

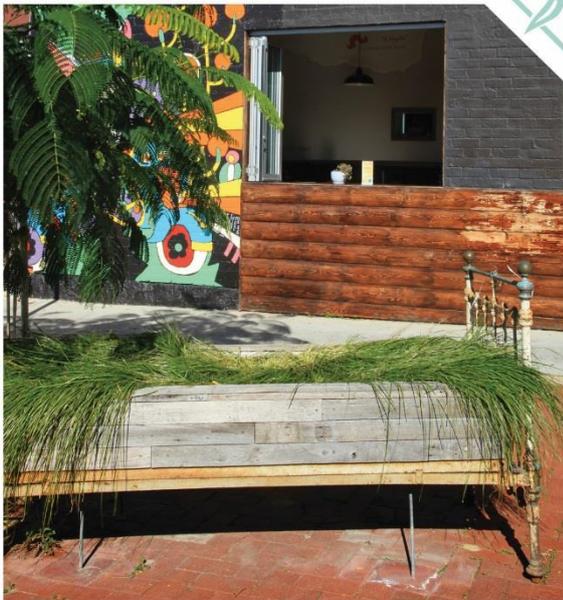


CITY OF VINCENT



# ANNUAL REPORT

2014/15



Adopted at Special Council Meeting » 15 December 2015

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## ABOUT THE CITY OF VINCENT



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.

Since settlement, much of Vincent's rich heritage stems from the 1890's and 1900's following the gold rush, when many community buildings were established. North Perth emerged as a municipality in its own right in 1901, alongside Leederville and Perth. These merged in 1914 to form the Greater Perth Council, which our suburbs were part of until 1994, when Perth was subdivided once again and the Town of Vincent created.

More recently, inner-city living has become ever more popular, offering diverse housing options amongst the leafy parks and public open space on offer. Riding in tandem with the increasing popularity of inner-city living, Vincent's eating and shopping precincts have thrived to become popular places for residents and visitors alike.

Vincent's population continues to develop into a wonderfully rich melting pot of cultures and nationalities, which has contributed to its unique diversity.

With the ongoing support of our residential and business community, visitors to Vincent, council members and staff, the City will continue to thrive and provide a wonderful living and working environment which is well regarded by many.



## CITY OF VINCENT FAST FACTS

Area	11.3 square km	
Population	Est. 36,692 (ABS 2014)	
Median Age	34 years	
Rateable Properties	17,519	
Number of Council Employees	203 (FTE)	419 (Total)
Number of Wards	Two (2)	
Number of Elected Members	Mayor and eight (8) Councillors	
Distance from Perth City	The Administration & Civic Centre is 3km from Perth GPO	
Area of Parks and Gardens	106.4 Hectares	
Length of Roads and Footpaths	149km (Road)	248km (Footpath)
Suburbs and Localities	<p><i>Areas of:</i></p> <ul style="list-style-type: none"> <li>• North Perth</li> <li>• Leederville</li> <li>• Highgate</li> <li>• Mount Hawthorn</li> </ul> <p><i>Parts of:</i></p> <ul style="list-style-type: none"> <li>• East Perth</li> <li>• West Perth</li> <li>• Perth City</li> <li>• Mount Lawley</li> <li>• Coolbinia</li> </ul>	
Boundaries	Mitchell Freeway, Swan River, Town of Cambridge and Cities of Bayswater, Perth and Stirling	
Facilities	<p><i>Library</i></p> <ul style="list-style-type: none"> <li>• City of Vincent Library &amp; Local History Centre</li> </ul>	
	<p><i>Child Health Centres</i></p> <ul style="list-style-type: none"> <li>• Harold Street, Highgate</li> <li>• Loftus Community Centre, Loftus Street</li> <li>• Mt Hawthorn Community Centre, Scarborough Beach Road</li> <li>• View Street, North Perth</li> </ul>	

	<p><i>Community Centres</i></p> <ul style="list-style-type: none"> <li>• Loftus Community Centre</li> </ul>
	<p><i>Recreation Facilities</i></p> <ul style="list-style-type: none"> <li>• Beatty Park Leisure Centre</li> <li>• Hyde Park</li> <li>• E &amp; D Litis Stadium</li> <li>• Dorrien Gardens (BCG Stadium)</li> <li>• Loftus Recreation Centre</li> <li>• Perth Oval (nib Stadium)</li> <li>• Leederville Oval (Medibank Stadium)</li> <li>• Parks &amp; Reserves</li> <li>• Halls &amp; Pavilions</li> </ul> <p>Bowling Clubs</p> <ul style="list-style-type: none"> <li>• Tennis Clubs</li> <li>• Croquet Club</li> </ul>



## THE YEAR IN REVIEW

In 2014/15, the City of Vincent established a strong focus on ensuring resources, people and assets were managed in a sustainable way. Vincent led the Local Government sector by improving transparency and accountability while also applying greater rigour to how finances and facilities were managed. The journey towards cultural change and continuous improvement began and ways to provide simpler, faster, more user friendly services were sought.

### **Local Government Reform** *(For further details see page 49-51)*

A successful community based advocacy campaign was re-established in the face of the State Government's proposed merger between the cities of Vincent and Perth.

In February 2015, the State Government formally abandoned its council merger process by revoking Governor's orders mandating boundary changes.

### **Stronger Financial Management** *(For further details see pages 50-51)*

In the 14/15 financial year the City addressed an \$8m budget deficit, and turned a potentially damaging situation into an opportunity to review and improve Vincent's financial position.

This included:

- Delivering a budget surplus without impacting on rates, key capital works projects or administrative service standards.
- Improved financial accountability across all areas of our business.
- Greater scrutiny and review of all leases and licences of City facilities.
- Investing a portion of the budget surplus into a new Asset Sustainability Reserve to fund the long-term costs of renewing community assets.
- Commencing development of a comprehensive Asset Management Plan and 10-year Renewal Plan to better guide future budgets.
- Maintaining a ban on ratepayer funded travel for Council Members.

### **Transparency and Accountability** *(For further details see pages 16-19 & 51)*

Vincent led the way in transparency and accountability across the local government sector by:

- Expanding Audit Committee membership to include all council members.
- Establishing WA's first policy and online register of Council Member contact with Developers.
- Establishing WA's first online register of gifts and hospitality.
- Introducing monthly public reporting of credit card expenditure and all other expenditure across the City.

### **Driving Better Service Delivery** *(For further details see pages 52)*

- New focus on business improvement - cutting red tape and revamping processes to make it easier for the community to engage with the City.
- A significant new organisation-wide cultural change initiative led by the CEO.
- Organisational structural review to streamline service delivery and be more customer friendly and outcomes focused.

### **More Liveable Neighbourhoods** *(For further details see pages 27-31)*

- Implementing our new Bike Network Plan to make the roads safer and more accessible for cyclists, with new lanes on Vincent/Bulwer streets, Oxford Street and Scarborough Beach Road.
- Greening our streets for cooling and beautification - this included more tree planting and a new Adopt-A-Verge and Adopt-A-Tree programs.
- Improving park facilities, including a major upgrade of Britannia Reserve.

- Developing new playgrounds at Braithwaite Park and the Oxford Street Reserve to cater for our young families.

### **Vibrant Town Centres** *(For further details see pages 28-29)*

- Introducing a new Town Planning Scheme to guide future development in the City.
- Delivering a major enhancement program for the Leederville town centre, including new public art, laneway revitalisation and installation of street furniture.
- Enhancing Beaufort Street to become more pedestrian friendly with new footpaths and tree planting.
- Revitalising the North Perth town centre with new public art, street furnishings and tree planting.
- Enhancing Mt Hawthorn's town centre with new trees, the inaugural Streets and Laneway Festival, a successful season of the Mount Hawthorn Hawkers Market in Axford Park along with the installation of a public artwork in Axford Park and a City Parklet on Scarborough Beach Road.
- Partnering with local residents and business groups through our 'Town Teams' to drive economic development and placemaking programs in our town centres of Mount Hawthorn, North Perth, Highgate/Mount Lawley and Leederville.

### **Vincent Planning Reform** *(For further details see page 24)*

- The City undertook the biggest planning reform process to date.
- Creation of new planning policies that will replace many of Vincent's current policies.
- The objective was to deliver an easy to understand planning framework which allows for new development while also protecting Vincent's unique residential character and streetscapes.
- Input was gathered from the Vincent community, as well as developers, architects, planning consultants, via an extensive community consultation campaign.

### **Protection of Vincent's Heritage** *(For further details see page 25)*

- Developing Character Protection Areas with the support of residents to preserve streetscapes.
- Down zoning of streets in Perth and West Perth affected by R80 zoning changes with community support.
- Introducing restrictions on multi-dwelling developments in Mount Hawthorn.

### **Sustainable Communities** *(For further details see pages 27, 30, 31, 47)*

- Launch of the City's extensive Greening Plan to reach our canopy targets and other 'green' goals.
- Establishing a community bike library, new bike repair stations on popular cycle routes and additional bike parking to encourage more people to cycle.
- Expansion of recycling services to include all plastic containers and plastic shopping bags.
- Implementing major energy and water efficiency measures to reduce our carbon footprint, reduce wastage and reduce utility costs at facilities including Beatty Park Leisure Centre.
- Running events to increase community awareness and community involvement, such as the annual Garden Competition, National Tree Day, workshops and more.
- Continuing to be the major sponsor of key festivals and events that contribute to community spirit and capitalise on the diverse offerings in our town centres.



## MAYORS MESSAGE

This past year witnessed a new era for the City of Vincent - with some of the most significant changes the organisation has seen in its 20 year history. We genuinely want to build a better Vincent - that is more responsive to our community's aspirations, that encourages innovation in what we do and how we do it and looks for new ways of fostering community input and involvement.

That is why we are embarked on a new journey of serious and meaningful reform, setting new standards in transparency and accountability, applying greater rigour to how we manage our finances and facilities, and looking for ways to provide simpler, faster and more user-friendly services.



Key reforms that have occurred over the past financial year include:

### Improved Transparency

- Expanded Audit Committee membership to include all Council Members;
- Established WA's first online Register of Council Member contact with Developers;
- Established WA's first online Register of Gifts and Hospitality;
- Established public monthly reporting of all corporate credit card expenditure; and
- Driven higher accountability standards across the Local Government sector.

### Stronger Financial Management

- Turned around a projected \$8 million budget deficit in 2014/15 to a budget surplus - the first time in five years;
- Improved financial accountability across all areas of our business;
- Greater scrutiny and review of all leases and licenses of City facilities;
- Investing any budget surplus into a new Asset Sustainability Reserve to fund the long-term costs of renewing community assets;
- Developing a comprehensive Asset Management Plan and 10-year Renewal Plan to better guide future budget; and
- Ban on Council Member travel remains.

### Driving Better Service Delivery

- New focus on business improvement - cutting red tape and revamping our processes to make it easier for ratepayers to engage with us, including a new role of Project Manager Business Improvement;
- Significant new organisation-wide cultural change initiative led by the CEO; and
- Organisational structural review to streamline service delivery, be more customer friendly and outcomes focused;

On top of these reforms, the City has driven another critical agenda for our community - making Vincent an even better place to live, work and play. Under our Liveable Neighbourhoods program, we worked hard to make our streets genuinely people friendly - greener, more comfortable and safer for pedestrians and cyclists - and vibrant and interesting places to visit.

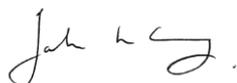
Many of our major projects have come to fruition in this past year - the completion of the Braithwaite Park nature playground in Mt Hawthorn, construction of the new Oxford Street bike lanes and tree enhancement project, and the revitalized Oxford Street reserve and new playground.

Other existing programs went from strength to strength - our popular Adopt a Verge program triggered strong demand from local residents, our reinvigorated greening program transformed streets with more trees and new enhancements were rolled out across our popular café and retail town centres.

With our new Place Managers employed, we gave greater support to our fantastic town teams in Vincent - the Beaufort Street Network, North Perth Local, Leederville Connect and Mt Hawthorn Hub. Working with these precinct groups, we supported a range of new community driven projects, as well as the popular street festivals which define just how great our town centres are!

The City is also seeking to address another critical area of concern for our residents - balancing the demand for greater density in our city while protecting the amenity and feel of our local character areas. This is a huge challenge, and while the Town Planning Scheme two is now before the Minister, the City has yet to conclude its full review of our planning policies which will guide future height and rear setbacks of major developments. We understand acutely we must get this right, as this will guide critical future development into the years to come.

Finally, I want to thank our CEO, team of Executive Directors, staff and great crew of Councillors for their incredible energy and work towards making the vision of an innovative, engaging and vibrant Vincent a reality. There is still a lot of work to do, but I am very confident we will get there with the new directions set for our city!



John Carey  
Mayor



**YOUR VINCENT COUNCIL**



**Mayor**

**JOHN CAREY**

Elected (Councillor): 2011-2013

Elected (Mayor): 2013-2015



**South Ward**



**CR JOSHUA TOPELBERG**

Elected 2009-2017



**CR JOHN PINTABONA**

Elected 2011-2015



**CR JAMES PEART**

Elected 2014-July 2015



**CR LAINE MCDONALD**

Elected 2013-2017

**North Ward**



**CR ROSLYN HARLEY**  
Deputy Mayor

Elected 2011-2015



**CR MATT BUCKELS**

Elected 2009-2017



**CR EMMA COLE**

Elected 2013-2017



**CR JULIA WILCOX**

Elected 2011 - 2015

## COUNCIL INFORMATION

### *Council Meetings*

Council Meetings were held fortnightly at 6.00pm on a Tuesday at the Administration and Civic Centre, 244 Vincent Street (corner Loftus Street), Leederville.

However, in January 2015 Council moved to a monthly meeting schedule with a Council Briefing, followed by a Council Meeting the week after. The Briefings provide the opportunity for Elected Members and members of the public to ask questions and clarify issues relevant to the specific agenda items due to be presented to Council in the following week.

The Council Briefing is not a decision-making forum; Council makes decisions at the Council Meetings.

Council Forums were held monthly throughout 2014-15. Special Meetings of Council were called to consider specific matters.

### Council Meeting Attendance 2014-2015

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 John Carey	19	17	0	2	8	8	0	0
Cr Roslyn Harley	19	18	1	0	8	7	1	0
Cr Matt Buckels	19	17	1	1	8	7	1	0
Cr Emma Cole	19	17	0	2	8	8	0	0
Cr Julia Wilcox	19	17	0	2	8	5	1	2
Cr Joshua Topelberg	19	19	0	0	8	7	1	0
Cr John Pintabona	19	16	1	2	8	6	2	0
Cr James Peart (from 28 February 2014)	19	13	4	2	8	7	1	0
Cr Laine McDonald	19	17	0	2	8	5	2	1

## Forum Attendance 2014-2015

Members	Forums entitled to attend	Forums attended	Approved Leave of Absence	Apologies Received
Mayor John Carey	10	8	1	1
Cr Roslyn Harley	10	6	0	4
Cr Matt Buckels	10	9	0	1
Cr Emma Cole	10	9	1	0
Cr Julia Wilcox	10	1	1	8
Cr Joshua Topelberg	10	8	0	2
Cr John Pintabona	10	7	0	3
Cr James Peart	10	6	1	3
Cr Laine McDonald	10	7	1	2

### ***Committees to which the City has Delegates or Representatives***

- Audit Committee - After 7 April 2015 - All council members.  
Prior to 7 April 2015 - Delegates: Mayor Carey (*Chair*); Cr Harley; Cr Pintabona; and Cr Topelberg; Chief Executive Officer - non-voting; and Director Corporate Services - non-voting. Deputy: Nil.)
- Development Assessment Panel (DAP) - Local Government Metro West (Delegates: Mayor Carey and; Cr Topelberg; Director Planning Services - non-voting; and Manager Planning and Building Services - non-voting. Deputies: Cr Buckels and Cr Harley (*until February 2015*), Cr Cole (*from March 2015*))
- Leederville Gardens (Inc) Retirement Estate Board of Management (Delegates: Mayor Carey (*Chair*); Cr Harley and Cr Pintabona; Director Community Services - non-voting; Director Corporate Services - non-voting; and Manager Community Development - non-voting. Deputy: Cr Cole.
- Local Government Association - Central Metropolitan Zone (Delegates: Mayor Carey; Cr Harley; and Chief Executive Officer - non-voting. Deputy: Chief Executive Officer - *voting for both Delegates.*)
- Medibank Stadium (Leederville Oval) Ground Management Committee (Delegate: Chief Executive Officer (*Chair*). Deputy: Director Corporate Services.)
- Mindarie Regional Council (Delegates: Mayor Carey; and Chief Executive Officer - non-voting. Deputy: *See note*\*) *\*Note: Council to separately appoint a Deputy to act for each occasion when the Member is unavailable due to an anomaly with the Local Government Act.*
- Swan River Trust (*only matters relating to the City of Vincent*) (Delegates: Cr Pintabona; and Director Planning Services or Director Technical Services. Deputy: Nil.)
- Swan River Trust - River Protection Strategy Advisory Committee (Delegates: Cr Pintabona; and Manager Strategic Planning, Sustainability and Heritage Services. Deputy: Nil.)

- Tamala Park Regional Council (Delegates: Cr Topelberg (until December 2014); Mayor Carey (from January 2015); and Chief Executive Officer - non-voting. Deputy: See note\*.) *\*Note: Council to separately appoint a Deputy to act for each occasion when the Member is unavailable due to an anomaly with the Local Government Act.*)



plus,

- Design Advisory Committee (City Representatives: Director Planning Services; and Manager Planning and Building Services.)
- District Emergency Management Committee (City Representatives: Manager Ranger & Community Safety Services. Deputy: Co-ordinator Safer Vincent.)
- Local Emergency Management Committee (City Representatives: Manager Ranger & Community Safety Services; and Co-ordinator Safer Vincent. Deputy: Nil.)
- North Metropolitan Regional Recreation Advisory Committee (NMRRAC) (City Representatives: Manager Community Development. Deputy: Nil.)

### **Advisory Groups**

- Arts Advisory Group.
- Building Design and Conservation Awards (*Occasional*) Advisory Group.
- Children and Young People Advisory Group.
- Community Development Advisory Group.
- Garden Awards (*Occasional*) Advisory Group.
- Integrated Transport Advisory Group.
- Local Business Advisory Group.
- Safer Vincent Crime Prevention Partnership.
- Sustainability Advisory Group.

### **Working Groups**

- Britannia Reserve Masterplan Reference Group.
- Cheriton Street Property Working Group.
- Claise Brook Catchment Group.
- Claise Brook North Community Liaison Group.
- Foyer Oxford Community Reference Group.
- Leederville Town Centre Enhancement Working Group.
- Loftus Centre Management Working Group.
- Loftus Recreation Centre Management Working Group.
- Metropolitan Regional Road Group (MRRG) Central Technical Sub-Group (*Cities of Perth, Subiaco and Vincent*).
- Mindarie Regional Council - Strategic Working Group.
- Parks Working Group.
- Party Bus Working Group.
- Perth Police Integration.
- Vincent Accord.
- Vincent “One-in-All-in” Campaign Working Group.

## GOOD GOVERNANCE

### ***Audit Committee (For Audit Committee Terms of Reference see page 52)***

The Audit Committee is formally appointed by the Council and assists Council and the City's Administration to ensure that within the organisation there are appropriate and effective accounting, auditing, internal control, business risk management, compliance and reporting systems, processes and practices. The Audit Committee did not identify any adverse findings for the financial year.

### ***Local Government (Rules of Conduct) Regulations 2007***

These regulations require the reporting of various offences by Council Members, as prescribed by the Regulations. Council Members must comply with their obligations under the *Local Government Act 1995* and subsidiary legislation. Complaints about Council Member conduct are to be made to the Complaints Officer who, in accordance with section 5.120, must be a designated senior employee. The City's Complaints Officer is the Chief Executive Officer. For the 2014/2015 financial year, no complaints were received concerning Council Members.

### ***Code of Conduct***

The Council's Code of Conduct prescribes the standard of conduct and behaviour expected of the Council Members and all Employees. The Code is required to be reviewed within twelve months after each Ordinary Election. The Council Code, which was originally adopted at the Ordinary Meeting of Council of 26 August 1996, has been reviewed on a regular basis. The latest Code was re-adopted on 9 April 2013.

### ***Register of Financial Interests for Council Members and Senior Employees***

The requirements of the *Local Government Act 1995* in reporting the financial interests of Council Members and Senior Staff were complied with. This register was implemented on 1 July 1997 in accordance with the requirements of the *Local Government Act 1995*. It is held in the Chief Executive's office and is available for viewing by the public.

### ***Public Interest Disclosure Act 2003***

In accordance with the requirements of the *Public Interest Disclosure Act 2003*, the City has established procedures to facilitate the making of disclosures under the Act. These procedures set out the processes in place in respect to protected disclosures generally, to protect people from reprisals for making protected disclosures, and to provide guidance on investigations. In 2014-2015, no disclosures were made relating to improper conduct.

### ***Privacy Rights and Legislation***

The City views privacy compliance as an integral part of its commitment to accountability and integrity in all its activities and programs. The City is committed to compliance with the laws that deal with personal and health information about individuals that is stored or received by it.

Consequently, the City will:

- Only use personal information provided by an individual for the purposes for which it was collected and for any other authorised use.
- Only disclose personal information to any third party (including other authorities) where authorised.
- Take all necessary measures to prevent unauthorised access or disclosure.

### ***Freedom of Information Act***

The City has been subject to the provisions of the *Freedom of Information Act* since its creation in 1994. The Act gives individuals and organisations a general right of access to information held by the City. It also provides the right of appeal in relation to decisions made by the City to refuse access to information applied for under the Act. The City received and responded to 15 requests under the Act during 2014/15.

### ***Equal Opportunity***

The City supports, and is committed to, the achievement of its diversity management and equal opportunity goals. That means the City is continually aiming to ensure that it provides a workplace free from all forms of discrimination, harassment and bullying and that there is equality and fairness in all aspects of employment and customer service delivery in the organisation. Policies, practices and services are adapted to meet the needs of a diverse and evolving community and the City reviews and updates all relevant policies annually to ensure they align with legislative requirements and the needs of the workforce.

These policies are:

- Equal Employment Opportunity Policy
- Workplace Bullying Policy
- Sexual Harassment Policy
- Internet Use and Email Policy

### ***Record-Keeping Plan***

A Record-Keeping Plan meeting the requirements of the State Records Office was adopted by the Council. The Plan is comprehensive and addresses all requirements and was approved by the State Records Commission on 23 March 2009. The City is required to review its Record Keeping Plan in 2015/16.

### ***Disability Access and Inclusion Plan 2012-17 (For specific actions please see page 41)***

Local governments are required to prepare a Disability Access and Inclusion Plan (most commonly known as a DAIP) in accordance with the prescribed standards for public access and infrastructure. The Plan is required to be submitted to the Disability Services Commission with project timetables that must be approved by the Commission. The City's DAIP was endorsed by Council in July 2012 and has been approved by the Disability Services Commission (DSC).

The City submits a Local Government Authority Progress Report to DSC annually to monitor achievements on the DAIP outcomes. An update of the Plan was endorsed by Council in June 2014 to include an additional outcome area. The City of Vincent provides people with disability the same opportunities as other people to obtain and maintain employment. Please refer to the Community Development and Wellbeing section for more information on the plan and our Access and Inclusion activities; see page 41.

## ***Competition Principles Agreement (CPA)***

The Competition Principles Agreement (CPA) is a contractual agreement between the Federal Government and all State and Territory Governments. Local Government is committed to the CPA through the State Governments' involvement. The focus of the CPA is to ensure that all public enterprises operate in a transparent manner in the best public interest. This requires that public enterprises review their operations to ensure that they do not have a competitive advantage or disadvantage resulting from their status as public enterprises.

To ensure compliance with the CPA, local governments are required to include in their annual reports certain particulars in relation to CPA. The City of Vincent supports the concept of the CPA and in this regard the following particulars are reported.

### ***Competitive Neutrality***

This principle deals with ensuring that government business operations do not have any advantage or disadvantage in comparison with the private sector. At present no activities undertaken by the City have been classified as either a Public Trading Enterprise or a Public Financial Enterprise.

During the reporting period the City did not receive any allegations of non-compliance with the principles of Competitive Neutrality.

### ***Structural Reform of Public Monopolies***

The City does not operate any Public Monopolies within the CPA definition and accordingly there is no reporting requirement. The City did not privatise any activities during 2014-2015.

### ***Legislation Review***

Within the principles of the CPA is a requirement for local governments to review all existing legislation to ensure that the legislation does not restrict competition, or if restrictive legislation is in place, it is in the best interests of the community.

### ***Local Laws***

A review of the City's local laws was completed in 2009. The *Local Government Act 1995* requires all existing local laws to be reviewed every eight years.

### ***Policies***

In conjunction with the Local Laws Review process, the City regularly reviews its policies. All new policies were advertised for at least twenty-one days for public comment, thereafter being adopted by the Council. In some cases policies were amended to reflect current terminology and changes in council positions or community expectations.

### ***Local Government (Administration) Regulations - Reporting of Salaries over \$100,000***

The Local Government (Administration) Regulations require local governments to report in their annual reports the number of employees with a salary of \$100,000 or more and for the number to be shown in each band of \$10,000 over \$100,000.

<i>Salary Range</i>	<i>Number of Employees Receiving Salary</i>
\$100,000-\$109,999	3
\$110,000-\$119,999	8
\$120,000-\$129,999	1
\$130,000-\$139,999	0
\$140,000-\$149,999	1
\$150,000-\$159,999	1
\$160,000-\$169,999	2
\$170,000-\$179,999	0
\$180,000-\$189,999	0
\$190,000-\$199,999	0
\$200,000-\$209,999	0
\$210,000-\$219,999	0
\$220,000-\$229,999	0
\$230,000-\$255,000	1



## CEO's MESSAGE

The 2014/15 year was a challenging but rewarding one for the City - we faced and overcame an unexpected potential \$8 million budget deficit, we proactively engaged in the state government's local government reform process, and when those reforms were abandoned we set about reinventing, renewing and reforming our own organisation to serve our community better and become a leader in the local government sector, particularly in relation to transparency, accountability and innovation.



Throughout the year, despite our financial constraints and uncertain future due to local government reform, we continued to deliver our core services and programs to the community, along with a range of fantastic capital projects, including the Oxford Street Reserve redevelopment, Braithwaite Park Nature Play Area, various enhancements to our town centres and installing bike lanes on Vincent, Oxford and Bulwer Streets as part of our Bike Network Plan.

In addition, we continued to support the Town Teams (Leederville Connect, Mt Hawthorn Hub, North Perth Local and Beaufort Street Network) to engage with local businesses and residents to find new ways of celebrating the unique character and identity of our town centres to attract locals and boost visitation. This included the ongoing financial and in-kind support of community festivals and events throughout the City.

In the town planning realm, Council adopted its new Town Planning Scheme No. 2 - the first new planning scheme in the City since our commencement in 1995. We also initiated a major review and reform of our planning policy framework to provide improved guidance on planning and development proposals and better reflect Council's strategic objectives and community expectations.

In last year's Annual Report we said that our aim for this year would be to strengthen our financial position, achieve a zero balance budget at 30 June 2015 - the first in 5 years - and bring renewed determination, innovation and creativity to how we operate. I'm proud to say that by working in partnership with Council we've been able to maintain this focus and we're now well on the path to building a better Vincent.

I take this opportunity to recognise and commend the efforts of City of Vincent staff over the past year, which have been instrumental in achieving and contributing to the growth, improvements and successes that we've experienced.

Thank you also to the Mayor and Councillors for their passion and commitment in 2014/15. I look forward to Council and staff continuing to work closely next year to achieve even more great results for our community, customers and stakeholders.

A handwritten signature in black ink, appearing to read 'Len Kosova'.

Len Kosova  
Chief Executive Officer



## ORGANISATIONAL STRUCTURE



**Len Kosova**  
*Chief Executive Officer*

**Annie Smith**  
Manager  
Human Resources



**Rick Lotznicker**  
*Director Technical Services*

**Jeremy van den Bok**  
Manager  
Parks & Property Services

**Craig Wilson**  
Manager  
Asset & Design Services

**Con Economo**  
Manager  
Engineering Operations



**John Paton**  
*Director Corporate Services*  
(05.02.15 - present)

**Bee Choo Tan**  
Manager  
Financial Services

**Dale Morrissey**  
Manager  
Beatty Park Leisure Centre

**Hunrhu Kek**  
Manager  
Information Technology

**Geoff Garside**  
Manager  
(10.06.15 - present)



**Robert Boardman**  
*Director Community Services*

**Jacinta Anthony**  
Manager  
Community Development  
(Acting Director  
01.07.14 - 05.01.15)

**Steve Butler**  
Manager  
Ranger &  
Community  
Safety Services

**Will Pearce**  
Manager  
Health Services

**Elizabeth Scott**  
Manager  
Library Services

**Angela Birch**  
Acting Manager  
(01.05.14 - 05.02.15)



**Gabriela Poezyn**  
*Director Planning Services*

**Peter Mrdja**  
Manager  
Planning & Building  
Services

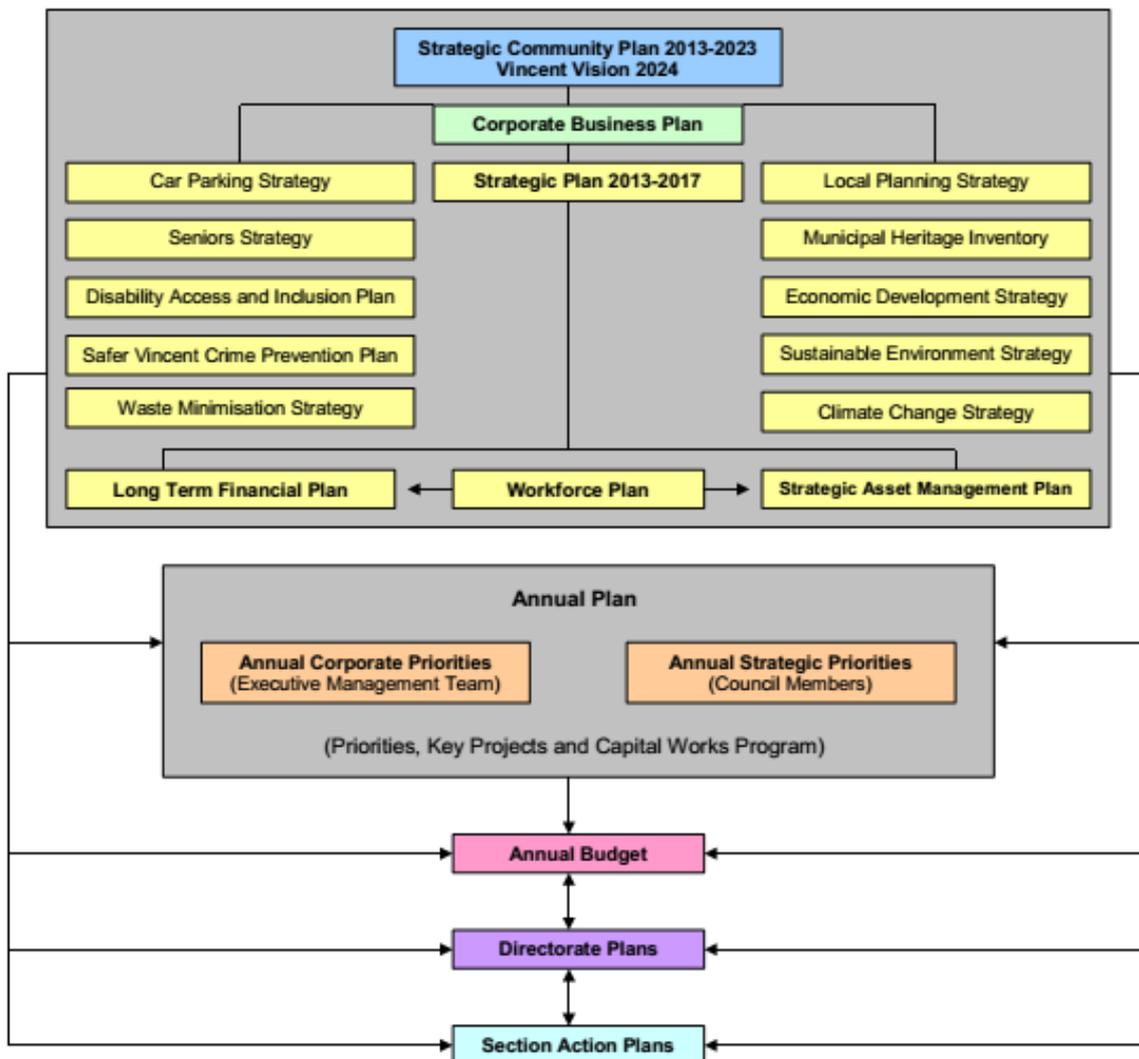
**Joshua O'Keefe**  
Manager  
Strategic Planning,  
Sustainability & Heritage Services

## INTEGRATED PLANNING AND REPORTING

In July 2013 the Department of Local Government and Communities, through changes to the Local Government Act 1995, introduced the Integrated Planning and Reporting Framework (IPRF). The Framework requires local governments to engage with their community to establish a vision that will frame the priorities and objectives into the future. The City of Vincent’s Strategic Planning and Reporting Framework highlights the interaction between the various plans with emphasis given to a mutually informing relationship. The intent is to ensure the priorities and services provided by the City are aligned with the community’s needs and aspirations.

Whilst outside the scope of this reporting period, it is worth noting that in 2015/16 the City will be embarking on a significant review and renewal of its Strategic Community Planning Framework by engaging with our community to develop a revised, more contemporary Strategic Community Plan and Corporate Business Plan to guide the City’s direction and performance into the future.

### City of Vincent – Strategic Planning Framework

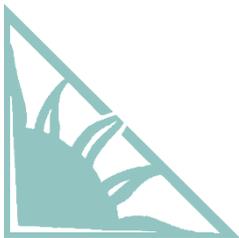


# STRATEGIC COMMUNITY PLAN HIGHLIGHTS

The City's Strategic Community Plan 2013-2023 represents the City's Plan for the Future and was reviewed and adopted by Council at its Ordinary Meeting held on 10 September 2013. The Plan incorporates the City's vision, purpose, guiding values and four strategic objectives with several specific actions related to each.

The four strategic objectives of the Strategic Community Plan are:

- 1. Natural and Built Environment:** Improve and maintain the natural and built environment and infrastructure.
- 2. Economic Development:** Progress economic development with adequate financial resources.
- 3. Community Development & Wellbeing:** Enhance and promote community development, safety and wellbeing.
- 4. Leadership, Governance & Management:** Ensure good strategic decision-making, governance, leadership and professional management, supported by a positive and desirable workplace.



# Natural & Built Environment

## Key focus areas:

- Policies, guidelines and other new initiatives or happenings
- Local character and heritage
- Reducing our environmental impacts
- Providing environmental leadership
- Enhancing and maintaining our assets, parks and landscaping
- Improving transport, traffic and roads

## HIGHLIGHTS UNDER THE NATURAL & BUILT ENVIRONMENT PILLAR OF THE STRATEGIC COMMUNITY PLAN IN 2014/15 INCLUDE:

### Vincent Planning Reform

- We have proposed major changes to the City's planning policy framework, which has the potential to affect future developments in the region. The proposed changes are in the form of six new planning policies and will replace four existing planning policies.
- With the approval of Draft Town Planning Scheme No. 2, a major focus of this policy review has been to improve, simplify and streamline existing policy requirements.
- Council initiated this process in February 2015 and Administration will undertake the extensive consultation process with the community and development industry in 2015/16.

### Planning Approvals Issued

In 2014/15, a total of 987 new dwellings (including grouped and multiple dwellings) were approved, compared with approximately 400 dwellings in the 2013/2014 financial year. Much of the increase can be attributed to increased applications for multiple dwellings and mixed use developments in-line with the City's vision for higher density development along its arterial roads.

The table below shows a summary of approvals issued for the 2014/2015 financial year:

Total Planning Applications	651
Applications determined by DAP	29
Subdivision and Survey Strata applications	53
Matters considered at the City's Design Advisory Group	56
SAT Appeals	16
Number of Building Permits issued	875

The table below shows a summary of approvals issued in the previous year (2013/14):

Total Planning Applications	678
Applications determined by DAP	21
Subdivision and Survey Strata applications	73
Matters considered at the City's Design Advisory Group	50
SAT Appeals	21
Number of Building Permits issued	748

### ***New Car Share Policy***

- The City developed a Car Sharing Policy (approved by Council July 2015), which makes Vincent only the second local government to do so in WA and the first in the central metropolitan area.
- Car sharing is an affordable and sustainable alternative to private vehicle ownership and offers benefits to both car share users and to the wider community.
- Car sharing is already well-established in cities around the world including Sydney and Melbourne and is poised to move into a receptive Perth market, but requires local government support.
- This policy will help reduce traffic and congestion issues and will encourage Vincent residents to think again about owning that second car.

### ***New Character Retention Area Policy***

- The City has been developing a new policy called Character Retention Areas (approved by Council September 2015).
- A Character Retention Area is an area, neighbourhood or street where much of the original character still remains and should be protected.
- The objective of a Character Retention Area is to ensure that any new developments and additions are sympathetic to, and do not detract from, the unique character of the area.
- The first Character Retention Area proposed by the draft policy is a section of St Albans Avenue in Highgate which affects 12 properties. More Character Retention Areas can be nominated to be added to the policy.

### ***Apartments in Mount Hawthorn - Scheme Amendment No. 39 and 40***

- In 2010, changes to the State Government's development policy - the Residential Design Codes (R Codes) increased the development potential for many lots in areas zoned R35 and below. This has resulted in more homes being permitted in what is primarily a low density, single residential area.
- This has caused some concern within the local community about the appropriateness of such development in the heart of low density residential areas.

- In order to address this issue, Council initiated two separate amendments to its Town Planning Scheme, known as Scheme Amendment No.39 and Scheme Amendment No.40.
- Amendment No. 39 would make it compulsory to advertise all multiple dwelling (apartments) proposals on Mount Hawthorn properties zoned R30 or below. Under this Amendment multiple dwellings would not be permitted unless Council has specifically exercised its discretion to allow the use after the proposal has been advertised for public comment.
- Amendment No. 39 was approved by Council on 4 November 2014 and is currently with the Minister for final approval.
- Scheme Amendment No. 40 proposes to completely ban all multiple dwellings (apartments) for blocks zoned R30 or below in Mount Hawthorn, although multiple dwellings would still be allowed in higher density areas, such as along Scarborough Beach Road and Oxford Street.
- Amendment No. 40 was approved by Council on 5 May 2015 and is currently with the Minister for final approval.

### ***Building Design Awards***

The Building Design Awards were held in June 2015 to celebrate great buildings and recognise the efforts of those involved in their design, construction and conservation.

Awards were presented in the following categories:

- Building Design Excellence Award (Single Dwellings)
- Building Design Excellence - Mixed Use Development
- Conservation - Municipal Heritage Inventory Award
- Character Conservation and Sustainable Re-use

These awards will become a regular feature at Vincent, moving from a biennial to annual event.

### ***New Planning & Building e-News***

An electronic newsletter was launched to help residents stay up-to-date with planning and building developments at the City.

The publication includes:

- Changes or reviews of current planning policies.
- Any new planning policies proposed.
- All Scheme Amendments currently going through the public consultation process.
- Town Planning Scheme No. 2.
- Alerts on major development applications.
- Placemaking activities.



## ***Recycling Initiatives***

The City has improved recycling rates across the Vincent community.

- The recycling service collects a full range of plastics, in addition to paper, cardboard and cans.
- Mattresses are also collected with the fabric, timber and metal components all recycled. Residents can contact the City's Waste Management team and for a small fee mattresses will be collected from their verge.
- Dry cell batteries, light globes, fluorescent tubes, printer cartridges and old mobile phones can all be dropped off at the City's library and Administration Centre for recycling.
- For the past three years the City has been recognised for the volume of mobile phones recycled per capita under the national 'mobile muster' program.
- The annual 'bulk verge collection' includes all 'e-Waste', scrap metal and mattresses.
- Disposing of household hazardous waste (such as paints, pesticides and car batteries) is a growing community problem and the City assists in its disposal by holding specific collection days in conjunction with our neighbouring Council's.
- Recycling is now a big part of all the City's free events and with major festivals like Beaufort Street or Leederville this has seen many tonnes of recyclable materials diverted away for landfill.
- Over 50% of the waste collected from the weekly domestic collection service was processed into renewable compost material at the Mindarie Regional Council's Resource Recovery Facility at Neerabup in Wanneroo.

## ***An Energy Efficient City***

- Energy efficient improvements have included major lighting upgrades at Beatty Park Leisure Centre and Loftus Recreation Centre.
- High energy indoor and outdoor recreational and sports lighting has been replaced with highly efficient LEDs which use less than half the energy and have twice the lifespan.
- Occupancy sensors have also been installed in less-frequently used areas such as change rooms, toilets, storerooms and corridors.
- Real-time energy monitoring has been installed at Beatty Park Leisure Centre, the Library and Local History Centre, and the Administration and Civic Centre.
- Energy consumption can be viewed in real-time, allowing historical energy use data to be collated and analysed.

### ***Town Team Development***

- Town Teams attract local expertise, businesses and volunteers to work together and lead the charge on place based issues and projects.
- They create Action Plans which aim to coordinate resources and deliver a broad scope of changes to their town centres including physical interventions, events and place branding.
- The Beaufort Street Network continues to deliver the Better Beaufort Action Plan. The Mount Hawthorn Hub completed and launched their Action Plan in May 2015, while Leederville Connect presented their Vision and Strategic Plan to Council in June 2015.



### ***Town Centre Enhancements***

Working with the local community, a significant number of town centre enhancements have been undertaken throughout the City. These include:

#### ***Mount Lawley / Highgate***

- Installation of brightly painted entry statements across Beaufort Street at the intersections of Grosvenor Road and St Albans Avenue to better visually connect one side of the street to the other and slow traffic.
- Approvals for Mary Street Piazza design and appointment of builder.
- Ongoing business incubation and support.
- Installed new streetscape furniture (12 colourful bench seats) from Chatsworth Road to Walcott Street.
- Unveiled the iconic, colourful 'Beaufort Street' lettering sign / sculpture to establish a sense of place/identity.

#### ***Leederville***

- Water Corporation Laneway revitalisation completed, with trees, mural artwork and lighting - a key pedestrian thoroughfare for Leederville.
- Redesign and redevelopment of Newcastle Street/Carr Place intersection (project nearing completion).
- Major redevelopment of Oxford Street Reserve (project nearing completion).

- Major public artwork commissioned for the town centre (in progress).
- New street trees planted in the town centre area.
- New street furniture and fairy lights in the trees (Carr Place/Oxford Street junction) installed.
- Five new drinking/water filling stations around the town centre (in partnership with the Water Corporation).
- A fun new Cadillac bike rack installed (on Newcastle Street, near Oxford Street junction) as part of an ‘alternative uses for car bays’ scheme.
- Approvals granted for Restaurant Revolution (aired on Channel Seven Jul-Aug 2015).

### *North Perth*



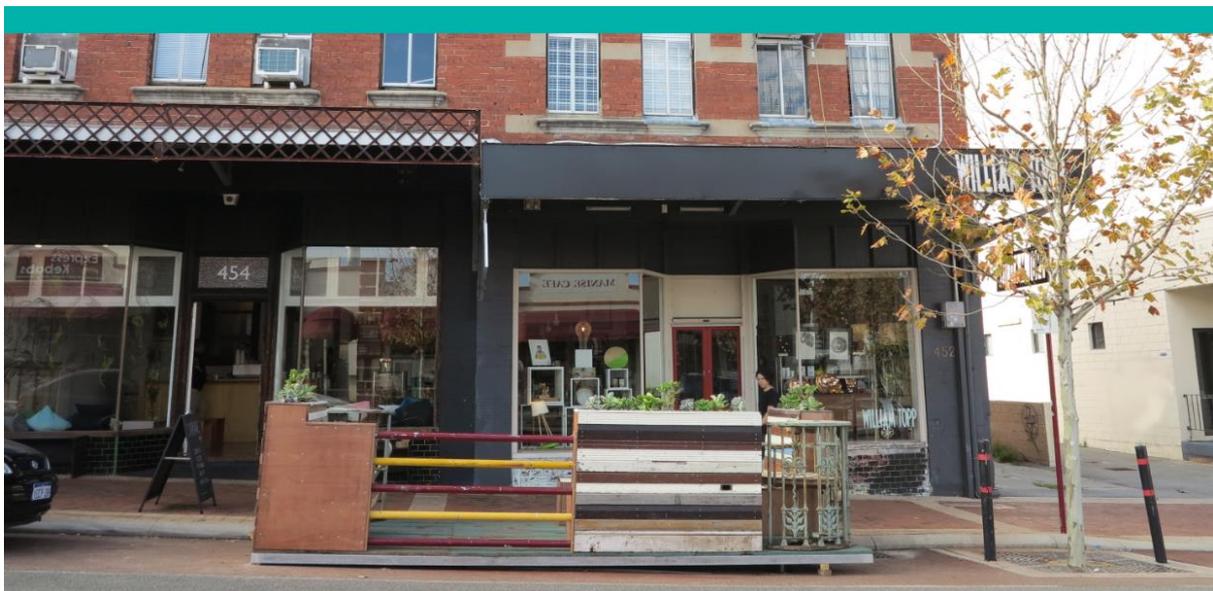
- Street Tree program complete, new trees along Angove Street
- Planter Box program complete, working with the North Perth Community Garden and Vincent Men’s Shed.
- Ongoing design discussions for Fitzgerald Street occurring with Department of Transport.

### *Mount Hawthorn*

- Street tree planting program complete, new trees along Fairfield Street and Scarborough Beach Road.
- Power upgrade of Axford Park.
- Successful season of Mount Hawthorn Hawkers Market in Axford Park.
- Public Seating and Street Trees planned for Oxford Street North.
- Inaugural Mount Hawthorn Streets and Laneway Festival held in May 2015.
- Installation of City Parklet, 176 Scarborough Beach Road.

### *Perth*

- Installation of City Parklet, 452 William Street, Perth, pictured below.





### ***Focus on Nature Play***

- Braithwaite Park in Mount Hawthorn has been revitalised, becoming the largest nature play facility in Vincent (pictured above).
- The project incorporated design ideas from the community and Year 6/7 students from the adjacent Mount Hawthorn Primary school.
- The new facility has proven very popular with families and children of all ages; the benefits of nature play are many.

### ***Greening Plan***

The City's Greening Plan aims to increase total tree canopy cover across the City, build community awareness and community involvement in greening Vincent, enhance our public open spaces, encourage 'greener' developments and increase biodiversity.



- A total of 569 trees were planted and an additional 159m<sup>2</sup> of garden areas installed during 2014/15, creating more inviting cooler green spaces along our streetscapes.
- Other greening initiatives include our Eco-zoning Program where over 7,000 waterwise shrubs were planted -with the community- at Britannia Reserve as part of National Tree Day.
- Local plant sales selling highly subsidised native stock - record numbers of residents attended the April 2015 plant sales with high attendance also expected at the next event in August 2015.
- Adopt-A-Verge program - over 138 verges were transformed.
- Adopt-A-Tree program - 9 applications were received.

### ***Award Winning Hyde Park Restoration***

- Hyde Park is a significant community asset and the City of Vincent's Hyde Park Lakes Restoration Working Group investigated options to ensure the park did not continue to be a casualty of declining water levels.
- A Restoration Master plan was approved and shortly after the contract was awarded to West Perth's Advantearing Civil Engineers who engaged GHD and completed the works in June 2013.
- WA Engineering Excellence Awards - engineers Advantearing and consultants GHD (as a joint submission) won both the 'Environment' and 'Small Company Projects' categories for the Hyde Park restoration project.
- The Master plan sought to create a healthier ecosystem and improve water quality, flood mitigation and amenity of the park.
- Just over a year onwards and the park and its lakes are responding very well. Our August 2014 analysis and testing shows that the objectives have been met - the engineering works have improved the water quality and helped fauna and vegetation to flourish, and have stood up to a hot Perth summer. Everything looks and feels settled and healthy and the lakes now retain ornamental beauty while requiring less water.

### ***An Extensive Road Network***

- There are approximately 150km of sealed roads within Vincent which the City continually maintains and upgrades.
- These range from lower order access roads (your typical residential street) which form the bulk of the City's road network, through to district distributor roads (major arterial roads). There is also an extensive network of both sealed and unsealed Rights of Way (laneways). In 2014/15 the City sealed 540m of laneways as part of its Laneway Resurfacing Program.
- The road network comprises of an extensive drainage and footpath network, including parking signs/poles, street trees and numerous landscaped areas which the City maintains on an ongoing basis.

### ***Vincent's Growing Cycling Network***

Vincent's Bike Network Plan has accounted for a number of new on-road cycle routes throughout the City. These include:

- Vincent and Bulwer Street routes connecting Leederville to the existing Palmerston Street bike lanes, which in-turn links to Hyde Park and the CBD.
- Oxford Street bike lanes connecting Leederville (Vincent Street) to Mount Hawthorn (Scarborough Beach Road); both have already seen a steady increase in cyclist numbers.



- Stage 1 of the Scarborough Beach Road fully protected bike lanes (from Fairfield Street in Mount Hawthorn to London and Loftus Streets), with stage 2 (from London and Loftus Streets to Charles Street) to follow in 2015/16.



### ***Integrated Transport Advisory Group (ITAG)***

- The majority of the traffic related complaints the City receives each year are related to speed, rat running, safety, congestion and parking. While solutions are not always possible the City investigates each complaint and follows an established process through the ITAG.
- ITAG is chaired by the Mayor and it considers all transport related issues.
- Many of the City's traffic calming and management schemes were first reviewed by the ITAG, before being approved by Council. Examples include:
  - Traffic calming on Angove and View Streets.
  - Black Spot improvements including traffic signal upgrades.
  - Numerous parking improvements.
  - The bicycle network.

### ***Better Public Transport***

Significant improvements to the public transport network have occurred in and around the Vincent. These include:

- The introduction of the high frequency 950 bus service along Beaufort Street.
- The 990 bus service along Scarborough Beach Road.
- A new service linking Glendalough Station to the ECU Mt Lawley campus.
- Progress and ongoing discussions about a possible high frequency 960 bus service along Fitzgerald Street and, ultimately, delivery of the State Government's MAX light rail project in the future.

### ***Bus Shelter Improvements***

A number of new bus shelters were installed as part of the City's improvement program. Private provider Adshel installed and maintained a number of the new sites in return for the rights to advertise on the shelters. As part of the agreement, the City also receives a share of the advertising revenue.

# Economic Development

## Key focus areas:

- » Contributions to/enhancements of our town centres
- » Promoting business development and our town centres as a place for investment
- » Development/promotion of strategic partnerships and alliances
- » Management of car parking and its associated assets
- » Reduction of the City's reliance on rates revenue
- » Working to identify the needs of the community
- » Providing a positive triple bottom line return
- » Implementation of the Leederville and North Perth Master plans
- » Completion/implementation of our Town Planning Scheme No.2

## HIGHLIGHTS UNDER THE ECONOMIC DEVELOPMENT PILLAR OF THE STRATEGIC COMMUNITY PLAN IN 2014/15 INCLUDE:

### **Town Centre Enhancements**

Significant enhancements to Vincent's town centres were undertaken in 2014/15. Completed projects are listed under *NATURAL & BUILT ENVIRONMENT - Town Centre Enhancements* on pages 28-30.

### **Town Teams and their Action Plans**

- 'Town Teams' is the name given to our local business and community groups, such as Leederville Connect. The Town Teams work together and lead the charge on place based issues and projects, driving enhancements from the ground up and working with the City to drive economic development and placemaking.
- They create Action Plans which aim to coordinate and focus resources to deliver a broad scope of changes to their town centres including physical interventions, events and place branding.
- The Beaufort Street Network continues to deliver the Better Beaufort Action Plan. The Mount Hawthorn Hub launched their Action Plan in May 2015, while Leederville Connect presented their Vision and Strategic Plan to Council in June 2015.

### **Draft Local Planning Strategy and Town Planning Scheme No. 2**

Council approved the City's Draft Local Planning Strategy and Town Planning Scheme No. 2 in November 2014 following extensive consultation with the community. Together, these documents will guide development in Vincent for the next 10 years and will potentially affect more than 6,000 properties. The key elements of the new Scheme include:

- Increase of density / heights along major corridors.
- Protecting the character of residential areas.
- Strengthening zoning within town centres to encourage increased population base and activity.

- Establishing mixed use corridors between town centres.
- Aligning the City’s planning framework with State Government directives.

### ***New Home Business Policy***

In September 2014, the City adopted a local planning policy to provide guidance on and make it easier for residents who wish to establish a new or existing home business.

### ***Pay by Phone Parking Improvements***

Pay by phone parking was introduced, providing motorists with the ability to pay for parking via their phone at all City-operated car parks across Vincent using new technology provided by EasyPark. The EasyPark app gives virtual control of parking from any location.

The system offers a number of benefits:

- Faster, more convenient parking with no fuss.
- Pay only for time used.
- Extend the parking using your smart phone from wherever you are.
- No need for coins to buy a ticket and then display it in the windscreen.
- A SMS reminder before the parking time expires.

### ***Enhanced Management of Parking Facilities***

Vincent has been trialling in-ground sensors and licence plate recognition technology designed to reduce congestion and increase parking compliance through the use of intelligent technology. The benefits of this technology are:

- Improved traffic management throughout the Town or City Centre.
- Safety, street appeal, convenience.
- Increased occupancy of underutilised parking bays.
- Better use of public space e.g. loading bays and time restrictions.
- Influence driver behaviour to encourage compliant parking.
- Convenient parking and cashless payment.
- Fair and efficient enforcement.
- Variable parking rates dependent on location or season.

### ***Hologram Permits***

Vincent took further steps towards the introduction of a new style of permit with a number of applications; including resident and visitor parking permits. The new permits are more efficient as they remove the requirement to manually produce and register the current permits. They also provide a greater degree of security as they include a hologram (security tamper) which will eliminate the ability for persons to counterfeit permits.

### ***Relaxing Alfresco Dining***

Prior to July 2014, the City’s Outdoor Eating Area policy restricted the number of tables and chairs that food businesses could place on footpaths for their customers. Changes to the policy in July 2014 provided businesses with the freedom to determine the area they wish to utilise and the number of pieces of furniture they wish to provide for their customers. Businesses are now charged for the area utilised, not the number of chairs as was previously the case.

# Community Development & Wellbeing

## Key focus areas:

- » Celebrating our cultural and social diversity
- » Providing a range of community programs
- » Implementing the principles of universal access
- » Focusing on community and customer needs
- » Enhancing of community safety and security

## HIGHLIGHTS UNDER THE COMMUNITY DEVELOPMENT & WELLBEING PILLAR OF THE STRATEGIC COMMUNITY PLAN IN 2014/15 INCLUDE:



### *Library and Local History Centre*

The City's Library and Local History Centre is a modern and well maintained facility, designed to meet the changing needs of the Vincent community.

As well as hosting the latest technologies, the library also provides spaces for people of all ages to read, study, browse online and meet one another.

- The library was visited 218,694 times, an increase of 42% from 2013/14.
- WIFI within the library was accessed 23,596 times, an increase of 199% from 2013/14.
- The libraries pedestrian traffic counter recorded 218,694 visits.

The library strives to increase member's choice of material; in the last year we have increased stock by an estimated 9.5%, and ensured that the collection is evenly distributed across formats.

Format	Number available 2014	Number available 2015
<i>In the general library</i>		
Books	40979	42962
Large Print Books	1204	1983
Books in Languages other than English	573	1058
e-Books and e-Audiobooks (Vincent)	331	565
Magazines	104 titles	108 titles
Books on CD	941	1503
Books on pre-recorded Pod	139	148
CD-ROMs	131	181

Graphic Novels (Like comics)	601	721
DVDs	2427	3268
Music CDs	666	975
Jigsaw Puzzles & Games	20	85
<i>Local History Centre</i>		
Local History books and unpublished documents	1044	1127
Newspaper items	12,070	12,482
Vertical files items	569	588
Photographs	4230 + archives*	4553 + archives
Oral History interviews and transcripts	387	392
Maps	120	120
<i>Totals</i>	<i>66,536</i>	<i>72,819</i>
		<i>An increase of 9.5%</i>

The Vincent Library is also committed to the Better Beginnings literacy program.

- The program includes outreach to parents with new born babies, through talks at the Child Health Clinics.
- The program promotes reading, singing and learning to children in many languages.
- Baby Rhyme Time allows babies and toddlers to hear parents and carers sing rhymes and songs to make learning to talk fun.
- In 2014/15, 8,280 children and adults attended the program - averaging about 160 attendees per week.

#### ***Pre-primary School Responsible Pet Ownership Program***

City Rangers designed and delivered a Responsible Pet Ownership program to local pre-primary schools.

- Children are taught basic pet care and the responsibilities of owning pets such as a dog and a cat.
- The presentation also provides children with an insight on what Rangers do in the course of their duties when dealing with animals.

#### ***Puppy School Presentations***

The City continued to conduct puppy school classes at the My Best Friend veterinary clinic in Leederville.

The presentation is directed to owners of new puppies and provides information such as micro-chipping and registration, pet care and maintenance for dogs, as well as the requirements of the Dog and Cat Acts of WA.

#### ***Pound Watch Assistance***

City Rangers in collaboration with local pet suppliers have been coordinating donations of food and pet supplies for local animal shelters, this involves liaising with pet suppliers and

transporting donations. The City's strong partnership with Dog Refuge Home WA has also seen significant re-homing of unclaimed dogs.

### ***Stray Cats***

City Rangers in partnership with the Cat Haven have conducted operations to remove stray and feral cats from homes and facilities across the region. The cats were inspected and given health checks by the Cat Haven and if suitable were then fostered or listed for adoption.

### ***Safer Vincent Crime Prevention Partnership Committee***

Vincent continues to enhance community safety by focusing on the community's needs and through the development and promotion of ongoing community partnerships.



Achievements of the program include:

- Light up Laneways Project - The City secured funding through the Community Crime Prevention Fund to enable the installation of an upgrade to lighting in selected rights of way (rear laneways) in Mount Lawley, adjacent to the Beaufort Street entertainment precinct. The \$25,000 grant project has allowed the City to purchase and install 11 x 4 metre high light poles with solar panels.
- Parks Working Group (PWG) - Hosted by the City, this group is a multi-agency committee which continues to engage in proactive approaches to reduce public drinking, inhaling solvents and anti-social behaviour in Vincent's inner city parks. Engagement with stakeholders has resulted in a positive approach in reducing many of the complaints about problematic behaviour.

### ***Graffiti Removal***

Graffiti remains an increasing problem and costs ratepayers thousands of dollars every year. Vincent is committed to removing graffiti within 48 hours of it being reported. In 2014/15, a total of 21,735m<sup>2</sup> of graffiti was removed, compared with 13,024m<sup>2</sup> in 2013/14.

### ***Bicycle ID cards***

The City's Safer Vincent and Travel Smart teams have developed and introduced a bicycle ID card as an effective crime prevention tool. The ID card is registered with Police and allows stolen, found or recovered bicycles to be returned to their rightful owners.

### ***Food Safety and Public Health***

Vincent's Health and Compliance Services implemented a number of new initiatives in 2014/15 to ensure a high standard of environmental and public health was maintained throughout the city, including:

- Environmental Health Officers proactively prepared and implemented the City of Vincent Public Health Plan 2014/2017.
- A successful 'Mobile Food Vendor' (food truck) project was trialled within the City.
- The Vincent Accord Strategic Plan was updated for the period 2014/2017.

The City's Health Services have a significant compliance role which sees a large number of food business, lodging house and public building inspections undertaken on a routine basis.

This year the team equalled or exceeded the number of inspections undertaken in the previous year:

- Food premise inspections increased 33% in 2014/15, with 977 undertaken compared to 644 in 2013/2014.
- 178 public building inspections were conducted, more than double the previous year, following the inclusion of temporary public building assessments.
- 490 food stall applications were received to operate at various festivals, concerts, markets and events held during the year, an increase of 18% from 2013/14.
- 189 applications were received and assessed for liquor permits, noise exemptions and temporary structures.
- A total of 589 customer service complaints were investigated, an increase of 63 from the previous year.
- With a high success rate in achieving compliance, only 12 Health Notices and three infringement notices were issued in accordance with relevant legislation.
- A total of 343 water samples were taken of the public aquatic facilities registered within the City.

### ***Over 65's Social Outings***

The City organised a total of 35 social outings for Vincent residents aged 65 and over with 618 people attending.

- The outings create a sense of community and provide residents with networking opportunities.
- The outings help facilitate a feeling of inclusion in community.
- They provide an opportunity to make new connections and have a positive influence on residents' mental health.



### ***Seniors Active Ageing Expo***

The City hosted its first Seniors Active Ageing Expo as a part of Seniors Week 2014 to promote a culture of inclusion and community, and provide information on local services available to seniors living in Vincent.

- The Expo was attended by approximately 100 residents.
- The expo received a \$1,000 grant from the Council on the Ageing Western Australia (COTA WA).
- Featured informative presentations, interactive workshops, information stalls, refreshments and entertainment.

- Topics included: mental, physical and financial health and wellbeing, community safety, housing options, information and technology, community groups and social engagement.

### ***Youth Events***

Throughout the year, an average of 40 young people attended each of the seven youth events which ran in 2014/2015.

- The youth events were held on Friday evenings and featured a range of themes including Girls Night In, Boys Only Game Vault, Outdoor Movie Nights and a Silent Disco.
- The City partnered with YMCA HQ to celebrate National Youth Week which featured a skate competition by Skateboarding WA, a music event with five local bands and urban art workshops.

### ***Youth Development Grants***

Grants of up to \$624 were made available to eligible young residents. Six grant applications were successful for the following:

- One young person attended The Hague International Model United Nations (THIMUN) conference in Geneva, Switzerland. THIMUN provided the young person an opportunity to speak about issues of international concern on a global stage and engage with some of the world's brightest young minds.
- One young person attended an art cultural adventure to London and Paris to experience the National Gallery, National Theatre, Global Theatre, Versailles, The Louvre and Theatre Bouffe Du Nord. This experience provided the young person an opportunity to see some of the finest art and theatre in the world.
- Three young people were supported to attend a WA Scouts trip to Gilli Meno in Indonesia to participate in an environmental conservation program. During their stay the scouts assisted Bolong's Turtle Sanctuary and the work contributed to the Scouts achieving their World Conservation badge.
- One young person attended the Western Australian Association of Teachers of Italian exchange program in Italy. The student was able to participate in cultural exchange by attending school, living with a local family and learning the culture and traditions of Italian life.

### ***Community Sports and Recreation Facility Funding (CSRFF)***

Community Sports and Recreation Facility Funding (CSRFF) grants allow for the ongoing investment and upgrading of sport and recreation facilities across the City.

The City worked in conjunction with three sporting clubs to apply for CSRFF grants from the Department of Sport and Recreation. All were successful in receiving grants:

- North Perth Tennis Club - \$13,380 for the redevelopment of their internal clubrooms.



- Leederville Tennis Club - \$33,676 to fund the repair and resurfacing of six tennis courts.
- Perth Soccer Club - \$250,000 for the replacement of natural turf to a synthetic turf.

### ***KidSport***

The KidSport program makes it possible for West Australian children to participate in their community through sport and recreation, regardless of their financial circumstances. This Department of Sport and Recreation funded initiative allows individuals to receive up to \$200 a year to contribute towards club fees.

- The City issued 115 vouchers to residents in the last financial year.
- 35% of vouchers were issued to participants who had never participated in sport and recreation in a club based setting before.

### ***Recreation***

- The City continued its ongoing support of individual and team sporting sponsorship requests. Fourteen residents were sponsored to a total of \$4,250.
- North Perth Community Garden received a grant from Department of Local Government and Communities for the amount of \$6,604 for a greenhouse-propagation structure and an expansion to their composting scheme. The City supported this initiative with a contribution of \$2,900 towards to project. The Garden runs frequent community workshops, liaises with local businesses to reduce waste and was involved with the City's planter box project in North Perth (see below).
- Vincent Men's Shed was commissioned by the City to build 16 planter boxes out of recycled wood, these boxes enhanced the streetscape in North Perth town centre and saw the Men's Shed engage with the Community Garden and the local business community. The Shed has also hosted a range of seminars and installed a new hot water system.
- The second annual Vincent Cup was held in January 2015. This one-day tennis tournament was hosted by Leederville Tennis Club and saw Vincent's four tennis clubs compete for the 'Vincent Cup'. The City sponsored the well-attended event through the contribution of \$600 towards medals and trophies.
- Kyilla Community Farmers Market has continued to operate on a Saturday morning with the support of the City. The market has seen a growth over the past year with more food stalls and higher attendance levels.

### ***Access and Inclusion***

The City's Disability and Access Inclusion Plan 2012-17 (DAIP) was endorsed by Council in July 2012 and is sent to the Disability Services Commission for review annually. Some of the key DAIP projects that were completed this year are as follows:

- A tactile paving maintenance program was introduced to ensure that tactile paving in the public realm is good condition and in accordance with standards.

- The library has provided design improvements to the supplier of the self-serve reservations kiosk, installed a hearing loop system for public events and now provides a battery charger connection suitable for use with gophers or electronic wheelchairs.
- Paving works for new buildings to accommodate accessibility.
- Removal of parking fees for people who use the ACROD bays.
- New accessible pathway within Britannia Road Reserve.
- Installation of a universally accessible public toilet at Oxford Street Reserve.
- Updated National Relay Service information on the City of Vincent - contact us page.
- Waste teams to pick up bins for people with a disability.
- Additional sized slings for pool hoist and change room ceiling hoist at Beatty Park.
- Accessible toilets and access ways for sponsored events.

### ***Community Grants, Sponsorship, Donations and Waiver of fees***

The City awards grants to not-for-profit groups and organisations providing community and welfare services that directly benefit Vincent residents. During the 2014/2015 year the City awarded monies to the following organisations:

- Mount Hawthorn Toy Library and Leederville Toy Library received a grant for the purchase of toys, software equipment and storage items. The funds improved the service by having more toys in circulation and allowing safe storage and accessibility to the toys.
- Manna Inc received a grant to support their Hot 'n' Healthy meal program, which provides three course meals to disadvantaged individuals, families, the elderly and the homeless. The program operates six days a week from Weld Square and supports approximately 250 people a day.
- Police and Community Youth Centre (PCYC) received a donation to support five disadvantaged young people, who reside in the City of Vincent, to attend a Circus Quirkus performance.
- Lions Australia received a donation to support eight disadvantaged young Vincent residents to attend a Razzamatazz performance.

### ***Meals on Wheels***

- Eligible Vincent residents in need of assistance were referred to the Meals on Wheels service provided by the City of Stirling via Commonwealth Care Link and Home and Community Care (HACC).
- The City provided funding to subsidise the delivery of this service which reduced the fees for residents by \$2.35 per meal.
- The average number of residents using this service increased to 15 residents per month during 2014-2015, an increase of 33% from 2013/14.



### ***Transport Assistance***

- The City provided taxi vouchers to eligible senior residents and people with disability to attend health and wellbeing appointments where other transport assistance was not available.
- Assessments were conducted for each request and where the person was found to be ineligible; they were referred to other services such as the Transport Users' Subsidy Scheme (TUSS) or Commonwealth Carelink Centre.
- 72 residents were supported through the City's transport assistance program.

### ***Home Care and Garden Assistance***

- The City referred residents to Home and Community Care (HACC) to be assessed for in-home care and gardening services.
- Where residents are found ineligible, senior residents and people with disability, who require help, received assistance with the cost of one-off home and gardening services.
- Financial assistance is subject to eligibility and can be provided for services such as tree lopping or pruning, small home repairs and removal of waste.

### ***Cultural Development Seeding Grants***

Cultural Development Seeding Grants of up to a \$1,000 were available to help not-for-profit community groups deliver community-based cultural activities or events that express the different ways of life in the City of Vincent. A funding total of \$4,500 was given to the following organisations:

- Mount Hawthorn Community Church in support of their annual Carols in the Park event in Braithwaite Park.
- Youth with a Mission in support of their annual Carols by Candlelight event in Hyde Park.
- Perth Folk and Roots Club Inc to hold a community open air music event in Hyde Park to introduce new audiences to folk and roots music and engage local community members to support music appreciation and performance.
- RUAH to assist in holding an open Mental Health Week Art Exhibition at YMCA HQ. The exhibition aimed to not only showcase participating individuals' artwork but also provide an avenue to open discussion and promote mental health awareness and wellbeing in the community.
- Ethnic Communities Council of WA to hold a community coordinated fair, Meena Bazaar. Seminars were provided to those wishing to participate, guidance on starting a business and being successful entrepreneurs. The community was encouraged to attend the Meena Bazaar, which provided entertainment and the opportunity to purchase goods.



## ***Marketing and Communications***

A number of new and improved communications initiatives were implemented to stay in touch with our community.

- Five monthly e-Newsletters for specific target audiences were distributed: arts, youth, sustainability, library and history.
- Each subscriber database grew by an average of 350 subscribers.
- City of Vincent's fortnightly e-Newsletter distribution increased to over 5,500 subscribers versus 3,750 in 2013/14.
- Increased usage and greater emphasis on social media platforms, including Facebook with over 4,000 'fans' (compared with 2,000 in 2013/14) and Twitter with over 1,500 'followers' (compared with 500 in 2013/14).
- Media relationships were enhanced to ensure balanced media exposure of key projects and offerings from across the City.
- Production of strategic and consistent marketing material and corporate collateral was increased.

## ***Film Project***

In partnership with the Film and Television Institute (FTI), the City called for filmmakers to apply to create short films in three different categories. The following films were created:

- "Alfred Loves Myra" is a personal documentary by Eleanor Bunter that explores the life, death and afterlife of her great grandfather, Alfred Marshall. Alfred died in tragic circumstances at the Queens Hotel in Highgate in 1947 and many say his spirit remains there to this day.
- "Thank God There's Not A War On..." Set in the North Perth Bowls Club is a comedy by producer, Brett Dowson and director, Tim Barretto.
- "Bizness Boiz" by City of Vincent locals Cameron Whiteford and Joe Henderson tells the quirky tale of two oddball teenage boys who find themselves in need of jobs to pay for tickets to a travelling science show.

The films were screened in Banks Reserve following a Summer Concert in February, where approximately 500 people attended.

## ***Visual Arts Scholarship***

Each year, local schools have the opportunity to nominate a student that has excelled in the arts.

- In 2014/15 Mt Lawley Senior High School nominated a student.
- The recipient of the Scholarship for Mount Lawley Senior High School was Eloise Natalotto who received \$500.

### **Percent for Public Art**

Vincent's Percent for Public Art scheme requires all proposals for commercial, non-residential or mixed residential/commercial developments over \$1,000,000 in value to set aside a minimum of one per cent of the development's estimated total project cost to be used for public artworks. The commissioned artwork is to reflect the place, locality and/or community.

The following Percent for Public Art projects were completed in 2014/15:

<i>ARTIST</i>	<i>LOCATION</i>	<i>VALUE</i>
Lorena Grant	50 Oxford St, Leederville	\$90,000
Tim Macfarlane Reid	297 Lot 5, Vincent St, Leederville	\$21,000
Robert Forlani	250-252 Oxford St, Leederville	\$28,000
Kyle Hughes-Odgers	103 Harold St, Highgate	\$165,000
Peter McMeikan	298, Lot 888, Lord St, Highgate	\$120,000
Stuart Green	87 Bulwer St, Perth	\$107,500
Lorena Grant	209 - 217 Beaufort St, Perth	\$90,000

The following Percent for Public Art projects were approved in 2014/15:

<i>ARTIST</i>	<i>LOCATION</i>	<i>VALUE</i>
Lorena Grant	602-610 Beaufort St, Mt Lawley	\$85,000
Lorena Grant	28-44 Cowle St, West Perth	\$83,500
Kyle Hughes-Odgers	609 Beaufort St, Mt Lawley	\$10,000
Lorena Grant	362 Charles St, North Perth	\$40,000
George Domahidy	261 Charles St, North Perth	\$127,090
Bevan Honey	276-282 Beaufort St, Perth	\$24,000

### **Murals**

Vincent has an extensive mural program with a collection that grows in size and quality each year. 2014/15 saw the biggest mural commissioned to date - the Luna Cinemas mural by Fintan Magee.

The following murals were commissioned in 2014/15:

<i>ARTIST</i>	<i>LOCATION</i>	<i>VALUE</i>
Zac Freshwater	Method Clothing Wall, Mt Lawley	\$1,000
Andrew Frazer	Watercorp Laneway, Leederville	\$3,000
Drew Straker	St Michael's Restaurant Laneway, Highgate	\$795
George Dohamidy	Tredways Shoe Shop, Mt Hawthorn	\$3,000
Miseryland	Lucky's Deli, Northbridge	\$310
Hosae 3rds	Palazzo Automotives, Northbridge	\$500
Fintan Magee	Luna Cinemas, Leederville	\$10,000
Guido Van Helten	284 Fitzgerald St, North Perth	\$1,000
Kyle Huges-Odgers	Yogahub, Coogee St, Mt Hawthorn	\$2,500

The City also sponsored FORM with \$30,000 to deliver PUBLIC 2015, which resulted in new murals by artists at the following locations:

- Stormie Mills, Corner of Richmond and Oxford Streets, Leederville
- Fudge Works, 196 Oxford Street, Leederville
- Brett Chan, 196 Oxford Street, Leederville
- Hosae, 181 Oxford Street, Leederville
- Sarah McClosky, 112 Oxford Street, Leederville
- Martin E Wills, 112 Oxford Street, Leederville
- Robert Jenkins, 106 Oxford Street, Leederville
- Andrew Hem, 629 Newcastle Street, Leederville
- James Giddy, 629 Newcastle Street, Leederville
- DALest, 629 Newcastle Street, Leederville
- Kyle Huges-Odgers, 333 William Street, Northbridge
- Hayley Welsh, Anvil Lane, Mount Hawthorn



### ***Mural Documentary***

- A short documentary on the City of Vincent mural program was produced for the City of Vincent.
- The short film highlights the mural program, the community’s reaction and features interviews with partners such as FORM and the Laneway Collective.
- The mural documentary is online at the City’s You Tube channel: [www.youtube.com/TheCityOfVincent](http://www.youtube.com/TheCityOfVincent)

### ***Laneway Collective***

- The Laneway Collective activated a disused laneway in Mt Lawley, behind Grosvenor Street.
- The laneway was painted in the lead up to and on the day of the Beaufort Street Festival, which brought many people to an otherwise disused area.
- The City contributed \$5,000 to the project.

### ***Art Acquisitions***

Four major art acquisitions were commissioned in 2014.

<b>ARTIST</b>	<b>LOCATION</b>	<b>VALUE</b>
Lorena Grant	Beatty Park	\$100,000 completed and installed
Phil & Dawn Gamblen	Leederville Town Centre	\$100,000 - completion date November 2015
Si Hummerston	North Perth Town Centre	\$100,000 - completion date November 2015

Sandra Hill & Jenny Dawson	Weld Square	\$82,000 - completion date May 2016
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### **NAIDOC Week**

- The City’s 2014 NAIDOC week event was held at Weld Square on Sunday 14 July.
- The event aimed to position Weld Square as a place of reconciliation and celebrate the history of the area.
- The event included performances from Urban Youth Crew and the Bartlett Brothers, plus a free BBQ from nearby Kuditj Café.
- A short documentary called “Our Patch” was commissioned in conjunction with the Film and Television Institute (FTI).
- The documentary put various stories about Weld Square on the public record and can be viewed online at the City’s You Tube channel: [www.youtube.com/TheCityOfVincent](http://www.youtube.com/TheCityOfVincent)

### **Summer Concerts**

- Four Summer Concerts were held in the City’s parks which catered for all types of musical tastes.
- Approximately 1000-1,500 people attended each concert, and the popularity of this series continues to grow each year.



### **New Australian Citizens**

The City conducts citizenship ceremonies on behalf of the Department of Immigration and Multicultural Affairs throughout the year.

- In 2014/15, four Citizenship Ceremonies and two private citizenship ceremonies were hosted by the City
- 414 new citizens from 42 different countries were naturalised, compared with 290 new citizens from 32 different countries in 2013/14.



### **Centenary Anzac Day Service**

The City and Mount Hawthorn Returned Services League (RSL) hosted the annual ANZAC day commemorative service.

- 2015 marked the centenary of the ANZAC's landing in Gallipoli.
- Over 2,500 people attend the 11am service held at Axford Park on 25 April.
- The City received a \$10,115 grant from the Department of Veterans Affairs to commission a plaque for the City's ANZAC Memorial at Axford Park, where we hold our annual ANZAC Day service. The plaque (and the park itself) commemorates Vincent residents who served in WWI and also recognises City of Vincent resident Thomas Axford who was awarded the Victoria Cross in WWI.

### **City Sponsored Festivals**

The sponsorship of major events has seen the City of Vincent become known as the Festival City. In 2014/15 the following sponsored events took place:

<i>Event</i>	<i>Estimated Attendance</i>	<i>Community Group/Organiser</i>
Angove Street Festival	45,000	North Perth Local / Soapbox PR
Beaufort Street Festival	120,000	Beaufort Street Network
PrideFEST Parade	30,000	Pride WA
Light Up Leederville Carnival	60,000	Leederville Connect
PrideFEST Fairday	5,000	Pride WA
Hyde Park Community Fair	25,000	Rotary Club of North Perth
St Patricks Day Festival & Parade	25,000	St Patricks Day Perth
Mt Hawthorn Streets & Laneways Festival	10,000	Mt Hawthorn Hub

### **Improving Road Safety**

- Two permanent road safety radar signs were installed along Scarborough Beach Road near Mt Hawthorn Primary School to discourage speeding during peak activity periods.
- The permanent signs have been joint funded by the City and the Office of Road Safety and are intended to remind motorists to drive within the 40km/hr limit in school zones and create a Safer Vincent for everyone.

- The signs operate on Monday to Friday during peak school hours. During school hours, the signs will display current speeds of passing motorists, plus road safety messages, such as: TOO FAST, SLOW DOWN.
- In addition, 200 rubbish bin stickers will be given to residents near Mount Hawthorn Primary School to further assist the campaign; the stickers act as a visible reminder on bin days to passing motorists and pedestrians.

### *Travel Smart Program*

- The program has been very effective in promoting the benefits of active transport such as walking, cycling and public transport within the Vincent community.
- Positive initiatives include the Vincent Community Bike Library, Schools Safe Cycling Series, creation of a staff electric bike fleet, a Walk Over October event and a Workplace Travel Plan.
- At the Department of Transport TravelSmart Awards, Mayor John Carey proudly accepted the award for TravelSmart Champion, with the City receiving a commendation in the ‘Innovation’ category for its Bike Swap Meet events.
- Other great cycling events were hosted throughout the year, particularly during 2015 Bike Week (a statewide initiative), which aim to promote cycling and cycling culture, and to encourage community engagement with our TravelSmart team. We hosted a Ride to Work Breakfast week, bike skills and maintenance courses, two Bike Swap Meets and a Bike Wash. More information on the City’s Travel Smart Program can be found at [www.vincent.wa.gov.au/TravelSmart](http://www.vincent.wa.gov.au/TravelSmart)



# Leadership, Governance & Management

## Key focus areas:

- » *Development of leadership skills and behaviours*
- » *Improvements to our internal culture*
- » *Planning effectively for the future, in particular Local Government Structural Reform*
- » *Enhancement of organisational business planning*
- » *Enhancement of knowledge management*
- » *Improved financial accountability and transparency*
- » *Improving employee performance, recognition and reward*
- » *Promoting employee satisfaction and wellbeing*
- » *Innovative ways of service delivery/business improvement*
- » *Improvement of information flows to and from the community*
- » *Implementation/promotion of Vincent Vision 2024*

## HIGHLIGHTS UNDER THE LEADERSHIP, GOVERNANCE & MANAGEMENT PILLAR OF THE STRATEGIC COMMUNITY PLAN IN 2014/15 INCLUDE:

### *Local Government Reform*

2014/15 was heavily influenced by the environment of local government reform, which proposed that the City of Vincent would be amalgamated into the City of Perth through the creation of a City of Perth Act. As a result, annual operational plans were primarily designed to maintain the status quo rather than investing in enhancing internal systems and processes, which would potentially be made redundant through the amalgamation.

The Premier announced on 17 February 2015 that the State Government had “*put its local government reform agenda on hold, with Governor’s orders for boundary adjustments that are not supported by the council’s involved to be revoked*”.

At a Special Meeting of Council on 19 February 2015, convened to consider the adoption of a formal position on the State Government’s decision not to proceed with the reform agenda, it was resolved (inter alia), that Council:

*CONFIRMS that the City of Vincent wants to remain as a stand-alone Council, on the basis of:*

- *Strong local community support for the City of Vincent to remain as a separate entity, with particular reference to the results of the 2013 plebiscite which demonstrated the community’s first preference for the City to stay as is;*
- *Irreconcilable differences between the City of Perth and City of Vincent regarding a new city authority under the proposed City of Perth Act, in particular the City of Perth’s support for vote weighting and a no ward structure;*
- *Recognition the City of Perth Act would not contain a provision for a referendum of City of Vincent ratepayers to have the final say on the new governance model and structure of a new city authority; and*

- *Recognition that small local government can be genuinely effective and innovative as leaders and facilitators of positive change in the community;*

From that point forward, the City's activities and planning were undertaken with confidence that the City of Vincent would remain as an independent local government area and organisation.

### **Financial Sustainability**

In early August 2014, the Department of Local Government and Communities wrote to the City expressing concern and highlighting that it had assessed that the City *"was in a poor financial position at 30 June 2013 with poor liquidity"*.

The Department was concerned given:

- The City ended the 2012/13 financial year with a deficit in net current assets of approximately \$3.8m.
- There appeared to be little attempt to reduce the deficit during 2013/14, which was again estimated to be in the order of \$3.2m.
- A serious concern that the 2014/15 adopted annual budget had incorrectly transposed the opening balance deficit as a surplus, *"resulting in the City adopting a budget which was in deficit \$6.8m"*.

The Department called on the City to give urgent consideration to this issue and to implement strategies to eliminate the deficit and achieve a balanced position by 30 June 2015. Council considered a report at its Ordinary Meeting on 26 August 2014 addressing the deficit issue and adopted a range of strategies comprising the following measures:

- Amending the timing, scope, cost and funding source for various capital projects and initiatives to yield a budget saving of \$3,615,200.
- Reducing the City's operating budget by \$314,489.
- Increasing the proceeds from disposal of assets by \$1,150,000.
- Amending the transfer of funds and interest to and from reserves, to reduce the overall balance of the City's reserves by \$1,319,869, from the budgeted figure of \$8,975,198 to \$7,655,329.

These measures were further considered at a Special meeting of Council on 3 September 2014, where Council approved the required budget adjustments which resulted in the amended 2014/15 Budget providing for an estimated closing balance of \$0, thereby complying with the target set by the Department.

The mid-year Budget Review was a further opportunity for Council to consider the budget; particularly given the audited Financial Statements for 2013/14 had then been adopted and revealed that the closing balance was a deficit of \$4.7m rather than the previously estimated \$3.2m. This reinforced that if the budget measures had not been implemented, the City would have faced a potential \$8m deficit by 30 June 2015.

Through tight financial control and monitoring of the budget, supported by the measures adopted by Council to eliminate the budget deficit, the actual closing balance for 2014/15 as recorded in the 2014/15 Audited Financial Statements is a surplus of \$1m, the first

surplus achieved since 2008/09. The surplus includes the early receipt of 50% (\$576,865) of the Australian Government's Financial Assistance Grant for 2015/16.

Given the 2015/16 budget provided for the closing balance of 2014/15 being a surplus of \$576,865, the actual closing position is an improvement of \$431,026.

### **2015/16 Budget**

A new and comprehensive approach was taken to budget preparation at the City to ensure the budget recognised Vincent's underlying financial position. This involved a review of various informing strategies and past financial and budget practices, to gain an understanding of the City's current financial position and long term financial sustainability. This process revealed a range of issues that impacted on the confidence level of the City's forecasting capability beyond a 12 month period. This was primarily due to:

- The standard of the Strategic Community Plan and associated Corporate Business Plan and level of integration to the City's Resourcing Plans.
- The extent of asset data available to support the Asset Management Plans, to define and effectively plan for asset renewal/replacement requirements.
- The absence of a 10 Year Capital Works Program to inform the Long Term Financial Plan.

Key initiatives flowing from the budget development process included:

- Initiating an asset management program to ensure the City had up to date data on the condition of all assets in order to make informed and strategic decisions on service standards and long term renewal and upgrade plans.
- Establishing an Asset Sustainability Reserve to benefit the community, by enabling the allocation of funds for future capital expenditure for the purpose of replacing and renewing long term assets.
- Reviewing the rate setting strategy to recognise that financing the services and facilities provided by the City is a shared responsibility and should be met equitably through the adoption of a Differential Rating system and establishment of Minimum Rates at a level that recognise a minimum cost of services available to all ratepayers regardless of the value of their property.

The resulting 2015/16 Budget presented to Council for adoption was better informed in estimating the result for the previous year and therefore the opening balance for 2015/16; optimised rate revenue; provided for a level of capital expenditure that was considered sustainable and achievable; included net transfers to Reserves, including the Asset Sustainability Reserve and was structured to achieve a 'balanced' budget.

### **Audit Committee - Terms of Reference**

Council adopted new Terms of Reference for the City's Audit Committee to ensure it adequately outlined the evolving role of local government Audit Committees. Key changes to the Terms of Reference included enhancing the Committee's role in the City's risk management and compliance functions and also increasing the membership to include all members of Council in recognition of the important role the Committee fulfils.

## ***We're Building a Better Vincent***

In May 2015, the City appointed a Project Manager - Business Improvement. The role focussed on prioritising and project managing key reforms and business improvements, such as:

- Working across the organisation to refresh and refine our organisational culture, values and behavioural expectations.
- Highlighting and perusing opportunities to simplify and streamline our processes and practices.
- Assisting in reviewing our organisational structure.
- Coordinating the review and revision of our Policies and Delegated Authority.
- Managing consultants to prepare our new Strategic Community Plan and Corporate Business Plan.

There are three key vision statements associated with the *Building a Better Vincent* brand:

- *Why do we exist?* 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 where people want to visit.
- *How do we do what we do?* We work with each other and through our partners to provide exceptional experiences in the services and facilities we offer.
- *What do we want to look like?* We're known for being a clever, courageous and creative organisation, where new ideas flourish, where staff are loud and proud to say where they work and which others want to join.

## ***Our Employees***

- The City continues to recognise the important contribution made by our experienced, skilled and forward thinking workforce in achieving the City's goals.
- The development of employees is encouraged through further training and education and study leave entitlements.
- In 2014/15 the City entered into negotiations for a new Enterprise Agreement. Negotiations have been constructive and the City looks forward to a positive resolution in the coming months.
- The City's employee turnover rate for 2014-2015 was 9.90%. The past three years have seen the lowest employee turnover since the inception of the City.



## Overview of our Employees

<i>Item</i>	<i>11/12</i>	<i>12/13</i>	<i>13/14</i>	<i>14/15</i>
Full Time Equivalent Employees	186	192	194	202
Employee Turnover %	12.9	9.89	9.79	9.90
Absenteeism (sick leave only) - total no. of days	973	1611	1761	1682
Absenteeism (carer's leave only) - total no. of days	142	159	136	168
Absenteeism (carer's leave & sick leave) - average no. of days per employee	5.99	9.22	9.78	9.16
Number of Workers' Compensation Claims	9	8	12	20
Lost Time Injury days	83	367	102	167
Employee Assistance Programme - Utilisation (no. of referrals)	5	14	12	8

## Equal Opportunity

The City is committed to providing a safe, harmonious work environment from free discrimination and harassment.

Along with our Equal Opportunity Management Plan 2012-2014 the City has implemented preventative measures, including awareness training and ongoing reviews of policies and procedures.

## Staff Development and Training

Career path planning is discussed as part of the performance appraisal process which assists in identifying employees' interests and personal aspirations within local government.

Throughout the year there were 180 individual attendances at training courses, seminars, forums, workshops and conferences which enabled employees to increase their knowledge base and to keep abreast of any legislative changes. In addition, the City provided a wide range of group training opportunities such as:

- Bullying and Harassment
- Manual Handling and Ergonomic Assessments
- Dealing with difficult situations

Vincent continues to provide Study Leave and fee assistance. In 2014/15, 5 employees were granted study leave to gain qualifications to further their role at Vincent.

## ***Occupational Safety and Health***

Vincent's Occupational Safety and Health vision is:

“To achieve best practice in occupational safety and health by building a safety culture dedicated to minimising risk and preventing injuries and ill health to employees, contractors and the general public - ensuring all can operate in a safe and healthy environment whilst at the workplace.”

The Safety and Health Committee continued to meet on a regular basis throughout the year. Workplace inspections and relevant training sessions, including safety inductions, are conducted on an ongoing basis for all employees.

### ***Occupational Safety and Health Management Plan***

The Occupational Safety and Health Management Plan 2012-2015 outlines a commitment to achieve and maintain the systematic management of safety in order to provide a safe working environment.

There have been no major incidences or accidents resulting in major injury and or significant lost time.

### ***Workers' Compensation***

There were 19 new worker's compensation claims and no existing long term claims. The total number of Lost Time Injury days was 167.

### ***Employee Assistance Program***

All employees have access to an Employment Assistance Program. This program provides free confidential counselling to employees, Council Members and their immediate families. In 2014/15, eight staff members took advantage of this service.

### ***Wellness***

A number of health and wellbeing programs are provided to employees annually. These include health assessments, skin cancer screening, immunisations and information sessions on various health and wellbeing topics. These initiatives are funded by the City, our insurers and through a corporate agreement with HBF.

### ***Industrial Relations***

The City has continued to maintain an industrial dispute-free record, with no industrial disputes reported since the creation of the City on 1 July 1994.





**CITY OF VINCENT**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**30 JUNE 2015**

**Financial Report**  
**For the year ended 30 June 2015**

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## INDEPENDENT AUDITOR'S REPORT

### TO: RATEPAYERS OF CITY OF VINCENT

#### **Report on the Financial Report**

We have audited the financial report of the City of Vincent, which comprises the Statement of Financial Position as at 30 June 2015 and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity and Statement of Cash Flows and Rate Setting Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

#### ***Management's Responsibility for the Financial Report***

Management is responsible for the preparation and fair presentation of the 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 controls 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.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. Our audit has been conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to management's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

#### ***Independence***

In conducting our audit, we followed applicable independence requirements of Australian professional accounting bodies.



# INDEPENDENT AUDITOR'S REPORT (Cont'd)

## **Auditor's Opinion**

In our opinion, the financial report of the City of Vincent:

- (a) gives a true and fair view of the financial position of the City of Vincent as at 30 June 2015 and of its financial performance for the year ended on that date; and
- (b) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards.

## **Report on Other Legal and Regulatory Requirements**

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

- (a) There are no matters that in our opinion indicate significant adverse trends in the financial position or financial management practices of the Council.
- (b) There are 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 asset consumption ratio and asset renewal funding ratio (presented at Note 37 of the annual financial report) we have reviewed the calculations as presented and nothing has come to our attention to suggest they are not:
  - (i) reasonably calculated; and
  - (ii) based on verifiable information.
- (d) All necessary information and explanations were obtained by us.
- (e) All audit procedures were satisfactorily completed in conducting our audit.

## **Matters Relating to the Electronic Publication of the Audited Financial Report**

This auditor's report relates to the financial report of the City of Vincent for the year ended 30 June 2015 included on the City of Vincent's website. Management is responsible for the integrity of the City of Vincent's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

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

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

**PERTH**  
**DATED THIS 30<sup>TH</sup> DAY OF NOVEMBER 2015.**



**City of Vincent  
Statement by Chief Executive Officer  
Financial Year Ended 30 June 2015**

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**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 2015 are in my opinion, properly drawn up to present fairly the financial position of the City of Vincent as at 30 June 2015 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 2<sup>nd</sup> day of December 2015



**Len Kosova  
Chief Executive Officer**

**City of Vincent**  
**Statement of Comprehensive Income**  
**By Nature or Type**  
**For the year ended 30 June 2015**

	Note	Revised Budget 2014/15 \$	Actual 2014/15 \$	Actual 2013/14 \$
<b>Revenue</b>				
Rates	3(a)	27,302,021	27,478,028	25,362,390
Operating Grants, Subsidies and Contributions	4	1,569,840	2,138,565	1,435,384
Fees and Charges	5	20,705,640	19,654,668	19,187,447
Interest Earnings	6	854,120	907,919	897,486
Other Revenue		1,110,020	1,418,990	1,099,417
		<b>51,541,641</b>	<b>51,598,170</b>	<b>47,982,124</b>
<b>Expenditure</b>				
Employee Costs		(23,431,355)	(23,287,895)	(22,996,728)
Materials and Contracts		(14,976,846)	(14,237,564)	(14,385,556)
Utilities Charges		(1,970,960)	(1,913,034)	(2,176,874)
Depreciation of Non-Current Assets	7(b)	(11,223,490)	(11,214,551)	(11,760,170)
Insurance Expenses		(1,136,305)	(1,137,988)	(878,414)
Interest Expenses	8(a)	(1,096,580)	(1,163,983)	(1,145,812)
Other Expenditure		(888,170)	(173,107)	(449,721)
		<b>(54,723,706)</b>	<b>(53,128,122)</b>	<b>(53,793,275)</b>
Non-Operating Grants, Subsidies and Contributions	4	3,082,146	1,000,136	1,903,855
		<b>3,082,146</b>	<b>1,000,136</b>	<b>1,903,855</b>
Profit on Asset Disposals	9	2,030,370	1,566,787	39,193
Loss on Asset Disposals	9	-	(36,809)	(156,377)
		<b>2,030,370</b>	<b>1,529,978</b>	<b>(117,184)</b>
Net Share of Interests in Joint Ventures	10	-	2,139,257	393,533
Change in Equity – WALGA LG House Trust	17	-	35,777	-
		<b>-</b>	<b>2,175,034</b>	<b>393,533</b>
Profit on Assets Held for Sale (TPRC Joint Venture)	10	2,510,000	2,989,790	2,020,102
		<b>2,510,000</b>	<b>2,989,790</b>	<b>2,020,102</b>
Revaluation Decrement – Rights of Way	11	-	(666,779)	-
Revaluation Decrement – Other Infrastructure	11	-	(148,112)	-
		<b>-</b>	<b>(814,891)</b>	<b>-</b>
<b>Net Result</b>		<b>4,440,451</b>	<b>5,350,095</b>	<b>(1,610,845)</b>
<b>Other Comprehensive Income</b>				
Changes on Revaluation of Non-Current Assets	11	-	34,986,734	39,699,215
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>34,986,734</b>	<b>39,699,215</b>
<b>Total Comprehensive Income</b>		<b>4,440,451</b>	<b>40,336,829</b>	<b>38,088,370</b>

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

**City of Vincent**  
**Statement of Comprehensive Income**  
**By Programme**  
**For the year ended 30 June 2015**

	Note	Revised Budget 2014/15 \$	Actual 2014/15 \$	Actual 2013/14 \$
<b>Operating Revenue</b>				
General Purpose Funding		29,630,841	30,484,225	27,193,861
Governance		37,430	85,913	95,301
Law, Order and Public Safety		186,490	250,039	195,027
Health		408,770	411,765	366,005
Education and Welfare		292,220	241,963	640,477
Community Amenities		1,568,390	1,600,407	1,763,357
Recreation and Culture		10,788,180	10,269,500	9,900,090
Transport		8,014,470	7,636,815	7,262,273
Economic Services		406,210	361,097	346,473
Other Property and Services		208,640	256,446	219,260
		<b>51,541,641</b>	<b>51,598,170</b>	<b>47,982,124</b>
<b>Operating Expenditure (excluding Finance Costs)</b>				
General Purpose Funding		(702,400)	(695,252)	(556,229)
Governance		(2,608,850)	(2,565,486)	(3,030,270)
Law, Order and Public Safety		(1,332,110)	(1,253,980)	(1,335,546)
Health		(1,131,565)	(1,051,846)	(1,087,639)
Education and Welfare		(1,368,905)	(1,156,999)	(1,301,405)
Community Amenities		(9,376,890)	(8,842,025)	(8,546,970)
Recreation and Culture		(21,670,256)	(21,152,300)	(21,505,850)
Transport		(12,235,705)	(12,183,844)	(12,136,091)
Economic Services		(722,695)	(678,330)	(706,764)
Other Property and Services		(2,477,750)	(2,384,077)	(2,440,698)
		<b>(53,627,126)</b>	<b>(51,964,139)</b>	<b>(52,647,462)</b>
<b>Finance Costs</b>				
	8(a)			
Education and Welfare		(60,095)	(129,184)	(69,797)
Recreation and Culture		(1,036,485)	(1,034,799)	(1,070,120)
Transport		-	-	(5,896)
		<b>(1,096,580)</b>	<b>(1,163,983)</b>	<b>(1,145,813)</b>
<b>Non-Operating Grants, Subsidies and Contributions</b>				
	4			
Law, Order and Public Safety		22,704	40,902	81,893
Education and Welfare		271,450	-	6,396
Community Amenities		167,331	-	220,592
Recreation and Culture		15,000	-	225,665
Transport		2,605,661	959,234	1,369,309
		<b>3,082,146</b>	<b>1,000,136</b>	<b>1,903,855</b>

**City of Vincent**  
**Statement of Comprehensive Income**  
**By Programme**  
**For the year ended 30 June 2015**

	Note	Revised Budget 2014/15 \$	Actual 2014/15 \$	Actual 2013/14 \$
<b>Profit/(Loss) on Disposal of Assets</b>	9			
Governance		-	-	(8,643)
Law, Order and Public Safety		11,630	(1,597)	(36,385)
Education and Welfare		110,580	1,554,330	(1,863)
Community Amenities		12,000	(731)	(19,204)
Recreation and Culture		28,140	5,572	15,724
Transport		1,842,620	-	-
Economic Services		7,500	(3,188)	(35,321)
Other Property and Services		17,900	(24,408)	(31,492)
		<b>2,030,370</b>	<b>1,529,978</b>	<b>(117,184)</b>
<b>Net Share of Interests in Joint Ventures</b>				
Other Property and Services	10	-	2,139,257	393,533
		-	<b>2,139,257</b>	<b>393,533</b>
<b>Change in Equity – WALGA LG House Trust</b>				
Other Governance	17	-	35,777	-
		-	<b>35,777</b>	-
<b>Profit on Assets Held for Sale (TPRC Joint Venture)</b>				
Other Property and Services	10	2,510,000	2,989,790	2,020,102
		<b>2,510,000</b>	<b>2,989,790</b>	<b>2,020,102</b>
<b>Revaluation Decrement – Other Infrastructure</b>				
Health	11	-	(6,912)	-
Education and Welfare	11	-	(4,368)	-
Recreation and Culture	11	-	(126,749)	-
Transport	11	-	(676,862)	-
		-	<b>(814,891)</b>	-
<b>Net Result</b>		<b>4,440,451</b>	<b>5,350,095</b>	<b>(1,610,845)</b>
<b>Other Comprehensive Income</b>				
Changes On Revaluation Of Non-Current Assets	11	-	34,986,734	39,699,215
<b>Total Other Comprehensive Income</b>		-	<b>34,986,734</b>	<b>39,699,215</b>
		<b>4,440,451</b>	<b>40,336,829</b>	<b>38,088,370</b>

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

**City of Vincent**  
**Statement of Financial Position**  
**As At 30 June 2015**

	Note	Actual 2014/15 \$	Actual 2013/14 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	12	14,453,256	10,608,066
Other Assets	13	28,550	174,633
Trade and Other Receivables	14	3,738,543	3,246,673
Inventories	15	198,843	183,531
<b>Total Current Assets</b>		<b>18,419,192</b>	<b>14,212,903</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables	14	163,300	181,383
Land Held for Development	16	111,013	134,725
Financial Assets	17	46,777	11,000
Interests in Joint Ventures	10	9,160,344	6,590,919
Property, Plant and Equipment	18	141,042,088	146,592,970
Infrastructure Assets	19	127,431,640	91,425,996
<b>Total Non-Current Assets</b>		<b>277,955,162</b>	<b>244,936,993</b>
<b>Total Assets</b>		<b>296,374,354</b>	<b>259,149,896</b>
<b>Current Liabilities</b>			
Trade and Other Payables	20	5,854,290	7,247,660
Provisions	21	3,009,574	3,016,730
Borrowings	22	760,288	869,022
<b>Total Current Liabilities</b>		<b>9,624,152</b>	<b>11,133,412</b>
<b>Non-Current Liabilities</b>			
Provisions	21	291,713	260,079
Borrowings	22	16,596,822	18,231,567
<b>Total Non-Current Liabilities</b>		<b>16,888,535</b>	<b>18,491,646</b>
<b>Total Liabilities</b>		<b>26,512,687</b>	<b>29,625,058</b>
<b>Net Assets</b>		<b>269,861,667</b>	<b>229,524,838</b>
<b>Equity</b>			
Retained Surplus		130,918,068	124,545,699
Reserves – Cash Backed	23	7,671,805	8,694,079
Revaluation Surplus	11	131,271,794	96,285,060
<b>Total Equity</b>		<b>269,861,667</b>	<b>229,524,838</b>

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

**City of Vincent  
Statement of Changes in Equity  
For the year ended 30 June 2015**

	Note	Retained Surplus \$	Reserves Cash Backed \$	Revaluation Surplus \$	Total Equity \$
<b>Balance as at 1<sup>st</sup> July 2013</b>		<b>127,086,185</b>	<b>7,764,438</b>	<b>56,585,845</b>	<b>191,436,468</b>
Comprehensive Income					
Net Result		(1,610,845)	-	-	(1,610,845)
Changes on Revaluation of Non-Current Assets	11	-	-	39,699,215	39,699,215
Total Comprehensive Income		(1,610,845)	-	39,699,215	38,088,370
Transfer from / (to) Reserves	23	(929,641)	929,641	-	-
<b>Balance as at 30<sup>th</sup> June 2014</b>		<b>124,545,699</b>	<b>8,694,079</b>	<b>96,285,060</b>	<b>229,524,838</b>
Comprehensive Income					
Net Result		5,350,095	-	-	5,350,095
Changes on Revaluation of Non-Current Assets	11	-	-	34,986,734	34,986,734
Total Comprehensive Income		5,350,095	-	34,986,734	40,336,829
Transfer from / (to) Reserves	23	1,022,274	(1,022,274)	-	-
<b>Balance as at 30 June 2015</b>		<b>130,918,068</b>	<b>7,671,805</b>	<b>131,271,794</b>	<b>269,861,667</b>

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

**City of Vincent**  
**Statement of Cash Flows**  
**For the year ended 30 June 2015**

	Note	Revised Budget 2014/15 \$	Actual 2014/15 \$	Actual 2013/14 \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		26,909,021	27,442,568	25,228,446
Operating Grants, Subsidies and Contributions		2,473,885	3,431,015	2,464,819
Fees and Charges		20,437,630	20,472,256	21,311,053
Interest Earnings		854,120	907,919	897,486
Goods and Services Tax		2,000,000	1,112,355	963,690
Other Revenue		163,975	607,675	327,336
<b>Total Receipts</b>		<b>52,838,631</b>	<b>53,973,788</b>	<b>51,192,830</b>
<b>Payments</b>				
Employee Costs		(18,997,330)	(23,263,417)	(22,783,521)
Materials & Contracts		(14,836,536)	(13,447,568)	(10,505,279)
Utilities		(1,914,770)	(2,226,481)	(2,513,488)
Insurance		(915,330)	(1,324,445)	(1,014,245)
Interest Expense		(1,096,580)	(1,163,983)	(1,145,812)
Other Expenditure		(3,006,685)	(4,286,652)	(4,464,690)
<b>Total Payments</b>		<b>(40,767,231)</b>	<b>(45,712,546)</b>	<b>(42,427,035)</b>
<b>Net Cash provided by (used in)</b>				
<b>Operating Activities</b>	24(b)	<b>12,071,400</b>	<b>8,261,242</b>	<b>8,765,795</b>
<b>Cash Flows from Investing Activities</b>				
Payments for Development of Land Held for Resale		-	-	-
Payments for Purchase of Property, Plant and Equipment	18	(2,257,067)	(2,060,503)	(1,794,332)
Payments for Construction of Infrastructure Assets	19	(11,034,467)	(6,994,170)	(6,080,709)
Non-Operating Grants, Subsidies and Contributions	4	3,048,092	1,000,136	1,903,855
Cash Proceeds from Sale of Property, Plant and Equipment	9	3,025,000	2,711,644	280,408
Cash Proceeds from Joint Venture Operations	10	2,580,000	2,583,334	833,332
<b>Net Cash provided by (used in) Investing Activities</b>		<b>(4,638,442)</b>	<b>(2,759,559)</b>	<b>(4,857,446)</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from New Borrowings		-	-	-
Repayment of Borrowings	8(a)	(1,743,478)	(1,743,479)	(1,092,353)
Net increase in Bonds and Deposits		-	86,986	21,938
<b>Net Cash Flows from Financing Activities</b>		<b>(1,743,478)</b>	<b>(1,656,493)</b>	<b>(1,070,415)</b>
<b>Net Increase/(Decrease) in Cash Held</b>		<b>5,689,480</b>	<b>3,845,190</b>	<b>2,837,934</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>		<b>3,867,369</b>	<b>10,608,066</b>	<b>7,770,132</b>
<b>Cash and Cash Equivalents at End of Year</b>	24(a)	<b>9,556,849</b>	<b>14,453,256</b>	<b>10,608,066</b>

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

**City of Vincent  
Rate Setting Statement  
For the year ended 30 June 2015**

	Note	Amended Budget 2014/15 \$	Actual 2014/15 \$	Actual 2013/14 \$
<b>Revenue</b>				
General Purpose Funding		2,328,820	3,006,197	1,831,471
Governance		37,430	121,690	95,301
Law, Order and Public Safety		155,660	251,946	195,026
Health		402,770	411,765	366,005
Education and Welfare		402,800	1,796,293	640,477
Community Amenities		1,512,590	1,600,407	1,763,357
Recreation and Culture		10,668,770	10,275,072	9,939,127
Transport		8,022,590	7,636,815	7,262,273
Economic Services		371,710	361,097	346,473
Other Property and Services		3,866,840	5,390,471	2,633,051
		<b>27,769,980</b>	<b>30,851,753</b>	<b>25,072,561</b>
<b>Expenditure</b>				
General Purpose Funding		(701,575)	(695,252)	(556,229)
Governance		(2,566,370)	(2,565,486)	(3,038,913)
Law, Order and Public Safety		(1,337,395)	(1,257,484)	(1,371,931)
Health		(1,137,345)	(1,058,758)	(1,087,639)
Education and Welfare		(1,312,135)	(1,290,551)	(1,373,065)
Community Amenities		(9,286,725)	(8,842,756)	(8,566,174)
Recreation and Culture		(20,220,676)	(22,313,848)	(22,599,282)
Transport		(11,944,905)	(12,860,706)	(12,141,987)
Economic Services		(718,480)	(681,518)	(742,085)
Other Property and Services		(2,108,415)	(2,413,463)	(2,472,346)
		<b>(51,334,021)</b>	<b>(53,979,822)</b>	<b>(53,949,651)</b>
<b>Net Result Excluding Rates</b>		<b>(23,564,041)</b>	<b>(23,128,069)</b>	<b>(28,877,090)</b>
<b>Adjustments for Cash Budget Requirements:</b>				
<b>Non-Cash Expenditure and Revenue</b>				
Movement in Employee Benefit Provisions (Non-Current)		-	31,634	(40,239)
Movement in Deferred Pensioner Rates (Non-Current)		-	18,083	15,111
Equity in Local Government House in Trust		-	(35,777)	-
Movement in Joint Venture Operations	10	-	(2,139,257)	(393,533)
Work in Progress Assets Expensed		-	375,536	-
Depreciation on Assets	7(b)	8,566,790	11,214,551	11,760,170
Asset Revaluation Decrements		-	814,891	-
(Profit)/Loss on Asset Disposals	9	(1,330,370)	(1,529,978)	117,184
(Profit)/Loss on Assets Held for Sale – TPRC Joint Venture	10(b)	(2,510,000)	(2,989,790)	(2,020,102)
Current Land Held for Resale Adjustment		-	13,144	-
Aged Persons and Senior Citizens Funds Adjustment	12	-	(875,631)	-
		<b>(18,837,621)</b>	<b>(18,230,663)</b>	<b>(19,438,499)</b>

**City of Vincent  
Rate Setting Statement  
For the year ended 30 June 2015**

	Note	Amended Budget 2014/15 \$	Actual 2014/15 \$	Actual 2013/14 \$
<b>Capital Expense and Revenue</b>				
Purchase of Buildings	18(b)	(1,038,275)	(332,826)	(169,338)
Purchase of Plant and Equipment	18(b)	(1,065,167)	(1,434,416)	(1,202,353)
Purchase of Furniture and Equipment	18(b)	(153,625)	(64,417)	(61,430)
Construction of Work in Progress	18(b)	-	(228,844)	(361,211)
Construction of Infrastructure Assets	19(b)	(11,034,467)	(6,994,170)	(6,080,709)
Contributions/Grant for the Development of Assets	4	3,048,092	1,000,136	1,903,855
Cash Proceeds from Disposal of Assets	9	3,025,000	2,711,644	280,408
Cash Proceeds from Sale of Land Held for Sale	10	2,580,000	2,583,334	833,332
Repayment of Borrowings	8(a)	(1,743,478)	(1,743,479)	(1,092,353)
Transfer to Reserves	23	(4,248,453)	(4,708,891)	(3,295,522)
Transfer from Reserves	23	5,758,752	5,731,165	2,365,881
		<b>(4,871,621)</b>	<b>(3,480,764)</b>	<b>(6,879,440)</b>
<b>Demand From Resources</b>		<b>(23,709,242)</b>	<b>(21,711,427)</b>	<b>(26,317,939)</b>
<b>Add Surplus/(Deficit) 1 July 14 B/Fwd</b>		<b>(3,199,779)</b>	<b>(4,758,710)</b>	<b>(3,803,161)</b>
<b>Less Surplus/(Deficit) 30 June 15 C/Fwd</b>	3(c)	-	1,007,891	(4,758,710)
<b>Amount Required To Be Raised From Rates</b>	3(a)	<b>(26,909,021)</b>	<b>(27,478,028)</b>	<b>(25,362,390)</b>

This statement 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 30 June 2015**

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**1. Significant Accounting Policies**

The significant policies which have been adopted in the preparation of these financial statements are:-

**(a) 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 also 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 a judgment, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

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

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

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

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

**Trust Funds**

Monies held in the Trust Fund, which Council holds in a custodian role, are excluded from the Financial Statements, but a separate Statement of those monies is disclosed in Note 29.

**(c) 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.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**1. Significant Accounting Policies (Continued)**

**(d) 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.

**(e) 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.

**(f) Inventories**

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.

**(g) 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 Council's intentions to release for sale.

**(h) Fixed Assets**

Each class of fixed assets within 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.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**1. Significant Accounting Policies (Continued)**

**(h) Fixed Assets (Continued)**

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

- (a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment;
- (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government –
  - (i) that are plant and equipment; and
  - (ii) that are –
    - (I) land and buildings; or
    - (II) infrastructure; and
- (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years. In 2013, Council commenced the process of adopting Fair Value in accordance with the Regulations.

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

*Land Under Control*

In accordance with Local Government (Financial Management) Regulation 16(a), the Council 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 then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

Whilst they were initially recorded at cost, fair value at the date of acquisition was deemed cost as per AASB 116.

Consequently, these assets were initially recognised at cost but revalued along with other items of Land and Buildings at 30 June 2014.

*Initial Recognition and Measurement between Mandatory Revaluation Dates*

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council 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.

**1. Significant Accounting Policies (Continued)**

**(h) Fixed Assets (Continued)**

*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 Council.

*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 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.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**1. Significant Accounting Policies (Continued)**

**(h) Fixed Assets (Continued)**

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

Buildings	30 to 75 years
Furniture and Equipment	3 to 10 years
Plant and Equipment	3 to 15 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 Parks 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 of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

*Intangible Assets*

**Easements**

The Council has determined that under AASB 138, easements are valued on an historical cost basis, because it is unlikely that an active market in easements exists to allow for fair value measurement. Due to acquisition of easements at NIL values, no easements have been included in the financial report.

*Capitalisation Threshold*

Expenditure on items of equipment under \$1,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

**1. Significant Accounting Policies (Continued)**

**(i) Fair Value of Assets and Liabilities**

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

Fair Value is the price that Council 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. 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 (i.e. the market with the greatest volume and level of activity for the asset) 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 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 Council 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 Council are consistent with one or more of the following valuation approaches:

**1. Significant Accounting Policies (Continued)**

**(i) 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 Council 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 at least every 3 years.

**(j) Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council 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 transactions 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 assets are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

**1. Significant Accounting Policies (Continued)**

**(j) Financial Instruments (Continued)**

Amortised cost is calculated as:

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

The effective interest method is used to allocate interest income or interest expense over the related period and is equivalent to the rate that exactly 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.

The Council does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

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

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value 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, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets).

**1. Significant Accounting Policies (Continued)**

**(j) Financial Instruments** *(Continued)*

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Council's intention to hold these investments 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 non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets).

If during the period the Council sold or reclassified more than a significant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

*(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 non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

*(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.

**1. Significant Accounting Policies (Continued)**

**(j) 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 expires or the asset is transferred to another party whereby the entity no longer has any significant continuing 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 value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

**(k) 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 assets 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.

**1. Significant Accounting Policies (Continued)**

**(l) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council 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.

**(m) Employee Benefits**

*Short-Term Employee Benefits*

Provision is made for the Council'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 Council'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 Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

*Long-Term Employee Benefits*

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. 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 or 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 Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Council 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.

**(n) 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.

**(o) Provisions**

Provisions are recognised when the Council 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.

**1. Significant Accounting Policies (Continued)**

**(p) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Council, 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.

**(q) 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.

**1. Significant Accounting Policies (Continued)**

**(r) Interest 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(q) for a description of the equity method of accounting.

The Council 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 Council'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.

**(s) Rates, Grants, Donations and other Contributions**

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

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of 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 at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 25. The note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

**(t) Rounding Off Figures**

All figures shown in the financial report, other than a rate in the dollar, have been rounded off to the nearest dollar.

**(u) Superannuation**

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

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

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

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**1. Significant Accounting Policies (Continued)**

**(w) Comparatives**

Comparative figures are, where appropriate, reclassified as to be comparable with the figures presented for the current financial year.

When the Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest period will be disclosed.

**(x) Budget Comparative Figures**

The budget comparative figures shown in this annual financial report (excluding the Rate Setting Statement) represent the "Revised Budget" adopted by Council after the mid-year budget review. The budget comparatives used in the Rate Setting Statement are from the "Amended Budget" adopted by Council at its Ordinary Council Meeting of 3<sup>rd</sup> September 2014. The original budget, which was adopted in July 2014, contained an error in the opening balance of \$6,399,558. This error was corrected in the Amended Budget.

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

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

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

- (i) *AASB 9 – Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)*  
Issued/Compiled December 2014  
Applicable 1 January 2018  
Impact Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
- (ii) *AASB 2010-7 – Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*  
[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]  
Issued/Complied September 2012  
Applicable 1 January 2018  
Impact Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
- (iii) *AASB 15 – Revenue from Contracts with Customers*  
Issued/Compiled December 2014  
Applicable 1 January 2017  
Impact 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 Council has with those third parties it has dealings with. It may or may not be significant.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**1. Significant Accounting Policies (Continued)**

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

(iv) *AASB 2013-9 – Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments*

Issued/Compiled December 2013

Applicable 1 January 2015 (Part C – Financial Instruments)

Impact Part C of this Standard makes consequential amendments to AASB 9 and numerous other standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value.

As the bulk of changes related either to editorial or reference changes it is not expected to have a significant impact on the Council.

(v) *AASB 2014-3 – Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations*

[AASB 1 & 11]

Issued/Complied August 2014

Applicable 1 January 2016

Impact This Standard amends AASB 11: *Joint Arrangements* to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: *Business Combinations*, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.

Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Council's financial statements.

(vi) *AASB 2014-4 – Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation*

[AASB 116 & 138]

Issued/Compiled August 2014

Applicable 1 January 2016

Impact This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortization as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

Given the Council currently uses the expected pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**1. Significant Accounting Policies (Continued)**

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

*(vii) AASB 2014-5 – Amendments to Australian Accounting Standards arising from AASB 15*

Issued/Compiled December 2014

Applicable 1 January 2017

Impact Consequential changes to various Standards arising from the issuance of AASB 15.

It will require changes to reflect the impact of AASB 15.

*(viii) AASB 2015-2 – Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*

[AASB 7, 101, 134 & 1049]

Issued/Compiled January 2015

Applicable 1 January 2016

Impact This standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.

This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title.

It is not anticipated it will have any significant impact on disclosures.

*(ix) AASB 2015-3 – Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality*

Issued/Compiled January 2015

Applicable 1 July 2015

Impact This standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing it to be completely withdrawn.

It is not anticipated it will have a significant impact as the principles of materiality remain largely unchanged.

*(x) AASB 2015-6 – Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities*

[AASB 10, 124 & 1049]

Issued/Compiled March 2015

Applicable 1 July 2016

Impact The objective of this Standard is to extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit public sector entities.

This Standard is expected to have a significant disclosure impact on the financial report of the Council as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.

**1. Significant Accounting Policies (Continued)**

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

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

These new and revised standards were:

- AASB 2011-7
- AASB 2012-3
- AASB 2013-3
- AASB 2013-8
- AASB 2013-9 Parts A & B

Most of the standards adopted had a minimal effect on the accounting and reporting practices of the City as they did not have a significant impact on the accounting or reporting practices or were either not applicable, largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations

## **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**

A sustainable and caring community built with vibrancy and diversity.

### **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 other's views and contributions.

### **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 & Wellbeing: Enhance and promote community development, safety and wellbeing.
- Leadership, Governance & Management: Ensure good strategic decision-making, governance, leadership and professional management, supported by a positive and desirable workplace.

**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 and Order 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 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, sports grounds, 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 30 June 2015**

**3. Rating Information**

**(a) Rates**

	Rateable Value	Rate in Dollar Cents	Original Budget 2014/15	Actual 2014/15	Actual 2013/14
	\$		\$	\$	\$
<b>Rate Revenue</b>					
<b>Gross Rental Values</b>					
General Rate					
16,312 Assessments	451,685,543	5.789	25,408,118	26,148,082	24,366,125
52 Vacant Commercial Assessments	3,615,850	11.578	418,643	418,643	-
Minimum Rate					
905 Assessments	9,924,456	@707	639,830	639,835	518,241
2 Vacant Commercial Assessments	16,103	@1,414	2,830	2,828	-
Interim Rates	8,930,993		396,900	230,445	437,311
Back Rates	392,870		4,900	2,763	4,747
<b>Total General Rates Levied</b>			<b>26,871,221</b>	<b>27,442,596</b>	<b>25,326,424</b>
Ex Gratia – Levied	613,100	5.789	37,800	35,492	36,410
Ex Gratia – Interim	(1,040)	5.789	-	(60)	-
Less Rates Written Off			-	-	(444)
<b>Total Amount Made Up From Rates</b>			<b>26,909,021</b>	<b>27,478,028</b>	<b>25,362,390</b>

**(b) Interest Charges, instalments and write offs**

	Revised Budget 2014/15	Actual 2014/15	Actual 2013/14
	\$	\$	\$
Instalment Interest @ 5.5%	162,200	167,463	152,362
Penalty Interest @ 11%	76,800	72,917	72,331
Administration Charge \$12 per instalment	180,000	191,034	170,808
Legal Costs Recovered	20,000	25,764	30,902
Other Reimbursements	200	455	397
Interest Write Off	-	-	(703)
	<b>439,200</b>	<b>457,633</b>	<b>426,097</b>

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

- 1 25 August 2014
- 2 27 October 2014
- 3 5 January 2015
- 4 9 March 2015

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 30 June 2015**

**3. Rating Information (Continued)**

**(c) Information on Surplus/(Deficit) Brought Forward**

	<b>2015 (30 June 2015 Carried Forward) \$</b>	<b>2015 (1 July 2014 Brought Forward) \$</b>	<b>2014 (30 June 2014 Carried Forward) \$</b>
Surplus/(Deficit) 1 July 2014 brought forward	1,007,891	(4,758,710)	(4,758,710)
<b><u>Comprises:</u></b>			
Cash and Cash Equivalents	6,781,451	1,913,987	1,913,987
Unrestricted	7,671,805	8,694,079	8,694,079
Restricted			
Receivables			
Rates Outstanding	(87,337)	(74,640)	(74,640)
Sundry Debtors	3,402,799	3,287,572	3,287,572
GST Receivable	190,158	-	-
Inventories			
Depot	131,466	129,223	129,223
Beatty Park Leisure Centre – Café/Retail	67,377	54,308	54,308
<b><u>Less:</u></b>			
Trade and Other Payables			
Sundry Creditors	(5,369,695)	(6,899,205)	(6,899,205)
Accrued Interest on Debentures	(79,847)	(84,906)	(84,906)
Accrued Salaries and Wages	(143,276)	(68,319)	(68,319)
ATO Liabilities	-	-	-
Current Portion of Long Term Borrowings			
Secured by Floating Charge	(760,288)	(869,022)	(869,022)
Lease Liability	-	-	-
Provisions			
Provision for Annual Leave	(1,458,766)	(1,623,626)	(1,623,626)
Provision for Long Service Leave	(1,550,808)	(1,393,104)	(1,393,104)
<b>Net Current Assets</b>	<b>(8,795,039)</b>	<b>(3,066,347)</b>	<b>(3,066,347)</b>
<b><u>Less:</u></b>			
Reserves – Restricted Cash	(7,671,805)	(8,694,079)	(8,694,079)
Restricted – Aged Persons and Senior Citizens Funds	(875,631)	-	-
<b><u>Add:</u></b>			
Secured by Floating Charge	(760,288)	(869,022)	(869,022)
<b>Surplus/(Deficit)</b>	<b>1,007,891</b>	<b>(4,758,710)</b>	<b>(4,758,710)</b>

**Difference**

There was no difference between the surplus/(deficit) 1 July 2014 brought forward position used in the 2015 audited financial report and the surplus/(deficit) carried forward as disclosed in the 2014 audited financial report.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**4. Grants and Contributions**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>By Nature and Type</b>		
Grants and Contributions - Operating	2,138,565	1,435,384
Grants and Contributions - Non Operating	1,000,136	1,903,855
	<b>3,138,701</b>	<b>3,339,239</b>

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
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**By Programme**

General Purpose Funding	1,705,851	561,705
Governance	926	886
Law Order and Public Safety	44,582	103,339
Health	1,997	1,893
Education and Welfare	2,851	396,363
Community Amenities	254,381	501,622
Recreation and Culture	112,711	349,604
Economic	2,208	2,178
Transport	979,116	1,391,682
Other Property and Services	1,962	1,605
Administration	32,116	28,362
	<b>3,138,701</b>	<b>3,339,239</b>

**5. Fees and Charges by Programme**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
Governance	344,808	343,750
Law Order and Public Safety	246,359	169,422
Health	394,020	347,057
Education and Welfare	128,741	136,828
Community Amenities	1,155,630	1,435,110
Recreation and Culture	9,513,855	9,155,538
Transport	7,382,700	7,178,949
Economic Services	352,381	344,295
Other Property and Services	136,174	76,498
	<b>19,654,668</b>	<b>19,187,447</b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**6. Revenue**

**Interest Earnings**

	<b>Revised Budget 2014/15</b>	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	\$	\$	\$
Reserve Investments	292,300	258,852	348,557
Municipal Investments	292,600	388,534	288,365
Other interest revenue	269,220	260,533	260,564
	<b>854,120</b>	<b>907,919</b>	<b>897,486</b>

**7. Expenses**

**(a) Remuneration of Auditors**

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	\$	\$
Auditing the Financial Report	22,560	22,030
Audit of Project Acquittals	1,200	1,200
	<b>23,760</b>	<b>23,230</b>

**(b) Depreciation**

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

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	\$	\$
Buildings	4,415,818	5,366,654
Roads	2,795,573	2,845,863
Footpaths	164,253	156,497
Rights of Way	278,425	103,692
Drainage	315,656	313,625
Parks Development	941,138	867,385
Car Park Development	240,490	184,948
Other Infrastructure Assets	669,834	626,377
Plant and Mobile Equipment	1,262,316	1,137,493
Office Furniture and Equipment	131,048	157,636
	<b>11,214,551</b>	<b>11,760,170</b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**8. Information on Borrowings**

**(a) Repayments – Debentures**

Particulars	Principal 1 July 2014	New Loans	Principal Repayments		Principal 30 June 2015		Interest Repayments	
	\$	\$	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Education and Welfare</b>								
81 Angove Street	1,037,983	-	1,037,983	1,037,983	-	-	129,184	60,095
<b>Recreation and Culture</b>								
Office Building	6,219,715	-	122,217	122,217	6,097,498	6,097,498	400,579	401,175
Loftus Centre Belgravia	2,352,648	-	119,229	119,228	2,233,419	2,233,420	147,757	148,015
Loftus Centre UG Carpark	1,876,675	-	199,421	199,421	1,677,254	1,677,254	69,658	69,760
Beatty Park Redevelopment	7,613,568	-	264,629	264,629	7,348,939	7,348,939	416,805	417,535
	<b>19,100,589</b>	<b>-</b>	<b>1,743,479</b>	<b>1,743,478</b>	<b>17,357,110</b>	<b>17,357,111</b>	<b>1,163,983</b>	<b>1,096,580</b>

(\*) Self supporting loan financed by payments from third parties.  
All other loan repayments were financed by general purpose revenue.

**(b) New Debentures – 2014/15**

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

The City did not take up any new debentures during the year ended 30 June 2015.

**(c) Unspent Debentures**

Particulars	Date Borrowed	Balance 1 July 2014	Borrowed During Year	Expended During Year	Balance 30 June 2015
		-	-	-	-
		-	-	-	-

The City did not have any unspent debentures as at 30 June 2015.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**9. Disposal of assets – 2014/15 Financial Year**

	Net Book Value		Sale Price		Profit / (Loss)	
	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$
<b>Land</b>						
Education and Welfare	760,000	760,000	800,000	800,000	40,000	40,000
Transport	-	-	1,000,000	-	1,000,000	-
	760,000	760,000	1,800,000	800,000	1,040,000	40,000
<b>Buildings</b>						
Education and Welfare	829,420	235,670	900,000	1,750,000	70,580	1,514,330
Transport	65,500	-	900,000	-	834,500	-
	894,920	235,670	1,800,000	1,750,000	905,080	1,514,330
<b>Plant and Equipment</b>						
Law, Order and Public Safety	9,370	21,729	21,000	20,132	11,630	(1,597)
Community Amenities	10,800	11,706	25,000	10,975	14,200	(731)
Recreation and Culture	860	12,991	29,000	18,563	28,140	5,572
Transport	12,380	-	20,500	-	8,120	-
Economic Services	-	16,113	7,500	12,925	7,500	(3,188)
Other Property and Services	6,300	123,457	22,000	99,049	15,700	(24,408)
	39,710	185,996	125,000	161,644	85,290	(24,352)
	<b>1,694,630</b>	<b>1,181,666</b>	<b>3,725,000</b>	<b>2,711,644</b>	<b>2,030,370</b>	<b>1,529,978</b>

	Budget \$	Actual \$
Profit	2,030,370	1,566,787
Loss	-	(36,809)
	<b>2,030,370</b>	<b>1,529,978</b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**10. Interests in Joint Ventures**

**(a) 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.

	<b>2014/15</b>	<b>2013/14</b>
	<b>\$</b>	<b>\$</b>
Current Assets	2,480,209	2,288,038
Non-Current Assets	5,541,279	3,777,065
<b>Total Assets</b>	<b>8,021,488</b>	<b>6,065,103</b>
Current Liabilities	1,130,550	712,904
Non-Current Liabilities	1,738,449	2,296,828
<b>Total Liabilities</b>	<b>2,868,999</b>	<b>3,009,732</b>
<b>Net Assets</b>	<b>5,152,489</b>	<b>3,055,371</b>

**(b) 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 (1/12<sup>th</sup> share):

	<b>2014/15</b>	<b>2013/14</b>
	<b>\$</b>	<b>\$</b>
Current Assets	3,870,810	3,429,039
Non-Current Assets	164,177	163,192
<b>Total Assets</b>	<b>4,034,987</b>	<b>3,592,231</b>
Current Liabilities	24,554	55,328
Non - Current Liabilities	2,578	1,355
<b>Total Liabilities</b>	<b>27,132</b>	<b>56,683</b>
<b>Net Assets</b>	<b>4,007,855</b>	<b>3,535,548</b>
<b>Total Interest in Joint Ventures</b>	<b>9,160,344</b>	<b>6,590,919</b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**10. Interests in Joint Ventures (Continued)**

**(b) Tamala Park Regional Council (Continued)**

During the 2014-15 financial year, the City's share of the profit from the development and the operator was \$3,031,929, made up of:

	<b>2014/15</b>	<b>2013/14</b>
	<b>\$</b>	<b>\$</b>
Proceeds from Sale of Land	5,006,422	4,449,297
Land Development Expenses	(1,957,706)	(2,382,974)
Rates	(35,214)	(46,221)
Cost of Land Developed	(23,712)	-
<b>Profit/(Loss) on Sale of Land Assets (TPRC)</b>	<b>2,989,790</b>	<b>2,020,102</b>
 <b>Net Share of Interests in TPRC (Joint Venture Operator)</b>	 <b>42,139</b>	 <b>14,316</b>

Of the above profit, \$2,583,334 was received in cash and the balance of \$448,595 is represented as a change in the City's following two assets:

	<b>2014/15</b>	<b>2013/14</b>
	<b>\$</b>	<b>\$</b>
<b>Non-Current Assets</b>		
Land Held for Development	111,013	134,725
Interest in TPRC Joint-Venture	4,007,855	3,535,548

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**11. Revaluation Surplus**

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

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Land</b>		
Opening Balance	52,158,356	7,042,661
Revaluation Increment	-	45,115,695
Revaluation Decrement	-	-
Closing Balance	<b>52,158,356</b>	<b>52,158,356</b>
<b>Buildings</b>		
Opening Balance	29,547,080	34,963,560
Revaluation Increment	-	-
Revaluation Decrement	(245,000)	(5,416,480)
Closing Balance	<b>29,302,080</b>	<b>29,547,080</b>
<b>Plant and Equipment</b>		
Opening Balance	1,300,727	1,300,727
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	<b>1,300,727</b>	<b>1,300,727</b>
<b>Furniture and Equipment</b>		
Opening Balance	160,080	160,080
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	<b>160,080</b>	<b>160,080</b>
<b>Roads</b>		
Opening Balance	4,855,300	4,855,300
Revaluation Increment	23,628,139	-
Revaluation Decrement	-	-
Closing Balance	<b>28,483,439</b>	<b>4,855,300</b>
<b>Footpaths</b>		
Opening Balance	7,545,707	7,545,707
Revaluation Increment	8,161,071	-
Revaluation Decrement	-	-
Closing Balance	<b>15,706,778</b>	<b>7,545,707</b>
<b>Rights of Way</b>		
Opening Balance	717,810	717,810
Revaluation Increment	-	-
Revaluation Decrement	(717,810)	-
Closing Balance	-	<b>717,810</b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**11. Revaluation Surplus (Continued)**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Drainage</b>		
Opening Balance	-	-
Revaluation Increment	3,091,488	
Revaluation Decrement	-	
Closing Balance	<b>3,091,488</b>	-
<b>Parks Development</b>		
Opening Balance	-	-
Revaluation Increment	291,121	
Revaluation Decrement	-	
Closing Balance	<b>291,121</b>	-
<b>Car Park Development</b>		
Opening Balance	-	-
Revaluation Increment	777,725	
Revaluation Decrement	-	
Closing Balance	<b>777,725</b>	-
<b>Other Infrastructure Assets</b>		
Opening Balance	-	-
Revaluation Increment	-	-
Revaluation Decrement	-	-
Closing Balance	-	-
<b>Total Revaluation Surplus</b>	<b>131,271,794</b>	<b>96,285,060</b>
<b>Summary of Revaluation Surplus</b>		
Opening Balance	96,285,060	56,585,845
Revaluation Increment	35,949,544	45,115,695
Revaluation Decrement	(962,810)	(5,416,480)
Closing Balance	<b>131,271,794</b>	<b>96,285,060</b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**12. Cash and Cash Equivalents**

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	<b>\$</b>	<b>\$</b>
Unrestricted	5,905,820	1,913,987
Restricted	8,547,436	8,694,079
	<b>14,453,256</b>	<b>10,608,066</b>

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

	<b>Note</b>	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
		<b>\$</b>	<b>\$</b>
Reserves	23	7,671,805	8,694,079
Unspent Grants	25	-	-
Unspent Loans	8(c)	-	-
Aged Persons and Senior Citizens Funds*		875,631	-
		<b>8,547,436</b>	<b>8,694,079</b>

\* Restricted by a Trust obligation.

**13. Other Assets**

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Deposits and prepayments	28,550	174,633
	<b>28,550</b>	<b>174,633</b>

**14. Trade and Other Receivables**

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Rates	174,134	120,591
Works and Services	165,485	676,758
Property Rental/Leases	114,435	115,559
Other Receivables	640,429	546,532
Accrued Income	628,868	89,823
Infringements	2,142,019	1,807,140
Less: Provision for Impairment of Receivables	(126,827)	(109,729)
	<b>3,738,543</b>	<b>3,246,674</b>
<b>Non-Current</b>		
Pensioners' Rates Deferred	163,300	181,383
	<b>163,300</b>	<b>181,383</b>

**Pensioners' Rates Deferred**

The amount of \$163,300 in 2014/15 relates to Council Rates deferred by pensioners in accordance with the Rates and Charges (Rebates and Deferments) Act 1992. During the 2013/14 year the deferred rates amounted to \$181,383.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**15. Inventories**

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	\$	\$
Stock held at the Depot	131,466	129,223
Beatty Park Leisure Centre – Café/Retail	67,377	54,308
	<b>198,843</b>	<b>183,531</b>

**16. Land Held For Development**

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	\$	\$
<b>Non-Current</b>		
Land Held for Development (TPRC)	111,013	134,725
	<b>111,013</b>	<b>134,725</b>

**17. Financial Assets**

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
	\$	\$
<b>Non-Current</b>		
Financial Assets		
Shares in Unlisted Corporation – North Perth Community Financial Services Limited	11,000	11,000
Investment in WALGA Local Government House Trust*	35,777	-
	<b>46,777</b>	<b>11,000</b>

**\* 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 has capitalised its share in the Local Government House Trust for the first time this year based on the trust's 30 June 2014 audited financial statements.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**18. (a) Property, Plant and Equipment**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
Land and Buildings		
Freehold Land at:		
- Independent Valuation 2014	42,575,327	45,816,056
	42,575,327	45,816,056
Land Vested in and Under the Control of the Council at:		
- Independent Valuation 2014	12,930,000	10,630,000
	12,930,000	10,630,000
	<b>55,505,327</b>	<b>56,446,056</b>
Non-Specialised Buildings at:		
- Independent Valuation 2014	4,613,873	4,613,873
- Additions after Valuation – Cost	-	-
Less Accumulated Depreciation	(2,325,619)	(2,210,467)
	2,288,254	2,403,406
Specialised Buildings at:		
- Independent Valuation 2014	145,559,812	146,414,943
- Additions after Valuation – Cost	771,096	430,767
Less Accumulated Depreciation	(68,620,273)	(64,694,067)
	77,710,635	82,151,643
	<b>79,998,889</b>	<b>84,555,049</b>
<b>Total Land and Buildings</b>	<b>135,504,216</b>	<b>141,001,105</b>
Plant and Equipment at:		
- Management Valuation	11,277,961	10,739,851
Less Accumulated Depreciation	(6,752,732)	(6,079,542)
	4,525,229	4,660,309
Office Furniture and Equipment at:		
- Management Valuation	3,269,006	3,083,404
Less Accumulated Depreciation	(2,644,107)	(2,513,059)
	624,899	570,345
Work In Progress	387,744	361,211
<b>Total Property, Plant and Equipment Assets</b>	<b>141,042,088</b>	<b>146,592,970</b>

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.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**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) \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Transfers \$	Carrying Amount At the End of Year \$
Freehold Land	45,816,056	-	(760,000)	-	-	-	(2,480,729)	42,575,327
Land Vested in and Under the Control of the Council	10,630,000	-	-	-	-	-	2,300,000	12,930,000
<b>Total Land</b>	<b>56,446,056</b>	<b>-</b>	<b>(760,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(180,729)</b>	<b>55,505,327</b>
Non-Specialised Buildings	2,403,406	-	-	-	-	(115,152)	-	2,288,254
Specialised Buildings	82,151,643	332,826	(235,670)	(245,000)	-	(4,300,666)	7,502	77,710,635
<b>Total Buildings</b>	<b>84,555,049</b>	<b>332,826</b>	<b>(235,670)</b>	<b>(245,000)</b>	<b>-</b>	<b>(4,415,818)</b>	<b>7,502</b>	<b>79,998,889</b>
<b>Total Land and Buildings</b>	<b>141,001,105</b>	<b>332,826</b>	<b>(995,670)</b>	<b>(245,000)</b>	<b>-</b>	<b>(4,415,818)</b>	<b>(173,227)</b>	<b>135,504,216</b>
Plant and Equipment	4,660,309	1,434,416	(185,996)	-	-	(1,262,316)	(121,184)	4,525,229
Furniture and Equipment	570,345	64,417	-	-	-	(131,048)	121,185	624,899
Work In Progress	361,211	228,844	-	-	-	-	(202,311)	387,744
<b>Total Property, Plant and Equipment Assets</b>	<b>146,592,970</b>	<b>2,060,503</b>	<b>(1,181,666)</b>	<b>(245,000)</b>	<b>-</b>	<b>(5,809,182)</b>	<b>(375,537)</b>	<b>141,042,088</b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**19. (a) Infrastructure Assets**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
Roads		
- Management Valuation 2015	105,955,896	71,987,000
- Cost	-	3,440,584
Less Accumulated Depreciation	<u>(50,859,011)</u>	<u>(44,676,285)</u>
	55,096,885	30,751,299
Footpaths		
- Management Valuation 2015	33,473,683	16,231,749
- Cost	-	1,235,197
Less Accumulated Depreciation	<u>(13,453,143)</u>	<u>(5,637,427)</u>
	20,020,540	11,829,519
Rights of Way		
- Management Valuation 2015	8,785,076	6,558,000
- Cost	-	833,440
Less Accumulated Depreciation	<u>(5,659,070)</u>	<u>(2,936,642)</u>
	3,126,006	4,454,798
Drainage		
- Management Valuation 2015	27,737,396	-
- Cost	-	25,231,424
Less Accumulated Depreciation	<u>(10,332,787)</u>	<u>(10,785,943)</u>
	17,404,609	14,445,481
Park Development		
- Management Valuation 2015	19,243,268	-
- Cost	-	18,792,757
Less Accumulated Depreciation	<u>(4,276,485)</u>	<u>(4,182,688)</u>
	14,966,783	14,610,069
Car Park Development		
- Management Valuation 2015	11,621,557	-
- Cost	-	11,615,214
Less Accumulated Depreciation	<u>(2,648,732)</u>	<u>(3,348,782)</u>
	8,972,825	8,266,432
Other Infrastructure Assets		
- Management Valuation 2015	9,060,254	-
- Cost	-	10,123,308
Less Accumulated Depreciation	<u>(4,194,472)</u>	<u>(5,018,198)</u>
	4,865,782	5,105,110
Work In Progress	<u>2,978,210</u>	<u>1,963,288</u>
<b>Total Infrastructure Assets</b>	<b><u>127,431,640</u></b>	<b><u>91,425,996</u></b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**19. (a) Infrastructure Assets (Continued)**

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 30 June 2015**

**19. Infrastructure Assets (Continued)**

**(b) Movements in Carrying Amounts**

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

	<b>Balance at the Beginning of the Year</b>	<b>Additions</b>	<b>(Disposals)</b>	<b>Revaluation Increments/ (Decrements)</b>	<b>Impairment (Losses)/ Reversals</b>	<b>Depreciation (Expense)</b>	<b>Transfers</b>	<b>Carrying Amount At the End of Year</b>
	\$	\$	\$	\$	\$	\$	\$	\$
Roads	30,751,299	2,010,272	-	23,628,138	-	(2,795,573)	1,502,749	55,096,885
Footpaths	11,829,518	115,065	-	8,161,072	-	(164,253)	79,138	20,020,540
Rights of Way	4,454,798	325,953	-	(1,384,588)	-	(278,425)	8,268	3,126,006
Drainage	14,445,482	183,296	-	3,091,487	-	(315,656)	-	17,404,609
Park Development	14,610,069	1,006,731	-	291,121	-	(941,138)	-	14,966,783
Car Park Development	8,266,432	117,408	-	777,725	-	(240,490)	51,750	8,972,825
Other Infrastructure Assets	5,105,110	578,618	-	(148,112)	-	(669,834)	-	4,865,782
Work In Progress	1,963,288	2,656,827	-	-	-	-	(1,641,905)	2,978,210
<b>Total Infrastructure Assets</b>	<b>91,425,996</b>	<b>6,994,170</b>	<b>-</b>	<b>34,416,843</b>	<b>-</b>	<b>(5,405,369)</b>	<b>-</b>	<b>127,431,640</b>

The revaluation of infrastructure assets resulted in a net increase on revaluation of \$34,416,843 in the value of infrastructure assets.

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**20. Trade and Other Payables**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Current</b>		
Creditors	3,071,777	5,378,326
Deposits and Income in Advance	320,305	265,722
Contribution Liabilities	1,428,387	1,332,987
Accrued Expenses	1,033,821	270,625
	<b>5,854,290</b>	<b>7,247,660</b>

**21. Provisions**

	<b>Provision for Annual Leave \$</b>	<b>Provision for Long Service Leave \$</b>	<b>Total \$</b>
<b>Opening balance at 1 July 2014</b>			
Current Provisions	1,623,626	1,393,104	3,016,730
Non-current Provisions	-	260,079	260,079
	<b>1,623,626</b>	<b>1,653,183</b>	<b>3,276,809</b>
Additional provision	1,108,214	363,160	1,471,374
Amounts used	(1,273,074)	(356,959)	(1,630,033)
Used amounts reversed	-	58,537	58,537
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	124,600	124,600
<b>Balance at 30 June 2015</b>	<b>1,458,766</b>	<b>1,842,521</b>	<b>3,301,287</b>
<b>Comprises</b>			
Current Provisions	1,458,766	1,550,808	3,009,574
Non-current Provisions	-	291,713	291,713
	<b>1,458,766</b>	<b>1,842,521</b>	<b>3,301,287</b>

**22. Borrowings**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Current</b>		
Debentures	760,288	869,022
	<b>760,288</b>	<b>869,022</b>
<b>Non-Current</b>		
Debentures	16,596,822	18,231,567
	<b>16,596,822</b>	<b>18,231,567</b>
	<b>17,357,110</b>	<b>19,100,589</b>

**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 and maintenance/repairs associated with the new 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.

**c. 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 major plant and equipment purchases. Transfers represent the before depreciation operating surplus of the Centre. The exact amount transferred will depend upon the surplus achieved.

**d. Capital Reserve**

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

**e. Car Parking Development Reserve**

This reserve was established in April 1996 for the payment of cash-in-lieu of car parking from developers and is to be used to upgrade existing car parks or the establishment of new car parks.

**f. Office Building Reserve – 246 Vincent Street**

At the Ordinary Meeting of Council, held on 13 May 2003, it was agreed to establish a new Office Building Reserve for the following purpose:

*"For major building upgrade/maintenance/repairs/renovation and replacement of fixtures and fittings associated with the new Office Building and Land."*

**g. Electronic Equipment Reserve**

This reserve was established for the purpose of replacement and major upgrade of computing equipment owned by the City.

**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.

**23. Reserves – Cash Backed (Continued)**

**i. Hyde Park Lake Reserve**

At the Special Council Meeting held on 12 July 2005, it was agreed 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. Light Fleet Replacement Reserve**

This reserve has been established to fund the replacement of the light vehicle fleet, which is now contracted to occur every three years. An annual transfer will be made to this reserve, which minimises the impact of the capital outlay for the light vehicle fleet in the year of the replacement of the fleet.

**m. 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. These funds are held in a cash backed reserve for the purpose of replacing major items of plant and equipment or modifications to the Centre.

**n. 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. These funds are held in a cash backed reserve for the purpose of replacing major items of plant and equipment or modifications to the Centre.

**o. Parking Facility And Equipment Reserve**

At the Special Council Meeting held on 2 July 2008, it was agreed to establish a reserve for works associated with the purchase, maintenance and operation of parking ticket machines.

**p. Parking Funded City Centre 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.

**23. Reserves – Cash Backed (Continued)**

**q. 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.

**r. 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.”*

**s. Plant And Equipment Reserve**

This reserve was established in April 1995 for the purchase of replacement plant and equipment associated with Council’s works. An annual transfer is made to this reserve to minimise the impact of major purchases in any one year.

**t. 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.

**u. State Indoor Multi-Use Sports 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 Indoor Multi-Use Sports Centre buildings, major plant and equipment, fixtures, fittings and associated land.”*

**v. 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).”*

**w. Tamala Park Land Sales Reserve**

This reserve was established in 2011/12 for future significant/major capital works, infrastructure, project or debt reduction programme for the benefit of the City.

**x. Underground Power Reserve**

This reserve was established in 1998/99 with the allocation of \$20,000 for the purpose of funding Councils possible contribution to underground power projects considered by State Government.

**23. Reserves – Cash Backed (Continued)**

**y. Waste Management Plant And Equipment Reserve**

This reserve was established for the purpose of replacing plant and equipment associated with Council's waste management operations. An annual transfer is made to this reserve to minimise the impact of major purchases in any one year.

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.

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

- Administration Centre Reserve;
- Aged Persons and Senior Citizens Reserve;
- Capital Reserve;
- Office Building Reserve – 246 Vincent Street;
- Heritage Loan Reserve;
- Hyde Park Lake Reserve;
- Land and Building Asset Acquisition Reserve;
- Leederville Oval Reserve;
- Parking Facility and Equipment Reserve;
- Parking Funded City Centre Upgrade Reserve;
- Parking Funded Transport Initiatives Reserve;
- Perth Oval Reserve;
- State Indoor Multi-Use Sports Centre Reserve;
- Strategic Waste Management Reserve;
- Tamala Park Land Sales 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:

- Beatty Park Leisure Centre Reserve;
- Car Parking Development Reserve;
- Electronic Equipment Reserve;
- Light Fleet Replacement Reserve;
- Loftus Community Centre Reserve;
- Loftus Recreation Centre Reserve;
- Plant and Equipment Reserve;
- Public Open Space Reserve;
- Underground Power Reserve;
- Waste Management Plant and Equipment Reserve.

**City of Vincent**  
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**23. Reserves – Cash Backed (Continued)**

	<b>Revised Budget 2014/15 \$</b>	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Administration Centre Reserve</b>			
Opening Balance 1 July 2014	282,742	226,132	317,007
Transfer to Reserve	50,000	50,000	38,067
Transfer from Reserve	(223,500)	(215,750)	(128,942)
Closing Balance 30 June 2015	109,242	60,382	226,132
<b>Aged Persons and Senior Citizens Reserve</b>			
Opening Balance 1 July 2014	3,622,516	3,620,923	3,246,597
Transfer to Reserve	-	362,638	374,326
Transfer from Reserve	(745,352)	(745,352)	-
Closing Balance 30 June 2015	2,877,164	3,238,209	3,620,923
<b>Beatty Park Leisure Centre Reserve</b>			
Opening Balance 1 July 2014	-	-	1,985
Transfer to Reserve	200,000	200,000	250,007
Transfer from Reserve	(175,875)	(95,226)	(251,992)
Closing Balance 30 June 2015	24,125	104,774	-
<b>Capital Reserve</b>			
Opening Balance 1 July 2014	348,136	346,514	96,839
Transfer to Reserve	140,000	140,000	360,310
Transfer from Reserve	(325,625)	(231,004)	(110,635)
Closing Balance 30 June 2015	162,511	255,510	346,514
<b>Car Parking Development Reserve</b>			
Opening Balance 1 July 2014	410,018	410,535	339,830
Transfer to Reserve	200,000	294,466	256,112
Transfer from Reserve	(130,000)	(119,873)	(185,407)
Closing Balance 30 June 2015	480,018	585,128	410,535
<b>Office Building Reserve - 246 Vincent Street</b>			
Opening Balance 1 July 2014	561,939	562,340	529,794
Transfer to Reserve	-	-	32,546
Transfer from Reserve	(10,600)	(10,600)	-
Closing Balance 30 June 2015	551,339	551,740	562,340
<b>Electronic Equipment Reserve</b>			
Opening Balance 1 July 2014	137,084	147,672	160,776
Transfer to Reserve	-	-	30,962
Transfer from Reserve	(108,800)	(17,549)	(44,066)
Closing Balance 30 June 2015	28,284	130,123	147,672

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**23. Reserves – Cash Backed (Continued)**

	<b>Revised Budget 2014/15 \$</b>	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Heritage Loan Reserve</b>			
Opening Balance 1 July 2014	-	-	-
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2015	-	-	-
<b>Hyde Park Lake Reserve</b>			
Opening Balance 1 July 2014	416,940	183,913	279,626
Transfer to Reserve	266,000	266,000	384,192
Transfer from Reserve	(310,000)	(310,000)	(479,905)
Closing Balance 30 June 2015	372,940	139,913	183,913
<b>Land and Building Asset Acquisition Reserve</b>			
Opening Balance 1 July 2014	261,143	261,329	251,214
Transfer to Reserve	-	-	10,115
Transfer from Reserve	-	-	-
Closing Balance 30 June 2015	261,143	261,329	261,329
<b>Leederville Oval Reserve</b>			
Opening Balance 1 July 2014	290,458	290,666	285,594
Transfer to Reserve	-	-	22,872
Transfer from Reserve	(77,200)	(71,567)	(17,800)
Closing Balance 30 June 2015	213,258	219,099	290,666
<b>Light Fleet Replacement Reserve</b>			
Opening Balance 1 July 2014	-	-	115,264
Transfer to Reserve	140,000	140,000	127,844
Transfer from Reserve	(134,000)	(140,000)	(243,108)
Closing Balance 30 June 2015	6,000	-	-
<b>Loftus Community Centre Reserve</b>			
Opening Balance 1 July 2014	10,743	12,928	14,581
Transfer to Reserve	6,000	6,000	3,675
Transfer from Reserve	-	-	(5,328)
Closing Balance 30 June 2015	16,743	18,928	12,928
<b>Loftus Recreation Centre Reserve</b>			
Opening Balance 1 July 2014	45,860	40,590	119,483
Transfer to Reserve	55,580	55,580	34,694
Transfer from Reserve	(73,000)	(90,445)	(113,587)
Closing Balance 30 June 2015	28,440	5,725	40,590
<b>Parking Facility and Equipment Reserve</b>			
Opening Balance 1 July 2014	339,095	339,337	341,505
Transfer to Reserve	-	-	13,702
Transfer from Reserve	(193,890)	(193,890)	(15,870)
Closing Balance 30 June 2015	145,205	145,447	339,337

**City of Vincent**  
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**For the year ended 30 June 2015**

**23. Reserves – Cash Backed (Continued)**

	<b>Revised Budget 2014/15 \$</b>	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Parking Funded City Centre Upgrade Reserve</b>			
Opening Balance 1 July 2014	158,839	14,953	82,895
Transfer to Reserve	300,000	300,000	80,451
Transfer from Reserve	(450,000)	(314,953)	(148,393)
Closing Balance 30 June 2015	8,839	-	14,953
<b>Parking Funded Transport Initiative Reserve</b>			
Opening Balance 1 July 2014	299,617	266,298	301,699
Transfer to Reserve	300,383	300,383	50,072
Transfer from Reserve	(600,000)	(566,681)	(85,473)
Closing Balance 30 June 2015	-	-	266,298
<b>Perth Oval Reserve</b>			
Opening Balance 1 July 2014	-	-	1,029
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	(1,029)
Closing Balance 30 June 2015	-	-	-
<b>Plant and Equipment Reserve</b>			
Opening Balance 1 July 2014	484,827	473,330	525,693
Transfer to Reserve	-	-	145,035
Transfer from Reserve	(107,000)	(80,914)	(197,398)
Closing Balance 30 June 2015	377,827	392,416	473,330
<b>Public Open Space Reserve</b>			
Opening Balance 1 July 2014	-	-	-
Transfer to Reserve	-	-	-
Transfer from Reserve	-	-	-
Closing Balance 30 June 2015	-	-	-
<b>State Indoor Multi-Use Sports Centre Reserve</b>			
Opening Balance 1 July 2014	60,023	60,066	51,804
Transfer to Reserve	10,490	10,490	8,262
Transfer from Reserve	-	-	-
Closing Balance 30 June 2015	70,513	70,556	60,066
<b>Strategic Waste Management Reserve</b>			
Opening Balance 1 July 2014	19,664	19,679	76,262
Transfer to Reserve	-	-	2,187
Transfer from Reserve	-	-	(58,770)
Closing Balance 30 June 2015	19,664	19,679	19,679

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

**23. Reserves – Cash Backed (Continued)**

	<b>Revised Budget 2014/15 \$</b>	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Tamala Park Land Sales Reserve</b>			
Opening Balance 1 July 2014	841,372	841,853	-
Transfer to Reserve	2,580,000	2,583,334	841,853
Transfer from Reserve	(2,455,000)	(2,174,643)	-
Closing Balance 30 June 2015	966,372	1,250,544	841,853
<b>Underground Power Reserve</b>			
Opening Balance 1 July 2014	184,400	184,531	182,244
Transfer to Reserve	-	-	7,287
Transfer from Reserve	-	-	(5,000)
Closing Balance 30 June 2015	184,400	184,531	184,531
<b>Waste Management Plant and Equipment Reserve</b>			
Opening Balance 1 July 2014	390,212	390,490	442,717
Transfer to Reserve	-	-	220,951
Transfer from Reserve	(352,718)	(352,718)	(273,178)
Closing Balance 30 June 2015	37,494	37,772	390,490
<b>Total Reserves</b>	<b>6,941,521</b>	<b>7,671,805</b>	<b>8,694,079</b>
<b>Summary of Reserves:</b>			
Total Opening Balance 1 July 2014	9,165,628	8,694,079	7,764,438
Total Transfers to Reserves	4,248,453	4,708,891	3,295,522
Total Transfers from Reserves	(6,472,560)	(5,731,165)	(2,365,881)
Total Closing Balance 30 June 2015	<b>6,941,521</b>	<b>7,671,805</b>	<b>8,694,079</b>

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 30 June 2015**

**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:

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
Cash and Cash Equivalents	14,453,256	10,608,066
	<b>14,453,256</b>	<b>10,608,066</b>

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

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
Change in Net Assets Resulting from Operations	5,350,095	(1,610,845)
Adjustment for items not involving the movement of Cash:		
Depreciation	11,214,551	11,760,170
Asset Revaluation Decrement	814,891	-
Net Share of Interests in Joint Ventures	(2,139,257)	(393,533)
Change in Equity – WALGA LG House Trust	(35,777)	-
Profit on Assets Held for Sale (TPRC Joint Venture)	(2,989,790)	(2,020,102)
Work in Progress Assets Expensed	375,536	-
(Gain)/Loss on Sale of Property, Plant and Equipment	(1,529,978)	117,184
	<u>11,060,271</u>	<u>7,852,874</u>
Revenue Provided by:		
Government Grants for the Development of Assets	(1,000,136)	(1,903,855)
	<u>(1,000,136)</u>	<u>(1,903,855)</u>
Change in Operating Assets and Liabilities		
Increase/(Decrease) in Provisions	24,477	213,207
Increase/(Decrease) in Income Received in Advance	(11,657)	(46,544)
Increase/(Decrease) in Accrued Expenses	(539,046)	366,662
Increase/(Decrease) in Creditors	(1,559,547)	2,247,022
Decrease/(Increase) in Debtors	(1,698)	347,517
Decrease/(Increase) in Prepayments	146,083	(155,816)
(Increase)/Decrease in Stock on Hand	(15,311)	(16,800)
Increase/(Decrease) in GST Movement	77,959	(223,378)
(Increase)/Decrease in Accrued Interest	79,847	84,906
	<u>(1,798,893)</u>	<u>2,816,776</u>
<b>Net Cash Provided by Operating Activities</b>	<b><u>8,261,242</u></b>	<b><u>8,765,795</u></b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
**For the year ended 30 June 2015**

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**24. Notes to the Statement of Cash Flows (Continued)**

**(c) Undrawn Borrowing Facilities**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Credit Standby Arrangements</b>		
Bank overdraft limit	2,000,000	2,000,000
Bank overdraft at balance date	-	-
Credit card limit	50,000	50,000
Credit card balance at balance date	43,204	42,306
<b>Total amount of credit unused</b>	<b><u>2,093,204</u></b>	<b><u>2,092,306</u></b>
 <b>Loan Facilities</b>		
Loan facilities – current	760,288	869,022
Loan facilities – non-current	16,596,822	18,231,567
<b>Total facilities in use at balance date</b>	<b><u>17,357,110</u></b>	<b><u>19,100,589</u></b>
 <b>Unused loan facilities at balance date</b>	 <b><u>19,450,314</u></b>	 <b><u>21,192,895</u></b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
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**25. Conditions over Grants/Contributions**

Grant/Contribution	Function/ Activity	Opening Balance <sup>(1)</sup> 1/07/2013	Received <sup>(2)</sup> 2013/14	Expended <sup>(3)</sup> 2013/14	Closing Balance <sup>(1)</sup> 30/06/2014	Received <sup>(2)</sup> 2014/15	Expended <sup>(3)</sup> 2014/15	Closing <sup>(4)</sup> Balance 30/06/2015
		\$	\$	\$	\$	\$	\$	\$
Grant for road works	Transport	-	201,156	(201,156)	-	92,615	(92,615)	-
<b>Total</b>		-	<b>201,156</b>	<b>(201,156)</b>	-	<b>92,615</b>	<b>(92,615)</b>	-

**Notes:**

- (1)** Grant/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.
- (4)** Final instalment of 2014/15 grant not received until the beginning of 2015/16.

## **26. Superannuation**

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

The total statutory superannuation contribution paid by the Council during the reporting period was \$1,585,990. During the 2013/2014 year the contributions were \$1,520,649.

### **WA Local Government Superannuation Plan**

The Council contributes in respect of certain of its employees to an accumulated benefit superannuation fund established in respect of all Councils in the State. In accordance with statutory requirements, the Council contributes to the WA Local Government Superannuation Plan ("the plan") 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 Fund (the Fund) amounts determined by the plan actuary Australian Super – City of Perth in respect of contributory members. In respect of non-contributory members, the Council contributes at the minimum Award/SGC contribution rate. As such, assets are accumulated in the Fund to meet members' benefits as they accrue.

The latest available audited financial report of the City of Perth Superannuation Plan from AustralianSuper Pty Ltd as at 30 June 2013, which was not subject to audit qualification, and an actuarial review completed in 2013 both indicated that the assets of the plan are sufficient to meet accrued benefits. A new actuarial review will be completed during the 2015-16 financial year.

## **27. Contingent Liabilities**

### **Mindarie Regional Council**

On the 25 September 2007, a Council Meeting was held at City of Vincent to accept the Deed of Guarantee to satisfy the financial security requirements relating to the tender currently under review by the Mindarie Regional Council for the construction of a Resource Recovery Facility at Neerabup. The City's maximum exposure under the Deed of Guarantee is \$7.33 million. The Deed of Guarantee will only crystallise if:

- a. Mindarie Regional Council is unable to meet the payments and there is a Mindarie Regional Council default under the Resource Recovery Facility Agreement (RRFA);
- b. There is a Force Majeure Event.

Force Majeure Events will be limited due to insurance and can be narrowed down to the following:

- War risks, confiscations, nationalisation;
- Nuclear attacks, radiation, contamination by radio activity from nuclear waste etc;
- Sea damage, tidal wave or high water or storm surge;
- Spontaneous combustion, fermentation or any process involving application of heat.

**City of Vincent**  
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**28. Capital and Leasing Commitments**

**(a) Operating Lease Commitments**

Non-cancellable operating leases contracted for but

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
Payable:		
- not later than one year	661,544	409,269
- later than one year but not later than five years	1,649,312	1,689,802
- later than five years	53,607	15,209
	<b>2,364,463</b>	<b>2,114,280</b>

**(b) Capital Expenditure Commitments**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
Contracted for:		
- capital expenditure projects	573,483	968,716
Payable:		
- not later than one year	-	-
	<b>573,483</b>	<b>968,716</b>

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

**29. 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:

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Key Deposits</b>		
Balance as at 1st July 2014	16,400	17,450
Receipts	2,650	3,500
Payments	(2,000)	(4,550)
Balance as at 30th June 2015	<b>17,050</b>	<b>16,400</b>
<b>Ground Bonds</b>		
Balance as at 1st July 2014	10,880	7,880
Receipts	40,000	41,550
Payments	(38,450)	(38,550)
Balance as at 30th June 2015	<b>12,430</b>	<b>10,880</b>
<b>Hall Deposits</b>		
Balance as at 1st July 2014	59,681	57,951
Receipts	98,400	151,250
Payments	(99,715)	(149,520)
Balance as at 30th June 2015	<b>58,366</b>	<b>59,681</b>

**City of Vincent**  
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**29. Trust Funds (Continued)**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Nomination Deposits</b>		
Balance as at 1st July 2014	160	-
Receipts	-	160
Payments	(160)	-
Balance as at 30th June 2015	-	<b>160</b>
<b>Work Bonds</b>		
Balance as at 1st July 2014	1,982,410	1,772,598
Receipts	1,257,695	1,021,273
Payments	(1,261,905)	(811,461)
Balance as at 30th June 2015	<b>1,978,200</b>	<b>1,982,410</b>
<b>Unclaimed Monies</b>		
Balance as at 1st July 2014	28,377	27,717
Receipts	155,871	798
Payments	-	(138)
Balance as at 30th June 2015	<b>184,248</b>	<b>28,377</b>
<b>Planning Application Bond</b>		
Balance as at 1st July 2014	39,300	38,500
Receipts	11,600	4,800
Payments	-	(4,000)
Balance as at 30th June 2015	<b>50,900</b>	<b>39,300</b>
<b>Beatty Park Bond</b>		
Balance as at 1st July 2014	250	250
Receipts	-	-
Payments	-	-
Balance as at 30th June 2015	<b>250</b>	<b>250</b>
<b>Total Trust Balance</b>	<b>2,301,444</b>	<b>2,137,458</b>

**30. Elected Members Fees and Allowances**

	<b>Revised Budget 2014/15 \$</b>	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
Members Meeting Fee	205,500	211,665	195,547
Mayor Allowance	60,000	61,800	55,667
Deputy Mayor Allowance	12,000	15,450	12,000
Information Technology Allowance	31,500	31,230	29,640
Travelling Expenses	1,500	1,264	1,543
Child Care	500	90	600
Stationery/Printing	6,500	3,735	3,796
Other Expenses	600	510	-
<b>Total</b>	<b>318,100</b>	<b>325,744</b>	<b>298,793</b>

**City of Vincent**  
**Notes to and forming part of the Financial Report**  
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**31. 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 the finance area under policies approved by the Council.

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	Actual 2014/15 \$	Actual 2013/14 \$	Actual 2014/15 \$	Actual 2013/14 \$
<b>Financial Assets</b>				
Cash and Cash Equivalents	14,453,256	10,608,066	14,453,256	10,608,066
Receivables	3,901,843	3,428,057	3,901,843	3,428,057
	<b>18,355,099</b>	<b>14,036,123</b>	<b>18,355,099</b>	<b>14,036,123</b>
<b>Financial Liabilities</b>				
Payables	5,854,290	7,247,660	5,854,290	7,247,660
Borrowings	17,357,110	19,100,589	14,513,556	14,733,249
	<b>23,211,400</b>	<b>26,348,249</b>	<b>20,367,846</b>	<b>21,980,909</b>

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 3.32% (2013/2014 was 2.53%).

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.

**City of Vincent**  
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**For the year ended 30 June 2015**

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**31. Financial Risk Management (Continued)**

**Sensitivity Analysis**

	<b>30 June 2015</b>	<b>30 June 2014</b>
	\$	\$
Impact of a 1.0% movement in interest rates on the average balance of cash and investments		
- Equity	194,871	106,080
- Income Statement	<u>194,871</u>	<u>106,080</u>

**(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:

	<b>30 June 2015</b>	<b>30 June 2014</b>
	\$	\$
Percentage of Rates and Annual Charges		
- Current	52%	40%
- Non-Current (Pensioners' Deferred Rates)	48%	60%

	<b>30 June 2015</b>	<b>30 June 2014</b>
	\$	\$
Percentage of Other Receivables (excluding Underground Power Charge)		
- Current	100%	94%
- Non-Current	-	6%

**City of Vincent**  
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**31. 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 \$
<b>2015</b>					
Payables	5,854,290	-	-	5,854,290	5,854,290
Borrowings	1,848,454	12,438,101	10,625,751	24,912,306	17,357,110
	<b>7,702,744</b>	<b>12,438,101</b>	<b>10,625,751</b>	<b>30,766,596</b>	<b>23,211,400</b>
<b>2014</b>					
Payables	7,247,660	-	-	7,247,660	7,247,660
Borrowings	1,954,276	7,978,407	17,126,447	27,059,130	19,100,589
	<b>9,201,936</b>	<b>7,978,407</b>	<b>17,126,477</b>	<b>34,306,790</b>	<b>26,348,249</b>

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 %
<b>Year Ended 30 June 2015</b>					
<b>Borrowings</b>					
<b>- Fixed Rate</b>					
Debentures	760,288	8,745,761	7,851,061	17,357,110	
Weighted Average Effective Interest Rate	6.41%	6.29%	6.38%		6.34%
<b>Year Ended 30 June 2014</b>					
<b>- Fixed Rate</b>					
Debentures	869,022	3,016,171	15,215,396	19,100,589	
Weighted Average Effective Interest Rate	5.68%	5.68%	5.05%		5.47%

**City of Vincent**  
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**32. Total Assets Classified by Function and Activity**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
General Purpose Funding	2,340,691	1,560,040
Governance	19,615,726	16,263,530
Law, Order, Public Safety	2,096,979	1,839,193
Health	3,236,528	3,324,483
Education and Welfare	8,914,877	10,172,066
Community Amenities	2,504,204	2,664,550
Recreation and Culture	130,276,926	133,374,927
Transport	110,895,384	75,731,537
Other Property and Services	16,493,039	14,219,571
	<b><u>296,374,354</u></b>	<b><u>259,149,897</u></b>

**33. 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 2015, the sale of 215 lots was settled. The City's share of the sale proceeds received by TPRC was \$5,006,422; and the City's share of the development and selling costs was \$2,016,632; resulting in a net gain on the disposal of the developed land as \$2,989,790. This note should also be read in conjunction with Note 10 Interests in Joint Ventures.

**(b) Current Year Transactions**

	<b>Actual 2014/15 \$</b>	<b>Actual 2013/14 \$</b>
<b>Capital Income</b>		
Proceeds from Sale of Land	5,006,422	4,449,297
<b>Capital Expenditure</b>		
Land Development Expenses	(1,957,706)	(2,382,974)
Rates	(35,214)	(46,221)
Acquisition Cost of Land Developed*	(23,712)	-
	<b><u>(2,016,632)</u></b>	<b><u>(2,429,195)</u></b>
<b>Profit/(Loss) on Sale of Land Assets (TPRC)</b>	<b><u>2,989,790</u></b>	<b><u>2,020,102</u></b>

\* The acquisition cost of land developed is recognised for the first time in the life of the project in the year ended 30 June 2015.

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**33. 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:

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
	\$	\$	\$	\$	\$	\$
<b>Cash Inflows</b>						
Proceeds from Sale of Land	2,963,320	5,195,568	4,704,835	4,988,014	5,668,921	5,865,058
<b>Cash Outflows</b>						
Land Development Expenses	(3,393,121)	(3,113,922)	(3,898,918)	(2,540,607)	(2,638,363)	(2,360,502)
<b>Net Cash Flows</b>	<b>(429,801)</b>	<b>2,081,646</b>	<b>805,917</b>	<b>2,447,407</b>	<b>3,030,558</b>	<b>3,504,556</b>
	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
	\$	\$	\$	\$	\$	\$
<b>Cash Inflows</b>						
Proceeds from Sale of Land	5,535,840	1,739,360	1,928,279	3,496,054	6,795,150	1,521,282
<b>Cash Outflows</b>						
Land Development Expenses	(1,649,960)	(561,885)	(572,204)	(1,580,805)	(1,540,255)	26,301
<b>Net Cash Flows</b>	<b>3,885,880</b>	<b>1,177,475</b>	<b>1,356,075</b>	<b>1,915,249</b>	<b>5,254,895</b>	<b>1,547,583</b>

**34. Employee Numbers**

	<b>Actual 2014/15</b>	<b>Actual 2013/14</b>
The number of full-time equivalent Employees at balance date	<u>241</u>	<u>232</u>

**35. 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.

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**36. Fair Value Measurement**

The City measure 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 2015

	Note	Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
Investments	17	-	46,777	-	46,777

Non-Financial Assets  
30 June 2015

	Note	Level 1	Level 2	Level 3	Total*
		\$	\$	\$	\$
Land	18	-	12,930,000	42,575,327	55,505,327
Buildings	18	-	2,288,254	77,710,635	79,998,889
Plant and Equipment	18	-	4,525,229	-	4,525,229
Furniture and Equipment	18	-	624,899	-	624,899
Roads	19	-	-	55,096,885	55,096,885
Footpaths	19	-	-	20,020,540	20,020,540
Rights of Way	19	-	-	3,126,006	3,126,006
Drainage	19	-	-	17,404,609	17,404,609
Park Development	19	-	-	14,966,783	14,966,783
Car Park Development	19	-	-	8,972,825	8,972,825
Other Infrastructure	19	-	-	4,865,782	4,865,782
<b>Total non-financial assets recognised at fair value on a recurring basis</b>		-	<b>20,368,382</b>	<b>244,739,392</b>	<b>265,107,774</b>

\* Excludes Work in Progress.

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**36. Fair Value Measurement (Continued)**

30 June 2014

	Note	Level 1	Level 2	Level 3	Total*
		\$	\$	\$	\$
Land	18	-	10,630,000	45,816,056	56,446,056
Building	18	-	2,403,406	82,151,643	84,555,049
Plant and Equipment	18	-	4,660,309	-	4,660,309
Furniture and Equipment	18	-	570,345	-	570,345
Roads	19	-	-	-	-
Footpaths	19	-	-	-	-
Rights of Way	19	-	-	-	-
<b>Total non-financial assets recognised at fair value on a recurring basis</b>		-	<b>18,264,060</b>	<b>127,967,699</b>	<b>146,231,759</b>

\* Excludes Work in Progress.

The City's drainage, park development, car park development and other infrastructure assets were valued on the cost basis for the year ended 30 June 2014. Therefore, no fair values have been reported for the year ended 30 June 2014.

**(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.

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**36. 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.

<b>Asset</b>	<b>Level of Valuation Input</b>	<b>Fair Value at 30 June 2015 \$</b>	<b>Valuation Technique(s)</b>	<b>Inputs Used</b>
<b>Non-Financial Assets</b>				
Land	2	12,930,000	Market approach	Price per square metre
Land	3	42,575,327	Cost Approach	Price per square metre
Buildings	2	2,288,254	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	77,710,635	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	4,525,229	Cost and Market approach	Make, size, year of manufacture and condition
Furniture and Equipment	2	624,899	Cost and Market approach	Make, size, year of manufacture and condition

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**36. Fair Value Measurement (Continued)**

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

<b>Asset</b>	<b>Level of Valuation Input</b>	<b>Fair Value at 30 June 2015 \$</b>	<b>Valuation Technique(s)</b>	<b>Inputs Used</b>
Roads	3	55,096,885	Cost Approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Footpaths	3	20,020,540	Cost Approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Rights of Way	3	3,126,006	Cost Approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Drainage	3	17,404,609	Cost Approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Park Development	3	14,966,783	Cost Approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Car Park Development	3	8,972,825	Cost Approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Other Infrastructure	3	4,865,782	Cost Approach	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Total*</b>		<b><u>265,107,774</u></b>		

\* Excludes Work in Progress.

**36. Fair Value Measurement (Continued)**

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

**Recurring fair value measurements**

**Land**

Land assets were revalued in 2014. Level 2 valuation inputs are used to value land held in freehold title as well as land used for special purposes that are restricted in use under current zoning rules (i.e. Commercial, Industrial or Residential). Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach were price per square metre.

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 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) were valued in 2014 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.

**Plant and Equipment**

Plant and equipment were revalued in 2013 as part of the mandatory requirements embodied in Local Government (Financial Management) Regulation 17A. Whilst the additions since 1 July 2013 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. Plant and Equipment will be revalued during the year ending 30 June 2016 in accordance with the mandatory asset measurement framework detailed at Note 1(i).

**36. Fair Value Measurement (Continued)**

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

**Plant and Equipment (Continued)**

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, year of manufacture and condition.

**Infrastructure Assets**

The infrastructure assets valuation was carried out by an independent valuer. 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 2015 (Edition 33).

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**36. Fair Value Measurement (Continued)**

**(d) Quantitative Information about the significant unobservable inputs and relationship to fair value**

The following table summarises the quantitative information about the key significant unobservable inputs (level 3 fair value hierarchy), the ranges of those inputs and the relationships of unobservable inputs to the fair value measurements.

Description and fair value as at 30 June 2015	Valuation technique(s)	Unobservable inputs	Range of inputs (probability – weighted average )	Relationship of unobservable inputs to fair value
Land (\$42,575,327)	Cost Approach	Price per square metre	+/-10%	A change of 10% would result in a change in fair value by \$4,257,533
Buildings (\$77,710,635)	Cost and Market Approach	Relationship between asset consumption rating scale and the level of consumed service potential	+/-10%	A change of 10% would result in a change in fair value by \$7,771,063
Roads (\$55,096,885)	Management Valuation	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs	+/-10%	A change of 10% would result in a change in fair value by \$5,509,688
Footpaths (\$20,020,540)	Management Valuation	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs	+/-10%	A change of 10% would result in a change in fair value by \$2,002,054
Rights of Way (\$3,126,006)	Management Valuation	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs	+/-10%	A change of 10% would result in an increase/decrease of \$312,601

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**36. Fair Value Measurement (Continued)**

**(d) Quantitative Information about the significant unobservable inputs and relationship to fair value (Continued)**

Description and fair value as at 30 June 2015	Valuation technique(s)	Unobservable inputs	Range of inputs (probability – weighted average )	Relationship of unobservable inputs to fair value
Drainage (\$17,404,609)	Management Valuation	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs	+/-10%	A change of 10% would result in an increase/decrease of \$1,740,461
Park Development (\$14,966,783)	Management Valuation	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs	+/-10%	A change of 10% would result in an increase/decrease of \$1,496,678
Car Park Development (\$8,972,825)	Management Valuation	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs	+/-10%	A change of 10% would result in an increase/decrease of \$897,282
Other Infrastructure Assets (\$4,865,782)	Management Valuation	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs	+/-10%	A change of 10% would result in a change in fair value by \$486,578

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**36. Fair Value Measurement (Continued)**

**(e) 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
<b>Liabilities</b>				
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.

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**37. Financial Ratios of the Accounts**

	<b>2015</b>	<b>2014</b>	<b>2013</b>
Current Ratio	1.04	0.51	0.47
Asset Sustainability Ratio	0.46	0.50	1.43
Debt Service Cover Ratio	5.75	4.20	3.72
Operating Surplus Ratio	0.08	(0.07)	(0.03)
Own Source Revenue Coverage Ratio	1.00	0.88	0.95

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	$\frac{\text{Own Source Operating Revenue}}{\text{Operating Expenses}}$

**Additional Financial Ratios**

The following information relates to those ratios which only require an attestation they have been checked and supported by verifiable information.

	<b>2015</b>	<b>2014</b>	<b>2013</b>
Asset Consumption Ratio	0.55	0.54	0.60
Asset Renewal Funding Ratio	0.76	0.76	0.77

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	$\frac{\text{NPV of Planned Capital Renewals Over 10 Years}}{\text{NPV of Required Capital Expenditure Over 10 Years}}$

**38. Events Subsequent to Reporting Date**

On 9 July 2015 the City settled on a contract to sell two properties at 291 and 295 Vincent Street, Leederville. The gross sale price was \$2.73m. After adjusting for GST, sale costs and book value, the net profit booked by the City in the 2015-16 financial year will be \$1.84m.

Other than the matter discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the City, the results of those operations, or the state of affairs of the City, in future financial years.