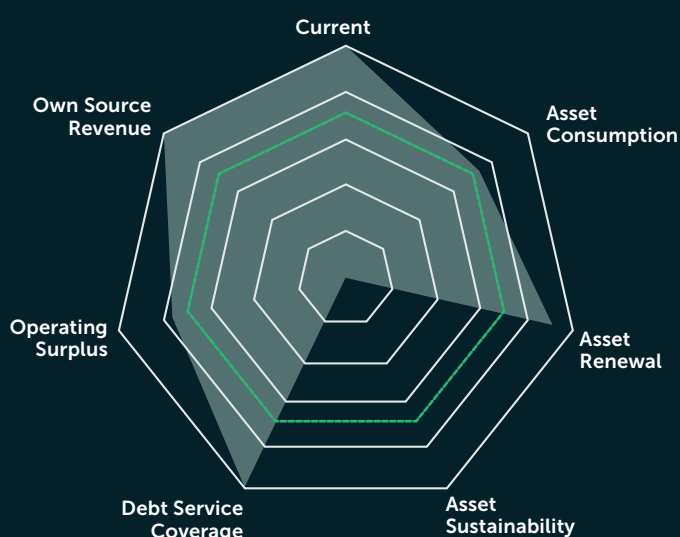


TABLE 7:  
Data Scores for Financial Health Indicator

Data for	Raw Ratio 2020/21	Standardised Ratio
Current Ratio	1.64	10.00
Operating Surplus Ratio	4.0%	0.00
Own Source Revenue Ratio	0.98	10.00
Debt Service Ratio	8.84	10.00
Asset Consumption Ratio	0.53	7.96
Asset Sustainability Ratio	0.69	0.00
Asset Renewal Funding Ratio	1.00	9.14
<b>Financial Health Indicator Score</b>		<b>84</b>





*Financial*  
STATEMENTS  
2020/21

# UNDERSTANDING OUR FINANCIAL STATEMENTS

A guide to the terminology contained in the statutory financial statements and the financial report.



## **Statement of Comprehensive Income** **Page 51**

The 'Statement of Comprehensive Income' demonstrates whether the City's operations were in surplus or deficit for the year. It shows the revenue and expenditure items grouped by local government program and by nature and type classification. The net result is calculated as Total Revenue less Total Expenditure.

The 'Statement of Comprehensive Income' includes non-cash entries in our accounts to reflect the increase in value of community assets (buildings, roads, paths, land etc) held by the City.

A positive result does not necessarily mean that there are extra funds available for spending—nor does a negative result mean that there are insufficient funds, providing the shortfall is made up from other sources such as existing cash reserves or borrowings.

## **Statement of Financial Position** **Page 53**

The 'Statement of Financial Position' shows what the City owns (City Assets) and what the City owes (City's Liabilities).

'Current Assets' are items that can be readily converted into cash within 12 months. Any other assets such as infrastructure, property and equipment are classified as 'Non-Current' as it would generally take longer than 12 months to convert them to cash.

Liabilities that are expected to have to be paid within the next 12 months are classified as 'Current Liabilities' whilst all other liabilities are 'Non-Current'.

## **Statement of Changes in Equity** **Page 54**

The 'Statement of Changes in Equity' shows how much the City's investment in community assets is worth. The City's 'Net Worth' is calculated as Total Assets less Total Liabilities.

Some of this 'Net Worth' is represented by 'Cash-Backed Reserves' whilst the remainder (Retained Surplus from Prior Years and Asset Revaluation Surplus) is backed by other fixed assets, rather than by cash.

## **Statement of Cash Flows** **Page 55**

The 'Statement of Cash Flows' indicates how cash flows into the City and what the cash outflows are over the year. It indicates the City's ability to pay its debts, when they are due, and have money left for the future.

Cash flows can occur through:

- **Operating Activities**  
(receipt of rates, fees, interest, operating grants or other revenue)
- **Investing Activities**  
(sale, purchase or construction of property, plant or equipment, capital grants)
- **Financing Activities**  
(repayment of borrowings or proceeds of new loans)

## **Rate Setting Statement** **Page 56**

The 'Rate Setting Statement' demonstrates how the City arrived at the amount of money required to be derived from Rates. In effect, it looks at the proposed expenditures then allows for funding from all sources, other than rates. The remaining portion then represents the cash required to be raised from Rates.





Each of these major financial statements will have cross references to the 'Notes to the Accounts', which provide more detail on how a particular number shown on the statements is made up.

## Financial Ratios

### Page 113

A good way to get an understanding of the City's financial health is to look at the 'Financial Ratios'. These demonstrate the relationships between key numbers in the financial reports. Each ratio has an industry benchmark that indicates a preferred measure if a local government is to be financially sustainable. It is important to look at the trends indicated by the ratios and not just at a single year in isolation.

The major financial ratios include:

**Current Ratio:** This indicates the City's capacity to meet its short-term (current) financial obligations. The preferred ratio is a number greater than 1.

**Operating Surplus Ratio:** This is an indicator of how well the revenue raised covers operational expenses and provides available cash for capital expenditures. Ideally, the ratio should be positive and between 0 per cent and 15 per cent—but it is not significant if the ratio is less than zero providing there are cash reserves or borrowings to fund the deficit.

**Own Source Revenue Coverage Ratio:** This indicates the extent of the City's financial autonomy. That is, the City's capacity to generate revenues to meet operating costs from its own sources. The preferred ratio is a number greater than 40 per cent.

**Debt Service Ratio:** This ratio indicates the City's capacity to meet its debt obligations (loan repayments) as they become due and payable. Ideally, the ratio should be a number larger than five.

**Rates Outstanding Ratio:** This indicates the effectiveness of our rates collection processes. That is, how much of the rates revenue raised has been collected and converted to cash. The smaller the number indicated by this ratio, the better – but it should always be less than 5 per cent.

**Asset Consumption Ratio:** This ratio indicates the aged condition of the City's fixed assets. It shows the written down (depreciated) value of our assets today as compared to the cost of replacing them with brand new ones. The preferred ratio is between 50 per cent and 70 per cent of their new asset costs.

**Asset Sustainability Ratio:** This indicates the extent to which assets are being either replaced or renewed as they reach the end of their useful lives. Ideally, the expenditure on asset renewal and replacement should be more than 90 per cent of the amounts the assets depreciate by each year.

**Asset Renewal Funding Ratio:** This ratio shows the relationship between what the City plans to spend on renewing its assets (from the Long-Term Financial Plan) and what is required to be spent on renewing its assets (from its Asset Management Plans). The preferred ratio is between 95 per cent and 100 per cent.

## Financial Health Indicator (FHI)

The results from calculating each of the above ratios are then 'standardised' and used to calculate a Financial Health Indicator (FHI) score, which is a composite assessment of a local government's financial health. This is derived using a standard model developed by Western Australian Treasury.

An FHI score of at least 70 is required to demonstrate sound financial health.

**CITY OF PERTH  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the City of Perth for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the City of Perth at 30 June 2021 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the

22nd

day of

March 2022

  
\_\_\_\_\_  
Chief Executive Officer

Michelle Reynolds  
\_\_\_\_\_  
Name of Chief Executive Officer



**Statement of Comprehensive Income by Nature or Type**  
for the year ended 30 June 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Restated Actual* \$
<b>Revenue</b>				
Rates	28(a)	97,954,951	98,332,904	98,267,415
Operating grants, subsidies and contributions	2(a)	4,367,293	1,584,996	3,088,208
Fees and charges	2(a)	87,172,375	75,073,688	85,470,017
Interest earnings	2(a)	1,744,226	3,627,896	3,329,537
Other revenue	2(a)	1,648,435	641,880	1,202,886
		192,887,280	179,261,364	191,358,063
<b>Expenses</b>				
Employee costs		(69,596,448)	(75,525,890)	(76,739,952)
Materials and contracts		(54,097,241)	(57,318,437)	(44,957,801)
Utility charges		(3,434,543)	(3,632,338)	(3,074,617)
Depreciation on non-current assets	11(c)	(38,265,343)	(36,189,735)	(38,559,160)
Interest expenses	2(b)	(409,060)	(386,349)	(702,721)
Insurance expenses		(1,085,329)	(1,073,587)	(1,174,834)
Other expenditure	2(b)	(26,611,964)	(25,096,402)	(27,207,737)
		(193,499,928)	(199,222,738)	(192,416,822)
		(612,648)	(19,961,374)	(1,058,759)
Non-operating grants, subsidies and contributions	2(a)	6,196,599	5,438,360	1,754,712
Profit on asset disposals	11(a)	195,218	264,137	107,347
(Loss) on asset disposals	11(a)	(2,210,676)	(2,958,594)	(1,585,308)
Fair value adjustments to financial assets at fair value through profit or loss	5	1,188,183	-	2,882
Share of net (loss)/profit of associates accounted for using the equity method	26	(447,623)	-	(77,983)
Revaluation of Investment Land	14	(235,700)	-	6,500
Revaluation of Investment Buildings	14	(947,576)	-	(1,805,500)
Contributed Assets	37	2,969,537	-	15,402,511
Disposal of development land at Tamala Park	27(b), 11(a)	1,443,574	350,004	381,306
Fair value adjustments to financial assets at amortised cost	5(b)	(45,068)	-	21,853
Initial recognition of assets	11(d)	1,079,010	-	65,396
		9,185,478	3,093,907	14,273,716
<b>Net result for the period</b>		<b>8,572,830</b>	<b>(16,867,467)</b>	<b>13,214,957</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	-	-	(39,524,472)
<b>Total other comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>(39,524,472)</b>
<b>Total comprehensive income for the period</b>		<b>8,572,830</b>	<b>(16,867,467)</b>	<b>(26,309,515)</b>

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

\* Refer Note 32 - Prior period restatements and guarantee payment

## Statement of Comprehensive Income by Program for the year ended 30 June 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Restated Actual* \$
<b>Revenue</b>	2(a)			
Governance		1,357,611	469,201	-
General purpose funding		100,424,518	102,412,800	103,136,623
Law, order, public safety		383,072	447,750	55,819
Health		732,194	1,182,500	743,795
Education and welfare		1,610,362	1,952,000	1,698,258
Housing		-	-	1,035,744
Community amenities		10,268,377	10,413,081	11,345,084
Recreation and culture		2,327,236	780,418	1,837,643
Transport		70,105,503	55,947,617	69,013,740
Economic services		5,525,256	5,573,997	1,822,476
Other property and services		153,152	82,000	668,881
		192,887,281	179,261,364	191,358,063
<b>Expenses</b>	2(b)			
Governance		(28,524,651)	(21,942,687)	(7,530,353)
General purpose funding		(1,558,030)	(1,234,324)	(1,635,491)
Law, order, public safety		(8,595,950)	(8,659,278)	(7,114,152)
Health		(2,549,087)	(3,088,219)	(1,783,627)
Education and welfare		(3,440,548)	(3,670,148)	(4,154,224)
Housing		-	-	(600,893)
Community amenities		(21,618,265)	(24,574,863)	(26,371,434)
Recreation and culture		(23,719,524)	(25,517,268)	(34,214,078)
Transport		(76,530,672)	(82,671,322)	(78,193,248)
Economic services		(25,990,115)	(20,753,761)	(18,519,165)
Other property and services		(564,027)	(6,724,519)	(11,597,436)
		(193,090,869)	(198,836,389)	(191,714,101)
<b>Finance Costs</b>	2(b)			
General purpose funding		(372)	-	(1,950)
Community amenities		(4,119)	-	(4,147)
Recreation and culture		(284,547)	(254,664)	(546,825)
Transport		(120,022)	(131,685)	(149,799)
		(409,060)	(386,349)	(702,721)
		(612,648)	(19,961,374)	(1,058,759)
Non-operating grants, subsidies and contributions	2(a)	6,196,599	5,438,360	1,754,712
Profit on disposal of assets	11(a)	195,218	264,137	107,347
(Loss) on disposal of assets	11(a)	(2,210,676)	(2,958,594)	(1,585,308)
Fair value adjustments to financial assets at fair value through profit or loss	5	1,188,183	-	2,882
Share of net (loss)/profit of associates accounted for using the equity method	26	(447,623)	-	(77,983)
Revaluation of Investment Land	14	(235,700)	-	6,500
Revaluation of Investment Buildings	14	(947,576)	-	(1,805,500)
Contributed Assets	37	2,969,537	-	15,402,511
Disposal of development land at Tamala Park	27(b), 11(a)	1,443,574	350,004	381,306
Fair value adjustments to financial assets at amortised cost	5(b)	(45,068)	-	21,853
Initial recognition of assets	11(d)	1,079,010	-	65,396
		9,185,478	3,093,907	14,273,716
<b>Net result for the period</b>		<b>8,572,830</b>	<b>(16,867,467)</b>	<b>13,214,957</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	-	-	(39,524,472)
<b>Total other comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>(39,524,472)</b>
<b>Total comprehensive income for the period</b>		<b>8,572,830</b>	<b>(16,867,467)</b>	<b>(26,309,515)</b>

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

\* Refer Note 32 - Prior period restatements and guarantee payment



**Statement of Financial Position**  
as at 30 June 2021

	NOTE	2021 \$	Restated 2020* \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	37,884,920	37,727,249
Trade and other receivables	6	8,837,952	9,445,816
Other financial assets	5(a)	130,660,917	123,229,198
Inventories	7	781,131	806,691
Other assets	8	1,492,209	1,961,292
<b>TOTAL CURRENT ASSETS</b>		<b>179,657,129</b>	<b>173,170,246</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	45,765	42,539
Other financial assets	5(b)	2,490,951	2,548,969
Investment in associates	26(a)	6,651,389	6,378,849
Property, plant and equipment	9	684,483,054	693,698,937
Infrastructure	10	409,070,498	391,333,973
Investment property	14	14,261,800	16,932,000
Right of use assets	12(a)	3,100,646	3,201,792
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,120,104,103</b>	<b>1,114,137,059</b>
<b>TOTAL ASSETS</b>		<b>1,299,761,232</b>	<b>1,287,307,305</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	28,512,315	20,894,381
Contract liabilities	16	1,031,908	264,042
Lease liabilities	17(a)	63,932	61,830
Borrowings	18(a)	3,566,021	4,233,037
Employee related provisions	19	11,344,469	10,665,967
Other provisions	20	211,449	485,863
<b>TOTAL CURRENT LIABILITIES</b>		<b>44,730,094</b>	<b>36,605,120</b>
<b>NON-CURRENT LIABILITIES</b>			
Contract liabilities	16	2,033,243	2,153,243
Lease liabilities	17(a)	3,117,378	3,181,311
Borrowings	18(a)	979,914	4,545,934
Employee related provisions	19	1,460,274	1,954,198
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,590,809</b>	<b>11,834,686</b>
<b>TOTAL LIABILITIES</b>		<b>52,320,903</b>	<b>48,439,806</b>
<b>NET ASSETS</b>		<b>1,247,440,329</b>	<b>1,238,867,499</b>
<b>EQUITY</b>			
Retained surplus		705,661,913	705,097,503
Reserves - cash/financial asset backed	4	106,502,287	101,133,864
Revaluation surplus	13	435,276,129	432,636,132
<b>TOTAL EQUITY</b>		<b>1,247,440,329</b>	<b>1,238,867,499</b>

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

\* Refer Note 32 - Prior period restatements and guarantee payment

## Statement of Changes in Equity for the year ended 30 June 2021

		RETAINED	RESERVES CASH/FINANCIAL ASSET	REVALUATION	TOTAL
	NOTE	SURPLUS	BACKED	SURPLUS	EQUITY
		\$	\$	\$	\$
<b>Balance as at 1 July 2019</b>		<b>692,321,888</b>	<b>104,338,817</b>	<b>469,921,563</b>	<b>1,266,582,268</b>
Mindarie Regional Council - initial application of AASB 1059	32	(3,453,344)			(3,453,344)
<b>Restated balance as at 1 July 2019</b>		<b>688,868,544</b>	<b>104,338,817</b>	<b>469,921,563</b>	<b>1,263,128,924</b>
Comprehensive income					
Net result for the period (restated)		13,214,957	-	-	13,214,957
Asset Revaluation Reserve Transfers		(190,951)		2,239,041	2,048,090
Other comprehensive income	13		-	(39,524,472)	(39,524,472)
Total comprehensive income (restated)		13,024,006	-	(37,285,431)	(24,261,425)
Transfers from reserves	4	35,098,622	(35,098,622)	-	-
Transfers to reserves	4	(31,893,669)	31,893,669	-	-
<b>Balance as at 30 June 2020 (restated)</b>		<b>705,097,503</b>	<b>101,133,864</b>	<b>432,636,132</b>	<b>1,238,867,499</b>
Comprehensive income					
Net result for the period		8,572,830	-	-	8,572,830
Total comprehensive income		8,572,830	-	-	8,572,830
Transfers from reserves	4	66,503,577	(69,143,574)	2,639,997	-
Transfers to reserves	4	(74,511,997)	74,511,997	-	-
<b>Balance as at 30 June 2021</b>		<b>705,661,913</b>	<b>106,502,287</b>	<b>435,276,129</b>	<b>1,247,440,329</b>

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



**Statement of Cash Flows**  
for the year ended 30 June 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		98,471,136	97,832,904	97,001,971
Operating grants, subsidies and contributions		3,369,225	1,534,996	2,658,608
Fees and charges		88,892,407	74,473,687	85,964,729
Interest received		2,136,683	3,877,896	3,506,881
Other revenue		3,414,369	591,880	1,896,528
		<u>196,283,820</u>	<u>178,311,363</u>	<u>191,028,717</u>
<b>Payments</b>				
Employee costs		(69,888,222)	(76,075,890)	(76,519,705)
Materials and contracts		(47,761,734)	(56,668,437)	(48,932,496)
Utility charges		(3,434,543)	(3,817,338)	(3,074,617)
Interest expenses		(454,092)	(386,350)	(763,885)
Insurance paid		(1,085,329)	(1,073,587)	(1,174,834)
Other expenditure		(25,059,874)	(25,121,401)	(24,640,074)
		<u>(147,683,794)</u>	<u>(163,143,003)</u>	<u>(155,105,611)</u>
<b>Net cash provided by (used in) operating activities</b>	21	<u>48,600,026</u>	<u>15,168,360</u>	<u>35,923,106</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for financial assets at amortised cost		(171,000,000)	-	(277,821,422)
Payments for purchase of property, plant & equipment	9(a)	(10,205,030)	(20,984,482)	(6,695,188)
Payments for construction of infrastructure	10(a)	(35,667,093)	(42,662,118)	(21,392,442)
Payments for investment property	14	(7,101)	-	-
Non-operating grants, subsidies and contributions	2(a)	6,076,599	5,438,360	3,807,425
Proceeds from financial assets at amortised cost - term deposits		165,721,076	-	263,193,534
Proceeds from sale of property, plant & equipment	11(a)	934,060	1,354,679	1,202,474
<b>Net cash provided by (used in) investment activities</b>		<u>(44,147,489)</u>	<u>(56,853,561)</u>	<u>(37,705,620)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	18(b)	(4,233,036)	(4,680,892)	(6,904,163)
Payments for principal portion of lease liabilities	17(b)	(61,830)	-	(59,797)
Proceeds from new borrowings	18(b)	-	10,000,000	-
Net transfer from reserves		-	8,804,228	-
<b>Net cash provided by (used in) financing activities</b>		<u>(4,294,866)</u>	<u>14,123,336</u>	<u>(6,963,961)</u>
<b>Net increase (decrease) in cash held</b>		157,671	(27,561,866)	(8,746,474)
Cash at beginning of year		37,727,249	60,086,319	46,473,723
<b>Cash and cash equivalents at the end of the year</b>	21	<u><u>37,884,920</u></u>	<u><u>32,524,453</u></u>	<u><u>37,727,249</u></u>

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

## Rate Setting Statement for the year ended 30 June 2021

NOTE	2021 Actual	2021 Budget	2020 Restated Actual*
	\$	\$	\$
<b>OPERATING ACTIVITIES</b>			
Net current assets at start of financial year			
- surplus/(deficit)	29 (b)	39,844,242	36,844,436
		39,844,242	29,626,699
<b>Revenue from operating activities (excluding rates)</b>			
Governance		2,986,336	819,205
General purpose funding		2,469,567	4,079,896
Law, order, public safety		383,072	517,200
Health		732,194	1,182,500
Education and welfare		1,610,362	1,952,000
Housing		-	-
Community amenities		10,268,377	10,454,745
Recreation and culture		2,327,236	873,390
Transport		70,105,503	55,970,728
Economic services		5,525,256	5,573,997
Other property and services		153,152	118,940
		96,561,055	81,542,601
			93,197,996
<b>Expenditure from operating activities</b>			
Governance		(30,725,261)	(21,558,138)
General purpose funding		(1,558,402)	(1,234,324)
Law, order, public safety		(8,595,950)	(8,663,278)
Health		(2,549,087)	(3,088,219)
Education and welfare		(3,440,548)	(3,670,148)
Housing		-	-
Community amenities		(21,622,384)	(25,278,726)
Recreation and culture		(24,004,071)	(26,189,905)
Transport		(76,650,694)	(83,543,117)
Economic services		(25,990,115)	(20,825,958)
Other property and services		(567,615)	(8,129,519)
		(195,704,127)	(202,181,332)
			(194,002,131)
Non-cash amounts excluded from operating activities	29(a)	40,953,886	38,534,188
<b>Amount attributable to operating activities</b>		(18,344,944)	(45,260,107)
			(28,451,019)
<b>INVESTING ACTIVITIES</b>			
Non-operating grants, subsidies and contributions	2(a)	6,196,599	5,438,360
Proceeds from disposal of assets	11(a)	934,060	1,354,679
Purchase of property, plant and equipment	9(a)	(10,205,030)	(20,984,481)
Purchase and construction of infrastructure	10(a)	(35,667,094)	(42,662,119)
Purchase of investment property	14	(7,101)	-
<b>Amount attributable to investing activities</b>		(38,748,566)	(56,853,561)
			(26,463,146)
<b>FINANCING ACTIVITIES</b>			
Repayment of borrowings	18(b)	(4,233,036)	(4,680,892)
Proceeds from borrowings	18(c)	-	10,000,000
Redemption of Mortgaged backed securities	5(b)	19,414	-
Payments for principal portion of lease liabilities	17(b)	-	-
			(59,797)
Contract Liabilities/Movement in Conditions over contributions included in Opening net Current assets	29(b)	1,838,194	-
Employee entitlement reserve funds included in Opening net current assets not utilised	29(b)	(2,018,137)	-
Distribution from Tamala Park Regional Council	25(c)	955,248	250,000
Transfers to reserves (restricted assets)	4	(74,511,997)	(64,364,147)
Transfers from reserves (restricted assets)	4	69,143,574	73,168,374
<b>Amount attributable to financing activities</b>		(8,806,739)	14,123,335
			(3,509,008)
<b>Surplus/(deficit) before imposition of general rates</b>		(65,900,250)	(87,990,333)
<b>Total amount raised from general rates</b>	28(a)	97,954,951	98,332,904
<b>Surplus/(deficit) after imposition of general rates</b>	29(b)	32,054,701	10,342,571
			39,844,242

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

\* Refer Note 32 - Prior period restatements and guarantee payment



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for the year ended 30 June 2021

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## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The Local Government Act 1995 and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The Local Government (Financial Management) Regulations 1996 specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

#### 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 which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

#### THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 33 to these financial statements.

#### INITIAL APPLICATION OF ACCOUNTING STANDARDS

During the current year, the City adopted all of the new and revised Australian Accounting Standards and interpretations which were compiled, became mandatory and which were applicable to its operations. These were

- AASB 1059 *Service Concession Arrangements: Grantors*

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AASB 2018-7 *Amendments to Australian Accounting Standards - Definition of Materiality*

#### NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

The following new accounting standards will have application to local government in future years

- AASB 20 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*

- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*

- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

It is not expected these standards will have an impact on the financial report.



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 2. REVENUE AND EXPENSES

#### REVENUE RECOGNITION POLICY

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates - general rates	General rates	Over time	Payment dates adopted by council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agree milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment of the licence, registration or approval
Fees and charges - pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Fees and charges - other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Fees and charges - waste management	Kerbside collection service	Over time	Payment dates adopted by council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Fees and charges - Parking	Use of car parks	Single point in time	In advance or at conclusion of parking	Refund if parking card paid in advance but no longer required	Adopted by council annually	Based on timing of entry, location and duration of parking	Not applicable	On entry or at conclusion of parking
Fees and charges - property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund dependent on days cancellation notice prior to event	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction	On entry or at conclusion of hire
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by council through local law	When taxable event occurs	Not applicable	When fine notice is issued
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 2. REVENUE AND EXPENSES

#### (a) Grant revenue

Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
<b>Operating grants, subsidies and contributions</b>			
Governance	1,177,143	272,172	991,261
Law, order, public safety	24,750	24,750	-
Housing	-	-	506,538
Community amenities	3,188	-	4,980
Recreation and culture	1,951,752	392,031	746,345
Transport	138,820	103,000	96,035
Economic services	973,278	711,043	649,959
Other property and services	98,362	82,000	93,090
	4,367,293	1,584,996	3,088,208
<b>Non-operating grants, subsidies and contributions</b>			
General purpose funding	-	-	110,141
Law, order, public safety	200,000	-	-
Recreation and culture	4,378,494	4,378,494	491,096
Transport	1,618,105	1,059,866	1,153,475
Other property and services	-	-	-
	6,196,599	5,438,360	1,754,712
<b>Total grants, subsidies and contributions</b>	<b>10,563,892</b>	<b>7,023,356</b>	<b>4,842,920</b>
<b>Fees and charges</b>			
Governance	139,958	182,000	-
General purpose funding	362,138	410,000	477,436
Law, order, public safety	290,695	395,000	52,189
Health	701,738	1,180,000	739,975
Education and welfare	1,342,754	1,644,000	1,377,283
Housing	-	-	529,045
Community amenities	10,025,596	10,328,081	11,238,105
Recreation and culture	345,323	363,387	1,008,470
Transport	69,446,883	55,783,017	68,632,094
Economic services	4,516,919	4,788,203	970,984
Other property and services	371	-	444,436
	87,172,375	75,073,688	85,470,017

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

#### SIGNIFICANT ACCOUNTING POLICIES

##### Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

##### Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
<b>Contracts with customers and transfers for recognisable non-financial assets</b>			
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the City was recognised during the year for the following nature or types of goods or services:			
Operating grants, subsidies and contributions	4,367,293	1,584,996	3,088,208
Fees and charges	87,172,375	75,073,688	85,470,017
Other revenue	1,648,435	641,880	1,202,886
Non-operating grants, subsidies and contributions	6,196,599	5,438,360	1,754,712
	99,384,702	82,738,924	91,515,823
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the City is comprised of:			
Contracts with customers included as a contract liability at the start of the period	204,042	-	-
Other revenue from contracts with customers recognised during the year	92,984,061	77,300,564	89,761,111
Transfers intended for acquiring or constructing recognisable non financial assets included as a contract liability at the start of the period	60,000	-	-
Other revenue from performance obligations satisfied during the year	6,136,599	5,438,360	1,754,712
	99,384,702	82,738,924	91,515,823
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	2,045,440		1,855,703
Contract liabilities from contracts with customers	(224,292)		204,042
Financial assets held from transfers for recognisable financial assets	2,840,859		(2,213,243)
Contract liabilities from transfers for recognisable non financial assets	(2,840,859)		2,213,243

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected

Consideration from contracts with customers is included in the transaction price.

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Interest earnings</b>			
Interest on reserve funds	673,249	1,659,146	1,309,372
Rates instalment and penalty interest (refer Note 28(c))	616,885	727,896	684,293
Other interest earnings	454,092	1,240,854	1,335,873
	<u>1,744,226</u>	<u>3,627,896</u>	<u>3,329,538</u>

#### SIGNIFICANT ACCOUNTING POLICIES

##### Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

### 2. REVENUE AND EXPENSES (Continued)

(b) Expenses	Note	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Auditors remuneration</b>				
- Audit of the Annual Financial Report		107,100	140,000	148,000
- Other services			13,800	
		<u>107,100</u>	<u>153,800</u>	<u>148,000</u>
<b>Interest expenses (finance costs)</b>				
Borrowings	18(b)	298,422	386,349	588,471
Interest expense on late payments		372	-	1,950
Lease liabilities	17(b)	110,267	-	112,300
		<u>409,060</u>	<u>386,349</u>	<u>702,721</u>
<b>Other expenditure</b>				
Impairment loss on trade and other receivables from contracts with customers		5,214,105	-	5,135,178
Sundry expenses		21,397,859	25,096,402	22,072,559
		<u>26,611,964</u>	<u>25,096,402</u>	<u>27,207,737</u>

#### SIGNIFICANT ACCOUNTING POLICIES

##### 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 until such time as the asset is substantially ready for its intended use or sale.



**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**3. CASH AND CASH EQUIVALENTS**

	NOTE	2021 \$	2020 \$
Cash at bank and on hand		13,121,874	18,164,658
Term deposits		24,763,046	19,562,591
<b>Total cash and cash equivalents</b>		<b>37,884,920</b>	<b>37,727,249</b>

**Restrictions**

The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Financial assets at amortised cost		124,000,000	117,750,000
- Financial assets at amortised cost - unrestricted		(14,432,562)	(14,198,851)
		<b>109,567,438</b>	<b>103,551,149</b>

The restricted assets are a result of the following specific purposes to which the assets may be used:

Reserves - cash/financial asset backed	4	106,502,287	101,133,864
Contract liabilities from contracts with customers	16	224,292	204,042
Contract liabilities from transfers for recognisable non financial assets	16	2,840,859	2,213,243
<b>Total restricted assets</b>		<b>109,567,438</b>	<b>103,551,149</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities 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 and bank overdrafts. Bank overdrafts, of which the City has nil, would be reported as short term borrowings in current liabilities in the statement of financial position.

**Restricted assets**

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 4. RESERVES - CASH/FINANCIAL ASSET BACKED

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
(a) Refuse Disposal and Treatment	4,349,665	2,877,175	-	7,226,840	4,349,664	847,708	-	5,197,372	3,814,076	555,183	(19,594)	4,349,665
(b) Concert Hall - Refurbishment and Maint.	6,788,438	48,532	-	6,836,970	6,708,438	49,729	(4,000,000)	2,758,167	6,694,102	94,336	-	6,788,438
(c) Asset Enhancement	25,030,765	166,026	(2,500,000)	22,696,791	24,910,850	411,484	(2,500,000)	22,822,334	32,496,838	570,672	(8,036,745)	25,030,765
(d) Street Furniture Replacement	-	-	-	-	-	-	-	-	136,725	628	(137,353)	-
(e) Parking Levy	8,403,351	30,070,655	(16,000,000)	22,474,006	8,403,351	30,411,346	(16,000,000)	22,814,697	21,972,143	4,085,006	(17,653,798)	8,403,351
(f) Art Acquisition	350,008	2,376	-	352,384	349,787	6,422	-	356,209	419,074	5,512	(74,578)	350,008
(g) Heritage Incentive	707,291	4,805	-	712,096	707,291	12,987	-	720,278	697,406	9,885	-	707,291
(h) Parking Facilities Development	28,666,159	153,084	(20,000,000)	8,819,243	28,661,278	159,029	(20,000,000)	8,820,307	23,318,097	5,579,017	(230,955)	28,666,159
(i) Employee Entitlements	2,018,137	13,708	-	2,031,845	2,018,137	36,248	-	2,054,385	1,989,973	28,164	-	2,018,137
(j) David Jones Bridge	397,653	2,703	-	400,356	397,652	7,301	-	404,953	392,103	5,550	-	397,653
(k) Bonus Plot Ratio	685,033	4,653	-	689,686	685,034	12,578	-	697,612	675,473	9,560	-	685,033
(l) PCEC Fixed Plant Replacement	-	-	-	-	-	-	-	-	5,177,940	23,678	(5,201,618)	-
(m) Enterprise and Initiative	6,462,578	2,424,542	-	8,887,120	6,462,579	118,659	-	6,581,238	6,003,159	1,770,536	(1,311,117)	6,462,578
(n) Public Art	559,518	53,584	(605,000)	8,102	559,518	51,923	(504,800)	106,641	551,708	7,810	-	559,518
(o) Council House Refurbishment	1,508,928	737,341	(1,000,000)	1,246,269	1,508,928	164	(1,500,000)	9,092	-	1,508,928	-	1,508,928
(p) Technology Upgrade	2,727,861	700,421	(650,000)	2,778,282	2,621,647	24,726	(1,275,000)	1,371,373	-	4,028,777	(1,300,916)	2,727,861
(q) Major Infrastructure	5,917,556	12,854,190	(2,300,000)	16,471,746	5,917,556	12,019,249	(5,000,000)	12,936,805	-	5,917,556	-	5,917,556
(r) Provisional Capital	1,525,957	1,254,730	(1,573,574)	1,207,113	1,573,574	-	(1,573,574)	-	-	2,657,905	(1,131,948)	1,525,957
(s) Organisational Reform	5,034,966	26,206	(4,400,000)	661,172	5,034,966	79,594	(700,000)	4,414,560	-	5,034,966	-	5,034,966
(t) Covid 19 Rebound	-	20,115,000	(20,115,000)	-	-	20,115,000	(20,115,000)	-	-	-	-	-
(u) Strategic Property	-	3,002,266	-	3,002,266	-	-	-	-	-	-	-	-
	101,133,864	74,511,997	(69,143,574)	106,502,287	100,870,250	64,364,147	(73,168,374)	92,066,022	104,338,817	31,893,669	(35,098,622)	101,133,864

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

	Name of Reserve	Anticipated date of use	Purpose of the reserve
(a)	Refuse Disposal and Treatment	3 Years	To allow for the development, construction and purchase of facilities and plant for the treatment, transportation and disposal of non-industrial refuse. It may also be utilised to assist with the phasing in of significant increases in standard rubbish service charges anticipated when recycling processes are extended.
(b)	Concert Hall - Refurbishment and Maint.	ongoing	This reserve provides for the future maintenance of the Perth Concert Hall, and the replacement of its existing plant, furniture and carpets. The reserve also accommodates provision for the design and construction of a new WASO facility.
(c)	Asset Enhancement	ongoing	This reserve was established to provide funds for the enhancement, replacement, refurbishment of the City's assets and the acquisition new assets or capital works. This reserve may also be applied to fund projects that may not necessarily be controlled by the City but which may be carried out for the ultimate benefit of the City.
(d)	Street Furniture Replacement	3 Years	This reserve was established in 1999 from proceeds received from the sale of a street furniture contract negotiated by the City with Adshel. Funds held are designated to be used for the purchase and improvement of the City's street furniture, including water features. For administrative efficiency, this reserve is being incorporated into the Asset Enhancement Reserve from July 2019.
(e)	Parking Levy	ongoing	This reserve was established to set aside funds to meet the State Government's parking levy liability.
(f)	Art Acquisition	ongoing	This reserve was established to fund future additions to the art collection of the City. The reserve is funded from the proceeds of sale of artworks and the transfer of the unexpended annual allocation for art acquisitions.
(g)	Heritage Incentive	3 Years	This reserve was established to fund heritage incentives to benefit properties on the City's heritage register.
(h)	Parking Facilities Development	10 Years	This reserve was established to enable parking facilities to be developed within the City, and parking equipment to be purchased.
(i)	Employee Entitlements	ongoing	This reserve was established to fund the non-current portion of employee entitlements for Long Service Leave and the non-current portion for Annual Leave entitlements.
(j)	David Jones Bridge	5-10 Years	This reserve was established to fund major repairs, renovations or replacement of the pedestrian bridge over Murray Street Mall between David Jones and Forrest Chase. Allocations to this reserve are made from unexpended maintenance contribution from the owner of the David Jones site.
(k)	Bonus Plot Ratio	5 Years	This reserve was established to hold contributions in respect of Bonus Plot Ratio entitlements, pending expenditure on relevant streetscape improvements and /or public art.
(l)	PCEC Fixed Plant Replacement	5-10 Years	This reserve was established to provide for the future replacement of existing fixed plant not owned by the City, but which the City consumes and is obliged to replace when required at the Perth Convention Exhibition Centre car park.
(m)	Enterprise and Initiative	5-10 Years	This reserve was established to fund future strategic projects or initiatives that introduce or improve efficiencies and effectiveness in the City's operations.
(n)	Public Art	3 Years	This reserve was established to provide financial capacity to support the commission of new and enduring public art identified in the City's Public Art Strategy. The reserve may be funded by allocations from the municipal fund, percent for art contributions, monetary contributions, gifts or bequests.
(o)	Council House Refurbishment	1 Year	This reserve was established to fund future refurbishment of Council House to optimise the use of the available floor space and encourage more effective and efficient working arrangements.
(p)	Technology Upgrade	3 Years	This reserve is established to provide funding to enhance the City's core technology systems to facilitate service based resource allocation models and more transparent reporting of financial performance.
(q)	Major Infrastructure	ongoing	This reserve is established to provide funding flexibility to allow the accelerated delivery of large multi-year infrastructure projects where delivery synergies and cost savings can be gained through aggregation of project stages.
(r)	Provisional Capital	1 Year	This reserve is established to match delivery capacity with the proposed Capital Program. As projects are completed, this reserve will be drawn down to fund Capital programs expected to occur later in the year.
(s)	Organisational Reform	3 Years	This reserve is established to fund the anticipated costs of the City of Perth Inquiry and to provide funding towards corporate recovery, organisational development and capacity building.
(t)	Covid 19 Economic Rebound	1 Year	This reserve was established to quarantine funding for the initiatives associated with the City's Covid 19 Economic Rebound Strategy.
(u)	Strategic Property	ongoing	The purpose of this reserve is to support the funding of strategic land or commercial building acquisitions that may be used to generate future rental income streams to subsidise the City's rates and parking revenue streams, or to meet the City's operational storage needs.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**5. OTHER FINANCIAL ASSETS**

	2021	2020
	\$	\$
<b>(a) Current assets</b>		
Financial assets at amortised cost	124,000,000	117,750,000
Financial assets at fair value through profit and loss	6,660,917	5,479,198
	<u>130,660,917</u>	<u>123,229,198</u>
<b>Other financial assets at amortised cost</b>		
Term deposits	124,000,000	117,750,000
	<u>124,000,000</u>	<u>117,750,000</u>
<b>Financial assets at fair value through profit and loss</b>		
Units held in unlisted Australian equity portfolio	6,660,917	5,479,198
	<u>6,660,917</u>	<u>5,479,198</u>
<b>(b) Non-current assets</b>		
Financial assets at amortised cost	2,306,434	2,370,916
Financial assets at fair value through profit and loss	184,517	178,053
	<u>2,490,951</u>	<u>2,548,969</u>
<b>Financial assets at amortised cost</b>		
Mortgage Backed Securities (MBS)		
Carrying amount at beginning of period	2,370,916	2,448,395
Less: Securities redeemed	(19,414)	(99,332)
Less: Loss on revaluation of securities	(45,068)	21,853
	<u>2,306,434</u>	<u>2,370,916</u>
<b>Financial assets at fair value through profit and loss</b>		
Unlisted equity investments		
Units in Local Government House Trust	184,517	178,053
	<u>184,517</u>	<u>178,053</u>

The City of Perth holds 10 of the 620 units in the Local Government House Trust and recognises its share of the net assets reported in the latest audited Financial Statements.

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

The City classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

**Financial assets at fair value through profit and loss**

The City classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the City has not elected to recognise fair value gains and losses through other comprehensive income.

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 30.



**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**6. TRADE AND OTHER RECEIVABLES**

	2021	2020
	\$	\$
<b>Current</b>		
Rates receivable	1,598,980	2,552,460
Trade and other receivables	2,045,440	1,855,703
GST receivable	1,154,159	1,002,673
Allowance for impairment of receivables	(5,214,105)	(5,135,178)
Accrued interest and investment income	299,031	691,488
Accrued Income	1,608,424	902,744
Modified penalties, fines and costs	7,346,023	7,575,926
	8,837,952	9,445,816
<b>Non-current</b>		
Pensioner's rates and ESL deferred	45,765	42,539
	45,765	42,539

The amounts shown relate to rates deferred by pensioners in accordance with the Rates and Charges (Rebates and Deferment Act) 1992.

Please refer to Note 28(c) for details of the payment terms and interest charged on Rates outstanding. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. For aging of trade receivables and expected default rates, please refer to note 30(b).

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other receivables**

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

**Impairment and risk exposure**

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 30.

**Classification and subsequent measurement**

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**7. INVENTORIES**

	2021	2020
	\$	\$
<b>Current</b>		
Parking Equipment Spare Parts	442,028	384,192
Stores, Stock, Corporate and International Gifts	339,103	328,170
Recoverable Works	-	94,329
	<u>781,131</u>	<u>806,691</u>

The following movements in inventories occurred during the year:

<b>Carrying amount at beginning of period</b>	806,691	829,609
Inventories expensed during the year	(1,267,727)	(1,572,046)
Write down of inventories to net realisable value	(11,867)	(35,728)
Additions to inventory	1,254,034	1,584,856
<b>Carrying amount at end of period</b>	<u>781,131</u>	<u>806,691</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

Inventories are measured 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.

**8. OTHER ASSETS**

	2021	2020
	\$	\$
<b>Other assets - current</b>		
Prepayments	1,492,209	1,961,292
	<u>1,492,209</u>	<u>1,961,292</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**Other current assets**

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 9. PROPERTY, PLANT AND EQUIPMENT

#### (a) 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.

	Land - freehold land	Leasehold land	Heritage Land	Land - held for redevelopment	Total land	Buildings	Buildings - Heritage	Buildings - Leasehold	Total buildings	Leasehold Improvements	Total land and buildings
	\$	\$	\$		\$	\$	\$		\$	\$	\$
<b>Balance at 1 July 2019</b>	315,800,533	56,773,509	15,750,000	11,667,722	399,991,764	145,301,140	59,938,058	53,920,800	259,159,998	549,051	659,700,813
Additions	-	-	-	320,079	320,079	250,362	899,952	-	1,150,314	-	1,470,393
(Disposals)	-	-	-	(371,828)	(371,828)	(13,809)	-	-	(13,809)	-	(385,638)
Revaluation (loss) / reversals transferred to	(16,097,000)	(12,228,742)	(12,890,000)	-	(41,215,742)	9,329,973	(275,735)	(5,345,114)	3,709,124	30,233	(37,476,384)
Contributed Assets	-	-	-	-	-	14,335,581	-	-	14,335,581	-	14,335,581
Depreciation (expense)	-	(663,246)	-	-	(663,246)	(7,019,751)	(3,957,335)	(899,884)	(11,876,970)	(75,756)	(12,615,972)
Transfers	299,703,533	43,881,521	2,860,000	11,615,973	358,061,027	8,085,467	5,173,403	54,250	13,313,120	180,743	13,493,863
<b>Carrying amount at 30 June 2020</b>	299,703,533	43,881,521	2,860,000	11,615,973	358,061,027	170,268,963	61,778,343	47,730,052	279,777,358	684,271	638,522,656
<b>Comprises:</b>											
Gross carrying amount at 30 June 2020	299,703,533	51,204,479	2,860,000	11,615,973	365,383,985	306,850,844	124,920,892	61,205,417	492,977,153	915,820	859,276,958
Accumulated depreciation at 30 June 2020	-	(7,322,958)	-	-	(7,322,958)	(136,581,881)	(63,142,549)	(13,475,365)	(213,199,795)	(231,549)	(220,754,302)
<b>Carrying amount at 30 June 2020</b>	299,703,533	43,881,521	2,860,000	11,615,973	358,061,027	170,268,963	61,778,343	47,730,052	279,777,358	684,271	638,522,656
Additions	-	-	-	820,959	820,959	1,403,778	180,394	112,648	1,696,820	-	2,517,779
(Disposals)	-	-	-	(1,049,209)	(1,049,209)	(133,211)	-	-	(133,211)	-	(1,182,420)
Reclassification	1,500,000	-	-	-	1,500,000	-	-	-	-	-	1,500,000
Contributed Assets	-	-	-	-	-	-	-	-	-	-	-
Initial Recognition Assets	-	-	-	-	-	-	33,054	-	33,054	-	33,054
Depreciation (expense)	-	(517,086)	-	-	(517,086)	(7,072,387)	(3,614,031)	(841,957)	(11,528,375)	(28,757)	(12,074,218)
Transfers	-	-	-	-	-	290,636	2,514,375	17,770	2,822,781	-	2,822,781
<b>Carrying amount at 30 June 2021</b>	301,203,533	43,364,435	2,860,000	11,387,723	358,815,691	164,757,779	60,892,135	47,018,513	272,668,427	655,514	632,139,632
<b>Comprises:</b>											
Gross carrying amount at 30 June 2021	301,203,533	51,204,479	2,860,000	11,387,723	366,655,735	308,340,266	127,648,715	61,335,835	497,324,816	915,820	864,896,371
Accumulated depreciation at 30 June 2021	-	(7,840,044)	-	-	(7,840,044)	(143,582,487)	(66,756,579)	(14,317,322)	(224,656,388)	(260,306)	(232,756,738)
<b>Carrying amount at 30 June 2021</b>	301,203,533	43,364,435	2,860,000	11,387,723	358,815,691	164,757,779	60,892,136	47,018,513	272,668,428	655,514	632,139,632

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 9. PROPERTY, PLANT AND EQUIPMENT (Continued)

#### (a) Movements in Carrying Amounts (Continued)

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

	Total land and buildings	Furniture and equipment	Plant and equipment	Work in Progress	Total property, plant and equipment
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2019</b>	659,700,813	30,374,847	13,304,739	10,941,441	714,321,840
Additions	1,470,393	1,588,644	1,994,495	24,679,286	29,732,818
(Disposals)	(385,638)	(11,653)	(1,221,813)	-	(1,619,104)
Revaluation (loss) / reversals transferred to profit or loss	(37,476,384)	-	-	-	(37,476,384)
Contributed Assets	14,335,581	25,500	-	-	14,361,081
Depreciation (expense)	(12,615,972)	(4,664,537)	(3,287,268)	-	(20,567,777)
Transfers	13,493,863	7,569,995	1,413,984	(27,531,379)	(5,053,537)
<b>Carrying amount at 30 June 2020</b>	638,522,656	34,882,796	12,204,137	8,089,348	693,698,937
<b>Comprises:</b>					
Gross carrying amount at 30 June 2020	859,276,958	54,871,554	40,845,269	8,089,348	963,083,129
Accumulated depreciation at 30 June 2020	(220,754,302)	(19,988,758)	(28,641,132)	-	(269,384,192)
<b>Carrying amount at 30 June 2020</b>	638,522,656	34,882,796	12,204,137	8,089,348	693,698,937
Additions	2,517,779	512,758	1,856,096	6,139,356	11,025,989
(Disposals)	(1,182,420)	(36,340)	(840,623)	-	(2,059,383)
Reclassification	1,500,000	-	-	-	1,500,000
Contributed Assets	-	-	-	-	-
Initial Recognition Assets	33,054	-	-	-	33,054
Depreciation (expense)	(12,074,218)	(4,997,720)	(2,637,630)	-	(19,709,568)
Transfers	2,822,781	3,706,517	1,409,564	(7,944,837)	(5,975)
<b>Carrying amount at 30 June 2021</b>	632,139,632	34,068,011	11,991,544	6,283,867	684,483,054
<b>Comprises:</b>					
Gross carrying amount at 30 June 2021	864,896,371	59,000,354	41,928,073	6,283,867	972,108,665
Accumulated depreciation at 30 June 2021	(232,756,738)	(24,932,346)	(29,936,527)	-	(287,625,611)
<b>Carrying amount at 30 June 2021</b>	632,139,633	34,068,008	11,991,546	6,283,867	684,483,054

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 9. PROPERTY, PLANT AND EQUIPMENT (Continued)

#### (b) Fair Value Measurements

The City measures the following asset and liability classes at fair value on a recurring basis:

Property Plant Equipment and Infrastructure  
Financial Assets and Liabilities

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition or measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the year there were no changes in the valuation techniques used by the City to determine the fair value of fixed assets using either Level 2 or Level 3 inputs.

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land	2	Market approach taking into consideration public sector restrictions	Independent registered valuer	30/06/2020	Applied to land held in freehold title and assessed on the basis of the estimated amount which the interest in each property being valued might reasonably be expected to realise on the date of valuation in an exchange between market participants given highest and best use or highest and best alternative use. This was determined by comparison to recent sales of land with similar characteristics. This was then adjusted to reflect condition and comparability and based on observable evidence. The valuation of some restricted or otherwise non-saleable land has been valued using the cost approach. This approach was used where, assuming the City needed to purchase the land or acquire additional land from an adjoining neighbour, the value of that land could be determined based on known zoning and town planning restrictions. This was determined by comparison to recent sales of land with similar characteristics. This was then adjusted to reflect condition and comparability and based on observable evidence. As this was based on observable evidence they have been classified as Level 2



**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**9. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Fair Value Measurements (Continued)**

Buildings	3	Cost approach. The cost to replace the asset is calculated and then adjusted to take account of accumulated depreciation.	Independent registered valuer	30/06/2020	The valuation of building, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and fire fighting equipment, and general lighting). Excluded from this report are all items of plant, machinery, equipment, cranes, tools, furniture or chattels. The valuer determined a value based on inter-relationship between a range of factors. These include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value and the pattern of consumption of the future economic benefit.
Plant and Mobile Equipment		Cost	Cost	30/06/2019	Purchase cost
Office Furniture and Equipment (Other)		Cost	Cost	30/06/2018	Purchase cost
Office Furniture and Equipment - Concert Pianos		Cost	Cost	30/06/2018	Purchase cost
Office Furniture and Equipment - Major Computer Software		Cost	Cost	30/06/2018	Purchase cost
Office Furniture and Equipment - Artworks, Memorabilia and History Collection		Cost	Cost	30/06/2018	Purchase cost
Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change was effective from 1 July 2019 and represented a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximated cost at the date of change.					
Investment land	2	Market approach	Independent registered valuer	30/06/2021	Value based either on the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition, or based on the continuation of its present use, regardless of whether that represents the highest and best use of the asset.
Investment buildings	3	Improvements to land valued using cost approach and utilising the depreciated replacement cost	Independent registered valuer	30/06/2021	Improvements to land using construction costs and current condition, residual values and remaining useful life assessments (Level 3 ) inputs.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 10. INFRASTRUCTURE

#### (a) Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - roads \$	Infrastructure - paths and kerbs \$	Infrastructure - drains \$	Infrastructure - landscape \$	Infrastructure - elec/comm/lighting \$	Other infrastructure \$	Work in Progress \$	Total Infrastructure \$
Balance at 1 July 2019	156,701,047	78,930,734	43,786,275	37,295,691	17,020,044	37,694,136	35,832,254	407,260,181
Additions	513,833	804,033	152,859	459,025	332,617	903,344	23,628,867	26,794,578
(Disposals)	(279,649)	(243,961)	(19,016)	(384,312)	(414,595)	(91,626)	-	(1,433,159)
Contributed Assets	192,224	549,297	60,010	-	156,310	83,589	-	1,041,430
Initial Recognition Assets	-	7,527	19,661	-	38,207	-	-	65,395
Depreciation (expense)	(6,798,115)	(5,009,855)	(1,157,638)	(961,330)	(2,123,467)	(1,839,832)	-	(17,890,237)
Transfers	1,297,167	1,320,185	496,859	1,595,662	8,230,455	2,754,270	(40,198,814)	(24,504,216)
Carrying amount at 30 June 2020	151,626,507	76,357,960	43,339,011	38,004,736	23,239,571	39,503,881	19,262,307	391,333,973
Comprises:								
Gross carrying amount at 30 June 2020	256,957,135	139,876,407	87,425,386	45,665,549	36,195,887	58,627,450	19,262,307	644,010,121
Accumulated depreciation at 30 June 2020	(105,330,628)	(63,518,447)	(44,086,375)	(7,660,813)	(12,956,316)	(19,123,569)	-	(252,676,148)
Carrying amount at 30 June 2020	151,626,507	76,357,960	43,339,011	38,004,736	23,239,571	39,503,881	19,262,307	391,333,973
Additions	2,274,581	1,071,733	1,065,917	270,045	3,308,194	1,320,953	26,355,671	35,667,094
(Disposals)	(948,854)	(758,843)	(2,985)	(24,048)	(144,929)	(59,686)	-	(1,939,345)
Contributed Assets	577,592	1,405,326	286,747	160,325.00	284,980	254,566	-	2,969,536
Initial Recognition Assets	217,863	650,445	7,026	-	99,321	71,302	-	1,045,957
Depreciation (expense)	(6,824,356)	(5,086,358)	(1,211,574)	(988,530)	(2,363,433)	(1,980,374)	-	(18,454,625)
Transfers	950,389	2,735,856	674,641	2,804,964	1,766,707	2,335,454	(12,820,101)	(1,552,090)
Carrying amount at 30 June 2021	148,045,474	76,204,366	44,158,783	40,227,492	26,190,411	41,446,096	32,797,877	409,070,499
Comprises:								
Gross carrying amount at 30 June 2021	257,283,946	144,271,629	89,527,452	48,790,455	41,422,279	62,477,282	32,797,877	676,570,920
Accumulated depreciation at 30 June 2021	(109,238,508)	(68,067,261)	(45,368,672)	(8,562,928)	(15,231,868)	(21,031,185)	-	(267,500,422)
Carrying amount at 30 June 2021	148,045,438	76,204,368	44,158,780	40,227,527	26,190,411	41,446,097	32,797,877	409,070,498

**Notes to and forming part of the Financial Report  
for the year ended 30 June 2021**

**10. INFRASTRUCTURE (Continued)**

**(b) Fair Value Measurements**

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads, Drainage, Landscape, Lights, Footpaths and Kerbs, River Walls, Other Infrastructure	3	Depreciated cost valuation technique. This method uses the asset current replacement cost less accumulated depreciation calculated on the basis of such cost to reflect potential of the asset as established then adjusted to take into account the expired service potential of the asset based on visual condition assessment where relevant. The current replacement cost was measured by referencing the lowest cost at which the asset could be obtained in the normal course of business. The total cost values have been calculated using unit cost rate based on current tender and general market rates. These unit cost rates were verified by an independent third party company that specialises in benchmarking construction costs.	Independent construction cost consultant and internal valuation	30/06/2018	Level 3 valuation inputs have been applied to all infrastructure asset classes, being construction cost and current condition and remaining useful life assessments.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 11. FIXED ASSETS

#### SIGNIFICANT ACCOUNTING POLICIES

##### Fixed assets

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

##### Initial recognition and measurement between mandatory revaluation dates

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

In relation to this initial measurement, 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 City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

##### Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework, or when Council is of the opinion that the fair value of an asset is materially different from its carrying amount.

Increases in the carrying amount arising on revaluation of land, buildings, infrastructure and investment properties are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

##### Land under roads from 1 July 2019

As a result of the amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, is treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

##### Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with Local Government (Financial Management) Regulation 17A(2)(iv) is a departure from AASB 16 which would have required the City to measure the vested improvements as part of the related right-of-use assets at zero cost.

Refer to Note 12 that details the significant accounting policies applying to leases (including right-of-use assets)

**Notes to and forming part of the Financial Report  
for the year ended 30 June 2021**

**11. FIXED ASSETS**

**(a) Disposals of Assets**

	2021			2021			2021			2021			2020			2020		
	Actual	Actual	Profit	Actual	Actual	Loss	Net Book Value	Budget	Proceeds	Budget	Profit	Loss	Net Book Value	Actual	Proceeds	Actual	Profit	Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - held for redevelopment	1,049,209	2,492,783	1,443,574	-	-	-	-	-	350,004	350,004	-	-	371,828	753,135	381,306	-	-	-
Buildings	133,211	-	-	(133,211)	-	-	180,000	-	-	-	-	(180,000)	13,809	-	-	-	-	(13,809)
Furniture and equipment	36,339	1,727	1,727	(36,339)	-	-	55,800	-	-	-	-	(55,800)	11,653	-	-	-	-	(11,653)
Plant and equipment	840,623	932,332	193,491	(101,782)	-	-	740,538	1,004,675	264,137	-	-	-	1,221,813	1,202,474	107,348	-	-	(126,687)
Infrastructure - roads	948,854	-	-	(948,854)	-	-	676,393	-	-	-	-	(676,393)	279,649	-	-	-	-	(279,649)
Infrastructure - paths and kerbs	758,842	-	-	(758,842)	-	-	1,627,470	-	-	-	-	(1,627,470)	243,961	-	-	-	-	(243,961)
Infrastructure - drains	2,985	-	-	(2,985)	-	-	-	-	-	-	-	-	19,016	-	-	-	-	(19,016)
Infrastructure - landscape	24,048	-	-	(24,048)	-	-	200,000	-	-	-	-	(200,000)	384,312	-	-	-	-	(384,312)
Infrastructure - elec/comm/lighting	144,929	-	-	(144,929)	-	-	25,000	-	-	-	-	(25,000)	414,595	-	-	-	-	(414,595)
Other infrastructure	59,686	-	-	(59,686)	-	-	193,931	-	-	-	-	(193,931)	91,626	-	-	-	-	(91,626)
	3,998,726	3,426,842	1,638,792	(2,210,676)	(2,210,676)	(2,210,676)	3,699,132	1,354,679	614,141	(2,958,594)	3,052,262	1,955,609	488,654	(1,585,308)				

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**11. FIXED ASSETS (Continued)**

**(a) Disposals of Assets (Continued)**

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$
<b>Governance</b>				
Plant and Equipment	23,589	30,302	6,713	-
<b>Law, order, public safety</b>				
Plant and Equipment	50,831	65,678	14,847	-
Furniture and Equipment	6,731	-	-	(6,731)
Infrastructure	2,183	-	-	(2,183)
<b>Health</b>				
Plant and Equipment	19,473	27,347	7,874	-
<b>Community amenities</b>				
Land - held for redevelopment	1,049,209	2,492,783	1,443,574	-
Furniture and Equipment	29,608	-	-	(29,608)
Plant and Equipment	189,312	105,719	14,176	(97,769)
<b>Recreation and culture</b>				
Plant and Equipment	193,459	259,691	66,232	-
Buildings	133,211	-	-	(133,211)
Infrastructure	530,315	-	-	(530,315)
<b>Transport</b>				
Plant and Equipment	176,231	197,470	25,252	(4,013)
Infrastructure	1,406,847	-	-	(1,406,847)
<b>Economic services</b>				
Plant and Equipment	58,329	76,360	18,031	-
<b>Other property and services</b>				
Plant and Equipment	129,399	169,765	40,366	-
Furniture and Equipment	-	1,727	1,727	-
	3,998,725	3,426,842	1,638,792	(2,210,677)

**(b) Fully Depreciated Assets in Use**

The gross carrying value of assets held by the City which are currently in use yet fully depreciated are shown in the table below.

	2021 \$	2020 \$
Land - freehold land		
Buildings	507,500	-
Furniture and equipment	4,787,154	2,309,611
Plant and equipment	17,768,166	9,261,246
Leasehold Improvements		
Right of Use Assets		
Investment Buildings	2,151,000	2,658,500
Other property, plant and equipment [describe]		
Other property, plant and equipment [describe]		
Computers and IT	7,034,160	4,646,839
Infrastructure	6,485,544	279,889
	38,733,524	19,156,085



**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**11. FIXED ASSETS**

**(c) Depreciation**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Leasehold Land	517,086	-	663,246
Buildings	7,072,387	11,620,812	7,019,751
Buildings - Heritage	3,614,031	-	3,957,335
Buildings - Leasehold	841,957	-	899,884
Leasehold Improvements	28,757	1,511,095	75,756
Furniture and equipment	4,997,720	3,190,976	4,664,537
Plant and equipment	2,637,630	2,221,405	3,287,268
Infrastructure - roads	6,824,356	6,731,717	6,798,115
Infrastructure - paths and kerbs	5,086,358	4,959,256	5,009,855
Infrastructure - drains	1,211,574	1,189,030	1,157,638
Infrastructure - landscape	988,530	945,546	961,330
Infrastructure - elec/comm/lighting	2,363,433	2,020,989	2,123,467
Other infrastructure	1,980,374	1,798,909	1,839,832
Right of use assets - buildings	101,146	-	101,146
	38,265,341	36,189,735	38,559,160

**(d) Initial Recognition of Assets**

Buildings - Heritage	33,054	-	-
Infrastructure - roads	217,863	-	-
Infrastructure - paths and kerbs	650,445	-	7,527
Infrastructure - drains	7,026	-	19,661
Infrastructure - elec/comm/lighting	99,321	-	38,207
Other infrastructure	71,302	-	-
	1,079,011		65,395

**SIGNIFICANT ACCOUNTING POLICIES**

**Depreciation**

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 11. FIXED ASSETS (Continued)

#### SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life	Residual Value
<u>Land</u>		
Leasehold Interest	99 years	Nil
<u>Buildings</u>		
Buildings (including components and leasehold interest)	10 to 100 years	Nil
<u>Leasehold Improvements</u>	Term of Lease	Nil
<u>Right-of-use assets</u>		
Buildings	Based on the remaining lease	
Plant and equipment	Based on the remaining lease	
<u>Infrastructure</u>		
Roads – Pavement	80 years	Nil
– Seal	20 years	Nil
– Ancillary	20 to 50 years	Nil
Footpaths – Footpaths	15 to 50 years	Nil
– Kerbs	20 to 50 years	Nil
Street Lighting	10 to 40 years	Nil
Drainage	20 to 80 years	Nil
Reticulation	10 to 40 years	Nil
Overpasses and Underpasses	40 to 70 years	Nil
Street Furniture	5 to 50 years	Nil
Riverwall	50 to 60 years	Nil
Other	5 to 10 years	Nil
<u>Plant and Mobile Equipment</u>		
Major Plant and Equipment	4 to 10 years	10 to 40%
Sedans and Utilities	2 to 3 years	50 to 65%
Pumps and Bores	7 to 15 years	Nil
Minor Plant and Equipment	2 to 7 years	5% to Nil
Specialised Parking Equipment	7 to 15 years	Nil
<u>Office Furniture and Equipment</u>		
Furniture and Equipment	2 to 15 years	Nil
Computer Equipment and Software	3 to 5 years	Nil

##### Depreciation on revaluation

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

(a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or

(b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

##### Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

## 12. LEASES

### (a) Right of Use Assets

Movement in the carrying amounts of each class of right of use asset between the beginning and the end of the current financial year.

	Right of use assets - buildings	Right of use assets Total
	\$	\$
Balance at 1 July 2020	3,302,938	3,302,938
Additions	-	-
Depreciation (expense)	(101,146)	(101,146)
Balance at 30 June 2020	3,201,792	3,201,792
Depreciation (expense)	(101,146)	(101,146)
Carrying amount at 30 June 2021	3,100,646	3,100,646
<b>(b) Cash outflow from leases</b>		
Interest expense on lease liabilities	(110,267)	(110,267)
Lease principal expense	(61,830)	(61,830)
Total cash outflow from leases	(172,097)	(172,097)

## SIGNIFICANT ACCOUNTING POLICIES

### Leases

At inception of a contract, the City assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

### Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fairvalue.

Right of use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right of use asset reflects that the City anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease. Leases for right of use assets are secured over the asset being leased.



**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**13. REVALUATION SURPLUS**

	2021 Opening Balance	2021 Total Movement on Revaluation	2021 Reclassification	2021 Closing Balance	2020 Opening Balance	2020 Total Movement on Revaluation	2020 Reclassification	2020 Closing Balance
Revaluation surplus - Land	\$ (273,221,249)	-	-	\$ (273,221,249)	\$ (302,208,249)	28,987,000	-	\$ (273,221,249)
Revaluation surplus - Leasehold Land	-	-	-	-	(12,976,790)	12,976,790	-	-
Revaluation surplus - Buildings	(103,379,860)	(3,200,974)	-	(106,580,834)	(94,325,622)	(9,054,238)	-	(103,379,860)
Revaluation surplus - Leasehold Buildings	(841,611)	(6,300)	-	(847,911)	(6,156,491)	5,314,880	-	(841,611)
Revaluation surplus - Furniture and equipment	(921,951)	-	-	(921,951)	(921,951)	-	-	(921,951)
Revaluation surplus - Artworks	(7,124,995)	-	-	(7,124,995)	(7,124,995)	-	-	(7,124,995)
Revaluation surplus - Infrastructure	(47,146,466)	567,277	-	(46,579,189)	(46,207,464)	(939,002)	-	(47,146,466)
	(432,636,132)	(2,639,997)	-	(435,276,129)	(469,921,562)	37,285,430	-	(432,636,132)

Balance in Building revaluation surplus relating to building components disposed off during the year were transferred to Retained Surplus on disposal of those assets.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**14. INVESTMENT PROPERTY**

	2021 <u>Actual</u> \$	2020 <u>Actual</u> \$
<b>Investment Land</b>		
Carrying balance at 1 July	8,840,000	8,833,500
Transfers (Reclassification)	(1,500,000)	-
Net gain/(loss) from fair value adjustment	<u>(235,700)</u>	<u>6,500</u>
Closing balance at 30 June	7,104,300	8,840,000
<b>Investment Buildings</b>		
Carrying balance at 1 July	8,092,000	9,897,500
Additions	7,101	-
Transfers	5,975	-
Net gain/(loss) from fair value adjustment	<u>(947,576)</u>	<u>(1,805,500)</u>
Closing balance at 30 June	7,157,500	8,092,000
<b>Total Investment Property</b>	<b>14,261,800</b>	<b>16,932,000</b>

Investment Land and Properties are revalued annually by an independent valuer. The result of the valuation carried out at 30 June 2021 was a decrease in the value of Investment Land of \$237,500 and a decrease in the value of Investment Buildings of \$947,576.

There was no change in the valuation method used in the valuation of Investment Properties during the reporting period.

Investment property is held to generate long-term rental yields. All tenant leases are on an arms-length basis apart from two short term tenancies that are on peppercorn rentals as they are deemed to be of benefit to the community.

	2021 <u>Actual</u> \$	2020 <u>Actual</u> \$
<b>Amounts recognised in profit or loss for investment properties</b>		
Rental income	1,288,560	1,369,353
Direct operating expenses from property that generated rental income	539,299	529,952

**Leasing arrangements**

Investment properties are leased out on operating leases. Rental income amounts are included within revenue. Direct operating expenses of \$539,299 (2020: \$529,952) were reported within other expenses, of which \$51,776 (30 June 2020 : Nil ) were incurred on vacant properties that did not generate rental income.

Lease contracts are all non-cancellable for the term of each lease. Future minimum lease rentals are as follows:

	2021 <u>Actual</u> \$	2020 <u>Actual</u> \$
Within one year	1,215,712	1,365,607
Later than one year but not later than 5 years	3,669,856	2,081,675
Later than 5 years	<u>1,876,738</u>	<u>2,297,573</u>
	6,762,306	5,744,855

**SIGNIFICANT ACCOUNTING POLICIES**

**Investment properties**

Investment properties are principally freehold land and buildings, held for long-term rental yields and not occupied by the City. They are carried at fair value. Changes in the fair values of investment properties are disclosed separately in the Statement of Comprehensive Income.

**Fair value of investment properties**

Valuation of investment properties are performed annually by an independent valuer using level 2 inputs.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**15. TRADE AND OTHER PAYABLES**

	2021	2020
	\$	\$
<b>Current</b>		
Sundry creditors	13,146,624	9,147,362
Prepaid rates	89,847	539,622
Accrued expenses	9,504,758	4,792,578
Bonds and deposits held	2,510,825	3,299,093
Income in advance	2,042,460	1,450,360
Accrued interest	46,515	91,547
Other payables	1,171,286	1,573,819
	<u>28,512,315</u>	<u>20,894,381</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

**Prepaid rates**

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City recognises revenue for the prepaid rates that have not been refunded.

**16. CONTRACT LIABILITIES**

	2021	2020
	\$	\$
<b>Current</b>		
Contract liabilities from contracts with customers	224,292	204,042
Contract liabilities from transfers for recognisable non financial assets	807,616	60,000
	<u>1,031,908</u>	<u>264,042</u>

**Non-current**

Contract liabilities from transfers for recognisable non financial assets

2,033,243	2,153,243
<u>2,033,243</u>	<u>2,153,243</u>

Performance obligations from contracts with customers are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year	1,031,908	992,285
1 to 2 years	2,033,243	1,425,000
	<u>3,065,151</u>	<u>2,417,285</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract Liabilities**

Contract liabilities represent the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.



**Notes to and forming part of the Financial Report  
for the year ended 30 June 2021**

**17. LEASE LIABILITIES**

	2021	2020
	\$	\$
Current	63,932	61,830
Non-current	3,117,378	3,181,311
	<u>3,181,310</u>	<u>3,243,141</u>

**(b) Movements in Carrying Amounts**

Purpose	Institution	Lease Interest Rate	Lease Term	30 June 2021		30 June 2021		30 June 2021		30 June 2021	
				Actual	New Leases	Lease Principal	Repayments	Lease Principal	Outstanding	Actual	Lease Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$
<b>Community amenities</b>											
AMP Access Ramp	Crown	3.40%	52 years	121,138	-	881		120,256		4,119	
<b>Transport</b>											
Allendale - Trinity Underpass	Crown	3.40%	31 years	517,858	-	10,110		507,748		17,607	
City Arcade - Trinity Underpass	Crown	3.40%	31 years	2,604,145	-	50,839		2,553,306		88,541	
				<u>3,243,141</u>	<u>-</u>	<u>61,830</u>		<u>3,181,310</u>		<u>110,267</u>	

The City holds leases for the three buildings identified above.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

## 18. INFORMATION ON BORROWINGS

(a) Borrowings

	2021	2020
	\$	\$
	3,566,021	4,233,037
	979,914	4,545,934
	4,545,935	8,778,971

### (b) Repayments - Borrowings

[illegible]

\*Interest repayments include the guarantee fee.

All loan repayments were financed by general purpose revenue.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**18. INFORMATION ON BORROWINGS (Continued)**

	2021	2020
	\$	\$
<b>(c) Undrawn Borrowing Facilities</b>		
<b>Credit Standby Arrangements</b>		
Credit card limit	80,000	80,000
Credit card balance at balance date	(2,801)	(3,864)
<b>Total amount of credit unused</b>	77,199	76,136
<b>Loan facilities</b>		
Loan facilities - current	3,566,021	4,233,037
Loan facilities - non-current	979,914	4,545,934
Lease liabilities - current	63,932	61,830
Lease liabilities - non-current	3,117,378	3,181,311
<b>Total facilities in use at balance date</b>	7,727,245	12,022,112
<b>Unused loan facilities at balance date</b>	Nil	Nil

The City does not have an overdraft facility and no longer uses Purchasing Cards.

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

Financial liabilities are recognised at fair value when the City becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**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 until such time as the asset is substantially ready for its intended use or sale.

**Risk**

Information regarding exposure to risk can be found at Note 30.



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 19. EMPLOYEE RELATED PROVISIONS

#### (a) Employee Related Provisions

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
<b>Opening balance at 1 July 2020</b>			
Current provisions	5,222,850	5,443,117	10,665,967
Non-current provisions	438,821	1,515,377	1,954,198
	5,661,671	6,958,494	12,620,165
 Additional provision	5,947,752	1,198,318	7,146,070
Amounts used	(6,017,685)	(943,807)	(6,961,492)
<b>Balance at 30 June 2021</b>	5,591,738	7,213,005	12,804,743
 <b>Comprises</b>			
Current	5,591,738	5,752,731	11,344,469
Non-current	-	1,460,274	1,460,274
	5,591,738	7,213,005	12,804,743
 <b>Amounts are expected to be settled on the following basis:</b>	<b>2021</b>	<b>2020</b>	
	\$	\$	
Less than 12 months after the reporting date	5,591,738	5,752,731	
More than 12 months from reporting date	7,960,589	7,566,867	
Expected reimbursements from other WA local governments	(747,584)	(699,433)	
	12,804,743	12,620,165	

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

#### SIGNIFICANT ACCOUNTING POLICIES

##### Employee benefits

##### Short-term employee benefits

Provision is made for the City's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave.

Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The City's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

##### Other long-term employee benefits

The City's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The City's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the City does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

##### Provisions

Provisions are recognised when the City has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 20. OTHER PROVISIONS

	Provision for Self-Funded Leave	Provision for Employee Recognition and other Settlements	Provision for Workers Compensation	Total
	\$	\$		\$
Opening balance at 1 July 2020				
Current provisions	282,365	123,498	80,000	485,863
Non-current provisions	-	-	-	-
	282,365	123,498	80,000	485,863
Additional provision	52,465	21,922		74,387
Amounts used	(241,453)	(27,348)	(80,000)	(348,801)
Balance at 30 June 2021	93,377	118,072	-	211,449
Comprises				
Current	93,377	118,072	-	211,449
Non-current	-	-	-	-
	93,377	118,072	-	211,449

#### Self-funded Leave

Other Provisions includes employee benefits to self-funded leave which are recognised as leave not taken at balance date calculated at current rates of pay.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**21. NOTES TO THE STATEMENT OF CASH FLOWS**

**Reconciliation of Cash**

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents.

The City has no bank overdrafts.

Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2021 Actual	2021 Budget	2020 Restated Actual
	\$	\$	\$
Cash and cash equivalents	37,884,920	32,524,453	37,727,249
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net result	8,572,830	(16,867,467)	13,214,957
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,188,183)	-	(2,882)
Adjustments to fair value of investment land	235,700	-	(6,500)
Adjustments to fair value of investment buildings	947,576	-	1,805,500
Depreciation on non-current assets	38,265,341	36,189,735	38,559,160
Non-Capitalised WIP expensed	1,552,090		2,567,663
(Profit)/loss on sale of asset	2,015,456	2,344,453	1,477,960
Share of profits of associates	447,623	-	77,983
Contributed Assets	(2,969,537)	-	(15,402,511)
Disposal of development land at Tamala Park	(1,443,574)	-	(381,306)
Fair value adjustments to financial assets at amortised cost	45,068	-	(21,853)
Initial recognition of assets	(1,079,010)	-	(65,396)
Changes in assets and liabilities:			
(Increase)/decrease in receivables	212,181	(1,025,000)	(375,619)
(Increase)/decrease in inventories	25,560	(100,000)	22,918
(Increase)/decrease in Deposits and Prepayments	469,083	-	(577,199)
(Increase)/decrease in Accrued Interest and Dividend Income	392,457	-	177,344
Increase/(decrease) in payables	7,617,934	(35,001)	(4,111,356)
Increase/(decrease) in provisions	(89,836)	100,000	454,913
Increase/(decrease) in contract liabilities	767,866	-	264,042
Non-operating grants, subsidies and contributions	(6,196,599)	(5,438,360)	(1,754,712)
Net cash from operating activities	48,600,026	15,168,360	35,923,106



**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**22. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	2021	Restated 2020
	\$	\$
Governance	181,212,657	170,539,546
General purpose funding	3,447,195	4,291,012
Law, order, public safety	7,083,486	7,229,901
Health	282,794	199,477
Education and welfare	5,004,806	5,289,755
Housing	520,178	472,711
Community amenities	49,009,833	57,732,046
Recreation and culture	196,653,038	197,010,567
Transport	785,971,719	765,455,060
Economic services	5,398,044	4,910,148
Other property and services	65,177,482	74,177,082
	1,299,761,232	1,287,307,305

**23. CONTINGENT LIABILITIES**

In line with other equity holders in the Mindarie Regional Council (MRC) the City has guaranteed, proportionate to its equity share (one twelfth), the obligations of MRC to the contractor who built and is operating the Neerabup Recovery Facility. Such guarantee can be called upon in the event of a default event during the contractors operation of the facility. The share of the liability that could be generated by the exercise of the guarantee is estimated at an amount between \$7.21 million diminishing to \$1.5 million depending on the time of any such default event.

Refer to Note 31 for subsequent events related to the guarantee payment provided by the City.

**City of Perth Superannuation Plan (CPSP) Defined Benefit Members**

The plan has a number of different participating employers contributing to the defined benefit of the plan. There is no segregation of the assets applicable to each employer on a day to day basis and the individual employer may not be able to accurately identify its share of the underlying financial position of the multi-employer plan with sufficient reliability for accounting purposes. The plan is therefore accounted for as a defined contribution plan.

In the event that the plan has a deficiency of assets to meet benefits due, all participating employers are liable to contribute to the plan to fund any shortfall.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### CONTINGENT LIABILITIES (continued)

#### Mindarie Regional Council

In February 2020, MRC received its first Mandatory Auditor's Report (MAR) as requested by the Department of Water and Environmental Regulation (DWER) in respect to the Tamala Park Waste Management Facility site.

Among other things, the purpose of the MAR is to confirm that earlier investigations adequately characterised the contamination status of the site and whether potentially significant risks to human health, the environment or environmental values exist on-site or off-site.

The MRC received a second iteration of the MAR in November 2021, which has further assessed the contamination status of the site. In reaching their conclusion, the independent auditor has evaluated the information contained in the investigative reports as generally complete, accurate and compliant with the relevant guidelines. Also, the assessments were sufficient to define the potential extent and types of contamination.

The auditor has determined, based on the analysis contained in the assessed reports, that the site remains suitable for ongoing use as a Class II landfill ('source site'). Likewise, the affected site to the north of the facility remains suitable for its current use as a development buffer zone ('affected site'). A summary of findings for the source site are listed below;

#### Source site:

- All soils samples returned results below established criteria.
- Groundwater results indicate impact to the aquifer immediately below the landfill levels above relevant drinking water established criteria, although some results are reflective of naturally occurring conditions. Groundwater on site remains suitable for controlled industrial use on site without an unacceptable risk.
- Landfill gas results indicate that the existing extraction system is working effectively, with negligible detection of landfill gas outside the extraction network.

#### Affected site:

- Groundwater results indicate some contaminants above relevant drinking water established criteria but not criteria for non-potable uses. Elevated levels of some identified contaminants are also known to occur naturally in the local environment.
- No landfill gas detected outside the site boundary.

Currently, DWER has classified the site as "Contaminated – Remediation Required" and the affected site as "Contaminated – Restricted Use".

The MRC has commenced further work on implementing the recommendations of this most recent MAR, to determine the magnitude and extent of contamination including risks to human health, the environment and environmental values. Specifically, this work is focused upon assessing the adequacy of the landfill gas monitoring network, the potential for the subterranean migration of landfill gas, and the continued compilation and assessment of both gas and groundwater results to further inform future mitigation measures. Therefore, it is not possible to make a reasonable estimate as to the financial impact that may arise from any possible future remedial action at this time.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**24. CAPITAL AND LEASING COMMITMENTS**

**(a) Capital Expenditure Commitments**

Contracted for:

- capital expenditure projects

Payable:

- not later than one year

- later than one year but not later than two years

	2021	2020
	\$	\$
	3,228,017	2,238,368
	3,228,017	2,238,368
	3,228,017	2,238,368
	-	-
	3,228,017	2,238,368

**(b) Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

- not later than one year

- later than one year but not later than five years

- later than five years

	2021	2020
	\$	\$
	1,059,520	1,109,199
	3,912,718	4,114,408
	114,531,577	111,038,768
	119,503,815	116,262,375

A substantial amount of the lease rental commitments relates to commitments for variable outgoings in relation to the City's 99 year leasehold interest in the Loading Dock at 100 St Georges Terrace. These outgoings are subject to annual CPI increases.

Lease commitments relating to Right of Use assets have now been established as a Lease Liability in accordance with AASB16, comparatives have been restated.

**(c) Interest Payable**

- not later than one year

- later than one year but not later than two years

- later than two years but not later than five years

	2021	2020
	\$	\$
	115,794	295,025
	6,402	118,272
	-	2,684
	122,196	415,981

This is the interest payable on loan debentures over the remaining life of the loans.

**SIGNIFICANT ACCOUNTING POLICIES**

**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 City, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.



**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**25. RELATED PARTY TRANSACTIONS**

**(a) ELECTED MEMBERS REMUNERATION**

	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Lord Mayor - Basil Zempilas</b>			
Mayoral Allowance	95,900	171,585	-
Meeting attendance fees	33,196	47,516	-
ICT allowance	2,445	3,500	-
	131,541	222,601	-
<b>Deputy Lord Mayor - Sandy Anghie</b>			
Deputy Mayoral allowance	23,975	-	-
Meeting attendance fees	22,131	31,678	-
ICT allowance	2,445	3,500	-
	48,551	35,178	-
<b>Councillor - Brent Fleeton</b>			
Meeting attendance fees	22,131	31,678	-
ICT allowance	2,445	3,500	-
	24,576	35,178	-
<b>Councillor - Catherine Lezer</b>			
Meeting attendance fees	22,131	31,678	-
ICT allowance	2,445	3,500	-
	24,576	35,178	-
<b>Councillor - Clyde Bevan</b>			
Meeting attendance fees	22,131	31,678	-
ICT allowance	2,445	3,500	-
	24,576	35,178	-
<b>Councillor - Dianne Bain</b>			
Meeting attendance fees	22,131	31,678	-
ICT allowance	2,445	3,500	-
	24,576	35,178	-
<b>Councillor - Liam Gobbert</b>			
Meeting attendance fees	22,131	31,678	-
ICT allowance	2,445	3,500	-
	24,576	35,178	-
<b>Councillor - Rebecca Gordon</b>			
Meeting attendance fees	22,131	31,678	-
ICT allowance	2,445	3,500	-
	24,576	35,178	-
<b>Councillor - Viktor Ko</b>			
Meeting attendance fees	22,131	31,678	-
ICT allowance	2,445	3,500	-
	24,576	35,178	-

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**25. RELATED PARTY TRANSACTIONS (Continued)**

**(a) Elected Members Remuneration (continued)**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
The total of fees, expenses and allowances paid to elected members:			
Mayor's allowance	95,900	171,585	-
Deputy Mayor's allowance	23,975	-	-
Meeting attendance fees	210,244	300,940	-
ICT expenses	22,005	31,500	-
	352,124	504,025	-
Commissioners' Fees	310,667	-	965,409

Commissioners were paid remuneration, allowances and reimbursement of expenses in accordance with determinations made by the Minister for Local Government. The Department of Local Government, Sport and Cultural Industries is responsible for remunerating the Commissioners and the City reimburses the Department, for the remuneration and expenses incurred for the period upto October 2020.

**(b) Key Management Personnel (KMP) Compensation Disclosure**

	2021 Actual	2020 Actual
	\$	\$
The total of remuneration paid to KMP of the City during the year are as follows:		
Short-term employee benefits	2,178,398	1,905,091
Post-employment benefits	235,712	175,586
Other long-term benefits	3,919	16,162
Termination benefits	148,861	-
	2,566,890	2,096,839

*Short-term employee benefits*

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

*Post-employment benefits*

These amounts are the current-year's estimated cost of providing for the City's superannuation contributions made during the year.

*Other long-term benefits*

These amounts represent long service benefits accruing during the year.

*Termination benefits*

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 25. RELATED PARTY TRANSACTIONS (Continued)

#### (c) Transactions with related parties

Transactions between related parties and the City are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guaranties exist in relation to related parties at year end.

The following transactions occurred with related parties:	2021 Actual \$	2020 Actual \$
<b>Tamala Park Regional Council</b>		
Sale of goods and services	31,598	21,857
Purchase of goods and services	60,281	28,828
Distributions received from Joint Venture entities	750,000	250,000
Reimbursement paid to Joint Venture entities	205,248	25,426
Trade and other payables	59,472	24,481
<b>Mindarie Regional Council</b>		
Sale of goods and services	78,280	79,117
Purchase of goods and services	2,638,180	2,497,004
Trade and other receivables	6,233	5,577
Trade and other payables	112,728	1,375

#### Related Parties

##### The City's main related parties are as follows:

##### i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

##### ii. Entities subject to significant influence by the City

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence.

Significant influence may be gained by share ownership, statute or agreement.

##### iii. Joint venture entities accounted for under the equity method

##### Tamala Park Regional Council

The City along with the City of Stirling, City of Joondalup, City of Wanneroo, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Tamala Park Regional Council. The City contributes one twelfth of any funding required for capital or operating costs and is entitled to one twelfth of revenue from the sale of the land. The City's one twelfth interest in the Tamala Park Regional Council is accounted for in the financial statements using the equity accounting method.

##### Mindarie Regional Council

The City along with the City of Stirling, City of Joondalup, City of Wanneroo, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Mindarie Regional Council. The City's one twelfth interest in the Mindarie Regional Council is accounted for in the financial statements using the equity accounting method.



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 26. INVESTMENT IN ASSOCIATES

	2021 \$	2020 restated	2020 \$
Equity in Mindarie Regional Council (a)	2,070,848	2,470,757	5,794,883
Equity Tamala Park Regional Council (b)	4,580,541	3,908,092	3,908,092
	6,651,389	6,378,849	9,702,975
Share of profit/(loss) from continuing operations			
Mindarie Regional Council	(399,909)	(64,617)	(193,835)
Tamala Park Regional Council	(47,714)	(13,366)	(13,366)
	(447,623)	(77,983)	(207,201)

#### (a) Mindarie Regional Council

The City of Perth, along with the City of Wanneroo, City of Joondalup, City of Stirling, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Mindarie Regional Council. The Mindarie Regional Council's objective is to establish and operate a long term refuse disposal site on Mindarie Super Lot 118. The City of Perth has contributed one twelfth of the land and establishment costs of the refuse disposal facility. The City uses the refuse disposal facility at Mindarie to deposit all non recyclable waste collected by the City's domestic and commercial waste services. Capital contributions paid during establishment are represented in the accounts of the City of Perth as a Non-Current Asset. The City currently has a contingent liability in relation to the Mindarie Regional Council Details of this contingent liability are provided in note 23.

	2021 \$	2020 restated	2020 \$
<b>Mindarie Regional Council total Comprehensive Income</b>			
Total operating revenues	55,810,250	56,230,418	56,230,418
Total operating expenses	(60,609,155)	(57,005,827)	(58,556,442)
<b>Net Result</b>	(4,798,905)	(775,409)	(2,326,024)
<b>Other comprehensive income</b>			
Net change on revaluation of assets	-	-	-
<b>Total Comprehensive Income</b>	(4,798,905)	(775,409)	(2,326,024)
- Share of associates profit/(loss) from ordinary activities	(399,909)	(64,617)	(193,835)
- Share of associates other comprehensive income arising during the period	-	-	-
- Share of associates total comprehensive income arising during the period	(399,909)	(64,617)	(193,835)
<b>Carrying amount at beginning of financial year</b>		5,988,718	5,988,718
Mindarie Regional Council restatement - initial application of AASB 1059		(3,453,344)	-
<b>Restated carrying amount at beginning of financial year</b>	2,470,757	2,535,374	5,988,718
- Share of associates total comprehensive income arising during the period	(399,909)	(64,617)	(193,835)
- Share of associates other movements arising during the period	-	-	-
<b>Carrying amount at 30 June</b>	<b>2,070,848</b>	<b>2,470,757</b>	<b>5,794,883</b>

#### Mindarie Regional Council Financial Position

Current Assets	42,526,862	40,659,608	40,659,608
Non Current Assets	90,593,148	103,135,423	64,690,790
<b>Total Assets</b>	133,120,010	143,795,031	105,350,398
Current Liabilities	14,479,677	14,128,381	8,355,529
Non Current Liabilities	95,107,847	101,335,259	28,773,967
<b>Total Liabilities</b>	109,587,524	115,463,640	37,129,496
<b>Net Assets</b>	<b>23,532,486</b>	<b>28,331,391</b>	<b>68,220,902</b>
<b>City's Share of Equity (one twelfth)</b>	<b>2,070,848</b>	<b>2,470,757</b>	<b>5,794,883</b>

Mindarie Regional Council adopted AAS 1059 Service Concession Arrangements : Grantors (issued December 2014) on 1 July 2019 resulting in changes to its accounting policies. In accordance with transition provisions of AASB 1059, the Mindarie Regional Council adopted the new rules retrospectively and measuring service concession assets and related liabilities on 1 July 2019. The adoption of AASB 1059 by Mindarie Regional Council has impacted the carrying value of the City's investment in associate at 30 June 2020.

The prior year comparatives have accordingly been restated. The carrying value of the investment in MRC at 1 July 2019 decreased by \$3,453,344 and the loss from associate during the period ended 30 June 2020 has decreased by \$129,218.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**26. INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD (continued)**

**(b) Tamala Park Regional Council**

The City of Perth, along with the City of Wanneroo, City of Joondalup, City of Stirling, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Tamala Park Regional Council. On the 21 February 2006 the City received a report advising the formal establishment of the Tamala Park Regional Council under Section 3.61 of the Local Government Act 1995. The Tamala Park Regional Council formally came into existence on the 3 February 2006. The Tamala Park Regional Council's activities centre around the development of part Lot 118 Mindarie. Lot 118 was initially purchased in 1981 to provide a refuse landfill site for member councils of the Mindarie Regional Council, this lot is now being developed with a purpose of creating a new urban land development and a new urban community. The investment in the Tamala Park Regional Council has been recognised at the value of its equity contributions. The City has undertaken a revaluation of its investments to fair value according to Local Government (Financial Management) Regulations.

	2021 \$	2020 \$
<b>(i) Retained Surplus Attributable to Equity Accounted Investments</b>		
Balance at beginning of the financial year	137,532	150,898
Share of associates profit/(loss) from ordinary activities	(47,714)	(13,366)
<b>Balance at end of the Financial Year</b>	<b>89,818</b>	<b>137,532</b>
<b>(ii) Carrying Amount of Equity Accounted Investments</b>		
Balance at beginning of the financial year	3,908,092	3,809,099
Share of associates profit/(loss) from ordinary activities	(47,714)	(13,366)
Share of associates other comprehensive income	0	0
Distribution to participants	(750,000)	(250,000)
Movement in Capital Contributions	1,470,163	362,359
<b>Balance at end of the Financial Year</b>	<b>4,580,541</b>	<b>3,908,092</b>
<b>(iii) Tamala Park Regional Council Financial Position</b>		
Current Assets	53,668,172	45,517,277
Non Current Assets	1,722,724	1,757,617
<b>Total Assets</b>	<b>55,390,896</b>	<b>47,274,894</b>
Current Liabilities	420,373	345,026
Non Current Liabilities	1,231	29,968
<b>Total Liabilities</b>	<b>421,604</b>	<b>374,994</b>
<b>Net Assets</b>	<b>54,969,292</b>	<b>46,899,900</b>
Retained Surplus	1,077,792	1,650,364
Reserves		
Revaluation Surplus	6,353	6,353
Council contributions	53,885,147	45,243,183
<b>Total Equity Tamala Park Regional Council</b>	<b>54,969,292</b>	<b>46,899,900</b>
<b>City's Share of Equity (one twelfth)</b>	<b>4,580,541</b>	<b>3,908,092</b>

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The City's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

### Initial recognition and subsequent measurement

Under the equity method, the investment in associates is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

## 27. MAJOR LAND TRANSACTIONS

### Tamala Park Regional Council

#### (a) Details

The Tamala Park Regional Council was established for the specific purpose of creating an urban development on 165 hectares of land immediately south of Neerabup Road and the Mindarie Regional Council. The project is expected to have a ten-year life cycle with more than 2,500 lots developed for housing that will be progressively sold in stages. The first stage of the development commenced in early 2011 and the first lots were released for sale in July 2012.

#### (b) Current year transactions

	2021 Actual	2020 Actual
<b>Other revenue</b>	<b>\$</b>	<b>\$</b>
- Sale proceeds	2,492,783	753,135
<b>Other expenditure</b>		
- Purchase of land	(228,250)	(51,749)
- Development costs	(820,959)	(320,080)
	<u>1,443,574</u>	<u>381,306</u>



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 28. RATING INFORMATION

#### (a) Rates Gross Rental Values

Landgate Valuation Services provides the City with Gross Rental Values (GRV) on a triennial basis. The current triennial valuation has been applied since 1 July 2020 and may be adjusted with interim valuations from the same source.

#### Differential General Rates

The City uses a Differential Rating Model in setting its rates, the objective being to provide equity in the rating of properties across the City. In formulating the model for 2020/21, the City was required to ensure that there was no overall increase in the rates yield from that raised in 2019/20, meaning that the total amount of rates collected in 2020/21 would be approximately the same as 2019/20.

The City of Perth imposes differential rates under the provisions of Section 6.33 of the Local Government Act 1995 on all rateable land within the City according to the predominant purpose for which the land is held or used, as determined by the City. The objects and reasons for the imposition of each differential general rate are:

#### Commercial

This classification includes a variety of land uses including wholesalers, warehouses, industrial, entertainment and sporting facilities. All these assets have a common factor in being commercial operations with the object of attracting visitors and tourists to the City to contribute to city vitality. The City has set a rate for this sector at 6.47853 cents per dollar of GRV.

#### Hotel

This classification includes land where the predominant purpose for which the land is held or used is hotels, short-stay serviced apartments, hostels and board and lodging accommodation. The rate in the dollar of 6.41214 cents is to ensure that the proportion of total rates derived from this category represents an equitable contribution towards service provision and for the ongoing maintenance of the City's assets.

#### Retail

This classification includes retail sales and services. All these property assets have a common factor in being retail operations with the object of attracting visitors and tourists to the City, both for shopping and to contribute to City vitality. The rate in the dollar for this category is 6.47926 cents per dollar of GRV.

#### Office

This classification includes land where the predominant purpose for which it is used or held is office accommodation. This category has historically had a lower rate in the dollar than other categories, acknowledging the challenge of responsibly balancing the prevailing business climate, occupancy levels and sustaining a thriving CBD. The rate in the dollar for this category is 5.45000 cents.

#### Residential

The Residential classification covers properties that are used for single and multi-dwellings. The residential rate of 6.45000 cents in the dollar is to ensure that all ratepayers in this category make an equitable contribution towards service provision and for the ongoing maintenance of the City's assets primarily used by residential ratepayers

#### Vacant Land

This category relates to the limited stock of vacant land in the City. The rate in the dollar is 7.39961 cents.

#### Minimum Rate

The City imposed a two-tiered approach to minimum rates in 2020/21. The minimum rates recognise that every rateable property in the City receives some benefit from the services and assets that the City provides. A minimum rate of \$800 applies to Commercial, Office and Vacant Land categories, and a discounted rate of \$750 applies to Retail, Hotel and Residential categories. The City has 10% of all properties levied at the minimum rate.

#### Emergency Services Levy

The State Government introduced an Emergency Services Levy (ESL) which, from 1 July 2003, is collected by Local Governments on behalf of the Department of Fire and Emergency Services of Western Australia.

The City falls under the Career Fire and Rescue Services boundary, ESL Category 1. The Levy is based on the Property GRV's and appears as a separate charge on the Rate Notices. The applicable ESL Rates for the financial year were as itemised on page 47. The interest rate imposed by the Emergency Services Legislation on ESL charges that remained unpaid after the due date was 5.5% pa applicable from the due date for payment.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 28. RATING INFORMATION (Continued)

Emergency Services Levy			Residential and Vacant Land Commercial, Industrial and Other													
ESL Category		(cents per \$GRV)		Minimum Charges by Property Use		Maximum Charges by Property Use		Minimum Charges by Property Use		Maximum Charges by Property Use						
1		0.014839		84		441		84		251,000						
RATE TYPE	Rate in \$	Number of Properties	2020/21		2020/21		2020/21		2020/21		2020/21		2020/21		2019/20	
			Actual Ratesable Value	\$	Actual Rate	Revenue \$	Actual Interim Rates	Property Use	Actual Back Rates	Property Use	Actual Total Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Actual Total Revenue	
Gross rental valuations																
Commercial	0.06478530	675	105,769,304		6,852,296	(54,325)		(7,636)		6,790,335	300,000		7,146,686		24,367,286	
Hotel	0.06412140	751	103,374,441		6,628,513	557,519		274,304		7,460,336	-		6,629,411		-	
Retail	0.06479260	513	131,956,840		8,549,826	(102,201)		(4,096)		8,443,529	-		8,548,488		-	
Office	0.05450000	2,173	976,973,017		53,240,266	100,519		(1,456)		53,339,330	20,000		53,169,402		51,654,184	
Residential	0.06450000	14,585	307,938,635		19,859,584	44,673		9,018		19,913,275	90,000		19,959,895		19,947,834	
Vacant	0.07399610	74	23,692,600		1,753,160	(836,934)		(13,364)		902,862	-		1,753,161		1,493,241	
Sub-Total		18,771	1,649,704,837		96,883,645	(290,749)		256,770		96,849,667	410,000		97,207,043		97,462,545	
Minimum payment																
Gross rental valuations																
Commercial	800	39	207,656		31,200	-		-		31,200	-		31,200		395,670	
Hotel	750	616	4,853,724		462,000	-		-		462,000	-		462,000		-	
Retail	750	19	156,909		14,250	-		-		14,250	-		14,250		-	
Office	800	217	2,485,015		173,600	-		-		173,600	-		173,600		135,036	
Residential	750	1,123	11,132,396		842,250	-		-		842,250	-		842,250		556,116	
Vacant	800	4	3,185		3,200	-		-		3,200	-		3,200		1,452	
Sub-Total		2,018	18,838,885		1,526,500	-		-		1,526,500	-		1,526,500		1,088,274	
Discounts (Note 28(b))																
Total amount raised from general rate			20,789	1,668,543,722	98,410,145	(290,749)		256,770		98,376,167	410,000		98,733,543		98,550,819	
Ex-gratia rates										(433,070)			(410,000)		(291,052)	
Totals										97,943,097			98,323,543		98,259,767	
Significant Accounting Policies										11,854			9,361		7,648	
										97,954,951			98,332,904		98,267,415	

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 28. RATING INFORMATION (Continued)

#### 28. RATING INFORMATION (Continued)

##### (b) Discounts, Incentives, Concessions, & Write-offs

Owners of Heritage listed properties under the City Planning Scheme are eligible to apply for Heritage Rate Relief concession subject to the criteria detailed in Council Policy 9.2 Heritage Rate concessions. A 10% concession of Rates will be applied to qualifying heritage properties for a period of up to three consecutive years (up to a maximum of \$20,000 per annum), with the minimum concession being equal to the minimum rate for that property category. The concession applies to general rates only and does not impact rubbish service charges or Emergency Services Levy.

Rate or Fee Discount Granted	Discount		2021		2020	
	%	\$	Actual	Budget	Actual	\$
Heritage Rate Relief Concession	10.00%		433,070	410,000		291,502
Waivers or Concessions			433,070	410,000		291,502
<b>Concessions</b>						

In accordance with the provisions of the Rates and Charges (Rebates and Deferments) Act 1992, concessions were offered to eligible persons to allow them to either defer their rates or receive a percentage of rebate on their rates. This is provided they register within the specified period and pay the balance of the rates within the year in which they are assessed. To be eligible for a concession, a ratepayer is required to be an "eligible person" in terms of the Act and to be the registered owner of the property at 1 July of the rating year. Eligible persons are also entitled to a concessional rate for a standard waste management charge.

##### Exemptions

In terms of S6.26(k) of the Local Government Act 1995, the Minister exercised his discretion in favour of the West Australian Cricket Association (WACA) in respect of rates raised for the year for their cricket ground at Nelson Crescent, East Perth. A concession of 88.5% was granted resulting in a rebate of \$175,789 in 2020/21 (2019/20 88.5% Exemption: \$151,703).



**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**28. RATING INFORMATION (Continued)**

**(c) Interest Charges & Instalments**

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
<b>Option One</b>				
Single full payment	28/09/2020	0.00	0.00%	5.50%
<b>Option Two</b>				
First instalment	28/09/2020	35.00	5.50%	5.50%
Second instalment	27/11/2020	0.00	5.50%	5.50%
<b>Option Three</b>				
First instalment	28/09/2020	35.00	5.50%	5.50%
Second instalment	27/11/2020	0.00	5.50%	5.50%
Third instalment	5/02/2021	0.00	5.50%	5.50%
Fourth instalment	9/04/2021	0.00	5.50%	5.50%

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Interest on unpaid rates	196,431	247,896	291,192
Interest on instalment plan	420,454	480,000	393,101
Charges on instalment plan	257,857	290,000	356,733
	874,742	1,017,896	1,041,026

The City imposed an additional charge for the payment of rates and ESL by instalments as follows:

The rate of interest charged on instalment payments was 5.5% p.a. and was only applied if either the two or the four instalments option was selected.

The administration charge on both instalment options was \$35.00. An administration fee of \$45.00 was charged on all arrangements made for payment outside the normal terms.

The first instalment was due within 35 days from the date of issue of the rate notice and comprised of any arrears, waste management charge, one quarter of current rates and ESL, plus an administration charge and instalment interest. The second, third and fourth instalments comprised of one quarter of current rates and ESL, plus an administration charge and instalment interest.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**29. RATE SETTING STATEMENT INFORMATION**

		2020/21 2020/21 (30 June 2021 Carried Forward)	2020/21 Budget (30 June 2021 Carried Forward)	2020/21 (1 July 2020 Brought Forward)
	Note	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with Financial Management Regulation 32.				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	11(a)	(1,638,792)	(614,141)	(107,347)
Less: Movement in employee benefit provisions associated with restricted cash		-	-	(28,164)
Movement in pensioner deferred rates (non-current)		(3,226)	-	16,754
Movement in employee benefit provisions (non-current)		(493,924)	-	235,085
Movement in non-current contract liabilities		(120,000)		
Add Back: Fair value movement of Current assets		1,181,719		
Add: Non-Capitalised WIP expensed		1,552,090	-	2,465,621
Add: Loss on disposal of assets	11(a)	2,210,676	2,958,594	1,585,308
Add: Depreciation on non-current assets	11(c)	38,265,343	36,189,735	38,559,160
<b>Non-cash amounts excluded from operating activities</b>		<b>40,953,886</b>	<b>38,534,188</b>	<b>42,726,417</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with Financial Management Regulation 32 to agree to the surplus/(deficit) after imposition of				
<b>Adjustments to net current assets</b>				
Less: Reserves - cash/financial asset backed	4	(106,502,287)	(92,066,022)	(101,133,864)
Less: Current assets not expected to be received at end of year - Contract Liabilities/Movement in conditions over contributions		-	-	(1,838,194)
Add: Current liabilities not expected to be cleared at end of year - Current portion of borrowings	18(a)	3,566,021	4,751,628	4,233,037
- Current portion of lease liabilities		63,932	-	-
- Employee benefit provisions		-	-	2,018,137
<b>Total adjustments to net current assets</b>		<b>(102,872,334)</b>	<b>(87,314,394)</b>	<b>(96,720,884)</b>
<b>Net current assets used in the Rate Setting Statement</b>				
Total current assets		179,657,129	137,252,383	173,170,246
Less: Total current liabilities		(44,730,094)	(39,595,418)	(36,605,120)
Less: Total adjustments to net current assets		(102,872,334)	(87,314,394)	(96,720,884)
<b>Net current assets used in the Rate Setting Statement</b>		<b>32,054,701</b>	<b>10,342,571</b>	<b>39,844,242</b>

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 30. FINANCIAL RISK MANAGEMENT

This note explains the City's exposure to financial risks and how these risks could affect the City's future financial performance.

Risk	Exposure arising from	Measurement	Management
<b>Market risk - interest rate</b>	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
<b>Credit risk</b>	Cash and cash equivalents, trade receivables, financial assets and debt	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
<b>Liquidity risk</b>	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

#### (a) Interest rate risk

##### Cash and cash equivalents

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
<b>2021</b>					
Cash and cash equivalents	0.50%	37,884,920	11,000,000	26,703,136	181,784
Financial assets at amortised cost - term deposits	0.91%	124,000,000	124,000,000	-	-
Financial assets at fair value through profit and loss - Unlisted securities		6,660,917	-	6,660,917	-
<b>2020</b>					
Cash and cash equivalents	1.43%	37,727,249	2,000,000	35,560,362	166,887
Financial assets at amortised cost	1.82%	117,750,000	117,750,000		-
Financial assets at fair value through profit and loss - Unlisted securities		5,931,271	-	5,931,271	-

##### Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2021	2020
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	1,685,458	1,614,085

\* Holding all other variables constant

##### Borrowings

Borrowings are entered into with the Western Australian Treasury Corporation and attract fixed interest rates therefore the City of Perth is not exposed to interest rate risk on loans and borrowings.



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 30. FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Credit risk

##### Trade and Other Receivables

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

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

The City applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 60 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

The loss allowance as at 30 June 2021 for rates receivable was determined as follows. No expected credit loss was forecast for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2021</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0%
Gross carrying amount	1,064,759	370,988	101,633	61,600	1,598,980
<b>30 June 2020</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	\$0
Gross carrying amount	2,069,665	337,357	74,970	70,468	2,552,460

The loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2021</b>					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	72.00%	55.52%
Gross carrying amount	1,296,165	558,384	295,392	7,241,522	9,391,463
Loss allowance	-	-	-	5,214,105	5,214,105
<b>30 June 2020</b>					
Trade and other receivables					
Expected credit loss	4.64%	4.70%	2.18%	64.90%	53.30%
Gross carrying amount	944,405	444,841	447,515	7,797,591	9,634,352
Loss allowance	43,850	20,919	9,765	5,060,643	5,135,177

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**30. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Liquidity risk**

**Payables and borrowings**

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

The contractual undiscounted cash flows of the City's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2021</b>					
Payables	28,512,315	-	-	28,512,315	28,512,315
Borrowings	3,566,021	1,081,707	-	4,647,728	4,545,935
Contract liabilities	1,031,908	2,033,243	-	3,065,151	3,065,151
Lease liabilities	63,932	5,236,411	-	5,300,343	3,181,310
	33,174,176	8,351,361	-	41,525,537	39,304,711
<b>2020</b>					
Payables	20,894,381	-	-	20,894,381	20,894,381
Borrowings	4,233,037	4,895,733	-	9,128,770	8,778,971
Contract liabilities	992,285	1,425,000	-	2,417,285	2,417,285
Lease liabilities	61,830	5,410,610	-	5,472,440	3,243,141
	26,181,533	11,731,343	-	37,912,876	35,333,778

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 31. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The City, along with other member councils of the Mindarie Regional Council, has agreed to provide a financial guarantee to the operators of the resource recovery facility to be built at the Mindarie Regional Council site at Neerabup.

The guarantee covers Mindarie Regional Council's obligations to make a termination payment to the facility operators if there is a Force Majeure event, a default event under the Resource Recovery Facility Agreement by the Mindarie Regional Council or where member Councils of Mindarie Regional Council fail to pay the applicable gate fees.

The financial guarantee is to provide comfort to the operator (and its Financiers) by providing a direct contractual relationship between each member council and the operator.

The MRC is party to a 20-year waste processing agreement with BioVision 2020 Pty Ltd (BioVision) which commenced in 2009. Under the agreement, BioVision processes 100,000 tonnes of waste per year for the MRC at the Resource Recovery Facility (RRF) in Neerabup, extracting the organic material from the largely unsorted waste stream for beneficial use.

With the introduction of the new State Waste Strategy, there is a clear change to the way in which organics will be separated and stored at the household level through the use of a third bin for Food Organics and Garden Organics (FOGO).

The change to organics handling in Perth, now and into the future, means that the RRF is no longer the most suitable processing infrastructure and technology for this material stream. To this end, the MRC and Biovision have mutually agreed to terminate their processing agreement with effect from 31 August 2021. MRC is required to compensate the operators for the cashflows they would have received assuming the RRF continued from the negotiated exit date until its contractual end date of June 2029, discounted for risks and time value of money.

As a result, this guarantee has been called upon and the City has since contributed its share of this guarantee of \$7,083,333 to the Mindarie Regional Council subsequent to the year end (refer to note 23 and 32).



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 32. PRIOR PERIOD RESTATEMENTS AND GUARANTEE PAYMENT

(a) **Guarantee payment**

Subsequent to balance sheet date, the City was called upon to pay its share of \$7,083,333 to Mindarie Regional Council in August 2021, in full and final settlement of its obligations under the Resource Recovery Facility agreement. This will be reported in the 2021-22 financial statements. Refer to Note 31-Events occurring after the reporting date.

(b) **Associate entity restatement**

Mindarie Regional Council adopted AASB 1059 Service Concession Arrangements : Grantors (issued December 2014) On 1 July 2019 resulting in changes to its accounting policies. In accordance with transition provisions of AASB 1059, the Mindarie Regional Council adopted the new rules retrospectively and measuring service concession assets and related liabilities on 1 July 2020. The adoption of AASB 1059 by Mindarie Regional Council has impacted the carrying value of the City's investment in associate at 30 June 2020.

The prior year comparatives have accordingly been restated. The carrying value of the investment in MRC at 1 July 2019 decreased by \$3,453,344 and the City's share in Mindarie Regional Council's loss for 2019-20 decreased by \$129,218.

(c) **Correction of prior period adjustments**

Balances relating to the 2020 comparative year have been amended due to the correction of prior period balances. These amendments have been adjusted as shown below and, in accordance with the requirements of AASB 101, a statement of financial position as at the beginning of the earliest comparative period has been included.

	30 June 2020	Increase/ (Decrease)	30 June 2020 (Restated)
	\$	\$	\$
<b>As at 1 July 2019</b>			
Accumulated surplus	(692,321,888)	3,453,344	(688,868,544)
<b>2019-20</b>			
<b>Statement of Comprehensive Income (Extract)</b>			
<u>By Nature and Type</u>			
Share of net (loss)/profit of associates accounted for using the equity method	(207,201)	129,218	(77,983)
<u>By Program</u>			
Share of net (loss)/profit of associates accounted for using the equity method	(207,201)	129,218	(77,983)
<b>Statement of Financial Position (Extract)</b>			
Investment in associates	9,702,975	(3,324,126)	6,378,849
Net assets	1,242,191,625	(3,324,126)	1,238,867,499
Retained surplus	(708,421,629)	3,324,126	(705,097,503)
Total equity	(708,421,629)	3,324,126	(705,097,503)
<b>Note 22 - Total Assets classified by function and activity</b>			
Governance	173,863,672	(3,324,126)	170,539,546
<b>Note 26 - Investment in associates</b>			
Equity in Mindarie Regional Council	5,794,883	(3,324,126)	2,470,757

The City has reclassified capitalised work in progress amounting to \$19,262,307 from Property, Plant and Equipment to Infrastructure in the prior year, with no impact on measurement. Comparative figures have been adjusted to conform with changes in presentation with the current year.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**33. TRUST FUNDS**

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	1 July 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
Lord Mayors Distress Relief Fund	-	920,811	(917,484)	3,328
Other	266,894	4,134	(1,425)	269,603
	266,894	924,945	(918,908)	272,931

A review of the City's trust account was undertaken during the reporting period. All individual account balances were examined to determine whether ownership resided with the City or with the stated parties. No amounts were brought to account as general revenue during the reporting period (30 June 2020 \$nil).

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 34. OTHER SIGNIFICANT ACCOUNTING POLICIES

#### a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

#### b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operational cycle. In the case of liabilities where the City 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 or non-current based on the City's intentions to release for sale.

#### c) Rounding off figures

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

#### d) Comparative figures

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

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

#### e) 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.

#### f) Superannuation

The City contributes to a number of Superannuation Funds on behalf of employees. All funds to which the City contributes are defined contribution plans.

#### g) Fair value of assets and liabilities

Fair value is the price that the City would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.



## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 34. OTHER SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### h) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

##### Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

##### Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

##### Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

#### Valuation techniques

The City selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the City are consistent with one or more of the following valuation approaches:

##### Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

##### Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

##### Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the City gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

#### i) Impairment of assets

In accordance with Australian Accounting Standards the City's cash generating non-specialised 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 impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 35. ACTIVITIES/PROGRAMS

City operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME	OBJECTIVES	ACTIVITIES
<b>GOVERNANCE</b>	To provide a decision making process for the efficient allocation of limited resource.	Members of Council, civic receptions and functions, public relations, electoral and other issues relating to the task of assisting Councillors and the ratepayers which do not concern specific Council services.
<b>GENERAL PURPOSE FUNDING</b>	To collect revenue to allow for the provision of services.	General rate revenue, penalty for late payment, ex gratia rates, rate administration fee, rate instalment fee, back rates, general purpose grants, untied road grants, interest on deferred rates, investment returns, discounts received, interest on long term borrowings.
<b>LAW, ORDER, PUBLIC SAFETY</b>	To provide services to help ensure a safer and environmentally conscious community.	Fire prevention including the clearing for fire hazards, animal control, by-law control, public security, civil emergency services, park rangers, neighbourhood watch.
<b>HEALTH</b>	To provide an operational framework for environmental and community health.	Preventive services including, food control, health inspections, pest control, other health.
<b>EDUCATION AND WELFARE</b>	To provide services to disadvantaged persons, the elderly, children and youth.	Child care centres, aged and disabled, senior citizen's centres, welfare administration, donations to welfare organisations, other welfare, education services.
<b>HOUSING</b>	To provide and maintain elderly or affordable housing to residents.	Maintain and administer affordable housing.
<b>COMMUNITY AMENITIES</b>	To provide services required by the community.	Rubbish collections, recycling, refuse site operations, litter control, public litter bins, abandoned vehicles, pollution control, town planning control/studies, Citiplace administration, pedestrian malls, Forrest Place, street seats, memorials, bus shelters, rest centres, public conveniences.
<b>RECREATION AND CULTURE</b>	To establish and efficiently manage infrastructure and resources to help the social wellbeing of the community.	Public halls, civic centre, parks, sports grounds, community recreation programs, cycle ways, library, community arts program, Concert Hall, Perth Town Hall, donations to cultural institutions, parades and festivals, Christmas decorations, event and corporate sponsorship, Skyworks, state and precinct events.
<b>TRANSPORT</b>	To provide safe, effective and efficient transport services to the community.	Roads, footpaths, rights of way, drainage, road verges, median strips, overpasses, underpasses, street lighting, street cleaning, street trees, traffic surveys, traffic management, depot operations, parking facilities.
<b>ECONOMIC SERVICES</b>	To help promote the Capital City of Perth and improve its economic wellbeing.	Tourism and promotions, Perth Convention Bureau subsidies, building control, retail marketing, Christmas events and destination promotions.
<b>OTHER PROPERTY AND SERVICES</b>	To monitor and control Council's overheads and operating accounts.	Public works overheads, plant/vehicle operations, sundry property and other outlays that cannot be assigned to one of the preceding programs.

**Notes to and forming part of the Financial Report**  
for the year ended 30 June 2021

**36. FINANCIAL RATIOS**

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.64	2.03	1.52
Asset consumption ratio	0.53	0.55	0.58
Asset renewal funding ratio	1.00	1.00	0.99
Asset sustainability ratio	0.69	0.48	0.55
Debt service cover ratio	8.84	6.67	5.00
Operating surplus ratio	0.00	(0.02)	0.05
Own source revenue coverage ratio	0.98	0.98	1.01

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$

## Notes to and forming part of the Financial Report for the year ended 30 June 2021

### 37. SIGNIFICANT ITEMS

The following items are of such a size, nature or incidence that its disclosure is relevant in explaining the City's financial performance for the reporting period.

#### Elizabeth Quay and Perth City Link

Several road reserves and public open spaces at Elizabeth Quay and Perth City link were subdivided and custodianship of the land was transferred to the City in previous reporting periods. However, asset handover which is defined as the transfer of asset ownership and associated responsibilities, has not been transferred to the City. For Perth City Link, the City has brought to book some of the road reserves and public open spaces where the handover information provided is sufficient in detail in terms of the quantity and valuation of assets. This information has allowed the City to recognise these assets at fair value as nearest to the date of practical completion. Future asset handovers from Development WA (formerly the MRA) to the City are expected to continue over the coming years. As it currently stands, the City has not received any asset handover from Development WA at Elizabeth Quay. All asset ownership resides with Development WA regardless of titles being vested to the City.

The City is endeavouring at the reporting date to obtain the requested and required details for any outstanding asset handover where vesting has already occurred. Development WA have proposed beginning the asset handover process in late 2020 and finalising the handover of all public infrastructure at Elizabeth Quay by 2024.

#### Contributed Assets

The following assets were transferred to the City and listed as contributed assets during the reporting period.

	Infrastructure \$	Total \$
Contributor:		
Perth City Link	2,969,537	2,969,537
	<b>2,969,537</b>	<b>2,969,537</b>





## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2021 City of Perth

To the Councillors of the City of Perth

## Report on the audit of the annual financial report

### Opinion

I have audited the financial report of the City of Perth (City) which comprises:

- the Statement of Financial Position at 30 June 2021, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information
- the Statement by the Chief Executive Officer.

In my opinion the financial report of the City of Perth:

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2021 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

### Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities section below. I am independent of the City in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of matter – Associate entity restatement and guarantee payment

I draw attention to Note 32 of the financial report which: (a) discloses the 2020 financial impact of the initial application of accounting standards AASB 1059 from the associated entity; and (b) discloses a guarantee payment made by the City subsequent to reporting date. My opinion is not modified in respect of this matter.

## **Responsibilities of the Chief Executive Officer and Council for the financial report**

The Chief Executive Officer (CEO) of the City is responsible for the preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards. The CEO is also responsible for managing internal control (as required by the CEO) to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the City.

The Council is responsible for overseeing the City's financial reporting process.

## **Auditor's responsibility for the audit of the financial report**

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

## **Report on other legal and regulatory requirements**

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the City:
  - a. The Asset Sustainability Ratio as reported in Note 36 of the annual financial report has been below the Department of Local Government, Sport and Cultural Industries' basic standard for the past three financial years.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

## Other information

The other information is the information in the entity's annual report for the year ended 30 June 2021, but not the financial report and my auditor's report. The CEO is responsible for the preparation and the Council for overseeing the other information.

My opinion does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

## Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Perth for the year ended 30 June 2021 included on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



Caroline Spencer  
Auditor General for Western Australia  
Perth, Western Australia  
23 March 2022

# APPENDIX A

## Partnership, Grant, Sponsorship and Donation Funding Arrangements

To support Perth's broad community and business needs, the City offers a wide range of grants and sponsorship programs. Grants and sponsorships support recipients to deliver programs, events and services that bring social, cultural and economic return to Perth.

### NOTE

A number of the City's confirmed grants and sponsorships were affected due to the onset of the COVID-19 pandemic. Events and projects that were approved for funding but cancelled or postponed as a result of COVID-19 are noted in this Annual Report.

- Funding was approved prior to FY2020/21 but was postponed due to COVID-19 and delivered in FY2020/21
- Funding was approved prior to FY2020/21 but was for a multi-year initiative that happened and was paid for in FY2020/21
- Event or Project was cancelled as a result of COVID-19 and the grant or sponsorship did not go ahead

All amounts specified are excluding GST.

## Strategic Event Sponsorship

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquitted
West Coast Fever	West Coast Fever	\$105,000	\$10,000	\$20,000
Fairfax Media Events Ltd	Good Food Month including Night Noodle Markets	\$80,000	\$0	\$40,000
Targa West Pty Ltd	Make Smoking History Targa West	\$70,000	\$0	\$70,000



## Event Sponsorship

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
<b>EVENT SPONSORSHIP ROUND 1 FY2020/21</b>				
GLBTI Rights In Aging Inc (GRAI)	Barn Dance 2020	\$3,000	\$0	\$3,000
East Perth Community Safety Group Inc	The Teeniest Tiniest Festival in The World	\$3,000	\$0	\$3,000
Perth International Jazz Festival Inc	2020 Perth International Jazz Festival	\$28,000	\$0	\$28,000
Seven Network Operations Limited	Alinta Energy Christmas Pageant	\$120,000	\$0	\$120,000
The Western Australian Yachting Foundation (Inc), T/A Swan River Sailing	2021 Perth Festival of Sail	\$25,000	\$0	\$25,000
The Chung Wah Association Inc	Perth Chinese New Year Fair 2021	\$70,000	\$0	\$70,000
Perth Glendi Association of WA	Perth Glendi 2021	\$15,000	\$0	\$15,000
Consular Corps of Western Australia Inc	Western Australia Inc Consular Corps of WA Inc– World of Food Festival 2020	\$5,000	\$0	N/A
<b>EVENT SPONSORSHIP ROUND 2 FY2020/21</b>				
Perth Indonesian Community Inc	Summer Time Multicultural Festival and Food Bazaar	\$13,625	\$0	\$13,625
Tarruru Pty Ltd	REMEDY: Actions for the City	\$7,500	\$0	0
Japan Festival Inc	Perth Japan Festival Matsuri 2021	\$15,000	\$0	\$15,000
Indian Society of WA	ISWA Holi 2021, Festival of Colours	\$14,500	\$0	0
Propel Youth Arts WA	Youth Week WA KickstART Festival 2021	\$25,000	\$0	\$25,000
Buddha's Light International Association of WA	Buddha's Birthday and Multicultural Festival 2021	\$40,000	\$0	\$40,000
Nursery and Garden Industry Western Australia (NGIWA)	Perth Garden and Outdoor Living Festival 2021	\$80,000	\$55,000	\$135,000
Mother's Day Classic Foundation	Perth Mother's Day Classic Local	\$12,500	\$0	\$12,500

Campbell Management Services (CMS Events)	City Wine 2021	\$15,000	\$0	\$15,000
Black Swan State Theatre Company of WA	Maali Festival 2021	\$50,000	\$0	0
Brookfield Commercial Operations Pty Ltd	Winter Lights at Brookfield Place 2021	\$25,000	\$0	0
HBF Health Limited	HBF Run for a Reason 2021	\$40,000	\$0	N/A
NAIDOC Perth Inc	NAIDOC Week 2020	\$30,000	\$0	\$30,000

#### EVENT SPONSORSHIP ROUND 1 FY2021/22

NAIDOC Perth Inc	NAIDOC Opening Ceremony and Bindaran (2021 event)	\$150,000	\$6,000	0
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#### EVENT SPONSORSHIP FY2019/20 (MULTI-YEAR)

Event Services Productions	PrideFest 2020	\$65,000	\$0	N/A
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#### FY2019/20 Event Grants Delayed to FY2020/21

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
<b>EVENT GRANTS FY2019/20</b>				
Rowing WA	Elizabeth Quay Rowing Regattas 2020	\$3,500	\$0	0
Farming Champions Inc	Farmer On Your Plate	\$5,000	\$0	0

## Events and Activation Quick Response Grants

Funding approved by Delegation

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
The Court	The Court vs Connections	\$5,000	\$0	\$5,000
Rebound WA	Rebound WA City Showcase	\$5,000	\$0	\$5,000
Creative Mazes	Dino-Land at Yagan Square	\$5,000	\$0	\$5,000
Westgrove Investments Pty Ltd (T/A Carnival Amusements)	Elizabeth Quay Fun Fair	\$5,000	\$0	\$5,000
Let's Make Games	Perth Games Festival	\$5,000	\$0	\$5,000
Emma Madle	Perth Vegan Expo – World Vegan Day Perth 2020	\$3,000	\$0	\$3,000
Ancient Enterprises Pty Ltd	Museum Street Social	\$5,000	\$0	\$5,000
Peter Foley	Rave Relief	\$4,370	\$0	\$4,370
Perth City Farm Inc	Festive Twilight Market Series	\$5,000	\$0	\$5,000
Westgrove Investments Pty Ltd	Yagan Square Wonderland	\$5,000	\$0	\$5,000
Wilora Keeley	Snatch Street Party	\$5,000	\$0	\$5,000
Oh Hey WA	Heritage Perth Weekend: 2 x Northbridge Walking Tours	\$5,000	\$0	\$5,000
Southern Forests Food Council	WA's Great Graze – Perth City Farm Event	\$5,000	\$0	\$5,000
Tee-Ball Association of WA (Inc)	WA Tee-Ball State Championships	\$5,000	\$0	\$5,000
Animal Rights Advocates	Perth Vegan Expo 2021	\$5,000	\$0	\$5,000
West Australian Marathon Club Inc	Perth Bridges Fun Run	\$5,000	\$0	\$0
Colgan Industries	Ultimate Backyard Cricket Match	\$5,000	\$0	\$0
East Perth Community and Safety Group	City Sessions – Fairlanes Amphitheatre	\$2,000	\$0	\$0
WA French Festival Inc	French Christmas Market	\$5,000	\$0	N/A
Kate Wilson Events	Dirty Cabaret – Halloween The Rocky Horror Picture Show Experience	\$2,500	\$0	N/A
Kingdomcity	Kingdomcity Christmas Remix Production	\$5,000	\$0	N/A

## Winter Quick Response Grants

Funding approved by Delegation

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
East Perth Community and Safety Group	Winter Scavenger Hunt–Claisebrook	\$9,850	\$0	\$0
East Perth Community and Safety Group	Winter Scavenger Hunt–East Perth	\$10,000	\$0	\$0
Activate Perth	Spring Laneway Activation	\$10,000	\$0	\$0
Western Residents	Western Residents Winter Celebration	\$10,000	\$0	\$0
West Perth Local Residents	West Perth Winter Markets	\$10,000	\$0	\$0

## Donations

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
RSLWA	2021 ANZAC DAY Commemorations	\$56,341	\$44,437	\$9,988 (in-kind)



## Arts Sponsorships

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
<b>ARTS SPONSORSHIP (ANNUAL) ROUND 1 FY2019/20 (MULTI-YEAR)</b>				
Perth Institute of Contemporary Arts (PICA)	Community Engagement and Artist Development Program	\$60,000	\$0	\$0
AWESOME Arts	AWESOME Arts Festival	\$100,000	\$0	\$0
WA Opera Company	Opera in the Park	\$145,000	\$0	\$145,000
<b>ARTS SPONSORSHIP FY2020/21)</b>				
The Lester Prize	Exhibition and Public Program	\$50,000	\$0	\$50,000
West Australian Ballet Company	WAB City Connections	\$30,000	\$0	\$0
The Blue Room Theatre	2021 Artistic Program	\$65,000	\$0	\$0
Black Swan State Theatre Company	Sector Development Program	\$45,000	\$0	\$0
The Contemporary Dance Company of WA (CO3)	Sector Development Program	\$25,000	\$0	\$0
The West Australian Music Industry Association	WAMFest	\$60,000	\$0	\$60,000
STRUT Dance	The Statement	\$25,000	\$0	N/A

## Strategic Arts Sponsorships

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
<b>STRATEGIC ARTS SPONSORSHIP FY2019/20 (MULTI-YEAR)</b>				
WA Symphony Orchestra	Symphony in the City 2020	\$150,000	\$0	\$150,000

## Arts Grants

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
<b>ART GRANTS FY2020/21</b>				
Propel Youth Arts WA	Mosaic	\$7,500	\$0	\$7,500
Community Arts Network Western Australia	Burdiya Karni Waangkinny	\$23,000	\$0	\$0
Centre for Stories Limited	Side Walks	\$7,500	\$0	\$7,500
WA Poets	Perth Poetry Festival 2020	\$6,000	\$0	\$6,000
Nulsen Group	As We Are Art Award & Exhibition	\$8,000	\$0	\$8,000
Barking Gecko Theatre Company	New Audiences. New Stories. New Writers.	\$25,000	\$0	\$25,000
Magic Nation	Magic Nation Presents	\$10,000	\$0	\$10,000
The Perth Centre for Photography	PCP Artistic Development and Presentation Program	\$10,500	\$0	\$0

**ARTS GRANTS ROUND 3 (FY2019/20) DELAYED**

Environmental Consultants Association (WA) Inc	Biodiversity in Western Australia Art Exhibition	\$1,500	\$0	\$1,500
RTRFM 92.1	In The Pines 2020	\$6,000	\$0	\$6,000
Melissa Cantwell	Whale Fall	\$10,000	\$0	\$10,000
Tone List	Audible Edge Festival of Exploratory Music: City Program	\$5,000	\$0	\$5,000

**Arts and Culture Quick Response Grants**

Funding approved by Delegation

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
Writing WA Inc	Kembali 20 Perth	\$3,000	\$0	\$3,000
Revelation Perth International Film Festival Inc	FourByFour	\$5,000	\$0	\$5,000
Not Sold Separately	The 2020 Isolympics	\$5,000	\$0	\$5,000
Mr Samuel Newman	Quest for the Night Parrot	\$3,000	\$0	\$3,000
Parkin Projects	Cry Baby	\$3,500	\$0	\$3,500
Mr David Todd	Nights at Fringe	\$3,900	\$0	\$3,900
Music Book Stories Inc	Performances of Mem Fox's book 'Wilfred Gordon McDonald Partridge'	\$5,000	\$0	\$5,000
Tone List	Audible Edge: Festival of Sound	\$5,000	\$0	\$5,000
Madeleine Young	FIRE	\$1,608	\$0	\$1,608
Mx Hannah Sorenson	Justin Sider is D!ckless	\$5,000	\$0	\$5,000

Badlands Bar	Brewed in WA	\$5,000	\$0	\$5,000
April Vardy	Sense of Wander	\$3,500	\$0	\$3,500
Paper Mountain Incorporated	Meeka Mooraart Full Moon Ceremony	\$5,000	\$0	\$0
Ms Sally Richardson	JULIA	\$5,000	\$0	\$5,000
Ms Annika Moses	Nika Mo Debut Album Launch: audio engineering, production, and ensemble development	\$5,000		\$5,000
Kamile Gallery	Modern Holiday Exhibition	\$5,000	\$0	\$5,000
Marcus Callum	Activate space in partnership with Fraser Suites as an art studio and gallery	\$5,000	\$0	0
Mr Jack Wansbrough	Slackening Tension of the Soul	\$2,326	\$0	\$2,326
Ms Deborah Ralph-Kafarela	Street to Street	\$5,000	\$0	\$0
Artist Relief Fund WA	The 2021 Performing Arts WA Awards	\$5,000	\$0	\$5,000

## Major Events and Festivals

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquitted
ARTRAGE	FRINGE WORLD Festival 2021	\$263,750	\$0	\$263,750
Perth International Arts Festival	Perth Festival 2021	\$263,750	\$0	\$263,750



## Venue Support Grants/In-Kind Sponsorship (Non-Cash)

Funding approved by Delegation

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
<b>VENUE SUPPORT GRANT (COMMUNITY PLACES – CITIPLACE)</b>				
The Shakespeare Club of WA Inc	The Shakespeare Club of WA Inc (monthly meeting)	\$0	\$576	N/A
Rhodesian Association of WA Inc	Rhodesian Association Senior Citizens monthly social gathering	\$0	\$792	N/A
Alcoholics Anonymous	Alcoholic Anonymous weekly meeting	\$0	\$3,744	N/A
Cochlear Implant monthly meeting	Cicada Club of WA	\$0	\$240	N/A
TransFolk of WA Townhall Forum	TransFolk of WA	\$0	\$150	N/A
Australian Pensioners Superannuation League WA Inc	Australian Pensioners Superannuation League WA Inc bi-monthly meetings	\$0	\$180	N/A
<b>VENUE SUPPORT GRANT (COMMUNITY PLACES – CITY PARK)</b>				
Mission Australia Christmas Lunch in the Park	Mission Australia	\$0	\$4,000	N/A
Jaguar Car Club of WA Display	Jaguar Car Club of WA Display	\$0	\$250	N/A
<b>VENUE SUPPORT GRANT (COMMUNITY PLACES – CITY MALL)</b>				
Ear Science Institute Australia	World Hearing Day		\$460	N/A
<b>VENUE SUPPORT GRANT – PERTH TOWN HALL</b>				
Haze Holdings Pty Ltd	Rag Pop Up	\$0	\$424	N/A
Descendants –The Musical	Carrie-Anne Martinez (Esteem Dance Company)	\$0	\$2,500	N/A

## Community Wellbeing Grants

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
<b>COMMUNITY WELLBEING GRANTS ROUND 1</b>				
OzHarvest	OzHarvest and Ruah: Food Relief Outreach for Vulnerable Community Members	\$20,000	\$0	\$0
Stay Sharp Program Incorporated	Stay Sharp Program	\$15,000	\$0	\$0
<b>COMMUNITY WELLBEING GRANTS ROUND 2</b>				
Reclink Australia	Reclink Women's Health and Wellbeing Pilot Program	\$14,430	\$0	\$0
The One Box Group	The One Box Fresh Food for the Community	\$6,000	\$0	\$0
<b>STRATEGIC COMMUNITY WELLBEING GRANT</b>				
Perth City Farm	City Farm Community Education Hub 2021	\$80,000	\$0	\$0

## Precinct Development Matched Funding Grants

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
Activate Perth	#FillThisSpace Phase 2	\$100,000	\$0	\$0
City Foreshore Investments Precinct Improvement Grant	Extension On the Point Jetty	\$139,000	\$0	\$0

## Business Improvement Grants

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquitted
Arandell Nominees Pty Ltd & J J Leach	New business fit-out–Perth City Market	\$20,000	\$0	\$20,000
Trustee for Scenescape Family Trust	New business fit-out–Gather on Hay	\$20,000	\$0	\$20,000
Profligate Pty Ltd	New signage activation–Connections Nightclub	\$18,750	\$0	\$0
Angiulis Pty Ltd	New business refurbishment and underutilised space activation–39/88 Broadway, Nedlands (Miky's)	\$18,000	\$0	\$18,000
RE Sarsero & AJ Twaddle	Underutilised space activation–Kings Park Pharmacy and Jacob's Ladder	\$17,500	\$0	\$17,500
Trustee for TMP Family Trust	Fit-out and refurbishment–Lunchbox at West Perth	\$17,250	\$0	\$17,250
CX Development (Aust) Pty Ltd	Façade, awning repair and upgrades–Croissant Express (540 Hay St, Perth)	\$16,500	\$0	\$16,500
Trustee for Amberjacks Trustee	Façade, awning repair and upgrades–Amberjacks Elizabeth Quay	\$14,850	\$0	\$0
Trustee for Irineo Unit Trust	Façade, awning repair and upgrades–Cocoa & Rose	\$10,000	\$0	\$10,000
Trustee for Brookwood Trust	CCTV and upgraded amenity to public/private realm –Gangemis	\$9,878	\$0	\$9,878
Trustee for Eagle Rock Lobster Trust	Underutilised space activation–Badlands	\$10,000	\$0	\$10,000
Metaweld Investments Pty Ltd	Façade, awning repair and upgrades–Office at 86 Barrack St	\$10,000	\$0	
Adta Pty Ltd	New business fit-out–One-Off	\$10,000	\$0	\$10,000
West Hospitality Pty Ltd	Fit-out and refurbishment–Bar Bizu	\$10,000	\$0	\$10,000
Trustee for Springform Investments Trust	Façade, awning repair and upgrades–The Court Hotel	\$5,770	\$0	\$5,770
Corona Del Mar Holdings Pty Ltd	Fit-out and refurbishment–My Place Bar & Restaurant	\$8,000	\$0	\$8,000

**BUSINESS IMPROVEMENT GRANTS FY2019/20**

Picabar	Refurbishment and business fit-out	\$20,000	\$0	\$20,000
Mustang Bar	Refurbishment of property façade and new awning	\$15,000	\$0	\$0
Universal Bar	Outdoor dining area development	\$10,000	\$0	\$10,000
Bright Tank Brewery	Outdoor dining area development	\$15,000	\$0	\$6,022.75

**Small Business Grants**

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
Ruck Rover	Development of in-house brand including special range of WA designed and produced designer retail goods	\$5,000	\$0	\$5,000
Brittons Formal Wear	E-commerce revitalisation	\$4,550	\$0	\$4,550
The Comedy Lounge	Website enhancement	\$5,000	\$0	\$5,000
Bella Gina Café	Minor kitchen upgrade including stove replacement and relocation	\$5,000	\$0	\$5,000
Live Clothing	Retail store CCTV and security upgrade	\$5,000	\$0	
Peddle Perth	Outstanding balance to be paid out (GST portion that was omitted incorrectly)	\$500	\$0	\$500
Escape This	CCTV security camera installation and upgrade of security control access system	\$5,000	\$0	\$5,000
Lucky Chans	New outdoor upper floor dining space upgrade	\$5,000	\$0	\$5,000
Toast Bistro	Outdoor dining setup upgrade	\$3,750	\$0	\$3,750
Skyira Retail	New retail and warehouse fit-out	\$4,750	\$0	\$4,143
Segway Tours WA	Professional marketing and promotions assistance	\$5,000	\$0	\$5,000
Madame Ma's Doggie Daycare	Upgrade of tailored customer management and booking system	\$3,075	\$0	\$3,075
Digit Books	New office fit-out (including mini retail hub)	\$3,750	\$0	\$3,750



Craven's Pharmacy	Minor shop refurbishment (flooring upgrade)	\$3,750	\$0	\$3,750
Rutherford House	Shopfront upgrade (increase hot water basin capacity for hair salon)	\$3,810	\$0	\$3,810
Sad Jane	Rebrand project for COVID-19 recovery	\$4,670	\$0	\$4,670
Cariad Consulting	Professional marketing and promotions assistance	\$3,750	\$0	\$3,750
Gemstar Technology	Internal fit-out upgrade	\$2,867	\$0	\$2,867
Theory for Hair	CCTV and additional lighting	\$5,000	\$0	\$5,000
Training Course Experts	Additional lighting and safety roller shutters	\$5,000	\$0	\$5,000
JJ's Lounge Bar	Marketing and website upgrade	\$5,000	\$0	\$5,000
Two Feet and a Heartbeat	Professional marketing and promotions assistance	\$3,750	\$0	\$3,750
Strategic Career Management	Website upgrade and SEO implementation	\$3,750	\$0	\$3,750
43 Below	Internal upgrade: floorspace redevelopment	\$5,000	\$0	\$5,000
Spirals Cinnamon	New shopfront and bakery fit-out (electrical upgrade)	\$5,000	\$0	\$5,000
Agility Projects	Office fit-out / furniture purchase	\$3,750	\$0	\$3,750
Head to Sole	Shop fit-out	\$3,750	\$0	\$3,750
Three Springs Trust	Façade upgrade and amenity improvement for three tenancies	\$5,000	\$0	\$5,000
William Street Bird	Internal refurbishment works to upgrade venue space	\$5,000	\$0	\$5,000
Ancient Enterprises Pty Ltd	Façade upgrade: graffiti removal and protective coating application	\$5,000	\$0	\$5,000
Burgermeister	Completion of dining area wall upgrades: refinishing, painting, new lighting and signage	\$5,000	\$5,000	\$5,000
The Heritage Wine Bar	Signage upgrade	\$5,000	\$0	\$5,000
Ladle & Press	New product development (kombucha) and development of marketing plan	\$5,000	\$0	\$5,000
Ezra Pound	Enclosure and set up of backyard outdoor dining area	\$5,000	\$0	\$5,000
Flora & Fauna	Upgrade of outdoor dining furniture	\$5,000	\$0	\$5,000
Go Cultural Tours	Signage upgrade for Barrack Square office	\$3,827	\$0	\$3,827

E-Sense Café	Outdoor seating, planter boxes and signage	\$4,000	\$0	\$3,617
City Tours	Marketing campaign assistance (COVID variation)	\$5,000	\$0	\$4,455
OMG Coffee	Internal upgrade: commercial fridge purchase to extend food offering	\$4,598	\$0	\$4,234
Huxtaburger (Hibernian Place)	Upgrade to outdoor dining furniture and marketing campaign assistance (COVID variation)	\$5,000	\$0	\$4,816
Museum of Perth	Shop fit-out (London Court tenancy)	\$3,803	\$0	\$2,513
The Skin Nurse	E-commerce development	\$5,000	\$0	\$4,745
High Bench Espresso	Internal refurbishment: furniture upgrade and soundproofing	\$5,000	\$0	\$5,000
Cheveux Hairdressing	Internal minor refurbishment to expand services offering	\$5,000	\$0	\$5,000
Left Field Foods	Outdoor dining setup	\$4,598	\$0	\$5,000
Crystal Swan Cruises	Marketing campaign assistance (COVID variation)	\$5,000	\$0	\$5,000
Back Cave Coffeehouse	Internal refurbishment fit-out	\$4,686	\$0	\$4,686
City Provisions Hay St	Outdoor dining upgrade	\$5,000	\$0	\$5,000
Mint Coins	Signage upgrade	\$2,134	\$0	\$2,134
Donnie Taco	Heating for alfresco	\$5,000	\$0	\$5,000
Headex Exchange	Installation of CCTV and lighting	\$2,950	\$0	\$2,950
Marcus Callum	Marketing assistance	\$5,000	\$0	\$2,750
Gary Beadle International Cocktail Training t/a Lot 20	Marketing—new website	\$5,000	\$0	\$5,000
Perth City Farm	Set up of marketing strategy	\$4,500	\$0	\$4,500
St Anne's Florist—Jeremy Jennings	Refurbishment	\$4,748	\$0	\$4,316
Lessons—Conor Mercer	Fit-out	\$5,000	\$0	\$4,698

## Economic Development Sponsorships

Funding approved by Council

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquired
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### INDUSTRY/SECTOR DEVELOPMENT SPONSORSHIP FY2018/19 (3 SPONSORSHIP)

Spacecubed	Startup Weekend Perth series	\$10,000	\$0	
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### INDUSTRY/SECTOR DEVELOPMENT SPONSORSHIP FY2018/19 (MULTI-YEAR SPONSORSHIP)

32 Degrees South Group	West Tech Fest	\$50,000	\$0	\$50,000
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### KEY SECTOR FY2018/19 (MULTI-YEAR SPONSORSHIP) (MULTI-YEAR SPONSORSHIP)

Forum Advocating Cultural & Eco Tourism (FACET)	FACET Annual Professional Development Events Program	\$9,000	\$0	
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Chamber Arts and Culture WA	Keystone Partnership	\$20,000	\$0	
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**KEY SECTOR SPONSORSHIP FY2019/20**

Chamber Arts and Culture WA	REMIX Academy Perth 2020	\$75,000	\$0	N/A
Business Events Perth	Business Events Marketing project	\$230,000	\$0	\$230,000

**ECONOMIC DEVELOPMENT – KEY SECTOR FY2020/21**

Diversified Communications Pty Ltd	AOG 2021	\$50,000	\$0	\$50,000
Business News	40under40	\$20,000	\$0	\$20,000

**ECONOMIC DEVELOPMENT – KEY SECTOR**

Perth Education City	StudyPerth International Education Action Plan Initiatives	\$135,000	\$0	\$0
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**BUSINESS KEY SECTOR DEVELOPMENT SPONSORSHIP FY2019/20**

Revelation Perth International Film Festival Inc	XR:WA 2020	\$32,000	\$0	\$32,000
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**ECONOMIC DEVELOPMENT – BUSINESS KEY SECTOR DEVELOPMENT SPONSORSHIP FY2020/21**

Indo-Asia Digital Health Centre for Innovation and Commercialisation Limited	Annual Summit on Digital Health and Telemedicine	\$5,000	\$0	\$5,000
Arinex Pty Ltd	Science on the Swan 2021	\$13,000	\$0	\$13,000

**BUSINESS EVENT SPONSORSHIP FY2019/20 ROUND 3**

Australian Institute of Energy	WA Energy Awards	\$4,000	\$0	\$4,000
Illuminance Solutions	West Tech Assesmblage 2020	\$5,000	\$0	\$5,000

**ECONOMIC DEVELOPMENT SPONSORSHIP (UNDER \$5K) FY2020/21**

Australian Hotels Association (WA)	2020 AHA (WA) Hospitality Awards for Excellence	\$5,000	\$0	\$5,000
Australian Hotels Association (WA)	AHA Accommodation Industry Awards for Excellence & Gala Ball	\$5,000	\$0	\$0
Azolla Holdings Pty Ltd	SingularityU Perth Chapter– Emerging Technology Event	\$5,000	\$0	\$5,000
History Teachers Association of WA	National History Teachers Conference	\$5,000	\$0	\$0



## City of Perth Parking Commercial Partnerships

Organisation	Event/Project	Cash Funds	In-Kind Funds	Amount Acquitted
Perth Glory Football Club	Perth Glory football games	\$0	\$15,000	N/A
Artrage	Rooftop Movies	\$0	\$85,000	N/A
Targa West	Targa West Tarmac Rally	\$0	\$23,115	N/A



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