

9.2 LATE ITEM: ANNUAL REPORT 2016/2017

TRIM Ref: D17/138812
Author: Rosslind Ellis, Manager Marketing and Communications
Authoriser: Len Kosova, Chief Executive Officer
Attachments: 1. Annual Report 2016/2017

RECOMMENDATION:**That Council:**

1. Pursuant to Section 5.54(1) of the *Local Government Act 1995*, **ACCEPTS BY AN ABSOLUTE MAJORITY** the City of Vincent Annual Report for the 2016/2017 Financial Year, included as Attachment 1 and **NOTES** that the report will be subject to further formatting and styling to be determined by the Chief Executive Officer, prior to publication;
2. Pursuant to Section 5.27 of the *Local Government Act 1995*, **CONVENES** a General Meeting of Electors of the City of Vincent to be held on 30 January 2018 at 6.00pm in the City's Council Chambers, to present the City of Vincent Annual Report for the 2016/2017 Financial Year;
3. **NOTES** that:
 - 3.1 pursuant to Sections 5.29 and 5.55 of the *Local Government Act 1995*, the Chief Executive Officer will give local public, notice of the General Meeting of Electors to be held on 30 January 2018 and of the availability of the City of Vincent Annual Report for the 2016/2017 Financial Year, as soon as practicable after the report has been accepted by Council; and
 - 3.2 pursuant to Regulation 51 of the *Local Government (Financial Management) Regulations 1996*, the Director General of the Department of Local Government, Sports and Cultural Industries will be provided with a copy of the City of Vincent Annual Report for the 2016/2017 Financial Year, inclusive of the Annual Financial Report for the same period and the Auditor's Report on that Financial Report.

PURPOSE OF REPORT:

To accept the 2016/2017 Annual Report and set a date for the Annual General Meeting of Electors.

BACKGROUND:

The Annual Report is an important document through which the City communicates with its stakeholders, providing a summary of the City's activities throughout 2016/2017, outlining the progress made towards the strategic objectives set out in the City's guiding strategic documents. The *Local Government Act 1995* (the Act) requires every Local Government to prepare an Annual Report and hold an annual general meeting (AGM) of electors.

DETAILS:

The Annual Report must, in addition to other requirements, incorporate the financial report and the auditor's report on the financial report. The Annual Report for 2016/2017 included as **Attachment 1** satisfies these requirements.

Section 5.27 of the Act requires the AGM to be held on a day selected by the local government, but not more than 56 days after the report is accepted by the local government.

It should be noted that the copy of the draft Annual Report included as **Attachment 1** is only a draft version and does not necessarily reflect the appearance of the final. The attached version of the Annual Report will be subject to further formatting and styling changes to be determined by the Chief Executive Officer prior to publication. However, no further changes will be made to the report content, following its acceptance by Council. This approach ensures that any changes required by Council can be readily incorporated in the document with minimal delay and without major re-formatting.

The process and timetable for drafting the Annual Report and arranging the AGM is largely influenced by the availability of the City's auditor and receipt of the auditor's report.

Council, at its Ordinary Meeting held on 17 October 2017 adopted the Council Meeting Schedule for 2018 which included a proposed date for the AGM of 30 January 2018. This date will ensure that there is sufficient time to finalise the publishing of the Annual Report.

CONSULTATION/ADVERTISING:

The AGM will be advertised via local public notice as required by section 5.29 of the Act. To advertise the AGM. It is proposed that the meeting will commence at 6.00pm, prior to the Council Briefing Session on that night.

LEGAL/POLICY:

The *Local Government Act 1995*, Section 5.53 requires every Local Government to prepare an Annual Report. Section 5.54 states that the Annual Report is to be accepted by the Local Government no later than 31 December after that financial year.

Section 5.53 of the *Local Government Act 1995* states:

5.53 Annual Reports

- (1) *The Local Government is to prepare an annual report for each financial year.*
- (2) *The annual report is to contain:*
 - a) *a report from the mayor or president;*
 - b) *a report from the CEO;*
 - e) *an overview of the plan for the future of the district made in accordance with Section 5.56 including major activities that are proposed to commence or to continue in the next financial year;*
 - f) *the financial report for the financial year;*
 - g) *such information as may be prescribed in relation to the payments made to employees;*
 - ha) *the auditor's report for the financial year;*
 - hb) *details of entries made under section 5.121 during the financial year in the register of complaints, including —*
 - (i) *the number of complaints recorded in the register of complaints; and*
 - (ii) *how the recorded complaints were dealt with; and*
 - (iii) *any other details that the regulations may require;*
 - i) *such other information as may be prescribed.*

Section 5.54 of the *Local Government Act* states:

5.54 Acceptance of Annual Reports

- (1) *Subject to subsection (2) the annual report for a financial year is to be accepted* by the Local Government no later than 31 December after that financial year.*

** Absolute majority required*

- (2) *If the Auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the Local Government no later than 2 months after the Auditor's report becomes available.*

Section 5.55 of the *Local Government Act 1995* states:

5.55 Notice of annual reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the Local Government.

Section 5.27 states:

5.27 Electors' general meetings

- (1) A general meeting of the electors of a district is to be held once every financial year.
- (2) A general meeting is to be held on a day selected by the Local Government but not more than 56 days after the Local Government accepts the annual report for the previous financial year.
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

Regulation 51(2) of the *Local Government (Financial Management) Regulations 1996* requires every local government to provide a copy of its Annual Financial Report to the Director General of the Department of Local Government within 30 days of the local government's CEO receiving the Auditor's Report on that Financial Report. The Auditor's report was received on 29 November 2016. Given that the Annual Financial Report and Auditor's Report form part of the City's Annual Report for the 2015/2016 Financial Year, it is appropriate to submit a copy of the complete Annual Report to the Department following Council's adoption, as occurred last year.

RISK MANAGEMENT IMPLICATIONS:

Low/Medium: The risk associated with not adopting the 2016/2017 Annual Report and failure to set a date for the 2018 Annual General Meeting of Electors will result in non-compliance with the requirements of the *Local Government Act 1995*.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's Strategic Plan 2013-2023:

"4.1.2 Manage the organisation in a responsible, efficient and accountable manner."

SUSTAINABILITY IMPLICATIONS:

Not applicable.

FINANCIAL/BUDGET IMPLICATIONS:

The Annual Report is prepared by the City's Administration and as such these costs are absorbed by the City's Operating Budget.

COMMENTS:

In order for the City to meet its legislative requirements, it is recommended that Council accepts the Annual Report for 2016/2017 and convenes the Annual General Meeting of Electors on 30 January 2018 at 6:00pm, as previously resolved by Council on 17 October 2017.

Cover

City of Vincent
Annual Report 2016/17

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Mayor's Message

NOTE: To be written post-Council approval of draft Annual Report.

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CEO Report

NOTE: To be written post-Council approval of draft Annual Report.

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COUNCIL AND EXECUTIVE

COUNCIL

EMMA COLE

Mayor

Elected (Councillor, North Ward) 2013-2017

Elected (Mayor) Extraordinary Election on 24 February 2017

North Ward

CR MATT BUCKELS

Elected 2009-2017

CR ROSLYN HARLEY

Deputy Mayor

Elected 2011-2019

CR DAN LODEN

Elected 2015-2019

South Ward

CR SUSAN GONTASZEWSKI

Elected 2015-2019

CR JONATHAN HALLETT

Elected 2017-2021 – Extraordinary Election on 24 February 2017

CR JIMMY MURPHY

Elected 2015-2019

CR JOSHUA TOPELBERG

Elected 2009-2021

Former Councillors 2016/17

MAYOR JOHN CAREY – Resigned 30 January 2017

CR LAINE McDONALD – Resigned 21 September 2016

EXECUTIVE

LEN KOSOVA

Chief Executive Officer

JOHN PATON

Director – Corporate Services

Responsible for:

- Financial Services
- Governance and Risk
- Information Technology

MICHAEL QUIRK

Director – Community Engagement

Responsible for:

- Community Partnerships
- Community Safety
- Beatty Park Leisure Centre
- Marketing and Communications

JOHN CORBELLINI

Director – Development Services

Responsible for:

- Approval Services
- Health Services
- Policy and Place

CRAIG WILSON

Acting Director – Technical Services

Responsible for:

- Parks and Property Services
- Engineering and Waste Management
- Asset and Design Services

Former Directors 2016/17

GABRIELLA POEZYK – Development Services

RICK LOTZNICKER – Technical Services

Our Purpose and Values

Our Purpose

To provide and facilitate services for a safe, healthy and sustainable Vincent community.

Our Values

The following values guide us towards the achievement of our purpose.

Caring and Empathy

We are committed to the wellbeing and needs of our employees and community and value each other's views and contributions.

Excellence and Service

We aim to pursue and deliver the highest possible standard of service and professionalism to the Vincent community.

Honesty and Integrity

We are honest, fair, consistent, accountable, open and transparent in our dealings with each other and are committed to building trust and mutual respect.

Innovation and Diversity

We encourage creativity, innovation and initiative to realise the vibrancy and diversity of our vision.

Teamwork and Commitment

Effective teamwork is vital to our organisation and we encourage co-operation, teamwork and commitment within and between our employees and our business partners and community.

Vincent Profile

“OUR PASSION AND OUR PURPOSE IS TO CREATE AN AMAZING PLACE FOR CURRENT AND FUTURE GENERATIONS TO ENJOY. A PLACE THAT RESIDENTS ARE PROUD TO CALL HOME, WHERE BUSINESSES THRIVE AND PEOPLE WANT TO VISIT.” CEO Len Kosova

Our City

The City of Vincent is a progressive inner city municipality encompassing the suburbs of North Perth, Leederville, Highgate, Mount Hawthorn and parts of East Perth, West Perth, Perth City, Mount Lawley and Coolbinia.

Key Facts – Our City

Area	11.49 square kilometres
Population	Approximately 38,000 (as at 30 June 2017)
Median Age	34 years
Rateable Properties	18,349 (as at August 2017)
Number of Council Employees	269 (FTE)
Number of Wards	Two (2)
Number of Elected Members	Mayor and eight (8) Councillors
Distance from Perth City	The Administration and Civic Centre is 3 kilometres from Perth GPO
Area of Parks and Gardens	106.4 hectares
Length of Roads and Footpaths	144 kilometres (road) and 260 kilometres (footpath)
Suburbs and Localities	<p>Suburbs:</p> <ul style="list-style-type: none"> • Highgate • Leederville • Mount Hawthorn • North Perth <p>Localities – parts of:</p> <ul style="list-style-type: none"> • Coolbinia • East Perth • Mount Lawley • Perth • West Perth
Boundaries	Swan River, Town of Cambridge and Cities of Bayswater, Perth and Stirling

Key Facts – Our Facilities

Child Health Centres	<ul style="list-style-type: none"> • Harold Street, Highgate • Loftus Community Centre, Loftus Street • Mt Hawthorn Community Centre, Scarborough Beach Road • View Street, North Perth
Community Centres	<ul style="list-style-type: none"> • Loftus Community Centre

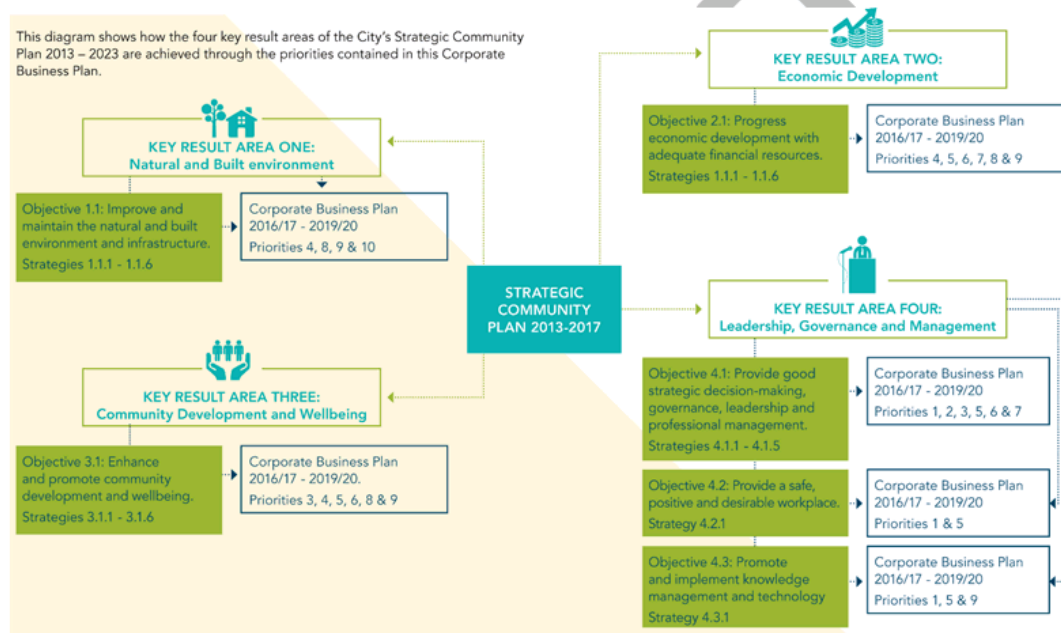
Libraries	<ul style="list-style-type: none"> • City of Vincent Library and Local History Centre
Recreation Facilities	<ul style="list-style-type: none"> • Beatty Park Leisure Centre • 1x Bowling Club • 1x Croquet Club • Dorrien Gardens • E & D Litis Stadium • 10x Halls and Pavilions • Hyde Park • Leederville Oval • Loftus Recreation Centre • 48x Parks and Reserves • Perth Oval (nib Stadium) • 4x Tennis Clubs
Schools	<ul style="list-style-type: none"> • Aranmore Catholic Primary School • Aranmore Catholic College • Highgate Primary School • Highgate Primary School Kindergarten • Kyilla Primary School • Margaret Kindergarten • Mount Hawthorn Primary School • North Metropolitan TAFE – Leederville • North Metropolitan TAFE – Mount Lawley • North Perth Primary School • Sacred Heart Primary School

Annual Report Overview

In 2016/17, the City of Vincent commenced a significant community engagement campaign (Imagine Vincent) to review its current Strategic Community Plan, to better reflect the needs and aspirations of our community, both now and into the future.

In the interim, Council adopted a set of 37 Strategic Priorities that, together with the Corporate Business Plan and the annual budget, guided our activities for the financial year.

The Corporate Business Plan 2016/17 – 2019/20 was an important and symbolic step forward as it represented a renewed focus to align our many services and functions to deliver on strategic objectives and priorities.



How to read this Annual Report

This Annual Report has been divided into the four Directorates within the City of Vincent. Business Units that sit under each Directorate have reported, where applicable, on their progress against the following items:

- Corporate Business Plan (CBP)
- Council Priorities (CP)
- Council Resolutions

In some cases an update will refer to both a CBP Project Number and a Council Priority.

Example:

CBP Project Number	Council Priorities Number	Corporate Business Plan Projects/Council Priorities	2016/17 Actions Towards Completion
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1	2	Example	- update
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Council Resolution/Notice of Motion	2016/17 Actions Towards Completion
Example <i>Item 1 – OCM 1 January 2017</i>	- update

It is also worth noting that various structural changes were implemented in different parts of the organisation during 2016/17 and the reporting approach used in this Annual Report reflects the final and most recent structures in place for the 2016/17 financial year.

Council Priorities

On 19 April 2016, Council adopted a set of strategic priorities for 2016/17 which, together with the Corporate Business Plan and annual budget have guided the City's activities for the financial year.

Updates on the Council Priorities and the Corporate Business Plan were provided to Council in February 2017 and March 2017 respectively.

The Vincent community was also invited to put forward comments and suggestions for the draft annual budget, which aligned with the Council Priorities. In response, the City received more than 50 submissions relating to more than 30 different proposals.

Progress against these priorities is noted throughout this Annual Report.

Below is a full list of the Council Priorities falling under the 10 key themes adopted by Council.

Council Priorities 2016/17

Number	Council Priorities
<i>Developing a New Strategic Community Plan to guide the future of the City</i>	
1	Develop a new Strategic Community Plan for the City that genuinely reflects community aspirations and sets clear goals and outcomes.
2	Coherent community consultation on a potential underground power program, to guide future budget planning and priorities.
<i>Leading Local Government Transparency and Accountability</i>	
3	Establish a new Governance Manager to drive improvements across the organisation in reporting, risk management and governance.
4	Establish live streaming of Council briefings and meetings.
5	Review the Code of Conduct to reflect best practice.
6	Create a Transparency and Accountability portal for easy access to public registers and Council allowances.

<i>Stronger Financial Management & Budget Planning</i>	
7	Complete our first audit of all major City of Vincent assets, including all community facilities.
8	Establish a clear 10-year Asset Management Plan and Capital Works Plan to guide future budget planning and expenditure for the City via a fair and consistent approach.
9	Requirement for a Business Case to be presented to Council and in annual budget papers for all expenditure greater than \$250,000 or proposed to run for two (2) or more years.
<i>Guiding Better Development Outcomes in the City</i>	
10	Reform planning policies to design-out poor outcomes which affect amenity and liveability.
11	Stricter standards for rear setbacks for new developments to protect the amenity of existing residents.
12	Raise requirements to establish more meaningful and liveable green spaces in new developments.
13	Establish clear guidelines for storey heights for major density developments.
<i>Better Customer Service</i>	
14	Focus on delivering an improved customer experience coupled with simple, clear and consistent rules and requirements for the community to access and understand.
15	Implement an improved customer request management system.
16	Simplify the City's car parking permit system to improve convenience for ratepayers.
17	Review the City's website to offer a more easy-to-use and interactive online customer experience.
18	Refocus services provided through the new Community Engagement Directorate to better reflect and respond to community needs and aspirations.
<i>Meaningful and Smarter Community Engagement</i>	
19	Establish a more meaningful approach to the City's engagement practices, including adoption of plain English principles and 'closing the feedback loop'.
20	Establish and support the operation of a new Community Engagement Panel.
21	Promote and encourage local resident involvement in Town Teams and Precinct Groups.
<i>Cutting Red Tape</i>	
22	Review alfresco fees and permit approvals to encourage street activation and reduce/remove the administrative burden in managing the current process.

23	Simplify and streamline statutory application and approval processes, including investigating online lodgement and assessment of applications.
24	Examine policy mechanisms to encourage and incentivise independent small business in Town Centres.
25	Development of a proactive business engagement program that makes Vincent a city of choice for small business (led by the CEO and newly formed Business Advisory Group).
<i>Creating Livable Neighbourhoods</i>	
26	Establish new green light pedestrian crossings at key intersections, to improve pedestrian safety on our streets.
27	Establish a two (2) year trial of a 40km/h zone in the City of Vincent to demonstrate benefits of low speed zones for residents, including a safer road environment near the highly active water playground at Hyde Park.
28	Construction of the Bulwer Street bike lane to Lord Street, to complete the third major cycling corridor in Vincent.
29	Continued rollout of the Greening Plan, including an audit of the canopy provided by street trees on residential streets with a goal of at least one tree outside each property.
<i>Renewing of Town Centres</i>	
30	Create a new pedestrian space near Axford Park in Mt Hawthorn and open the park to more adaptable and diverse community users.
31	Further investment in pedestrian friendly spaces, seating and trees for the North Perth precinct.
32	Investment in William Street to assist property owners and tenants to improve streetscape appeal.
33	Activate newly created Vincent public spaces, through free public programs (i.e. community yoga).
<i>Smarter, Sustainable Waste Management for the Community</i>	
34	Review City of Vincent waste management collection services, including the potential to increase recycling services in recognition of changing community behaviour and demand.
35	Review system of waste charges and the potential to provide incentives to reduce waste to green bins.
36	Create a coherent program to encourage reduction and reuse of waste within Vincent households.
37	Explore and implement new opportunities to encourage more sustainable waste management practices within high density developments.

CEO Office

2016/17 Overview

The 2016/17 financial year was one of consolidation and focus, as we continued to build a more agile and responsive organisation with our efforts and resources aligned to achieving strategic outcomes.

Among many achievements in 2016/17 are the adoption of a contemporary Corporate Business Plan, Strategic Council Priorities and, for the first time, inviting our community to help build our budget through community budget submissions.

In addition to the externally facing outcomes, we continued on our organisational change journey *Building a Better Vincent*. Through this initiative staff from across the organisation have led a raft of improvements to our policies, procedures and practices and have even redefined the behavioural expectations for everyone at Team Vincent (myself included!), through development of *The Vincent Way* - our team rules.

Len Kosova
Chief Executive Officer

CEO Office

In 2016/17, the City implemented and worked towards completing a number of projects and initiatives through its Corporate Business Plan and Council Priorities.

Progress against these projects is outlined below.

CPB Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
1.1	1	Prepare a Strategic Community Plan	- Awarded the Strategic Community Plan tender to Shape Urban, to assist the City with this project. - Community engagement for this project will commence in 2017/18 and the preparation of the Strategic Community Plan document is anticipated to be completed by the end of the 2017/18 financial year.
1.2		Review the Workforce Plan	Carried forward as Project 4.5 in the 2017/18 – 2020/21 CBP.
3.2		Implement a Project Management Framework	Carried forward as Project 4.2 in the 2017/18 – 2020/21 CBP.
7.3		Develop a Business Engagement Program	Incomplete. To be advanced through the Business Advisory Group in 2018.
	2	Coherent community consultation on a potential underground power program, to guide future budget planning and priorities.	Pending. Community sentiment to be evaluated through the review of the Imagine Vincent feedback.
	3	Establish a new Governance Manager to drive improvement across the organisation in reporting, risk management and governance.	The City established the position of Manager Governance and Risk, which was filled in April 2016.
	6	Creation of a Transparency and Accountability portal for easy access to public registers and Council allowances.	Completed. Additionally, a public registers page was established and is now included on the City of Vincent website.
	7	Complete our first audit of all major City of Vincent assets, including all community facilities.	A condition survey was completed of all City buildings at component level, including inventory, life-cycle and statutory compliance. Universal access audits will be undertaken in 2017/18, followed by mechanical plant (i.e. air conditioning, lifts etc) to inform the City's long-term asset management plan. All City buildings have been assessed by qualified plumbers and electricians

			<p>to identify any defects or non-compliances, rectification and maintenance costs, and to prepare detailed long-term renewal/upgrade plans.</p> <p>All halls and pavilions have been compliance upgraded for emergency lights, egress and smoke detection.</p> <p>A disability access and inclusion consultant will survey City buildings in 2017/18 to identify areas of non-compliance, areas for improvement, best practice standards and future renewal/upgrade requirements.</p>
	8	<p>Establish a clear 10-year Asset Management Plan and Capital Works Plan to guide future budget planning and expenditure for the City in a fair and consistent approach.</p>	<p>The Asset Management Plan is anticipated to be completed in 2018/19. Information gathered through completed audits will be used in the interim to inform budget decisions.</p> <p>Administration will workshop service levels for City assets with Council Members in detail in 2017/18. This will include consideration of the proposed intervention levels to different building categories.</p>
	9	<p>Requirement for a Business Case to be presented to Council and in annual budget papers for all expenditure greater than \$250,000 or proposed to run for two (2) or more years.</p>	<p>Projects greater than \$250,000 or proposed to run for two (2) years or more are now accompanied by a business case for annual budget deliberations.</p>
	25	<p>Development of a proactive business engagement program that makes Vincent a city of choice for small business (led by the CEO and newly formed Business Advisory Group).</p>	<p>Administration developed a draft framework for a Business Engagement Program and the suite of projects to support this program.</p> <p>- See also response to CBP Project 7.3 earlier.</p>

Community Engagement

2016/17 Overview

Our unique community is at the heart of this City and we have a strong commitment to engage with and support those living in and visiting Vincent.

In 2016/17 we implemented a number of new initiatives and programs to enable better engagement with our residents and community organisations. This included the review and upgrade of the City's website and improvements to the management and booking of the City's community buildings.

Two key highlights of the 2016/17 financial year include the review and improvement of the Disability Access and Inclusion Plan which ensures that people with a disability have equitable access to the facilities and services available within the City of Vincent, and the development of our first Reconciliation Action Plan, which provides a framework for reconciliation through practical plans of action built on relationships, respect and opportunities.

We look forward to continuing to work in partnership with our residents and community organisations over the coming year to make Vincent a vibrant and engaging place to live, work and visit for all.

Michael Quirk
Director – Community Engagement

Community Engagement

Marketing and Communications

The City of Vincent is committed to delivering the highest possible standard of service and professionalism to the Vincent community.

In 2016/17, the City implemented and worked towards completing a number of projects and initiatives through its Corporate Business Plan and Council Priorities, aimed at improving our service to customers and access to information about the City of Vincent.

Progress against these projects is outlined below.

CBP Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
5.3	17	Review and upgrade the City's website	<ul style="list-style-type: none"> - Reviewed and mapped the requirements for an upgraded website. - Created one major website and two sub-sites. - Established partnership with Council Connect to facilitate upgrade of website. - Launched basic upgraded websites. - Investigated and costed a road map for future website revisions and upgrades.
5.4	15	Implement a revised Customer Request Management system	<ul style="list-style-type: none"> - Developed a project plan and budget to create a knowledge base to ensure the delivery of a structured Customer Request Management system in 2017/18. - Modelled current customer response and workflows to map a more streamlined approach.
5.5		Customer Service delivery model	<ul style="list-style-type: none"> - Reviewed the ratio and service provisions of the Customer Service team. - Developed a delivery model for Executive approval. - Restructured the Customer Service team. - Developed a casual pool for additional customer service support as/when needed.
6.3	18 & 19	Prepare a Community Engagement Strategy	<ul style="list-style-type: none"> - A review of the City's community engagement approach, including a new Community Engagement Strategy and Policy (to replace the current Community Consultation Policy), will

			be undertaken in 2017/18, as per the Council Business Plan timeframe.
6.4	20	Establish a Community Engagement Panel	- The implementation of the Panel was included as a deliverable in the Strategic Community Plan project.
	14	Focus on delivering an improved customer experience coupled with simple, clear and consistent rules and requirements for the community to access and understand.	- The City conducted a full review of its customer service systems, processes and structure in July 2017.

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Community Engagement

Community Partnerships

The City of Vincent partners with a range of groups and organisations each year and encourages co-operation, teamwork and commitment with our community partners.

In 2016/17, the City implemented and worked towards completing a number of projects and initiatives through its Corporate Business Plan and Council Resolutions, aimed at improving existing community partnerships and providing the opportunity for the development of new, long-term community partnerships going forward.

Progress against these projects and resolutions is outlined below.

CBP Project Number	Description	2016/17 Actions Towards Completion
3.4	Prepare Leederville Oval Master Plan	<ul style="list-style-type: none"> - Developed a project plan and budget highlighting key outcomes and deliverables of the master plan. - Reviewed existing information, data and reports relating to Leederville Oval. - Engaged with major stakeholders including the Department of Sport & Recreation, WA Football Commission, and East Perth and Subiaco Football Clubs. - Prepared Consultancy Briefs for the detailed facility audit and economic impact study to be undertaken in 2017/18.
6.1	Prepare a Community Development Strategy	<ul style="list-style-type: none"> - This Strategy has been refocused based on a 'community partnerships' approach and will now be undertaken in 2018/19, based upon priorities identified within the City's Strategic Communication Plan.
6.2	Prepare a Reconciliation Action Plan	<ul style="list-style-type: none"> - Established the Reconciliation Action Plan Working Group (RAPWG) and prepared the Reconciliation Action Plan in consultation with key stakeholders. - Council adopted and launched the City's first 'Reflect' RAP. <p><i>Refer below for further details on this project.</i></p>
8.5	Review the Disability Access and Inclusion Plan (2011 – 2017)	<ul style="list-style-type: none"> - Produced the 2016 Disability Access and Inclusion Plan (DAIP) Review Project Report, setting out findings and recommendations.

	<ul style="list-style-type: none"> - Drafted the DAIP 2017-2022 in consultation with key stakeholders and based upon feedback received from public submissions. - Council adopted the updated DAIP 2017-2022 - Lodged the City's new DAIP 2017-2022 with the Disability Services Commission. <p><i>Refer below for further details on this project</i></p>
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Council Resolution/Notice of Motion	2016/17 Actions Towards Completion
Public Open Space Strategy <i>Item 10.1 – OCM 13 December 2016</i>	<ul style="list-style-type: none"> - Compiled a Public Open Space inventory including the number, size, function and use of all parks. - Classified Public Open Spaces using the Department of Sport and Recreation Classification Framework for Public Space. - Identified benchmarks for Public Open Space provision based on current standards and best practice. - Completed a preliminary Public Open Space gaps analysis based on the abovementioned inventory and benchmarks. - Developed a Public Open Space Strategy Project Plan to enable progression in 2017/18.
Community Development Initiative for Isolated Seniors <i>Item 10.2 – OCM 23 August 2016</i>	<ul style="list-style-type: none"> - Investigated the potential establishment of a community development initiative that facilitates connections between isolated seniors in our community and nearby residents. - Engaged with major stakeholders to develop a program for seniors who are currently receiving low-level care and are at risk of or currently experiencing social isolation. - Organised the City of Vincent Neighbour Day to build better relationships and social connections amongst the broader community. - Established the Seniors Social Connection activity as part of the 2017 Well & Wise Calendar. - Developed a City of Vincent Age Friendly Action Plan.
Art Collection Review <i>Item 10.1 – OCM 28 June 2016</i>	<ul style="list-style-type: none"> - Reviewed the City's existing art collection. - Developed recommendations regarding future management, exhibition, acquisition and deaccession of the City's art collection. Through this process, 43 Artworks were identified for deaccession, and the future management will

	<p>see artworks displayed in the City's public facilities and community buildings.</p> <p>- Adopted a new Art Collection and Public Art Policy to better guide the development and management of artworks throughout Vincent.</p>
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The City of Vincent achieved a number community partnership highlights in 2016/17 and these are outlined in more detail below.

Disability Access and Inclusion Plan

People with disability have the same fundamental rights and responsibilities as all other members of the community. These rights are founded on principals of human rights and social justice. The City of Vincent's Disability Access and Inclusion Plan (DAIP) ensures that people with disability get a 'fair go' at accessing and participating in all aspects of life in Vincent.

It is a requirement of the Disability Services Act (1993) (DSA) that local government authorities develop and implement a DAIP that outlines the ways in which the authority will ensure that people with disability have equitable access to its facilities and services.

The City of Vincent developed its first Disability Service Plan (DSP) in 1995 and its implementation resulted in a range of initiatives which improved access to information, services and facilities for people with disability. The plan addressed both statutory requirements under the DSA WA Disability Services Act and obligations under the Commonwealth Disability Discrimination Act (1992).

Following the 2004 amendment to the DSA, the City developed its first Disability Access and Inclusion Plan (DAIP) aimed at ensuring people with disability can access services provided by the City in a way that facilitates increased independence, opportunities and inclusion within our community.

The Plan covers the following outcome areas to help translate the principles and objectives of the DSA into tangible and achievable results:

1. Services and events organised by the City of Vincent are accessible for all members of the community.
2. All buildings and facilities within the control of the City of Vincent are subject to achieving universal access as defined by relevant Australian Standards.
3. All information provided by the City of Vincent shall be available in alternative formats upon request.
4. The City of Vincent provides consistent and equitable service to all people.
5. The City of Vincent provides accessible means for a person to make a complaint and these complaints are fully investigated and communicated in an accessible format.
6. The City of Vincent provides effective support for all people to be able to contribute to public contributions.
7. The City of Vincent provides people with disability the same opportunities as other people to obtain and maintain employment.

Some of the key outcomes achieved through this plan in 2016/17 included:

- live streaming of Council Meetings to increase access to all members of the community;

- the provision of additional ACROD parking facilities at all major events occurring within the City;
- the provision of motion sensor lighting and personal alarms to assist with the security of vulnerable residents;
- continued provision of Council Minutes and Agendas in alternative formats;
- conducting disability workshops with City of Vincent management;
- additional resources being made available to assist with the effective lodgement of a complaint;
- a review of the audio and hearing loop system in Council Chambers and Function Room to ensure it is operational and compliant with the standards; and
- additional support and resources being made to employees with a medical condition.

For more information or to access a copy of the full Disability Access and Inclusion Plan, visit the City of Vincent website at www.vincent.wa.gov.au.

Reconciliation Action Plan

The City has long recognised and respected the culture and significant contribution of Aboriginal and Torres Strait Islander people to the City of Vincent. In September 2015, Council resolved to establish a Reconciliation Action Plan Working Group (RAPWG) in order to develop a Reconciliation Action Plan (RAP). The purpose of the RAP is to provide a framework for the City to realise its vision for reconciliation, through practical plans of action built on relationships, respect and opportunities. Terms of Reference for the RAPWG were adopted by Council in March 2016 and nominations were sought for community representatives to participate in the Working Group, with the first meeting held on 25 July 2016.

The City and the RAPWG identified that the reconciliation journey would begin with a 'Reflect' RAP, the first of four stages of the RAP. The 'Reflect' stage allows the time and opportunity to develop key relationships, determine our vision for reconciliation and explore our sphere of influence. This approach will ensure all future actions and initiatives are well-informed, meaningful and sustainable.

As a first step in this process, the City of Vincent engaged a highly-regarded facilitator, with experience in developing trust, understanding and partnerships between Aboriginal and non-Aboriginal Australians. Throughout 2016/17, the facilitator conducted comprehensive workshops with the RAPWG and the City's Administration staff, in partnership with a Nyoongar representative who has connections to the Whadjuk, Ballardong, Wilman and Yuat people. Other key community groups and stakeholders, including Nyoongar Outreach Services and the Whadjuk Working Party, were subsequently engaged to provide input into the RAP's development.

Council adopted the RAP on 4 April 2017 and a community launch event was held on 27 May 2017, as a part of Reconciliation Week. The 'Reflect' stage of the RAP represents a significant and symbolic step on the City of Vincent's ongoing journey towards reconciliation. Through this RAP, we have set out the key actions and efforts that we will pursue to further strengthen our respect for, recognition of, and relationships with Aboriginal and Torres Strait Islander people, to enable us as an organisation – together with our community and our partners – to make a more meaningful and lasting contribution to reconciliation. The 'Reflect' stage of the RAP will run for 12 months, and the City aims to commence work on the second phase of the RAP, 'Innovate', within the 2017/18 financial year.

Festivals and Events

Vibrant festivals and events assist in the activation of the City's Town Centres and public spaces creating livable neighbourhoods and engage our local communities. Festival and event sponsorship enables the City to support community, not-for-profit and other organisations to deliver locally relevant activities. The following festivals and events were provided sponsorship to the amount of \$206,500, in addition to in-kind support of \$61,580:

- | | |
|--|-------------------|
| • Staged on Beaufort, Beaufort Street Network | 10,000 attendance |
| • Revelation Film Festival, Revelation International Film Festival | 13,000 attendance |
| • Light up Leederville Carnival, Leederville Connect | 60,000 attendance |
| • Hyde Park Fair, Rotary Club of North Perth | 50,000 attendance |
| • Mt Hawthorn Streets and Lanes Festival, Mt Hawthorn Hub | 45,000 attendance |
| • St Patrick's Day Parade and Family Fun Day, St Patrick's Day WA | 20,000 attendance |
| • 6006 In the Park, North Perth Local | 2,000 attendance |

In addition to these events, the City of Vincent delivered four (4) Summer Concerts at Braithwaite Park, Hyde Park and Banks Reserve. These free community events helped to activate public places and bring together the local community in a family friendly atmosphere.

Arts and Creativity

The City of Vincent is passionate about art and acknowledges its importance within our community. Not only does it bring together artists and the community, it helps to celebrate, recognise and promote our rich cultural and social diversity through artistic expression.

The following art projects were undertaken by the City of Vincent in 2016/17.

Lightbox Laneway Gallery

Down the laneway between St Michael's Restaurant and Orno Interiors (near 483 Beaufort Street, Highgate), the City of Vincent installed eight (8) lightbox cabinets that provide artists the opportunity to exhibit their works for three (3) months of the year.

Artists who exhibited in our Lightbox Laneway include Eva Fernandez, Christophe Canato, Grace Lee and Nadiia Rebrova.

Murals

Several murals were created in 2016/17, in the following City of Vincent locations:

- 369 William Street, Perth by Georgia Hill and Numskull
- Beatty Park Crèche by Rob Jenkins
- Mt Hawthorn Bus Stop by Jae Criddle
- Charles Veryard Reserve by Twoone
- Leederville Skate Park by Konfucius

Traffic Control Boxes

In 2016/17, the City of Vincent, in conjunction with Main Roads WA, initiated street artwork to counter graffiti on several of the City's traffic control boxes, including:

- 149 Oxford Street, Leederville by Georgia Domahidy
- Flinders Street, Mt Hawthorn by Martin E Wills
- 416 Oxford Street, Mt Hawthorn by Peta

Percent for Art

The State Government's Percent for Art Scheme encourages art in the built environment by using a percentage of a development's overall budget to commission public artworks.

In 2016/17 public artworks were completed as part of the following developments:

- 362 Charles Street, North Perth
- 570 William Street, Mt Lawley
- 465 Fitzgerald Street, North Perth
- 201 Carr Place, Leederville
- 99 Palmerston Street, Perth

City of Vincent Film Project

In partnership with the Film and Television Institute, the City of Vincent commissioned the following three short films in and/or about Vincent, which were showcased as part of the Summer Concerts series:

- An Italian Connection
- Monsters As Friends
- Skater's City

Community Engagement

Recreation

The City of Vincent is committed to the wellbeing and needs of the community and provides a range of recreation facilities and open spaces to support this.

In 2016/17, the City focused on a long-term heritage and conservation plan for the popular and highly utilised Beatty Park Leisure Centre and the activation of public open spaces.

Progress against these projects is outlined below.

CBP Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
3.3		Prepare a Heritage and Conservation Plan for Beatty Park Leisure Centre	<ul style="list-style-type: none"> - Appointed consultant, TPG, to commence a review of the current Heritage and Conservation Plan. - Due to the structural review of the Grandstand and Plantroom, the review will continue into 2017/18.
9.5	33	Activate newly created public spaces	<ul style="list-style-type: none"> - Town Centre Public Spaces can now be hired for functions, events and activities. - Facility and open space booking systems were upgraded to streamline the process for customers and to provide the basis for future online booking functionality. - Town Teams have access to a \$10,000 grant which can be used on events and activations in Town Centre Public Spaces.

Council Resolution/Notice of Motion	2016/17 Actions Towards Completion
Loftus Recreation Centre Management <i>Item 14.1 – OCM 23 August 2016</i>	<ul style="list-style-type: none"> - Extended the management contract with Belgravia Health and Leisure Group Pty Ltd for the operational management of Loftus Recreation Centre until December 2021. - Identified the need to review the performance of Beatty Park Leisure Centre and Loftus Recreation to determine the most effective management model.
Beatty Park Leisure Centre Health and Fitness Equipment Upgrades <i>Item 9.4.3 – OCM 7 March 2017</i>	<ul style="list-style-type: none"> - Purchased and installed new cardiovascular equipment at a cost of \$411,000 to improve the health and fitness experience for customers.

Key Performance Statistics for Beatty Park Leisure Centre 2016/17

Total Attendances	851,000
Total Members (as at 30 June 2017)	3,057
Total Swim School Enrolments (as at 30 June 2017)	2,324

Key Performance Statistics for Loftus Recreation Centre 2016/17

Total Attendances	710,000*
Total Members (as at 30 June 2017)	1,520
Sports Competition Registrations (as at 30 June 2017)	359 teams

**approximate figure only. Based on Belgravia Leisure audit figures for 2016.*

Community Engagement

Rangers

As part of the Rangers and Community Services Safety Team, our rangers provide a variety of services to help create a safer community for all those who live, work and play in the City of Vincent.

In 2016/17, the City implemented new parking technology and commenced an upgrade to the City's CCTV network, to create a better and safer experience for customers and visitors to the City centre.

Progress against these projects is outlined below.

CBP Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
5.1	16	Review and upgrade the City's parking management systems and infrastructure	<ul style="list-style-type: none"> - Identified and implemented contemporary systems and infrastructure to improve the City's parking management capabilities. - Implemented electronically readable parking permits (barcoded, QR coded etc.) and e-permit technology to simplify and streamline the customer experience, in line with the Council's revised Parking Permits Policy.
9.11		Review the City's CCTV network	<ul style="list-style-type: none"> - Reviewed the City's existing CCTV network to better meet community demands and respond to new technologies. - Commenced a \$250k upgrade of the existing CCTV network in Leederville, following approval of a State Government grant. This upgrade is due for completion in September/October 2017.

Corporate Services

2016/17 Overview

The City of Vincent strives to ensure it has the information technology requirements in place to best serve our community and is committed to good governance, accountability and transparency.

In 2016/17 we implemented a number of new initiatives and programs to better equip us with the technology for the future, including replacing the City's old analogue phone system to improve our communications and commencing a full review of our current business systems.

In the corporate governance space, we made a number of improvements including upgrading the Council Chambers' audio-visual system and publishing new registers on the City's website to provide greater transparency and accountability to rate payers.

We look forward to implementing further improvements to our information technology systems over the coming year and continuing to remain accountable and transparent to all those who live, work and visit the City of Vincent.

John Paton**Director – Corporate Services**

Corporate Services

Information Technology

The City of Vincent's Corporate Services team is committed to ensuring the City is equipped with the information technology infrastructure and support needed to effectively service the community.

In 2016/17, the City commenced a review of its business systems, including enterprise applications and financial management systems. This review has already resulted in a number of system improvements in the Information Technology space, including the replacement of the City's 20-year old analogue phone system with a contemporary VOIP system, which offers a range of communication improvements.

Progress against this project is outlined below.

CBP Project Number	Corporate Business Plan Projects	2016/17 Actions Towards Completion
2.2	Review the City's Enterprise Applications and Financial Management System.	<p>- Engaged an external organisation to conduct a Business Systems review. This review is currently underway and is expected to be completed in the 2017/18 financial year.</p> <p>So far, the City has:</p> <ul style="list-style-type: none"> - Replaced the City's 20-year old analogue phone system with a new VOIP system to provide a range of communication improvements for the City. - Reviewed the City's printing infrastructure. This review has led to the update and rationalisation of a number of types of units used across the organisation.

Corporate Services

Governance

The City of Vincent is committed to good governance and ensuring transparency and accountability across all its activities.

In 2016/17, the City undertook a number of improvements to its governance processes and policies, including upgrades to the Council Chambers' audio-visual system, introducing a new management system for Council agendas, and publishing new registers online to improve our transparency and accountability to rate payers.

Progress against these projects is outlined below.

CBP Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
2.1		Council Chambers Audio-Visual System	- Installed a new audio-visual solution into Council Chambers in January 2017 to replace the existing system, which was more than 20 years old.
2.3		Electronic Agenda Management System	- Implemented a new electronic agenda management system in April 2017, resulting in a reduction in administrative overheads for creating Council agendas and minutes.
2.4	5	Review the Code of Conduct	- The review has occurred and will be presented to Council for adoption in 2017/18.
7.1		Local Law Review	- Completed a statutory eight-year review of our local laws and reported to Council in March 2017. The review recommended minor changes to all seven of the City's local laws, to be amended in 2017/18.
	4	Establish live streaming of Council briefings and meetings	- A report was presented to Council in March 2017 to guide the management of live streaming of Council briefings and/or meetings. The project was implemented and live streaming commenced on 23 May 2017.

In 2016/17, the City realised a number of additional key achievements and highlights, including:

Record Keeping

The City developed a new, five-year, whole-of organisation Record Keeping Plan which was approved by the State Records Commission on 12 August 2016.

Audit Committee

In December 2016, following research into Audit Committee best practice, the Council adopted a revised Audit Committee Terms of Reference. As a result, two external, independent members will now be included on the City's Audit Committee.

Transparency and Accountability

In accordance with Section 5.53 of the *Local Government Act 1995*, the City of Vincent recorded no minor breaches in the City's Register of Complaints for the 2016/17 financial year.

The City of Vincent received three (3) complaints of alleged breaches of the City's Code of Conduct in 2016/17.

In order to increase the accountability and transparency of the City's operations and activities to its rate payers going forward, the Council agreed, in September 2016, to publish a number of Council and statutory registers on the City of Vincent's website. These are now available in the Accountability and Governance portal of the website at www.vincent.wa.gov.au.

Risk Management

In 2016/17, the City of Vincent delivered risk management training across the organisation and commenced a project to systematically identify significant operational costs and improve the City's risk framework.

Extraordinary Election

An extraordinary election was held in February 2017, following the resignation of Councillor (CR) Laine McDonald on 21 September 2016. CR McDonald's resignation triggered the requirement for an extraordinary election for a South Ward Council Member to be held within four (4) months of the vacancy occurring.

In addition, Mayor John Carey resigned, effective 30 January 2017. Special permission was sought and received from the Electoral Commissioner to elect candidates to both vacancies at an extraordinary election held on 24 February 2017.

Two (2) candidates nominated for the vacant mayoral position, with 6,212 votes cast (27.2% turnout). As a result, Cr Emma Cole was elected as Mayor.

Six (6) candidates nominated for the vacant South Ward Councillor position, with 2,905 votes cast (23.69% turnout). As a result, Jonathan Hallett was elected as South Ward Councillor.

With Cr Emma Cole taking on the position of Mayor, the City was left with a vacant North Ward Councillor position, which Council determined would remain vacant until the 2017 ordinary elections.

Development Services

2016/17 Overview

In 2016/17, the City of Vincent implemented a number of new initiatives and programs through its Development Services. This included the development of Town Centre Place plans, the introduction of an electronic assessment tool to enable the electronic lodgement and assessment of building and planning applications, and a review of local health laws.

Some of the key highlights of the 2016/17 financial year include the review of the local planning framework, which resulted in 19 local planning policies being converted into one user-friendly document, the implementation of our Sustainable Environment Strategy, achieving Platinum Waterwise Council status from the Water Corporation, and achieving a number of awards for our unique Mary Street Piazza public space.

Over the coming year, we will continue to work towards creating liveable, sustainable neighbourhoods and people friendly, active main streets and Town Centres that support our local community and businesses within the City of Vincent.

John Corbellini**Director - Development Services**

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Development Services

Approval Services

Approval Services play a significant role in the development of the City of Vincent and we are committed to ensuring we have strong planning policies in place to create better amenity for those who live in our City.

In 2016/17, the City implemented a new project to enable electronic lodgment and assessment of building and planning applications.

Progress against this project is outlined below.

CBP Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
5.2	23	Implement electronic lodgment and assessment of applications	- Introduced the electronic assessment software tool, Trapeze, to Approval Services in June 2017.

The City received a total of 558 building permit applications and 455 development applications in 2016/17.

The key statistics related to Building and Planning are outlined below.

Key Building Statistics

	2016/17	2015/16
Total Building Permit Applications	558	643
Total Value development for which building permit has been issued	\$110,979,994	\$214,514,231
Total Demolition and Occupancy permit applications	159	113

The major developments completed in 2016/17 included:

- 201 Carr Place, Leederville
- 484 Fitzgerald Street, North Perth
- 123 Richmond Street, Leederville

Major developments approved in 2016/17 and currently under construction include:

- 283 Vincent Street, Leederville – mixed use development
- 73 Angove Street, North Perth – mixed use development

A number of major development applications were approved in 2016/17, including:

- 81 Angove Street, North Perth – for the retention of existing heritage building and construction of a three-storey day nursery (child care) and associated basement car parking.
- 113 Wright Street, Highgate – for a three-storey multiple dwelling, comprising of 14 multiple dwellings.
- 471 Beaufort Street, Highgate – for construction of an eating house.

Key Planning Statistics

	2016/17	2015/16
Total Development Applications	455	477
Applications Determined by the Development Assessment Panel (DAP)	20	22
Breakdown of Applications by Category:		
• Change of Use	73	80
• Home Occupation	9	3
• Commercial Development	71	72
• Grouped Dwelling Development	66	82
• Mixed Use	2	4
• Multiple Dwelling	13	25
• Single House	221	211
State Administrative Tribunal (SAT) Reviews	15	25
Design Advisory Committee (DAC) Applications	27	28
Total Development Value	\$287,376,080	Value not reported in 2015/16

The City of Vincent also has a team of Compliance Officers tasked with ensuring compliance to the City's planning and building regulations and requirements.

In 2016/17, the City's Compliance Officers investigated 333 building and planning complaints made by City ratepayers and residents, and issued 12 planning infringement notices, one planning written direction and two building orders. Three court cases commenced, resulting in one successful conviction for planning and building offences. The remaining two court cases are ongoing.

The City of Vincent approved an additional Compliance Officer position for 2016/17, which was filled in February 2017.

Key Building and Planning Compliance Statistics

	2016/17	2015/16
Total Compliance Matters Received	333	372
Total Compliance Investigations Completed	282	362

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Development Services

Health Services

The City of Vincent's Health Services play a significant role in inspecting a large number of food business, lodging houses and public buildings to ensure compliance with relevant health and environmental regulations.

In 2016/17, the City implemented a review of local health laws through its Corporate Business Plan, aimed at improving health and compliance within the City of Vincent.

Progress against this project is outlined below.

CBP Project Number	Corporate Business Plan Projects	2016/17 Actions Towards Completion
7.1	Review Local Laws	- Completed review and tabled for the removal of 'poultry prohibition area' to be considered and reported back to Council in 2017/18.

The City continued to monitor compliance with health and environmental regulations and issued a number of approvals in 2016/17, as outlined below.

Item	Number
Food Business Inspections	937
Public Building Inspections	124
Lodging House Inspections	29
Temporary Food Stall Permits Issued for Public Events	470
Temporary Public Buildings Approved and Inspected <i>These included event area marquees, stages and structures.</i>	46
Permits Providing Exemptions from Noise Regulations <i>These were assessed and issued to builders and event organisers for specific activities with strict conditions.</i>	98
Samples Taken for Microbiological Compliance <i>These were taken from public aquatic facilities.</i>	259

The City continued to receive an increasing number of requests from the community relating to environmental health, with a total of 681 requests received in 2016/17 compared to 612 requests the previous financial year and 589 requests in 2014/15.

Health Services also worked on a number of proactive initiatives throughout 2016/17, including:

- Reviewing the Public Health Plan
- Co-ordinating the Vincent Liquor Accord meetings
- Routine Food Sampling Program - implemented to do spot checks of various food types. A total of 33 food samples were purchased for sampling through this program in 2016/17.

Development Services

Policy and Place

The City of Vincent is committed to ensuring it has the right policies in place to facilitate the continued growth and development of the City and ensure its Town Centres are prosperous and people focussed.

In 2016/17, the City saw significant achievements in the areas of strategic planning, place management, heritage and sustainability, through its Corporate Business Plan and Council Strategic Priorities.

Progress against these projects is outlined below.

CBP Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
4.1	24	Review the Local Planning Policy framework	<ul style="list-style-type: none"> - Approved the final policy in December 2016. - Began implementing the policy in January 2017. - Worked with the Department of Planning and Western Australian Planning Commission to assist them in assessing and determining several policy provisions that require State Government approval.
4.2		Review Car Parking Local Planning Policy	<ul style="list-style-type: none"> - Adopted the draft Policy in October 2016. - Advertised the draft Policy in late 2016/early 2017. - Worked toward finalising the draft policy for presentation to Council in 2017/18.
4.3		Finalise and review Town Planning Scheme No. 2	<ul style="list-style-type: none"> - Submitted the Draft Town Planning Scheme No. 2 to the State Government for final approval. The City has continued working with the Department of Planning to support their assessment and determination of the Scheme.
4.4		Prepare the Leederville Activity Centre Structure Plan	<ul style="list-style-type: none"> - Undertook initial scoping for this project during the 16/17 financial year. The project is scheduled to continue over the next three years.
4.5		Review of Heritage Strategic Plan 2013-2017	<ul style="list-style-type: none"> - Project is scheduled to commence in 2017/18 following consultation on the Strategic Community Plan, to ensure that alignment of the City's strategic direction with the community's aspirations.

6.5	21	Promote involvement in Town Teams and Precinct Groups.	<ul style="list-style-type: none"> - Administration regularly promotes Town Team Annual General Meetings (AGMs) and events to drive membership and community involvement. - Place Managers/Community Partnerships regularly attend Town Team meetings providing support and advice to improve membership and community involvement. - Work in this area is ongoing and will be complemented by Place Plans being prepared by Administration for each Town Centre to support the activities of the various Town Teams.
7.2		Amend the Trading in Public Places Local Law 2008	<ul style="list-style-type: none"> - Prepared amendments to the local law and obtained quotes for legal advice. A report on this project will be presented to Council in 2017/18.
8.4		Prepare a Transport Strategy and Implement the North Perth Parking Study	<ul style="list-style-type: none"> - Prepared, consulted on, finalised and implemented a suite of parking restrictions for the North Perth Town Centre and surrounding areas.
8.6		Prepare a plan for the collection and expenditure of cash in lieu of car parking	<ul style="list-style-type: none"> - Commenced work on this project in 2016/17. The project will continue into the 2017/18 financial year.
9.1	24	Support Town Teams	<ul style="list-style-type: none"> - Provided approximately \$40,000 in grants to the City's various Town Teams to assist them in strengthening their organisations and delivering great place outcomes. - The City's Place Managers continued to work closely with the Town Teams to assist them in developing their own action plans.
9.2	32	Prepare, implement and review Town Centre Place Plans	<ul style="list-style-type: none"> - Undertook significant background work and analysis on the North Perth Town Centre Place Plan and prepared a draft Place Plan that was presented to Council. A revised version of this plan is intended to be presented back to Council for adoption in 2017/18.
9.3		Upgrade Wi-Fi in the Leederville Town Centre	<ul style="list-style-type: none"> - Obtained quotes, selected a provider and implemented upgrades to the Wi-Fi in the Leederville Town Centre.
9.7	31	Undertake a study to identify a public space for North Perth Town Centre	<ul style="list-style-type: none"> - Undertook a comprehensive study of the North Perth Town Centre, along with extensive community consultation to determine the need, and potential locations, for a future

			<p>Public Open Space in the North Perth Town Centre.</p> <ul style="list-style-type: none"> - Council adopted a location and design and construction of the space will continue over the coming two years, funded in part by the State Government.
9.8		Review the Economic Development Strategy 2013-2016	<ul style="list-style-type: none"> - This project is scheduled to commence in 2017/18 following consultation on the Strategic Community Plan, to ensure that alignment of the City's strategic direction with the community's aspirations.
9.9		Undertake Town Centre performance measurement (device sensors)	<ul style="list-style-type: none"> - Installed device sensors in all of the City's Town Centres and examined ways to effectively use this data.
10.2		Review and implement the Sustainable Environment Strategy 2011-2016	<ul style="list-style-type: none"> - Commenced a review of the Sustainable Environment Strategy 2011-16. Further work will be undertaken following consultation on the Strategic Community Plan, to ensure that alignment of the City's strategic direction with the community's aspirations. - Demonstrated continued leadership in the sustainability space, through the implementation of the Sustainable Environment Strategy. - Obtained Platinum Waterwise Council status from the Water Corporation. - Held a number of community events throughout out year to promote sustainability, including an eco-retrofit workshop and a session on living a plastic free life. - The City's composting project continued to help households reduce their waste going to landfill.
	10	Reform planning policies to design out poor outcomes which affect amenity and liveability.	<ul style="list-style-type: none"> - The reform of the planning policies was adopted by Council in December 2016 and took effect from 21 January 2017.
	11	Stricter standards for rear setbacks for new developments to protect the amenity of existing residents.	<ul style="list-style-type: none"> - Policy reform on rear setbacks required approval from the Western Australian Planning Commission (WAPC). Administration is currently working the Department of Planning staff to progress this and it is intended to be completed in 2017/18.

	12	Raise requirements to establish more meaningful and liveable green spaces in new developments	- Changes for commercial developments took effect on 21 January 2017. Residential and mixed use developments required WAPC approval. Administration is working with the Department of Planning to progress this and it is intended to be completed in 2017/18.
	13	Establish clear guidelines for storey heights for major density developments	- Building height requirements were reformed as part of the new planning policy adopted by Council in December 2016 which took effect on 21 January 2017.
	22	Review alfresco fees and permit approvals to encourage street activation and reduce/remove the administrative burden in managing the current process	- The alfresco permit fees have been removed. - The ability for applicants to self-assess permits through an on-line portal is still being completed. - A review of the Trading in Public Places Local Law is being undertaken to consider removal of the requirement for a permit altogether.

Council Resolutions	2016/17 Actions Towards Completion
Leederville Taxi Rank relocation Item 9.2.6 – OMC 31 May 2016	- Conducted preliminary consultation with local businesses on the relocation of the Leederville Taxi Rank. Further work on this project will continue in the 2017/18 financial year.
Review of Design Advisory Committee Item 9.5.2 – OMC July 2014	- Worked closely with the existing Design Advisory Committee to review the current design review process and develop a revised process. A report on this is intended to be presented to Council in 2017/18.
Tree retention on privately owned land Item 10.2 – OMC 20 September 2016	- Reviewed the issue of tree retention on privately owned land and implemented several process improvements to ensure that existing trees are considered in the development assessment process.

Other Work	Actions Undertaken
Character Retention Areas – Harley Street, St Albans, Carr Street, Janet Street	- Progressed Character Retention Area nominations for Harley Street, Carr Street and Janet Street and undertook consultation with affected communities. - Adopted the new policy provisions for Harley Street. The City will continue to progress the other areas in the 2017/18 financial year.

Comments on State Government documents, namely Design WA and Perth Transport Plan	- Reviewed and provided comments on numerous State Government documents and initiatives. These included the draft Design WA suite of documents and the draft Perth Transport Plan. The City will continue working with the State Government on these bodies of work and raising the profile of the City in the strategic planning space.
Heritage Assistance Fund and heritage programmes	- Provided approximately \$70,000 in heritage grants to members of the Vincent community with heritage listed properties. These grants provide support for land owners to restore and maintain their heritage listed properties for the enjoyment and appreciation of future generations. - The City also continued its ongoing heritage programmes including the newsletter, heritage calendar and heritage workshop at the North Perth Town Hall.
Leedy Streets Open	- Successfully conducted the Leedy Streets Open trial, where a portion of Oxford Street was closed every Sunday in March 2017. Further work on this project will continue in the 2017/18 financial year to determine the future of this initiative.
Mount Hawthorn parking	- Reviewed parking restrictions in the Mount Hawthorn Town Centre, prepared draft new restrictions, consulted on these proposed changes and adopted new parking restrictions for the area. - Implementation of the restrictions will be completed in 2017/18.
Name the Lanes project	- Continued to work with the Geographic Naming Team and Department of Aboriginal Affairs to name the 12 unnamed laneways along Beaufort Street. This project will continue into the 2017/18 financial year.
Parklets North Perth and Mount Hawthorn	- Consulted on the potential location of two City-sponsored parklets in the North Perth and Mount Hawthorn Town Centres. Work on these parklets will continue in the 2017/18 financial year.

Key highlights for 2016/17**Planning**

The City of Vincent undertook a complete review of its local planning framework in 2016/17. This resulted in 19 local planning policies being annulled and converted into one user friendly document that will help the City to achieve excellent development outcomes in the future.

The City progressed several local planning policy amendments to improve the Car Parking Policy and introduced the additional Character Retention Area of Harley Street.

In 2016/17, the City began work on scoping the two flagship strategic planning projects - the Leederville Activity Centre Plan and the Transport Plan. These projects will continue over the next three years.

Place Management

Place Management continues to co-ordinate the growth and development of Vincent's Town Centres. In 2016/17, the City continued to support Vincent's Town Teams, Leederville Connect, Mount Hawthorn Hub, Beaufort Street Network, North Perth Local and On William by providing grant funding of up to \$10,000 per Town Team, through the Town Teams grant program.

Over the past financial year, Place Managers continued to plan the future work required to ensure Vincent's Town Centres are prosperous and people focussed. This included the preparation of the North Perth Town Centre Place Plan, which is currently in draft form. North Perth Local and Leederville Connect completed their first Action Plans, while Mount Hawthorn Hub completed edition 2 of their Action Plan. Work will continue on the other Town Centre Place Plans in 2017/18.

Place Management also oversaw the installation of device sensors in its Town Centres, as part of its ongoing commitment to improve the City's performance measurement activities. The City is now able to make informed decisions with an understanding of pedestrian numbers and movement patterns.

Mary Street Piazza

The Mary Street Piazza is a public piazza space located on the corner of Mary Street and Beaufort Street. It hosts the monthly Artisan Market, pop up yoga sessions, the Staged On Beaufort series, and many impromptu performances from local musicians.

In 2016, the Mary Street Piazza won a number of awards, including the:

- Australian Institute of Landscape Architects *Small Projects Landscape Architecture Award*;
- Planning Institute of Australia's Western Australian Award for *Great Place*;
- Planning Institute of Australia's *President's Award* commendation; and
- Planning Institute of Australia's National Commendation for *Great Place*.

Technical Services

2016/17 Overview

In 2016/17, the City of Vincent's Technical Services team co-ordinated and implemented a number of significant projects across the City, including the refurbishment and fit-out of several facilities in the City of Vincent; the most notable being the extension and upgrade of the Charles Veryard Reserve clubrooms and the introduction of new sports lighting to the facility.

The City also implemented a number of improvements to the local road network, including traffic management and black spot projects, road resurfacing and drainage improvements. In addition, major cycling infrastructure projects, including Stage 1 of the Shakespeare Street Bike Boulevard, Bulwer Street and Scarborough Beach Road Protected Bike Lanes projects, were undertaken in 2016/17. The City worked closely with the Road Safety Advisory and Pedestrian and Cycling Advisory Groups on a number of these projects.

Our green spaces continued to be a focus throughout 2016/17 with the implementation of a Greening Plan, focused on the annual planting of hundreds of trees across the City to increase the urban canopy and make our streets shadier and cooler places to be. We also installed a number of paths, lights, parks furniture and eco-zoning in a number of parks throughout the year, to make them more inviting and water wise spaces for our residents and visitors to enjoy. We also continued to run the ever-popular annual Garden Competition and Adopt-A-Verge program.

One of the key highlights for 2016/17 was the adoption of a new approach to waste management for the City of Vincent, where we looked at new and more innovative waste management practices including 'separating at the source' and downsizing of bins. We look forward to further positive changes to our waste management programs in the coming year.

Craig Wilson
A/Director - Technical Services

Technical Services

Asset and Design

Our Asset and Design services are responsible for the asset management, design and documentation for all new infrastructure within the road reserve, including parking restrictions, signs and line-marking and traffic management.

In 2016/17, the City saw significant achievements in this area including the implementation of Asset Management and Capital Works Plans, approval for a 40 kilometre per hour (km/h) speed zone trial in south Vincent and upgrades to several park facilities.

Progress against these projects is outlined below.

CPB Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
3.1	28	Implement 10-year Asset Management Plan and Capital Works Plan	- Commenced development of a new 10-year Asset Management and Capital Works Plans that will guide the City until 2019/20. The current focus is on assessing the usage and condition of the City's building stock and engaging with the community to develop a plan that is based upon the needs and appropriate levels of service required into the future.
8.1	26	Improve Pedestrian Crossings at key signalized intersections	- Upgraded the intersection at Bulwer and William Street, Perth. - Further upgrades scheduled for 2017/18 include: <ul style="list-style-type: none"> • Fitzgerald and Vincent Streets, North Perth • Bulwer and Fitzgerald Streets, North Perth • Newcastle and Fitzgerald Streets, Perth • William and Walcott Streets, Mt Lawley
8.2	27	Introduce 40km/h speed zone trial in the south of Vincent	- The trial of a 40 km/h speed zone in the south of Vincent was approved by Council in May 2016 and the City worked with Main Roads WA, the Road Safety Commission and WA Police throughout 2016/17 to garner their support for the trial. - Consultation with those residents and businesses likely to be affected by the trial will commence in late 2017, with a view to implementing the trial in 2018/19.

16/17 Council Resolutions	2016/17 Actions Towards Completion
Flooding mitigation works – Beatty Park Reserve, North Perth Item 9.2.1 – OMC 7 February 2017	- Completed flooding mitigation works at Beatty Park Reserve.
Proposed bike project – Shakespeare Street, Mt Hawthorn; Phase 2 – Scarborough Beach Road to Richmond Street, Leederville Item 10.2 – OMC 30 May 2017	- Developed initial report on the Department of Transport's proposal to extend the Bike Boulevard/Safe Active Streets.
Proposed extension to Hyde Street Reserve Item 10.1 – OMC 27 June 2017	- Commenced community consultation for this project.
Proposed parking improvements – Albert Street, North Perth Item 9.2.1 – OMC 15 November 2016	- Constructed additional on-road embayed parking in Albert Street, adjacent the North Perth Primary School. Improvements were funded by the Department of Education, WA.
Proposed parking restrictions – Cattle Street, Highgate/East Perth, between Lord Street and West Parade Item 9.2.1 – OMC 7 March 2017	- Installed 2-hour (2P) parking restrictions.
Proposed parking restriction trial – Chelmsford Road, Fitzgerald Street to Ethel Street, North Perth Item 9.2.5 – OMC 18 October 2016	- Implemented a 12-month trial.
Proposed parking restriction trial – Chelmsford Road, Leake Street and Grosvenor Road, North Perth Item 9.2.5 – OMC 23 August 2016	- Implemented a 12-month trial.
Proposed parking restriction – Hardy Street, North Perth Item 9.2.1 – OMC 13 December 2016	- Installed 3-hour (3P) parking restrictions.
Proposed parking restrictions – Scott Street, between Bourke and Tennyson Streets, Leederville Item 9.2.5 – OMC 20 September 2016	- Installed 2-hour (2P) parking restrictions.
Proposed parking restrictions – Smith, Lincoln and Wright Streets, Perth Item 9.2.2 – OMC 20 September 2016	- Installed 3-hour (3P) parking restrictions.
Proposed pedestrian safety improvements on Vincent Street, West Perth Item 9.2.1 – OMC 18 October 2016	- Installed a pedestrian crossing point to improve access to the Beatty Park Leisure Centre.
Proposed road safety and traffic management improvements – Redfern Street, North Perth and Randall Street, Perth Item 9.2.2 – OMC 18 October 2016	- Proposed works to intersection of Redfern and Walcott Streets were approved. - Commenced community consultation on proposed works to Randell Street. - Proposed works at intersection of Redfern and Hunter Streets was not approved and will not proceed.
Proposed safety improvements at the intersection of Walcott and Beaufort Streets, Mt Lawley	- Implemented 12-month trial of 'No Right Turn' on all four legs of the intersection, in conjunction with Main Roads WA.

Item 9.2.1 – OMC 18 October 2016	
Proposed traffic calming – Anzac Road, Mt Hawthorn	- Works deferred pending Water Corporation's Cast Iron Water Main Upgrade project.
Item 9.2.2 – OMC 18 October 2016	
Proposed traffic management improvement at intersection of Vincent and Norfolk Streets, North Perth/Mt Lawley	- Installed a half seagull island on Norfolk Street.
Item 9.2.2 – OMC 28 June 2016	
Proposed traffic management improvement on Vincent Street, near Norfolk Street, North Perth/Mt Lawley	- Installed speed humps.
Item 9.2.1 – OMC 26 July 2016	
Urgent works – ceiling panel renewal and lighting upgrade	- Completed urgent works to the Loftus Recreation Centre.
Item 9.2.4 – OMC 18 October 2016	

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Technical Services

Parks

Our parks are precious to the Vincent community and important to protect, enhance and expand. The City of Vincent is committed to continuing to make these existing spaces even better, while finding creative ways to provide new spaces that respond to the community's changing needs.

In 2016/17, the City implemented a number of new projects, through our Corporate Business Plan, Council Priorities and Council Resolutions, to improve parks for those in our community.

Progress against these projects is outlined below.

CBP Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
8.3	29	Review the Greening Plan	<ul style="list-style-type: none"> - Completed a new action plan and street tree master plan and commenced work in line with these new plans. - Progressed mapping of the Vincent area to determine increases in canopy cover. - Appointed consultants to develop a new street tree selection tool/street tree matrix, which will be an addendum to the Greening Plan.
9.4	30	Upgrade Axford Park	<ul style="list-style-type: none"> - Completed consultation on the upgrade to Axford Park, with a draft concept plan presented to a Council workshop in June 2017. - Simple improvement works will be presented to Council for approval in the 2017/18 financial year and a landscape architect will be engaged to work on a future detailed design aimed at delivering further improvements in and around the park.
9.6		Prepare a Business Case for Town Centre Tidy Teams	<ul style="list-style-type: none"> - Completed the Business Case, in conjunction with Waste Management and Policy and Place Officers. - The project will form part of the 2018/19 Corporate Business Plan.

2016/17 Council Resolutions	2016/17 Actions Towards Completion
Adopt-a Verge Program Item 9.2.6 – OMC 10 March 2015	<ul style="list-style-type: none"> - Completed 134 verges, of which 44 were the newly developed Adopt-a Verge “fast track” option which involves the city boxing out the verge and the owner/occupier applying the mulch and planting up.

Banks Reserve Foreshore Restoration Project Item 9.2.3 – OMC 8 December 2015 (Stage 2)	- Due to an issue with the Section 18 (Approval to use the Land) under the Aboriginal Heritage Act 1972, this project was delayed and will subsequently be carried forward to the 2017/18 financial year. It is anticipated this project will be undertaken throughout December 2017 to February 2018.
Develop a new Water Efficiency Action Plan 9.2.2 – OCM 15 November 2016	- Completed the new action plan, which was adopted by Council and submitted to the Water Corporation. - The City of Vincent has now achieved Gold and Platinum status through the Water Corporation for its approach to water efficiency.
Eco-zoning Program Item 9.2.2 – OMC 8 February 2011	- Applied an additional 5,370m ² of eco-zoning at Menzies Park and various road reserves, which is expected to achieve a saving of around 2,685 kilolitres of groundwater. 2016/17 was the sixth year of this 15-year program and we anticipate further progress and savings on this program over coming years.
Greening Plan Item 14.2 – OMC 25 March 2014	- Planted 104 trees in road reserves throughout the City, as part of the Greening Plan. - An additional 218 trees were planted in residential streets.
Hyde Park Water Playground Shade Sail Item 9.2.4 – OMC 28 June 2016	- Installed the shade sail in October 2016, in readiness for the 2016/17 summer season.

Technical Services

Engineering and Waste Management

The City of Vincent takes a proactive approach to waste management and, as a member of the Mandarie Regional Council, joins with the Cities of Perth, Joondalup, Wanneroo and Stirling and the Towns of Cambridge and Victoria Park to strategically approach waste and recycling in the City.

In 2016/17, in line with our Corporate Business Plan and Council Priorities, the City undertook a comprehensive review of its waste management services.

Progress against this project is outlined below.

CBP Project Number	Council Priorities Number	Description	2016/17 Actions Towards Completion
10.1	34, 35, 36 & 37	Review waste management services	<ul style="list-style-type: none"> - Commenced a review of the City's waste management strategy. - The review is expected to be completed and put to Council in February 2018.

2016/17 Council Resolutions	2016/17 Actions Towards Completion
Put to tender – bi-annual bulk verge green waste and annual bulk verge general waste collection. Item 9.2.4 – OMC 24 September 2016	- Tenders were sought for the City's bi-annual bulk verge green waste and annual bulk verge general waste collection and awarded following approval from Council.

Elected Member Meeting Attendance

Council Meetings

Council meetings are held monthly at the City of Vincent Civic Centre. The attendances of Council Members at Council meetings for the 2016/17 financial year are shown in the table below.

Members	Ordinary Council Meetings entitled to attend	Ordinary Council Meetings attended	Apologies	Leave of Absence	Special Council Meetings entitled to attend	Special Council Meetings attended	Apologies	Leave of Absence
Mayor Emma Cole	12	12	0	0	2	2	0	0
Former Mayor John Carey	6	6	0	0	1	1	0	0
Deputy Mayor Roslyn Harley	12	9	3	0	2	2	0	0
Cr Matt Buckels	12	12	0	0	2	2	0	0
Cr Susan Gontaszewski	12	11	0	1	2	2	0	0
Cr Jonathan Hallett	5	4	1	1	1	1	0	0
Cr Dan Loden	12	11	0	1	2	2	0	0
Cr Jimmy Murphy	12	11	0	1	2	2	0	0
Cr Joshua Topelberg	12	11	0	1	2	2	0	0
Former Cr Laine McDonald	3	3	0	0	0	0	0	0

Audit Committee Meetings

The City of Vincent Audit Committee is responsible for the reviewing and making recommendations to Council regarding financial management, risk management, internal controls, legislative compliance, internal and external audit planning and reporting.

Members	Audit Committee meetings entitled to attend	Audit Committee meetings attended	Apologies	Leave of absence
Mayor Emma Cole	4	4	0	0
Former Mayor John Carey	2	2	0	0
Deputy Mayor Roslyn Harley	2	2	0	0
Cr Matt Buckels	2	1	1	0
Cr Susan Gontaszewski	4	2	2	0
Cr Dan Loden	4	3	1	0
Cr Jimmy Murphy	2	2	0	0
Cr Joshua Topelberg	4	4	0	0
Former Cr Laine McDonald	1	0	1	0
Elizabeth Hunt*	2	2	0	0
Mr Conley Manifis*	2	2	0	0

*Note: denotes an external, independent member.

Employee Remuneration

As per the requirements of the *Local Government (Administration) Regulations 1996*, tabled below are the number of City of Vincent employees earning over \$100,000 per annum.

Salaries in Excess of \$100,000	Number of Positions
Salary between \$100,001 & \$110,000	3
Salary between \$110,001 & \$120,000	4
Salary between \$120,001 & \$130,000	11
Salary between \$130,001 & \$140,000	0
Salary between \$140,001 & \$150,000	0
Salary between \$150,001 & \$160,000	1
Salary between \$160,001 & \$170,000	2
Salary between \$170,001 & \$180,000	1
Salary between \$180,001 & \$190,000	0
Salary between \$190,001 & \$200,000	0
Salary between \$200,001 & \$210,000	0
Salary between \$210,001 & \$220,000	0
Salary between \$220,001 & \$230,000	0
Salary between \$230,001 & \$240,000	0
Salary between \$240,001 & \$250,000	0
Salary between \$250,001 & \$260,000	0
Salary between \$260,001 & \$270,000	0
Salary between \$270,001 & \$280,000	1

Gender Equality Report

The 2016/17 financial year is the first year that the City of Vincent has calculated and reported publicly on gender pay equity. We will continue to report on it annually in an effort to reach pay equity, where women and men receive equal pay for work of equal or comparable value.

Gender Pay Gap

The gender pay gap is calculated as the difference between women's and men's average weekly full time equivalent earnings, as a percentage of men's earnings. According to the Workplace Equality Gender Agency (WGEA), Australia's national gender pay gap is currently 15.3% and has hovered between 15% and 19% for the past two decades. For the City of Vincent, the overall gender pay gap for the whole of the City's workforce as at 30 June 2017 was 9.5%. This figure is heavily influenced by the fact that at 30 June 2017, all members of the City's Executive Management Team were men.

The City's gender pay gap reduces significantly to 2.3% if the Executive Management Team is excluded from the overall workforce calculation. Currently, all positions within the Executive Management Team were held by male employees, providing a future opportunity for the City to introduce more of a gender balance in these key leadership roles.

Women in Leadership

Whilst outside the 2016/17 reporting period, it is worth noting that as at 29 September 2017, 28 of the City's 51 senior employees (level 7 and above) were women. This means that 54.9% of the City's senior positions were held by women.

Attracting and Retaining Women

The City has a number of initiatives that make our workplace a great place to work for all people. In future and wherever the opportunity arises, we will continue to pursue initiatives to attract women in roles that currently have lower female representation, such as our outside workforce and our Executive Management Team. Some of the initiatives we will continue to promote and expand include:

- Leadership and development opportunities for women
- Flexible workplace opportunities
- Parental leave and part-time and job share return to work options
- Support for breastfeeding women
- Discounted membership to Leisure Centre, with crèche options
- Ability to purchase additional leave from 2018 onwards

Record Keeping Statement

An amended Record Keeping Plan for the City of Vincent was approved by the State Records Commission on 12 August 2016. The City is required to review its Record Keeping Plan again in 2021.

In accordance with SRC Standard 2 - Principle 6 - Compliance, the City reviewed the efficiency and effectiveness of its record keeping systems in 2016/17.

Over the past year, the City also upgraded from HP TRIM to HPE Content Manager in order to make the process of registering documents, particularly batches of documents, more efficient. HPE Content Manager has an auto-classification function that allows for multiple records to be captured automatically, enabling staff to better manage records held in network drives and email folders.

A record keeping training program was conducted for staff prior to the implementation of the new HPE Content Manager to ensure that all employees comply with the City's Record Keeping Plan. The efficiency and effectiveness of the record keeping training was reviewed in 2016/17 and follow-up training for employees will be conducted on an ad-hoc basis, either by request or at the suggestion of Records staff. A monthly session will be conducted on an ongoing basis for all staff requiring additional training.

As with all new City of Vincent staff members, Records staff are required to undertake an induction program when first starting with the City of Vincent, to ensure that they are aware of their roles and responsibilities in regards to their compliance with the City's Record Keeping Plan.

Freedom of Information

The City has been subject to the provisions of the *Freedom of Information Act 1992* since the Act was first introduced. The Act gives a general right of access to information held by the City, subject to limitations as set out in Clauses 1 to 15 of Schedule 1 to the Freedom of Information Act.

The Act is intended to make Government, its agencies and officers more accountable. It is not intended to open the private and professional lives of its citizens to public scrutiny without the consent of the individuals concerned, where there is no demonstrable benefit to the public interest in doing so.

In 2016/17, the City received and responded to 19 requests under the Act.

The City maintains a public register of applications received, including a summary of records sought and decisions made. This can be found in the Accountability and Governance/Publicly Available Council Registers section of our website.

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CITY OF VINCENT

ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
30 JUNE 2017**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

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CITY OF VINCENT
STATEMENT BY CHIEF EXECUTIVE OFFICER
FINANCIAL YEAR ENDED 30TH JUNE 2017

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

The attached financial report of the City of Vincent being the annual financial report and supporting notes and other information for the financial year ended 30 June 2017 are in my opinion, properly drawn up to present fairly the financial position of the City of Vincent as at 30 June 2017 and the results of the operations of the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 15th day of November 2017



Len Kosova
Chief Executive Officer

CITY OF VINCENT
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2017

	Note	Actual 2016/17 \$	Revised Budget 2016/17 \$	Actual 2015/16 \$
Revenue				
Rates	3(a)	31,234,580	31,208,530	29,601,379
Operating Grants, Subsidies and Contributions	4	1,990,993	1,431,535	966,658
Fees and Charges	5	18,382,601	19,157,720	19,285,579
Interest Earnings	6	959,203	936,200	1,106,722
Other Revenue		<u>1,324,228</u>	<u>1,460,360</u>	<u>1,503,562</u>
		<u>53,891,605</u>	<u>54,194,345</u>	<u>52,463,900</u>
Expenditure				
Employee Costs		(24,409,112)	(24,900,420)	(24,116,626)
Materials and Contracts		(15,829,592)	(16,735,570)	(14,999,747)
Utility Charges		(1,808,666)	(1,947,070)	(1,927,414)
Depreciation on Non-Current Assets	7(b)	(9,094,953)	(9,833,560)	(9,530,829)
Interest Expenses	8(a)	(1,045,540)	(1,048,240)	(1,093,320)
Insurance Expenses		(874,147)	(908,370)	(923,484)
		<u>(53,062,010)</u>	<u>(55,373,230)</u>	<u>(52,591,420)</u>
		<u>829,595</u>	<u>(1,178,885)</u>	<u>(127,520)</u>
Non-Operating Grants, Subsidies and Contributions	4	<u>2,594,651</u>	<u>2,728,547</u>	<u>1,384,622</u>
		<u>2,594,651</u>	<u>2,728,547</u>	<u>1,384,622</u>
Profit on Asset Disposals	9	176,760	108,050	1,852,654
(Loss) on Asset Disposals	9	(48,016)	(4,030)	(357)
		<u>128,744</u>	<u>104,020</u>	<u>1,852,297</u>
Net share of interest in Joint Ventures	10(b)	23,213	-	339,739
Change in Equity - WALGA LG House Trust	17	(683)	-	(4,142)
		<u>22,530</u>	<u>-</u>	<u>335,597</u>
Profit on Assets Held for Sale (TPRC Joint Venture)	34(b)	245,788	916,666	1,299,433
		<u>245,788</u>	<u>916,666</u>	<u>1,299,433</u>
Net Result		3,821,308	2,570,348	4,744,429
Other Comprehensive Income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on Revaluation of Non-Current Assets	11	84,356,588	-	1,178,328
Total Other Comprehensive Income		84,356,588	-	1,178,328
Total Comprehensive Income		<u>88,177,896</u>	<u>2,570,348</u>	<u>5,922,757</u>

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

CITY OF VINCENT
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2017

	Note	Actual 2016/17 \$	Revised Budget 2016/17 \$	Actual 2015/16 \$
Revenue				
Governance		83,551	69,210	72,042
General purpose funding		34,321,084	33,668,980	31,656,685
Law, order, public safety		156,220	176,700	202,325
Health		358,175	366,160	484,181
Education and welfare		263,369	332,840	357,801
Community amenities		1,015,416	1,194,610	1,255,579
Recreation and culture		9,610,928	10,163,645	10,484,977
Transport		7,568,368	7,782,670	7,416,159
Economic services		240,742	264,940	313,708
Other property and services		273,752	174,590	220,443
		<u>53,891,605</u>	<u>54,194,345</u>	<u>52,463,900</u>
Expenditure (excluding Finance Costs)				
Governance		(3,218,529)	(3,468,705)	(2,996,102)
General purpose funding		(656,733)	(625,305)	(562,291)
Law, order, public safety		(1,257,510)	(1,304,455)	(1,313,045)
Health		(1,153,655)	(1,243,865)	(1,031,406)
Education and welfare		(1,137,051)	(1,261,190)	(1,094,493)
Community amenities		(10,144,593)	(10,857,595)	(9,199,250)
Recreation and culture		(20,340,579)	(21,081,430)	(21,156,531)
Transport		(11,613,576)	(11,786,075)	(11,496,118)
Economic services		(681,758)	(752,660)	(725,390)
Other property and services		(1,812,486)	(1,943,710)	(1,923,474)
		<u>(52,016,470)</u>	<u>(54,324,990)</u>	<u>(51,498,100)</u>
Finance Costs				
Recreation and culture	8(a)	(1,045,540)	(1,048,240)	(1,093,320)
		<u>(1,045,540)</u>	<u>(1,048,240)</u>	<u>(1,093,320)</u>
		829,595	(1,178,885)	(127,520)
Non-Operating Grants, Subsidies and Contributions				
Law, order, public safety	4	113,384	251,470	6,668
Education and welfare		-	-	17,684
Recreation and culture		90,000	90,000	62,083
Transport		2,368,767	2,364,577	1,298,187
Other property and services		22,500	22,500	-
		<u>2,594,651</u>	<u>2,728,547</u>	<u>1,384,622</u>
Profit/(Loss) on Disposal of Assets				
Governance	9	13,684	420	-
Law, order, public safety		8,285	1,360	4,802
Health		4,749	7,100	2,840
Community amenities		10,181	3,000	-
Recreation and culture		35,379	29,430	345
Transport		(14,292)	-	1,828,743
Economic services		9,898	1,160	-
Other property and services		60,860	61,550	15,567
		<u>128,744</u>	<u>104,020</u>	<u>1,852,297</u>
Net Share of Interests in Joint Ventures				
Other property and services	10(b)	23,213	-	339,739
		<u>23,213</u>	<u>-</u>	<u>339,739</u>

CITY OF VINCENT
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2017

	NOTE	Actual 2016/17 \$	Revised Budget 2016/17 \$	Actual 2015/16 \$
Change in Equity - WALGA LG House Trust	17			
Other Governance		(683)	-	(4,142)
		<u>(683)</u>	<u>-</u>	<u>(4,142)</u>
Profit on Assets Held for Sale (TPRC Joint Venture)	34(b)			
Other property and services		245,788	916,666	1,299,433
		<u>245,788</u>	<u>916,666</u>	<u>1,299,433</u>
(Loss) on Revaluation				
Net Result		3,821,308	2,570,348	4,744,429
Other Comprehensive Income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on Revaluation of Non-Current Assets	11	84,356,588	-	1,178,328
Total Other Comprehensive Income		<u>84,356,588</u>	<u>-</u>	<u>1,178,328</u>
Total Comprehensive Income		<u><u>88,177,896</u></u>	<u><u>2,570,348</u></u>	<u><u>5,922,757</u></u>

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

**CITY OF VINCENT
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2017**

	Note	Actual 2017 \$	Actual 2016 \$	Restated Actual 1 July 2015 \$
CURRENT ASSETS				
Cash and Cash Equivalents	12	17,424,002	16,499,516	14,453,256
Other Assets	13	365,578	134,554	28,550
Trade and Other Receivables	14	4,601,268	3,736,794	3,738,543
Inventories	15	181,244	170,061	198,843
TOTAL CURRENT ASSETS		<u>22,572,092</u>	<u>20,540,925</u>	<u>18,419,192</u>
NON-CURRENT ASSETS				
Trade and Other Receivables	14	119,936	165,336	163,300
Land Held for Development	16	105,823	108,145	111,013
Financial Assets	17	41,952	42,635	46,777
Interests in Joint Ventures	10(a)	8,928,947	9,520,230	9,160,344
Property, Plant and Equipment	18	299,304,697	214,938,377	217,729,541
Infrastructure Assets	19	129,230,712	129,076,686	127,431,640
TOTAL NON-CURRENT ASSETS		<u>437,732,067</u>	<u>353,851,409</u>	<u>354,642,615</u>
TOTAL ASSETS		<u>460,304,159</u>	<u>374,392,334</u>	<u>373,061,807</u>
CURRENT LIABILITIES				
Trade and Other Payables	20	5,102,188	6,812,943	5,854,290
Provisions	21	3,486,758	3,255,342	3,009,574
Current portion of long term Borrowings	22	881,398	818,840	760,288
TOTAL CURRENT LIABILITIES		<u>9,470,344</u>	<u>10,887,125</u>	<u>9,624,152</u>
NON-CURRENT LIABILITIES				
Provisions	21	334,102	301,994	291,713
Long term Borrowings	22	14,896,584	15,777,982	16,596,822
TOTAL NON-CURRENT LIABILITIES		<u>15,230,686</u>	<u>16,079,976</u>	<u>16,888,535</u>
TOTAL LIABILITIES		<u>24,701,030</u>	<u>26,967,101</u>	<u>26,512,687</u>
NET ASSETS		<u>435,603,129</u>	<u>347,425,233</u>	<u>346,549,120</u>
EQUITY				
Retained Surplus		131,827,864	130,693,260	132,036,087
Reserves - Cash Backed	23	8,908,119	6,221,415	7,671,805
Revaluation Surplus	11	294,867,146	210,510,558	206,841,228
TOTAL EQUITY		<u>435,603,129</u>	<u>347,425,233</u>	<u>346,549,120</u>

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

**CITY OF VINCENT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	Retained Surplus \$	Reserves Cash Backed \$	Revaluation Surplus \$	Total Equity \$
Balance as at 1 July 2015		130,918,068	7,671,805	131,271,794	269,861,667
Correction of Errors	40	1,118,019	-	75,569,433	76,687,452
Restated Balance		132,036,087	7,671,805	206,841,227	346,549,119
Comprehensive Income Net Result		4,744,428	-	-	4,744,428
Transfer to Revaluation Surplus	11	-	-	1,178,328	1,178,328
Changes on Revaluation of Assets	11	(2,491,003)	-	2,491,003	-
Total Comprehensive Income		2,253,425	-	3,669,331	5,922,756
Transfers from/(to) Reserves	23	1,450,390	(1,450,390)	-	-
Transfers from/(to) Trust		(5,046,642)	-	-	(5,046,642)
Balance as at 30 June 2016		130,693,260	6,221,415	210,510,558	347,425,233
Comprehensive Income Net Result		3,821,308	-	-	3,821,308
Changes on Revaluation of Assets	11	-	-	84,356,588	84,356,588
Total Comprehensive Income		3,821,308	-	84,356,588	88,177,896
Transfers from/(to) Reserves	23	(2,686,704)	2,686,704	-	-
Balance as at 30 June 2017		131,827,864	8,908,119	294,867,146	435,603,129

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

**CITY OF VINCENT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	Actual 2016/17 \$	Revised Budget 2016/17 \$	Actual 2015/16 \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		31,333,379	31,208,530	29,501,587
Operating Grants, Subsidies and Contributions		2,057,043	1,431,535	2,234,024
Fees and Charges		18,178,191	19,312,421	21,557,587
Interest Earnings		959,203	936,200	1,106,722
Goods and Services Tax		1,396,122	920,160	1,003,113
Other Revenue		1,429,024	1,460,360	518,999
		<u>55,352,962</u>	<u>55,269,206</u>	<u>55,922,032</u>
Payments				
Employee Costs		(24,502,452)	(25,006,415)	(24,067,381)
Materials and Contracts		(19,373,111)	(16,755,427)	(12,907,265)
Utility Charges		(2,054,392)	(1,947,070)	(2,231,609)
Interest Expenses		(1,045,540)	(1,048,240)	(1,069,233)
Insurance Expenses		(992,908)	(908,370)	(1,093,320)
Goods and Services Tax		-	(920,160)	-
Other Expenditure		(94,776)	238,995	(4,129,072)
		<u>(48,063,179)</u>	<u>(46,346,687)</u>	<u>(45,497,880)</u>
Net Cash provided by (used in)				
Operating Activities	24(b)	<u>7,289,783</u>	<u>8,922,519</u>	<u>10,424,152</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for Purchase of				
Property, Plant and Equipment	18(b)	(4,981,769)	(6,306,036)	(2,407,142)
Payments for Construction of				
Infrastructure	19(b)	(4,554,169)	(7,457,868)	(5,595,750)
Non-Operating Grants, Subsidies and Contributions	4	2,548,355	2,756,547	1,384,622
Proceeds from Sale of				
Property, Plant and Equipment	9	351,910	602,607	2,680,959
Proceeds from Joint Venture Operations	10(b)	916,666	916,666	1,249,999
- Transfer to Trust		-	-	(5,046,642)
		<u>(5,719,007)</u>	<u>(9,488,084)</u>	<u>(7,733,954)</u>
Net Cash provided by (used in)				
Investment Activities		<u>(5,719,007)</u>	<u>(9,488,084)</u>	<u>(7,733,954)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Debentures	8(a)	(818,840)	(818,840)	(760,288)
Net increase in Bonds and Deposits		172,550	-	116,350
		<u>(646,290)</u>	<u>(818,840)</u>	<u>(643,938)</u>
Net cash provided by (used in)				
financing activities		<u>(646,290)</u>	<u>(818,840)</u>	<u>(643,938)</u>
Net Increase / (Decrease) in Cash Held		924,486	(1,384,405)	2,046,260
Cash at Beginning of Year		16,499,516	16,499,516	14,453,256
Cash and Cash Equivalents				
at the End of the Year	24(a)	<u>17,424,002</u>	<u>15,115,111</u>	<u>16,499,516</u>

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

**CITY OF VINCENT
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	Actual 2016/17 \$	Original Budget 2016/17 \$	Actual 2015/16 \$
Net current assets at start of financial year - surplus/(deficit)		4,251,223	4,259,422	1,007,891
		<u>4,251,223</u>	<u>4,259,422</u>	<u>1,007,891</u>
Revenue from operating activities (excluding rates)				
Governance		97,235	84,830	72,042
General purpose funding		3,086,504	2,353,750	2,055,305
Law, order, public safety		164,505	188,560	207,484
Health		363,427	342,260	487,021
Education and welfare		263,369	323,200	357,801
Community amenities		1,025,598	1,399,610	1,255,579
Recreation and culture		9,646,306	10,529,695	10,485,322
Transport		7,568,368	8,268,580	9,244,902
Economic services		250,640	344,100	313,708
Other property and services		636,834	1,129,466	1,875,182
		<u>23,102,786</u>	<u>24,964,051</u>	<u>26,354,346</u>
Expenditure from operating activities				
Governance		(3,217,846)	(3,416,130)	(3,000,244)
General purpose funding		(656,733)	(644,490)	(562,291)
Law, order, public safety		(1,257,510)	(1,432,490)	(1,313,402)
Health		(1,154,158)	(1,275,145)	(1,031,406)
Education and welfare		(1,137,051)	(1,202,370)	(1,094,493)
Community amenities		(10,144,593)	(10,927,900)	(9,199,250)
Recreation and culture		(21,386,119)	(22,462,555)	(22,249,851)
Transport		(11,627,869)	(12,200,175)	(11,496,118)
Economic services		(681,758)	(752,500)	(725,390)
Other property and services		(1,845,707)	(1,990,540)	(1,923,474)
		<u>(53,109,344)</u>	<u>(56,304,295)</u>	<u>(52,595,919)</u>
Net operating excluding Rates		<u>(30,006,558)</u>	<u>(31,340,244)</u>	<u>(26,241,573)</u>
Operating activities excluded from budget				
Movement in employee benefit provisions (non-current)		32,109	-	10,281
Movement in deferred pensioner rates (non-current)		45,401	-	(2,036)
Equity in Local Government House in Trust	17	(683)	-	4,142
Movement in Joint Venture Operations	10(b)	(23,213)	-	(339,739)
Depreciation and amortisation on assets	7(b)	9,094,953	10,087,180	9,530,829
(Profit)/Loss on Disposal of Assets	9	(128,744)	(104,020)	(1,852,297)
(Profit)/Loss on Assets Held for Sale - TPRC Joint Venture	34(b)	(245,788)	(916,666)	(1,299,433)
Restricted Unspent Non-Operating Grants		(600,000)	-	-
"Percent for Art" and "Cash in Lieu" Funds Adjustment		-	1,544,740	-
Aged Persons and Senior Citizens Funds Adjustment		-	-	(4,171,011)
		<u>8,174,035</u>	<u>10,611,234</u>	<u>1,880,736</u>
Amount attributable to operating activities		<u>(17,581,300)</u>	<u>(16,469,588)</u>	<u>(23,352,946)</u>

**CITY OF VINCENT
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	Actual 2016/17 \$	Original Budget 2016/17 \$	Actual 2015/16 \$
INVESTING ACTIVITIES				
Non-Operating Grants, Subsidies and Contributions	4	2,594,651	2,551,355	1,384,622
Proceeds from Disposal of Assets	9	351,910	533,500	2,680,959
Proceeds from Sale of Land Held for Sale	10(b)	916,666	916,666	1,249,999
Purchase of Property, Plant and Equipment	18(b)	(4,981,769)	(5,871,518)	(2,407,142)
Purchase and Construction of Infrastructure	19(b)	(4,554,169)	(7,890,080)	(5,595,750)
Amount attributable to investing activities		<u>(5,672,711)</u>	<u>(9,760,077)</u>	<u>(2,687,312)</u>
FINANCING ACTIVITIES				
Repayment of Debentures	8(a)	(818,840)	(818,840)	(760,288)
Transfers to Reserves (restricted assets)	12	(3,614,461)	(5,337,045)	(4,719,310)
Transfers from Reserves (restricted assets)	12	927,757	1,310,020	6,169,700
Amount attributable to financing activities		<u>(3,505,544)</u>	<u>(4,845,865)</u>	<u>690,102</u>
Surplus(deficiency) before general rates		<u>(26,759,555)</u>	<u>(31,075,530)</u>	<u>(25,350,156)</u>
Total amount raised from general rates	3(a)	<u>31,234,580</u>	<u>31,075,530</u>	<u>29,601,379</u>
Net current assets at June 30 c/fwd - surplus/(deficit)	25	<u><u>4,475,025</u></u>	<u><u>-</u></u>	<u><u>4,251,223</u></u>

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

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the 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 report 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 when the City holds in a custodial role, are excluded from the financial statements. A separate statement of those monies appears at Note 31 to these financial statements.

(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) 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 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 are reported as short term borrowings in current liabilities in the statement of financial position.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) 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 of business.

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.

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

(d) Inventories

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.

Land held for sale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

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

(e) Fixed Assets

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

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the City commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the City revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Fixed Assets (Continued)

Land under control

In accordance with Local Government (Financial Management) Regulation 16(a)(ii), the City was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were initially recognised at cost, but revalued along with other item of land at 30 June 2014 and 30 June 2017.

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

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 detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under roads

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

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

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

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

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Fixed Assets (Continued)

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold 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.

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) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- (b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Major depreciation periods used for each class of depreciable asset are:

Buildings	30 to 75 years
Furniture and equipment	3 to 40 years
Plant and equipment	2.5 to 35 years
Sealed roads and streets	
Subgrade Structure	1,000 to 10,000 years
Pavement Structure	20 to 120 years
Surface Structure	20 to 120 years
Footpaths	13 to 113 years
Surface Water Channels	50 years
Drainage Systems	120 years
Car Park Infrastructure	
Car Park Pavement	100 to 999 years
Car Park Seals	30 to 50 years
Car Park Other Infrastructure	20 to 60 years
Parks Infrastructure	
Reticulation	20 years
Parks Other Infrastructure	3 to 80 years

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.

When revalued assets are disposed, amounts included in the Revaluation Surplus related to that asset are transferred to Retained Surplus.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fair Value of Assets and Liabilities

When performing a revaluation, the City uses a mix of both independent and management valuations using the following as a guide:

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.

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:

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fair Value of Assets and Liabilities (Continued)

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 an asset at its current service capacity.

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.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the City becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the City commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or at cost.

Amortised cost is calculated as:

- (i) the amount in which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments and any reduction for impairment;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method;
- (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Financial Instruments (Continued)

Classification and subsequent measurement (continued)

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the City has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

(v) Financial liabilities

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

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Financial Instruments (Continued)

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the City no longer has any significant continual involvement in the risks and benefits associated with the asset.

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.

(h) Impairment of Assets

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

Where such an indication exists, an 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 assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) 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.

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

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other 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.

(k) 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.

(l) 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.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) 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 amounts equal to 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 payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

(n) Investment in Associates

An associate is an entity over which the City has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying 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.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the City's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the City and the associate are eliminated to the extent of the City's interest in the associate.

When the City's share of losses in an associate equals or exceeds its interest in the associate, the City discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the City will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) 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 venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(n) for a description of the equity method of accounting.

The City is participant with six other Councils (namely the Cities of Joondalup, Wanneroo, Stirling, Perth and the Towns of Cambridge and Victoria Park) in Mindarie Regional Council and Tamala Park Regional Council.

The City's interest in Mindarie Regional Council and Tamala Park Regional Council is accounted for by applying the equity method of accounting in the financial report. Under this method of accounting interest in a joint controlled entity is initially recorded at cost and adjusted thereafter for the post acquisition change in the venturer's share of net assets of the jointly controlled entity.

For further details relating to the Interest in Joint Venture in the Mindarie Regional Council and the Tamala Park Regional Council refer to Note 10.

(p) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the City obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 25. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

(q) Superannuation

The City contributes to a number of Superannuation Funds on behalf of employees. All funds to which the City contributes, with the exception of the City of Perth Superannuation Plan, are accumulated benefit funds. The City of Perth Superannuation Plan is a defined benefit scheme. Further detail of these arrangements is provided in Note 27.

(r) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the 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 even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the City's intentions to release for sale.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Rounding Off Figures

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

(t) 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 statement, 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.

(u) Budget Comparative Figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the revised budget for the relevant item of the disclosure except the rate setting statement and statement of rating information Note 3(a) where the original budget is used.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the City.

Management's assessment of the new and amended pronouncements that are relevant to the City, applicable to future reporting periods and which have not yet been adopted are set out as follows:

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the City, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the City has with those third parties it has dealings with. It may or may not be significant.
(iii) AASB 16 Leases	February 2016	1 January 2019	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of of financial position once AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the City, the impact is not expected to be significant.

Notes:

⁽¹⁾ Applicable to reporting periods commencing on or after the given date.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the City's operations.</p>

Notes:

⁽¹⁾ Applicable to reporting periods commencing on or after the given date.

(w) Adoption of New and Revised 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.

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

(i) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]	<p>The objective of this Standard was to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities.</p> <p>The Standard has had a significant disclosure impact on the financial report of the City as both Elected Members and Senior Management are deemed to be Key Management Personnel and resultant disclosures in accordance to AASB 124 have been necessary.</p>
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**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

2. COMPONENT FUNCTIONS/ACTIVITIES

In order to discharge its responsibilities to the community, the City has developed a Purpose, Vision, Guiding Values and operational and financial Strategic Objectives. These provide a framework for the strategic direction of the City of Vincent.

Purpose

To provide and facilitate services for a safe, healthy and sustainable community.

Vision

To provide and facilitate services for a safe, healthy and sustainable community.

Guiding Values

The guiding values of City of Vincent are those that describe how we want to operate, and all employees are strongly encouraged to align and work to these values.

- **Excellence and Service**

We aim to pursue and deliver the highest possible standard of service and professionalism to the Vincent community.

- **Honesty and Integrity**

We are honest, fair, consistent, accountable, open and transparent in our dealings with each other and are committed to building trust and mutual respect.

- **Caring and Empathy**

We are committed to the wellbeing and needs of our employees and community and value each others' views and contributions.

- **Innovation and Diversity**

We encourage creativity, innovation and initiative to realise the vibrancy and diversity of our vision.

- **Teamwork and Commitment**

Effective teamwork is vital to our organisation and we encourage co-operation, teamwork and commitment within and between our employees and our business partners and community.

Strategic Objectives

- **Natural and Built Environment**

Improve and maintain the natural and built environment and infrastructure.

- **Economic Development**

Progress economic development with adequate financial resources.

- **Community Development and Wellbeing**

Enhance and promote community development and wellbeing.

- **Leadership, Governance and Management**

Provide good strategic decision-making, governance, leadership and professional management; provide a safe, positive and desirable workplace and promote and implement Knowledge Management and Technology.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

2. COMPONENT FUNCTIONS/ACTIVITIES (Continued)

The Operating Statements are presented in a programme format using the following classifications:-

Governance

This schedule details costs and revenues associated with Governance of the City. These include Members of Council and other costs involved in supporting members and governing the City.

General Purpose Funding

This schedule records detail of rate revenue and general purpose grants allocated by the WA Local Government Grants Commission as well as expenditures associated with this (rates collection, investment of funds).

Law, Order and Public Safety

This programme covers costs associated with Animal Control, Fire Prevention and other Law, Order and Public Safety services generally associated with Local Law control.

Health

This programme covers Health Administration and Inspection, Child Health Clinics, Immunisation Clinics, Food Control and Pest Control Services.

Education and Welfare

The major costs here relate to staff involved in coordinating welfare, disability and youth services and donations to various community welfare groups serving the City. Costs of maintaining pre-school premises are also included.

Community Amenities

This programme covers activities of household refuse and recycling, other sanitation including public litter bins and bulk rubbish collections, as well as town planning and regional development administration, protection of the environment and bus shelters and street furniture.

Recreation and Culture

This programme covers activities associated with public halls, recreation administration, sportsgrounds, parks and reserves, Beatty Park Leisure Centre, Vincent Library and cultural activities.

Transport

The principal operating areas here relate to maintenance of footpaths, drains, street cleaning, verges and medians, roads and kerbs, rights of way, crossovers, street trees and road reserves. Parking control and operation of car parks is also covered.

Economic Services

This programme covers costs associated with building control and area promotion.

Other Property and Services

This programme is principally a clearing area where costs associated with public works overheads are accumulated and then subsequently dispersed to other expense areas. Other activities include general administration overheads, plant operation costs, insurance claims and properties held for civic purposes.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

3. RATING INFORMATION

(a) Rates

	Rateable Value	Rate in Dollar Cents	Actual 2016/17	Original Budget 2016/17	Actual 2015/16
	\$		\$	\$	\$
Rate Revenue Assessments					
General Rate					
12936 Residential	312,063,202	6.124	19,110,749	19,113,181	19,175,285
1607 Other	123,712,610	6.463	7,995,546	7,995,546	7,722,343
50 Vacant Other	3,056,850	11.914	364,193	364,193	347,253
Minimum Rate					
3129 Residential	43,166,329	@ \$1,007	3,150,903	3,157,952	1,861,164
94 Other	1,005,165	@ \$1,007	94,658	94,658	63,490
0 Vacant Other	-	@ \$1,414	-	-	4,242
Interim Rates	-		477,444	340,000	416,286
Back Rates	-		41,087	10,000	11,316
Total Amount Made Up From Rates			31,234,580	31,075,530	29,601,379

(b) Interest charges, instalments and write offs

	Actual 2016/17	Revised Budget 2016/17	Actual 2015/16
	\$	\$	\$
Instalment Interest @ 5.5%	159,224	176,260	178,283
Penalty Interest @ 11%	102,188	80,000	95,025
Administration Charge \$13 per instalment	234,956	200,000	204,876
Legal Costs Recovered	46,534	25,000	24,492
Other Reimbursements	446	500	678
Interest Write Off	-	(500)	-
	543,348	481,260	503,354

Ratepayers had the option of paying rates in four equal instalments. These were due on

- 1 14 September 2016
- 2 14 November 2016
- 3 16 January 2017
- 4 20 March 2017

Administration charges and interest applied for the final three instalments.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

4. GRANTS AND CONTRIBUTIONS

	Actual 2016/17 \$	Actual 2015/16 \$
By Nature and Type		
Grants and Contributions - Operating	1,990,993	966,658
Grants and Contributions - Non-Operating	2,594,651	1,384,622
	<u>4,585,644</u>	<u>2,351,280</u>

	Actual 2016/17 \$	Actual 2015/16 \$
By Programme		
General Purpose Funding	-	533,425
Governance	1,678,835	379
Law Order and Public Safety	116,147	10,017
Health	2,056	2,114
Education and Welfare	10,000	18,027
Community Amenities	83,916	242,356
Recreation and Culture	249,330	196,595
Transport	2,391,351	1,320,865
Economic	1,258	1,854
Other Property and Services	52,751	25,648
	<u>4,585,644</u>	<u>2,351,280</u>

5. FEES AND CHARGES BY PROGRAMME

	Actual 2016/17 \$	Actual 2015/16 \$
General Purpose Funding	4,369	362,713
Governance	368,382	3,063
Law Order and Public Safety	153,457	198,976
Health	341,554	465,906
Education and Welfare	110,256	102,575
Community Amenities	907,527	978,126
Recreation and Culture	8,695,729	9,505,004
Transport	7,476,580	7,298,326
Economic Services	234,508	306,033
Other Property and Services	90,239	64,857
	<u>18,382,601</u>	<u>19,285,579</u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

6. REVENUE

Interest Earnings

	Actual 2016/17	Revised Budget 2016/17	Actual 2015/16
	\$	\$	\$
Reserve Investments	205,608	206,000	294,082
Municipal Investments	486,092	436,000	518,179
Other interest revenue	267,503	294,200	294,461
	<u>959,203</u>	<u>936,200</u>	<u>1,106,722</u>

7. EXPENSES

(a) Remuneration of Auditors

	Actual 2016/17	Actual 2015/16
	\$	\$
Auditing the Financial Report	18,250	24,800
Audit of Project Acquittals	1,250	1,200
	<u>19,500</u>	<u>26,000</u>

(b) Depreciation

Depreciation expense for the financial year was charged in respect of:

	Actual 2016/17	Actual 2015/16
	\$	\$
Buildings	3,326,771	3,708,022
Roads	1,742,663	1,743,694
Footpaths	575,949	501,473
Rights of Way	130,130	119,676
Drainage	230,751	231,912
Parks Development	1,084,076	1,083,154
Car Park Development	168,059	165,420
Other Infrastructure Assets	468,514	456,721
Plant and Mobile Equipment	1,149,207	1,384,061
Office Furniture and Equipment	218,833	136,696
	<u>9,094,953</u>	<u>9,530,829</u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

8. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

Particulars	Principal	New Loans	Principal Repayments		Principal 30 June 2017		Interest Repayments	
	1 July 2016		Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
Recreation and culture								
Office Building	5,950,998	-	172,887	172,887	5,778,111	5,778,111	414,944	414,940
Loftus Centre Belgravia	2,106,396	-	135,329	135,330	1,971,067	1,971,066	143,198	143,495
Loftus Centre Underground Car Park	1,470,019	-	215,357	215,356	1,254,662	1,254,663	61,483	61,695
Beatty Park Redevelopment	7,069,409	-	295,267	295,267	6,774,142	6,774,142	425,915	428,110
	16,596,822	-	818,840	818,840	15,777,982	15,777,982	1,045,540	1,048,240

Self supporting loan financed by payments from third parties.

All other loan repayments were financed by general purpose revenue.

(b) New Debentures - 2016/17

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate	Amount Used		Balance Unspent
	Actual	Budget						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
	-	-				-		-	-	-
	-	-				-		-	-	-

The City did not take up any new debentures during the year ended 30 June 2017.

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 1 July 16	Borrowed	Expended	Balance 30 June 17
			During Year	During Year	
		\$	\$	\$	\$
		-	-	-	-
		-	-	-	-

The City did not have any unspent debentures as at 30 June 2017.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

9. DISPOSAL OF ASSETS - 2016/17 FINANCIAL YEAR

	Net Book Value		Sale Price		Profit / (Loss)	
	Budget	Actual	Budget	Actual	Budget	Actual
	\$	\$	\$	\$	\$	\$
Plant and Equipment						
Governance	24,581	8,720	25,000	22,405	420	13,684
General purpose funding	-	-	-	-	-	-
Law, order, public safety	7,639	120	9,000	8,405	1,360	8,285
Health	26,909	24,325	34,000	29,074	7,100	4,749
Education and welfare	-	-	-	-	-	-
Community amenities	7,004	5,310	10,000	15,491	3,000	10,181
Recreation and culture	55,560	24,589	85,000	59,967	29,430	35,379
Transport	-	14,292	-	-	-	(14,292)
Economic services	16,848	9,230	18,000	19,128	1,160	9,898
Other property and services	290,967	136,580	352,500	197,440	61,550	60,860
	429,508	223,166	533,500	351,910	104,020	128,744
					Budget	Actual
Profit					\$	\$
Loss					108,050	176,760
					(4,030)	(48,016)
					104,020	128,744

10. INTERESTS IN JOINT VENTURES

(a) Non-Current Assets

	2016/17	2015/16
	\$	\$
Mindarie Regional Council	5,496,159	5,418,516
Tamala Park Regional Council	3,432,788	4,101,714
	8,928,947	9,520,230

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

10. INTERESTS IN JOINT VENTURES (Continued)

Mindarie Regional Council

The Mindarie Regional Council was formally constituted in December 1987. The City of Vincent (along with the Cities of Perth, Wanneroo, Joondalup, Stirling and Towns of Victoria Park and Cambridge) is a member of the Mindarie Regional Council. The primary function of the Regional Council under the constitution agreement is for the orderly and efficient treatment and/or disposal of waste. City of Vincent is a participant in the Mindarie Regional Council (MRC) and has one twelfth (1/12) equity in the land and assets of the refuse disposal facility as per the constitution amendment (dated 25 November 1996) that recognises the City as a member of the Mindarie Regional Council.

The valuation as shown below is, at the time of preparation of these statements, unaudited.

	2016/17	2015/16
	\$	\$
Current Assets	2,431,812	2,380,325
Non-Current Assets	5,016,406	5,282,218
Total Assets	7,448,218	7,662,543
Current Liabilities	579,955	888,293
Non-Current Liabilities	1,372,104	1,355,734
Total Liabilities	1,952,059	2,244,027
Net Assets	5,496,159	5,418,516

Tamala Park Regional Council

The City is a participant (along with the Cities of Joondalup, Perth, Stirling, Wanneroo and the Towns of Cambridge and Victoria Park) in the operations of the Tamala Park Regional Council (TPRC). The TPRC was created in 2006 to develop approximately 173 hectares of land for sale immediately north of the land leased by the Mindarie Regional Council. The City has a one twelfth (1/12) equity in the assets and liabilities of the development; as well as a one twelfth (1/12) equity in the assets and liabilities of TPRC as the operator of the development; and a one twelfth (1/12) share in the asset of the lands held for development.

The City's interest in the TPRC joint venture is represented by the following break-down of the joint venture's financial position (1/12th share):

	2016/17	2015/16
	\$	\$
Current Assets	3,293,688	3,961,705
Non-Current Assets	162,490	160,947
Total Assets	3,456,178	4,122,652
Current Liabilities	23,174	16,217
Non-Current Liabilities	216	4,721
Total Liabilities	23,390	20,938
Net Assets	3,432,788	4,101,714
Total Interest in Joint Ventures	8,928,947	9,520,230

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

10. INTERESTS IN JOINT VENTURES (Continued)

(b) Change in Equity

	2016/17 \$	2015/16 \$
Investment in Mindarie Regional Council		
Opening Balance (based on draft financials)	5,418,516	5,152,489
Changes on Revaluation of Non-Current Assets	54,060	(32,058)
Net Share of Interests in Mindarie Regional Council	23,583	298,085
Closing Balance (based on draft financials)	5,496,159	5,418,516
Investment in Tamala Park Regional Council		
Opening Balance (based on draft financials)	4,101,714	4,007,855
Proceeds from Sale of Land	1,661,093	3,211,695
Land Development Expenses	(1,412,983)	(1,883,556)
Net Share of Interests in Tamala Park Regional Council - Rates	-	(25,838)
	248,110	1,302,301
Proceeds Distribution	(916,666)	(1,249,999)
Net Share of Interests in Tamala Park Regional Council - Rates	(23,714)	-
Net Share of Interests in Tamala Park Regional Council - Equity	23,344	41,557
	(370)	41,557
Closing Balance (based on draft financials)	3,432,788	4,101,714

During the 2016/17 financial year, the City's net share of interests in joint ventures were \$23,213. In the 2015/16 financial year, the Council Rates in Tamala Park Regional Council was included as cost of land sales. Further information is disclosed in Note 34.

	2016/17 \$	2015/16 \$
Net Share of Interests in Mindarie Regional Council	23,583	298,085
Net Share of Interests in Tamala Park Regional Council - Rates	(23,714)	-
Net Share of Interests in Tamala Park Regional Council - Equity	23,344	41,557
Changes on Revaluation of Non-Current Assets - Tamala Park Regional Council	-	97
	23,213	339,739

Of the above profit, \$916,666 was received in cash and the balance of \$671,248 is represented as a change in the City's following two assets:

	Note	2016/17 \$	2015/16 \$
Non-Current Assets			
Land Held for Development	16	105,823	108,145
Interest in TPRC Joint-Venture		3,432,788	4,101,714
		3,538,611	4,209,859

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

11. REVALUATION SURPLUS

Revaluation surplus have arisen on revaluation of the following classes of non-current assets:

	Actual 2016/17 \$	Actual 2015/16 \$
Land		
Opening Balance	52,158,356	52,158,356
Revaluation Increment	73,222,173	-
Revaluation Decrement	-	-
Closing Balance	<u>125,380,529</u>	<u>52,158,356</u>
Buildings		
Opening Balance	104,871,513	104,871,513
Revaluation Increment	11,080,355	-
Revaluation Decrement	-	-
Closing Balance	<u>115,951,868</u>	<u>104,871,513</u>
Plant and Equipment		
Opening Balance	2,113,335	1,300,727
Revaluation Increment	-	812,608
Revaluation Decrement	-	-
Closing Balance	<u>2,113,335</u>	<u>2,113,335</u>
Furniture and Equipment		
Opening Balance	206,609	160,080
Revaluation Increment	-	46,529
Revaluation Decrement	-	-
Closing Balance	<u>206,609</u>	<u>206,609</u>
Roads		
Opening Balance	28,483,439	28,483,439
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	<u>28,483,439</u>	<u>28,483,439</u>
Footpaths		
Opening Balance	15,706,778	15,706,778
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	<u>15,706,778</u>	<u>15,706,778</u>
^a Rights of Way		
Opening Balance	-	-
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	<u>-</u>	<u>-</u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

11. REVALUATION SURPLUS (Continued)

	Actual 2016/17 \$	Actual 2015/16 \$
Drainage		
Opening Balance	3,091,488	3,091,488
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	<u>3,091,488</u>	<u>3,091,488</u>
Parks Development		
Opening Balance	291,121	291,121
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	<u>291,121</u>	<u>291,121</u>
Car Park Development		
Opening Balance	777,725	777,725
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	<u>777,725</u>	<u>777,725</u>
Other Infrastructure Assets		
Opening Balance	351,346	-
Revaluation Increment	-	351,346
Revaluation Decrement	-	-
Closing Balance	<u>351,346</u>	<u>351,346</u>
Joint Venture in Mindarie Regional Council		
Opening Balance	2,458,319	-
Revaluation Increment	54,060	2,458,319
Revaluation Decrement	-	-
Closing Balance	<u>2,512,379</u>	<u>2,458,319</u>
Joint Venture in Tamala Park Regional Council		
Opening Balance	529	-
Revaluation Increment	-	529
Revaluation Decrement	-	-
Closing Balance	<u>529</u>	<u>529</u>
Total Revaluation Surplus	<u><u>294,867,146</u></u>	<u><u>210,510,558</u></u>
Summary of Revaluation Surplus		
Opening Balance	210,510,558	206,841,227
Revaluation Increment	84,356,588	3,669,331
Closing Balance	<u><u>294,867,146</u></u>	<u><u>210,510,558</u></u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

12. CASH AND CASH EQUIVALENTS

	Actual 2016/17	Actual 2015/16
	\$	\$
Unrestricted	8,515,883	10,278,101
Restricted	8,908,119	6,221,415
	<u>17,424,002</u>	<u>16,499,516</u>

The following restrictions have been imposed by regulations or other externally imposed requirements:

	Note	Actual 2016/17	Actual 2015/16
		\$	\$
Reserves	23	8,908,119	6,221,415
Unspent Loans	8(c)	-	-
		<u>8,908,119</u>	<u>6,221,415</u>

13. OTHER ASSETS

	Actual 2016/17	Actual 2015/16
	\$	\$
Current		
Deposits and prepayments	365,578	134,554
	<u>365,578</u>	<u>134,554</u>

14. TRADE AND OTHER RECEIVABLES

	Actual 2016/17	Actual 2015/16
	\$	\$
Current		
Rates	218,492	271,891
Works and Services	55,117	219,188
Property Rental/Leases	317,028	142,387
Other Receivables	1,387,512	568,360
Accrued Income	310,671	475,703
Infringements	2,333,739	2,312,925
Less: Provision for Impairment of Receivables	(21,291)	(253,661)
	<u>4,601,268</u>	<u>3,736,793</u>
Non-Current		
Pensioners' Rates Deferred	119,936	165,336
	<u>119,936</u>	<u>165,336</u>

Pensioners' Rates Deferred

The amount of \$119,936 in 2016/17 relates to Council Rates deferred by pensioners in accordance with the *Rates and Charges (Rebates and Deferments) Act 1992*.

During the 2015/16 year the deferred rates amounted to \$165,336.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

15. INVENTORIES

	Actual 2016/17	Actual 2015/16
	\$	\$
Stock held at the Depot	117,950	120,372
Beatty Park Leisure Centre - Café/Retail	63,294	49,689
	<u>181,244</u>	<u>170,061</u>

16. LAND HELD FOR DEVELOPMENT

	Actual 2016/17	Actual 2015/16
	\$	\$
Non-Current		
Land Held for Development (TPRC)	105,823	108,145
	<u>105,823</u>	<u>108,145</u>

17. FINANCIAL ASSETS

	Actual 2016/17	Actual 2015/16
	\$	\$
Non-Current		
Financial Assets		
Shares in Unlisted Corporation - North Perth Community Financial Services Limited	11,000	11,000
Investment in WALGA Local Government House Trust*	30,952	31,635
	<u>41,952</u>	<u>42,635</u>

* Investment in WALGA Local Government House Trust

This note discloses the equity the City has in the Local Government House Trust as a consequence of a contribution towards the cost of purchasing Local Government House.

The total contribution by all Councils towards the cost of the WALGA building was \$582,000. There are 620 units in the Local Government House Unit Trust, 2 of which are held by the City of Vincent.

The City first capitalised its share in the Local Government House Trust in 2015, with the current valuation based on the trust's 30 June 2016 audited financial statements.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

18. (a) PROPERTY, PLANT AND EQUIPMENT

	Actual 2016/17 \$	Actual 2015/16 \$
Land and Buildings		
Freehold Land at:		
- Independent Valuation 2017 - Level 2	128,067,500	-
- Independent Valuation 2014 - Level 2	-	41,915,327
	<u>128,067,500</u>	<u>41,915,327</u>
Land Vested in and Under the Control of the Council at:		
- Independent Valuation 2014 - Level 2	-	12,930,000
	<u>-</u>	<u>12,930,000</u>
	<u>128,067,500</u>	<u>54,845,327</u>
Buildings at:		
- Independent Valuation 2017 - Level 2	2,888,800	-
- Independent Valuation 2014 - Level 2	-	4,613,873
- Independent Valuation 2017 - Level 3	150,420,000	-
- Independent Valuation 2014 - Level 3	-	131,299,607
- Management Valuation 2017 - Level 3	80,441,724	-
- Management Valuation 2014 - Level 3	-	82,272,211
- Additions after Valuation – Cost	-	1,801,556
Less: Accumulated Depreciation	(70,091,100)	(65,824,564)
	<u>163,659,424</u>	<u>154,162,683</u>
	<u>163,659,424</u>	<u>154,162,683</u>
Total Land and Buildings	<u>291,726,924</u>	<u>209,008,010</u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

18. (a) PROPERTY, PLANT AND EQUIPMENT (Continued)

	Actual 2016/17 \$	Actual 2015/16 \$
Plant and Equipment at:		
- Management Valuation 2016	9,009,619	10,431,491
- Additions after Valuation – Cost	2,768,148	-
Less: Accumulated Depreciation	<u>(6,219,777)</u>	<u>(6,223,941)</u>
	5,557,990	4,207,550
Office Furniture and Equipment at:		
- Management Valuation 2016	3,359,070	3,313,736
- Additions after Valuation – Cost	919,581	-
Less: Accumulated Depreciation	<u>(2,720,235)</u>	<u>(2,501,402)</u>
	1,558,416	812,334
Work In Progress	461,367	910,483
Total Property, Plant and Equipment Assets	<u>299,304,697</u>	<u>214,938,377</u>

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown at cost, given they were acquired at arm's length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires property, plant and equipment to be shown at fair value.

The City revalued during the reporting period, its Land and Building assets to fair value. It should be noted that all of the City's Land and Building assets were revalued by professional valuer. However, the City has recorded Management valuation for all the assets that relate to NIB Stadium which is leased to State Government for 25 year period from 13 March 2012 with and option of further renewal. For *nib Stadium* assets the City has taken the values provided by VenuesWest, which is managing the facility on behalf of State Government. This approach is adopted to be consistent in values with the VenuesWest values in regards to *nib Stadium*. VenuesWest has determined their valuation based on the construction cost and the Construction Cost Index. VenuesWest has provided written down values for 2015-16 and 2016-17, which are taken into consideration for prior year adjustment and current year valuation.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) 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.

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Revaluation (Losses)/ Reversals Through to Profit or Loss \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Transfers \$	Carrying Amount at the End of Year \$
Land - freehold land	41,915,327	-	-	86,152,173	-	-	-	-	128,067,500
Land - vested in and under the control of Council	12,930,000	-	-	(12,930,000)	-	-	-	-	-
Total Land	54,845,327	-	-	73,222,173	-	-	-	-	128,067,500
Buildings	154,162,683	1,152,873	-	11,080,355	-	-	(3,326,771)	590,284	163,659,424
Total Buildings	154,162,683	1,152,873	-	11,080,355	-	-	(3,326,771)	590,284	163,659,424
Total Land and Buildings	209,008,010	1,152,873	-	84,302,528	-	-	(3,326,771)	590,284	291,726,924
Furniture and Equipment	812,334	919,581	-	-	-	-	(218,833)	45,334	1,558,416
Plant and Equipment	4,207,550	2,768,148	(223,166)	-	-	-	(1,149,207)	(45,335)	5,557,990
Work in Progress	910,483	141,167	-	-	-	-	-	(590,283)	461,367
Total Property, Plant and Equipment	214,938,377	4,981,769	(223,166)	84,302,528	-	-	(4,694,811)	-	299,304,697

The revaluation of land and building resulted in a net increase on revaluation of \$84,302,528 in the value of land and building in 2016-17. The opening balance also recognises a prior-period adjustment of an increase of \$77,246,463 to buildings. This recognises new and upgraded assets at NIB Stadium constructed by VenuesWest on behalf of State Government in 2012-13.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

19. (a) INFRASTRUCTURE ASSETS

	Actual 2016/17 \$	Actual 2015/16 \$
Roads		
- Management Valuation 2015	105,955,896	105,955,896
- Cost	4,759,402	2,850,445
Less: Accumulated Depreciation	<u>(54,345,367)</u>	<u>(52,602,705)</u>
	56,369,931	56,203,636
Footpaths		
- Management Valuation 2015	33,473,683	33,473,683
- Cost	3,135,267	1,622,680
Less: Accumulated Depreciation	<u>(14,530,565)</u>	<u>(13,954,616)</u>
	22,078,385	21,141,747
Rights of Way		
- Management Valuation 2015	8,785,076	8,785,076
- Cost	462,029	237,001
Less: Accumulated Depreciation	<u>(5,908,876)</u>	<u>(5,778,746)</u>
	3,338,229	3,243,331
Drainage		
- Management Valuation 2015	27,737,396	27,737,396
- Cost	273,193	135,080
Less: Accumulated Depreciation	<u>(10,795,451)</u>	<u>(10,564,699)</u>
	17,215,138	17,307,777
Park Development		
- Management Valuation 2015	19,243,268	19,243,268
- Cost	1,624,261	1,036,433
Less: Accumulated Depreciation	<u>(6,443,716)</u>	<u>(5,359,639)</u>
	14,423,813	14,920,062
Car Park Development		
- Management Valuation 2015	11,621,556	11,621,557
- Cost	204,324	120,363
Less: Accumulated Depreciation	<u>(2,982,210)</u>	<u>(2,814,152)</u>
	8,843,670	8,927,768
Other Infrastructure Assets		
- Management Valuation 2015	9,060,255	9,060,254
- Management Valuation 2016	351,346	351,346
- Cost	1,261,402	622,510
Less: Accumulated Depreciation	<u>(5,119,708)</u>	<u>(4,651,192)</u>
	5,553,295	5,382,918
Work In Progress	1,408,251	1,949,447
Total Infrastructure Assets	<u>129,230,712</u>	<u>129,076,686</u>

The fair value of infrastructure is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown at cost. Given they were acquired at arm's length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and, where appropriate, the fair value is updated to reflect current market conditions.

This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires infrastructure to be shown at fair value.

CITY OF VINCENT
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2017

19. INFRASTRUCTURE ASSETS (Continued)

(b) 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.

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Revaluation (Losses)/ Reversals Through to Profit or Loss \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Transfers \$	Carrying Amount at the End of Year \$
Roads	56,203,636	1,356,079	-	-	-	-	(1,742,663)	552,879	56,369,931
Footpaths	21,141,747	1,060,478	-	-	-	-	(575,950)	452,110	22,078,385
Rights of Way	3,243,331	225,028	-	-	-	-	(130,130)	-	3,338,229
Drainage	17,307,777	138,112	-	-	-	-	(230,751)	-	17,215,138
Park Development	14,920,062	587,827	-	-	-	-	(1,084,076)	-	14,423,813
Car Park Development	8,927,768	83,961	-	-	-	-	(168,059)	-	8,843,670
Other Infrastructure Assets	5,382,918	449,546	-	-	-	-	(468,514)	189,345	5,553,295
Work In Progress	1,949,447	653,138	-	-	-	-	-	(1,194,334)	1,408,251
Total Infrastructure Assets	129,076,686	4,554,169	-	-	-	-	(4,400,143)	-	129,230,712

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

20. TRADE AND OTHER PAYABLES

	Actual 2016/17 \$	Actual 2015/16 \$
Current		
Creditors	2,485,690	2,983,661
Deposits and Income in Advance	-	1,022,148
Contribution Liabilities	1,717,287	1,544,737
Accrued Expenses	899,211	1,262,396
	<u>5,102,188</u>	<u>6,812,942</u>

21. PROVISIONS

	Actual 2016/17 \$	Actual 2015/16 \$
Current		
Provision for Annual Leave	1,772,315	1,717,781
Provision for Long Service Leave	1,714,443	1,537,561
	<u>3,486,758</u>	<u>3,255,342</u>
Non-Current		
Provision for Long Service Leave	334,102	301,994
	<u>334,102</u>	<u>301,994</u>

22. BORROWINGS

	Actual 2016/17 \$	Actual 2015/16 \$
Current		
Debentures	881,398	818,840
	<u>881,398</u>	<u>818,840</u>
Non-Current		
Debentures	14,896,584	15,777,982
	<u>14,896,584</u>	<u>15,777,982</u>
	<u><u>15,777,982</u></u>	<u><u>16,596,822</u></u>

Additional note on borrowings is provided in Note 8(a).

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED

On restructuring of the City of Perth, the City of Vincent was provided with several specific cash reserves which were transferred to the City by Order of the Governor under Section 13 of the Local Government Act 1960. The City has also established other specific reserves to provide for future capital works. The specific reserves have been established for the following purposes:

(a) Administration Centre Reserve

This reserve was established in 1996/97 for the purpose of providing for major renovation, maintenance, repairs and replacement of the fixtures and fittings associated with the City's Administration and Civic Centre.

(b) Aged Persons and Senior Citizens Reserve

This reserve was established in 1997/98 from a contribution from the Board of Leederville Gardens Retirement Village for the purpose of the acquisition, provision, maintenance, management or extension of the existing Leederville Gardens Village, or the purchase or construction of a similar type of village for senior citizens or provision of aged or senior citizens facilities, within the City's boundaries.

Council resolved in March 2016 to transfer the balance of this reserve to the new *Leederville Gardens Inc Surplus Trust*. The transfers were completed in June 2016. The City administers the new trust as part of the City's Trust Account, however the funds may not be used for the direct benefit of either the City or Leederville Gardens Retirement Village. In July 2016 Council approved the closure of the *Aged Persons and Senior Citizens' Reserve*.

(c) Asset Sustainability Reserve

This reserve was established in June 2015 for the purpose of assisting Council in funding its long-term asset management objectives and provide a means to spread the cost of inter-generational assets over multiple years.

(d) Beatty Park Leisure Centre Reserve

This reserve was established in 1994/95 for the major upgrade and redevelopment of the Beatty Park Leisure Centre including the replacement or purchase of major plant, equipment, fixtures and fittings.

(e) Capital Reserve

This reserve was established in 1995/96 with the allocation of \$1,000,000 from the Infrastructure Account established under the City of Perth Restructuring Act for the future major capital works and projects.

(f) Cash In Lieu Parking Reserve

This reserve was established in 1996/97 from payment of cash-in-lieu of car parking from development applicants. At the Special Meeting of Council held on 17 May 2011, the purpose of the Reserve Fund as amended to be as follows:

"This reserve is established from payment of cash-in-lieu of car parking from development applicants and is to be used for the upgrade of existing car parking facilities or the establishment of new car parking facilities and associated infrastructure."

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED (Continued)

(g) Electronic Equipment Reserve

This reserve was established for the purpose of replacement and major upgrade of electronic equipment including, but not limited to computer hardware and software, information technology and communication equipment.

(h) Heritage Loan Reserve

This reserve was established in 1998/99 with the allocation of \$20,000 to the newly created Heritage Loan Reserve.

The purpose of the Heritage Loan Reserve changed to the Heritage Low Interest Loan Scheme and the funds held to be applied to that new Reserve, to enable the funds to be transferred to the proposed Western Australian Municipal Association scheme.

(i) Hyde Park Lake Reserve

At the Special Council Meeting held on 12 July 2005, it was resolved to establish a reserve for works associated with the investigation, maintenance, remedial works and the rehabilitation of the Hyde Park Lakes and surrounds.

(j) Land And Building Asset Acquisition Reserve

This reserve was established from proceeds of sale of land. The purpose of the reserve is to ensure that proceeds of real assets disposed of are restricted to purchase other land and buildings for civic purposes.

(k) Leederville Oval Reserve

This reserve was established in 1998/99 with the allocation of \$1,000,000 from the Infrastructure Account established under the City of Perth Restructuring Act. The purpose of this reserve is for the redevelopment of Leederville Oval.

At the Special Council meeting of the 30 October 2001 it was resolved to change the future use of this reserve to include the following:

"and for works associated with the maintenance, repairs, upgrade and replacement of Leederville Oval buildings, fixtures, fittings and associated land."

(l) Leederville Tennis Reserve

This reserve was established in 2015/16 for the upgrade, renewal and replacement of the water bore and/or pump at the Leederville tennis courts, with funds contributed by the Lessee in accordance with the Special Condition – Sinking Fund provision of the Lease.

(m) Light Fleet Replacement Reserve

This reserve was established in 2001/02 to fund the replacement of the City's light vehicle fleet.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED (Continued)

(n) Loftus Community Centre Reserve

This reserve was established in 1994/95. Contributions are made to the Council by the lessee of the Loftus Community Centre for the redevelopment of the Centre, including upgrade, renovation, maintenance, repairs and replacement of major items of plant, equipment, fixtures or fittings.

(o) Loftus Recreation Centre Reserve

This reserve was established in 1994/95. Contributions are made to the Council by the lessee of the Loftus Recreation Centre for the upgrade, renovation, maintenance, repairs and replacement of major items of plant, equipment, fixtures or fittings.

(p) North Perth Tennis Reserve

This reserve was established in 2015/16 for the upgrade, renewal and replacement of the North Perth tennis courts, with funds contributed by the Lessee in accordance with the Special Condition – Sinking Fund provision of the Lease.

(q) Office Building Reserve – 246 Vincent Street

This reserve was established in 2003 for major building upgrade, maintenance, repairs, renovation and replacement of floor covering, fixtures and fittings associated with the new Office Building and Land.

(r) Parking Facility Reserve

This reserve was established in 2008. At the Special Meeting of Council held on 17 May 2011, the purpose of the Reserve Fund as amended to be as follows:

"for the purchase, maintenance and operations of parking ticket machines; provision and improvement of parking information systems; security lighting, improved pathways and associated infrastructure to access parking areas; and associated works."

(s) Parking Funded City Upgrade Reserve

At the Special Council Meeting held on 17 May 2011, it was agreed to establish a Parking Funded City Centre Upgrade Reserve. This Reserve is for the provision and upgrade of infrastructure, facilities and services, both parking and non-parking, in the City of Vincent, City Centre's and the promotion of those City Centre's as well as works associated with any Parking Benefit Districts as determined by the Council.

(t) Parking Funded Transport Initiatives Reserve

At the Special Council Meeting held on 17 May 2011, a new Reserve was established for the provision of sustainable transport initiatives and modes and including, but not limited to, the provision and maintenance of footpaths, cycle ways and other cycling support facilities, bus shelter and other transit facilities.

(u) Percent For Public Art Reserve

This reserve was established in July 2016 from payment of public art contributions from development applicants and is to be used for the acquisition and provision of Public Art and associated infrastructure.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED (Continued)

(v) Perth Oval Reserve

At the Special Council meeting of 30 October 2001 it was resolved to establish a new Reserve Fund for Perth Oval and associated land for the following purpose:

"works associated with the maintenance, repairs, upgrade and replacement of Perth Oval buildings, fixtures fittings and associated land."

(w) Plant And Equipment Reserve

This reserve was established in April 1995 for the purchase of replacement plant and equipment associated with City's works.

(x) Public Open Space Reserve

This reserve was established in the transfer from the City of Perth for the acquisition and development of land to provide additional public open space in the City.

(y) State Gymnastics Centre Reserve

At the Ordinary Meeting of Council, held on 23 July 2002, it was agreed to establish a new State Indoor Multi-Use Sports Centre Reserve for the following purpose:

"For works associated with the maintenance, repairs, alterations, upgrade and replacement of the proposed State Gymnastics Centre buildings, major plant and equipment, fixtures, fittings and associated land."

(z) Strategic Waste Management Reserve

At the Ordinary Meeting of Council, held on 23 October 2001, it was agreed to establish a new Strategic Waste Management Reserve for the following purpose:

"Investigation and implementation of integrated waste management strategies/programmes and initiatives, (including secondary waste treatment and costs associated with the redevelopment of Lot 118 Tamala Park)."

(aa) Tamala Park Land Sales Reserve

This reserve was established in 2013/14 for future significant/major capital works, infrastructure, project or debt reduction programme for the benefit of the City.

(ab) Underground Power Reserve

This reserve was established in 1998/99 with the allocation of \$20,000 for the purpose of funding the City's contribution to approved underground power projects.

(ac) Waste Management Plant And Equipment Reserve

This reserve was established for the purpose of replacing plant and equipment associated with City's waste management, minimisation and recycling operations.

At the Ordinary Council meeting of the 23 October 2001 it was resolved to alter the name of this reserve to the Waste Management Plant and Equipment Reserve fund to reflect its use.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED (Continued)

The following reserve funds will be used, as and when the need arises:

- Administration Centre Reserve;
- Capital Reserve;
- Cash In Lieu Parking Reserve;
- Heritage Loan Reserve;
- Hyde Park Lake Reserve;
- Land and Building Asset Acquisition Reserve;
- Leederville Oval Reserve;
- Leederville Tennis Reserve;
- North Perth Tennis Reserve;
- Office Building Reserve – 246 Vincent Street;
- Parking Facility Reserve;
- Parking Funded City Upgrade Reserve;
- Parking Funded Transport Initiatives Reserve;
- Percent For Public Art Reserve;
- Perth Oval Reserve;
- State Gymnastics Centre Reserve;
- Strategic Waste Management Reserve;
- Tamala Park Land Sales Reserve; and
- Underground Power Reserve.

The following reserve funds are established to minimize the impact of major expenditure on any one budget and varying levels of expenditure will occur from year to year as required:

- Asset Sustainability Reserve;
- Beatty Park Leisure Centre Reserve;
- Electronic Equipment Reserve;
- Light Fleet Replacement Reserve;
- Loftus Community Centre Reserve;
- Loftus Recreation Centre Reserve;
- Plant and Equipment Reserve;
- Public Open Space Reserve; and
- Waste Management Plant and Equipment Reserve.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED (Continued)

	Actual 2016/17	Revised Budget 2016/17	Actual 2015/16
	\$	\$	\$
Administration Centre Reserve			
Opening Balance 1 July 2016	61,555	61,566	60,382
Transfer to Reserve	1,032	877	1,173
Transfer from Reserve	(52,000)	(52,000)	-
Closing Balance 30 June 2017	<u>10,587</u>	<u>10,443</u>	<u>61,555</u>
Aged Persons and Senior Citizens Reserve			
Opening Balance 1 July 2016	-	-	3,238,209
Transfer to Reserve	-	-	1,173,488
Transfer from Reserve	-	-	(4,411,697)
Closing Balance 30 June 2017 (Closed)	<u>-</u>	<u>-</u>	<u>-</u>
Asset Sustainability Reserve			
Opening Balance 1 July 2016	1,720,356	1,720,673	-
Transfer to Reserve	1,531,448	1,525,378	1,720,356
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>3,251,804</u>	<u>3,246,051</u>	<u>1,720,356</u>
Beatty Park Leisure Centre Reserve			
Opening Balance 1 July 2016	214,164	218,179	104,774
Transfer to Reserve	309,118	308,357	149,968
Transfer from Reserve	(269,463)	(324,463)	(40,578)
Closing Balance 30 June 2017	<u>253,819</u>	<u>202,073</u>	<u>214,164</u>
Capital Reserve			
Opening Balance 1 July 2016	99,262	99,280	255,510
Transfer to Reserve	2,207	1,206	5,837
Transfer from Reserve	(93,999)	(100,486)	(162,085)
Closing Balance 30 June 2017	<u>7,470</u>	<u>-</u>	<u>99,262</u>
Cash In Lieu Parking Reserve			
Opening Balance 1 July 2016	648,657	648,087	585,128
Transfer to Reserve	167,956	1,357,646	205,835
Transfer from Reserve	(35,164)	(60,000)	(142,306)
Closing Balance 30 June 2017	<u>781,449</u>	<u>1,945,733</u>	<u>648,657</u>
Electronic Equipment Reserve			
Opening Balance 1 July 2016	51,171	51,179	130,123
Transfer to Reserve	1,418	1,262	3,255
Transfer from Reserve	-	-	(82,207)
Closing Balance 30 June 2017	<u>52,589</u>	<u>52,441</u>	<u>51,171</u>
Heritage Loan Reserve			
Opening Balance 1 July 2016	-	-	-
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>-</u>	<u>-</u>	<u>-</u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED (Continued)

	Actual 2016/17	Revised Budget 2016/17	Actual 2015/16
	\$	\$	\$
Hyde Park Lake Reserve			
Opening Balance 1 July 2016	144,127	144,154	139,913
Transfer to Reserve	4,050	3,553	4,214
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>148,177</u>	<u>147,707</u>	<u>144,127</u>
Land and Building Asset Acquisition Reserve			
Opening Balance 1 July 2016	269,198	269,248	261,329
Transfer to Reserve	7,563	6,637	7,869
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>276,761</u>	<u>275,885</u>	<u>269,198</u>
Leederville Oval Reserve			
Opening Balance 1 July 2016	210,774	210,813	219,099
Transfer to Reserve	5,920	4,087	6,427
Transfer from Reserve	-	(70,000)	(14,752)
Closing Balance 30 June 2017	<u>216,694</u>	<u>144,900</u>	<u>210,774</u>
Leederville Tennis Reserve			
Opening Balance 1 July 2016	975	975	-
Transfer to Reserve	1,006	1,006	975
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>1,981</u>	<u>1,981</u>	<u>975</u>
Light Fleet Replacement Reserve			
Opening Balance 1 July 2016	-	-	-
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>-</u>	<u>-</u>	<u>-</u>
Loftus Community Centre Reserve			
Opening Balance 1 July 2016	20,946	20,950	18,928
Transfer to Reserve	6,717	6,588	6,732
Transfer from Reserve	(9,852)	(11,000)	(4,714)
Closing Balance 30 June 2017	<u>17,811</u>	<u>16,538</u>	<u>20,946</u>
Loftus Recreation Centre Reserve			
Opening Balance 1 July 2016	26,544	26,167	5,725
Transfer to Reserve	57,579	58,212	56,819
Transfer from Reserve	(45,000)	(45,000)	(36,000)
Closing Balance 30 June 2017	<u>39,123</u>	<u>39,379</u>	<u>26,544</u>
North Perth Tennis Reserve			
Opening Balance 1 July 2016	36,316	36,323	-
Transfer to Reserve	5,733	5,643	36,316
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>42,049</u>	<u>41,966</u>	<u>36,316</u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED (Continued)

	Actual 2016/17	Revised Budget 2016/17	Actual 2015/16
	\$	\$	\$
Office Building Reserve - 246 Vincent Street			
Opening Balance 1 July 2016	512,630	511,753	551,740
Transfer to Reserve	14,401	12,615	16,590
Transfer from Reserve	-	-	(55,700)
Closing Balance 30 June 2017	<u>527,031</u>	<u>524,368</u>	<u>512,630</u>
Parking Facility Reserve			
Opening Balance 1 July 2016	129,056	142,880	145,447
Transfer to Reserve	3,626	3,069	4,309
Transfer from Reserve	(34,500)	(36,750)	(20,700)
Closing Balance 30 June 2017	<u>98,182</u>	<u>109,199</u>	<u>129,056</u>
Parking Funded City Upgrade Reserve			
Opening Balance 1 July 2016	-	-	-
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>-</u>	<u>-</u>	<u>-</u>
Parking Funded Transport Initiative Reserve			
Opening Balance 1 July 2016	-	-	-
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>-</u>	<u>-</u>	<u>-</u>
Percent For Public Art Reserve			
Opening Balance 1 July 2016	-	-	-
Transfer to Reserve	-	325,371	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>-</u>	<u>325,371</u>	<u>-</u>
Perth Oval Reserve			
Opening Balance 1 July 2016	-	-	-
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>-</u>	<u>-</u>	<u>-</u>
Plant and Equipment Reserve			
Opening Balance 1 July 2016	398,316	398,389	392,416
Transfer to Reserve	9,447	4,837	11,701
Transfer from Reserve	(107,000)	(107,000)	(5,801)
Closing Balance 30 June 2017	<u>300,763</u>	<u>296,226</u>	<u>398,316</u>
Public Open Space Reserve			
Opening Balance 1 July 2016	-	-	-
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>-</u>	<u>-</u>	<u>-</u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

23. RESERVES - CASH BACKED (Continued)

	Actual 2016/17	Revised Budget 2016/17	Actual 2015/16
	\$	\$	\$
State Gymnastics Centre Reserve			
Opening Balance 1 July 2016	83,461	83,476	70,556
Transfer to Reserve	13,178	12,991	12,905
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>96,639</u>	<u>96,467</u>	<u>83,461</u>
Strategic Waste Management Reserve			
Opening Balance 1 July 2016	20,272	20,276	19,679
Transfer to Reserve	570	500	593
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>20,842</u>	<u>20,776</u>	<u>20,272</u>
Tamala Park Land Sales Reserve			
Opening Balance 1 July 2016	1,344,639	1,553,079	1,250,544
Transfer to Reserve	958,838	960,402	1,287,255
Transfer from Reserve	(280,779)	(362,245)	(1,193,160)
Closing Balance 30 June 2017	<u>2,022,698</u>	<u>2,151,236</u>	<u>1,344,639</u>
Underground Power Reserve			
Opening Balance 1 July 2016	190,086	190,121	184,531
Transfer to Reserve	5,340	4,686	5,555
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>195,426</u>	<u>194,807</u>	<u>190,086</u>
Waste Management Plant and Equipment Reserve			
Opening Balance 1 July 2016	38,910	38,917	37,772
Transfer to Reserve	507,314	507,122	1,138
Transfer from Reserve	-	-	-
Closing Balance 30 June 2017	<u>546,224</u>	<u>546,039</u>	<u>38,910</u>
Total Reserves	<u><u>8,908,119</u></u>	<u><u>10,389,586</u></u>	<u><u>6,221,415</u></u>
Summary of Reserves:			
Total Opening Balance 1 July	6,221,415	6,446,485	7,671,805
Total Transfer to Reserves	3,614,461	5,112,045	4,719,310
Total Transfer from Reserves	(927,757)	(1,168,944)	(6,169,700)
Total Closing Balance 30 June	<u><u>8,908,119</u></u>	<u><u>10,389,586</u></u>	<u><u>6,221,415</u></u>

All of the cash backed reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 12 to this financial report.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

24. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, the City of Vincent considers cash to include cash on hand and in banks and investments net of outstanding bank overdrafts and non-cash investments. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	Actual 2016/17 \$	Actual 2015/16 \$
Cash and Cash Equivalents	17,424,002	16,499,516
	<u>17,424,002</u>	<u>16,499,516</u>

(b) Reconciliation of Net Cash provided by Operating Activities to Net Result

	Actual 2016/17 \$	Actual 2015/16 \$
Net Result	3,821,308	4,744,428
Non-cash flows in Net Result:		
Depreciation	9,094,953	9,530,829
Asset Revaluation Decrement	-	-
Net Share of Interests in Joint Ventures	(23,213)	(339,739)
Change in Equity – WALGA LG House Trust	683	4,142
Profit on Assets Held for Sale (TPRC Joint Venture)	(245,788)	(1,299,433)
Work in Progress Assets Expensed	-	-
(Gain)/Loss on Sale of Property, Plant and Equipment	(128,744)	(1,852,297)
	12,519,199	10,787,930
Revenue Provided by:		
Government Grants for the Development of Assets	(2,548,355)	(1,384,622)
	(2,548,355)	(1,384,622)
Changes in Assets and Liabilities:		
Increase/(Decrease) in Provisions	263,524	256,050
Increase/(Decrease) in Income Received in Advance	(732,601)	673,768
Increase/(Decrease) in Accrued Income	165,033	153,165
Increase/(Decrease) in Creditors	(1,150,703)	168,535
Decrease/(Increase) in Debtors	(967,737)	(178,002)
Decrease/(Increase) in Prepayments	(231,024)	(106,004)
(Increase)/Decrease in Stock on Hand	(11,183)	28,782
Increase/(Decrease) in GST Movement	(16,370)	24,550
	(2,681,061)	1,020,844
Net Cash Provided by Operating Activities	<u>7,289,783</u>	<u>10,424,152</u>

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

24. NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

(c) Undrawn Borrowing Facilities

	Actual 2016/17 \$	Actual 2015/16 \$
Credit Standby Arrangements		
Bank overdraft limit*	-	-
Bank overdraft at balance date	-	-
Credit card limit	50,000	38,000
Credit card balance at balance date	<u>(4,548)</u>	<u>(11,542)</u>
Total amount of credit unused	45,452	26,458
Loan Facilities		
Loan facilities - current	881,398	818,840
Loan facilities - non-current	<u>14,896,584</u>	<u>15,777,982</u>
Total facilities in use at balance date	15,777,982	16,596,822
Unused loan facilities at balance date	<u>15,823,434</u>	<u>16,623,280</u>

* The City does not have a formal bank overdraft facility. However, the City has a Group Limit Facility with the Commonwealth Bank of Australia of \$2 million which covers payments if the City has sufficient funds in other accounts.

The facility was not used by the City during the year ended 30 June 2017.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

25. NET CURRENT ASSETS

Composition of net current assets

	2017 (30 June 2017 Carried Forward) \$	2017 (1 July 2016 Brought Forward) \$	2016 (30 June 2016 Carried Forward) \$
Surplus/(Deficit) 1 July 16 brought forward	<u>4,475,025</u>	<u>4,251,223</u>	<u>4,251,223</u>
Current Assets			
Cash and Cash Equivalents			
Unrestricted	8,515,883	10,278,101	10,278,101
Restricted	8,908,119	6,221,415	6,221,415
Receivables			
Rates Outstanding	218,492	(17,656)	(17,656)
Sundry Debtors	4,641,665	3,531,588	3,531,588
GST Receivable	106,687	67,868	67,868
Inventories			
Depot	117,950	120,372	120,372
Beatty Park Leisure Centre – Café/Retail	63,294	49,689	49,689
Less: Current Liabilities			
Trade and Other Payables			
Sundry Creditors	(4,719,626)	(6,131,282)	(6,131,282)
Accrued Interest on Debentures	(73,079)	(76,599)	(76,599)
Accrued Salaries and Wages	(309,483)	(315,516)	(315,516)
Current Portion of Long Term Borrowings			
Secured by Floating Charge	(881,398)	(818,840)	(818,840)
Provisions			
Provision for Annual Leave	(1,772,315)	(1,717,781)	(1,717,781)
Provision for Long Service Leave	(1,714,443)	(1,537,561)	(1,537,561)
Unadjusted Net Current Assets	<u>13,101,746</u>	<u>9,653,798</u>	<u>9,653,798</u>
Adjustments			
Less: Reserves – Restricted Cash	(8,908,119)	(6,221,415)	(6,221,415)
Less: Restricted – Sundry Debtors (Non-Operating Grant)	(600,000)	-	-
Add: Secured by Floating Charge	881,398	818,840	818,840
Adjusted Net Current Assets - Surplus/(Deficit)	<u>4,475,025</u>	<u>4,251,223</u>	<u>4,251,223</u>

Difference

There was no difference between the surplus/(deficit) 1 July 2016 brought forward position used in the 2017 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2016 audited financial report

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

26. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾ 1/07/15 \$	Received ⁽²⁾ 2015/16 \$	Expended ⁽³⁾ 2015/16 \$	Closing Balance ⁽¹⁾ 30/06/16 \$	Received ⁽²⁾ 2016/17 \$	Expended ⁽³⁾ 2016/17 \$	Closing Balance 30/06/17 \$
Transport							
Grant for road works	-	526,499	(526,499)	-	376,989	(328,888)	48,101
Total	<u>-</u>	<u>526,499</u>	<u>(526,499)</u>	<u>-</u>	<u>376,989</u>	<u>(328,888)</u>	<u>48,101</u>

Notes:

- (1) Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.
- (2) New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

27. SUPERANNUATION

The total statutory superannuation contribution paid by the Council during the reporting period was \$1,752,861. During the 2015/16 year the contributions were \$1,676,187.

The City of Vincent complies with the minimum obligations under federal law and contributes in respect of its employees to one of the following types of superannuation plans:-

Accumulated Benefit Superannuation Funds

The Council contributes in respect of certain of its employees to accumulated benefit superannuation funds, nominated by the employees. In accordance with statutory requirements, the Council contributes to these funds amounts nominated by the Council. As such, assets are accumulated in the plan to meet members' benefits as they accrue. No liability of the Council has been recognised as at the reporting date in respect of superannuation benefits for its employees.

City of Perth Superannuation Plan – a sub plan in the AustralianSuper Corporate Division

The Council contributes in respect of certain former City of Perth employees to a defined benefit superannuation plan. In accordance with statutory requirements, the Council contributes to the City of Perth Superannuation Plan (the Plan) amounts determined by the Plan Actuary. As such, assets are accumulated in the Plan to meet members' benefits as they accrue. The latest available audited financial report of the plan as at 30 June 2016, which was not subject to any audit qualification, indicates that the assets of the plan are sufficient to meet accrued benefits.

An Actuarial Report was received from Nerida Seccombe (BEc) of the Heron Partnership dated 23 March 2017. This latest review found the Plan has remained stable over the year to 30 June 2016; and recommended continue to contribute at a rate lower than the long-term employer cost until the next review in 2019. During this time the reduced employer contributions will be supplemented with contributions from the surplus of the Plan. Any contributions allocated from the surplus of the Plan will not be represented in the City's financial statements.

The City also received from the Actuary a "Funding and Solvency Certificate" and a "Benefit Certificate" for the Plan. Both certificates are dated 1 April 2016 and are valid until 31 March 2021 (unless new certificates are issued earlier).

The plan has a number of different participating employers contributing to the Plan. There is no segregation of the assets applicable to each employer and the each individual employer is not 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. The defined benefit section of the plan was closed to the admission of new members from 1 July 2010.

28. CONTINGENT LIABILITIES**Mindarie Regional Council**

In line with other equity holders in the Mindarie Regional Council (MRC) the City of Vincent has guaranteed, proportionate to its equity share (one twelfth), the obligations of MRC to the contractor which built and is now operating the Neerabup Resource Recovery Facility. 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 guarantee can be called upon in the event of a default event during the contractor's 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. This guarantee expires on 15 July 2019.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

29. CAPITAL AND LEASING COMMITMENTS

(a) Operating Lease Commitments

	Actual 2016/17 \$	Actual 2015/16 \$
Non-cancellable operating leases contracted for but payable:		
- not later than one year	282,638	538,612
- later than one year but not later than five years	194,011	476,649
- later than five years	-	-
	<u>476,649</u>	<u>1,015,261</u>

(b) Capital Expenditure Commitments

	Actual 2016/17 \$	Actual 2015/16 \$
Contracted for:		
- capital expenditure projects	472,567	264,897
- plant and equipment purchases	157,235	361,179
	<u>629,802</u>	<u>626,076</u>
Payable		
- not later than one year	<u>629,802</u>	<u>626,076</u>

The capital expenditure projects outstanding at the end of the current reporting period represent the construction of buildings, road works, footpaths, parks development and miscellaneous works.

30. ELECTED MEMBERS FEES AND ALLOWANCES

	Actual 2016/17 \$	Revised Budget 2016/17 \$	Actual 2015/16 \$
Members Meeting Fee	195,387	214,840	205,109
Mayor Allowance	58,247	58,600	61,800
Deputy Mayor Allowance	15,682	15,680	15,450
Information Technology Allowance	23,029	31,500	31,500
Travelling Expenses	257	1,500	690
Child Care	1,826	2,850	2,287
Stationery/Printing	2,833	4,000	2,631
Other Expenses	687	1,150	4,151
Total	<u>297,948</u>	<u>330,120</u>	<u>323,618</u>

There has been no related party transactions between the City, elected members and key management personnel that have offered benefits exceeding ordinary citizen transactions.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

31. TRUST FUNDS

Funds held at balance date over which the Council has no control and which are not included in the Financial Statements are as follows:

	Actual 2016/17 \$	Actual 2015/16 \$
Beatty Park Bonds		
Balance as at 1st July 2016	250	250
Receipts	-	-
Payments	-	-
Balance as at 30th June 2017	<u>250</u>	<u>250</u>
Ground Bonds		
Balance as at 1st July 2016	11,980	12,430
Receipts	35,300	30,503
Payments	(31,050)	(30,953)
Balance as at 30th June 2017	<u>16,230</u>	<u>11,980</u>
Hall Deposits		
Balance as at 1st July 2016	60,166	58,366
Receipts	163,000	124,568
Payments	(153,760)	(122,768)
Balance as at 30th June 2017	<u>69,406</u>	<u>60,166</u>
Key Deposits		
Balance as at 1st July 2016	18,750	17,050
Receipts	1,450	2,850
Payments	(2,860)	(1,150)
Balance as at 30th June 2017	<u>17,340</u>	<u>18,750</u>
Leederville Gardens Inc Surplus Trust		
Balance as at 1st July 2016	4,411,697	-
Receipts	775,336	4,411,697
Payments	-	-
Balance as at 30th June 2017	<u>5,187,033</u>	<u>4,411,697</u>
Nomination Deposits		
Balance as at 1st July 2016	-	-
Receipts	640	1,200
Payments	(640)	(1,200)
Balance as at 30th June 2017	<u>-</u>	<u>-</u>
Work Bonds		
Balance as at 1st July 2016	2,054,776	1,978,200
Receipts	578,140	928,100
Payments	(887,275)	(851,524)
Balance as at 30th June 2017	<u>1,745,641</u>	<u>2,054,776</u>
Unclaimed Monies		
Balance as at 1st July 2016	181,981	184,248
Receipts	(3,040)	60
Payments	(1,285)	(2,327)
Balance as at 30th June 2017	<u>177,656</u>	<u>181,981</u>
Planning Application Bond		
Balance as at 1st July 2016	40,100	50,900
Receipts	2,000	-
Payments	(2,900)	(10,800)
Balance as at 30th June 2017	<u>39,200</u>	<u>40,100</u>
Total Trust Balance	<u><u>7,252,756</u></u>	<u><u>6,779,700</u></u>

**CITY OF VINCENT
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FOR THE YEAR ENDED 30TH JUNE 2017**

32. FINANCIAL RISK MANAGEMENT

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council 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 Financial Services under policies approved by the Council.

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	Actual 2016/17 \$	Actual 2015/16 \$	Actual 2016/17 \$	Actual 2015/16 \$
Financial Assets				
Cash and Cash Equivalents	17,424,002	16,499,516	17,424,002	16,499,516
Receivables	4,721,204	3,902,129	4,721,204	3,902,129
	22,145,206	20,401,645	22,145,206	20,401,645
Financial Liabilities				
Payables	5,102,188	6,812,942	5,102,188	6,812,942
Borrowings	15,777,982	16,596,822	12,991,089	14,899,378
	20,880,170	23,409,764	18,093,277	21,712,320

Fair value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.
- Borrowings – estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

(a) Cash and Cash Equivalents

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio. Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk – the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk – the risk that movements in interest rates could affect returns. The weighted effective average interest for all the cash and cash equivalent for the year was 2.79% (2015/2016 was 2.89%).

Another risk associated with cash and investments is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Sensitivity Analysis

Impact of a 1.0% movement in interest rates on the average balance of cash and investments

	30 June 2017 \$	30 June 2016 \$
- Equity	247,763	281,065
- Income Statement	247,763	281,065

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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32. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

Council's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. Council manages this risk by monitoring outstanding debt and employing debt recovery policies. Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The level of outstanding receivables is monitored against benchmarks for acceptable collection performance. Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors. There are no material receivables that have been subject to a re-negotiation of repayment terms. The profile of the Council's credit risk at balance date was:

The profile of the Council's credit risk at balance date was:

	30 June 2017	30 June 2016
	\$	\$
Percentage of Rates and Annual Charges		
- Current	65%	62%
- Non-Current (Pensioners' Deferred Rates)	35%	38%
	30 June 2017	30 June 2016
	\$	\$
Percentage of Other Receivables (excluding Underground Power Charge)		
- Current	100%	100%
- Non-Current	0%	0%

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

32. FINANCIAL RISK MANAGEMENT (Continued)

(c) 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. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

The contractual undiscounted cash flows of Council's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year \$	Due Between 1 & 5 years \$	Due after 5 years \$	Total Contractual Cash Flows \$	Carrying Values \$
2017					
Payables	5,102,188	-	-	5,102,188	5,102,188
Borrowings	1,879,848	11,209,734	8,105,947	21,195,529	15,777,982
	<u>6,982,036</u>	<u>11,209,734</u>	<u>8,105,947</u>	<u>26,297,717</u>	<u>20,880,170</u>
2016					
Payables	6,812,942	-	-	6,812,942	6,812,942
Borrowings	1,868,323	11,832,118	9,363,411	23,063,852	16,596,822
	<u>8,681,265</u>	<u>11,832,118</u>	<u>9,363,411</u>	<u>29,876,794</u>	<u>23,409,764</u>

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs. Council manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risks:

	< 1 year \$	> 1 < 5 years \$	> 5 years \$	Total \$	Weighted Average Effective Interest Rate %
Year Ended 30 June 2017					
Borrowings					
- Fixed Rate					
Debentures	881,398	8,673,637	6,222,946	15,777,982	
Weighted Average Interest Rate	6.51%	6.14%	6.41%		6.30%
Year Ended 30 June 2016					
Borrowings					
- Fixed Rate					
Debentures	818,840	8,720,009	7,057,973	16,596,822	
Weighted Average Interest Rate	6.48%	6.22%	6.40%		6.33%

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

33. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	Actual 2016/17 \$	Actual 2015/16 \$
Governance	23,873,834	21,706,831
General purpose funding	1,363,680	2,353,491
Law, order, public safety	2,565,028	2,059,262
Health	22,214,900	3,181,676
Education and welfare	19,062,798	8,707,089
Community amenities	3,087,346	2,041,321
Recreation and culture	222,781,658	205,483,778
Transport	144,456,909	112,083,810
Economic services	-	-
Other property and services	20,898,006	16,775,076
	<u>460,304,159</u>	<u>374,392,334</u>

34. TRADING UNDERTAKINGS, MAJOR TRADING UNDERTAKINGS AND MAJOR LAND TRANSACTIONS

Tamala Park Regional Council – Development of Catalina Estate

(a) Details

The City is a participant (along with the Cities of Joondalup, Perth, Stirling, Wanneroo and the Towns of Cambridge and Victoria Park) in the operations of the Tamala Park Regional Council (TPRC). The TPRC was created in 2006 to develop the Catalina Estate - approximately 173 hectares of land for sale immediately north of the land leased by the Mindarie Regional Council. The City has a one twelfth (1/12) equity in the assets and liabilities of the development and the net proceeds of the land development; as well as a one twelfth (1/12) share in the asset of the lands held for development.

During the financial year ended 30 June 2017, the sale of 69 lots was settled. The City's share of the sale proceeds received by TPRC was \$1,661,093; and the City's share of the development and selling costs was \$1,415,305; resulting in a net gain on the disposal of the developed land as \$245,788. This note should also be read in conjunction with Note 10 Interests in Joint Ventures.

(b) Current Year Transactions

	Actual 2016/17 \$	Actual 2015/16 \$
Capital Income		
Proceeds from Sale of Land	1,661,093	3,211,695
Capital Expenditure		
Land Development Expenses	(1,412,983)	(1,883,556)
Rates	-	(25,838)
Acquisition Cost of Land Developed	<u>(2,322)</u>	<u>(2,868)</u>
	<u>(1,415,305)</u>	<u>(1,912,262)</u>
Profit/(Loss) on Sale of Land Assets (TPRC)	<u>245,788</u>	<u>1,299,433</u>

CITY OF VINCENT
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2017

34. TRADING UNDERTAKINGS, MAJOR TRADING UNDERTAKINGS AND MAJOR LAND TRANSACTIONS (Continued)

(c) Expected Future Cash Flows

The City's share of future cash flows from the last Catalina Estate development project plan are:

	2018	2019	2020	2021	2022	2023
	\$	\$	\$	\$	\$	\$
Cash Inflows						
Proceeds from Sale of Land	-	3,816,949	4,390,393	5,641,758	5,648,761	5,177,981
Cash Outflows						
Land Development Expenses	-	(2,709,047)	(2,600,663)	(2,660,814)	(2,429,924)	(2,292,631)
Net Cash Flows	<u>-</u>	<u>1,107,902</u>	<u>1,789,730</u>	<u>2,980,944</u>	<u>3,218,837</u>	<u>2,885,350</u>
	2024	2025	2026	2027	2028	2029
	\$	\$	\$	\$	\$	\$
Cash Inflows						
Proceeds from Sale of Land	-	4,122,673	6,527,700	2,444,907	-	-
Cash Outflows						
Land Development Expenses	-	(2,032,944)	(2,266,999)	(392,253)	(78,775)	-
Net Cash Flows	<u>-</u>	<u>2,089,729</u>	<u>4,260,701</u>	<u>2,052,654</u>	<u>(78,775)</u>	<u>-</u>

35. EMPLOYEE NUMBERS

	Actual 2016/17	Actual 2015/16
	\$	\$
The number of Full-Time Equivalent Employees at balance date	260.3	245.5

36. ECONOMIC DEPENDENCY

A significant portion of revenue is received by way of grant from the State and Federal Government. The total of grant revenue from government sources is disclosed in Note 4.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

37. FAIR VALUE MEASUREMENT

The City measures the following assets and liabilities on a recurring basis:

- Financial Assets – Investments
- Land and Buildings
- Furniture and Equipment
- Plant and Equipment
- Roads
- Footpaths
- Rights of Way
- Drainage
- Park Development
- Car Park Development
- Other Infrastructure Assets

The City does not measure any other assets and liabilities at fair value on a non-recurring basis.

The following table provides the fair values of the City's assets measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

Recurring Fair Value Measurements**Financial Assets 30 June 2017**

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Investment	17	-	41,952	-	

Financial Assets 30 June 2016

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Investment	17	-	42,635	-	

Non-Financial Assets 30 June 2017

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Land	18	-	128,067,500	-	128,067,500
Buildings	18	-	1,392,100	162,267,324	163,659,424
Plant and Equipment	18	-	5,508,449	49,541	5,557,990
Furniture and Equipment	18	-	142,960	1,415,455	1,558,415
Roads	19	-	-	56,369,931	56,369,931
Footpaths	19	-	-	22,078,385	22,078,385
Rights of Way	19	-	-	3,338,229	3,338,229
Drainage	19	-	-	17,215,138	17,215,138
Park Development	19	-	-	14,423,813	14,423,813
Car Park Development	19	-	-	8,843,670	8,843,670
Other Infrastructure	19	-	-	5,553,295	5,553,295
Total non-financial assets recognised at fair value on a recurring basis		-	135,111,009	291,554,781	426,665,790

* Excludes Work in Progress.

CITY OF VINCENT
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37. FAIR VALUE MEASUREMENT (Continued)

Non-Financial Assets 30 June 2016 (Restated)

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Land	18	-	12,930,000	41,915,327	54,845,327
Buildings	18	-	2,173,101	151,989,582	154,162,683
Plant and Equipment	18	-	3,568,147	639,403	4,207,550
Furniture and Equipment	18	-	142,960	669,374	812,334
Roads	19	-	-	56,203,636	56,203,636
Footpaths	19	-	-	21,141,747	21,141,747
Rights of Way	19	-	-	3,243,331	3,243,331
Drainage	19	-	-	17,307,777	17,307,777
Park Development	19	-	-	14,920,062	14,920,062
Car Park Development	19	-	-	8,927,768	8,927,768
Other Infrastructure	19	-	-	5,382,918	5,382,918
Total non-financial assets recognised at fair value on a recurring basis		-	18,814,208	322,340,925	341,155,133

* Excludes Work in Progress.

(a) Transfers Policy

The policy of the City is to recognise transfers into and transfers out of the fair value hierarchy levels as at the end of the reporting period. There were no transfers between Levels 1 and 2 for recurring fair value measurements during the year. There were also no transfers in and out of Level 3 measurements.

(b) Highest and Best Use

There were no assets valued where it was assumed that the highest and best use was other than their current use.

CITY OF VINCENT
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FOR THE YEAR ENDED 30TH JUNE 2017

37. FAIR VALUE MEASUREMENT (Continued)

(c) Valuation techniques and inputs used to derive fair values

The following table summarises valuation inputs and techniques used to determine the Fair value for each asset class.

Asset	Level of Valuation Input	Fair Value at 30 June 2017	Valuation Technique(s)	Inputs Used
Non-Financial Assets				
Land	2	128,067,500	Market approach	Price per square metre
Land	3	-	Cost approach	Price per square metre
Buildings	2	1,392,100	Market approach	Estimates of useful life, pattern of consumption, asset condition, residual value and relationship to the assessed level of remaining service potential of the depreciable amount
Buildings	3	162,267,324	Cost and Market approach	Estimates of useful life, pattern of consumption, asset condition, residual value and relationship to the assessed level of remaining service potential of the depreciable amount
Plant and Equipment	2	5,508,449	Cost and Market approach	Make, size/model, year of manufacture and condition
Plant and Equipment	3	49,541	Cost and Market approach	Make, size/model, year of manufacture and condition
Furniture and Equipment	2	142,960	Cost and Market approach	Make, size/model, year of manufacture and condition
Furniture and Equipment	3	1,415,455	Cost and Market approach	Make, size/model, year of manufacture and condition

CITY OF VINCENT
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37. FAIR VALUE MEASUREMENT (Continued)

(c) Valuation techniques and inputs used to derive fair values (Continued)

Asset	Level of Valuation Input	Fair Value at 30 June 2017	Valuation Technique(s)	Inputs Used
Roads	3	56,369,931	Cost approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Footpaths	3	22,078,385	Cost approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Rights of Way	3	3,338,229	Cost approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Drainage	3	17,215,138	Cost approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Park Development	3	14,423,813	Cost approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Car Park Development	3	8,843,670	Cost approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Other Infrastructure	3	5,553,295	Cost approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Total *		<u>426,665,790</u>		

* Excludes Work in Progress.

**CITY OF VINCENT
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FOR THE YEAR ENDED 30TH JUNE 2017**

37. FAIR VALUE MEASUREMENT (Continued)

(c) Valuation techniques and inputs used to derive fair values (Continued)

Recurring fair value measurements

Land

The City's land was valued by independent valuers as at 30 June 2017. The valuation has been conducted in accordance with Australian Accounting Standards, including AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment, as well as the Local Government Act 1995 and accompanying regulations. The valuation excludes any Assets held for sale, under construction or work in progress, finance costs, stock or inventory, goodwill and intellectual property.

Both improved and unimproved land have been valued in accord the prevailing zoning/reservation or likely zoning. In determining value, sales evidence of comparable property has been collated and analysed across the various localities within the City of Vincent and used to determine the value of the subject land.

With regard to land that is currently zoned Parks, Recreation and/or for Public Purpose, having a highly restricted use, it is difficult with any degree of confidence in applying the typical valuation method of direct comparable sales evidence consistent with the Level 2 input. These were subsequently valued at the Level 3 valuation input hierarchy by using the professional judgement of a Registered Valuer who investigated land value within a wider general area of the region where traditionally land values are at their lowest. The appropriate sales of this marginal land was then applied to the subject property after making due allowances for location, size and utility. This provided only a low level of comparability.

Buildings

The Building asset class includes buildings owned by City of Vincent which have been measured at market value as at 30 June 2017. City's valuer has researched sales evidence across the relevant local markets. Value adjustments for considerations such as location, development potential, aspect, size and date of sale have been made to the most appropriate evidence to determine fair value.

The City's building & improvement assets such as the City's Depot, Community Halls and Club houses, Pavilion, etc. which are considered to be of a "specialised nature" (non – market type properties which are not readily traded in the market place) are valued in 2017 by professionally qualified Registered Valuers using the cost approach. This approach is commonly referred to as the depreciated replacement cost (DRC).

The "DRC" approach considers the cost (sourced from cost guides such as Rawlinsons, Cordell, professional quantity surveyors and recent construction costs for similar projects throughout Western Australia) to reproduce or replace similar assets with an asset in new condition, including allowance for installation, less an amount for depreciation in the form of accrued physical wear and tear, economic and functional obsolescence. The depreciation consists of a combination of unit rates based on square metres and quantification of the component parts of the asset (level 2 valuation inputs). Other inputs (i.e. remaining useful life, asset condition and utility) required extensive professional judgement and impacted significantly on the final determination of fair value. Therefore, specialised building assets were classified as having been valued using Level 3 valuation inputs.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

37. FAIR VALUE MEASUREMENT (Continued)

(c) Valuation techniques and inputs used to derive fair values (Continued)

Plant and Equipment

Plant and equipment were revalued in 2016 as part of the mandatory requirements embodied in Local Government (Financial Management) Regulation 17A. Whilst the additions since 1 July 2016 have been brought in the books at cost, given they were acquired at arm's length and any accumulated depreciation reflects the usage of service potential, it is considered that the recorded written down values approximate fair values. Thus, the value of the class of assets in the City's books is considered to be in accordance with Local Government (Financial Management (Regulation) 17A (2), which requires these assets to be shown at fair value.

Most plant and equipment assets are generally valued using the market and cost approach using comparable sales and relevant industry market price reference guides, and have been classified as being valued at Level 2 of the fair value hierarchy. The most significant inputs into this valuation approach are the make, size, model, year of manufacture and condition.

Infrastructure Assets

The infrastructure assets valuation was carried out by an independent valuer in 2015. The assets which were the focus of this project included the following:

- Roads
- Footpaths
- Rights of Way
- Drainage
- Park Development
- Car Park Development
- Other Infrastructure Assets

The valuation was undertaken using the City's inventory data. The data for car parks and parks had recently been updated and are of a moderate to high confidence level. The inventory of drainage is of a low confidence level.

The valuation process has been performed in accordance with accepted accounting standards (e.g. AASB 116 and AASB 13) and other best practice asset and financial management guides (e.g. International Infrastructure Management Manual 2011© and Australian Infrastructure Financial Management Guidelines 2011©). All assets have been valued using unit rate costs, sourced from the City, local suppliers or the Rawlinsons Australian Construction Handbook 2005 (Edition 33).

(d) Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes:

Borrowings

The following table provides the level of fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used:

Description	Note	Fair Value Hierarchy Level	Valuation Technique(s)	Inputs Used
Liabilities				
Borrowings	8(a)	2	Income approach using discounted cash flow methodology	Current treasury borrowing rates for similar instruments

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the notes to the financial statements.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

38. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

	2017
	\$
The total of remuneration paid to KMP of the City during the year are as follows:	
Short-term employee benefits	1,130,057
Post-employment benefits	138,825
Other long-term benefits	135,659
Termination benefits	-
	1,404,541

Short-term employee benefits

These amounts include all salary, paid leave, 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 at Note 30.

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).

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. The City includes elected members and members of the executive management team in the definition of Key Management Personnel. Compensation paid to elected members identified in Note 30.

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

The City has a one-twelfth interest in Mindarie Regional Council and Tamala Park Regional Council. The interest in the joint venture entity is accounted for in these financial statements using the equity method of accounting. For details of interests held in joint venture entities, refer to Note 10.

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

38. RELATED PARTY TRANSACTIONS (Continued)

Transactions with Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. All of the following amounts relate to joint venture entities.

	2017 \$
Associated Companies / Individuals:	
Sale of goods and services	58,748 *
Purchase of goods and services	2,367,378 *
Joint venture entities:	
Distributions received from joint venture entities	916,666
Amounts outstanding from related parties:	
Trade and other receivables	5,394
Loans to associated entities	-
Loans to key management personnel	-
Amounts payable to related parties:	
Trade and other payables	58,371
Loans from associated entities	9,816

Note: Transitional provisions contained within AASB 2015-16 do not require comparative related party disclosures to be presented in the period of initial application. As a consequence, only disclosures in relation to the current year have been presented.

* The amounts disclosed under Associated Companies/Individuals are exclusive of GST.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

39. FINANCIAL RATIOS OF THE ACCOUNTS

	2017	2016	2015
Current Ratio	1.38	1.32	1.04
Asset Sustainability Ratio	0.50	0.55*	0.47*
Debt Service Cover Ratio	6.10	7.54	5.75
Operating Surplus Ratio	0.02	0.06*	0.09*
Own Source Revenue Coverage Ratio	0.99	1.04*	1.03*

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{Current Assets – Restricted Assets}}{\text{Current Liabilities – Liabilities associated with Restricted Assets}}$
Asset Sustainability Ratio	$\frac{\text{Capital Renewal and Replacement Expenditure}}{\text{Depreciation Expense}}$
Debt Service Cover Ratio	$\frac{\text{Annual Operating Surplus Before Interest and Depreciation}}{\text{Principal and Interest}}$
Operating Surplus Ratio	$\frac{\text{Operating Revenue – Operating Expenses}}{\text{Own Source Operating Revenue}}$
Own Source Revenue Coverage Ratio	$\frac{\text{Own Source Operating Revenue}}{\text{Operating Expenses}}$

Notes:

Information relating to the asset consumption ratio and the asset renewal funding ratio can be found at Supplementary Ratio Information on Page 79 of this document.

Three of the 2017 ratios disclosed above were distorted by the early receipt of half of the allocation of the 2017-2018 Financial Assistance Grant in June 2017.

The early payment of the grant increased operating revenue in 2017 by \$583,015.

Three of the 2016 and 2015 ratios disclosed above were distorted by the early receipt of half of the allocation of 2015-16 Financial Assistance Grant on 30 June 2015.

The early payment of the grant increased operating revenue in 2015 and decreased operating revenue in 2016 by \$576,865.

If recognised in the year to which the allocation related, the calculations in the 2017, 2016 and 2015 columns above would be as follows:

	2017	2016	2015
Current Ratio	1.32	1.37	0.98
Debt Service Cover Ratio	5.78	7.86	5.56
Operating Surplus Ratio	0.01	0.07	0.08

* The 2015-16 and 2014-15 results for these ratios differ from those previously reported due to prior-year adjustments addressed in Note 40. The Asset Sustainability ratio has also been amended for prior years to include the impact of consideration received for disposals of assets.

**CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

40. PRIOR PERIOD CORRECTIONS

Balances relating to the 2016 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 AASB101, a statement of financial position as at the beginning of the earliest comparative period has been included (refer statement of financial position column labelled as at 1 July 2015).

A number of prior period corrections have been made for this annual report.

In March 2012 the City leased *nib Stadium* (Perth Oval) to the State Government for a term of 25 years. Under the terms of the lease, whilst the City retains ownership of the assets at the facility, the Lessee assumes the rights and responsibilities over the assets including the responsibility to maintain and renew those assets. In 2012-13 and 2013-14 the Lessee undertook a redevelopment program to upgrade and replace facilities at this site. The total project cost in excess of \$80 million.

During the first revaluation of Land and Buildings in 2013-14 the City did not revalue the existing assets or recognise the new assets at *nib Stadium*. As at 30 June 2017 the City has recognised and revalued all assets at this facility; and made prior-period adjustments to recognise the value of these assets as they existed at 30 June 2014.

As the City bears no responsibility for maintenance or renewal for the assets at *nib Stadium*, the City will not depreciate these assets. Changes to valuations will be recognised during triennial revaluations. Any depreciation charged in the years 2013-14 to 2016-17 has now been reversed.

Effect of the above:	Original Balance	Amount of Adjustment	Adjusted Balance
	\$	\$	\$
<u>Changes to Financial Statements</u>			
Statement of Comprehensive Income			
- by Nature or Type			
Expenses			
Depreciation on Non-Current Assets	(10,089,839)	559,010	(9,530,829)
- by Program			
Expenses			
Recreation and Culture	(21,715,541)	559,010	(21,156,531)
Statement of Financial Position			
Non-Current Assets			
Property, Plant and Equipment	137,691,915	77,246,463	214,938,377
Equity			
Retained Surplus	129,016,231	1,677,029	130,693,260
Revaluation Surplus	134,941,124	75,569,434	210,510,558
Rate Setting Statement			
Operating Expenses			
Recreation and Culture	(22,808,861)	559,010	(22,249,851)
Operating Non-Cash Adjustments			
Depreciation and amortisation on assets	10,089,839	(559,010)	9,530,829

CITY OF VINCENT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

40. PRIOR PERIOD CORRECTIONS (Continued)	Original Balance	Amount of Adjustment	Adjusted Balance
<u>Changes to Notes of the Financial Report</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Note 7(b) - Depreciation			
Buildings	4,267,032	(559,010)	3,708,022
Total	<u>10,089,839</u>	<u>(559,010)</u>	<u>9,530,829</u>
Note 11 - Revaluation Surplus			
Buildings	29,302,079	75,569,434	104,871,513
Note 18 - Property, Plant and Equipment			
Buildings at:			
- Independent Valuation 2014 - Level 2	4,613,873	-	4,613,873
- Independent Valuation 2014 - Level 3	145,559,812	(14,260,204)	131,299,607
- Management Valuation 2014 - Level 3	-	82,272,211	82,272,211
- Additions after Valuation - Cost	1,801,556	-	1,801,556
Less: Accumulated Depreciation	<u>(75,059,020)</u>	<u>9,234,456</u>	<u>(65,824,564)</u>
Total	<u>76,916,221</u>	<u>77,246,463</u>	<u>154,162,683</u>
Note 24 - Notes to the Statement of Cash Flows			
Reconciliation of Net Cash provided by Operating Activities to Net Result			
Net Result from Operating Activities	4,185,420	559,010	4,744,429
Depreciation	10,089,839	(559,010)	9,530,829
Note 33 - Total Assets Classified By Function and Activity			
Recreation and Culture	128,237,315	77,246,463	205,483,778
Total	<u>297,145,871</u>	<u>77,246,463</u>	<u>374,392,334</u>
Note 37 - Fair Value Measurement			
Non-Financial Assets 30 June 2016			
Buildings - Level 3	76,916,221	77,246,463	154,162,683

MOORE STEPHENS

INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE CITY OF VINCENT

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Opinion on the Audit of the Financial Report

We have audited the accompanying financial report of the City of Vincent (the City), which comprises the statement of financial position as at 30 June 2017, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and the rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Chief Executive Officer.

In our opinion, the financial report of the City of Vincent is in accordance with *the Local Government Act 1995* (as amended) and the *Local Government (Financial Management) Regulations 1996* (as amended), including:

- a) giving a true and fair view of the City's financial position as at 30 June 2017 and of its financial performance and its cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the City in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Other Legal and Regulatory Requirements

During the course of the audit we became aware of the following instance where the City did not comply with the Local Government (Financial Management) Regulations 1996 (as amended):

Annual Budget

The annual budget for the year ended 30 June 2017 was not submitted to the Department of Local Government within 30 days of its adoption as required by Local Government (Financial Management) Regulation 33.

Monthly Statement of Financial Activity

The monthly statement of financial activity for November 2016 was not presented to council within 2 months after the end of the month to which the statement relates, as required by Local Government (Financial Management) Regulation 34(4)(a).

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the City.
- b) Except as noted above, no matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 79 of this report, we have reviewed the calculation for the Asset Consumption Ratio as presented and nothing has come to our attention to suggest it is not supported by:
 - i) verifiable information; and
 - ii) reasonable assumptions.

The Asset Renewal Funding Ratio was not calculated and hence no review was carried out.

- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

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MOORE STEPHENS**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE CITY OF VINCENT (CONTINUED)***Other Information*

Management is responsible for the other information. The other information comprises the information included in the City's annual report for the year ended 30 June 2017 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Council for the Financial Report

Management is responsible for the preparation of this financial report that gives a true and fair view in accordance with Australian Accounting Standards, *the Local Government Act 1995* (as amended) and the *Local Government (Financial Management) Regulations 1996* (as amended) and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management 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.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives 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 our 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our auditor's report.

MOORE STEPHENS
CHARTERED ACCOUNTANTS



DAVID TOMASI
PARTNER

Date: 15 November 2017
Perth, WA

**CITY OF VINCENT
SUPPLEMENTARY RATIO INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2017**

SUPPLEMENTARY FINANCIAL RATIOS

The following information relates to those ratios which only require an attestation they have been checked and supported by verifiable information. It does not form part of the financial report.

	2017	2016	2015
Asset Consumption Ratio ⁺	0.76	0.77*	0.78*
Asset Renewal Funding Ratio [#]	-	-	-

The above ratios are calculated as follows:

Asset Consumption Ratio	$\frac{\text{Depreciated Replacement Cost of Assets}}{\text{Current Replacement Cost of Depreciable Assets}}$
Asset Renewal Funding Ratio	$\frac{\text{NPV of Planned Capital Renewals Over 10 Years}}{\text{NPV of Required Capital Expenditure Over 10 Years}}$

* The 2015-16 and 2014-15 results for these ratios differ from those previously reported due to prior-year adjustments addressed in Note 40.

* The calculation of the Asset Consumption Ratio excludes the value of the assets at *nib Stadium* (Perth Oval). This facility is leased by the State Government and managed by VenuesWest. Whilst the City retains ownership of facility and the assets, the Lessee has responsibility to maintain and renew the assets over the term of the lease.

This ratio is dependent on an understanding of the level of renewal required across all asset categories. The City is in the process of undertaking detailed condition reporting which will enable the development of renewal programmes to meet agreed service levels. This ratio will be reviewed in the next LTFP.