



CITY OF VINCENT

ANNUAL REPORT

2017/18



ACKNOWLEDGEMENT OF COUNTRY

The City of Vincent would like to acknowledge the Traditional Owners of the land, the Whadjuk people of the Noongar nation and pay our respects to Elders past, present and emerging.

We recognise the unique and incomparable contribution the Whadjuk people have made and continue to make to our culture and in our community. We will continue to seek the input of the Traditional Owners.

The land on which we live, meet and thrive as a community always was and always will be Noongar land.



CONTENTS

Mayor's Message	4	Development Services	42
CEO's Message	6	Approval Services	42
Council and Executive	8	Health Services	44
Our Purpose and Values	11	Policy and Place	45
Vincent Profile	12	Engineering	52
Annual Report Overview	14	Asset and Design	52
Council Priorities	16	Parks and Urban Green	54
Community Engagement	20	Engineering and Waste Minimisation Waste and Recycling	55
Marketing and Communications	20	Elected Member Attendance	58
Community Partnerships	24	Employee Remuneration	61
Recreation	31	Gender Equality Report	62
Rangers	32	Record Keeping Statement	63
Corporate Services/CEO Office	36	Freedom of Information	64
Financial Services	36	Annual Financial Report (for the year ended 30 June 2018)	67
Information Technology	37		
Governance and Risk	38		

MAYOR'S MESSAGE



We are very fortunate to have a vibrant and inclusive community who care passionately about life in the City of Vincent. We are also thankful for the community's support in our endeavours to create a better Vincent for residents, businesses and visitors alike.

This reporting year saw a focus on innovation in the way we engage with and encourage participation of our community in planning for the future.

Our award winning *Imagine Vincent* community consultation was a critical part of this. We asked our community to *Imagine Vincent* and what it could be like in 2028, so that together we would arrive at a Strategic Community Plan to guide our decision making over the next decade. During *Imagine Vincent*, we ranged far and wide, we spoke to people in person and online, and brought the conversation to places where our people gather.

It was the largest community engagement initiative in our history and generated over 4,200 ideas. Among the ideas put forward by our community, some recurrent themes emerged; to prioritise parks and public open space, trees and greening, safer and more welcoming streets and build vibrant town centres.

Undertaking this deep diving conversation with our community early in the financial year set a terrific pace for the rest of the year. It allowed us to move forward with confidence in our community's priorities, which led us to six key strategic priorities being adopted by Council in March:

- Enhanced Environment
- Accessible City
- Connected Community
- Thriving Places
- Sensitive Design
- Innovative & Accountable.

The City of Vincent Local Planning Scheme No.2 (LPS2) finally received Ministerial approval in May. This was a significant decision, and one the City had been waiting on for some time.

This decision was supportive of Vincent Council and community's desire to protect our residential neighbourhoods and leafy streets and parks, while encouraging sensitive, higher density development in our town centres and along major roads. We also secured an end date on two concrete batching plants in Claisebrook, guaranteeing a bright future for this vibrant, urban transit hub.

In looking towards the future for Vincent, we also paid homage to our past. A new Heritage Area was created in Janet Street West Perth and a Character Retention Area in Carr Street, West Perth. We celebrated Beatty Park Leisure Centre's 55th birthday and worked on a heritage plan for the Centre. In November, the City of Vincent and land owners in the Brookman and Moir Streets Precinct were awarded a UNESCO Asia-Pacific Award of Distinction – the only Australian winner at these prestigious heritage awards.

Throughout the reporting year we aimed to create more connection in our neighbourhoods and to create more green open spaces for people to meet up and enjoy.

A new park was created from a drainage sump, Hyde Street Reserve was doubled in size and plans were released for North Perth Common - our newest town square to be built the following year.

We ripped up the rule book on verges and street trees to reflect Council and community sentiment on giving much more flexibility and freedom to make the most of our verges. Tree swings, rope ladders, cubby houses, tree decorations, edible gardens and native verges are all welcome in Vincent.

For local business, processes around alfresco permits were streamlined, making it easier for our traders to activate the area around them. An online booking platform to hire community parks and halls, and encourage more use, was also launched.

We worked with our Town Teams to activate our town centres and were recognised for our collaborative place management approach with a Place Process Award from Place Leaders Asia Pacific.

Throughout the year our neighbourhoods and town centres continued to enjoy a range of free and diverse community events and new public artworks to enliven our streetscapes and bring our community together.

Leederville Town Centre was closed to cars for four Sundays during the award winning Leedy Streets Open events season, when businesses were encouraged to spill into the streets and celebrate with our community.

Improving transport links for cyclists and pedestrians to walk and ride safely through the City was a top priority for the year, with new infrastructure delivered to create better access. We completed stage two of the Shakespeare Street Safe Active Street/Bike Boulevard and received funding to complete the Bourke Street link to the Mitchell Freeway.

A highlight of the year for me was that we stood proudly by our LGBTIQ+ community and flew the Pride flag outside Vincent's Administration building during the marriage equality debate to show to the world how Vincent values equality for all.

Gender equity also had an increased community focus with Vincent Council championing the introduction of programs to improve female participation in sport. In October, we said a fond farewell and thank you to Councillor Matt Buckels and welcomed Councillor Joanne Fotakis and Councillor Alex Castle, which resulted in a female majority on Council.

During the reporting year, CEO Len Kosova tendered his resignation after deciding to leave the local government sector for new endeavours. Len drove real and meaningful change in Vincent's service delivery, financial health and innovation during four great years at the helm and Council greatly values Len's contribution over this time.

I'd like to thank everyone who has contributed to making Vincent a fantastic place to live: to our Town Teams, businesses, community organisations, sporting clubs, creatives, community volunteers, residents and visitors. I'd also like to thank my fellow Councillors, new CEO David MacLennan, the Executive Team and staff who all work hard to make the 'yes' possible.

Together, we will continue to strive to make Vincent the best it can be, always with our community at the heart.



Emma Cole
Mayor

CEO'S MESSAGE



It is my great pleasure to present the City of Vincent Annual Report for 2017/18.

I was honoured to be appointed CEO in October 2018 and pay tribute to Len Kosova's leadership in this role particularly during the last reporting period. Len positioned the City of Vincent at the forefront of innovative and progressive local government.

Imagine Vincent and the new Strategic Community Plan provide a strong mandate for the City to be clever, creative and courageous in the way it delivers services and responds to the priorities set by Council.

The commitment of our staff and the quality of our work was demonstrated and recognized during 2017-18 and is detailed in this report.

Our Brookman and Moir Street Precinct was recognised with a UNESCO Asia-Pacific Award of Distinction.

Our Leedy Streets Open events won a Parks and Leisure Australia Award for Best Community Initiative.

Our Place Management Approach was recognised with a Place Process Award from Place Leaders Asia Pacific.

Our City team won the WA round of the Australasian Management Challenge and came third nationally.

I would like to thank Mayor Emma Cole, Councillors, community members and City staff for the warm welcome to Team Vincent.

I look forward to working with you all to continue developing the strong sense of community and unique character of the City of Vincent.

A handwritten signature in blue ink that reads "D MacLennan". The signature is fluid and cursive, with a long horizontal stroke at the end.

David MacLennan
Chief Executive Officer



COUNCIL



Mayor



Emma Cole

Elected (Councillor, North Ward)
2013 – 2017
Elected (Mayor)
2017–2019

North Ward



Cr Alex Castle

Elected 2017 – 2021



Cr Joanne Fotakis

Elected 2017 – 2021



Cr Roslyn Harley

Elected 2011–2019
Served as Deputy Mayor
2013 – 2017



Cr Dan Loden

Elected 2015 – 2019

South Ward



Cr Susan Gontaszewski

Deputy Mayor
Elected 2015 – 2019
Elected (Deputy Mayor)
2017



Cr Jonathan Hallett

Elected 2017 – 2021



Cr Jimmy Murphy

Elected 2015 – 2019



Cr Joshua Topelberg

Elected 2009 – 2021

Former Councillors 2017/18

Cr Matt Buckels

Elected 2009 – 2017

EXECUTIVE



Len Kosova
Chief Executive Officer
2014 – 2018



Kerry Batten
Director – Corporate Services
Responsible for:

- Financial Services
- Governance and Risk
- Information & Communication Technology
- Property, Procurement and Contracts



John Corbellini
Director – Development Services



Luke Gibson
A/Director – Development Services
Responsible for:

- Approval Services
- Health Services
- Policy and Place



Michael Quirk
Director – Community Engagement
Responsible for:

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



Andrew Murphy
Director – Engineering
Responsible for:

- Technical Services Engineering
- Asset and Design Engineering
- Parks and Property Urban Green
- Engineering and Waste Minimisation and Waste and Recycling

Former Directors 2017/18

John Paton
Corporate Services
2015 – 2018

Craig Wilson (Acting)
Technical Services
June 2017 – January 2018

OUR PURPOSE AND VALUES

Our Purpose

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

Our Values

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

Caring and Empathy

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

Excellence and Service

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

Honesty and Integrity

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

Innovation and Diversity

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

Teamwork and Commitment

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

VINCENT PROFILE

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.



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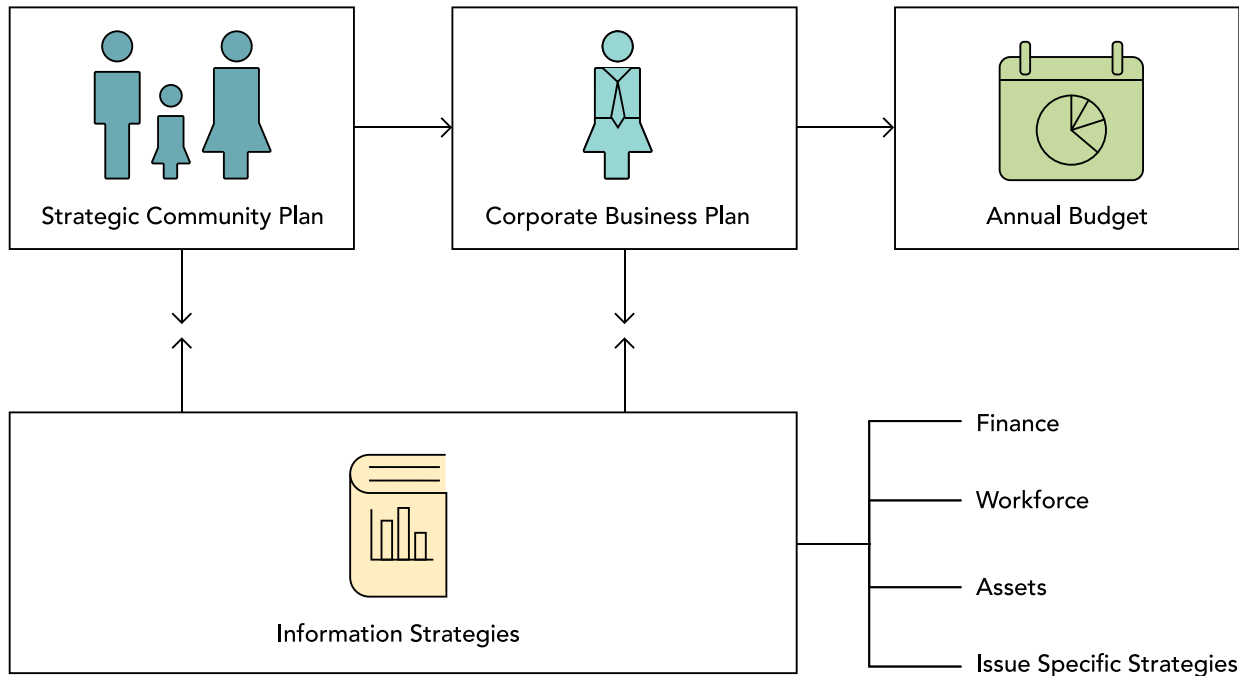
Key Facts – Our City	
Area	11.3 square kilometres
Population	37,813 (Source: Forecast id 2018)
Median Age	34 years (Source: ABS 2016 Census Report)
Rateable Properties	18,730 (as at 30 June 2018)
Number of Council Employees	231 (FTE)
Number of Wards	Two (2)
Number of Elected Members	Mayor and eight (8) Councillors
Distance from Perth City	The Administration and Civic Centre is three (3) kilometres from Perth GPO
Area of Parks and Gardens	106.4 hectares
Length of Roads and Footpaths	144 kilometres of road and 260 kilometres of footpath
Suburbs and Localities	<p>Suburbs:</p> <ul style="list-style-type: none"> • Highgate • Leederville • Mount Hawthorn • North Perth <p>Localities – parts of:</p> <ul style="list-style-type: none"> • Coolbinia • East Perth • Mount Lawley • Perth • West Perth
Boundaries	Swan River, Town of Cambridge and Cities of Bayswater, Perth and Stirling

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

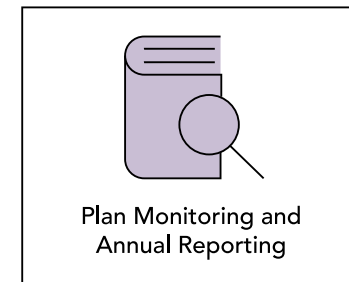
ANNUAL REPORT OVERVIEW

In 2017/18, Council adopted a set of eight strategic Council Priorities that, together with the Corporate Business Plan and the annual budget, guided our activities for the financial year.

COMMUNITY ENGAGEMENT



MEASUREMENT AND REPORTS



How to read this Annual Report

This Annual Report has been divided into the four Directorates within the City of Vincent. Business Units sit under each Directorate and report on their progress against the following items:

- Corporate Business Plan (CBP)
- Council Resolutions

CBP Project Number	Description	2017/18 Actions Towards Completion
1	Example	Update

Council Resolution/Notice of Motion	2017/18 Actions Towards Completion
Example Item 1 – OCM 1 January 2018	Update

COUNCIL PRIORITIES

At the Ordinary Council Meeting on 7 March 2017, Council adopted eight strategic priorities for 2017/18 to guide the development of the annual budget process and the strategic focus for the City for the year ahead, as well as form the basis for Community Budget Submissions.

The Council Priorities adopted for the 2017/18 financial year are outlined below.

More Inviting Green & Open Spaces

Our open spaces are precious to our community and important to protect, enhance and expand. We want to continue making our open spaces even better as well as finding creative ways to provide new spaces that respond to community needs.

Meaningful & Smarter Community Engagement

We want everyone in our community to be able to have their say on the things that matter to them. To do this, we need to develop a deeper understanding of what's important to our community, what our community wants the future to look like and the role that we can play.

A Better Customer Experience

Our success depends on our community's satisfaction. We don't just want to provide customer service, we want to provide a great customer experience that is modern and matches our community's expectations.

Supporting Liveable Neighbourhoods

We want to continue our focus on making our streets greener, safer, more attractive and inviting, and easier to get around Vincent for pedestrians and cyclists.

Improving Community Connection & Inclusion

Our community is diverse, passionate and welcoming – it's part of what makes Vincent great. We want to help our community come together and stay connected, to support those in need and to make everyone feel welcome.

Best Practice Transparency, Accountability & Financial Management

We're proud of the progress we've made in this space in recent years and we want to keep setting high standards in transparency, accountability and financial management – to become the best performing local government we can be.

Thriving & Creative Town Centres

Our town centres are vibrant and thriving, each with their own unique character and identity. We want to make sure it stays that way by promoting high quality development outcomes and supporting our town centres and the creativity and culture they offer.

A Sustainable City

We want to be a smart and sustainable City by reducing waste, maximising recycling and reviewing how we use and source our energy.

At the Ordinary Council Meeting held 6 March 2018 Council endorsed the six key priorities which arose from the Imagine Vincent Strategic Community Plan engagement campaign.

Our priorities to 2028 are defined below.

Enhanced Environment

The natural environment contributes greatly to our inner-city community. We want to protect and enhance it, making best use of our natural resources for the benefit of current and future generations.

Accessible City

We want to be a leader in making it safe, easy, environmentally friendly and enjoyable to get around Vincent.

Connected Community

We are a diverse, welcoming and engaged community. We want to celebrate what makes us unique and connect with those around us to enhance our quality of life.

Thriving Places

Our vibrant places and spaces are integral to our identity, economy and appeal. We want to create, enhance and promote great places and spaces for everyone to enjoy.

Sensitive Design

Design that 'fits in' to our neighbourhoods is important to us. We want to see unique, high quality developments that respect our character and identity and respond to specific local circumstances.

Innovative & Accountable

The City of Vincent has a significant role to play in supporting our community to realise its vision. To achieve this, we will be an innovative, honest, engaged and responsible organisation that manages resources well, communicates effectively and takes our stewardship role seriously.

COMMUNITY ENGAGEMENT





COMMUNITY ENGAGEMENT

The City of Vincent remains committed to engaging with its diverse, passionate community to directly inform our service delivery and project priorities.

In 2017/18, we undertook the most comprehensive community engagement initiative in Vincent's history through our *Imagine Vincent* campaign, which directly informed our new ten-year Strategic Community Plan. A number of other initiatives aimed at better engaging with our community were also implemented, including the review and upgrades to the City of Vincent website, launch of the Imagine Vincent community consultation portal, establishment of a Community Engagement Panel, and improvements to our Customer Service delivery model.

We continued to support a wide range of community driven festivals and events including the Light Up Leederville Carnival, Mt Hawthorn Streets and Lanes Festival, Close the Gap Family Festival, Pet Fest, and Pride Fair Day. A key highlight of the 2017/18 financial year was winning the Parks and Leisure Australia (PLA) WA Award in the category of Community Based Initiative of the Year for our Leedy Streets Open event.

The City's commitment to reconciliation was a key focus area in 2017/18 through the implementation of a range of activities and events identified within our 'Reflect' Reconciliation Action Plan. This represented the first step towards building relationships and respect and pursuing opportunities to improve socio-economic outcomes for the Whadjuk Noongar people.

We look forward to continuing to engage with the local community and partnering with local community organisations over the coming year.

Michael Quirk

Director – Community Engagement

Marketing and Communications

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

In 2017/18, the City implemented and worked towards completing a number of projects and initiatives through its Corporate Business Plan (CBP), aimed at improving our service to customers and access to information about the City of Vincent.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
3.1	Establish a Community Engagement Panel Establish a Community Engagement Panel as a key element of the City's engagement and consultation framework based upon learnings from the Strategic Community Plan community engagement campaign.	A Community Engagement Panel was established and consulted during the <i>Imagine Vincent</i> community engagement campaign and other key corporate projects.
3.2	Prepare a Community Engagement Strategy and Revised Community Consultation Policy Prepare a Community Engagement Strategy and revised Community Consultation Policy as the key framework for speaking and listening to our community.	A draft Consultation Policy and associated documents were prepared in the 2017/18 financial year. This project will continue into 2018/19.

CBP Project Number	Description	2017/18 Actions Towards Completion
3.3	<p>Establish a City of Vincent Marketing Plan</p> <p>Develop a detailed three year marketing plan based on key outcomes within the Strategic Community Plan, including a new corporate brand that reflects Council's objectives and Strategic Community Plan (SCP) outcomes, along with a structured annual planner of all key events and activities.</p>	<p>The marketing strategy will roll out following endorsement of the Strategic Community Plan in 2018/19.</p>
5.2	<p>Review and Upgrade the City's Website, Councillor Portal and Intranet</p> <p>Phased implementation of further improvements to the City's website, including online payments, self-service tools and further enhanced mobile functionality for customers, as well as a dedicated Councillor portal and improved Administration intranet</p>	<p>In 2017/18, we rolled out new corporate, Beatty Park, Library and internal websites.</p> <p>To reduce the financial cost, we collaborated on the WALGA supported Council Connect Content Management System.</p>
5.3	<p>Implement a Revised Customer Request Management System</p> <p>Review and upgrade the Customer Request Management (CRM) System to improve responsiveness to reported issues.</p>	<p>Following the implementation of our updated Customer Service Standards and process in August 2017, we began the process of developing an updated CRM to replace the out-of-date CARS system.</p>

2017/18 Council Resolutions	2017/18 Actions Towards Completion
<p>Reaffirmation of Support for Marriage Equality Item 14.3 – OCM 22 August 2017</p> <p>events and activities.</p>	<p>Developed the Vincent Loves Love campaign which was launched on all digital channels, with T-shirts, public relations and street banners.</p> <p>The rainbow flag flew in two locales and City staff and Councillors took part in the Pride Parade.</p>



Festival and Events

Vibrant festivals and events assist in the activation of the City's Town Centres and public spaces creating livable neighbourhoods and engage our local communities. Festival and event sponsorship enables the City to support community, not-for-profit and other organisations to deliver locally relevant activities. The following festivals and events were provided sponsorship to the amount of \$263,000, in addition to in-kind support of \$39,160:

• Staged on Beaufort, Beaufort Street Network	10,000 attendance
• Revelation Film Festival, Revelation International Film Festival	13,000 attendance
• Light up Leederville Carnival, Leederville Connect	60,000 attendance
• Hyde Park Fair, Rotary Club of North Perth	50,000 attendance
• Mt Hawthorn Streets and Lanes Festival, Mt Hawthorn Hub	45,000 attendance
• St Patrick's Day Parade and Family Fun Day, St Patrick's Day WA	20,000 attendance
• 6006 In the Park, North Perth Local	2,000 attendance
• North Perth Halloween, North Perth Local	3,000 attendance
• Close the Gap Day, Aboriginal Health Council	2,000 attendance
• Mt Hawthorn Youth Events	4,000 attendance
• Pet Fest, WA Pet Project	10,000 attendance
• Pride Fair Day	7,000 attendance
• City of Vincent Match, Subiaco Football Club	5,000 attendance

In addition to these events, the City of Vincent delivered two (2) Summer Concerts at Braithwaite Park and Hyde Park. These free community events helped to activate public places and bring together the local community in a family friendly atmosphere.

Arts and Creativity

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

The following art projects were undertaken by the City of Vincent in 2017/18.

Lightbox Laneway Gallery

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

In 2017/18, the following artists exhibited their works at the Lightbox Laneway Gallery:

- Nicolee Fox
- Kimberley Pace
- Charmaine Cole

City of Vincent Film Project

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

- **The Beeman**
 Producer: Cody Greenwood
 Writer/Directors: Frances Elliott & Samantha Marlowe
 DOP: Lewis Potts

- **Ghosts of Vincent**
 Writer/Producer: Paul van Lieshout Hunt
 Director: Ellen Broadhurst
 2nd Director: Kimberly McGivern
 DOP/Editor: Saba Giddey
 Camera Operator/Film Consultant: Joseph Landro
 Music Director: Zac Bruce

- **Quality Time**
 Director: Matt Sav
 Producer: PAVLOVA
 DOP: Lewis Potts
 Production Coordinator: Luna Laure
 Sound Designer: Ned Beckley
 Editor: Matt Sav

Murals

Several murals were created in 2017/18, in the following City of Vincent locations:

- Leederville Hotel, Leederville
- Good Grocer IGA, Leederville
- Noongar Radio, Perth
- Raglan Road, Mount Lawley

Traffic Control Boxes

In 2017/18, the City of Vincent, in conjunction with Main Roads WA, initiated street artwork to counter graffiti on several of the City's traffic control boxes, including:

- Corner William and Newcastle St, painted by Brenton See
- Corner Walcott and Beaufort St, painted by Kamsani Bin Salleh
- Corner Charles and Vincent St, painted by Alysha Anema
- Corner Angove and Charles St, painted by Leo King

Community Partnerships

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

In 2017/18, the City progressed a number of projects and initiatives through its Corporate Business Plan and Council Resolutions, aimed at improving existing community partnerships and providing the opportunity for the development of new, long-term community partnerships going forward.

Progress against these projects and resolutions is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
1.1	<p>Prepare a Public Open Space Strategy Prepare a Public Open Space Strategy to guide the development, management and activation of parks, reserves and other open spaces to meet current/future Council and community expectations.</p>	<p>Initial research and analysis has been completed.</p> <p>Extensive community consultation involving community, residents, sporting clubs, businesses, advisory groups, internal business units and reserve users was undertaken throughout 2018.</p> <p>Work continues on this project, with project completion expected by early 2019.</p>
1.2	<p>Prepare Banks Reserve Master Plan Prepare a Master Plan that effectively responds to current and future community demands, maximises land use and asset sustainability and aligns with Council's focus on creating more inviting green and open spaces.</p>	<p>Following the site analysis, context analysis and stakeholder engagement, a number of focus areas and themes were identified as key to the Master Plan:</p> <ul style="list-style-type: none"> • Amenity • Activation • Accessibility • Recreation • Foreshore interaction • Aboriginal culture and heritage • Safety • Environment <p>Three community reference group workshops facilitated by the project consultant, were held in the first half of 2018 to determine the site design and concept plans.</p> <p>More broadly, works undertaken by the City at Banks Reserve in 2017/18 included revegetation of the foreshore and preliminary designs working towards formalising the carpark at Summers Street.</p> <p>Work continues on this project and the Master Plan is expected to be completed by early 2019.</p>

CBP Project Number	Description	2017/18 Actions Towards Completion
1.10	Prepare Leederville Oval Master Plan Prepare a detailed Master Plan to guide the future development and management of Leederville Oval as a multi-use venue within Leederville Town Centre.	An infrastructure audit, along with a floodlight report, asset report and turf report, has been completed and the WAFL Economic Impact Study has commenced. The Master Plan Consultancy Budget is being finalised to inform CBP 1.11 – Implement the Leederville Oval Master Plan.
2.2	Implement a Program to Address Social Isolation Amongst Seniors in our Community Expand the Befriend Social Network (or similar) in the City of Vincent to combat loneliness and isolation amongst senior members of the Vincent community.	A Service Delivery Agreement was implemented with Befriend Social Network, involving the Community Connection initiative. Additional networking activities have been included in the City's Well & Wise calendar, including senior activities at Loftus Community Centre and the Senior Recreation Council.
5.1	Upgrade the Library Management System Replace the existing library and local history management system with a modern software solution that meets contemporary collection management demands and provides an easy to use interface for both customers and staff.	The project scope and system requirements have been finalised, with implementation in 2018/19.
6.10	Implement a Program to Address Social Isolation Amongst Seniors in our Community Expand the Befriend Social Network (or similar) in the City of Vincent to combat loneliness and isolation amongst senior members of the Vincent community.	A pilot project designed to streamline City facility hire processes commenced in 2017/18. Online hire platform SpacetoCo commenced the pilot project for the hire of the North Perth Town Hall and the Lesser Hall, followed by the roll out to other public spaces throughout 2017/18. Marketing and event delivery support was also provided to North Perth Local for the Angove Street Halloween and 6006 in the park events.

2017/18 Council Resolutions	2017/18 Actions Towards Completion
Strategies to Improve Participation and Accessibility by Women and Girls at City of Vincent Sportsground and Associated Facilities Item 14.2 – OCM 22 August 2017 Item 12.1 – OCM 24 July 2018	Participation and performance targets were implemented through the new Sportsground Fees and Charges adopted at the Council Meeting in October 2017. Sporting Club Health Checks were received from all sporting clubs to enable establishment of baseline data.
Review and Assessment of the City's Building Assets Item 14.2 – OCM 12 December 2017 Item 10.3 – OCM 29 May 2018	This project is listed in the 2018/19 to 2022/23 Corporate Business Plan to review and assess the City's building asset portfolio.
Litis Stadium Master Plan Item 10.1 – OCM 7 March 2017 Item 12.4 – OCM 14 November 2017	Council resolved on 13 December 2016 that Floreat Athena Football Club Inc. was to prepare a Master Plan at its own cost for Litis Stadium in support of its request for longer-term lease over the premises. The City is continuing discussions with Floreat Athena Football Club Inc. and Football West to progress a number of initiatives prior to considering a long-term lease for Litis Stadium.

The City of Vincent achieved a number of community partnership highlights in 2017/18 and these are outlined in more detail below.

Our Local History

The City of Vincent continued to celebrate and preserve its rich history in 2017/18 through incorporating the former Local History News quarterly journal into the monthly e-newsletter – The Vine – which was distributed to over 1,400 readers throughout the year.

In addition, we ran our annual Local History Photographic Awards, which are open to residents and non-residents who wish to enter and share their history of life in Vincent. In 2017, we received over 100 entries, all of which have become part of our Local History Collection.

Our Library

The City of Vincent Library is a key hub for our community and received 112,968 visits, with 1,690 new library memberships and 173,462 items borrowed and an additional 15,374 eBooks and eAudiobooks downloaded from the library in 2017/18.

Community Partnerships

We partner with a range of community organisations each year. Some of the key initiatives and highlights undertaken with our community partners in 2017/18 include:

- Hosting the inaugural NAIDOC Festival at Hyde Park during NAIDOC Week.
- Improved awareness for internal staff on the health and equality between Aboriginal and non-Aboriginal people in Australia during Close the Gap Day.
- Aboriginal workshops and celebration of Aboriginal culture during Reconciliation Week.
- Disability Access and Inclusion training for our staff.
- Hosting our inaugural Youth Event targeted at local primary school attendees.
- Successfully delivering an outreach chill out zone in Leederville.
- Successfully delivering the Come Out & Play initiative, in conjunction with Department of Local Government, Sport & Cultural Industries.
- Providing \$135,760 funding to 31 community members and not-for-profit organisations.

Other Highlights

Throughout 2017/18, the City undertook a number of key community projects. In addition to the projects outlined in the tables above, the City also undertook:

- The commencement of a pilot project with SpacetoCo to provide an online booking platform for the hire of the City's available parks and community facilities.
- Implementation of the Disability Access and Inclusion Plan 2017–2022.
- Implementation of the 'Reflect' Reconciliation Action Plan (RAP) and commencement of development of the next phase – "Innovate".
- Implementation of a revised Community Funding Policy, with the inclusion of Youth Development Grants.
- A review of sportsground fees and charges and community facility hire rates.
- A review and implementation of the Terms of Reference relating to the Safer Vincent Advisory Group, Reconciliation Action Plan Working Group and Children and Young People Advisory Group.



Disability Access and Inclusion Plan

It is a requirement of the *Disability Services Act 1993* that public authorities develop and implement a Disability Access and Inclusion Plan (DAIP), report annually to the Disability Services Commission and review the DAIP every five (5) years.

In the 17/18 financial year, the City progressed the following actions:

- Audits have been conducted on community buildings.
- Disability awareness training has been provided to City staff.
- People with disability have been consulted about access and inclusion issues and given the opportunity to provide comment on the City's services and events.
- City staff and contractors are aware of and use appropriate communication methods when providing information to, or communicating with, people with disability.
- The City's website complies with W3C Web Accessibility Guidelines and provides downloadable information in a range of file formats.
- The City continues to develop its use of social media as a way of providing information to, and receiving feedback from, people with disability.
- Regular consultation with relevant disability and diversity groups to ensure that City services are accessible and inclusive for people with disability.
- City grievance procedures and complaint processes are accessible to people with disability and allow for a range of options for making complaints including in person, by letter, fax, email, SMS, NRS (National Relay Service), AUSLAN (Australian Sign Language), and via the City's website, social media and customer service unit.
- City community consultation sessions are held in venues that are physically accessible, using appropriately trained staff and promoted in ways that are accessible to people with disability.
- Consultation feedback is accepted by the City in a range of ways including in person, by letter, fax, email, SMS, NRS (National Relay Service), AUSLAN (Australian Sign Language), and via the City's website, social media and customer service unit.
- Appropriate workplace flexibility, modifications and adaptive technologies are available to ensure people with disability are successfully included in the City's workforce.
- The City's recruitment, selection and other employment related policies and procedures are consistent with the DAIP.



Reconciliation Action Plan

The City's 'Reflect' Reconciliation Action Plan (RAP) was adopted by Council in April 2017 and formally marked our commitment to reconciliation. Although the City had long recognised and respected the cultural and significant contribution of Noongar people to the City of Vincent, the 'Reflect' RAP outlined key actions and efforts to be undertaken to ensure further respect and recognition of Noongar tradition, people and boodjar (land) became a part of our organisation's culture and day-to-day operations.

Noongar artists, including Jade Dolman, Sharyn Egan and Charmaine Cole, have produced unique art pieces for the City, while Baldja Moort, Gina Williams, Bec Garlett and Marissa Verma have shared their culture with City staff and the wider community through music, dance, food and Noongar language workshops and events.

Completed 'Reflect' RAP Actions include:

- Establishing a Noongar language children's book collection within the Vincent Library.
- Including the statement that the "City of Vincent actively encourages Aboriginal and Torres Strait Islander applicants to apply" in all job vacancies.
- Commissioning at least one new public artwork by Australian Torres Strait Islander (ATSI) individual/s through the City's public art or mural art program.
- Establishing relationships with ATSI peoples, Elders, communities and organisations to identify dates of significance for future promotion, collaboration and celebration.
- Supporting and delivering National Reconciliation Week events through partnerships with key community stakeholders.
- Developing and implementing RAP awareness within the City Administration corporate induction process.
- Reviewing existing City Administration cultural competency and awareness as the basis for development strategies and training needs within our organisation.
- Capturing data and measuring City staff's current level of knowledge and understanding of Aboriginal and Torres Strait Islander cultures, history and achievements.
- Identifying and developing a list of local Traditional Owners of the Lands and Waters within the local area.
- Developing a database of Aboriginal and Torres Strait Islander people, Elders, communities and RAP organisations within the local area or sphere of influence that City staff can connect with on our reconciliation journey.
- Liaising with Reconciliation Australia to review and refresh RAP based on learnings, challenges and achievements.

Recreation

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

In 2017/18, the City focused on a long-term heritage and conservation plan for the popular and highly utilised Beatty Park Leisure Centre and the review and development of management models for its leisure and recreation facilities going forward.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
4.1	Prepare a Heritage and Conservation Plan for Beatty Park Leisure Centre Prepare a Heritage and Conservation Plan for Beatty Park Leisure Centre. To be expanded to capture items from May/June 2017 structural reports and asset management investigations.	The BPLC Heritage & Conservation Plan was completed and presented to both the Executive and a Council Workshop.
4.3	Beatty Park Leisure Centre Facility Management and Performance Review Review the management and business performance of Beatty Park Leisure Centre based upon the redevelopment business case, industry key performance indicators, and both Council and community expectations.	A consultant was appointed in February 2018, with the draft report to be delivered in the 2018/19 financial year.

Key Performance Statistics for Beatty Park Leisure Centre 2017/18

Total Attendances	810,000
Total Members (as at 30 June 2018)	3,198
Total Swim School Enrolments (as at 30 June 2018)	1,933
Awards	Awarded the 2017 National Award of Excellence in Inclusive Swimming from the Australian Swim Schools Association in August 2017.
Upgrades and Initiatives	Draft Heritage and Conservation Plan completed and currently under review. Consultant appointed to assist with a review of the business against industry standards and provide future direction, where needed. Extensive repainting undertaken of the 1994 component of the facility.

Key Performance Statistics for Loftus Recreation Centre 2017/18

Total Attendances	548,693
Total Members (as at 30 June 2018)	1,406
Sports Competition Registrations (as at 30 June 2018)	352 teams
Upgrades and Initiatives	New height adjustable basketball backboards installed Extensive maintenance work on the facility undertaken throughout 2017/18.

Rangers

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

In 2017/18, the City implemented new parking technology and commenced an upgrade to the City’s CCTV network, to create a better and safer experience for customers and visitors to the City centre.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
5.7	Parking Permit Technology Implement electronically readable parking permits (barcoded, QR coded etc.) and e-permit technology to further simplify and streamline the customer experience associated with Council’s revised Parking Permits Policy.	New Residential Parking Permits with QR codes and residential zones were implemented throughout 2017/18.
5.8	Review and Upgrade the City’s Parking Management Systems and Infrastructure Identify and implement contemporary systems and infrastructure to improve the City’s parking management capabilities.	New pay-by-plate parking machines were installed in car parks throughout the City. New integrated parking infringement devices were acquired and implemented.
7.3	Upgrade the City’s CCTV Network Upgrade the City’s existing CCTV network to better meet community demands and align with the State’s CCTV Strategy.	Leederville Town Centre CCTV upgrades were completed in September 2017, in consultation with WA Police and through funding support from State Government.

Key Performance Statistics for 2017/18

Item	Number
Total Number of Animals Registered in the City of Vincent	3,769
Animals Registered in 2017/18	732
Dog Complaints Issued and Dealt with by Rangers	320
Parking Revenue	\$7,595,476
Parking Infringements Issued	27,865
Residential Parking Permits Issued	9,987
Road and/or Footpath Obstruction Permits Issued	354

In 2017/18, the City of Vincent also made improvements in a number of areas to better service the needs and expectations of the community, including:

- Implementing new mobile infringement devices.
- Reviewing and implementing changes to the Community Safety Business Unit, including dedicated community and parking rangers.
- Implementing new residential parking zones, along with upgrading residential parking permits to improve enforcement efficiency.



CORPORATE SERVICES/ CEO OFFICE

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CORPORATE SERVICES/CEO OFFICE

The City of Vincent is committed to ensuring it has the right structures and funding in place to provide the infrastructure and support needed to effectively service our community well into the future.

In 2017/18, we implemented a number of new initiatives and programs to better equip us to do this including developing a long-term financial plan for the next ten years, implementing a new energy supply contract to optimise pricing for contestable City properties, reviewing leases held with the City to improve relationships and governance arrangements, and reviewing bank fees and charges to identify efficiencies and improve stakeholder interactions.

We undertook a robust approach to budgeting to ensure a well-reasoned and responsible budget was adopted by Council in June 2018, which provides a roadmap for continued financial sustainability and prudent management of our resources.

The City also developed and implemented a new procurement policy and procedure which will help to ensure all purchasing activities are necessary and fit-for-purpose, provide value for money and comply with all relevant legislation, codes and standards.

Our governance policies and procedures continued to be embedded throughout the City, reinforcing Council's commitment to transparency and accountability.

We will continue to implement further improvements over the coming year to ensure we provide strong financial management, improve our technology and interactions with stakeholders, and remain accountable and transparent to all those who live, work and visit the City of Vincent.

Kerryn Batten
Director – Corporate Services

Financial Services

The City of Vincent remains focused on safeguarding the City's long-term financial sustainability by implementing sound financial management practices and effectively monitoring our financial performance each year.

2017/18 Annual Budget

The Annual Budget was adopted on 25 July 2017, following extensive budget workshops with Council Members and Executive. Community budget submissions were also sought, with detailed information on each submission provided for consideration by Council and feedback provided to those community members who had made submissions.

The 2017/18 Annual Budget was designed to be prudent and sustainable and align to our Corporate Business Plan and strategic priorities. It was developed within a relatively low CPI environment and kept our increase in operating expenditure to a moderate 3% increase, despite a significant program of activities associated with the Corporate Business Plan. The capital budget included a total level of planned expenditure of \$13.4 million, fully funded within the City's annual financial capacity.

The 2017/18 Annual Budget introduced a rate increase of 2.7%, with a 9.2% increase to the minimum rate, for the financial year.

Overall, the 2017/18 Annual Budget was received positively and delivered a good balance between service delivery and cost implications for the community.

Our extensive consultation with the community on its priorities helped inform Council's development and adoption of the 2018/19 Annual Budget.

Information and Communication Technology

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

In 2017/18, the City implemented the roll out of new information technology (IT) hardware to ensure the needs and expectation of the Vincent community can be met now and into the future.

Progress against this project is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
4.8	<p>Upgrade/Replace the City's Enterprise Applications and Financial Management System</p> <p>Replace the City's Corporate Operating System, including addition of systems such as Asset Management (including Mobility), Human Resource Modules, electronic invoice approvals etc.</p>	<p>The scope, timing and cost of this project was informed by consultancy work to evaluate the effectiveness of and gaps in the City's corporate operating system against the City's future needs and community expectations expressed through the Strategic Community Plan.</p> <p>Improvements and upgrades will continue to be made throughout 2018/19.</p>



Governance and Risk

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

In 2017/18, the City undertook a number of improvements to its governance processes and policies, including implementing an Improvement Plan for risk management, internal controls and legislative compliance, and moving all archive planning and building files into a digitised system and format.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
4.6	Implement Improvement Plan for Risk Management, Internal Controls and Legislative Compliance Implement the Improvement Plan adopted by the Audit Committee in July 2016 (subsequently endorsed by Council) and revised by the Committee in March 2017.	The City is progressing towards completion of the actions identified in the Improvement Plan for Risk Management, Internal Controls and Legislative Compliance. This includes the adoption of a Risk Management Plan in October 2017.
4.9	Digitise and Archive Planning and Building Files Digitise and archive Planning and Building files to improve the City's record management capabilities and efficiency and the effectiveness of data recall for decision-making and customer service.	All 2013-2015 planning files and large building plans have been digitised. The City prepared a business case for the off-site storage of legacy files (pre-June 2014 property and planning files) located in the Basement Store Room two. The City will manage the relocation and off-site storage, which will occur in early 2018/19. The City will initially retrieve files as required, but is looking to digitise all files in the long term.

In 2017/18, the City realised a number of additional key achievements and highlights, including:

Record Keeping

In 2017/18, the City pursued a significant digitisation agenda that included eliminating hard copy records from processes, where possible. It also included the digitisation of a substantial percentage of the City's building and planning files. The intention is for the City to be able to operate in a purely digital environment by 2022, in accordance with targets set by the State Records Office's draft *Born Digital Strategy*. We will continue to work towards this target with the objectives of transitioning to a paperless environment, improve the City's information management capability, ensure records are discoverable and accessible, and protect and preserve digital records for as long as required.

Risk Management

The City developed a new Risk Management Policy, which was adopted in October 2017. In accordance with the new policy, Administration is developing its operational risk register and risk treatment plans, which will enable the whole organisation to identify, quantify and treat its operational risks. The draft operational risk register was received by the Audit Committee at its May meeting. This significant body of work gives decision makers a profile of the operational risks within their span of control and will result in meaningful and realistic actions that can be used to inform the budget process and Corporate Business Plan.

Transparency and Accountability

In accordance with section 5.121 of the *Local Government Act 1995* the City maintains a register of complaints of minor breaches which details:

- Name of council member about whom the complaint is made.
- Name of person who makes the complaint.
- Description of the minor breach that the standards panel finds has occurred.
- Details of action taken.

The City received no complaints of minor breaches in 2017/18.

The City also received no complaints of alleged breaches of the City's Code of Conduct in 2017/18.

CEO Office

In 2017/18, the CEO Office implemented and worked towards completing a number of projects and initiatives through its Corporate Business Plan and Council Priorities.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
4.2	Implement a Project Management Framework Develop and implement a corporate Project Management Framework.	Project carried over to the 2018/19 financial year.
4.5	Prepare a Workforce Plan Review the existing City of Vincent Workforce Plan (April 2013) and prepare a new Workforce Plan.	The 2013 Workforce Plan was reviewed and a new Workforce Plan created.

DEVELOPMENT SERVICES





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DEVELOPMENT SERVICES

In 2017/18, the City of Vincent implemented a number of new initiatives and programs through its Development Services. This included the establishment of a Design Review Panel to facilitate high quality urban design and built environment outcomes for the City, and a concerted effort to increase the number of pool inspections in order to reduce the number of uninspected pools. This initiative resulted in a total of 922 pools inspected throughout the year and a significant reduction in the number of pools that had not been inspected over the last 4 years from 438 to 67, as at the end of financial year.

In 2017/18, the City undertook a restructure of the Directorate to improve customer service and operational efficiencies. This restructure resulted in the Building and Compliance and Health Services teams combined to create a new Health and Building team. A new Development and Design team was also created to focus on the City's planning assessment process.

The key highlight for the 2017/18 financial year was finalising the City's new Town Planning Scheme, Local Planning Scheme No. 2. This new Scheme, in conjunction with the associated Local Planning Strategy, forms the key planning framework that will guide development within the City of Vincent for years to come.

Over the coming year, we will continue to work on a wide range of tasks and projects to facilitate the creation of a vibrant and well-planned City.

Luke Gibson
Acting Director – Development Services

Approval Services

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

In 2017/18, the City implemented a new project to enable the electronic lodgment and assessment of building and planning applications which will be completed in 2018/19.

The City also introduced an innovative new on-line self-assessment system for alfresco dining, footpath goods displays and portable sign permits. This system has cut red tape and made it easier for businesses to get approvals to expand into the public realm and create vibrant plans for the community.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
5.6	Implement Electronic Lodgement and Assessment of Applications Upgrade corporate systems and software to enable on-line lodgement and tracking of applications.	Electronic assessment software has been installed and is being used for assessment. Process mapping of the development application and building permit process is underway to ensure the complete electronic lodgement and assessment process is captured and can be accommodated by the City's systems upgrade. The project is currently on track to be completed by 30 June 2019.

CBP Project Number	Description	2017/18 Actions Towards Completion
6.2	Amend the Trading in Public Places Local Law 2008 Council decision from April 2016 (Item 9.1.6) and former CBP Item 7.2	The online alfresco, goods display and portable sign permit system was launched in February 2018. The system will be monitored to determine the need for any amendments to the local law.

The City received a total of 679 building permit applications and 482 development applications in 2017/18.

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

Key Planning Statistics

	2017/18	2016/17
Total Development Applications Received	482	455
Total Development Applications Determined	585	490
Average Number of Days to Determine Development Applications	110	161
Total Number of New Dwellings Approved	238	528
Applications Determined by the Development Assessment Panel (DAP)	15	20
State Administrative Tribunal (SAT) Reviews	7	15
Design Review Panel (DRP) Matters	42	27
Total Development Value for Received Applications	\$191,986,022	\$287,376,080
Total Development Value for Determined Applications	\$227,613,130	\$291,163,055

Key Building Statistics

	2017/18	2016/17
Total Building Permit Applications	679	558
Total Value Development (for which building permit has been issued)	\$180,523,940	\$110,979,994
Total Demolition and Occupancy Permit Applications	105	159

As detailed above, during the 2017/18 financial year, the City's development assessment performance improved significantly, leading to a meaningful reduction in both numbers of outstanding applications and average processing time.

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

In 2017/18, the City's Compliance Officers investigated 387 building and planning complaints made by City ratepayers and residents, and issued seven planning infringement notices, two formal written directions and five building orders. Two prosecution cases were finalised and both resulted in successful convictions in response to planning and building offences.

	2017/18	2016/17
Total Compliance Matters Received	387	333
Total Compliance Investigations Completed	351	282

Health Services

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

In 2017/18, the City implemented a review of its Public Health Plan, in accordance with the *Public Health Act 2016*.

Progress against this project is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
7.16	Review of Public Health Plan 2014–2017 Review the City’s Public Health Plan, as required by the <i>Public Health Act 2016</i> .	Conducted a review of the City’s performance against the key actions and outcomes of the current Public Health Plan.

The City’s Health Services have a significant compliance role that includes responding to a diverse range of complaints, as well as developing, regulating and enforcing legislation to promote good health practices. Health Services regularly undertakes a large number of inspections of food businesses, lodging houses, public buildings and swimming pools.

The City is home to a large number of events and markets, including the Beauvine Festival, Mount Hawthorn Streets & Lanes Festival, Light Up Leederville Festival, St Patrick’s Day Festival, Kyilla Community Farmers Markets, Mt Hawthorn Hawkers Markets and Hyde Park Community Fair, and the City’s Health Services play a substantial role in ensuring these markets and events are delivered safely.

The City continued to monitor compliance with health and environmental regulations and issued a number of approvals in 2017/18, as outlined below.

Item	Number
Health Customer Service Complaints	847
Food Business Inspections	776
Public Building Inspections	47
Lodging House Inspections	16
Water Sampling	236
Food Sampling	32
Liquor Applications	73
Noise Exemption Permits <i>These were assessed and issued to builders and event organisers for specific activities with strict conditions.</i>	110
Temporary Public Buildings Approved and Inspected <i>These included event area marquees, stages and structures.</i>	52
Temporary Food Stall Permits Issued for Public Events	455
Vending Vincent Mobile Food Vendor Permits	14

The City continued to receive an increasing number of requests from the community relating to environmental health, with a total of 847 requests received in the 2017/18 financial year compared to 681 requests received in 2016/17, and 612 received in the 2015/16. These complaints related to noise, hazardous materials and storage, air pollution, keeping of animals, pest control, and substandard properties.

Health Services also worked on a number of proactive initiatives throughout 2017/18, including:

- A review of the City's performance against the existing Public Health Plan (as part of the current review of the Plan).
- Co-ordinating the Vincent Liquor Accord meetings.
- Co-ordinating the Vending Vincent Mobile Food Vendors Program.
- A routine Food Sampling Program of various food types and businesses.
- A European Wasp Monitoring Program.
- A Mosquito Monitoring Program.

Policy and Place

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

In 2017/18, the City made significant progress in the areas of strategic planning, place management, heritage and sustainability, through its Corporate Business Plan.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
4.10	<p>Prepare a Plan for the Collection and Expenditure of Cash in Lieu of Car Parking</p> <p>Draft Local Planning Strategy, Action 1.4.3 - Retail and Commerce: review the City's cash-in-lieu requirements for car parking to align with the real cost of car parking and use the revenue gained to improve parking and associated transport facilities in the City's Activity/Town Centres to support the retail and commerce of these Centres.</p>	<p>Undertook an audit of development approvals that have been required to pay cash in lieu, existing accounts and processes.</p> <p>Identified preliminary accounting and process improvements.</p>
6.1	<p>Prepare Draft Leederville Activity Centre Plan</p> <p>State Planning Policy 4.2 - Activity Centres.</p>	<p>Drafted tender documentation to appoint a consultant to undertake works.</p>

CBP Project Number	Description	2017/18 Actions Towards Completion
6.3	Prepare, Implement and Review Town Centre Place Plans Plan and co-ordinate Town Centre based initiatives.	Adoption of Volumes 1 (all centres) and 2 (North Perth, specifically) of the Town Centre Place Plan in May 2018, following community consultation. Progress has been made on Volume 3 (Mount Hawthorn).
6.4	Deliver a new open space/town square for the North Perth Town Centre Implementation of former CBP Item 9.7 and report to Council on the same in July 2017.	A consultant for design, documentation and management of the project was appointed. The City secured a \$250,000 contribution from the State Government. The Concept Plan was adopted by Council in June 2018.
6.5	Prepare an Urban Design Concept for View Street Car Park and Surrounds Prepare an urban design concept and business case for improvements to the View Street Car Park and adjoining View Street road reserve, in order to enhance the amenity and attractiveness of the area and pedestrian connectivity between View Street and Angove Street. As reported to Council in July 2017.	Scheduled to commence in 2019/20.
6.6	Review the Economic Development Strategy 2013–2016 Review and renew the City's Economic Development Strategy in liaison with Council's Business Advisory Group.	Completed an audit of the existing 2013–2016 Strategy. The Business Advisory Group adopted Key Priority Areas to inform the review.
6.11	Heritage Strategic Plan Review and renew the City's Heritage Strategic Plan 2013–2017. Council's Business Advisory Group.	Commenced an audit of the existing 2013–2017 Plan.

CBP Project Number	Description	2017/18 Actions Towards Completion
7.1	Car Parking Strategy and Integrated Transport Plan Review the City's Car Parking Strategy and prepare an Integrated Transport Plan.	Drafted tender documentation to appoint a consultant to undertake work on this project.
8.2	Sustainable Environment Strategy Review and implement the Sustainable Environment Strategy in liaison with Council's Environmental Advisory Group.	Completed an audit of existing Strategy and other relevant City documents relating to sustainability. Completed a review of the community feedback gathered through the <i>Imagine Vincent</i> community engagement campaign. Developed key focus areas and sustainability objectives with the Environmental Advisory Group.

2017/18 Council Resolutions	2017/18 Actions Towards Completion
Action on Climate Change Item 14.1 Notice of Motion – OMC 4 April 2018	Prepared a draft Sustainable Environment Strategy, which is expected to be presented to Council (for consent to advertise) by March 2019. The Strategy is intended to support decision making in the 2019/20 Budget and Corporate Business Plan.
Relocation of the Leederville Town Centre Taxi Zone Item 9.11 – OMC 19 September 2017	Commenced the Leederville Taxi rank relocation trial by moving the bays further east along Newcastle Street, approving the installation of public alfresco in the former taxi rank site and installing ride share pick up/set down locations. Community consultation on this trial occurred in September 2018 and was considered by Council in October 2018.
Investigate Reduction or Elimination of Single Use Plastics Item 14.1 Notice of Motion – OMC 22 August 2017	Completed an investigation into the City's use of single use plastics. The investigation produced a number of recommendations that will be implemented over the next four years to reduce or eliminate the major sources of single use plastic currently used within the City's operations, facilities and events.

Other Work	2017/18 Actions Towards Completion
Solar Feasibility Study	Completed a feasibility study to understand the costs and benefits associated with installing solar photovoltaic systems on four of the City's highest energy usage facilities. This work has resulted in a project to install the systems being included in the 2018/19-2021/22 Corporate Business Plan.
Town Team Grants	Provided approximately \$40,000 in grant funding to the City's Town Teams and assistance through the City's Place Managers to strengthen these groups and facilitate the development of action plans and delivery of great place outcomes.
Mount Hawthorn Hawkers Market and Beaufort Street Artisan Market	Continued to support the Mount Hawthorn Hawkers Market and Beaufort Street Artisan Market.

Other Work	2017/18 Actions Towards Completion
Character Retention and Heritage Areas	Introduced a new Heritage Area for Janet Street and a new Character Retention Area for Carr Street, both in West Perth, to protect the cultural, historic and built form of these streets.
Heritage Assistance Fund	Provided heritage grant funding of \$82,000 to help members of the community restore and maintain their heritage properties for future generations.
North Perth and Mount Hawthorn Parking Restrictions	Monitored and progressed a review of the parking restrictions in the North Perth and Mount Hawthorn Town Centres to ensure that parking restrictions in the area function appropriately.
Built Form Policy	Continued to work with the Department of Planning, Lands and Heritage on local planning policy provisions on landscaping and setbacks that are subject to the approval of the Western Australian Planning Commission. The above work will lead to an amendment to the Built Form Policy in 2018/19.
Car Parking Policy	Completed a review of the City's Car Parking Local Planning Policy to provide guidance on car parking for non-residential development.
Design Review Panel	Completed a review of the City's design review process and introduced a new Design Review Panel and Terms of Reference.
Parklets	Worked with local businesses in Mount Hawthorn to install a new parklet on Scarborough Beach Road. Worked with local businesses in North Perth to relocate the existing City-managed parklet along Angove Street. Completion of the above projects will occur in early 2018/19.
Name the Lanes	Continued to work with the Geographic Names Committee (Landgate), the Department of Aboriginal Affairs and the Whadjuk Working Party to name 12 laneways around Beaufort Street.

Planning

The City's long-awaited Local Planning Scheme No. 2 and Local Planning Strategy were approved by the State Government and came into effect in May 2018. Broadly, the new Scheme seeks to:

- Maintain the historic neighbourhoods of North Perth, Mount Hawthorn and Mount Lawley.
- Encourage more mixed-use vibrancy in the City's well established Town Centres.
- Accommodate new higher density development along major roads and public transport routes.
- Encourage transit oriented development in areas that are well located near public transport such as Mount Hawthorn, near Glendalough.
- Allow for Claisebrook to become a vibrant urban transit hub.
- Protect the City's parks and green spaces.

Place Management

Place Management continues to co-ordinate the growth and development of Vincent's Town Centres. In 2017/18, the City was recognised for its innovative and industry leading approach to place management and was awarded a Place Process Award from Place Leaders Asia Pacific.

The award highlights the City's ongoing commitment to local place making and strategic approach to bringing stakeholders together to collaborate and ensure the City's Town Centres are responsive to changing and challenging economic, governance and cultural environments.

Brookman and Moir Streets Precinct

The Brookman and Moir Streets Precinct includes 58 Federation Queen Anne style cottages built in the 1890s.

In November 2017, the City of Vincent and land owners in the Brookman and Moir Streets Precinct were awarded a UNESCO Asia-Pacific Award of Distinction – the only Australian winner at the awards. This award recognizes the thoughtful and careful restoration of this important historic urban landscape, with financial support from the City of Vincent, local Heritage Council and technical guidance from conservation professionals.



ENGINEERING





ENGINEERING

In 2017/18, the City of Vincent's Engineering team implemented a number of improvements to the local road network, pedestrian crossings, parks and reserves across the City. These included drainage improvements to Lawler Street to create a useable area of public open space, upgrades to the Braithwaite Park public toilets, installation of pedestrian crossing signals to a number of high traffic areas, and further improvements to the Charles Veryard Reserve.

Stage 2 of the State Government's Bike Boulevard Project was implemented in 2017/18, which saw additional funding of \$200,000 secured to complete the Bourke Street link to the Mitchell Freeway.

The City introduced changes to its Verge Treatments and Street Trees Policies to allow residents to install swings, rope ladders, platforms and decorations in street trees and install raised garden beds and place logs/rocks and furniture on their verges.

One of the key highlights for 2017/18 was the development of a waste strategy to guide the implementation of waste minimisation measures and inform a review of the City's delivery of waste management services to the community.

Andrew Murphy
Director – Engineering

Asset and Design Engineering

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

In 2017/18, the City made significant progress in this area including the redesign and redevelopment of the drainage sump at the intersection of Lawler Street and Bedford Street in North Perth to convert the site into a more useable park. The design and implementation of the Loftus Street Bike Lanes, implementation of Stage 2 of the State Government's Bike Boulevard Project, installation of pedestrian crossing signals at several intersections across the City, and upgrades to several park facilities.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
1.9	Braithwaite Park Toilet Upgrade Upgrade the public toilet facilities at Braithwaite Park (attached to the Mount Hawthorn Community Centre) to better cater for the increased needs of the community.	Works commenced in April 2018.
1.12	Lawler Street Sump Undertake the redesign and redevelopment of the drainage sump at the intersection of Lawler Street and Bedford Street, North Perth, in order to convert the site into a more useable park.	Design reviewed by Hydraulic consultant. Construction commenced in March 2018. Works finalised and opened to the public on 23 June 2018.

CBP Project Number	Description	2017/18 Actions Towards Completion
7.1	Car Parking Strategy and Integrated Transport Plan Review the City's Car Parking Strategy and prepare an Integrated Transport Plan.	Project is on track and scheduled for completion by 30 June 2020.
7.5	Implement 40km/h Speed Zone Trial Undertake community consultation in 2017/18 to determine the level of community support for implementing a 40km/h speed zone trial in the south of Vincent. Implement the trial in 2018/19, subject to community support and Council approval.	Consultation held in 2017/2018 with implementation scheduled for 2018/19, subject to community support.
7.8	Pedestrian Crossing - Fitzgerald Street near Namur Street Install new signalised pedestrian crossing.	Completed.
7.9	Pedestrian Crossing - Bulwer/Fitzgerald Street intersection Add pedestrian crossing signals.	Design submitted to Main Roads for approval and works are anticipated to be completed in the first quarter of 2019.
7.11	Pedestrian Crossing - William/Walcott Street intersection Add pedestrian crossing signals.	Design submitted to Main Roads for approval in September 2018. Works are anticipated to be completed in the first quarter of 2019.

CBP Project Number	Description	2017/18 Actions Towards Completion
7.12	Pedestrian Crossing - Brisbane/Lake Street intersection Install tactile pavers at approaches to the existing pedestrian crossing and realign pedestrian ramps.	Completed.
7.13	Loftus Street Bike Lanes Design and implement Loftus Street Bike Lanes.	Design completed and construction scheduled to commence in 2018/19.
7.14	Bike Boulevard - Stage 2 Implement Stage 2 of the State Government's Bike Boulevard Project.	Project is funded by a State Government Grant. Additional funding of \$200,000 was secured to complete the Bourke Street link to the Mitchell Freeway. Project was completed in June 2018.
7.15	Beatty Park Reserve Drainage Improvements Implement drainage improvements as recommended by 2017 consulting engineer drainage/hydrological investigation.	Preliminary design completed and reviewed by hydraulic consultant. Scope of works to be determined, subject to consultation with residents prior to implementation.



Parks and Urban Green

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

In 2017/18, the City implemented a number of new projects to improve parks and property spaces for those in our community.

Progress against these projects is outlined below.

CBP Project Number	Description	2017/18 Actions Towards Completion
1.6	Review Greening Plan	A workshop was held with Council members on 10 April 2018 to discuss proposed changes to the Greening Plan and invite further feedback. Council approved the draft Greening Plan 2018–2023 for public comment in June 2018.
1.7	Axford Park Upgrade Redesign and upgrade Axford Park and its surrounds, in accordance with Council's adopted Project Plan.	A workshop was held with Council members on 5 June 2018 where various 'quick wins' and two concepts were presented for further feedback. Following a decision on the preferred option (with minor amendments), a report will be presented to the Council for endorsement in August 2018.

2017/18 Council Resolutions	2017/18 Actions Towards Completion
Hyde Street Reserve – Proposed Extension Item 10.1 – OMC 17 October 2017	Works have now been completed to extend the former Hyde Street Reserve by closing a portion of adjacent Hyde Street. Additions to the park include nature play elements, a section of turf, park furniture and 'way-finding' lighting.
Verge Treatments and Street Trees Policies Item 10.3 – OMC 21 August 2018	Changes to these policies have been made to allow residents to install swings, rope ladders, platforms and decorations in street trees and install raised garden beds and place logs/rocks and furniture on their verges.

Notable projects undertaken in 2017/18, included:

- Charles Veryard Reserve – installation of a partial vegetative barrier around the dog exercise area, following many years of consultation and discussion.
- Kylla Reserve – the upgrade of the irrigation system to industry standard, which will provide further savings in groundwater use.

Waste Minimisation, Waste and Recycling

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

In 2017/18, the City developed a waste strategy to guide waste minimisation for the City of Vincent.

CBP Project Number	Description	2017/18 Actions Towards Completion
8.1	Develop a Waste Strategy Develop a Waste Strategy to guide the implementation of waste minimisation measures that will achieve greater waste diversion higher in the waste hierarchy than landfill and energy recovery. The Strategy will also inform a review of the City's delivery of waste management services to the community.	Consultation has been completed and the strategy considered by Council in the 2018/2019 financial year.



ELECTED MEMBER MEETING ATTENDANCE





2P
8-5
↓

CITY OF VINCENT
COUNCIL CHAMBERS
100 WILSON STREET
VINCENT
VIC 3073
TEL: 08 9447 1000
WWW.VINCENTVIC.GOV.AU

Warrigal
Municipality

ELECTED MEMBER MEETING ATTENDANCE

Council Meetings

Council meetings are held monthly at the City of Vincent Civic Centre. The attendances of Council Members at Council meetings and Council Briefings for the 2017/18 financial year are shown in the table below.

Members	Ordinary Council Meetings entitled to attend	Ordinary Council Meetings attended	Apologies	Leave of Absence	Council Briefings entitle to attend	Council Briefings attended	Apologies	Leave of Absence
Mayor Emma Cole	12	12	0	0	12	11	1	0
Deputy Mayor Susan Gontaszewski	12	10	0	2	12	10	0	2
Cr Matt Buckels	4	4	0	0	3	2	1	0
Cr Alex Castle	8	8	0	0	8	7	1	0
Cr Joanne Fotakis	8	8	0	0	8	8	0	0
Cr Jonathan Hallett	12	12	0	0	12	12	0	0
Cr Roslyn Harley	12	12	0	0	12	6	6	0
Cr Dan Loden	12	10	1	1	12	11	1	0
Cr Jimmy Murphy	12	12	0	0	12	11	1	0
Cr Joshua Topelberg	12	12	0	0	12	11	1	0

Audit Committee Meetings

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

Members	Audit Committee meetings entitled to attend	Audit Committee meetings attended	Apologies	Leave of Absence
Mayor Emma Cole	5	4	1	0
Deputy Mayor Susan Gontaszewski	5	4	1	0
Cr Dan Loden	5	4	1	0
Cr Joshua Topelberg	5	5	0	0
Ms Elizabeth Hunt*	5	4	1	0
Mr Conley Manifis*	5	4	1	0

*Note: denotes an external, independent member.

Advisory Group Meetings

City of Vincent Councillors sit on a number of Advisory Groups and Committees and their participation in these groups is outlined below.

Safer Vincent Advisory Group (formerly Safer Vincent Crime Prevention Partnership)

Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Deputy Mayor Susan Gontaszewski (Chair)	1	1	0
Cr Roslyn Harley	1	0	1

Environmental Advisory Group

Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Cr Dan Loden (Chair)	6	6	0
Deputy Mayor Susan Gontaszewski	2	1	1
Cr Jonathan Hallett	4	4	0

Arts Advisory Group

Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Cr Jimmy Murphy	6	6	0
Cr Joanne Fotakis	5	3	2
Cr Joshua Topelberg	1	1	0

Reconciliation Action Plan Working Group

Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Cr Dan Loden (Co-Chair)	3	3	0
Cr Roslyn Harley (Co-Chair)	3	1	2
Cr Joshua Topelberg	3	1	1

Road Safety Advisory Group

Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Mayor Emma Cole	2	2	0
Cr Jonathan Hallett	2	2	0

Children & Young People Advisory Group

Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Deputy Mayor Susan Gontaszewski (Chair)	5	3	2
Cr Matt Buckels	2	1	1
Cr Alex Castle	3	3	0

Urban Mobility Advisory Group

Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Cr Jonathan Hallett	5	5	0
Cr Alex Castle	5	5	0
Mayor Emma Cole	5	3	2

Business Advisory Committee

Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Cr Joshua Topelberg	4	4	0
Cr Jimmy Murphy	4	3	1
Cr Joanne Fotakis	4	4	0

Pedestrian & Cycling Advisory Group

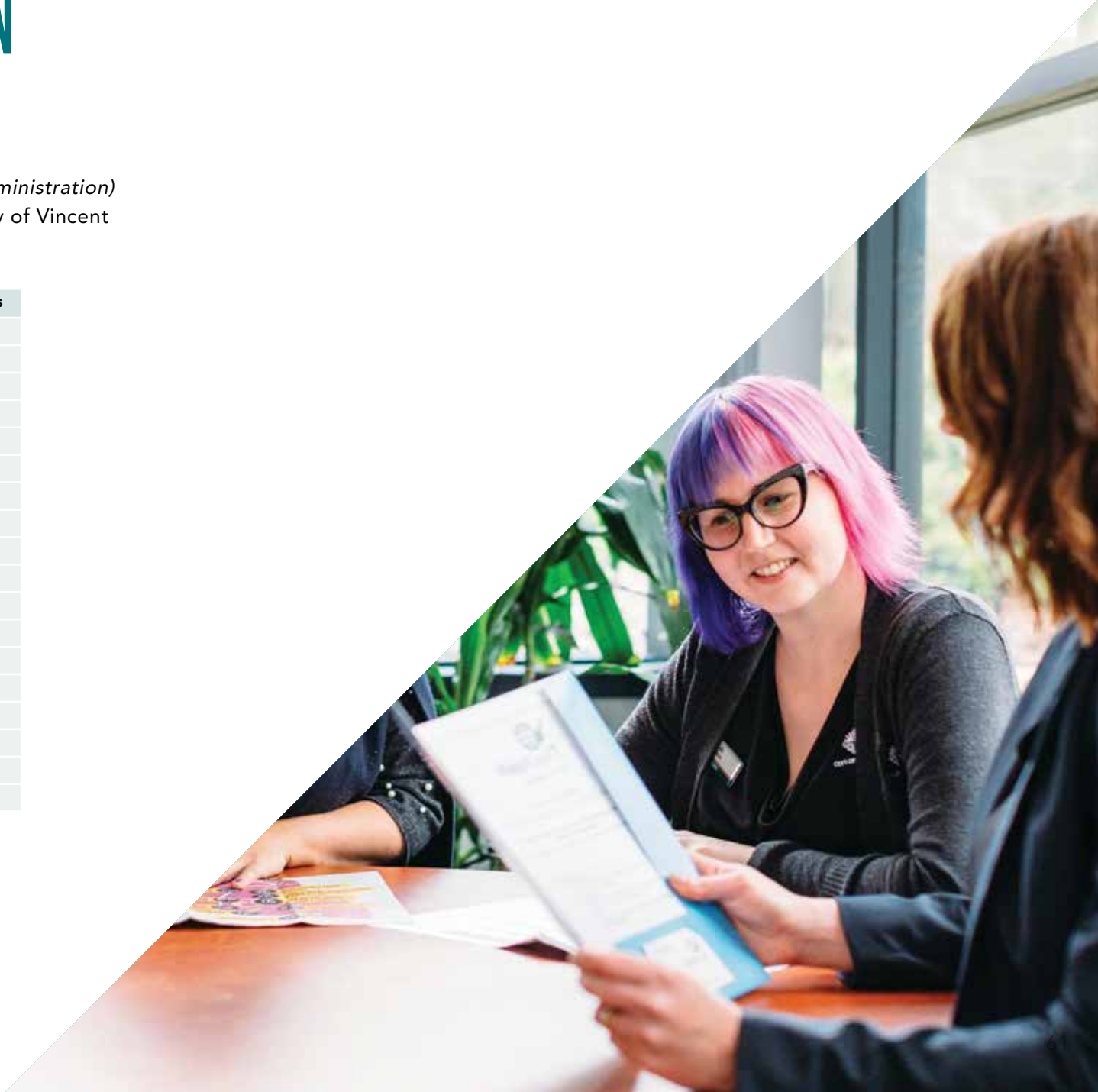
Council Member	Meetings Entitled to Attend	Meetings Attended	Apologies and/or Approved Leave of Absence
Cr Matt Buckels	3	3	0
Cr Jonathan Hallett	3	3	0

EMPLOYEE REMUNERATION

Employee Remuneration

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

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



Gender Equality Report

The 2017/18 financial year was the second year that the City of Vincent has reported publicly on gender pay equity. We will continue to report on it annually in an effort to reach pay equity, where women and men receive equal pay for work of equal or comparable value.

Gender Pay Gap

The gender pay gap is calculated as the difference between women's and men's average weekly full time equivalent earnings, as a percentage of men's earnings. According to the Workplace Gender Equality Agency (WGEA), Australia's national gender pay gap is currently at 14.6%, and has hovered between 14% and 19% for the past two decades.

Over the last 12 months, the City of Vincent has made progress on narrowing the gender pay gap and has reduced the gap from 9.5% in 2016/17 to 1.95% in 2017/18. As reported in the 2016/17 financial year, all of the positions within the Executive Management Team were held by male employees at that time, which provided the City with a future opportunity to introduce more of a gender balance in these key leadership roles.

The gender pay gap for the City of Vincent has decreased from the previous reporting period due to the appointment of a female Director into the City's Executive Management Team. There were improvements to the gender pay gap at all levels of the organisation, most notably in the Technical and Administration Officers levels which has reduced from 9.26% in 2016/17 to 4.44% in 2017/18. The gender pay gap for team leadership roles has also reduced with the Coordinator and Manager level gender pay gaps reported as less than 1% in 2017/18.








Women in Leadership

Throughout the 2017/18 financial year, the percentage of females in leadership roles (level 7 and above) at the City of Vincent has increased from 54.9% to 65.55%.

Attracting and Retaining Women

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

Some of the initiatives we will continue to promote and expand include:

 LEADERSHIP AND DEVELOPMENT OPPORTUNITIES FOR WOMEN	 DISCOUNTED MEMBERSHIP TO BEATTY PARK LEISURE CENTRE, WITH CRÈCHE OPTIONS	 PAID PARENTAL LEAVE
 PART-TIME AND JOB SHARE RETURN TO WORK OPTIONS	 FLEXIBLE WORKPLACE OPPORTUNITIES FOR ALL ROLE TYPES	 SUPPORT FOR BREASTFEEDING WOMEN
 ABILITY TO PURCHASE ADDITIONAL LEAVE.		

Record Keeping Statement

Record Keeping Plan

The City's current Record Keeping Plan was approved by the State Records Commission on 12 August 2016. The Plan and associated policy and procedures are comprehensive and address all requirements of the State Records Office. The City is required to review its Record Keeping Plan in 2021.

Record Keeping Systems

A review of all enterprise applications and financial management systems were reviewed in line with the City's Corporate Business Plan. The efficiency and effectiveness of the City's Electronic Document and Records Management System was reviewed in 2017 and upgraded from HP TRIM to HPE Content Manager.

Record Keeping Training

The City's record keeping training program includes monthly sessions, made available to all staff. The efficiency and effectiveness of this training program is reviewed via feedback from staff attending those sessions. In addition, all new starters are required to complete an induction program, conducted by Records staff, to ensure that they are aware of their roles and responsibilities with regards to their compliance with the City's Record Keeping Plan.

Freedom of Information Act 1992

The City is subject to the provisions of the *Freedom of Information Act 1992* (the FOI Act). The FOI Act gives the public a general right of access to information held by the City, subject to some limitations. It also provides the right of review in relation to decisions made by the City to refuse access to information applied for under the FOI Act. The City processed eleven (11) access requests during 2017/18. No applications for internal review of decision were received during this period.

Digital Records Strategy

The City's mission is to operate a purely digital environment in line with the State Records Office "Born Digital Strategy" by 2022. Our objectives include the transition towards a paperless environment, improve the organisation's information management capability, ensure records are discoverable and accessible, and protect and preserve digital records for as long as it is required. Records staff conducted several digitisation projects during 2017/18 in line with the City's Corporate Business Plan to ensure that recent Development and Building approvals are more easily accessible.

Freedom of Information

The City is subject to the provisions of the Freedom of Information Act 1992 (the FOI Act). The FOI Act gives the public a general right of access to information held by the City, subject to limitations as set out in Clauses 1 to 15 of Schedule 1 to the Freedom of Information Act. It also provides the right of review in relation to decisions made by the City to refuse access to information applied for under the FOI Act.

In 2017/18, the City received and responded to 11 requests under the Act. No applications for internal review of decisions were received during this period.

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



LOCALE

TOSTINA & ESPRESSO BAR

LOCALE

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018



**CITY OF VINCENT
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

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

**CITY OF VINCENT
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Vincent for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the City of Vincent at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the *9th* day of *November* 2018


Chief Executive Officer

David MacLennan
Name of Chief Executive Officer

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Comprehensive Income by Program	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Rate Setting Statement	8
Notes to and forming part of the Financial Report	9 - 59
Independent Auditor's Report	60

CITY'S VISION

A sustainable and caring community built with vibrance and diversity.

Principal place of business:

244 Vincent Street (cnr Loftus Street)
Leederville, Western Australia, 6007

STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2018

		2018	2018	2017
	NOTE	Actual	Adopted Budget	Actual
		\$	\$	\$
Revenue				
Rates	23(a)	33,377,748	32,939,532	31,234,580
Operating grants, subsidies and contributions	2(a)	2,217,799	815,585	1,990,993
Fees and charges	2(a)	18,873,789	18,888,300	18,382,601
Interest earnings	2(a)	1,028,880	958,080	959,203
Other revenue	2(a)	1,429,638	1,323,155	1,324,228
		56,927,854	54,924,652	53,891,605
Expenses				
Employee costs		(23,248,963)	(25,939,930)	(21,835,574)
Materials and contracts		(17,274,514)	(17,749,340)	(15,829,592)
Utility charges		(1,933,363)	(1,955,570)	(1,808,666)
Depreciation on non-current assets	10(c)	(10,386,679)	(9,663,980)	(9,094,953)
Interest expenses	2(b)	(997,101)	(995,630)	(1,045,540)
Insurance expenses		(829,909)	(889,760)	(874,147)
Other expenditure		(2,974,253)	173,780	(2,573,538)
		(57,644,782)	(57,020,430)	(53,062,010)
		(716,926)	(2,095,778)	829,595
Non-operating grants, subsidies and contributions	2(a)	2,610,635	2,692,344	2,594,651
Profit on asset disposals	10(a)	150,369	411,373	176,760
(Loss) on asset disposals	10(a)	(10,466)	0	(48,016)
Fixed assets written off	10(b)	(91,264)	0	0
(Loss) on revaluation of Infrastructure	9(b)	(3,572,563)	0	0
Net share of interest in Joint Ventures	19(b)	325,217	0	23,213
Change in Equity WALGA Local Govt House Trust		(19)	0	(683)
Profit on Assets Held for Sale (TPRC Joint Venture)	21(b)	462,233	0	245,788
Net result		(842,786)	1,007,939	3,821,308
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	11	56,913,164	0	84,356,588
Total other comprehensive income		56,913,164	0	84,356,588
Total comprehensive income		56,070,378	1,007,939	88,177,896

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

STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2018

		2018	2018	2017
	NOTE	Actual	Adopted Budget	Actual
		\$	\$	\$
Revenue				
Governance	2(a)	149,708	65,140	83,551
General purpose funding		36,006,200	34,855,507	34,321,084
Law, order, public safety		144,537	170,570	156,220
Health		388,317	330,940	358,175
Education and welfare		171,871	216,015	263,369
Community amenities		1,863,747	1,061,490	1,015,416
Recreation and culture		9,704,051	10,022,410	9,610,928
Transport		7,972,877	7,767,140	7,568,368
Economic services		249,966	241,410	240,742
Other property and services		276,580	194,030	273,752
		56,927,854	54,924,652	53,891,605
Expenses				
Governance	2(a)	(3,787,874)	(3,601,990)	(3,218,529)
General purpose funding		(872,245)	(803,155)	(656,733)
Law, order, public safety		(1,301,976)	(1,370,625)	(1,257,510)
Health		(1,198,977)	(1,230,110)	(1,153,655)
Education and welfare		(1,470,827)	(1,317,045)	(1,137,051)
Community amenities		(11,048,332)	(11,376,900)	(10,144,593)
Recreation and culture		(21,746,775)	(21,470,245)	(20,340,579)
Transport		(12,724,693)	(12,310,410)	(11,613,576)
Economic services		(714,969)	(783,355)	(681,758)
Other property and services		(1,781,013)	(1,780,965)	(1,812,486)
		(56,647,681)	(56,024,800)	(52,016,470)
Non-operating grants, subsidies and contributions	2(a)	2,610,635	2,692,344	2,594,651
Profit on disposal of assets	10(a)	150,369	411,373	176,760
(Loss) on disposal of assets	10(a)	(10,466)	0	(48,016)
Fixed assets written off	10(b)	(91,264)	0	0
(Loss) on revaluation of Infrastructure	9(b)	(3,572,563)	0	0
Net share of interest in joint ventures	19(b)	325,217	0	23,213
Change in Equity - WALGA LG House Trust		(19)	0	(683)
Profit on Assets Held for Sale (TPRC Joint Venture)	21(b)	462,233	0	245,788
Net result		(997,101)	(995,630)	(1,045,540)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	11	56,913,164	0	84,356,588
Total other comprehensive income		(997,101)	(995,630)	(1,045,540)
Total comprehensive income		(716,926)	(2,095,778)	829,595
Finance Costs				
Recreation and culture	2(a)	(997,101)	(995,630)	(1,045,540)
		(997,101)	(995,630)	(1,045,540)
		(716,926)	(2,095,778)	829,595
Non-operating grants, subsidies and contributions	2(a)	2,610,635	2,692,344	2,594,651
Profit on disposal of assets	10(a)	150,369	411,373	176,760
(Loss) on disposal of assets	10(a)	(10,466)	0	(48,016)
Fixed assets written off	10(b)	(91,264)	0	0
(Loss) on revaluation of Infrastructure	9(b)	(3,572,563)	0	0
Net share of interest in joint ventures	19(b)	325,217	0	23,213
Change in Equity - WALGA LG House Trust		(19)	0	(683)
Profit on Assets Held for Sale (TPRC Joint Venture)	21(b)	462,233	0	245,788
		(125,858)	3,103,717	2,991,713
Net result		(842,786)	1,007,939	3,821,308
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	11	56,913,164	0	84,356,588
Total other comprehensive income		56,913,164	0	84,356,588
Total comprehensive income		56,070,378	1,007,939	88,177,896

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018**

	NOTE	2018	2017	Re-stated 1 July 2016
		\$		\$
CURRENT ASSETS				
Cash and cash equivalents	3	20,866,019	17,424,002	16,499,516
Investments	4	11,000	0	0
Trade and other receivables	6	3,139,455	4,966,846	3,871,348
Inventories	7	184,342	181,244	170,061
TOTAL CURRENT ASSETS		24,200,816	22,572,092	20,540,925
NON-CURRENT ASSETS				
Other receivables	6	1,197,431	119,936	165,336
Land Held for Development	7	105,822	105,822	108,145
Investments	4	30,933	41,952	42,635
Interests in joint ventures	19	9,469,902	8,928,947	9,520,230
Property, plant and equipment	8	296,124,172	299,304,697	214,938,377
Infrastructure	9	179,727,045	125,387,784	125,233,757
TOTAL NON-CURRENT ASSETS		486,655,305	433,889,138	350,008,480
TOTAL ASSETS		510,856,121	456,461,230	370,549,405
CURRENT LIABILITIES				
Trade and other payables	12	4,332,746	5,102,188	6,812,943
Current portion of long term borrowings	13	948,227	881,398	818,840
Provisions	14	3,367,101	3,486,758	3,255,342
TOTAL CURRENT LIABILITIES		8,648,074	9,470,344	10,887,125
NON-CURRENT LIABILITIES				
Long term borrowings	13	13,948,356	14,896,584	15,777,982
Provisions	14	429,113	334,102	301,994
TOTAL NON-CURRENT LIABILITIES		14,377,469	15,230,686	16,079,976
TOTAL LIABILITIES		23,025,543	24,701,030	26,967,101
NET ASSETS		487,830,578	431,760,200	343,582,304
EQUITY				
Retained surplus		124,871,424	128,238,061	127,103,457
Reserves - cash backed	5	11,431,970	8,908,119	6,221,415
Revaluation surplus	11	351,527,184	294,614,020	210,257,432
TOTAL EQUITY		487,830,578	431,760,200	343,582,304

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	RETAINED SURPLUS	CASH/INVESTMENT BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2016		130,693,260	6,221,415	210,510,558	347,425,233
Correction of Errors		(3,589,803)	0	(253,126)	(3,842,929)
Re-stated Balance		127,103,457	6,221,415	210,257,432	343,582,304
Comprehensive income					
Net result		3,821,308	0	0	3,821,308
Changes on revaluation of assets	11	0	0	84,356,588	84,356,588
Total comprehensive income		3,821,308	0	84,356,588	88,177,896
Transfers from/(to) reserves		(2,686,704)	2,686,704	0	0
Balance as at 30 June 2017		128,238,061	8,908,119	294,614,020	431,760,200
Comprehensive income					
Net result		(842,786)	0	0	(842,786)
Changes on revaluation of assets	11	0	0	56,913,164	56,913,164
Total comprehensive income		(842,786)	0	56,913,164	56,070,378
Transfers from/(to) reserves		(2,523,851)	2,523,851	0	0
Balance as at 30 June 2018		124,871,424	11,431,970	351,527,184	487,830,578

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Adopted Budget	2017 Actual
CASH FLOWS FROM OPERATING ACTIVITIES		\$	\$	\$
Receipts				
Rates		33,096,764	32,939,532	31,333,379
Operating grants, subsidies and contributions		3,141,991	815,585	2,057,043
Fees and charges		18,873,789	19,052,698	18,178,191
Interest earnings		1,028,880	958,080	959,203
Goods and services tax		1,355,982	1,412,491	1,396,122
Other revenue		1,429,638	1,323,155	1,429,024
		58,927,044	56,501,541	55,352,962
Payments				
Employee costs		(23,423,727)	(25,831,720)	(24,502,452)
Materials and contracts		(17,896,936)	(17,693,097)	(19,373,111)
Utility charges		(1,933,363)	(1,955,570)	(2,054,392)
Interest expenses		(997,101)	(995,630)	(1,045,540)
Insurance expenses		(829,909)	(889,760)	(992,908)
Goods and services tax		(1,249,296)	(1,412,491)	0
Other expenditure		(2,812,744)	173,780	(94,776)
		(49,143,076)	(48,604,488)	(48,063,179)
Net cash provided by (used in) operating activities	15	9,783,968	7,897,053	7,289,783
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(2,869,513)	(5,052,819)	(4,981,769)
Payments for construction of infrastructure		(5,861,319)	(8,358,501)	(4,554,169)
Non-operating grants, subsidies and contributions		2,610,635	2,692,344	2,548,355
Proceeds from sale of fixed assets		326,311	537,833	351,910
Proceeds from Joint Ventures		333,333	0	916,666
Net cash provided by (used in) investment activities		(5,460,553)	(10,181,143)	(5,719,007)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of long term borrowings		(881,398)	(881,398)	(818,840)
Change in Bonds & Deposits		0	0	172,550
Net cash provided by (used in) financing activities		(881,398)	(881,398)	(646,290)
Net increase (decrease) in cash held		3,442,017	(3,165,488)	924,486
Cash at beginning of year		17,424,002	18,811,088	16,499,516
Cash and cash equivalents at the end of the year	3	20,866,019	15,645,600	17,424,002

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

**RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Adopted Budget	2017 Actual
OPERATING ACTIVITIES		\$	\$	\$
Net current assets at start of financial year - surplus/(deficit)		4,475,025	4,035,268	4,251,223
		4,475,025	4,035,268	4,251,223
Revenue from operating activities (excluding rates)				
Governance		149,708	65,140	97,235
General purpose funding		2,628,452	1,915,975	3,086,504
Law, order, public safety		166,875	187,510	164,505
Health		388,316	330,940	363,427
Education and welfare		171,870	216,015	263,369
Community amenities		1,881,133	1,074,130	1,025,597
Recreation and culture		9,724,879	10,027,350	9,646,307
Transport		7,973,016	7,767,140	7,568,368
Economic services		249,966	241,410	250,640
Other property and services		1,197,889	570,883	636,834
		24,532,104	22,396,493	23,102,786
Expenditure from operating activities				
Governance		(3,787,874)	(3,601,990)	(3,217,846)
General purpose funding		(872,264)	(803,155)	(656,733)
Law, order, public safety		(1,306,516)	(1,370,625)	(1,257,510)
Health		(1,198,977)	(1,230,110)	(1,154,158)
Education and welfare		(1,470,828)	(1,317,045)	(1,137,051)
Community amenities		(11,052,398)	(11,376,900)	(10,144,593)
Recreation and culture		(22,777,931)	(22,465,875)	(21,386,119)
Transport		(12,733,106)	(12,310,410)	(11,627,868)
Economic services		(751,499)	(783,355)	(681,758)
Other property and services		(1,795,137)	(1,760,965)	(1,845,708)
		(57,746,530)	(57,020,430)	(53,109,344)
Net Operating excluding Rates		(33,214,426)	(34,623,937)	(30,006,558)
Operating activities excluded				
(Profit) on disposal of assets	10(a)	(150,369)	(411,373)	(176,760)
Loss on disposal of assets	10(a)	10,466	0	48,016
Fixed assets written off	10(b)	91,264	0	0
Assets expensed during the year	8(b)	161,507	0	0
Movement in deferred pensioner rates (non-current)		(11,092)	0	45,401
Movement in employee benefit provisions (non-current)		95,011	0	32,109
Depreciation and amortisation on assets	10(c)	10,386,679	9,663,980	9,094,953
Equity in Local Government House in Trust		19	0	(683)
Movement in Joint Venture Operations		(325,217)	0	(23,213)
Profit/loss on Assets Held for Sale - TPRC Joint Venture		(506,411)	0	(245,788)
Restricted Unspent Grant		0	0	(600,000)
Amount attributable to operating activities		(18,987,543)	(21,336,062)	(17,581,300)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		2,610,635	2,692,344	2,594,651
Proceeds from disposal of assets	10(a)	326,311	204,500	351,910
Proceeds from Joint Ventures		333,333	333,333	916,666
Purchase of property, plant and equipment	8(b)	(2,869,513)	(5,052,819)	(4,981,769)
Purchase and construction of infrastructure	9(b)	(5,861,319)	(8,358,501)	(4,554,169)
Amount attributable to investing activities		(5,460,553)	(10,181,143)	(5,672,711)
FINANCING ACTIVITIES				
Repayment of long term borrowings	13(a)	(881,398)	(881,398)	(818,840)
Transfers to reserves (restricted assets)	5	(3,283,928)	(1,850,534)	(3,614,461)
Transfers from reserves (restricted assets)	5	780,077	1,309,605	927,757
Amount attributable to financing activities		(3,405,249)	(1,422,327)	(3,505,544)
Surplus(deficiency) before general rates		(27,853,345)	(32,939,532)	(26,759,555)
Total amount raised from general rates	23(a)	33,377,748	32,939,532	31,234,580
Net current assets at June 30 c/fwd - surplus/(deficit)	24	5,524,402	0	4,475,025

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities and to the extent they are not in-consistent with the *Local Government Act 1995* and accompanying regulations), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

THE LOCAL GOVERNMENT REPORTING ENTITY (Continued)

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 28 to these financial statements.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under roads

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

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

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

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

2. REVENUE AND EXPENSES

(a) Revenue

Other revenue

Reimbursements and recoveries
Other

Fees and Charges

Governance
General purpose funding
Law, order, public safety
Health
Education and welfare
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

	2018 Actual	2017 Actual
	\$	\$
Reimbursements and recoveries	1,301,106	1,165,477
Other	128,532	158,751
	1,429,638	1,324,228
Fees and Charges		
Governance	1,258	4,369
General purpose funding	396,191	368,382
Law, order, public safety	141,822	153,457
Health	376,667	341,554
Education and welfare	107,873	110,256
Community amenities	909,379	907,527
Recreation and culture	8,693,625	8,695,729
Transport	7,900,611	7,476,580
Economic services	245,503	234,508
Other property and services	100,860	90,239
	18,873,789	18,382,601

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES (CONTINUED)

(a) Revenue (Continued)

Grant Revenue

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

	2018	2017
	\$	\$
Operating grants, subsidies and contributions		
General purpose funding	1,097,546	1,678,835
Law, order, public safety	2,716	2,763
Health	1,636	2,056
Education and welfare	9,495	10,000
Community amenities	950,690	83,916
Recreation and culture	107,731	159,329
Transport	24,607	22,584
Economic services	644	1,259
Other property and services	22,734	30,251
	2,217,799	1,990,993
Non-operating grants, subsidies and contributions		
Law, order, public safety	137,830	113,384
Education and welfare	15,000	0
Recreation and culture	35,000	90,000
Transport	2,422,805	2,368,767
Other property and services	0	22,500
	2,610,635	2,594,651
Total grants, subsidies and contributions	4,828,434	4,585,644

SIGNIFICANT ACCOUNTING POLICIES

Grants, Donations and Other Contributions

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

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

Grants, Donations and Other Contributions (Continued)
a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 22.

That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current period.

Interest earnings

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
-Municipal funds	506,273	414,960	486,092
- Reserve funds	240,110	258,420	205,608
Other interest note (23(b))	282,497	284,700	267,503
	1,028,880	958,080	959,203

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES (CONTINUED)

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report

Interest expenses (finance costs)

Long term borrowings (refer Note 13(a))

Rental charges

- Operating leases

	2018 Actual	2017 Actual
	\$	\$
	23,600	19,500
	23,600	19,500
	997,101	1,045,540
	997,101	1,045,540
	485,485	655,206
	485,485	655,206

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

3. CASH AND CASH EQUIVALENTS

	NOTE	2018	2017
		\$	\$
Unrestricted		8,580,810	7,915,883
Restricted		12,285,209	9,508,119
		<u>20,866,019</u>	<u>17,424,002</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Administration Centre Reserve	5	363	10,587
Asset Sustainability Reserve	5	3,896,230	3,251,804
Beatty Park Leisure Centre Reserve	5	149,681	253,819
Capital Reserve	5	7,671	7,470
Cash In Lieu Parking Reserve	5	1,688,491	781,449
246 Vincent Street Building Reserve	5	536,594	527,031
Electronic Equipment Reserve	5	54,004	52,589
Hyde Park Lake Reserve	5	152,168	148,177
Land and Building Acquisition Reserve	5	284,213	276,761
Leederville Oval Reserve	5	222,530	216,694
Leederville Tennis Reserve	5	3,024	1,981
Loftus Community Centre Reserve	5	24,544	17,811
Loftus Recreation Centre Reserve	5	58,631	39,123
North Perth Tennis Reserve	5	47,925	42,049
Parking Facility and Equipment Reserve	5	100,899	98,182
Plant and Equipment Reserve	5	210,436	300,763
State Gymnastics Centre Reserve	5	83,757	96,639
Strategic Waste Management Reserve	5	21,402	20,842
Tamala Park Land Sales Reserve	5	3,478,572	2,022,698
Underground Power Reserve	5	200,690	195,426
Waste Management Plant and Equipment Reserve	5	210,145	546,224
Unspent grants	22	853,239	600,000
		<u>12,285,209</u>	<u>9,508,119</u>

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of

Cash and cash equivalents (Continued)

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

4. INVESTMENTS

Current Asset

Shares in unlisted corporation - North Perth Community Financial Services Ltd

2018	2017
\$	\$
11,000	0

Non Current Asset

Investment in WALGA Local Government House Trust *

30,933	30,952
--------	--------

Shares in unlisted corporation - North Perth Community Financial Services Ltd

0	11,000
---	--------

<u>30,933</u>	<u>41,952</u>
---------------	---------------

Financial assets at fair value through profit and loss

At the beginning of the year

41,952	42,635
--------	--------

At the end of the year

<u>41,933</u>	<u>41,952</u>
---------------	---------------

* Investment in WALGA Local Government House Trust

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

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

The City first capitalised its share in the Local Government House Trust in 2015, with the current valuation based on the trust's 30 June 2017 audited financial statements.

SIGNIFICANT ACCOUNTING POLICIES

Classification and subsequent measurement

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

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

(ii) Held-to-maturity investments

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

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

(iii) 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.

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).

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

4. INVESTMENTS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment (Continued)

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.

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

Amortised cost is calculated as:

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

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

Derecognition

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

5. RESERVES - CASH BACKED

	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual	2018 Budget Opening Balance	2018 Budget Transfer to	2018 Budget Transfer (from)	2018 Budget Closing Balance	2017 Actual Opening Balance	2017 Actual Transfer to	2017 Actual Transfer (from)	2017 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Administration Centre Reserve	10,587	216	(10,440)	363	11,418	178	(10,440)	1,156	61,555	1,032	(52,000)	10,587
Asset Sustainability Reserve	3,251,804	644,426	0	3,896,230	3,246,209	93,035	0	3,339,244	1,720,356	1,531,448	0	3,251,804
Beatty Park Leisure Centre Reserve	253,819	7,062	(111,200)	149,681	252,933	4,741	(175,000)	82,674	214,164	309,118	(269,463)	253,819
Capital Reserve	7,470	201	0	7,671	8,264	237	0	8,501	99,262	2,207	(93,999)	7,470
Cash In Lieu Parking Reserve	781,449	994,091	(87,049)	1,688,491	782,114	80,767	(175,000)	687,881	648,657	167,956	(35,164)	781,449
246 Vincent Street Building Reserve	527,031	14,193	(4,630)	536,594	528,131	12,986	(150,000)	391,117	512,630	14,401	0	527,031
Electronic Equipment Reserve	52,589	1,415	0	54,004	52,666	1,509	0	54,175	51,171	1,418	0	52,589
Hyde Park Lake Reserve	148,177	3,991	0	152,168	148,486	4,256	0	152,742	144,127	4,050	0	148,177
Land and Building Acquisition Reserve	276,761	7,452	0	284,213	277,340	7,948	0	285,288	269,198	7,563	0	276,761
Leederville Oval Reserve	216,694	5,836	0	222,530	217,145	5,220	(70,000)	152,365	210,774	5,920	0	216,694
Leederville Tennis Reserve	1,981	1,043	0	3,024	1,976	1,041	0	3,017	975	1,006	0	1,981
Loftus Community Centre Reserve	17,811	6,733	0	24,544	17,899	6,751	0	24,650	20,946	6,717	(9,852)	17,811
Loftus Recreation Centre Reserve	39,123	58,883	(39,375)	58,631	39,329	58,441	(39,375)	58,395	26,544	57,579	(45,000)	39,123
North Perth Tennis Reserve	42,049	5,876	0	47,925	42,094	5,943	0	48,037	36,316	5,733	0	42,049
Parking Facility and Equipment Reserve	98,182	2,717	0	100,899	98,461	2,790	(2,250)	99,001	129,056	3,626	(34,500)	98,182
Plant and Equipment Reserve	300,763	6,673	(97,000)	210,436	303,210	4,541	(289,500)	18,251	398,316	9,447	(107,000)	300,763
State Gymnastics Centre Reserve	96,639	13,468	(26,350)	83,757	96,746	13,677	0	110,423	83,461	13,178	0	96,639
Strategic Waste Management Reserve	20,842	560	0	21,402	20,884	599	0	21,483	20,272	570	0	20,842
Tamala Park Land Sales Reserve	2,022,698	1,489,907	(34,033)	3,478,572	1,991,393	1,529,712	(48,040)	3,473,065	1,344,639	958,838	(280,779)	2,022,698
Underground Power Reserve	195,426	5,264	0	200,690	195,835	5,613	0	201,448	190,086	5,340	0	195,426
Waste Management Plant and Equipment Reserve	546,224	13,921	(350,000)	210,145	543,138	10,549	(350,000)	203,687	38,910	507,314	0	546,224
	8,908,119	3,283,928	(760,077)	11,431,970	8,875,671	1,850,534	(1,309,605)	9,416,600	6,221,415	3,614,461	(927,757)	8,908,119

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

5. RESERVES - CASH BACKED (CONTINUED)

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
Administration Centre Reserve	Ongoing	For providing for major renovation, maintenance, repairs and replacement of the fixtures and fittings associated with the City's Administration and Civic Centre.
Asset Sustainability Reserve	Ongoing	For assisting Council in funding its long term asset management objectives and provide a means to spread the cost of intergenerational assets over multiple years.
Beatty Park Leisure Centre Reserve	Ongoing	For the major upgrade and redevelopment of the Beatty Park Leisure Centre including the replacement or purchase of major plant, equipment, fixtures and fittings.
Capital Reserve	Ongoing	For future major capital works and projects.
Cash In Lieu Parking Reserve	Ongoing	This reserve is established from payment of cash-in-lieu of car parking from development applicants and is to be used for providing and/or upgrading existing and proposed Transport infrastructure as defined in the City's Parking and Access Policy 7.7.1.
246 Vincent Street Building Reserve	Ongoing	For major building upgrade, maintenance, repairs, renovation and replacement of floorcovering, fixtures and fittings associated with the new Office Building and Land.
Electronic Equipment Reserve	Ongoing	For the replacement and major upgrade of electronic equipment including, but not limited to computer hardware and software, information technology and communication equipment.
Hyde Park Lake Reserve	Ongoing	For works associated with the investigation, maintenance, remedial works and the rehabilitation of the Hyde Park Lakes and surrounds.
Land and Building Acquisition Reserve	Ongoing	To ensure that proceeds of real assets disposed of are restricted to purchase other land and buildings for civic purposes.
Leederville Oval Reserve	Ongoing	For the works associated with the maintenance, repairs, upgrade and replacement of Leederville Oval buildings, fixtures, fittings and associated land.
Leederville Tennis Reserve	Ongoing	For the upgrade, renewal and replacement of the water bore and/or pump at the Leederville tennis courts, with funds contributed by the Lessee in accordance with the Special Condition - Sinking Fund provision of the Lease.
Loftus Community Centre Reserve	Ongoing	This reserve is for the purpose of capital improvements, including replacing major items of plant and equipment or renewal and modifications to the Centre.
Loftus Recreation Centre Reserve	Ongoing	This reserve is for the purpose of capital improvements, including replacing major items of plant and equipment or renewal and modifications to the Centre.
North Perth Tennis Reserve	Ongoing	For the upgrade, renewal and replacement of the North Perth tennis courts, with funds contributed by the Lessee in accordance with the Special Condition - Sinking Fund provision of the Lease.
Parking Facility and Equipment Reserve	Ongoing	This reserve is for the purchase and replacement of parking ticket machines, provision and improvement of parking information systems, security lighting, improved pathways and associated infrastructure to access parking areas and associated works.
Plant and Equipment Reserve	Ongoing	For the purchase of replacement plant and equipment associated with City's works.
State Gymnastics Centre Reserve	Ongoing	This reserve is for the purpose of capital improvements, including replacing major items of plant and equipment or renewal and modifications to the Centre.
Strategic Waste Management Reserve	Ongoing	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).
Tamala Park Land Sales Reserve	Ongoing	For future significant/major capital works, infrastructure, project or debt reduction programme for the benefit of the City.
Underground Power Reserve	Ongoing	For the purpose of funding the City's contribution to approved underground power projects.
Waste Management Plant and Equipment Reserve	Ongoing	For the purpose of replacing plant and equipment associated with the City's waste management, minimisation and recycling operations.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

6. TRADE AND OTHER RECEIVABLES

	2018	2017
	\$	\$
Current		
Rates outstanding	488,384	218,492
Sundry debtors	1,026,930	1,963,640
GST receivable	0	106,888
Infringement Debtor	1,375,633	2,312,448
Deposits and prepayments	248,508	365,578
	<u>3,139,455</u>	<u>4,966,846</u>
Non-current		
Rates outstanding - pensioners	131,028	119,936
Infringement debtors - non current	1,066,403	0
	<u>1,197,431</u>	<u>119,936</u>

The amount shown above as Rates Outstanding - Pensioners is deferred in accordance with the Rates and Charges (Rebate and Deferments) Act 1992.

Rates outstanding

Includes:

Past due and not impaired 488,384 218,492

Sundry debtors

Includes:

Past due and not impaired 915,157 699,625

Infringement debtors

Includes:

Past due and not impaired 2,635,641 2,312,448
Impaired (286,620) 0
2,349,021 2,312,448

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

Classification and subsequent measurement

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7. INVENTORIES

	2018	2017
	\$	\$
Current		
Depot	93,652	117,950
Beatty Park Leisure Centre	90,690	63,294
	<u>184,342</u>	<u>181,244</u>
Non-current		
Land held for development (TPRC)	105,822	105,822
	<u>105,822</u>	<u>105,822</u>

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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.

Land held for sale (Continued)

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 TPRC's intentions to release for sale.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8 (a). PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Land and buildings		
Land - freehold land at:		
- Independent valuation 2017 - level 2	128,067,500	128,067,500
	128,067,500	128,067,500
Buildings at:		
- Independent valuation 2017 - level 2	2,888,800	2,888,800
- Independent valuation 2017 - level 3	150,420,000	150,420,000
- Management valuation 2017 - level 3	80,441,724	80,441,724
Additions after valuation - cost	1,125,880	0
Less: accumulated depreciation	(74,088,821)	(70,091,100)
	160,787,583	163,659,424
Total land and buildings	288,855,083	291,726,924
Furniture and equipment at:		
- Management valuation 2016	3,359,070	3,359,070
Additions after valuation - cost	1,043,652	919,581
Less: accumulated depreciation	(2,957,295)	(2,720,235)
	1,445,427	1,558,416
Plant and equipment at:		
- Management valuation 2016	9,009,619	9,009,619
Additions after valuation - cost	2,450,800	2,768,148
Less: accumulated depreciation	(6,362,801)	(6,219,777)
	5,097,618	5,557,990
PPE - Work in Progress at:		
Additions - cost	726,044	461,367
	726,044	461,367
Total property, plant and equipment	296,124,172	299,304,697

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8. 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.

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Work in Progress - Buildings	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	41,915,327	12,930,000	54,845,327	154,162,683	209,008,010	812,334	4,207,550	910,483	214,938,377
Additions	0	0	0	1,152,873	1,152,873	919,581	2,768,148	141,167	4,981,769
Disposals	0	0	0	0	0	0	(223,166)	0	(223,166)
Revaluation increments/ (decrements) transferred to revaluation surplus	86,152,173	(12,930,000)	73,222,173	11,080,355	84,302,528	0	0	0	84,302,528
Depreciation expense	0	0	0	(3,326,771)	(3,326,771)	(218,833)	(1,149,207)	0	(4,694,811)
Transfers	0	0	0	590,284	590,284	45,334	(45,335)	(590,283)	0
Carrying amount at 30 June 2017	128,067,500	0	128,067,500	163,659,424	291,726,924	1,558,416	5,557,990	461,367	299,304,697
Additions	0	0	0	826,022	826,022	383,887	933,561	726,043	2,869,513
Disposals	0	0	0	0	0	(57,200)	(129,208)	0	(186,408)
Written off	0	0	0	0	0	(46,505)	(8,213)	0	(54,718)
Depreciation expense	0	0	0	(3,997,722)	(3,997,722)	(393,171)	(1,256,512)	0	(5,647,405)
Transfer to Expense	0	0	0	0	0	0	0	(161,507)	(161,507)
Transfers	0	0	0	299,859	299,859	0	0	(299,859)	0
Carrying amount at 30 June 2018	128,067,500	0	128,067,500	160,787,583	288,855,083	1,445,427	5,097,618	726,044	296,124,172

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2	Market Approach	Independent valuation	June 2017	Price per square metre
Buildings	2/3	Cost and Market Approach	Independent valuation	June 2017	Estimates of useful life, pattern of consumption, asset condition, residual value and relationship to the assessed remaining service potential of the depreciable amount.
Furniture and equipment					
Furniture and equipment	2/3	Cost and Market Approach	Independent/ Management valuation	June 2017	Make, size, model, year of manufacture and condition of asset.
Plant and equipment					
Plant & equipment	2/3	Cost and Market Approach	Management valuation	June 2017	Make, size, model, year of manufacture and condition of asset.
Work in Progress - Buildings	3	Cost approach	At cost	June 2018	Construction costs and current condition - Level 3.

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

9 (a). INFRASTRUCTURE

	2018	2017
	\$	\$
Infrastructure - Roads		
- Management valuation 2018	140,971,626	0
- Management valuation 2015	0	105,955,896
Additions after valuation - cost	0	4,759,402
Less: accumulated depreciation	(31,100,566)	(54,345,367)
	109,871,060	56,369,931
Infrastructure - Footpaths		
- Management valuation 2018	30,080,951	0
- Management valuation 2015	0	33,473,683
Additions after valuation - cost	0	3,135,267
Less: accumulated depreciation	(10,090,083)	(14,530,565)
	19,990,868	22,078,385
Infrastructure - Right of Way		
- Management valuation 2018	11,343,528	0
- Management valuation 2015	0	8,785,076
Additions after valuation - cost	0	462,029
Less: accumulated depreciation	(2,689,655)	(5,908,876)
	8,653,873	3,338,229
Infrastructure - Drainage		
- Management valuation 2018	28,902,658	0
- Management valuation 2015	0	27,737,396
Additions after valuation - cost	0	273,193
Less: accumulated depreciation	(11,627,322)	(10,795,451)
	17,275,336	17,215,138
Infrastructure - Park Development		
- Management valuation 2018	15,981,258	0
- Management valuation 2015	0	19,243,268
Additions after valuation - cost	0	1,624,261
Less: accumulated depreciation	(4,749,721)	(6,443,716)
	11,231,537	14,423,813
Infrastructure - Car Park Development		
- Management valuation 2018	8,097,013	0
- Management valuation 2015	0	7,778,628
Additions after valuation - cost	0	204,324
Less: accumulated depreciation	(4,654,634)	(2,982,210)
	3,442,379	5,000,742
Other Infrastructure Assets		
- Management valuation 2018	13,845,323	0
- Management valuation 2016	0	351,346
- Management valuation 2015	0	9,060,255
Additions after valuation - cost	0	1,261,402
Less: accumulated depreciation	(6,247,943)	(5,119,708)
	7,597,380	5,553,295
Infrastructure - Work in Progress		
Additions - cost	1,664,612	1,408,251
Less: accumulated depreciation	0	0
	1,664,612	1,408,251
Total infrastructure	179,727,045	125,387,784

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

9. INFRASTRUCTURE (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.

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Right of Way	Infrastructure - Drainage	Infrastructure - Park Development	Infrastructure - Car Park Development	Other Infrastructure Assets	Infrastructure - Work in Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	56,203,636	21,141,747	3,243,331	17,307,777	14,920,062	5,084,840	5,382,918	1,949,447	125,233,758
Additions	1,356,079	1,060,478	225,028	138,112	587,827	83,961	449,546	653,138	4,554,169
Depreciation expense	(1,742,663)	(575,950)	(130,130)	(230,751)	(1,084,076)	(168,059)	(468,514)	0	(4,400,143)
Transfers	552,879	452,110	0	0	0	0	189,345	(1,194,334)	0
Carrying amount at 30 June 2017	56,369,931	22,078,385	3,338,229	17,215,138	14,423,813	5,000,742	5,553,295	1,408,251	125,387,784
Additions	1,969,411	523,831	292,966	310,365	598,826	210,318	290,990	1,664,612	5,861,319
Written off	0	0	0	0	(8,154)	(9,408)	(18,983)	0	(36,545)
Revaluation increments/ (decrements) transferred to revaluation surplus	53,097,326	(2,836,077)	5,142,685	(17,645)	(291,121)	(524,599)	2,255,755	0	56,826,324
Revaluation (loss)/ reversals transferred to profit or loss	0	0	0	0	(2,466,925)	(1,105,638)	0	0	(3,572,563)
Depreciation expense	(1,979,442)	(638,994)	(142,960)	(232,522)	(1,026,214)	(170,350)	(548,792)	0	(4,739,274)
Transfers	413,834	863,723	22,953	0	1,312	41,314	65,115	(1,408,251)	0
Carrying amount at 30 June 2018	109,871,060	19,990,868	8,653,873	17,275,336	11,231,537	3,442,379	7,597,380	1,664,612	179,727,045

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

9. INFRASTRUCTURE (CONTINUED)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost Approach	Independent valuation	June 2018	Construction costs and current condition - Level 2. Residual value and useful life estimates - Level 3
Infrastructure - Foothpaths	3	Cost Approach	Independent valuation	June 2018	Construction costs and current condition - Level 2. Residual value and useful life estimates - Level 3
Infrastructure - Right of Way	3	Cost Approach	Independent valuation	June 2018	Construction costs and current condition - Level 2. Residual value and useful life estimates - Level 3
Infrastructure - Drainage	2/3	Cost Approach	Independent/ management valuation	June 2018	Construction costs and current condition - Level 2. Residual value and useful life estimates - Level 3
Infrastructure - Park Development	2/3	Cost Approach	Independent/ management valuation	June 2018	Construction costs and current condition - Level 2. Residual value and useful life estimates - Level 3
Infrastructure - Car Park Development	2/3	Cost Approach	Independent/ management valuation	June 2018	Construction costs and current condition - Level 2. Residual value and useful life estimates - Level 3
Other Infrastructure Assets	2/3	Cost Approach	Independent/ management valuation	June 2018	Construction costs and current condition - Level 2. Residual value and useful life estimates - Level 3
Infrastructure - Work in Progress	2/3	Cost Approach	Independent/ management valuation	June 2018	Construction costs and current condition - Level 3.

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

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

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each 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.

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 class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under control

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

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

10. FIXED ASSETS (CONTINUED)

(a) Disposals of Assets

The following assets were disposed of during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit
	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment							
Law, order, public safety	39,370	57,168	22,337	(4,540)	35,560	52,500	16,940
Community amenities	20,105	37,491	17,386	0	34,360	47,000	12,640
Recreation and culture	76,431	95,574	20,828	(1,685)	17,560	22,500	4,940
Transport	0	138	138	0	0	0	0
Other property and services	50,502	135,942	89,681	(4,241)	38,960	82,500	43,520
	186,408	326,311	150,369	(10,466)	126,460	204,500	78,040

(b) Fixed assets written off

The following assets were written off during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit
	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment							
Recreation and culture	8,383	0	0	(8,383)	0	0	0
Economic services	36,530	0	0	(36,530)	0	0	0
Other property and services	9,806	0	0	(9,806)	0	0	0
	54,719	0	0	(54,719)	0	0	0
Infrastructure							
Community amenities	4,065	0	0	(4,065)	0	0	0
Recreation and culture	23,969	0	0	(23,969)	0	0	0
Transport	8,413	0	0	(8,413)	0	0	0
Other property and services	78	0	0	(78)	0	0	0
	36,545	0	0	(36,545)	0	0	0
Total written off	91,264	0	0	(91,264)	0	0	0

(c) Depreciation

	2018	2017
	\$	\$
Buildings	3,997,722	3,326,771
Furniture and equipment	393,171	218,833
Plant and equipment	1,256,512	1,149,207
Infrastructure - Roads	1,979,442	1,742,663
Infrastructure - Footpaths	638,994	575,950
Infrastructure - Right of Way	142,960	130,130
Infrastructure - Drainage	232,522	230,751
Infrastructure - Park Development	1,026,214	1,084,076
Infrastructure - Car Park Development	170,350	168,059
Other Infrastructure Assets	548,792	468,514
	10,386,679	9,094,953

10. FIXED ASSETS (CONTINUED)

(c) Depreciation (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

Depreciation rates

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

Buildings	30 to 75 years
Furniture and equipment	3 to 40 years
Plant and equipment	2.5 to 35 years
Sealed roads and streets	
Subgrade structure	1,000 to 10,000 years
Pavement structure	20 to 120 years
Surface structure	20 to 120 years
Footpaths	13 to 113 years
Surface water channels	50 years
Drainage systems	120 years
Car park infrastructure	
Car park pavement	100 to 999 years
Car park seal	30 to 50 years
Car park other infrastructure	20 to 50 years
Parks infrastructure	
Reticulation	20 years
Parks other infrastructure	3 to 80 years

Depreciation (Continued)

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.

10. FIXED ASSET (CONTINUED)

(d) Fair Value Measurement

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

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

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

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

Recurring Fair Value Measurements

Financial Assets 30 June 2018

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Investment	4	-	41,933	-	41,933

Financial Assets 30 June 2017

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Investment	4	-	41,952	-	41,952

Non-Financial Assets 30 June 2018

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Land	8	-	128,067,500	-	128,067,500
Buildings	8	-	2,888,800	157,898,783	160,787,583
Plant and Equipment	8	-	-	5,097,618	5,097,618
Furniture and Equipment	8	-	-	1,445,427	1,445,427
Roads	9	-	-	109,871,060	109,871,060
Footpaths	9	-	-	19,990,868	19,990,868
Rights of Way	9	-	-	8,653,873	8,653,873
Drainage	9	-	-	17,275,336	17,275,336
Park Development	9	-	-	11,231,537	11,231,537
Car Park Development	9	-	-	3,442,379	3,442,379
Other Infrastructure	9	-	-	7,597,380	7,597,380
Work in Progress - PPE	8	-	-	726,044	726,044
Work in Progress - Infrastructure	9	-	-	1,664,612	1,664,612
Total non-financial assets recognised at fair value on a recurring basis		-	130,956,300	344,894,917	475,851,217

10. FIXED ASSET (CONTINUED)

(d) Fair Value Measurement (Continued)

Non-Financial Assets 30 June 2017 - Re-stated

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Land	8	-	128,067,500	-	128,067,500
Buildings	8	-	2,888,800	160,770,624	163,659,424
Plant and Equipment	8	-	5,508,449	49,541	5,557,990
Furniture and Equipment	8	-	142,960	1,415,456	1,558,416
Roads	9	-	-	56,369,931	56,369,931
Footpaths	9	-	-	22,078,385	22,078,385
Rights of Way	9	-	-	3,338,229	3,338,229
Drainage	9	-	-	17,215,138	17,215,138
Park Development	9	-	-	14,423,813	14,423,813
Car Park Development	9	-	-	5,000,742	5,000,742
Other Infrastructure	9	-	-	5,553,295	5,553,295
Work in Progress - PPE	8	-	-	461,367	461,367
Work in Progress - Infrastructure	9	-	-	1,408,251	1,408,251
Total non-financial assets recognised at fair value on a recurring basis		-	136,607,709	288,084,772	424,692,481

10. FIXED ASSET (CONTINUED)

(d) Fair Value Measurement (Continued)

Valuation techniques and inputs used to derive fair values

Recurring fair value measurements

Land

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

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

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

Buildings

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

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

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

Plant and Equipment

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

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

10. FIXED ASSET (CONTINUED)

(d) Fair Value Measurement (Continued)

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

Infrastructure Assets

The infrastructure assets valuation was carried out by an independent valuer in 2018. 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[©] and Australian Infrastructure Financial Management Guidelines[©]). All assets have been valued using unit rate costs, sourced from the City, local suppliers or the Rawlinsons Australian Construction Handbook.

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:

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

11. REVALUATION SURPLUS

	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation (Decrement)	2018 Total Movement on Revaluation	2018 Closing Balance	2017 Opening Balance	2017 Revaluation (Decrement)	2017 Total Movement on Revaluation	2017 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	125,380,529	0	0	0	125,380,529	52,158,356	73,222,173	73,222,173	125,380,529
Revaluation surplus - Buildings	115,951,868	0	0	0	115,951,868	104,871,513	11,080,355	11,080,355	115,951,868
Revaluation surplus - Furniture and equipment	206,609	0	0	0	206,609	206,609	0	0	206,609
Revaluation surplus - Plant and equipment	2,113,335	0	0	0	2,113,335	2,113,335	0	0	2,113,335
Revaluation surplus - Joint Venture in Mindarie Regional Council	2,512,379	86,840	0	86,840	2,599,219	2,458,319	54,060	54,060	2,512,379
Revaluation surplus - Joint Venture in Tamala Park Regional Council	529	0	0	0	529	529	0	0	529
Revaluation surplus - Infrastructure - Roads	28,483,439	53,097,326	0	53,097,326	81,580,765	28,483,439	0	0	28,483,439
Revaluation surplus - Infrastructure - Foothpaths	15,706,778	0	(2,836,077)	(2,836,077)	12,870,701	15,706,778	0	0	15,706,778
Revaluation surplus - Infrastructure - Right of Way	0	5,142,685	0	5,142,685	5,142,685	0	0	0	0
Revaluation surplus - Infrastructure - Drainage	3,091,488	0	(17,645)	(17,645)	3,073,843	3,091,488	0	0	3,091,488
Revaluation surplus - Infrastructure - Park Development	291,121	0	(291,121)	(291,121)	0	291,121	0	0	291,121
Revaluation surplus - Infrastructure - Car Park Development	524,599	0	(524,599)	(524,599)	0	524,599	0	0	524,599
Revaluation surplus - Other Infrastructure Assets	351,346	2,255,755	0	2,255,755	2,607,101	351,346	0	0	351,346
	294,614,020	60,582,606	(3,669,442)	56,913,164	351,527,184	210,257,432	84,356,588	84,356,588	294,614,020

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

14. PROVISIONS

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2017			
Current provisions	1,772,315	1,714,443	3,486,758
Non-current provisions	0	334,102	334,102
	1,772,315	2,048,545	3,820,860
Additional provision	(69,069)	44,423	(24,646)
Balance at 30 June 2018	1,703,246	2,092,968	3,796,214
Comprises			
Current	1,703,246	1,663,855	3,367,101
Non-current	0	429,113	429,113
	1,703,246	2,092,968	3,796,214

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at

Other long-term employee benefits (Continued) rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

Provisions

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

15. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(842,786)	1,007,939	3,821,308
Non-cash flows in Net result:			
Depreciation	10,386,679	9,663,980	9,094,953
(Profit)/Loss on Sale of Asset	(139,903)	(411,373)	(128,744)
Assets expensed during the year	161,507	0	0
Fixed assets written off	91,264	0	0
Net Share of Interests in Joint Ventures	(325,217)	0	(23,213)
Change in Equity WALGA Local Govt House Trust	19	0	683
Profit on Assets Held for Sale (TPRC)	(462,233)	0	(245,788)
Loss on revaluation of fixed assets	3,572,563	0	0
Changes in assets and liabilities:			
Increase/(Decrease) in Provisions	(24,646)	0	263,524
Increase/(Decrease) in Income in Advance	0	0	(732,801)
Increase/(Decrease) in Accrued Income	0	0	165,033
(Increase)/decrease in Receivables	749,896	164,398	(967,737)
(Increase)/Decrease in Inventories	(3,098)	(1,984)	(11,183)
(Increase)/Decrease in Prepayments	0	0	(231,024)
Increase/(decrease) in payables	(789,442)	166,437	(1,150,703)
GST Movement	0	0	(16,370)
Grants contributions for the development of assets	(2,610,635)	(2,692,344)	(2,548,355)
Net cash from operating activities	9,783,968	7,897,053	7,289,783

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	\$	\$
Governance	24,589,440	23,873,834
General purpose funding	3,366,786	1,363,880
Law, order, public safety	2,645,288	2,565,028
Health	4,877,550	22,214,900
Education and welfare	18,711,660	19,062,798
Community amenities	3,934,262	3,087,346
Recreation and culture	235,250,879	222,781,858
Transport	196,304,660	140,613,980
Other property and services	21,175,594	20,898,006
	<u>510,856,121</u>	<u>456,461,230</u>

17. CONTINGENT LIABILITIES

Mindarie Regional Council

In line with other equity holders in the Mindarie Regional Council (MRC), the City of Vincent has guaranteed, proportionate to its equity share (1/12), the obligations of MRC to the contractor which built and is now operating the Neerabup Resource Recovery Facility. The financial guarantee is to provide comfort to the operator (and its financiers) by providing a direct contractual relationship between each member council and the operator.

The guarantee can be called upon in the event of a default event during the contractor's operation of the facility. The share of the liability that could be generated by the exercise of the guarantee is estimated at an amount between \$1.5 million and \$7.2 million depending on the time of any such default event. The guarantee expires on 15 July 2019.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

18. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

	2018	2017
	\$	\$
Contracted for:		
- capital expenditure projects	873,131	472,567
- plant & equipment purchases	192,551	157,235
Payable:		
- not later than one year	1,065,682	629,802

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but

Payable:		
- not later than one year	131,347	282,638
- later than one year but not later than five years	43,272	194,011
	<u>174,619</u>	<u>476,649</u>

SIGNIFICANT ACCOUNTING POLICIES

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the City, are classified as finance leases.

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

Leases (Continued)

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 on a straight line basis over the lease term.

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

19. INTERESTS IN JOINT VENTURES

(a) Non-current assets

	2018	2017
	\$	\$
Mindarie Regional Council	5,658,875	5,496,159
Tamala Park Regional Council	3,811,027	3,432,788
	<u>9,469,902</u>	<u>8,928,947</u>

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 the 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 and has a one twelfth (1/12) equity in the land and assets of the refuse facility as per the constitution agreement (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.

	2018	2017
	\$	\$
	Audited	Unaudited
Current Assets	2,837,000	2,431,812
Non-Current Assets	4,843,312	5,016,406
Total Assets	<u>7,680,312</u>	<u>7,448,218</u>
Current Liabilities	609,484	579,955
Non-Current Liabilities	1,411,953	1,372,104
Total Liabilities	<u>2,021,437</u>	<u>1,952,059</u>
Net Assets	<u>5,658,875</u>	<u>5,496,159</u>

Tamala Park Regional Council

The City is a participant (along with the Cities of Perth, Wanneroo, Joondalup, Stirling and the Towns of Victoria Park and Cambridge) in the operations of 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 of Vincent 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 land held for development.

The City's interest in the TPRC joint venture is represented by the following breakdown of the joint venture's financial position (1/12 share).

	2018	2017
	\$	\$
	Audited	Unaudited
Current Assets	3,674,821	3,293,688
Non-Current Assets	160,810	162,490
Total Assets	<u>3,835,631</u>	<u>3,456,178</u>
Current Liabilities	24,175	23,174
Non-Current Liabilities	429	216
Total Liabilities	<u>24,604</u>	<u>23,390</u>
Net Assets	<u>3,811,027</u>	<u>3,432,788</u>
Total Interest in Joint Ventures	<u>9,469,902</u>	<u>8,928,947</u>

19. INTERESTS IN JOINT VENTURES (CONTINUED)

(b) Change in Equity

Note	2018	2017
	\$	\$
Investment in Mindarie Regional Council		
Opening Balance (based on audited financials)	5,496,159	5,418,516
Changes on Revaluation of Non-Current Assets	86,837	54,060
Net Share of Interests in Mindarie Regional Council	75,879	23,583
Closing Balance (based on audited financials)	<u>5,658,875</u>	<u>5,496,159</u>
Investment in Tamala Park Regional Council		
Opening Balance (based on draft financials)	3,432,788	4,101,714
Proceeds from Sale of Land	1,836,294	1,661,093
Land Development Expenses	(1,374,060)	(1,412,983)
Net Share of Interests in Tamala Park Regional Council - Rates	0	0
	<u>462,234</u>	<u>248,110</u>
Proceeds Distribution	(333,333)	(916,666)
Net Share of Interests in Tamala Park Regional Council - Rates	(26,167)	(23,714)
Net Share of Interests in Tamala Park Regional Council - Equity	275,505	23,344
	<u>249,338</u>	<u>(370)</u>
Closing Balance (Based on audited financials)	<u>3,811,027</u>	<u>3,432,788</u>
Net Share of Interests in Mindarie Regional Council	75,879	23,583
Net Share of Interests in Tamala Park Regional Council - Rates	(26,167)	(23,714)
Net Share of Interests in Tamala Park Regional Council - Equity	275,505	23,344
	<u>325,217</u>	<u>23,213</u>
Non Current Assets		
Land Held for Development	105,822	105,822
Interest in TPRC Joint Venture	3,811,027	3,432,788
	<u>3,916,849</u>	<u>3,538,610</u>

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

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

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Interests in joint arrangements (Continued)

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

20. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and/or the Mayor.

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Meeting Fees	207,730	208,130	195,387
Mayor's allowance	62,727	62,730	58,247
Deputy Mayor's allowance	15,882	15,680	15,882
Travelling expenses	39	1,500	257
Telecommunications allowance	22,500	22,500	23,029
Stationery/Printing	2,196	3,000	2,833
Other Expenses	523	1,300	687
Child Care	5,012	3,000	1,826
	<u>316,409</u>	<u>317,840</u>	<u>297,948</u>

Key Management Personnel (KMP) Compensation Disclosure

The total of remuneration paid to KMP of the City during the year are as follows:

	2018	2017
	\$	\$
Short-term employee benefits	1,030,773	1,130,057
Post-employment benefits	101,596	138,825
Other long-term benefits	113,577	135,659
	<u>1,245,946</u>	<u>1,404,541</u>

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

20. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with related parties

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

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

The following transactions occurred with related parties:

	2018	2017
	\$	\$
Sale of goods and services	59,155	58,748
Purchase of goods and services	2,407,557	2,367,378
Joint venture entities:		
Distributions received from joint venture entities	333,333	916,666
Amounts outstanding from related parties:		
Trade and other receivables	824	5,394
Amounts payable to related parties:		
Trade and other payables	27,613	58,371
Loans from associated entities	3,784	9,816

Related Parties

The City's main related parties are as follows:

i. Key management personnel

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

ii. Joint venture entities accounted for under the proportionate consolidation method

The City has a one-twelfth interest Mindarie Regional Council and Tamala Park Regional Council. The interest in the joint venture entity is accounted for in these financial statements using the equity method of accounting. For details of interests held in joint venture entities, refer to Note 19.

21. 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 2018, the sale of 74 lots was settled. The City's share of the sale proceeds received by TPRC was \$1,836,293; and the City's share of the development and selling costs was \$1,374,080; resulting in a net gain on the disposal of the developed land as \$462,233. This note should also be read in conjunction with Note 19 Interests in Joint Ventures.

(b) Current year transactions

	2018 Actual	2017 Actual
	\$	\$
Operating income		
- Profit on sale	333,333	916,666
Capital income		
- Proceeds from Sale of Land	1,502,961	744,427
Capital expenditure		
- Acquisition Cost of land Developed	(1,374,060)	(1,412,983)
- Land Development Costs	0	(2,322)
	(1,374,060)	(1,415,305)
Profit/(Loss) on Sale of Land Assets (TPRC)	462,233	245,768

(c) Expected Future Cash Flows

	2019	2020	2021	2022	2023
Cash outflows					
- Development costs	(2,709,047)	(2,600,663)	(2,660,814)	(2,429,924)	(2,292,631)
	(2,709,047)	(2,600,663)	(2,660,814)	(2,429,924)	(2,292,631)
Cash inflows					
- Sale proceeds	3,816,949	4,390,393	5,641,758	5,648,761	5,177,981
	3,816,949	4,390,393	5,641,758	5,648,761	5,177,981
Net cash flows	1,107,902	1,789,730	2,980,944	3,218,837	2,885,350
	2024	2025	2026	2027	2028
	\$	\$	\$	\$	\$
Cash outflows					
- Development costs	(2,535,011)	(2,032,944)	(2,266,999)	(392,253)	(78,775)
	(2,535,011)	(2,032,944)	(2,266,999)	(392,253)	(78,775)
Cash inflows					
- Sale proceeds	5,365,680	4,122,673	6,527,700	2,444,907	0
	5,365,680	4,122,673	6,527,700	2,444,907	0
Net cash flows	2,830,669	2,089,729	4,260,701	2,052,654	(78,775)

(d) Assets and liabilities

Land held for resale per Note 7

	2018	2017
	\$	\$
Non-Current		
Land held for resale - cost		
Cost of acquisition	150,000	105,822
	150,000	105,822

22. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾	Closing Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽²⁾	Closing Balance
	1/07/16	30/06/17	2017/18	2017/18	30/06/18
	\$	\$	\$	\$	\$
Education and welfare					
Share, Learn, Connect project	0	0	8,000	0	8,000
Dept of Communities	0	0	1,495	0	1,495
Transport					
Main Roads WA- Pedestrian crossing	600,000	600,000	0	0	600,000
Black Spot	0	0	16,000	0	16,000
North Perth Public Open Space	0	0	250,000	(22,256)	227,744
Total	600,000	600,000	275,495	(22,256)	853,239

Notes:

(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.

(3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

23. RATING INFORMATION

(a) Rates

RATE TYPE	Rate In \$	Number of Properties	Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential general rate / general rate											
Gross rental valuations											
Residential	6.2890	12,231	304,582,824	19,155,218	341,441	25,291	19,521,950	19,164,597	315,000	30,000	19,509,597
Other	6.4890	1,658	129,886,050	8,427,524	(229,372)	2,852	8,201,004	8,197,230	50,000	0	8,247,230
Vacant Other	12.2360	42	2,659,300	325,392	(24,369)	(1,708)	299,315	331,449	10,000	0	341,449
Unimproved valuations											
Sub-Total		13,931	437,128,174	27,908,134	87,700	26,435	28,022,269	27,693,276	375,000	30,000	28,098,276
Minimum payment											
Gross rental valuations											
Residential	1,100	4,284	62,344,682	4,712,400	138,383	938	4,851,721	4,699,200	0	0	4,699,200
Other	1,100	129	1,423,005	141,900	(3,662)	337	138,575	136,400	0	0	136,400
Vacant Other	1,414	4	41,700	5,656	0	0	5,656	5,656	0	0	5,656
Unimproved valuations											
Sub-Total		4,417	63,809,387	4,859,956	134,721	1,275	4,995,952	4,841,256	0	0	4,841,256
Total		18,348	500,937,561	32,768,090	222,421	27,710	33,018,221	32,534,532	375,000	30,000	32,939,532
Rates paid in advance							359,527				0
Total amount raised from general rate							33,377,748				32,939,532

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

23. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan	Instalment Plan	Unpaid Rates
		Admin Charge	Interest Rate	Interest Rate
		\$	%	%
Option One				
Single full payment	12-Sep-17	0.00	0.00%	0.00%
Option Two				
First instalment	12-Sep-17	0.00	0.00%	11.00%
Second instalment	06-Nov-17	13.00	5.50%	11.00%
Third instalment	08-Jan-18	13.00	5.50%	11.00%
Fourth instalment	06-Mar-18	13.00	5.50%	11.00%

	2018	2018
	\$	Budget
Interest on unpaid rates	125,036	108,500
Interest on instalment plan	157,461	176,000
Interest on Cash in lieu plan	0	200
	<u>282,497</u>	<u>284,700</u>
Charges on instalment plan		5.50%

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

24 NET CURRENT ASSETS

Composition of net current assets for the purposes of the Rate Setting Statement

	2018 (30 June 2018 Carried Forward)	2018 (1 July 2017 Brought Forward)	2017 (30 June 2017 Carried Forward)
	\$	\$	\$
Surplus/(Deficit) 1 July 17 brought forward	5,524,402	4,475,025	4,475,025
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	9,434,050	8,515,883	8,515,883
Restricted	11,431,969	8,908,119	8,908,119
Investments			
Shares in unlisted corporation - North Perth Community Financial Services Ltd	11,000	0	0
Receivables			
Rates outstanding	488,384	218,492	218,492
Sundry debtors	1,026,930	1,963,640	1,963,640
GST receivable	0	106,688	106,688
Infringement Debtor	1,375,633	2,312,448	2,312,448
Deposits and prepayments	248,508	385,577	385,577
Inventories			
Depot	93,852	117,950	117,950
Beatty Park Leisure Centre	90,690	63,294	63,294
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(3,105,237)	(2,667,871)	(2,667,871)
ATO liabilities	332,298	182,180	182,180
Accrued expenses	(1,061,017)	(899,211)	(899,211)
Contribution liabilities	(498,790)	(1,717,287)	(1,717,287)
Current portion of long term borrowings	(948,227)	(881,398)	(881,398)
Provisions			
Provision for annual leave	(1,703,246)	(1,772,315)	(1,772,315)
Provision for long service leave	(1,663,855)	(1,714,443)	(1,714,443)
Unadjusted net current assets	15,552,742	13,101,746	13,101,746
Adjustments			
Less: Reserves - restricted cash	(11,431,970)	(8,908,119)	(8,908,119)
Less: Restricted- Sundry Debtors(Non-Operating Grant)	(800,000)	(800,000)	(800,000)
Less: Shares transferred from non current asset	(11,000)	0	0
Add: Current portion of long term borrowings	948,227	881,398	881,398
Add: Infringement Debtors transferred to non current asset	1,066,403	0	0
Adjusted net current assets - surplus/(deficit)	5,524,402	4,475,025	4,475,025

Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

25. FINANCIAL RISK MANAGEMENT

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

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

Financial risk management is carried out by the Finance area under policies approved by the Council.

The City held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	20,866,019	17,424,002	20,866,019	17,424,002
Investments	41,933	41,952	41,933	41,952
Receivables - Other	1,894,850	2,774,334	1,894,850	2,774,334
Receivables - Infringements - non-current	2,442,036	2,312,448	2,385,820	2,312,448
	<u>25,244,838</u>	<u>22,552,736</u>	<u>25,188,622</u>	<u>22,552,736</u>
Financial liabilities				
Payables	4,332,746	5,102,188	4,332,746	5,102,188
Borrowings	14,896,583	15,777,982	16,551,945	12,991,089
	<u>19,229,329</u>	<u>20,880,170</u>	<u>20,884,691</u>	<u>18,093,277</u>

Fair value is determined as follows:

Cash and cash equivalents, receivables (other than infringements outstanding) and payables are estimated to be the carrying value - which approximates net market value.

Receivables - Infringements are valued using estimated future cash flows discounted by the current market interest rates applicable to assets with similar risk profiles.

Borrowings and held to maturity investments use estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

25. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The City's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash 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 is subject to interest rate risk - the risk that movements in interest rates could affect returns.

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

The City manages these risks by diversifying its portfolio and only investing in investments authorised by Local Government (Financial Management) Regulation 19C.

	2018	2017
	\$	\$
Impact of a 1% ⁽¹⁾ movement in price of investments		
- Equity	208,660	174,240
- Statement of Comprehensive Income	208,660	174,240

Notes:

⁽¹⁾ Sensitivity percentages based on management's expectation of future possible interest rate movements.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

25. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

The City'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. The City manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

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

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The City 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 City's credit risk at balance date was:

	2018	2017
	%	%
Percentage of rates and annual charges		
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	11%	59%
- Overdue	89%	41%
Percentage of Infringement receivables		
- Current	0%	0%
- Overdue	100%	100%

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Payables and borrowings

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

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2018					
Payables	4,332,746	0	0	4,332,746	4,332,746
Borrowings	1,891,770	10,346,328	7,077,582	19,315,680	14,896,583
	6,224,516	10,346,328	7,077,582	23,648,426	19,229,329
2017					
Payables	5,102,188	0	0	5,102,188	5,102,188
Borrowings	1,879,848	11,209,734	8,105,947	21,195,529	15,777,982
	6,982,036	11,209,734	8,105,947	26,297,717	20,880,170

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City 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 risk:

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Year ended 30 June 2018								
Borrowings								
Fixed rate								
Long term borrowings	948,227	6,097,295	793,089	635,026	652,524	5,570,422	14,896,583	6.25%
Weighted average Effective interest rate	6.54%	5.49%	6.29%	6.36%	6.37%	6.42%		
Year ended 30 June 2017								
Borrowings								
Fixed rate								
Long term borrowings	881,398	948,227	6,097,294	793,089	635,026	6,222,948	15,777,982	6.30%
Weighted average Effective interest rate	6.51%	6.54%	5.49%	6.29%	6.36%	6.41%		

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

26. TRUST FUNDS

Funds held at balance date over which the City has no control
and which are not included in the financial statements are as follows:

	Amounts		Amounts	
	1 July 2017	Received	Paid	30 June 2018
	\$	\$	\$	\$
BeattyPark Bonds	250	0	0	250
Ground Bonds	16,230	31,160	(28,040)	19,350
Hall Deposits	69,406	114,720	(135,719)	48,407
Key Deposits	17,340	250	(6,650)	10,940
Leederville Gardens Inc Trust	5,187,033	962,504	(822,565)	5,326,972
Works Bonds - City of Vincent	1,745,641	898,893	(935,682)	1,708,852
Works Bonds - City of Perth	0	560	(560)	0
Unclaimed Monies	177,656	2,804	(21,398)	159,062
Planning Application Bonds	39,200	520	(2,520)	37,200
	<u>7,252,756</u>	<u>2,011,411</u>	<u>(1,953,134)</u>	<u>7,311,033</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

27. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS

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

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

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

Notes:

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

27. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (CONTINUED)

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

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

Adoption of New and Revised Accounting Standards

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

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

(i) AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities	1 January 2017
(ii) AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

28. OTHER SIGNIFICANT ACCOUNTING POLICIES

k) 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.

l) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operational cycle. In the case of liabilities where the City does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Intentions held for trading are classified as current or non-current based on the City's intentions to realise for sale.

c) Rounding off figures

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

8) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 138) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 118.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

29. ACTIVITIES/PROGRAMS

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

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 details 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 program covers costs associated with animal control, fire prevention and other law, order and public safety services generally associated with local law control.

Health

This program covers health administration and inspection, child health clinics, immunisation clinics, food control and pest control services.

Education and Welfare

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

Community Amenities

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

Transport

The principal operating areas here relate to maintenance of paths, 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 program covers costs associated with building control and area promotion.

Other Property and Services

This program 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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

30. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	1.38	1.38	1.32
Asset consumption ratio	0.76	0.75	0.77
Asset renewal funding ratio	0.81	N/A	N/A
Asset sustainability ratio	0.44	0.51	0.55
Debt service cover ratio	4.22	6.10	7.54
Operating surplus ratio	(0.06)	0.02	0.06
Own source revenue coverage ratio	0.95	0.99	1.04

The above ratios are calculated as follows:

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

31. PRIOR YEAR CORRECTIONS

Balances relating to the 2017 comparative year have been amended due to the correction of prior period balances. These amendments have been adjusted as shown below. In accordance with the requirements of AASB101, a Statement of Financial Position as at the beginning of the earliest comparative period has been included. Refer to the Statement of Financial Position column headed Restated 2016.

In June 2009 the City incorrectly capitalised expenditure of \$3,842,929 relating to the East Highgate Underground Power Project as an asset. As the project expenditure related to the upgrade of an asset held and controlled by Western Power rather than any City asset, the project expenditure should have been disclosed as an operating expense. The asset incorrectly recorded in the City's accounts was depreciated until 2011 when it was recognised that it was not a City asset and depreciation of the asset was ceased. The asset was not, however, removed from the City's financial accounts at that time.

The incorrectly recorded asset and accumulated depreciation have now been removed from the City's financial accounts with the following effects on the 2017 comparative values:

Changes to the Financial Statements	Original Balance \$	Adjustment Amount \$	Adjusted Balance \$
Statement of Financial Position			
Non Current Assets			
Infrastructure	129,230,713	(3,842,929)	125,387,784
Equity			
Retained Surplus	131,827,864	(3,589,803)	128,238,061
Revaluation Surplus	294,867,146	(253,126)	294,614,020
Changes to the Notes to the Financial Report			
Original Balance \$			
Adjustment Amount \$			
Adjusted Balance \$			
Note 11 - Revaluation Surplus			
Car Park Development	777,725	(253,126)	524,599
Note 9 (a) - Infrastructure Assets			
Car Park Development			
At Management Valuation 2015	11,621,556	(3,842,929)	7,778,627
At Cost	204,324	0	204,324
(Less Accumulated Depreciation)	(2,982,209)	0	(2,982,209)
	8,843,671	(3,842,929)	5,000,742
Note 16 - Total Assets Classified by Function			
Transport	144,456,909	(3,842,929)	140,613,980
Note 10 - Fair Value Measurement			
Non Financial Assets			
Car Park Development - Level 3	8,843,671	(3,842,929)	5,000,742

MOORE STEPHENS

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000
PO Box 5785, St Georges Terrace,
WA 6831

T +61 (0)8 9225 5355

F +61 (0)8 9225 6181

www.moorestephens.com.au

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

Opinion

We have audited the accompanying financial report of the City of Vincent (the City), which comprises the Statement of Financial Position as at 30 June 2018, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

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

- is based on proper accounts and reports; and
- fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

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

Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared for the purpose of fulfilling the City's financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. Our opinion is not modified in respect of this matter.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the City is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF THE CITY OF VINCENT (CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives of the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF THE CITY OF VINCENT (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- a) All required information and explanations were obtained by us.
- b) All audit procedures were satisfactorily completed in conducting our audit.
- c) In my opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the City of Vincent for the year ended 30 June 2018 included on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

MOORE STEPHENS
CHARTERED ACCOUNTANTS



GREG GODWIN
PARTNER

Date: 12th November 2018
Perth, WA

STAY IN TOUCH



This document is available in other formats and languages upon request.



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