

# appendices



Elected Members Briefing Session  
2 December 2014  
And

Ordinary Meeting of Council  
9 December 2014

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## 10.4 Town Centre Redevelopment Project – Major Land Transaction Plan

# action notes

Town Centre Redevelopment Project Team



**12 November 2014**  
**Town of Victoria Park Administration Centre**  
**12.40pm – 2.15pm**

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**1. OPENING**

Mayor Trevor Vaughan opened the Meeting at 12.40pm.

**2. ATTENDANCE****Elected Members (5)**

Mayor T (Trevor) Vaughan	(Presiding Member) Town of Victoria Park
Deputy Mayor C (Claire) Anderson	(Deputy Presiding Member) Town of Victoria Park
Cr K (Keith) Hayes	Town of Victoria Park
Cr B (Brian) Oliver	Town of Victoria Park
Cr V (Vicki) Potter	Town of Victoria Park

**Executive**

Mr A (Anthony) Vuleta	Acting Chief Executive Officer (ToVP)
Mr B (Ben) Rose	Strategic Projects Consultant (ToVP)
Mr P (Paul) Lewis	Business Development Manager (LandCorp)
Mr L (Luke) Willcock	General Manager, Metropolitan (LandCorp)

**Guests and Subject Matter Experts**

Mr J (John) Del Dosso	(Colliers International)
Mr P (Peter) Hale	Project Manager, Activity Centres (LandCorp)

**Apologies and Leave**

Mr D (Danny) Nimbalker	Manager Business Development & Acquisitions (LandCorp)
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**3. ATTACHMENTS**

Attachment 1 – Town Centre Redevelopment Project Team Terms of Reference  
 Attachment 2 – Ordinary Council Meeting Minutes 9 September 2014  
 Attachment 3 – Ordinary Council Meeting Minutes 14 October 2014  
 Attachment 4 – Project Team Meeting PowerPoint Presentation  
 Attachment 5 – Town Centre Redevelopment Terms of Agreement

**4. DECLARATIONS OF INTEREST**

There were no Declarations of Financial Interest.

**Declaration of Interest affecting impartiality**

Elected Members (in accordance with Regulation 11 of the *Local Government [Rules of Conduct] Regulations 2007*) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

Name/Position	Councillor Vicki Potter
Item No/Subject	Town Centre Redevelopment Project

Nature of Interest	Member of Victoria Park Primary School P&C which organises the Vic Park Farmers Market at John MacMillan Park each Sunday
Extent of Interest	Locational interest only

## 5. TERMS OF REFERENCE

The Strategic Projects Consultant (Ben Rose) reviewed the Council-approved Terms of Reference with the Project Team, focussing on the objectives of the Project Team, as follows:

*“3.2 The specific objectives of the Town Centre Redevelopment Project Team are to:*

*3.2.1 Guide the preparation and endorsement of the Project Business Case.*

*3.2.2 Guide the preparation and endorsement of the Project Business Plan.*

*3.2.3 Guide the Project Initiation Phase for the Project.*

*3.2.4 Advocate and champion for the project with Council, the community and stakeholders.*

*3.2.5 Test the delivery of the project Business Case and Business Plan against the Project Vision and Project Objectives.”*

Councillor Hayes identified one typographic error in the Terms of Reference document, which has been amended (red font, underlined) in the Minutes.

## 6. CONFIRMATION OF ACTION NOTES

Nil. No Action Notes as this was the first meeting of the Project Team.

## 7. REPORTS AND PRESENTATIONS

### ***7.1 Review of key actions and status update since last LandCorp-Councillor meeting***

The Strategic Projects Consultant presented an update of actions undertaken since the 19 August 2014 workshop between Councillors and staff of LandCorp. Attachment 4 relates.

The Project Team received the status update.

### ***7.2 Concept Plan update***

LandCorp staff and the Strategic Projects Consultant provided an update on the Concept Plan being developed for land valuation purposes. Attachment 4 relates.

The Project Team endorsed the use of the Concept Plan for valuation purposes to Council.

### ***7.3 Valuation update***

The Colliers International representative (John Del Dosso, licensed Valuer) presented the two

valuation methodologies for valuing the Project site, and the resultant land valuations. Attachment 4 relates.

The Project Team endorsed the land valuations to Council for use in the Major Land Transaction Plan.

#### **7.4        *Review of Terms Sheet***

The Strategic Projects Consultant (Ben Rose) presented the proposed 'Terms of Agreement' for review and consideration by the Project Team. Attachment 5 relates.

The Project Team endorsed the 'Terms of Agreement' to Council for use in the Major Land Transaction Plan.

#### **7.5        *Forward actions required***

The Strategic Projects Consultant (Ben Rose) presented the Project schedule for review and consideration by the Project Team.

The Project Team acknowledged the Project schedule and key decision-points for Council in the process.

### **8.        CLOSURE**

Mayor Trevor Vaughan closed the meeting at 2.15pm.





# TOWN OF VICTORIA PARK

**TERMS OF REFERENCE: *Town Centre Redevelopment Project Team***

**1. DEFINITIONS**

**Action Notes:** a short-form of full meeting Minutes which focus on the agreed actions arising from the meeting.

**Business Case:** a feasibility report investigating and recommending options to progress, or otherwise, with the Project.

**Business Plan:** colloquial term for a Major Land Transaction Plan defined under the *Local Government Act 1995*.

**Project Initiation Phase:** defined by the Project Management Institute’s Project Management Body of Knowledge and concluding once Council has resolved whether to approve, or otherwise, the Business Plan.

**Project Vision:** as approved by Council at its Ordinary Meeting of 9 September 2014.

**Project Objectives:** as approved by Council at its Ordinary Meeting of 9 September 2014.

**The Project:** urban redevelopment of the Town-owned land and assets bound by Albany Highway, Kent Street, Gloucester Street and Sussex Street to achieve the Project Vision and Objectives.

**2. NAME**

2.1 The Town Centre Redevelopment Project Team.

**3. OBJECTIVES**

3.1 The strategic objective for the Town Centre Redevelopment Project Team is aligned to the Town of Victoria Park Strategic Community Plan.

3.2 The specific objectives of the Town Centre Redevelopment Project Team are to:

- 3.2.1 Guide the preparation and endorsement of the Project Business Case.
- 3.2.2 Guide the preparation and endorsement of the Project Business Plan.
- 3.2.3 Guide the Project Initiation Phase for the Project.

- 3.2.4 Advocate and champion for the project with Council, the community and stakeholders.
- 3.2.5 Test the delivery of the project Business Case and Business Plan against the Project Vision and Project Objectives.

#### **4. MEMBERSHIP**

The Town Centre Redevelopment Project Team will comprise a maximum of nine (9) members consisting of the following:

##### **4.1 *Elected Members***

4.1.1 A maximum of five (5) Elected Members with one Elected Member nominated as Presiding Member.

##### **4.2 *Town of Victoria Park Executive***

4.2.1 A maximum of two (2) staff nominated by the Acting Chief Executive Officer.

##### **4.3 *LandCorp Executive***

4.3.1 A maximum of two (2) staff nominated by the LandCorp Chief Executive Officer

##### **4.4 *Subject Matter Experts***

4.4.1 Subject matter experts (internal and external to both the Town and LandCorp) will be called-in on an as-needs basis.

4.4.2 Subject matter experts will not having voting rights.

##### **4.5 *Term of Membership***

4.5.1 The term of membership is until 30 June 2015.

#### **5. MEETINGS**

5.1 The Town Centre Redevelopment Project Team shall convene on an as-needs basis, but in any case, not less than every other month.

5.2 A quorum for any meeting of the Town Centre Redevelopment Project Team shall be no less than five (5) members, two of whom shall be Elected Members of the Town of Victoria Park.

5.3 All members of the Town Centre Redevelopment Project Team shall have one vote. The Presiding Member shall also have the right to a casting vote; simple majority will prevail.

5.4 The Presiding Member will preside at all meetings and is responsible for the proper conduct of the meetings. In his/her absence, the role of Presiding Member will be assumed by the Deputy Presiding Member.

#### **6. AGENDAS**

- 6.1 The Town will determine the Agenda for each meeting, in consultation with LandCorp.
- 6.2 Meetings of the Town Centre Redevelopment Project Team cannot call for reports outside of this Terms of Reference.
- 6.3 Agendas will be distributed at least three working days before the meeting.

## **7. NOTES**

- 7.1 The Town's staff will maintain *Action Notes* of the items discussed at each meeting and the outcomes from the discussions. The Action Notes may be used as the basis for further action by the Town on an item.
- 7.2 Matters requiring action by Council shall be moved and seconded as recommendations to Council and shall be the subject of specific reports by staff to Council.

## **8. INSURANCES**

- 8.1 The Town shall arrange all insurances affecting the Town Centre Redevelopment Project Team in discharging the normal course of its duties and for any associated public liability.

## **9. MANAGEMENT**

- 9.1 The Town Centre Redevelopment Project Team has no delegated powers or authority to:
  - 9.1.1 Represent the Town of Victoria Park.
  - 9.1.2 Implement recommendations without approval of the Council.
  - 9.1.3 Commit Council to the expenditure of funds.
- 9.2 Town Centre Redevelopment Project Team Action Notes and recommendations will be submitted to the Council for approval with officer comment.
- 9.3 Town Centre Redevelopment Project Team Members must comply with the Town's Code of Conduct.

## **10. TENURE OF APPOINTMENT**

- 10.1 If a member fails to attend three consecutive meetings of the Town Centre Redevelopment Project Team without lodging an apology his/her appointment shall be automatically terminated unless leave of absence has been granted.

## Ordinary Council Meeting: 9 September 2014

**1.1 Town Centre Redevelopment Project – Project Initiation Phase**

<b>File Reference:</b>	PLA/6/0003
<b>Appendices:</b>	Nil

<b>Date:</b>	27 August 2014
<b>Reporting Officer:</b>	B. Rose
<b>Responsible Officer:</b>	A. Vuleta
<b>Voting Requirement:</b>	Simple Majority

**Executive Summary:****Recommendation – that Council endorse the Project Initiation Phase for the Town Centre Redevelopment Project**

- The 13 December 2011 resolution of Council requires re-visiting in light of changes to the principal project partner arrangements
- To enable the Administration to progress the project Business Case, guidance from Council is required on matters of:
  - The project vision and objectives;
  - The intended partnership structure between the Town and LandCorp;
  - The project initiation schedule; and
  - The content and format of the Business Case.

**TABLED ITEMS**

Nil

**BACKGROUND**

At its 13 December 2011 Ordinary Meeting, Council made 10 resolutions (Carried 8-0) in regard to the Town Centre Redevelopment Project. The following table outlines each of those decisions and provides commentary on actions undertaken since the decision.

<b>Ref.</b>	<b>Resolution</b>	<b>Commentary</b>
1.	Receive the Project Definition Plan (the Plan) dated 28 November 2011 prepared by Kooperman Project Management.	Project Definition Plan included project costings, governance structure, project vision / objectives and a concept plan (amongst other background material).
2.	Commence the preparation of: <ul style="list-style-type: none"> <li>a) An Activity Centre Structure Plan and Design Guidelines for the Town Centre; and</li> <li>b) The required Town Planning Scheme Amendments to accommodate the Activity Centre Structure Plan and Design Guidelines.</li> </ul>	Not commenced due to project stoppage. Not commenced due to project stoppage.

3.	Authorises the Chief Executive Officer, on a without prejudice basis, to enter into preliminary discussions with Hawaiian to determine its interest in purchasing the land identified as 12b on pages 8 and 9 of the Project Definition Plan on the basis of its value being determined on the lands "highest and best use".	Undertaken and completed. Hawaiian not interested in site at valuation received.
4.	The outcome of the negotiations detailed in (3) above be the subject of a separate report to Council.	Being completed through this report.
5.	If Hawaiian are interested in purchasing the land in the manner described in (3) above and the Council is prepared to sell the land to Hawaiian then the sale processes be formalised in a legal agreement between Oahu Management Pty Ltd (Hawaiian) and the Town of Victoria Park drafted by the Town's solicitors and that any legal agreement is to ensure compliance with the requirements of the Local Government Act 1995 as they relate to disposal of property, business planning and commit both parties to the overall development including timeframes.	Not undertaken as Hawaiian were not interested in the site at the valuation received.
6.	Further investigate alternative solutions to fund the development of the land within the Town Centre that is in the ownership of the Council including but not limited to: a) Packaging the land the Town owns and seek interest from developers to develop the land in accordance with the Activity Centre Structure Plan and Design Guidelines for the Town Centre excluding the land identified as 12b on pages 8 and 9 of the Project Definition Plan if Council resolve to sell the land to Oahu Management Pty Ltd (Hawaiian). b) Seeking interest from developers to construct the civic and community facilities the Town requires in return for a long term lease arrangement.	Presently being progressed through partnership discussions with LandCorp.
7.	Authorise the Chief Executive Officer to employ a Project Manager on a fixed term basis to assist the Administration in managing the necessary processes required to meet the Council's obligations. The costs associated with this position be funded in the half yearly budget review.	Was not required, however now being channelled through the Project Management office.
8.	\$160,000 be added to the 2011/12 Budget - GL 628002.635.3301 – Town Centre Study to fund the additional consultancy work anticipated in the Plan identified in (1) above.	Was not required.
9.	The \$160,000 detailed in (8) above be funded from the 20010/11 end of year surplus.	Was not required.

10.	The properties on 6, 8, 10, 12 and 14 Kent Street detailed as Lot 2 on page 15 of the Project Definition Plan are not to be redeveloped and as such will not form part of the Town Centre Redevelopment.	Acknowledged. A change in direction on this topic will require this resolution to be revoked.
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Based on Resolution 6 from 13 December 2011 (above), the Town’s Executive engaged in discussions with LandCorp – the State Government’s land development agency. In September 2013, the Chief Executive Officers from the Town and LandCorp entered into an administrative level agreement (non-binding) to progress the preparation of a Business Case for the project. The Business Case would be presented to Council and LandCorp’s Board for consideration to undertake the project.

**DETAILS AND COMMENT:**

To enable the project team to progress with the Business Case, guidance from the Council is required on the following four matters:

- The project vision and objectives;
- The intended partnership structure between the Town and LandCorp;
- The project initiation schedule; and
- The content and format of the Business Case.

**1. The project vision and objectives**

The Vision for the redevelopment project, espoused in 2011 through various community engagement initiatives, has no reason to change. The long form of the Vision is stated in Table 1, below:

**Table 1: Project Vision**

<p><i>Redevelopment within the Victoria Park Town Centre is to provide for (and ensure) a vibrant, consolidated <b>mix of uses</b>; including retail, commercial, civic, community, cultural, recreation and residential uses in a manner that encourages the <b>efficient use of land</b>, physical resources and community services and facilities.</i></p> <p><i>To provide opportunity for people to live in proximity to <b>employment opportunities</b>, services and amenities.</i></p> <p><i>To enhance and build upon existing <b>amenity</b> within the Town Centre through the retention of key site attributes that contribute to a <b>sense of place</b> and <b>local identity</b>.</i></p> <p><i>To increase <b>housing diversity</b> within the district, through the inclusion of a variety of housing types, including discrete residential apartments and mixed use commercial/residential buildings.</i></p>
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The project Objectives from 2011 have been collated into the following table. Again, there is no reason that the project Objectives from 2011 need to be amended.

**Table 2: Project Objectives**

<b>Social / Cultural Objectives</b>	<b>Environmental Objectives</b>	<b>Financial Objectives</b>	<b>Governance Objectives</b>
Recognise and respond to local character (built form)	Pedestrian-oriented development (POD)	Asset optimisation (multiple facilities)	Genuine partnership model
Maintain community, cultural, civic and recreation activities on the site	Multi-function place (one visit = many transactions)	Minimal financial impost on the Town	Acknowledgement and understanding of common goals
A 'smart place' (digital connectivity, WiFi)	Re-use, recycle and re-interpret (e.g. parts of buildings, vegetation)	Recurrent revenue opportunities for the Town	Legal contract to guide the process and bind outcomes
Respond to evolving community needs in the space			
Public realm and open space is to be celebrated			

## 2. The intended partnership structure between the Town and LandCorp

The Business Case to be considered by Council must give consideration and recommendations as to the formal partnership arrangements between the Town and LandCorp. These partnership arrangements will (if the project proceeds) take the form of legally binding contracts. Unless guided otherwise by Council, the intended direction of the Business Case is to recommend the process / structure in the following Table:

**Table 3: Partnership Structure**

<b>Item</b>	<b>Action</b>
1	Parties enter into a sale / development agreement
2	LandCorp obtains the relevant development approvals and pre-commitments that are required for the development to proceed
3	The Town then transfers the site to LandCorp – no purchase price is payable by LandCorp up-front
4	LandCorp undertakes a development on the site in a form pre-agreed with the Town

5	Upon completion of the development, LandCorp transfers parts of the completed development back to the Town (for example, a 'town square', a library, civic offices or some other developed asset within the site) for nominal consideration. LandCorp transferring ownership of part of the developed asset back to the Town is in lieu of LandCorp paying a purchase price up-front for the transfer of the site – it could be either a commercial component or some social / community infrastructure that is transferred back.
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### 3. The project initiation schedule

The following Table sets out the schedule of tasks and decision stages required by the Town to progress the project to the point of formal contracts.

**Table 4: Project Schedule**

Date	Meeting / Milestone	Topic
2 September 2014	Elected Member Briefing Session	Agenda item seeking endorsement from Council on the preferred partnership model, project objectives, project schedule and Business Case format.
9 September 2014	Ordinary Council Meeting	Agenda item seeking endorsement from Council on the preferred partnership model, project objectives, project schedule and Business Case format.
16 September 2014	Elected Member Workshop	Presentation of the preferred concept plan, proposed partnership terms and high level feasibility results.
21 Oct 2014	Elected Member Workshop	Presentation of draft project Business Case.
18 Nov 2014	Elected Member Workshop	Presentation of final project Business Case.
2 Dec 2014	Elected Member Briefing Session	Agenda item detailing the project Business Case and seeking authorisation for the CEO to take the necessary steps under the <i>Local Government Act 1995</i> to progress the project, including executing a binding agreement with LandCorp.
9 December 2014	Ordinary Council Meeting	Agenda item detailing the project Business Case and seeking authorisation for the CEO to take the necessary steps under the <i>Local Government Act 1995</i> to progress the project (statutory advertising etc), including executing a binding agreement with LandCorp following the <i>Local Government Act</i> steps.
20 Dec 2014	Commence <i>Local Government Act 1995</i> statutory advertising processes	Advertising of the Major Land Transaction Plan needs to run for a minimum of 42 days. Minimum of adverts in a Statewide publication, local publication, copy at front counter and on website.
20 Jan 2015	Elected Member Workshop	Preliminary review of any public submissions received before the due date.



31 Jan 2015	<i>Local Government Act 1995</i> statutory advertising concludes	Collation and analysis of all public submissions.
3 Feb 2015	Elected Member Briefing Session	Agenda item report which reviews any public submissions received and makes appropriate recommendations in response to them.
10 Feb 2015	Ordinary Council Meeting	Agenda item which reviews any public submissions received and makes appropriate recommendations in response to them.
Feb – March 2015	Execution of contracts	Heads of Agreement or similar contract executed by CEOs, binding the parties to 'the project'.

#### 4. The content and format of the Business Case

The Business Case being prepared for consideration by Council and the LandCorp Board is characteristic of a Joint-Venture project Business Case for a private sector land redevelopment project. The Business Case is being prepared to enable the Council and Board to make a decision as to whether to progress with the project, or not. The Business Plan (sometimes referred to as a Major Land Transaction Plan) required under the *Local Government Act 1995* will be prepared at a later stage (late 2014), although will use a lot of the information from the Business Case. The Business Case will generally include:

**Table 5: Business Case Format**

Section	Title	Topic
1	Strategic Justification	Required to outline how the project aligns with the strategic objectives of both / all parties.
2	Project Background	Facts and figures regarding the site (size, zoning, existing land uses etc).
3	Vision and Objectives	Confirms what the parties are seeking to achieve from the project (can be financial return, assets, building types etc).
4	Development Options Assessment	A review of project options (e.g. partnership options, staging approaches).
5	Recommended Option (including sustainability assessment)	Provides more detailed information on the recommended option.
6	Project Implementation	Recommends the required methodologies to progress the project (e.g. governance structures, Project Working Group arrangements, procurement methodologies).

#### Legal Compliance

Sections 3.58 and 3.59 of the *Local Government Act 1995* prescribe the statutory processes which Local Governments must comply with when entertaining a major land transaction.

The *Planning and Development Act 2005* prescribes the zoning, subdivision and land development provisions which must be complied with. At a local level, Town Planning Scheme 1 establishes the zoning hierarchy for the site.

## **Policy Implications**

There are no Local Planning Policies which relate directly to this site.

## **Strategic Plan Implications**

The Town Centre Redevelopment Project is identified as a major project within the Strategic Community Plan.

## **Financial Implications**

### Internal Budget

Sufficient funds have been allocated in the Budget to progress the Project Initiation Phase. Further Budget consideration will need to be given by Council once the Business Case is completed.

### Total Asset Management

There are a variety of Council owned assets and facilities within the project area. Decisions regarding these assets will need to be considered by Council in the context of a full and robust Business Case.

## **Sustainability Assessment**

A sustainability assessment will be completed as part of the Business Case.

## **CONCLUSION**

To enable the preparation of a Business Case for Council and the LandCorp Board to make a decision on whether to progress with the Project, or not, guidance is required from Council on the topics of:

- The project vision and objectives;
- The intended partnership structure between the Town and LandCorp;
- The project initiation schedule; and
- The content and format of the Business Case.

Recommended directions on these topics from the Executive, for Council's consideration, have been provided.

## **RESOLVED:**

**Moved: Cr Hayes**

**Seconded: Cr Windram**

**That Council endorse the project directions within Tables one (1) to five (5) of this report to enable the Chief Executive Officer to progress preparation of a Town Centre Redevelopment Business Case for Council's consideration.**

**The Motion was Put and**

**CARRIED (5-2)**

**In favour of the Motion: Mayor Vaughan; Cr Anderson; Cr Hayes; Cr Oliver; and Cr Windram**

**Against the Motion: Cr Maxwell; Cr Nairn;**

## Ordinary Council Meeting: 14 October 2014

**1.2 Town Centre Redevelopment: Project Budget and Project Team**

<b>File Reference:</b>	PLA/6/0003
<b>Appendices:</b>	Yes

<b>Date:</b>	30 September 2014
<b>Reporting Officer:</b>	B. Rose
<b>Responsible Officer:</b>	A. Vuleta
<b>Voting Requirement:</b>	Simple Majority and Absolute Majority

**Executive Summary:**

**Recommendation – the Project Initiation Phase be costed from the Future Fund Reserve and a Council Project Team be established to guide the Project Initiation Phase.**

- The Future Fund Reserve was established to assist in funding projects and property purchases that diversify Council's revenue streams. The Town Centre Redevelopment project meets this criteria and the Project Initiation Phase should be funded from this Reserve account.
- Establishment of a Council Project Team will aid development of the Project Initiation Phase and ensure a smooth transition (if viable) into the Planning and Implementation Phases.

**TABLED ITEMS:**

Nil

**BACKGROUND:**

The Town, in partnership with LandCorp, is commencing preparation of a Business Case for the Town Centre Redevelopment Project. The purpose of the Business Case is to establish the viability, or otherwise, of the redevelopment project from a sustainability perspective (i.e. balanced financial, social, environmental and governance outcomes).

***Project Budget***

Presently, there is \$20,000 allocated in the Town Centre Redevelopment project budget (2014-2015). Further funds will be required this financial year in order to progress the project.

***Project Team***

Project Teams are established and utilised by the Council and Executive to aid the progress of complex, large and / or important projects.

**DETAILS AND COMMENTS:*****Project Budget***

It is anticipated that the following budget will be required by the Town for the remainder of the 2014-15 financial year to progress this project:

- Legal – \$50,000 (LandCorp will budget an additional supplementary amount);
- Communications - \$10,000 (LandCorp will budget an additional supplementary amount);
- Architecture / Design - \$15,000 (LandCorp will budget an additional supplementary amount);
- Civil engineering - \$15,000 (LandCorp will budget an additional supplementary amount);
- Land valuations - \$10,000 (LandCorp will budget an additional supplementary amount); and
- Asset options assessment - \$40,000 (LandCorp will budget an additional supplementary amount).
- **TOTAL - \$140,000**

Presently, there is \$20,000 allocated in the Town Centre Redevelopment project budget (STP1103). Consequently, a further \$120,000 is required to be re-allocated from other Municipal Funds or appropriate Reserve Accounts. Allocation from the Future Fund Reserve Account is considered the most appropriate by the Executive. The Future Fund Reserve was established for the following explicit purpose:

*“To assist in funding projects and property purchases that diversify Council's revenue streams.”*

**Project Team**

Full details of the proposed Terms of Reference for the Town Centre Redevelopment Project Team are included in the Appendices. In summary, the Project Team is proposed to be established for the term of the Project Initiation Phase (until June 2015), with the chief objective of guiding preparation of the project Business Case with LandCorp. Nomination and approval of Councillor membership on the Project Team is required as part of the resolution from this item. It is proposed that Council membership comprises the Mayor and three Elected Members.

**Legal Compliance:**

**Project Budget**

In accordance with the *Local Government Act 1995* (clause 6.8), an Absolute Majority decision is required to supplement a Municipal Fund item from a Reserve Account.

**Project Team**

A Council Project Team is not empowered to make decisions on behalf of the Council.

**Policy Implications:**

Nil

**Strategic Plan Implications:**

The Town Centre Redevelopment project is identified in the Strategic Community Plan as a priority project for Council.

**Financial Implications:**

The status of the Future Fund Reserve is as follows:

<b>Future Fund: to assist in funding projects and property purchases that diversify Council's revenue streams.</b>			
	<b>2013-14 Budget</b>	<b>2013-14 Actual</b>	<b>2014-15 Budget</b>
<b>Opening Balance</b>	556,700	540,000	1,644,050
<b>Transfer to Reserve - Municipal Funds</b>	1,100,000	1,100,000 <sup>1</sup>	1,350,000
<b>Transfer to Reserve - Interest Earnings</b>	16,700	4,049	45,000
<b>Transfer from Reserve</b>	0	0	0
	<b>1,673,400</b>	<b>1,644,050</b>	<b>3,039,050</b>

**Sustainability Assessment:**

A sustainability assessment will be completed as part of the Business Case.

**CONCLUSION:**

Given the priority of the Town Centre Redevelopment project and its alignment with the purpose of the Future Fund Reserve Account, the Executive recommends allocation of \$120,000 from the Reserve Account into the Municipal Fund item STP1103 (Town Centre Redevelopment). Additionally, given the large size and complexity of the project, establishment of a Council Project Team is recommended, in accordance with the Terms of Reference as contained within the Appendices.

**RESOLVED:****Moved: Cr Oliver****Seconded: Cr Potter****That Council:**

- 1. Approve allocation of \$120,000 from the Future Fund Reserve Account to the Municipal Fund item 'STP1103 – Town Centre Redevelopment' project, for the purpose of preparation of a detailed Project Business Case.**
- 2. Approve establishment of the Town Centre Redevelopment Project Team in accordance with the Terms of Reference as contained within the Appendices, including the following membership:**
  - Presiding Member - Mayor Trevor Vaughan;**
  - Deputy Presiding Member – Deputy Mayor, Cr Claire Anderson;**
  - Member – Councillor Vicki Potter;**
  - Member – Councillor Keith Hayes; and**
  - Member – Councillor Brian Oliver.**

**The Motion was Put and****CARRIED BY AN ABSOLUTE MAJORITY (6-2)****In favour of the Motion: Mayor Vaughan; Cr Anderson; Cr Hayes; Cr Oliver; Cr Potter; and Cr Windram****Against the Motion: Cr Maxwell; and Cr Nairn**



# Town Centre Redevelopment

## Project Team Meeting 1

12 November 2014



- Last time we all met together – Councillor Workshop, 19 August
- What we took from that workshop:
  - ToVP and LandCorp project vision is aligned
  - Front-end land transaction preferred
  - Get the project to ‘live’ status in first part of 2015
  - Councillor guidance important via Project Team
- What we’ve done since:
  - Endorsed Vision and Objectives through Council and LandCorp Executive
  - Resolved resourcing for the project (ToVP budget allocation)
  - Established Councillor Project Team and Terms of Reference
  - Refined the Concept Plan – for valuation purposes
  - ‘Costed’ the project (e.g. civil works, landscaping)
  - Completed a joint valuation of the site
  - Commenced community group engagement (high level only)
  - Commenced due diligence (environmental site investigation)
  - Established draft ‘Terms’ for project (for Project Team endorsement)
  - Commenced preparation of Major Land Transaction Plan
  - Mapped the path forward





### DEVELOPMENT AREA SUMMARY

LAND USE	AREA (HA)	PERCENTAGE (%)
FUTURE RESIDENTIAL	2.3446	42.1
FUTURE RETAIL / MIXED USE	0.6855	12.3
FUTURE COUNCIL / COMM.	0.2684	4.8
FUTURE SQUARE	0.1009	1.8
PUBLIC OPEN SPACE	0.7710	13.8
POTENTIAL CHARACTER RET.	0.2849	5.1
ROADS	1.1194	20.1
TOTAL	5.5747	100

- MRS road widening to Kent St = 1,720m<sup>2</sup>

### DESIGN SUMMARY

#### PUBLIC DOMAIN

- Retain key established fig trees.
- Provide linear park connection through to Kent Street and future light rail station.
- Provide town square associated with council / community uses buildings with potential to stretch across under figs to park.
- Potential to extend street #3 south in future, should it be required / possible.
- All roads assume on-street parallel parking.

#### NEW RETAIL OFFER

- Focus retail on new lane off Albany Highway (#4) and on frontages of Lot A2.

#### FACILITATING NEIGHBOURING RETAIL EXPANSION

- Provide opportunity for future expansion of Park Centre shopping centre to the north-west.

#### EFFICIENT BLOCKS FOR BASEMENT PARKING

- Residential blocks are designed to be a minimum of 36m deep to enable a double module of basement parking.

## Development Concept - 1

### Victoria Park Town Centre

**DRAFT**



Project Manager: AH Date: 13 October 2014  
 Drawn: AH Scale: 1:2,000 @ A3  
 Checked: AH Drawing No. 713-263 CP01A



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 The Planning Group (WA) Pty Ltd  
 ABN 58 007 273 222





TOWN OF  
**VICTORIA PARK**

## Valuation

---

### Market Value 'As Is'

\$14,200,000 **GST Exclusive**  
(FOURTEEN MILLION TWO HUNDRED THOUSAND DOLLARS)

### Market Value 'As If Complete' (Statutory Planning Effected)

\$17,000,000 **GST Exclusive**  
(SEVENTEEN MILLION DOLLARS)

### Market Value 'As Is – B2 Revenue at Civil Cost

\$12,150,000 **GST Exclusive**  
(TWELVE MILLION ONE HUNDRED AND FIFTY THOUSAND DOLLARS)

### Market Value 'As If Complete' – B2 Revenue at Civil Cost

\$14,650,000 **GST Exclusive**  
(FOURTEEN MILLION SIX HUNDRED AND FIFTY THOUSAND DOLLARS)

Colliers International (WA) Pty Ltd

John Del Dosso AAPI MPM  
Director | Valuation & Advisory Services  
Certified Practising Valuer  
Licensed Valuer No. 40276

For the State of Western Australia

## Valuation Calculations 'As Is'

### Direct Comparison (Land Area)

Area m <sup>2</sup>	49,358 Effective (Less Retained Park)
\$/m <sup>2</sup> Effective	\$350 to \$400
Less Capital adjustments and deferment 18 months	\$3,850,000
Resultant Capital Value Range	\$13,450,000 to \$15,900,000 GST Exclusive

### Direct Comparison (Yield)

Equivalent Units	1,249
\$/unit	\$15,000 to \$20,000
Less Capital adjustments and deferment 18 months	\$4,200,000
Capital Value Range	\$14,550,000 to \$20,800,000 GST Exclusive

### Hypothetical Development Feasibility

<b>Gross Realisation Assessment 'As If Complete'</b>	\$56,600,000 GST Exclusive
--	----------------------------

### **Residual Value Analysis**

	<u>Rate</u>	<u>Value Output</u>		<u>Analysis</u>
Developer Margin	47.5%	\$12,150,000	GST Exclusive	\$246 per m <sup>2</sup> (Effective) \$9,728 per unit

### **Present Value**

Discount Rate (% per annum effective)	15.0%	\$12,750,000	GST Exclusive	\$258 per m <sup>2</sup> (Effective) \$10,208 per unit
---------------------------------------	-------	--------------	---------------	---

### **Adopted Market Value 'As Is'**

	<b>\$14,200,000 (GST Exclusive)</b>
Analysed Site Rate	\$288/m <sup>2</sup> (Effective Area)
Analysed Unit Rate	\$11,369
Analysed Developer Margin	37.76%
Analysed Internal Rate of Return	13.85% per annum effective

## Valuation Calculations 'As If Complete'

---

### Direct Comparison (Land Area)

Area m <sup>2</sup>	49,358 Effective (Less Retained Park)
\$/m <sup>2</sup> Effective	\$350 to \$400
Less Capital adjustments and deferment 18 months	\$2,050,000
Resultant Capital Value Range	\$15,250,000 to \$17,700,000 GST Exclusive

### Direct Comparison (Yield)

Equivalent Units	1,249
\$/unit	\$15,000 to \$20,000
Less Capital adjustments and deferment 18 months	\$2,050,000
Capital Value Range	\$16,700,000 to \$22,950,000 GST Exclusive

### Hypothetical Development Feasibility

**Gross Realisation Assessment 'As If Complete'** \$56,600,000 GST Exclusive

### **Residual Value Analysis**

	<u>Rate</u>	<u>Value Output</u>		<u>Analysis</u>
Developer Margin	35.0%	\$16,550,000	GST Exclusive	\$335 per m <sup>2</sup> (Effective)
				\$13,251 per unit

### **Present Value**

Discount Rate (% per annum effective)	15.0%	\$16,750,000	GST Exclusive	\$339 per m <sup>2</sup> (Effective)
				\$13,411 per unit

### **Adopted Market Value 'As Is'**

**\$17,000,000 (GST Exclusive)**

Analysed Site Rate	\$344/m <sup>2</sup> (Effective Area)
Analysed Unit Rate	\$13,611
Analysed Developer Margin	32.64%
Analysed Internal Rate of Return	14.68% per annum effective

---



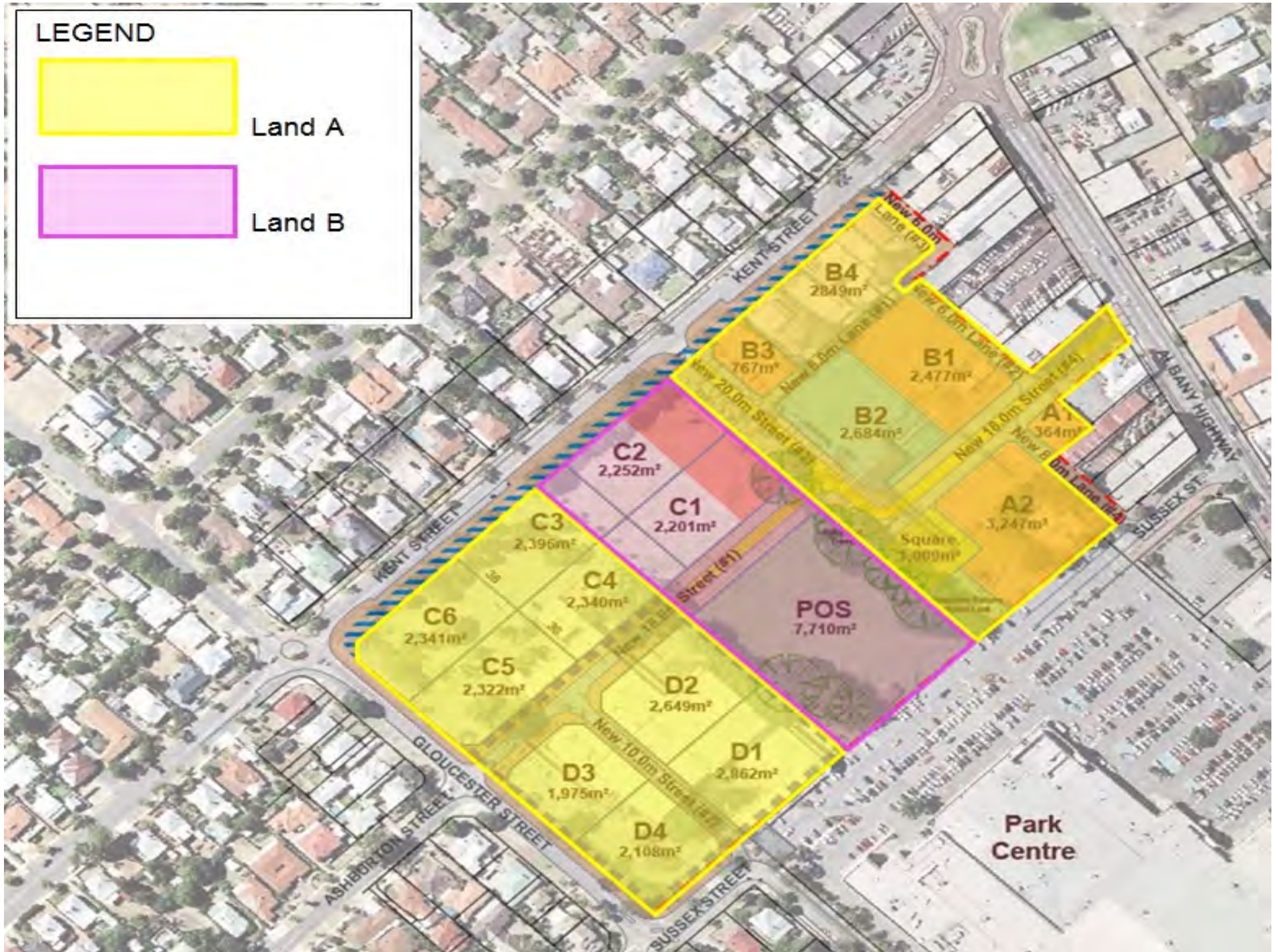
**LEGEND**



Land A



Land B





Event	Date	Outcome Sought
ToVP Project Team Meeting	12/11/14	Project update and agree path forward.
LandCorp Executive Meeting	28/11/14	Present Draft Internal Business Case ahead of December Board meeting.
Ordinary Council Meeting	9/12/14	Resolution endorsing advertising of LGA Business Plan containing draft terms and land price.
LandCorp Board Meeting	15/12/14	Resolution consenting to advertising of Business Plan and delegating power to CEO to execute contracts consistent with LGA Business Plan principles.
Start LGA advertising	20/12/14	Statutory advertising period to commence.
End LGA advertising	31/01/15	Public comments to be summarised and presented to ToVP / Project Team
Ordinary Council Meeting	10/02/15	Motion endorsing Business Plan and delegating power to ToVP CEO to enter into relevant contracts.
Execution of contracts	Feb - March 2015	Transfer of unencumbered freehold land to LandCorp.



- **Key outcomes from today's meeting for Council resolution in December:**
  - Endorsement of Valuation for advertising purposes
  - Endorsement of 'Terms of Partnership' for advertising purposes
  - Endorsement of CEO preparation and advertising of Business Plan (Major Land Transaction Plan) – December 2014 to February 2015
  - Project Team review of Business Plan submissions early 2015





# TOWN OF VICTORIA PARK

## TERMS OF AGREEMENT

LandCorp and the Town of Victoria Park (**the Town**) propose to enter into a collaborative partnership to undertake a redevelopment of the East Victoria Park Town Centre.

---

### 9. CONTRACT A – unencumbered land

Land includes the following areas as shown on the draft “Development Concept – 1” plan: A1, A2, B1, B2, B3, B4, C3, C4, C5, C6, D1, D2, D3, D4 and square of 1,009m<sup>2</sup> (**Land A**).

- Land A will be transferred upfront to LandCorp.
- The purchase price for Land A will be an agreed market value (less the market value for B2).
- B2 will be transferred back to the Town once the new Lot has been created. The Town is to pay LandCorp’s costs associated to create the new Lot.
- B2 will have a maximum size of 2,700 m<sup>2</sup>.

---

### 10. CONTRACT B – encumbered land

Land includes the following areas as shown on the draft “Development Concept – 1” plan: POS, C1 and C2 (**Land B**).

- Contract B is to be subject to and conditional upon LandCorp and the Town:
  - agreeing on the design and monetary amount to be contributed by LandCorp for the construction of the new Town square within 1 year from the contract date.
  - successfully removing the recreational trust and Caveat F867566 from the POS component of Land B within 3 years from the contract date.
- The purchase price for Land B is to be the agreed market value of the land (prior to the trust being removed).
- LandCorp will pay the full purchase price upon entering into Contract B. The money will be placed into an interest bearing account. All interest will be payable to the Town.
- Settlement is to occur within 5 business days of the conditions precedent being satisfied.

---

### 11. DEVELOPMENT AGREEMENT

The Development Agreement (**DA**) will govern the project vision and objectives for the redevelopment of the Town Centre (**Project**). The DA will:

- be entered into by LandCorp and the Town simultaneously with the parties entering into Contract A and Contract B.

- provide for a project control group that will be responsible for providing strategic direction and operational guidance during the development stages of the Project.
- set out the Project vision i.e. Redevelopment of Land A and Land B within the Victoria Park Town Centre is to provide for a vibrant, consolidated mix of uses; including retail, commercial, civic, community, cultural, recreation and residential uses in a manner that encourages the efficient use of land, physical resources and community services and facilities. The Project is to:
  - provide an opportunity for people to live in proximity to employment opportunities, services and amenities.
  - enhance and build upon existing amenity within the Town Centre through the retention of key site attributes that contribute to a sense of place and local identity.
  - increase housing diversity within the district, through the inclusion of a variety of housing types, including discrete residential apartments and mixed use commercial/residential buildings.
- set out the Project objectives:

#### **Social / Cultural Objectives**

- Recognise and respond to local character (built form)
- Maintain community, cultural, civic and recreation activities on the site
- A 'smart place' (digital connectivity, WiFi)
- Respond to evolving community needs in the space
- Public realm and open space is to be celebrated

#### **Environmental Objectives**

- Pedestrian-oriented development
- Multi-function place (one visit = many transactions)
- Re-use, recycle and re-interpret (e.g. parts of buildings, vegetation)

#### **Financial Objectives**

- Asset optimisation (multiple facilities)
- Minimal financial impost on the Town
- Recurrent revenue opportunities for the Town

#### **Governance Objectives**

- Genuine collaboration model
- Acknowledgement and understanding of common goals
- cover development over both Land A and Land B. It will allow for development in stages and development on Land A only, if the condition precedent in Contract B is not satisfied.
- provide that the Town has a 1<sup>st</sup> right of refusal to purchase Land A or Land B or both Land A and Land B in the event that LandCorp elects not to proceed with the Project or any part of the Project and wishes to sell either Land A or Land B or both Land A and Land B.
- provide a sunset clause granting the Town the right to re-purchase Land A and Land B if development of the Project has not substantially commenced within five (5) years of the transfer of Land A to LandCorp;
  - The purchase price under the re-purchase clause will be the original purchase price for Land A and/or Land B (as the context requires) plus 50% in any uplift in the value



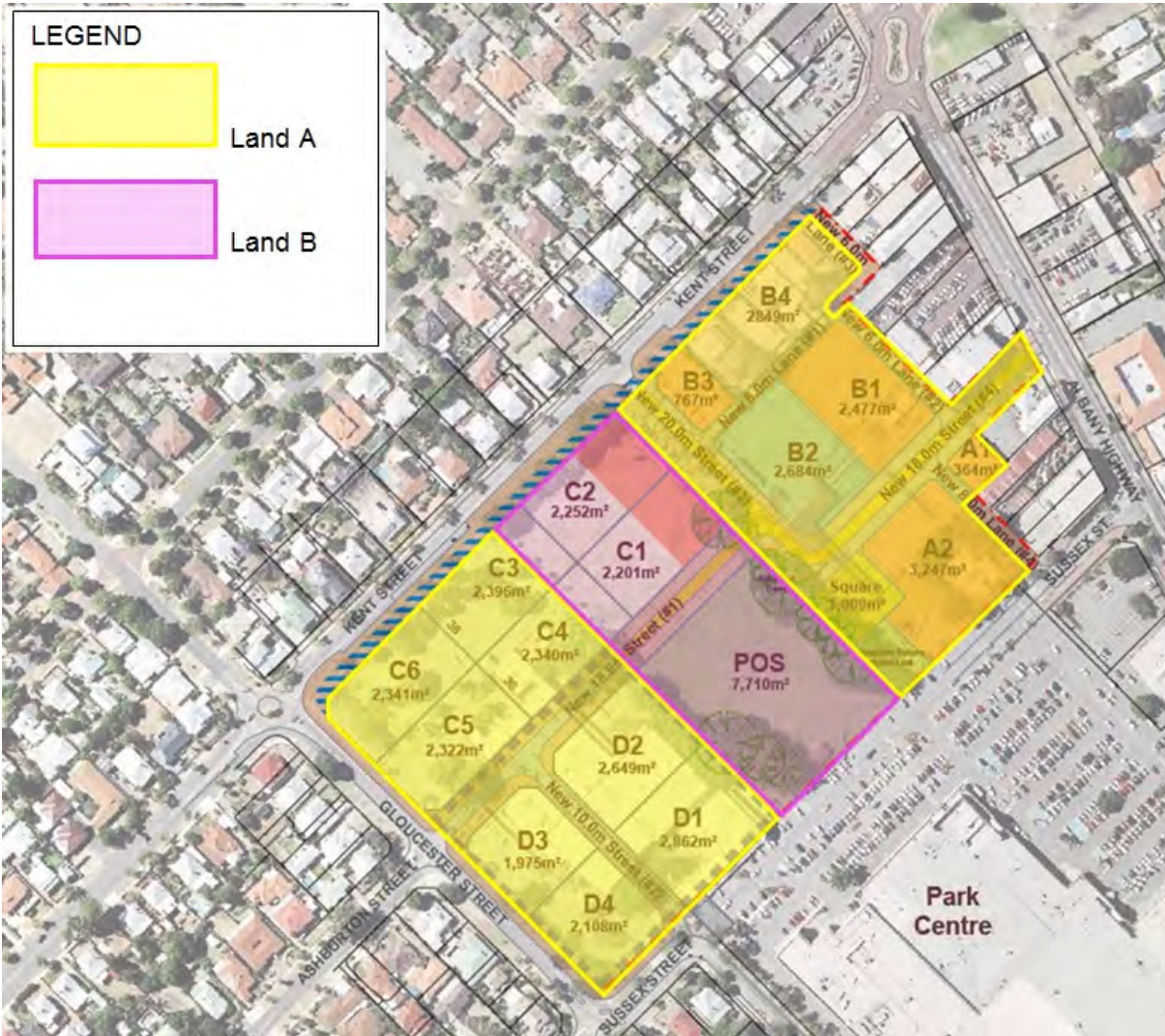
of the land or minus 50% diminution of the land (as determined by an independent valuer jointly appointed by the parties) plus 50% of LandCorp's costs of the Project incurred to the date of exercise of the re-purchase right less 50% of the Town's Project costs incurred to the date of exercise of the re-purchase right.

- provide that the Town will be primarily responsible for community engagement matters in respect of the Project.
- provide for transitional arrangements with the existing tenants on Land A, including but not limited to:
  - Leisurelife – the Town intends to continue operating this facility in an alternative location, which will need to be resolved prior to closure and demolition;
  - Library – the Town intends to continue operating a library within the town centre;
  - Bowls club – the Town intends to discontinue operation of a bowls club in the town centre, and will assist in relocating the club;
  - Other community groups – the Town will work to resolve tenancy issues with all groups that are affected by redevelopment.

The transitional arrangements will be in the form of a lease or leases from LandCorp to the Town to cover the areas of the existing tenants. The Town will then sublease or licence the areas to the respective tenants. The lease or leases to the Town will be for nil consideration and have a term limited to the development timetable for the Project, i.e. an expiry date when LandCorp will require the Land.

- Both parties agree that reasonable endeavours will be used to retain all existing trees on Land A and Land B where practicable.

Land A and Land B





Development Concept - 1



DEVELOPMENT AREA SUMMARY

LAND USE	AREA (HA)	PERCENTAGE (%)
FUTURE RESIDENTIAL	2.3446	42.1
FUTURE RETAIL / MIXED USE	0.6855	12.3
FUTURE COUNCIL / COMM.	0.2684	4.8
FUTURE SQUARE	0.1009	1.8
PUBLIC OPEN SPACE	0.7710	13.8
POTENTIAL CHARACTER RET.	0.2849	5.1
ROADS	1.1194	20.1
TOTAL	5.5747	100

- MRS road widening to Kent St = 1,720m²

DESIGN SUMMARY

PUBLIC DOMAIN

- Retain key established fig trees.
- Provide linear park connection through to Kent Street and future light rail station.
- Provide town square associated with council / community uses buildings with potential to stretch across under figs to park.
- Potential to extend street #3 south in future, should it be required / possible.
- All roads assume on-street parallel parking.

NEW RETAIL OFFER

- Focus retail on new lane off Albany Highway (#4) and on frontages of LotA2.

FACILITATING NEIGHBOURING RETAIL EXPANSION

- Provide opportunity for future expansion of Park Centre shopping centre to the north-west.

EFFICIENT BLOCKS FOR BASEMENT PARKING

- Residential blocks are designed to be a minimum of 36m deep to enable a double module of basement parking.

Development Concept - 1  
Victoria Park Town Centre

DRAFT



Project Manager: AJ Date: 13 October 2014  
 Drawn: AJ Scale: 1:1000 (A3)  
 Checked: AJ Drawing No: 710-2014-0011A



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 Melbourne, VIC 3000  
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## 13.2 Commemorative Recognition Policy

## **GEN4    COMMEMORATIVE RECOGNITION**

### **POLICY:**

The purpose of this policy is to provide a framework to guide recognition of an individual or group that has made a significant contribution to the Town of Victoria Park or made a significant achievement at a state or national level. It intends to honour and acknowledge those who have demonstrated an outstanding effort or connection in the community. The parameters and procedure set out in this policy reflect the intention for appropriate commemoration in an endeavour to enrich the Town's cultural heritage.

### **PROCEDURE:**

1. To be considered, all applications for commemorative recognition are to be submitted on the 'Application Form for Commemorative Recognition' and be completed with all information and supporting attachments. Incomplete applications should be considered non-compliant and not be assessed. If multiple applications are being submitted, each nomination is to be lodged on a separate application form.
2. Applications are to be received by the Town's Local History Coordinator, assessed by the Culture and Local History Working Group and an outcome determined at an Ordinary Council Meeting. Where necessary, the Town will be guided by the requirements of the Geographic Naming Committee Western Australia Principles, Guidelines and Procedures.
3. Council may decide to approve a request for commemoration where it can be demonstrated that an individual or group was long-standing in the Town (generally not less than 20 years), and meets one or more of the following criteria:
  - Made a significant contribution to the development of the local area;
  - Made an outstanding contribution to the local community or civic life within the Town;
  - Made a significant achievement at a state or national level;
  - National Service to Country; and/or
  - Was a widely recognised leader.
4. It is a requirement that statements are provided in the application regarding a candidate's suitability for commemorative recognition against the criteria listed in three (3) above; and are substantiated through minimum 6 letters of support from referees as well as evidenced in other forms of documentation that support the application (such as newspaper articles, minutes of committees, previous acknowledgements or awards).
5. It is the intention of this policy to only accept posthumous applications for recognition, unless extenuating and justifying circumstances can be demonstrated. Approval of next of kin is required where possible.
6. The Town may recognise the contribution of an individual or group in a variety of ways including (but not limited to) the presentation of a Certificate of



Appreciation; hosting a celebratory event in their honour; or naming a road, laneway, Right of Way, Public Access Way under the care, control and management of the Town or any item (or part) of infrastructure owned or managed by the Town, such as a park, facility, tree, building, topographical feature or other. Facilities located at the one site should share the same name (for example, a pavilion and the park upon which it is situated should have the same name).

7. Applications may be considered less favourably if the individual or group already has a feature named in their honour, or they have been previously acknowledged as part of a Commemorative Recognition Policy in the Town.
8. Any existing recognition cannot be taken as a precedent for future approvals.
9. This Policy does not apply to signage, banners or public artworks.
10. This Policy does not apply to private memorials for individuals or families.
11. Applicants are asked to suggest a proposed type and location for the commemorative recognition, however, if an application is approved, the Town (rather than the nominator/applicant) will make the ultimate decision regarding location and type of commemoration, including any wording on plaques or signage.
12. The Local History Coordinator will formalise acknowledgement of the Commemorative Recognition in the public realm.
13. The Town of Victoria Park reserves the right to decommission any form of commemoration as it sees fit without consultation.
14. It is the role of the Local History Co-ordinator to maintain an up-to-date register of all Commemorative Recognition applications and decisions in the Town's record management system.

<b>RELATED POLICES:</b>	None
<b>DELEGATION:</b>	Yes- Delegation No. 12.3 Sub-delegation
<b>AUTHORITY</b>	<i>Council Meeting 29 November 2005</i>
<b>REVIEW:</b>	<i>August 2006 July 2013</i>

## **13.4 Proposal for the Continuation of the Victoria Park Digital Hub – Staffing and Services**

# Victoria Park Digital Hub

## Business Case

Version 2.1a Date: 16/10/2014



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# 1 Town of Victoria Park Digital Hub

## 1.1 Background

Town of Victoria Park Digital Hub – ToVPDH

The Victoria Park Digital Hub was funded by the Department of Broadband, Communications and the Digital Economy. The funding supported Hub operations from January 2013 to February 2015, and the Town has budgeted to fund the Hub to the end of the financial year, 30 June 2015.

The Victoria Park Hub will be forced to close unless the Town agrees to support its future by endorsing and budgeting for its continuation. The Hub has proven enormously successful and there is a continued expressed community need for the Hub to remain.

Since its inception, the Victoria Park Digital Hub has not only met, but exceeded its Key Performance Indicators of delivering 40 individual sessions and 20 group sessions per month. Not only have participant numbers been high, the written customer feedback has been incredibly high, reported at over 95% satisfaction rate. This has been evidenced through repeat visits for training, resident recommendations through word of mouth, and several participants moving from client to a volunteering role.

## 1.2 Achievements

### **Keeping it local:**

The Hub has successfully attracted large numbers of local Victoria Park residents both as patrons and as volunteers.

### **Reaching populations of disadvantage:**

The Hub has proven successful in reaching traditionally hard to reach target groups. We have made a demonstrable impact in attracting clients from the low socio-economic demographic. We have facilitated learning and trained a large number of patrons in digital literacy. The skills they have acquired have resulted in 43 successful job applications to date. We work very closely with Aboriginal groups, retirement homes, isolated residents of Victoria Park, at risk youth, and children who are home schooled.

### **Participant Numbers:**

The total number of participants serviced through the Hub over its 2 ½ years in operation will be in excess of 6,000. Our target for the entire project was 2880 patrons. We are currently running at 105% above those KPIs.

### **Building relationships:**

PVS Workfind, Disabilities Services Commission, Red Cross, Centrelink, Options Employment, Curtin University, Victoria Park Youth Association, Victoria Park Rotary Club, Kent Street School, Victoria Park Centre for the Arts

### **Putting Vic Park on the Map as a Digital Leader:**

Being selected as one of the finalists in the EDA 2014 National Awards for Economic Development Excellence has been a well-deserved accolade for the Town of Victoria Park. We are very proud that the Digital Hub played a part in the successful submission and we look forward to returning with the Award!

We have been approached by a large number of organisations, who were interested in what we had to offer, over the last 21 months and have presented to:

WALGA, Australian Computer Society, Disability Services Commission, Economic Development Practitioners, Rowethorpe Retirement Village Managers, Narelle Cameron Federal Government National Manager Assessment Services Branch, Director of Industry, Science and Innovation (Department of Commerce), Association of Independent Retirees Ltd (AIR), the Principles Group, CEO Shire of Katanning, Red Cross, Intelligent Homes, Occupational Health Organization, Senior Citizens Welfare Association, Victoria Park Community Garden Association, APEA (Alliance for the Prevention of Elder Abuse), International Men's Day, Independent Living Centre, Perth Bookkeepers Association.

### 1.3 Current offer

Cyber Security	Resume workshops
Social Media	Job application and interview skills
e-Gov initiatives	Microsoft Office
Migrating from XP	Viruses and malware
Windows 8 (beginners and advanced)	3D design (innovation)
iPads (beginners and advanced)	Data backup and restore
iPhone migration	Photography workshops (uploading and editing)
e-Commerce (Gumtree/eBay)	Open source software

We are currently working on a learning plan to enable our volunteers at the Hub to support residents and builders in utilising the Town of Victoria Park's online application lodgement service. We see the provision of support of online services and facilities as an important aspect in helping residents transition to newer methods of communication.

### 1.4 Proposal

Our main objectives:

- Retain the Victoria Park Digital Hub as a permanent community facility into the future
- Retain the role/position of Digital Hub Manager
- Become a centre for excellence across the region in terms of social and commercial digital literacy training and integration
- Develop and support digital initiatives across the organisation
- Develop and support digital initiatives within the local community
- Address the digital divide within the community
- Address the digital divide within local business
- Create a safe and advanced technology focussed learning space for local residents
- Enhance engagement in government services
- Promote communications, commerce, health, education, training and employment across the community

## 1.5 Identified Community Need:

There is evidence to demonstrate that there is a growing need for continued digital literacy training in the Town of Victoria Park. Given that The Town of Victoria Park scores 1,020.6 on the SEIFA index of disadvantage, compared to 1031 for Greater Perth, 1021 for Western Australia (the lower the score the greater the level of disadvantage). The spread of disadvantage isn't as even as these figures suggest; large areas of Victoria Park have SEIFA scores from 711 through to 1003. These statistics coupled with the projected population rises anticipated over the next decade indicates that we need to prepare ourselves for the Town's present and future demands. The Hub is already laying the ground work thereby enabling this growing residential demographic to enter the digital realm with certainty and confidence.

There are two distinct levels of support and training identified within Victoria Park. They are casual learning (where residents patronise the Hub on an ad hoc basis in response to a single or collection of a small number of identified skills gaps) and targeted learning (where the resident has little to no digital literacy skills and needs an individual learning plan spanning several months).

Independence of living and the ability to engage and communicate socially, professionally and in a business environment is a basic human right and one that should be available to all individuals. We are currently working with over a dozen clients who all have differing levels of need and support. These patrons were mainly introduced to us by the Disability Services Commission. Support may consist of low level facilitation (basic digital literacy training) to higher levels of support (home visits and/or consultation on appropriate technology).

There is a marked growth in referrals from local employment agencies and Centrelink. We anticipate that this will increase based upon predictions from forecast.id: the Town of Victoria Park is expected to increase by over 11,700 people to 46,185 by 2026, at an average annual growth rate of 1.97%. This is based on an increase of over 5,500 households during the period. By far the greatest increase will be those residents between the ages of 22 and 60. Recent legislation regarding entitlement to benefits has also led to a rise in residents seeking our help in online job application skills and maintenance of resumes.

## 1.6 Identified Business Need:

The main areas local businesses need assistance in are:

- Cyber Security and data protection
- Using planning tools to use to create a business plan
- Defining the ideal customer and creating key messages that are unique to their business
- Use of social and digital media in promoting their business
- Smart technologies and business integration
- Creating a paperless office

## 1.7 Identified Organisational Need:

In discussions with Graham Olsen (Exec Mgr HR/Organisational Development), Nathan Cain (Director Business Life Program) and Aaron Kennedy (Business Unit Manager Digital Optimisation) we identified several areas where the provision at the Hub could aid the Town of Victoria Park in enhancing provision to our employees:

### Application of learning

We (ToVP) present many training and development opportunities to staff, but do not necessarily follow up on the application of that learning in the workplace. It would be beneficial if we had the capacity to meet up with participants on a one on one basis to look at the best ways to apply, monitor and assess the application of the new learning in the workplace. Given the role of the Digital Hub Manager, this position would be ideal for that collaborative role with HR&OD.

### Internal certification

Innovative companies, such as Blackboard and Pearson have become leading adopters of digital badge systems for workforce development and learning recognition as the professional development environment evolves to an individualised model. The PDR environment presents a challenge for motivating and recognizing staff achievement. By developing innovative uses of in-house digital badging we can aim to meet this challenge and evidence true learning and development at all stages of training. This creates a level of expertise staff can aspire and attain and allows us to monitor the levels and standards of that achievement.

### (Digital) Process Mapping

As part of the amalgamation process and the development of structure and service delivery options, it would be ideal to apply aspects of new technology application to the process review, mapping and improvement framework. I would consider the Digital Hub Manager ideal for this project over the next 12 months.

### Workshop design

The amalgamation process has a component of staff engagement included in the achievement of outcomes for all stages. Given there will be more emphasis in staff participation through workshops and group facilitated activities, the aspect of an internal capacity to review training and development programs to determine optimum learning methodologies would be ideal. I believe the Digital Hub Manager has the capacity to carry out that function.

## 1.8 Target Outcomes

The following outcomes have been identified as the Target Outcomes for the Town of Victoria Park Digital Hub:

Target Outcome	Measure	Completion Date	Accountability
<i>Increased economic and social opportunities for all citizens – leaping the digital divide</i>	<i>Delivery of 30 1-2-1 sessions per month and 15 group sessions per month</i>	<i>Per calendar month</i>	<i>Digital Hub Manager</i>
<i>Increased opportunities for new and existing businesses in the digital economy</i>	<i>Delivery of 2 local business focussed group training sessions per month</i>	<i>Per calendar month</i>	<i>Digital Hub Manager</i>

<i>Increased opportunities for new and existing not-for-profit community organisations to participate within the digital environment</i>	<i>Delivery of 2 community focussed group training sessions per month</i>	<i>Per calendar month</i>	<i>Digital Hub Manager</i>
<i>Enhanced visibility, creating a centre of excellence through targeted training interventions.</i>	<i>Delivery of two external group training sessions per month.</i>	<i>Per calendar month</i>	<i>Digital Hub Manager</i>
<i>Increased productivity, visibility or creativity across Town of Victoria Park business units through the identification and training in appropriate technology.</i>	<i>Delivery of HR scheduled training sessions (group or one-to-one) or facilitation in digital technology adoption.</i>	<i>Annually</i>	<i>Digital Hub Manager</i>
<i>Reduced unemployment by enabling local residents the opportunity to apply for employment using appropriate technologies.</i>	<i>Delivery of 8 job ready training sessions per month.</i>	<i>Per calendar month</i>	<i>Digital Hub Manager</i>
<i>Increased community participation through the recruitment and retention of local residents to undertake Digital Hub mentoring and delivery of training sessions.</i>	<i>Recruitment and retention of 4 or more local resident volunteers annually.</i>	<i>Annually</i>	<i>Digital Hub Manager</i>
<i>Increased participation of Indigenous community members</i>	<i>Delivery of 1 community focussed group training session per month</i>	<i>Per calendar month</i>	<i>Digital Hub Manager</i>

## 1.9 Output(s)

The Outputs to be delivered by the Town of Victoria Park Digital Hub are:

*Collaborative network with HR and IT to target skills gaps within the workforce and address those gaps with individualised interventions*

*A targeted course curriculum to address local residents demand*

*A targeted course curriculum to address local business demand*

*Create a knowledge bank for Town of Victoria Park employees*

*Greater links with Employment Services and CentreLink to target unemployed residents*

*Greater links with Disability Services Commission, Red Cross, Options and related organisations including Victoria Park community based not-for-profit organisations*

*Development of a Centre of Excellence across the region*

## 1.10 Scope

**Table 02: Town of Victoria Park Digital Hub Scope of Work**

<b>Part of the Project (Inside Scope)</b>	<b>Responsibility</b>	<b>Not Part of the Project (Outside Scope)</b>	<b>Responsibility</b>	<b>Uncertain or Unresolved</b>
<i>Training of staff in the use the new and appropriate technologies</i>	<i>Digital Hub Manager</i>	<i>Identification of need/skills gap</i>	<i>HR, Directors/Exec. Managers, IT</i>	
<i>Training of staff in the use the new software applications</i>	<i>Digital Hub Manager</i>	<i>Identification of need/skills gap</i>	<i>HR, Directors/Exec. Managers, IT</i>	
<i>Creation of curriculum training resources</i>	<i>Digital Hub Manager</i>			
<i>Deliver Digital Literacy training to local residents</i>	<i>Digital Hub Manager</i>			
<i>Deliver Digital Literacy training to local business</i>	<i>Digital Hub Manager</i>			
<i>Deliver Digital Literacy training to the region</i>	<i>Digital Hub Manager</i>	<i>Expenses (time, travel, delivery)</i>	<i>Outside organisation</i>	
<i>Deliver Digital Literacy training to community groups</i>	<i>Digital Hub Manager</i>			



## 1.11 Schedule

<b>Id</b>	<b>Description</b>	<b>Who</b>	<b>Scheduled Start</b>	<b>Scheduled Finish</b>	<b>Predecessor<sup>1</sup></b>
1	<i>Formal approval to commence ToVPDH obtained</i>		<i>1 January 2015</i>		-
2	<i>Review of present Stakeholders</i>	<i>Digital Hub Manager</i>	<i>1 February 2015</i>	<i>1 March 2015</i>	<i>1</i>
3	<i>Review of present curriculum documentation with key Stakeholders</i>	<i>Steering Group</i>	<i>1 February 2015</i>	<i>1 March 2015</i>	<i>2</i>
4	<i>Investigate and develop business and community curriculum offer</i>	<i>Digital Hub Manager</i>	<i>1 March 2015</i>	<i>1 May 2015</i>	<i>1</i>
5	<i>Develop list of charges for external (to Victoria Park) organisations</i>	<i>Director Community Life Program, Executive Manager Neighbourhood Life, Digital Hub Manager, Revenue Development Officer</i>	<i>1 May 2015</i>	<i>1 June 2015</i>	<i>4</i>
6	<i>Develop advertising and marketing campaign</i>	<i>Digital Hub Manager, Communications Team</i>	<i>1 February 2015</i>	<i>1 March 2015</i>	<i>4, 5</i>
7	<i>Review volunteer recruitment and retention strategy</i>	<i>Executive Manager Neighbourhood Life, Digital Hub Manager</i>	<i>1 February 2015</i>	<i>1 March 2015</i>	<i>1</i>
8	<i>Investigate and develop methodology options for volunteer workforce</i>	<i>Digital Hub Manager</i>	<i>1 March 2015</i>	<i>1 April 2015</i>	<i>7</i>
9	<i>Investigate external funding opportunities</i>	<i>Digital Hub Manager, Revenue Development Officer</i>	<i>1 January 2015</i>		<i>1</i>

<sup>1</sup> Activities in the Predecessor column must be completed prior to this activity commencing.

## 1.12 Budget & Expenditure

1.13 Overall Cost		Direct Costs		Corporate sponsorship		Identified Revenue	
<b>Full Cost</b>	<b>\$156,800.00</b>	Hub Manager Salary	\$90,000.00	Fibre Broadband	\$3,000.00	Capacity within LTFP*	\$69,000.00
		Superannuation	\$11,000.00	Mobile broadband	\$5,400.00		
		Compensation ins	\$2,500.00				
		Hub cover	\$4,600.00				
		Utilities	\$18,500.00				
		iVan	\$4,000.00				
		IT	\$10,000.00				
		Advertising	\$3,800.00				
		Printing	\$2,500.00				
		Consumables	\$1,500.00				
		Fibre Broadband	\$3,000.00				
		Mobile broadband	\$5,400.00				
<b>Real Terms*</b>	<b>\$79,400.00</b>	<b>Total</b>	<b>\$156,800.00</b>	<b>Total</b>	<b>\$8,400.00</b>	<b>Total</b>	<b>\$69,000.00</b>

*LTFP	Long Term Financial Plan - Digital Hub Manager position ends June 2015
*Real Terms	Dollar value minus identified revenue, rent and corporate sponsorship

Opportunity Cost	Figures don't include revenue from renting 1 Harper Street
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### 1.13 Cost Recovery

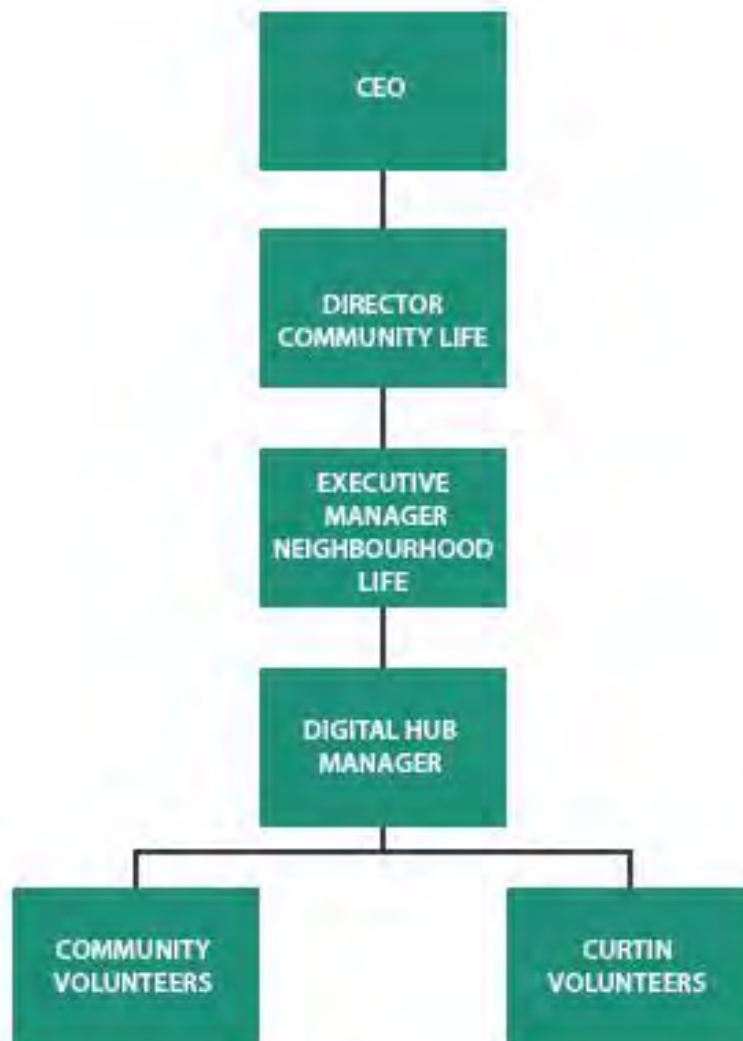
There is an opportunity for full and partial cost recovery for the services delivered at the Hub. This includes revenue generation from the hire of the facility and its equipment. Under the terms of the Federal Funding Agreement this was expressly forbidden. A key area of indirect revenue recovery is that of Town of Victoria Park staff training. Some level of training (personalised or group training) can be undertaken at the Hub.

Possible avenues of income generation:

- Hire of Digital Hub Training Room
- Hire of Video Conferencing Suite
- Charges for presenting sessions to industry and/or external organisations
- Charges for consultancy (digital literacy)
- Savings to Town of Victoria Park training budget
- Charges for small business training sessions and mentoring
- Charges for consultancy (internal training assessment and mentoring)
- Federal or State funding for associated projects
- Charges to deliver hard to reach population groups (e.g. wheatbelt)

## 2 Management Plan

### 2.1 Governance



## 2.2 Reporting Requirements

Reporting requirements for the Town of Victoria Park Digital Hub are:

<b>Reported by</b>	<b>To whom</b>	<b>Reporting requirements</b>	<b>Frequency</b>	<b>Format</b>
<i>Digital Hub Manager</i>	<i>Executive Manager Neighbourhood Life/ Director of Community Life</i>	<i>Status/KPI Report</i>	<i>Fortnightly</i>	<i>Verbal</i>
<i>Digital Hub Manager</i>	<i>Executive Manager Neighbourhood Life/ Director of Community Life</i>	<i>Status/KPI Report</i>	<i>Monthly</i>	<i>Written and verbal</i>
<i>Digital Hub Manager</i>	<i>CEO</i>	<i>3 monthly Status Report</i>	<i>Quarterly</i>	<i>Written and verbal</i>
<i>Digital Hub Manager</i>	<i>Elected Members</i>	<i>6 monthly Status Report</i>	<i>Bi-annual</i>	<i>Written and verbal</i>

**14.1 Schedule of Accounts for 31 October 2014**



All Payments Made From 1-Oct-14 To 31-Oct-14

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
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### Municipal Fund Bank Account

#### Payments

##### Creditors Cheques

00606240	21-Oct-14	Aesa (Asgard)	Superannuation	433.56
00606223	14-Oct-14	Alinta	Gas Usage Charges	1,072.50
00606241	21-Oct-14	AMG Universal Super	Superannuation	439.94
00606220	14-Oct-14	Australian Institute Of Building	Conference and Workshop Enrolment	1,620.00
00606238	21-Oct-14	Australian Institute Of Building	Conference and Workshop Enrolment	190.00
00606242	21-Oct-14	Australian Super	Superannuation	3,744.03
00606243	21-Oct-14	Bankers Trust Business Super	Superannuation	231.12
00606245	21-Oct-14	Bankers Trust Super For Life	Superannuation	460.68
00606244	21-Oct-14	Bankers Trust Super Wrap	Superannuation	440.23
00606246	21-Oct-14	CBUS Super	Superannuation	46.11
00606247	21-Oct-14	Colonial First State First Choice	Superannuation	64.90
00606200	8-Oct-14	Construction Training Fund	Levy Payments	26,399.65
00606248	21-Oct-14	CSA Employer Services	Superannuation	1,339.14
00606201	8-Oct-14	Department of Commerce	Levy Payments	14,983.73
00606222	14-Oct-14	Funtastic Faces	Event Performance and Activity	1,920.00
00606219	9-Oct-14	Gaming and Wagering Commission	Bingo Costs	243.13
00606293	29-Oct-14	Good Games St James	Library Equipment and Stock	975.00
00606249	21-Oct-14	Hesta Super Fund	Superannuation	1,050.67
00606250	21-Oct-14	Hostplus	Superannuation	74.35
00606251	21-Oct-14	Ing Life Limited - Integra Super	Superannuation	162.90
00606252	21-Oct-14	Kinetic Super	Superannuation	391.76
00606253	21-Oct-14	Local Government Racing and Cemetri	Superannuation	116.40
00606292	29-Oct-14	Mrs K A Ferguson	Photography and Imaging Services	288.75
00606221	14-Oct-14	Ms O Colja	Event Performance and Activity	2,000.00
00606254	21-Oct-14	National Australia Bank Group	Superannuation	415.46
00606255	21-Oct-14	Rest Superannuation	Superannuation	1,175.06
00606184	2-Oct-14	Royal Oak Trading Pty Ltd	Consultancy Services	9,867.00
00606237	21-Oct-14	Sensis Pty Ltd	Advertising Services	306.35
00606239	21-Oct-14	Shire of Kalamunda	Local Government Services	11.95
00606224	14-Oct-14	Synergy	Electricity Usage Charges	86,543.60
00606259	22-Oct-14	Synergy	Electricity Usage Charges	8,441.37
00606294	29-Oct-14	Synergy	Electricity Usage Charges	593.20
00606199	2-Oct-14	Telstra Corporation Ltd	Telephone Usage Charges	5,767.05
00606202	8-Oct-14	Telstra Corporation Ltd	Telephone Usage Charges	397.41
00606225	14-Oct-14	Telstra Corporation Ltd	Telephone Usage Charges	7,196.89
00606260	22-Oct-14	Telstra Corporation Ltd	Telephone Usage Charges	110.83
00606295	29-Oct-14	Telstra Corporation Ltd	Telephone Usage Charges	6,001.25
00606256	21-Oct-14	Town of Victoria Park	Superannuation	4,187.57
00606257	21-Oct-14	Unisuper	Superannuation	599.62
00606226	14-Oct-14	Water Corporation	Water Usage Charges	10,664.95
00606267	22-Oct-14	Water Corporation	Water Usage Charges	5,863.46
00606296	29-Oct-14	Water Corporation	Water Usage Charges	1,551.51
00606258	21-Oct-14	Westscheme Superannuation	Superannuation	587.66
<b>Total Creditors Cheques</b>				<b>208,970.74</b>

##### Creditors EFT Payments

546.2770	8-Oct-14	101geo	Equipment Supply and Repair	215.72
546.2744	8-Oct-14	2Design Studio	Furniture Supply and Repair	3,520.00
551.2419	15-Oct-14	AAPT Limited	Communication Services	3,188.16
546.1328	8-Oct-14	Abco Products Pty Ltd	Cleaning Services and Equipment	491.86
553.959	22-Oct-14	Able Westchem	Cleaning Services and Equipment	47.03
545.352	1-Oct-14	ABnote Australia	Printing Services	26.40
545.8	1-Oct-14	Accidental First Aid Supplies	Medical Equipment and Services	279.40
546.11	8-Oct-14	Active Transport & Tilt Tray Servic	Towing Services	154.00
553.11	22-Oct-14	Active Transport & Tilt Tray Servic	Towing Services	231.00
559.11	29-Oct-14	Active Transport & Tilt Tray Servic	Towing Services	77.00
550.1513	15-Oct-14	AD Engineering International Pty Lt	Equipment Supply and Repair	154.00
550.1528	15-Oct-14	Adasound	Equipment Supply and Repair	5,222.50
553.2677	22-Oct-14	Adshel	Advertising Services	324.50
546.2741	8-Oct-14	Aerial Fun Pty Ltd	Event Performance and Activity	420.00
550.2741	15-Oct-14	Aerial Fun Pty Ltd	Event Performance and Activity	444.00
559.1112	29-Oct-14	AFMA	Conference and Workshop Enrolment	59.00

All Payments Made From 1-Oct-14 To 31-Oct-14

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
550.750	15-Oct-14	Air Communications	Software and IT Solutions	1,161.60
550.1526	15-Oct-14	Air-Born Amusements	Event Performance and Activity	2,528.00
546.1293	8-Oct-14	Alanco Australia Pty Ltd	Plant Supply and Servicing	223.67
553.27	22-Oct-14	All Earth Group Pty Ltd	Waste Management Services	280.00
545.1738	1-Oct-14	All Earth Waste Collection Services	Waste Management Services	42,350.00
550.1738	15-Oct-14	All Earth Waste Collection Services	Waste Management Services	48,400.00
545.434	1-Oct-14	Allied Recruitment	Agency and Contract Staff	1,405.49
546.434	8-Oct-14	Allied Recruitment	Agency and Contract Staff	1,736.20
550.434	15-Oct-14	Allied Recruitment	Agency and Contract Staff	1,405.49
545.20	1-Oct-14	Allmark & Associates Pty Ltd	Uniforms and Protective Equipment	29.70
545.1282	1-Oct-14	Allpoints Bathroom Services	Facility Maintenance Services	940.50
550.1282	15-Oct-14	Allpoints Bathroom Services	Facility Maintenance Services	1,436.60
553.1282	22-Oct-14	Allpoints Bathroom Services	Facility Maintenance Services	1,171.50
559.1175	29-Oct-14	Amalgamated Asphalt Services	Road Construction Materials and Services	4,928.00
546.2774	8-Oct-14	Ampac Debt Recovery (WA) Pty Ltd	Financial Services	24.95
550.2719	15-Oct-14	Applied Education	Training Services	149.00
559.2799	29-Oct-14	ArtWise	Consultancy Services	13,094.00
546.1509	8-Oct-14	Asphalt in a Bag	Road Construction Materials and Services	1,718.75
550.1509	15-Oct-14	Asphalt in a Bag	Road Construction Materials and Services	1,718.75
546.662	8-Oct-14	Asphaltech Pty Ltd	Road Construction Materials and Services	8,845.08
559.662	29-Oct-14	Asphaltech Pty Ltd	Road Construction Materials and Services	248,099.09
546.2127	8-Oct-14	Asset Infrastructure Management	Consultancy Services	2,783.00
546.1954	8-Oct-14	Astro Synthetic Turf Pty Ltd	Landscaping Materials and Services	192.50
550.270	15-Oct-14	At Milk Supplies	Amenities	59.76
559.270	29-Oct-14	At Milk Supplies	Amenities	59.76
546.2061	8-Oct-14	Aura Lighting	Electrical Services and Maintenance	4,142.60
546.1027	8-Oct-14	Ausrecord Pty Ltd	Equipment Supply and Repair	722.70
553.273	22-Oct-14	Australia Post	Postage Services	6,386.60
552.50	22-Oct-14	Australian Service Union	Superannuation	50.20
547.98000	8-Oct-14	Australian Taxation Office	Taxation	136,669.00
555.98000	23-Oct-14	Australian Taxation Office	Taxation	144,052.00
546.277	8-Oct-14	Bannister Downs Dairy Company	Amenities	38.40
553.277	22-Oct-14	Bannister Downs Dairy Company	Amenities	28.80
559.277	29-Oct-14	Bannister Downs Dairy Company	Amenities	76.80
550.690	15-Oct-14	Banyan Creative	Event Performance and Activity	935.00
559.1947	29-Oct-14	BCA Consultants Pty Ltd	Engineering and Surveying Services	8,013.50
545.280	1-Oct-14	Beaver Tree Services	Landscaping Materials and Services	12,955.53
553.280	22-Oct-14	Beaver Tree Services	Landscaping Materials and Services	30,540.77
545.1408	1-Oct-14	BG & E Pty Ltd	Consultancy Services	5,794.25
545.1654	1-Oct-14	BGC Brikmakers	Facility Maintenance Services	11,281.44
546.1654	8-Oct-14	BGC Brikmakers	Facility Maintenance Services	2,433.97
550.1654	15-Oct-14	BGC Brikmakers	Facility Maintenance Services	11,366.66
553.1654	22-Oct-14	BGC Brikmakers	Facility Maintenance Services	11,683.06
545.409	1-Oct-14	Bidvest (WA) Pty Ltd	Resale Inventory	409.75
546.409	8-Oct-14	Bidvest (WA) Pty Ltd	Resale Inventory	1,419.33
550.409	15-Oct-14	Bidvest (WA) Pty Ltd	Resale Inventory	2,205.66
553.409	22-Oct-14	Bidvest (WA) Pty Ltd	Resale Inventory	177.83
559.409	29-Oct-14	Bidvest (WA) Pty Ltd	Resale Inventory	461.81
559.2773	29-Oct-14	Biggy Buddys Pty Ltd	Event Performance and Activity	550.00
550.2354	15-Oct-14	Bilby Publishing & Consulting Pty L	Library Equipment and Stock	211.02
553.429	22-Oct-14	Bin Bath Australia Pty Ltd	Cleaning Services and Equipment	187.00
550.283	15-Oct-14	Blackwell & Associates Pty Ltd	Planning and Building Services	3,146.00
550.2758	15-Oct-14	Blue Star Rentals Pty Ltd	Rental Charge	550.00
559.286	29-Oct-14	Bob Jane T-Mart Victoria Park	Plant Supply and Servicing	890.00
546.287	8-Oct-14	BOC Limited	Equipment Supply and Repair	750.83
559.287	29-Oct-14	BOC Limited	Equipment Supply and Repair	836.50
545.384	1-Oct-14	Bonissimo	Resale Inventory	395.50
546.384	8-Oct-14	Bonissimo	Resale Inventory	349.00
545.333	1-Oct-14	Boral Construction Materials Group	Equipment Supply and Repair	116.04
546.333	8-Oct-14	Boral Construction Materials Group	Equipment Supply and Repair	116.04
557.2093	24-Oct-14	BP Australia Pty Ltd	Fuel and Oils	3,006.70
545.1200	1-Oct-14	Brenton Michael Pember	Business Systems Development	4,075.50
559.1200	29-Oct-14	Brenton Michael Pember	Business Systems Development	8,508.50
545.775	1-Oct-14	Brett Rabey	Pest Control Services	2,172.50
559.775	29-Oct-14	Brett Rabey	Pest Control Services	990.00
545.289	1-Oct-14	Broken Hill Hotel	Catering and Refreshments	898.00

All Payments Made From 1-Oct-14 To 31-Oct-14

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
553.289	22-Oct-14	Broken Hill Hotel	Catering and Refreshments	241.00
559.2522	29-Oct-14	Bronson Safety Pty Ltd	Service	83.16
545.1211	1-Oct-14	Brownes Foods Operations	Amenities	204.84
546.1211	8-Oct-14	Brownes Foods Operations	Amenities	47.04
550.1211	15-Oct-14	Brownes Foods Operations	Amenities	47.04
553.1211	22-Oct-14	Brownes Foods Operations	Amenities	47.04
559.1211	29-Oct-14	Brownes Foods Operations	Amenities	169.30
553.726	22-Oct-14	Bullivants Pty Ltd	Equipment Supply and Repair	161.70
545.290	1-Oct-14	Bunnings Building Supplies Pty Ltd	Equipment Supply and Repair	8.28
546.290	8-Oct-14	Bunnings Building Supplies Pty Ltd	Equipment Supply and Repair	418.01
550.290	15-Oct-14	Bunnings Building Supplies Pty Ltd	Equipment Supply and Repair	438.25
553.290	22-Oct-14	Bunnings Building Supplies Pty Ltd	Equipment Supply and Repair	124.70
545.292	1-Oct-14	Burke Air	Facility Maintenance Services	1,137.33
550.292	15-Oct-14	Burke Air	Facility Maintenance Services	2,311.52
553.292	22-Oct-14	Burke Air	Facility Maintenance Services	632.50
553.2123	22-Oct-14	Business Foundations Inc	Business Systems Development	9,026.67
549.398	15-Oct-14	C N Anderson	Member Payment	775.00
553.785	22-Oct-14	CA Technology Pty Ltd	Licencing and Subscriptions	4,404.40
546.527	8-Oct-14	Cabcharge Australia Ltd	Transport Services	85.80
552.1730	22-Oct-14	Cain Family Superannuation Fund	Superannuation	1,719.18
550.512	15-Oct-14	Callaghan Security Services	Fire Alarm and Security Services	240.06
550.279	15-Oct-14	Caltex Australia Petroleum Pty Ltd	Fuel and Oils	15,880.02
559.299	29-Oct-14	Cancer Council WA	Amenities	144.32
546.1334	8-Oct-14	Carabooda Pty Ltd	Landscaping Materials and Services	3,465.00
550.300	15-Oct-14	Carlisle Events Hire Pty Ltd	Equipment Hire	12,140.70
545.379	1-Oct-14	Carlisle IGA	Resale Inventory	27.89
546.379	8-Oct-14	Carlisle IGA	Resale Inventory	51.14
550.379	15-Oct-14	Carlisle IGA	Resale Inventory	139.56
553.379	22-Oct-14	Carlisle IGA	Resale Inventory	48.18
559.379	29-Oct-14	Carlisle IGA	Resale Inventory	18.81
546.815	8-Oct-14	Carson Street School Independent Pu	Donations	3,000.00
545.2332	1-Oct-14	Charles Service Company	Facility Maintenance Services	10,140.97
559.2332	29-Oct-14	Charles Service Company	Facility Maintenance Services	9,307.57
559.305	29-Oct-14	Charter Plumbing & Gas	Facility Maintenance Services	92.40
559.1779	29-Oct-14	Child Education Services	Library Equipment and Stock	1,553.91
550.2262	15-Oct-14	Chivers Asphalt	Road Construction Materials and Services	660.00
545.309	1-Oct-14	Chubb Fire & Security Pty Ltd	Fire Alarm and Security Services	259.63
546.309	8-Oct-14	Chubb Fire & Security Pty Ltd	Fire Alarm and Security Services	82.50
550.309	15-Oct-14	Chubb Fire & Security Pty Ltd	Fire Alarm and Security Services	4,048.84
553.309	22-Oct-14	Chubb Fire & Security Pty Ltd	Fire Alarm and Security Services	397.76
559.309	29-Oct-14	Chubb Fire & Security Pty Ltd	Fire Alarm and Security Services	82.50
559.311	29-Oct-14	City of Belmont	Contributions	425.70
545.988	1-Oct-14	City of Canning	Local Government Services	1,939.53
553.638	22-Oct-14	City of Gosnells	Membership and Subscription	12.10
553.369	22-Oct-14	City of Perth	Financial and Record Management Services	31,898.27
554.57	22-Oct-14	City of Perth Superannuation Plan	Superannuation	2,977.31
553.1647	22-Oct-14	City of Vincent	Local Government Services	16.50
545.511	1-Oct-14	City Subaru	Plant Supply and Servicing	34,608.15
546.511	8-Oct-14	City Subaru	Plant Supply and Servicing	299.95
550.466	15-Oct-14	Civica Pty Ltd	Software and IT Solutions	25,872.00
553.466	22-Oct-14	Civica Pty Ltd	Software and IT Solutions	24,048.75
550.483	15-Oct-14	Cleanaway	Waste Management Services	153,273.16
545.629	1-Oct-14	Clever Patch Pty Ltd	Library Equipment and Stock	81.73
550.1065	15-Oct-14	Coates Hire Operations Pty Limited	Equipment Hire	571.53
559.1065	29-Oct-14	Coates Hire Operations Pty Limited	Equipment Hire	371.51
545.1120	1-Oct-14	Coca-Cola Amatil WA	Resale Inventory	299.20
553.2505	22-Oct-14	Code Drop Pty Ltd	Communication Services	3,960.00
545.2588	1-Oct-14	Coles Supermarkets Australia Pty Lt	Resale Inventory	251.60
546.2588	8-Oct-14	Coles Supermarkets Australia Pty Lt	Resale Inventory	224.68
550.2588	15-Oct-14	Coles Supermarkets Australia Pty Lt	Resale Inventory	344.31
553.1199	22-Oct-14	Colleagues Print Solutions	Printing Services	1,973.08
550.1333	15-Oct-14	Comestibles	Catering and Refreshments	6,000.00
546.2241	8-Oct-14	Communications Australia Pty Ltd	Software and IT Solutions	5,857.50
550.327	15-Oct-14	Community Newspapers Group Ltd	Advertising Services	3,034.27
553.689	22-Oct-14	Copley Contracting	Road Construction Materials and Services	25,434.20
550.493	15-Oct-14	Coventry Fasteners	Machinery Servicing and Parts	90.71

All Payments Made From 1-Oct-14 To 31-Oct-14

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
546.1735	8-Oct-14	Covs Parts Pty Ltd	Machinery Servicing and Parts	172.15
550.1253	15-Oct-14	CPD Group Pty Ltd	Facility Maintenance Services	6,745.20
550.1807	15-Oct-14	Crow Books	Library Equipment and Stock	102.42
545.2363	1-Oct-14	CTI Security Services Pty Ltd	Facility Maintenance Services	280.28
559.2216	29-Oct-14	Daimler Trucks Perth	Machinery Servicing and Parts	6,181.30
550.2532	15-Oct-14	Datacom Systems (WA) Pty Ltd	Software and IT Solutions	10,837.05
553.2532	22-Oct-14	Datacom Systems (WA) Pty Ltd	Software and IT Solutions	13,039.40
545.426	1-Oct-14	Daytone Printing Pty Ltd	Printing Services	332.00
559.426	29-Oct-14	Daytone Printing Pty Ltd	Printing Services	918.50
545.346	1-Oct-14	Della's Group Pty Ltd	Printing Services	398.20
550.346	15-Oct-14	Della's Group Pty Ltd	Printing Services	2,173.60
550.263	15-Oct-14	Department of Fire and Emergency	Contributions	36,219.64
559.708	29-Oct-14	Department of Transport	Licencing and Subscriptions	3,198.55
553.2598	22-Oct-14	Dial Before You Dig WA Ltd	Road Construction Materials and Services	2,178.18
545.1372	1-Oct-14	Direct Coffee Supplies	Resale Inventory	200.00
550.1372	15-Oct-14	Direct Coffee Supplies	Resale Inventory	200.00
553.1372	22-Oct-14	Direct Coffee Supplies	Resale Inventory	570.00
546.497	8-Oct-14	Discus Digital Print	Photography and Imaging Services	185.90
550.497	15-Oct-14	Discus Digital Print	Photography and Imaging Services	717.20
559.497	29-Oct-14	Discus Digital Print	Photography and Imaging Services	738.10
550.2517	15-Oct-14	DMC Cleaning Corporation Pty Ltd	Cleaning Services and Equipment	14,003.26
553.2517	22-Oct-14	DMC Cleaning Corporation Pty Ltd	Cleaning Services and Equipment	792.00
559.2517	29-Oct-14	DMC Cleaning Corporation Pty Ltd	Cleaning Services and Equipment	170.50
546.1624	8-Oct-14	Dowsing Concrete	Construction Equipment	8,723.62
550.1624	15-Oct-14	Dowsing Concrete	Construction Equipment	1,298.00
553.1624	22-Oct-14	Dowsing Concrete	Construction Equipment	1,339.14
546.859	8-Oct-14	Dulux Australia	Equipment Supply and Repair	31.90
550.411	15-Oct-14	Dunbar Services (WA) Pty Ltd	Cleaning Services and Equipment	21.45
553.411	22-Oct-14	Dunbar Services (WA) Pty Ltd	Cleaning Services and Equipment	696.30
546.445	8-Oct-14	Duncan Autos Pty Ltd	Plant Supply and Servicing	505.75
550.445	15-Oct-14	Duncan Autos Pty Ltd	Plant Supply and Servicing	709.10
546.685	8-Oct-14	Dymocks Bookshop	Library Equipment and Stock	147.23
550.378	15-Oct-14	East Victoria Park Delivery Round	Communication Services	374.33
545.1164	1-Oct-14	Eastern Metropolitan Regional Counc	Planning and Building Services	17,490.00
550.1495	15-Oct-14	Eaton & Passarelli Pty Ltd	Planning and Building Services	6,930.00
553.2785	22-Oct-14	Economic Development Australia Limi	Membership and Subscription	400.00
545.925	1-Oct-14	Educational Art Supplies	Library Equipment and Stock	292.69
553.2747	22-Oct-14	Einsteins Top Secret Science Perth	School Holiday Program Activities	660.00
550.1581	15-Oct-14	Elizabeth Richards Pty Ltd	Event Performance and Activity	415.59
550.951	15-Oct-14	Elliotts Irrigation Pty Ltd	Irrigation Supply and Repair	226.22
559.951	29-Oct-14	Elliotts Irrigation Pty Ltd	Irrigation Supply and Repair	412.50
553.2372	22-Oct-14	Empire Estate Agent	Rental Payments	4,799.56
559.2404	29-Oct-14	Envirotechnics Pest Management	Facility Maintenance Services	385.00
553.933	22-Oct-14	Eversafe Fire Protection	Fire Alarm and Security Services	616.00
546.377	8-Oct-14	Examiner Newspapers (WA)	Advertising Services	400.00
546.621	8-Oct-14	Fleet Fitness	Equipment Supply and Repair	763.40
559.621	29-Oct-14	Fleet Fitness	Equipment Supply and Repair	467.50
545.2196	1-Oct-14	Flexirent Capital Pty Ltd	Software and IT Solutions	244.33
550.2388	15-Oct-14	Flight Centre	Travelling Expenses	5,417.01
559.594	29-Oct-14	Fluid Electrical Pty Ltd	Electrical Services and Maintenance	1,576.30
546.2721	8-Oct-14	Focused on Success	Training Services	2,716.00
545.402	1-Oct-14	Food For Me	Catering and Refreshments	436.50
553.402	22-Oct-14	Food For Me	Catering and Refreshments	1,369.50
559.402	29-Oct-14	Food For Me	Catering and Refreshments	604.50
550.907	15-Oct-14	Forpark Australia	Transport Services	165.00
545.371	1-Oct-14	Frazzcon Enterprises	Sign Installation and Supply	4,302.06
546.371	8-Oct-14	Frazzcon Enterprises	Sign Installation and Supply	7,738.49
545.752	1-Oct-14	Fruit Express Direct Pty Ltd	Catering and Refreshments	302.40
550.909	15-Oct-14	Funky Balloons	Event Performance and Activity	894.00
559.909	29-Oct-14	Funky Balloons	Event Performance and Activity	494.00
546.2613	8-Oct-14	Future Power WA Pty Ltd	Electrical Services and Maintenance	13,453.00
550.1557	15-Oct-14	Girl Guides Western Australia Inc	Donations	200.00
550.456	15-Oct-14	GLG GreenLife Group Pty Ltd	Landscaping Materials and Services	2,708.82
553.1496	22-Oct-14	Global CCTV	Fire Alarm and Security Services	809.60
553.2776	22-Oct-14	GMTA Skateboards Pty Ltd	Event Performance and Activity	605.00
559.471	29-Oct-14	Greenco Electrical & Communication	Electrical Services and Maintenance	203.50



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<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
546.470	8-Oct-14	Greenway Enterprises	Equipment Supply and Repair	767.80
545.453	1-Oct-14	Gronbek Security	Fire Alarm and Security Services	68.00
546.453	8-Oct-14	Gronbek Security	Fire Alarm and Security Services	40.49
550.453	15-Oct-14	Gronbek Security	Fire Alarm and Security Services	259.95
550.2597	15-Oct-14	Guardian Security Holdings Pty Ltd	Traffic Control Services	401.50
553.2689	22-Oct-14	GymCare	Equipment Supply and Repair	247.50
553.1796	22-Oct-14	Hallmark Editions Pty Ltd	Conference and Workshop Enrolment	330.00
550.313	15-Oct-14	Hames Sharley (WA) Pty Ltd	Consultancy Services	18,370.00
559.1301	29-Oct-14	Harold Hawthorne Senior Citizens Ce	Subsidies	31,297.42
559.616	29-Oct-14	Hart Sport	Equipment Supply and Repair	190.90
550.491	15-Oct-14	Hays Personal Services	Agency and Contract Staff	7,543.39
559.491	29-Oct-14	Hays Personal Services	Agency and Contract Staff	8,001.64
546.2560	8-Oct-14	Health Safety Works	Business Systems Development	110.00
559.1743	29-Oct-14	Honeypot Playgroup	Donations	500.00
546.523	8-Oct-14	Horizons West Bus & Coachlines	School Holiday Program Activities	473.00
550.523	15-Oct-14	Horizons West Bus & Coachlines	School Holiday Program Activities	891.00
553.523	22-Oct-14	Horizons West Bus & Coachlines	School Holiday Program Activities	2,068.00
545.315	1-Oct-14	Hot Cotton - Kewdale	Uniforms and Protective Equipment	362.89
550.315	15-Oct-14	Hot Cotton - Kewdale	Uniforms and Protective Equipment	70.40
553.315	22-Oct-14	Hot Cotton - Kewdale	Uniforms and Protective Equipment	904.20
550.110	15-Oct-14	Hydroquip Pumps	Irrigation Supply and Repair	319.00
553.2678	22-Oct-14	Hygiene Concepts	Cleaning Services and Equipment	1,919.50
545.112	1-Oct-14	Icon-Septech Pty Ltd	Irrigation Supply and Repair	701.25
546.112	8-Oct-14	Icon-Septech Pty Ltd	Irrigation Supply and Repair	1,390.16
550.112	15-Oct-14	Icon-Septech Pty Ltd	Irrigation Supply and Repair	6,176.54
553.112	22-Oct-14	Icon-Septech Pty Ltd	Irrigation Supply and Repair	1,756.70
546.676	8-Oct-14	Idesco	Membership and Subscription	1,210.00
553.2591	22-Oct-14	Indian Pacific Limited trading was	Consultancy Services	5,137.55
546.210	8-Oct-14	Indoor Gardens Pty Ltd	Landscaping Materials and Services	1,235.09
545.1091	1-Oct-14	Industrial Cleaning Equipment	Equipment Supply and Repair	54.60
553.216	22-Oct-14	Insight CCS	Communication Services	798.42
550.217	15-Oct-14	Interconnect It Solutions	Equipment Supply and Repair	12,352.70
545.2621	1-Oct-14	Interlec (WA) Pty Ltd	Electrical Services and Maintenance	9,739.86
550.1040	15-Oct-14	Irrigation Australia Ltd	Reticulation Supply and Repair	2,340.00
546.284	8-Oct-14	J Blackwoods & Sons Pty Ltd	Uniforms and Protective Equipment	365.44
550.284	15-Oct-14	J Blackwoods & Sons Pty Ltd	Uniforms and Protective Equipment	419.74
546.222	8-Oct-14	Jackson McDonald Lawyers	Legal Services	4,183.13
550.222	15-Oct-14	Jackson McDonald Lawyers	Legal Services	4,005.97
550.330	15-Oct-14	Jason Signmakers	Sign Installation and Supply	2,607.00
550.1846	15-Oct-14	JB HI FI	Equipment Supply and Repair	1,899.53
546.1376	8-Oct-14	JBA Surveys	Engineering and Surveying Services	6,424.00
550.1376	15-Oct-14	JBA Surveys	Engineering and Surveying Services	9,707.50
545.227	1-Oct-14	Jim's Fencing North Perth	Facility Maintenance Services	1,188.00
546.227	8-Oct-14	Jim's Fencing North Perth	Facility Maintenance Services	4,582.38
546.229	8-Oct-14	John Hughes Service	Plant Supply and Servicing	59.10
553.229	22-Oct-14	John Hughes Service	Plant Supply and Servicing	352.81
559.229	29-Oct-14	John Hughes Service	Plant Supply and Servicing	21,459.30
550.230	15-Oct-14	Johns Building Supplies Pty Ltd	Equipment Supply and Repair	357.28
559.230	29-Oct-14	Johns Building Supplies Pty Ltd	Equipment Supply and Repair	87.37
550.2001	15-Oct-14	Josephine's Edutainment	Event Performance and Activity	475.00
553.1452	22-Oct-14	Kone ELevators Pty Ltd	Machinery Servicing and Parts	861.07
550.241	15-Oct-14	Kool-Line Electrical & Refrigeratio	Machinery Servicing and Parts	1,609.75
546.1187	8-Oct-14	Kooya Consultancy	Consultancy Services	550.00
546.2145	8-Oct-14	Kott Gunning	Legal Services	49.83
546.501	8-Oct-14	Landgate	Local Government Services	571.46
553.501	22-Oct-14	Landgate	Local Government Services	843.49
550.2447	15-Oct-14	Lazer Blaze Malaga	School Holiday Program Activities	350.00
559.252	29-Oct-14	Les Mills Asia Pacific	Licencing and Subscriptions	2,147.60
553.1430	22-Oct-14	LGISWA	Insurance	428,427.47
546.617	8-Oct-14	LO GO Appointments	Agency and Contract Staff	1,848.00
553.617	22-Oct-14	LO GO Appointments	Agency and Contract Staff	3,257.10
545.262	1-Oct-14	Local Government Managers Australia	Membership and Subscription	85.00
550.262	15-Oct-14	Local Government Managers Australia	Membership and Subscription	610.00
559.322	29-Oct-14	Local Government Planners Associati	Local Government Services	630.00
550.2704	15-Oct-14	Localise Pty Ltd	Consultancy Services	3,168.00
545.457	1-Oct-14	Lochness Pty Ltd	Landscaping Materials and Services	15,776.72

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<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
559.457	29-Oct-14	Lochness Pty Ltd	Landscaping Materials and Services	26,117.41
546.442	8-Oct-14	MacDonald Johnston	Plant Supply and Servicing	2,616.12
550.1904	15-Oct-14	Mackay Urbandesign	Planning and Building Services	1,787.50
550.2711	15-Oct-14	Mailforce Document Solutions Pty Lt	Printing Services	5,033.20
559.2711	29-Oct-14	Mailforce Document Solutions Pty Lt	Printing Services	3,248.53
546.930	8-Oct-14	Malcolm & Caril Barker	Landscaping Materials and Services	440.00
550.2429	15-Oct-14	Marc Ash Photography	Photography and Imaging Services	440.00
546.2358	8-Oct-14	Marindust Sales	Equipment Supply and Repair	979.00
545.317	1-Oct-14	Marlbroh Bingo Enterprises	Bingo Costs	3,862.80
559.2538	29-Oct-14	Marshall Beattie Pty Ltd	Equipment Supply and Repair	1,364.00
546.1223	8-Oct-14	Matt Devlin	Photography and Imaging Services	670.00
550.958	15-Oct-14	McLernons Supply & Demand	Equipment Supply and Repair	404.10
559.600	29-Oct-14	Message4U Pty Ltd	Communication Services	261.04
545.189	1-Oct-14	Mindarie Regional Council	Waste Management Services	83,084.19
546.189	8-Oct-14	Mindarie Regional Council	Waste Management Services	59,678.51
550.189	15-Oct-14	Mindarie Regional Council	Waste Management Services	85,189.89
553.189	22-Oct-14	Mindarie Regional Council	Waste Management Services	32,754.92
550.2105	15-Oct-14	Miss L R Dempster	Minor Expenditure Reimbursement	110.00
545.1933	1-Oct-14	MLC Roof Services Pty Ltd	Facility Maintenance Services	4,950.00
546.2649	8-Oct-14	Mobile Dewatering Environmental	Environmental Services	3,547.50
546.190	8-Oct-14	Movies By Burswood (Inc)	Contributions	16,500.00
545.2771	1-Oct-14	Mr A Maciver	Minor Expenditure Reimbursement	144.75
546.1506	8-Oct-14	Mr A Vuleta	Minor Expenditure Reimbursement	39.00
550.2781	15-Oct-14	Mr Charlie McCarthy	Event Performance and Activity	800.00
550.2644	15-Oct-14	Mr D Brophy	Sign Installation and Supply	2,400.00
550.1867	15-Oct-14	Mr E W Setzinger	Minor Expenditure Reimbursement	300.00
559.2313	29-Oct-14	Mr I A Abuleela	Minor Expenditure Reimbursement	300.00
549.372	15-Oct-14	Mr J G Bissett	Member Payment	300.00
560.365	29-Oct-14	Mr J K Hayes	Member Payment	237.50
545.1596	1-Oct-14	Mr W D Bow	Minor Expenditure Reimbursement	128.20
546.1596	8-Oct-14	Mr W D Bow	Minor Expenditure Reimbursement	234.00
553.2488	22-Oct-14	Mrs A M Podmore	Minor Expenditure Reimbursement	156.00
559.2805	29-Oct-14	Mrs B Potger	Subsidies	50.00
545.2236	1-Oct-14	Mrs H Ryder	Event Performance and Activity	158.45
545.2611	1-Oct-14	Ms C L Parsons	Consultancy Services	1,375.00
546.2611	8-Oct-14	Ms C L Parsons	Consultancy Services	3,575.00
550.1412	15-Oct-14	Ms C L Stace	Event Performance and Activity	600.00
550.2784	15-Oct-14	Ms H Bailey	Minor Expenditure Reimbursement	193.57
559.2586	29-Oct-14	Ms J S D'Antoine	Minor Expenditure Reimbursement	21.50
545.1387	1-Oct-14	Ms R A Lavery	Minor Expenditure Reimbursement	65.70
545.2765	1-Oct-14	Ms R Driscoll	Donations	200.00
550.2373	15-Oct-14	Ms R Skinner	Event Performance and Activity	3,700.00
559.2804	29-Oct-14	Ms S A Duncan	Subsidies	50.00
545.601	1-Oct-14	Ms T E Ackerman	Minor Expenditure Reimbursement	251.01
549.1601	15-Oct-14	Ms V Potter	Members Allowance	375.00
559.1124	29-Oct-14	Nappy Online - AA Property Services	Resale Inventory	165.00
559.2792	29-Oct-14	National Association for the Visual	Conference and Workshop Enrolment	90.00
550.2739	15-Oct-14	Nature Calls Portable Toilets	Event Performance and Activity	1,452.00
550.2160	15-Oct-14	Neil Urry	Amenities	750.00
550.1141	15-Oct-14	Newicks Electrical Services	Electrical Services and Maintenance	330.00
546.386	8-Oct-14	Northlake Electrical Pty Ltd	Electrical Services and Maintenance	1,401.93
559.386	29-Oct-14	Northlake Electrical Pty Ltd	Electrical Services and Maintenance	4,509.96
559.2041	29-Oct-14	OCP Sales	Equipment Supply and Repair	1,217.63
546.2428	8-Oct-14	OfficeMax Australia Limited	Office Supplies	52.94
553.2428	22-Oct-14	OfficeMax Australia Limited	Office Supplies	147.58
546.202	8-Oct-14	Officeworks Superstores Pty Ltd	Office Supplies	58.31
559.202	29-Oct-14	Officeworks Superstores Pty Ltd	Office Supplies	159.97
545.1053	1-Oct-14	Opus International Consultants (PCA	Engineering and Surveying Services	162.25
559.1053	29-Oct-14	Opus International Consultants (PCA	Engineering and Surveying Services	4,826.25
545.1287	1-Oct-14	Outsource Business Support Solution	Business Systems Development	3,503.50
546.1287	8-Oct-14	Outsource Business Support Solution	Business Systems Development	3,718.00
550.1287	15-Oct-14	Outsource Business Support Solution	Business Systems Development	7,007.00
553.1287	22-Oct-14	Outsource Business Support Solution	Business Systems Development	3,976.50
559.1287	29-Oct-14	Outsource Business Support Solution	Business Systems Development	6,319.50
545.207	1-Oct-14	Oven Sparkle Pty Ltd	Cleaning Services and Equipment	1,210.00
559.207	29-Oct-14	Oven Sparkle Pty Ltd	Cleaning Services and Equipment	1,210.00



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<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
553.556	22-Oct-14	P & M Automotive Equipment	Machinery Servicing and Parts	196.90
553.462	22-Oct-14	Paper- Pak Pty Ltd	Office Supplies	151.80
546.1385	8-Oct-14	Parks & Leisure Australia	Training Services	137.50
545.401	1-Oct-14	Perth Cricket Club Inc	Contributions	18,224.92
548.1793	9-Oct-14	Perth Energy Pty Ltd	Electricity Usage Charges	37,503.69
550.2684	15-Oct-14	Perth Face Painting Company	Event Performance and Activity	704.00
546.410	8-Oct-14	Perth Frozen Foods Pty Ltd	Resale Inventory	239.45
545.448	1-Oct-14	Perth Pressure Jet Services Trust	Cleaning Services and Equipment	2,534.40
545.1946	1-Oct-14	Perth Safety Products	Uniforms and Protective Equipment	891.00
553.1946	22-Oct-14	Perth Safety Products	Uniforms and Protective Equipment	44.00
552.1381	22-Oct-14	Petch Superannuation Fund	Superannuation	543.69
546.2667	8-Oct-14	Philip Swan Consulting	Consultancy Services	1,239.00
550.2667	15-Oct-14	Philip Swan Consulting	Consultancy Services	1,785.00
553.2780	22-Oct-14	Place Leaders Association	Training Services	550.00
550.482	15-Oct-14	PLE Computers	Software and IT Solutions	129.00
559.661	29-Oct-14	PMP Print Pty Ltd	Printing Services	608.44
553.1294	22-Oct-14	Pope Packaging	Equipment Supply and Repair	792.00
550.1189	15-Oct-14	Porter Consulting Engineers	Engineering and Surveying Services	4,290.00
559.1189	29-Oct-14	Porter Consulting Engineers	Engineering and Surveying Services	1,320.00
550.432	15-Oct-14	Possum Promotions & Entertainment	Event Performance and Activity	1,540.00
550.2603	15-Oct-14	Poster Passion	Printing Services	248.11
550.947	15-Oct-14	PowerVac Pty Ltd	Equipment Supply and Repair	283.00
545.677	1-Oct-14	Premier Glass & Mirrors	Facility Maintenance Services	15.00
550.677	15-Oct-14	Premier Glass & Mirrors	Facility Maintenance Services	1,706.43
552.1756	22-Oct-14	Prime Super	Superannuation	767.72
559.458	29-Oct-14	Print Smart On Line Pty Ltd	Printing Services	7,830.55
550.2710	15-Oct-14	Productology	Advertising Services	2,447.50
545.359	1-Oct-14	Programmed Integrated Workforce	Agency and Contract Staff	4,019.41
546.359	8-Oct-14	Programmed Integrated Workforce	Agency and Contract Staff	2,891.61
559.359	29-Oct-14	Programmed Integrated Workforce	Agency and Contract Staff	2,904.99
545.530	1-Oct-14	Pro-Lamps Pty Ltd	Equipment Supply and Repair	4,884.00
545.746	1-Oct-14	Quick Corporate Australia	Office Supplies	172.59
546.746	8-Oct-14	Quick Corporate Australia	Office Supplies	482.19
550.746	15-Oct-14	Quick Corporate Australia	Office Supplies	760.45
553.746	22-Oct-14	Quick Corporate Australia	Office Supplies	1,027.34
559.746	29-Oct-14	Quick Corporate Australia	Office Supplies	368.04
546.342	8-Oct-14	Quik Kleen Drycleaners	Cleaning Services and Equipment	453.70
545.630	1-Oct-14	Raeco	Office Supplies	56.90
550.2745	15-Oct-14	Rammed Earth Alternatives	Landscaping Materials and Services	14,300.00
550.2760	15-Oct-14	ReActiv8 Exercise Physiology Servic	Training Services	360.00
546.350	8-Oct-14	Recall Information Management Pty L	Record Management	1,236.89
559.2631	29-Oct-14	Recycle WA Pty Ltd	Waste Management Services	980.10
546.2471	8-Oct-14	Refresh Waters Pty Ltd	Equipment Supply and Repair	40.00
559.2471	29-Oct-14	Refresh Waters Pty Ltd	Equipment Supply and Repair	40.00
545.2457	1-Oct-14	Reino International Pty Ltd	Equipment Supply and Repair	39,600.00
550.2497	15-Oct-14	REmida Perth Inc	School Holiday Program Activities	1,908.00
550.1646	15-Oct-14	Rent A Fence Pty Ltd	Equipment Supply and Repair	435.60
559.2609	29-Oct-14	Roseworth (WA) Pty Ltd	Landscaping Materials and Services	493.35
559.1966	29-Oct-14	Ryalls Waterworkout	Equipment Supply and Repair	416.00
546.651	8-Oct-14	Safety & Rescue Equipment	Facility Maintenance Services	440.00
546.1307	8-Oct-14	Savage Surveying	Surveying Services	594.00
545.383	1-Oct-14	Schweppes Australia Pty Ltd	Resale Inventory	575.50
550.383	15-Oct-14	Schweppes Australia Pty Ltd	Resale Inventory	536.04
553.383	22-Oct-14	Schweppes Australia Pty Ltd	Resale Inventory	2,705.22
545.1816	1-Oct-14	Secure Cash	Financial Services	1,447.60
550.1816	15-Oct-14	Secure Cash	Financial Services	616.00
553.1816	22-Oct-14	Secure Cash	Financial Services	1,355.20
545.1820	1-Oct-14	Secure Cash	Financial Services	634.95
546.1820	8-Oct-14	Secure Cash	Financial Services	553.15
553.1820	22-Oct-14	Secure Cash	Financial Services	900.85
559.1820	29-Oct-14	Secure Cash	Financial Services	83.48
546.354	8-Oct-14	Sigma Chemicals	Equipment Supply and Repair	2,300.56
550.354	15-Oct-14	Sigma Chemicals	Equipment Supply and Repair	1,506.56
550.123	15-Oct-14	Simmons Electrical	Electrical Services and Maintenance	3,150.71
553.123	22-Oct-14	Simmons Electrical	Electrical Services and Maintenance	4,269.76
559.123	29-Oct-14	Simmons Electrical	Electrical Services and Maintenance	2,890.77

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<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
546.2641	8-Oct-14	Site Environmental & Remediation	Consultancy Services	29,608.65
545.2308	1-Oct-14	Skateboard Australia Inc	Equipment Supply and Repair	750.00
553.1797	22-Oct-14	Snap Printing Belmont	Printing Services	210.00
550.2493	15-Oct-14	Sonic HealthPlus Pty Ltd	Medical Equipment and Services	1,166.00
553.2493	22-Oct-14	Sonic HealthPlus Pty Ltd	Medical Equipment and Services	770.00
559.2493	29-Oct-14	Sonic HealthPlus Pty Ltd	Medical Equipment and Services	1,358.50
550.133	15-Oct-14	Southern Metropolitan Regional Coun	Waste Management Services	931.99
559.2321	29-Oct-14	Southern Star Resources	Facility Maintenance Services	418.55
550.2411	15-Oct-14	Southside Volkswagen	Machinery Servicing and Parts	1,420.00
553.1953	22-Oct-14	Spider Waste Collection Services Pt	Waste Management Services	8,762.60
545.2051	1-Oct-14	Sports Turf Technology Pty Ltd	Environmental Services	8,250.00
546.136	8-Oct-14	Sportsworld of WA	Resale Inventory	633.60
550.136	15-Oct-14	Sportsworld of WA	Resale Inventory	715.00
559.136	29-Oct-14	Sportsworld of WA	Resale Inventory	610.50
550.138	15-Oct-14	St John Ambulance Australia (WA) In	Training Services	333.08
545.1291	1-Oct-14	Stanlee WA	Equipment Supply and Repair	218.90
550.376	15-Oct-14	Staples Australia Pty Limited	Office Supplies	113.58
545.473	1-Oct-14	State Law Publisher	Advertising Services	69.50
545.137	1-Oct-14	State Library of WA	Library Equipment and Stock	38.50
550.137	15-Oct-14	State Library of WA	Library Equipment and Stock	2,976.60
553.137	22-Oct-14	State Library of WA	Library Equipment and Stock	552.20
550.560	15-Oct-14	Statewide Bearings	Machinery Servicing and Parts	29.68
546.2707	8-Oct-14	Stiven Pucar	Cleaning Services and Equipment	7,662.00
550.2707	15-Oct-14	Stiven Pucar	Cleaning Services and Equipment	6,980.00
559.2707	29-Oct-14	Stiven Pucar	Cleaning Services and Equipment	7,413.00
550.2775	15-Oct-14	Street Artist Management Pty Ltd	Event Performance and Activity	1,485.00
545.141	1-Oct-14	Sunny Sign Company Pty Ltd	Sign Installation and Supply	19.27
550.141	15-Oct-14	Sunny Sign Company Pty Ltd	Sign Installation and Supply	491.34
545.1785	1-Oct-14	Supa Pest & Weed Control	Facility Maintenance Services	3,866.50
550.2338	15-Oct-14	Supremacy Services Pty Ltd	Facility Maintenance Services	440.00
559.2338	29-Oct-14	Supremacy Services Pty Ltd	Facility Maintenance Services	450.00
546.2430	8-Oct-14	Swan Smash Repairs	Plant Supply and Servicing	500.00
553.2430	22-Oct-14	Swan Smash Repairs	Plant Supply and Servicing	500.00
546.2109	8-Oct-14	Swan Towing	Towing Services	161.70
550.2658	15-Oct-14	Systemlink Holdings Pty Ltd	Facility Maintenance Services	467.50
553.2658	22-Oct-14	Systemlink Holdings Pty Ltd	Facility Maintenance Services	759.00
550.714	15-Oct-14	T & C Transport Service	Postage Services	12.19
546.145	8-Oct-14	Taborda Contracting Pty Ltd	Traffic Control Services	9,598.88
553.145	22-Oct-14	Taborda Contracting Pty Ltd	Traffic Control Services	17,246.71
559.145	29-Oct-14	Taborda Contracting Pty Ltd	Traffic Control Services	2,079.00
546.2156	8-Oct-14	Tamala Park Regional Council	Environmental Services	8,350.98
550.1939	15-Oct-14	TenderLink.com	Advertising Services	165.00
545.1869	1-Oct-14	The BBQ Man	Cleaning Services and Equipment	814.00
545.408	1-Oct-14	The Distributors Perth	Resale Inventory	563.10
550.2369	15-Oct-14	The Entertainment Bank Pty Ltd	Event Performance and Activity	495.00
550.2166	15-Oct-14	The Little Print Shop	Printing Services	200.60
550.2225	15-Oct-14	The Maze Family Fun Park	Event Performance and Activity	792.00
546.156	8-Oct-14	The Pressure King	Cleaning Services and Equipment	753.50
545.312	1-Oct-14	The Royal Life Saving Society Weste	Medical Equipment and Services	1,170.00
553.157	22-Oct-14	The Smart Security Company	Fire Alarm and Security Services	121.00
552.2736	22-Oct-14	The Trustee for Onepath MasterFund	Superannuation	369.82
559.2787	29-Oct-14	The Vic Park Collective	Event Performance and Activity	2,258.35
545.381	1-Oct-14	Tiger Batteries	Machinery Servicing and Parts	308.00
546.381	8-Oct-14	Tiger Batteries	Machinery Servicing and Parts	165.00
553.164	22-Oct-14	Totally Workwear Victoria Park	Uniforms and Protective Equipment	91.71
559.164	29-Oct-14	Totally Workwear Victoria Park	Uniforms and Protective Equipment	21.04
552.59	22-Oct-14	Town of Victoria Park - Lotto Club	Contributions	288.00
552.63	22-Oct-14	Town of Victoria Park - Staff Socia	Contributions	612.00
550.550	15-Oct-14	Trailer Parts Pty Ltd	Machinery Servicing and Parts	12.76
553.550	22-Oct-14	Trailer Parts Pty Ltd	Machinery Servicing and Parts	116.18
546.171	8-Oct-14	Trisley Hydraulics Services	Plant Supply and Servicing	330.00
550.171	15-Oct-14	Trisley Hydraulics Services	Plant Supply and Servicing	4,133.41
553.171	22-Oct-14	Trisley Hydraulics Services	Plant Supply and Servicing	24,979.68
559.171	29-Oct-14	Trisley Hydraulics Services	Plant Supply and Servicing	3,561.14
550.529	15-Oct-14	UN Plumbing	Facility Maintenance Services	572.00
553.529	22-Oct-14	UN Plumbing	Facility Maintenance Services	145.75

All Payments Made From 1-Oct-14 To 31-Oct-14

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
546.628	8-Oct-14	Uniqco (WA) Pty Ltd	Membership and Subscription	2,775.51
553.2691	22-Oct-14	Urbanstone Pty Ltd	Landscaping Materials and Services	44,278.74
553.1751	22-Oct-14	Urbis Pty Ltd	Consultancy Services	9,624.65
559.1071	29-Oct-14	Veraison Enterprises Pty Ltd	Organisational Development Services	9,240.00
546.182	8-Oct-14	Victoria Park Centre For The Arts I	Sculpture and Art	5,500.00
550.182	15-Oct-14	Victoria Park Centre For The Arts I	Sculpture and Art	2,750.00
559.182	29-Oct-14	Victoria Park Centre For The Arts I	Sculpture and Art	73,963.08
550.181	15-Oct-14	Victoria Park Veterinary Clinic	Veterinary Services	73.05
553.181	22-Oct-14	Victoria Park Veterinary Clinic	Veterinary Services	36.15
545.2009	1-Oct-14	Vorgee Pty Ltd	Equipment Supply and Repair	1,042.80
550.2009	15-Oct-14	Vorgee Pty Ltd	Equipment Supply and Repair	1,298.00
559.24	29-Oct-14	WA Hino Sales & Service	Machinery Servicing and Parts	1,552.90
545.29	1-Oct-14	WA Local Government Association (WA	Local Government Services	2,787.20
546.29	8-Oct-14	WA Local Government Association (WA	Local Government Services	1,075.80
552.58	22-Oct-14	WA Local Government Superannuation	Superannuation	150,079.78
550.660	15-Oct-14	WA Profiling	Road Construction Materials and Services	7,736.37
553.660	22-Oct-14	WA Profiling	Road Construction Materials and Services	2,262.54
546.618	8-Oct-14	WA Rangers Association	Uniforms and Protective Equipment	152.00
550.2722	15-Oct-14	WA Skate Ramps	Equipment Supply and Repair	660.00
550.2581	15-Oct-14	WA Temporary Fencing Supplies	Equipment Hire	110.00
550.1628	15-Oct-14	Wanneroo Botanical Gardens	School Holiday Program Activities	468.00
546.804	8-Oct-14	Waterlogic	Amenities	247.50
553.972	22-Oct-14	Welshpool Wash	Cleaning Services and Equipment	240.00
553.2600	22-Oct-14	West Australian Landfill Services P	Waste Management Services	42,930.83
559.2600	29-Oct-14	West Australian Landfill Services P	Waste Management Services	9,883.68
553.42	22-Oct-14	West Coast Lunches	Catering and Refreshments	18.00
545.46	1-Oct-14	Westbooks	Library Equipment and Stock	150.62
559.46	29-Oct-14	Westbooks	Library Equipment and Stock	241.83
550.2753	15-Oct-14	Western Australia Building Certifie	Consultancy Services	9,120.00
553.2687	22-Oct-14	Western Australian Birds of Prey Ce	School Holiday Program Activities	935.00
546.828	8-Oct-14	Western Australian Treasury Corpora	Loan Repayment	274,431.73
559.828	29-Oct-14	Western Australian Treasury Corpora	Loan Repayment	258,715.54
546.44	8-Oct-14	Western Resource Recovery Pty Ltd	Waste Management Services	152.90
545.41	1-Oct-14	Weston Road Systems	Linemarking	25,594.25
559.2791	29-Oct-14	Window Shield Australia	Facility Maintenance Services	1,212.00
545.99	1-Oct-14	Work Clobber	Uniforms and Protective Equipment	488.90
546.99	8-Oct-14	Work Clobber	Uniforms and Protective Equipment	1,002.00
545.98	1-Oct-14	Wormald	Fire Alarm and Security Services	427.21
545.2383	1-Oct-14	Wright Express Australia Pty Ld	Resale Inventory	62.81
546.2383	8-Oct-14	Wright Express Australia Pty Ld	Resale Inventory	47.76
553.2383	22-Oct-14	Wright Express Australia Pty Ld	Resale Inventory	96.99
553.101	22-Oct-14	Wurth Australia Pty Ltd	Machinery Servicing and Parts	167.40
559.104	29-Oct-14	Youngs Holden	Plant Supply and Servicing	607.21
<b>Total Creditors EFT Payments</b>				<b>3,752,384.81</b>

### Non Creditors Cheques

00606204	8-Oct-14	A Audino & J Audino	Refund - Rates Overpayment	538.91
00606273	22-Oct-14	Abdul Abdullah	Awards	2,200.00
00606274	22-Oct-14	Abdul Abdullah	Awards	550.00
00606235	15-Oct-14	Andrew Boska	Refund-Membership	729.00
00606232	15-Oct-14	Andrew Pacholi	Security Incentive Scheme	200.00
00606210	8-Oct-14	Anne-Laure Newman	Donation	200.00
00606214	8-Oct-14	Beata Adamczyk	Refund-Crossover	400.00
00606278	22-Oct-14	Beverley Hughes	Refund - Library Volunteer	62.40
00606215	8-Oct-14	Catherine Clay	Refund-Crossover	400.00
00606271	22-Oct-14	Chinwei Loo	Security Incentive Scheme	105.00
00606290	27-Oct-14	David Burch	Refund-Crossover Contribution	400.00
00606286	27-Oct-14	Dickson Mendano	Refund-Membership	262.00
00606275	22-Oct-14	Glenys Smith	Refund - Cross Contribution	400.00
00606197	2-Oct-14	H S Low	Refund - Rates Overpayment	41.26
00606236	15-Oct-14	Helen Leach	Refund-Membership	157.00
00606191	2-Oct-14	J H Zhu	Refund - Rates Overpayment	1,224.13
00606194	2-Oct-14	Jeff Grzinic	Refund - Demolition Fee	70.00
00606196	2-Oct-14	L C Koh & H S Low	Refund - Rates Overpayment	36.66
00606209	8-Oct-14	Liana Cook	Donation	200.00
00606231	15-Oct-14	Louisa MacDonald	Security Incentive Scheme	50.00
00606276	22-Oct-14	Mark Herbert	Refund - Application Fee	98.00

All Payments Made From 1-Oct-14 To 31-Oct-14

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
00606207	8-Oct-14	Mary Elton-Bolt	Security Incentive Scheme	250.00
00606230	15-Oct-14	Mohamed Nishan	Refund-Membership	318.00
00606282	22-Oct-14	Mr J A Godfrey & Mrs G A Godfrey	Refund - Rates Overpayment	871.42
00606277	22-Oct-14	Mr S J Cooper & Mrs W G Cooper	Refund - Rates Overpayment	546.00
00606218	8-Oct-14	Mr Vestru Testa	Refund-Membership	124.65
00606189	2-Oct-14	Mr Y L Liew	Refund - Underground Power	156.39
00606227	15-Oct-14	Mrs L C Miot	Refund - Rates Overpayment	157.87
00606284	22-Oct-14	Mrs L H Den Ridder & Mr P G Den Rid	Refund - Rates Overpayment	333.93
00606280	22-Oct-14	Ms C Travia	Refund - Rates Overpayment	1,202.56
00606283	22-Oct-14	Ms D E Nicol	Refund - Rates Overpayment	757.31
00606192	2-Oct-14	Ms Guiseppuna Volaric	Rates Prize Draw - 2015	1,000.00
00606268	22-Oct-14	Ms J A Hamon-Ottema	Refund - Rates Overpayment	494.99
00606217	8-Oct-14	Ms J Cumming	Refund-Infringement	60.00
00606186	2-Oct-14	Ms L A Fitzgibbons & Mr V M Fitzgib	Refund - Underground Power	362.91
00606287	27-Oct-14	Ms Renata Ogilvie	Refund-Membership	245.90
00606188	2-Oct-14	Ms X B Zhong	Refund - Underground Power	469.16
00606234	15-Oct-14	Natasha Wilson	Event Performance and Activity	2,528.75
00606190	2-Oct-14	Nuckey Precision Pty Ltd	Refund - Rates Overpayment	45.30
00606272	22-Oct-14	Rebecca Dagnall	Awards	11,000.00
00606229	15-Oct-14	Robert Oliver	Refund-Debtor Overpayment	10.00
00606206	8-Oct-14	Rose Kamarudin	Refund-Membership	103.00
00606281	22-Oct-14	S R Manton	Refund - Rates Overpayment	311.22
00606187	2-Oct-14	Sana Nasimi Saeb	Refund - Swim Lessons	88.40
00606212	8-Oct-14	Sattra Sachdev	Refund-Crossover	400.00
00606233	15-Oct-14	Scott French	Refund-Membership	249.00
00606291	27-Oct-14	SE & M Taraborrelli	Refund-Crossover Contribution	400.00
00606208	8-Oct-14	Sharon Cassidy	Donation	200.00
00606185	2-Oct-14	SKS Amagh Pty Ltd	Reissue of Cheque Number 605727	148.67
00606211	8-Oct-14	Sonja Freeman-Dick	Donation	200.00
00606205	8-Oct-14	SR & M Linton 110 View Terrace	Refund - Rates Overpayment	271.55
00606270	22-Oct-14	Stephen & Therese Hays	Security Incentive Scheme	70.00
00606269	22-Oct-14	T R & A C Martin	Refund - Rates Overpayment	52.33
00606216	8-Oct-14	Taryn Kelly	Refund-Debtor Overpayment	94.80
00606228	15-Oct-14	The Story Culture	Event Performance and Activity	2,073.75
00606213	8-Oct-14	Theo Marshall Sustainable Transport	Refund-Crossover	400.00
00606279	22-Oct-14	Verse (Aust) Pty Ltd	Refund - Debtor Overpayment	1,000.00
00606193	2-Oct-14	Vestru Testa	Refund - Membership	124.66
00606195	2-Oct-14	Victoria Park Soccer Club Inc	Refund - Club Room Hire	220.00
00606288	27-Oct-14	Vicus Property Group	Refund - Rates Overpayment	5,026.99
00606289	27-Oct-14	Vicus Property Group	Refund - Rates Overpayment	2,231.51
00606285	27-Oct-14	Wendy Fatlin	Contribution	1,710.50
00606198	2-Oct-14	Y M Koh	Refund - Rates Overpayment	41.80
<b>Total Non Creditors Cheques</b>				<b>44,677.68</b>

### Payroll

PY01-08	5-Oct-14	Municipal Fund Bank Account	Payroll	442,617.73
PY01-09	19-Oct-14	Municipal Fund Bank Account	Payroll	465,863.20
<b>Total Payroll</b>				<b>908,480.93</b>

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**Total Payments From Municipal Fund Bank Account      4,914,514.16**

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## Trust Fund Bank Account

### Payments

#### Non Creditors Cheques

00002929	8-Oct-14	Carlisle Football Club (Inc)	Refund - Bond Carlisle Reserve	1,300.00
00002930	8-Oct-14	Carlisle Football Club (Inc)	Refund - Bond Carlisle Reserve	100.00
00002934	14-Oct-14	Down Syndrome Association WA	Refund - Bond McCallum Park	700.00
00002944	27-Oct-14	Mr B Driver	Refund - Bond GO Edwards	300.00
00002946	29-Oct-14	Mr D Jeong	Refund - Bond JA Lee Reserve	100.00
00002945	27-Oct-14	Mr H Grimmer	Refund - Bond GO Edwards	1,000.00
00002924	2-Oct-14	Mr P Sewell	Refund - Bond Go Edwards	300.00
00002927	2-Oct-14	Mr T Nash	Refund - Bond Carlisle Reserve	300.00
00002928	2-Oct-14	Mrs B Baljeu	Refund - Bond GO Edwards	300.00
00002926	2-Oct-14	Mrs D J Marsh	Refund - Bond McCallum Park	100.00
00002936	22-Oct-14	Mrs S Karas	Refund - Bond GO Edwards	100.00

## Payment Summary

### Creditors, Non Creditors, EFTs and Payroll

All Payments Made From 1-Oct-14 To 31-Oct-14

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
00002933	14-Oct-14	Ms D L Thatcher	Refund - Bond Cat Trap	50.00
00002942	27-Oct-14	Ms M Heron	Refund - Bond Raphael Park	100.00
00002932	14-Oct-14	Ms S Knights	Refund - Bond GO Edwards	300.00
00002931	8-Oct-14	Ms T Kelly	Refund - Bond McCallum Park	200.00
00002937	22-Oct-14	NEXUS	Refund - Bond Leisurelife Courts	876.00
00002943	27-Oct-14	P&N Bank	Refund - Bond Taylor Reserve	500.00
00002925	2-Oct-14	Perth Wedding & Events ATTN: Kristy	Refund - Bond McCallum Park	600.00
00002935	14-Oct-14	Victoria Park Sub Branch RSL	Refund - Bond Playfield Reserve	100.00
<b>Total Non Creditors Cheques</b>				<b>7,326.00</b>

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**Total Payments From Trust Fund Bank Account      7,326.00**

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**4,921,840.16**

### Cheques Cancelled between 1-Oct-14 and 31-Oct-14 that were raised in a prior period

<u>Cheque</u>	<u>Payee</u>	<u>Raised</u>	<u>Value</u>	<u>Cancelled</u>

## 14.2 Financial Statements for the Month ending 31 October 2014





# ***Financial Activity Statement Report***

*For the month ended 31 October 2014*





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Net Current Funding Position

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Grants and Contributions

Reserve Funds

Capital Items

## Statement of Financial Activity Variances

### Material Variances Defined

For the purposes of reporting the material variances in the Statement of Financial Activity (by Business Unit) (as contained in this document), the following indicators, as resolved, have been applied –

#### Revenues (Operating and Non-Operating)

Business Unit material variances will be identified where, for the period being reviewed, the actual varies to budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment will be provided.

#### Expenses (Operating, Capital and Non-Operating)

Business Unit material variances will be identified where, for the period being reviewed, the actual varies to budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment will be provided.

Before commenting on each of the specific material variances identified it is important to note that, whilst many accounts will influence the overall variance, only those accounts within the affected Business Unit that significantly contribute to the variance will be highlighted.

For the purposes of explaining each variance, a multi-part approach has been taken. The parts are –

1. Period Variation – Relates specifically to the value of the variance between the Budget and Actual figures for the period being reviewed.
2. Primary Reason – Explains the primary reasons for the period variance. As the review is aimed at a higher level analysis, only major contributing factors are reported.
3. Budget Impact – Forecasts the likely \$ impact on the year end surplus or deficit position. It is important to note that values in this part are indicative only at the time of reporting, for circumstances during may subsequently change.

### Material Variances Explained

As shown in the in the Statement of Financial Activity (contained within this document), the following variances have been identified -

#### Revenue

##### Business Life

- **Corporate Funds**

- The period variation is up on the period budget by \$188,174.
- The variation is primarily due to the refund received from a settlement of an insurance claim that was not budgeted for.
- The projected impact on the year end position is estimated to be a positive \$190,000.

- **Parking Management**

- The period variation is down on the period budget by \$160,753.
- The variation is primarily due to less than anticipated parking revenue as a result of not having a full complement of parking officers. The reduced revenue is offset by the reduced operating expenditure relating to the vacant positions.
- The projected impact on the year end position is estimated to be a negative \$60,000.

#### Future Life / Built Life

- **Building**

- The period variation is up on the period budget by \$175,536.
- The variation is primarily due to a significant increase in the submission of major building application fees.
- The projected impact on the year end position is estimated to be a positive \$170,000.

#### **Operating Expense**

##### Chief Executive Office

- **Parking Management**

- The period variation is up on the period budget by \$168,914
- The variation is a result of delays in the reform projects due to delays in decisions by the Local Government Advisory Board.
- The projected impact on the year end position is estimated to be nil.

##### Business Life

- **Parking Management**

- The period variation is up on the period budget by \$353,323.
- The variation is primarily due to staff vacancies in the area.
- The projected impact on the year end position is estimated to be a positive \$160,000.

##### Renew Life

- **Street Improvement**

- The period variation is up on the period budget by \$43,395.
- The variation is primarily due to staff vacancies in the area.
- The projected impact on the year end position is estimated to be a positive \$30,000.

#### **Capital Expense**

There are no reportable material variances.

#### **Non-Operating Revenue**

There are no reportable material variances.

## **Non-Operating Expenses**

There are no reportable material variances.

## **Proposed Budget Amendments**

### Community Life

### **Sporting Life**

**Reallocation of budget funds from minor equipment repairs account in the Leisurelife Café area to the Asset Management capital area for renewal of furniture.**

*The Manager of Sporting Life has submitted the following;*

*The existing tables and chairs at the Leisurelife Centre are in need of urgent replacement with cracks appearing in a large number of them. The age of the existing chairs is not known.*

*It is requested that \$4,000 from the Minor equipment repairs account in the Leisurelife Café area be reallocated to the Asset Management area to purchase new tables and chairs for the Leisurelife Centre.*

## **Accounting Notes**

### **Significant Accounting Policies**

The significant accounting policies that have been adopted in the preparation of this document are:

#### **(a) Basis of Preparation**

The document has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The document has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

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

All Funds through which the Council controls resources to carry on its functions have been included in this document.

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.

### **(c) 2014 - 2015 Actual Balances**

Balances shown in this document as 2014 - 2015 Actual are subject to final adjustments.

### **(d) Rounding Off Figures**

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

### **(e) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

### **(f) Superannuation**

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

### **(g) Goods and Services Tax**

Revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the statement of financial position are stated inclusive of applicable GST. The net amount of GST recoverable from, or payable to, the ATO is included with receivables on 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.

### **(h) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown as short term borrowings in current liabilities.

### **(i) Trade and Other Receivables**

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.

### **(j) Inventories**

#### General

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### Land Held for Resale

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

Revenue arising from the sale of property is recognised as at the time of signing an unconditional contract of sale. Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

#### **(k) Fixed Assets**

Each class of fixed asset is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

#### Initial Recognition

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the period in which they are incurred.

#### Revaluation

Certain asset classes may be re-valued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes, where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Those assets carried at a re-valued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be re-valued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

#### Land Under Roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government. Council has 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 August 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 September 2008 is not included as an asset of the Council.

#### Depreciation of Non-Current Assets

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner that reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use. Depreciation is recognised on a straight-line basis, using rates that are reviewed each reporting period. Major depreciation periods are:

Buildings		40 years
Furniture and Equipment		5 – 10 years
Plant and Machinery		2 – 10 years
Sealed Roads	- Clearing and Earthworks	Not depreciated
	- Construction and Road Base	5 – 80 years
	- Original Surface / Major Resurface	5 – 80 years
Drainage		5 – 80 years
Pathways		5 – 80 years
Parks and Reserves		5 – 80 years

Asset 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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

#### Capitalisation Threshold

Expenditure on items of equipment under \$2,000 is not individually capitalised. Rather, it is recorded on an Asset Low Value Pool listing.

### **(I) Financial Instruments**

#### Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to



the date that the Council commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus 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 cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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;
- 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; and
- d. less any reduction for impairment.

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

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

#### Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. 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. They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss

pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

#### Available-for-sale financial assets

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

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

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

#### Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

#### Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Any cumulative decline in fair value is reclassified to profit or loss at this point.

#### Derecognition

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

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

### **(m) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired. Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in

accordance with another standard (e.g. AASB 116). For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset. At the time of adopting the Annual Budget, it was not possible to estimate the amount of impairment losses (if any) as at 31 October 2013. In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Annual Budget.

#### **(n) Trade and Other Payables**

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

#### **(o) Employee Benefits**

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

#### **(p) Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

#### **(q) Provisions**

Provisions are recognised when:

- a. The Council has a present legal or constructive obligation as a result of past events;
- b. for which it is probable that an outflow of economic benefits will result; and
- c. 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.

#### **(r) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being

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

### **(s) Comparative Figures**

Where required, comparative figures have been adjusted to conform to changes in presentation for the current reporting period.

### **(t) Budget Comparative Figures**

Unless otherwise stated, the Budget comparative figures shown in this Budget document relate to the original Budget estimate for the relevant item of disclosure.

## **Business Unit Definitions**

The Town operations, as disclosed in this report, encompass the following service-oriented Business Units –

### **Chief Executive Office**

#### Chief Executive Office

The Chief Executive Office area includes the responsibility for core organisational services, leadership and strategic direction of the Town.

#### Communications

The Communications area supports project teams within the organisation on issues relating to community engagement, marketing, media relations and branding. The area also develops and manages materials relating to the image and reputation of the Town.

#### Governance

Governance deals with the values, policies and procedures the Council and staff members adopt to provide ethical, transparent and accountable local government.

#### Human Resources and Organisational Development

The Human Resources and Organisational Development area coordinates all aspects of Human Resources including workforce planning, recruitment, selection and payroll. In addition it is responsible for change management initiatives and the coordination of business planning and performance management. It also manages the coordination of Occupational Safety and Health responsibilities.

#### Project Management

The Project Management area oversees project management and development in the organisation. It provides management support to internal officers and works collaboratively to deliver major projects to the Council by implementing the necessary standards and procedures. Its secondary function is to provide standardised project reporting to elected members and senior management – in this sense the unit operates as the eyes and ears of management and can alert them to risk and issues early to allow timely interventions to be made.

## **Business Life Program**

### Business Life Program (BLP) Administration

This Business Unit includes the administration of the Director of the Business Life Program, including specialist programs and projects relating to the Business Life Program.

### Budgeting

The Budgeting area includes the administration of non-cash expenditure and revenue associated with local government accounting requirements, including profit and loss and depreciation.

### Business Development

Business Development is an externally focussed Business Unit concentrating on the development of the local economy, in conjunction with local businesses, as well as the generation of revenue from funding sources outside of the District.

### Corporate Funds

The Corporate Funds area includes loans, reserve funds, restricted funds, rate revenue and corporate grant funding.

### Customer Relations

The Customer Relations team aims to provide a consistent high level of customer service that is professional and friendly. The focus is to simplify processes and make interaction with the Town easy.

### Finance

The Finance area includes the administration and operation of all corporate finance related matters, including cash receipting, billing, and investment of funds, payment of creditors, and the corporate finance systems.

### Information and Communication Technology (ICT) Services

The ICT Services area includes the provision, operation and maintenance of the corporate computer systems, including software management, hardware management, printing and consumables, telephones and communications networks, and also includes the provision and maintenance of the Corporate Records System.

### Parking

Parking is responsible for the management, and safe use, of parking in the District.

## Regulatory Services

Regulatory Services combines the Environmental Health, Rangers and Parking areas. The Environmental Health area includes the administration, inspection and operations of programs concerned with the general health of the community and includes the provision of immunisation programs, inspection and licencing of food premises and conducting preventative service programs. The Rangers and Parking area includes the administration and operation of fire prevention services, animal control, enforcement of local laws and vehicle impoundment.

## **Community Life Program**

### Community Life Program (CLP) Administration

This Business Unit includes the administration of the Director of the Community Life Program, including specialist programs and projects relating to the Community Life Program.

### Active Life

Active Life aims to improve the community's wellbeing through the provision of health related community based programs and activities.

### Aqualife

Aqualife aims to improve the community's wellbeing by increasing participation rates in physical activity and leisure interest activities at the Town's Aquatic Facilities. A wide range of program options are offered, which include Learn to Swim programs, recreational swimming, organised swimming and health and fitness services.

### Digital Hub

The Digital Hub provides free computer courses and online training for the local community, not-for-profit organisations and businesses. Residents are able to participate in friendly, interactive training sessions to learn how to access and explore the online world.

### Lifelong Learning

The Lifelong Learning area provides local history and library services to engage the community with opportunities to explore ideas, interact with others, discover the Town's history and become lifelong learners.

### Neighbourhood Enrichment

The Neighbourhood Enrichment area aims to foster the enrichment of people, place and participation through community and cultural engagement.

### Sporting Life

Sporting Life aims to increase participation in physical activity and improve the community's wellbeing by providing contemporary facilities, organised sport and community programs.

## **Future Life and Built Life Programs**

### Future Life and Built Life Program (FLBLP) Administration

This Business Unit includes the administration of the Director of the Future Life and Built Life Programs, including specialist programs and projects relating to the Future Life and Built Life Programs.

### *Future Life Program*

### Strategic Planning

The Strategic Planning Business Unit includes both Strategic Planning and Strategic Asset Planning. Strategic Planning aims to provide an integrated comprehensive direction for the future development of the Town. Strategic Asset Planning aims to optimise the sustainable use of the Town's assets.

### Strategic Projects

Strategic Projects aims to implement projects to achieve the desired future character of the Town.

### *Built Life Program*

### Building

Building aims to ensure buildings are safe, liveable, accessible and sustainable, and meet statutory requirements.

### Urban Planning

Urban Planning seeks to enhance our unique character by promoting the development of a high quality built environment and liveable, vibrant streetscapes.

## **Renew Life Program**

### Renew Life Program (RLP) Administration



This Business Unit includes the administration of the Director of the Renew Life Program, including specialist programs and projects relating to the Renew Life Program.

### Asset Management

Asset Management aims to effectively manage, maintain and renew the Town's assets.

### Fleet Management

Fleet Management aims to improve and provide fleet and plant management services that are delivered to a standard that meets community expectations and contributes to a vibrant lifestyle within the Town.

### Parks

The Parks area aims to ensure the parks and natural areas are provided to the best standard, and that the Town's streetscapes are safe, clean and attractive.

### Street Improvement

The Street Improvement area manages the Town's public assets to a standard that creates the foundation for vibrancy and a quality lifestyle.

### Street Operations

Street Operations provides the maintenance and construction services related to street infrastructure and the delivery of waste services.

Particulars	Material Variance		31 October 2014		
	\$	%	Revised Budget \$	Year-to-Date Budget \$	Year-to-Date Actual \$
<b>Revenue</b>					
<b>Chief Executive Office</b>			<b>5,000</b>	<b>400</b>	<b>2,587</b>
Chief Executive Office			2,000	0	816
Communications			500	0	478
Governance			2,000	400	409
Human Resources			500	0	817
Project Management			0	0	67
<b>Business Life</b>			<b>42,359,800</b>	<b>38,261,220</b>	<b>38,297,383</b>
BLP Administration			16,000	5,200	344
Budgeting			15,000	0	0
Business Development			75,000	50,000	37,244
Corporate Funds	188,174	▲	37,699,000	36,251,600	36,439,774
Customer Relations			0	0	0
Finance			453,000	466,920	478,206
ICT Services			2,500	0	378
Parking Management	160,753	▼	3,777,800	1,257,600	1,096,847
Regulatory Services			321,500	229,900	244,591
<b>Community Life</b>			<b>5,602,100</b>	<b>1,743,793</b>	<b>1,760,768</b>
CLP Administration			7,500	2,000	832
Active Life			3,200	825	4,423
Aqualife			3,039,500	850,822	833,045
Digital Hub			71,500	40,000	42,744
Lifelong Learning			29,700	10,632	11,894
Neighbourhood Enrichment			237,200	64,500	78,651
Sporting Life			2,213,500	775,014	789,179
<b>Future Life / Built Life</b>			<b>862,500</b>	<b>416,800</b>	<b>594,417</b>
FLBLP Administration			1,500	0	324
Building	175,536	▲	345,000	248,400	423,936
Strategic Planning			0	0	6,149
Strategic Projects			0	0	0
Urban Planning			516,000	168,400	164,009
<b>Renew Life</b>			<b>2,173,900</b>	<b>1,505,814</b>	<b>1,561,006</b>
RLP Administration			16,500	3,900	775
Asset Management			270,000	197,000	216,901
Fleet Management			5,000	1,200	3,148
Parks			152,000	102,550	120,266
Street Improvement			20,500	5,051	4,052
Street Operations			1,709,900	1,196,113	1,215,865
<b>Total Revenue</b>			<b>51,003,300</b>	<b>41,928,027</b>	<b>42,216,162</b>

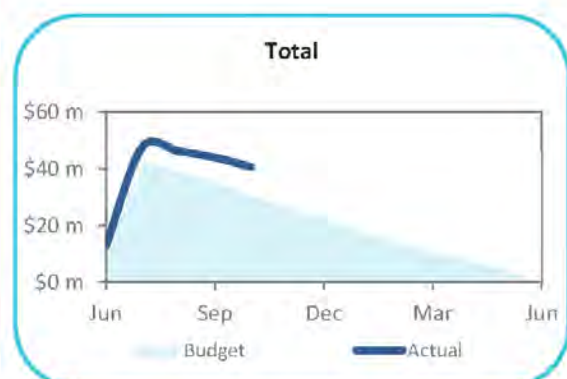
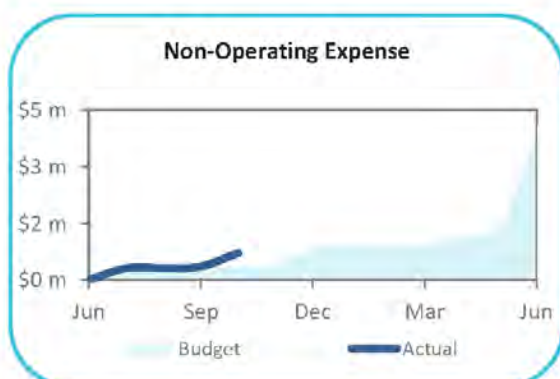
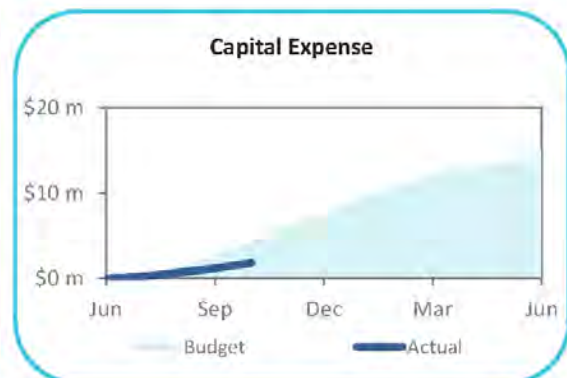
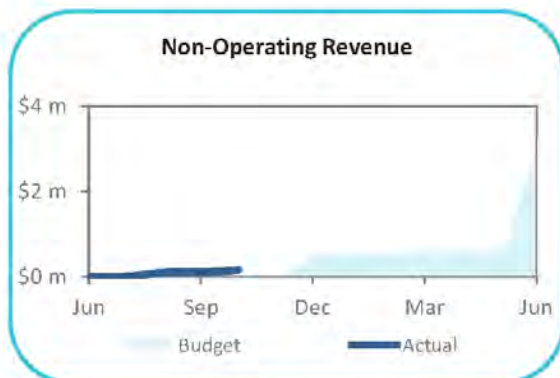
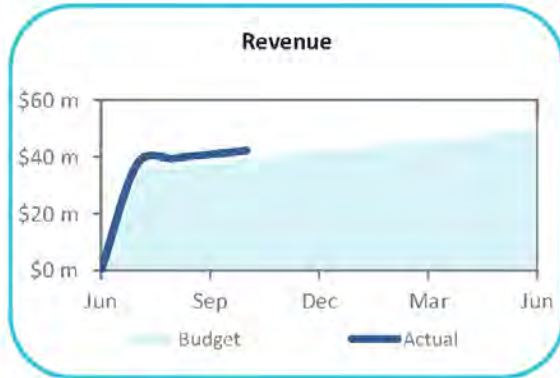
Particulars	\$	Material Variance		31 October 2014		
		\$	%	Revised Budget	Year-to-Date Budget	Year-to-Date Actual
				\$	\$	\$
<b>Operating Expense</b>						
<b>Chief Executive Office</b>				<b>(3,904,700)</b>	<b>(1,356,600)</b>	<b>(1,186,182)</b>
Chief Executive Office	168,914	▼	31%	(1,594,400)	(536,400)	(367,487)
Communications				(609,400)	(183,950)	(165,058)
Governance				(461,000)	(176,400)	(187,560)
Human Resources				(733,400)	(280,470)	(301,872)
Project Management				(506,500)	(179,380)	(164,206)
<b>Business Life</b>				<b>(14,402,200)</b>	<b>(2,982,241)</b>	<b>(2,565,114)</b>
BLP Administration				(578,500)	(187,253)	(168,596)
Budgeting				(5,054,100)	(16,656)	0
Business Development				(297,000)	(102,960)	(112,742)
Corporate Funds				(792,000)	(135,400)	(127,670)
Customer Relations				(579,900)	(176,000)	(163,502)
Finance				(1,190,700)	(308,240)	(285,347)
ICT Services				(1,901,300)	(747,780)	(765,782)
Parking Management	353,323	▼	39%	(2,433,800)	(909,800)	(556,477)
Regulatory Services				(1,574,900)	(398,152)	(384,998)
<b>Community Life</b>				<b>(9,186,550)</b>	<b>(2,860,593)</b>	<b>(2,761,747)</b>
CLP Administration				(729,500)	(213,550)	(199,720)
Active Life				(121,700)	(42,620)	(28,527)
Aqualife				(2,853,800)	(886,645)	(867,252)
Digital Hub				(158,800)	(66,764)	(44,256)
Lifelong Learning				(1,188,500)	(397,008)	(379,011)
Neighbourhood Enrichment				(1,461,850)	(447,792)	(457,802)
Sporting Life				(2,672,400)	(806,214)	(785,178)
<b>Future Life / Built Life</b>				<b>(2,998,600)</b>	<b>(831,864)</b>	<b>(795,275)</b>
FLBLP Administration				(529,900)	(181,864)	(165,634)
Building				(603,100)	(218,100)	(221,040)
Strategic Planning				(742,800)	(104,300)	(93,822)
Strategic Projects				0	0	(737)
Urban Planning				(1,122,800)	(327,600)	(314,043)
<b>Renew Life</b>				<b>(17,741,100)</b>	<b>(4,902,840)</b>	<b>(4,867,046)</b>
RLP Administration				(840,200)	(274,700)	(291,922)
Asset Management				(3,281,300)	(1,149,780)	(1,165,467)
Fleet Management				0	(79,920)	(86,200)
Parks				(3,798,600)	(907,154)	(895,572)
Street Improvement	43,395	▼	15%	(1,184,000)	(291,699)	(248,304)
Street Operations				(8,637,000)	(2,199,587)	(2,179,582)
<b>Total Operating Expense</b>				<b>(48,233,150)</b>	<b>(12,934,138)</b>	<b>(12,175,364)</b>

Particulars	\$	Material Variance	%	31 October 2014		
				Revised Budget	Year-to-Date Budget	Year-to-Date Actual
	\$			\$	\$	\$
<b>Capital Expense</b>						
<b>Chief Executive Office</b>				<b>0</b>	<b>0</b>	<b>0</b>
Chief Executive Office				0	0	0
Communications				0	0	0
Governance				0	0	0
Human Resources				0	0	0
Project Management				0	0	0
<b>Business Life</b>				<b>(1,490,000)</b>	<b>(130,400)</b>	<b>(82,825)</b>
BLP Administration				0	0	0
Budgeting				0	0	0
Business Development				0	0	0
Corporate Funds				0	0	0
Customer Relations				0	0	0
Finance				0	0	0
ICT Services				(345,000)	(59,400)	(36,578)
Parking Management				(1,145,000)	(71,000)	(46,247)
Regulatory Services				0	0	0
<b>Community Life</b>				<b>(774,150)</b>	<b>(66,000)</b>	<b>(64,158)</b>
CLP Administration				0	0	0
Active Life				0	0	0
Aqualife				(58,000)	(18,000)	0
Digital Hub				0	0	0
Lifelong Learning				0	0	0
Neighbourhood Enrichment				(701,150)	(48,000)	(64,158)
Sporting Life				(15,000)	0	0
<b>Future Life / Built Life</b>				<b>0</b>	<b>0</b>	<b>0</b>
FLBLP Administration				0	0	0
Building				0	0	0
Strategic Planning				0	0	0
Urban Planning				0	0	0
<b>Renew Life</b>				<b>(12,348,000)</b>	<b>(1,703,409)</b>	<b>(1,645,904)</b>
Asset Management				(2,974,000)	(134,900)	(123,485)
Fleet Management				(896,000)	(283,000)	(276,588)
Parks				(2,329,000)	(615,500)	(596,001)
Street Improvement				0	0	0
Street Operations				(6,149,000)	(670,009)	(649,830)
<b>Total Capital Expense</b>				<b>(14,612,150)</b>	<b>(1,899,809)</b>	<b>(1,792,887)</b>



Particulars	Material Variance	31 October 2014		
		Revised Budget	Year-to-Date Budget	Year-to-Date Actual
\$	%	\$	\$	\$
<b>Non-Operating Revenue</b>				
<b>Business Life</b>		2,890,000	0	0
Corporate Funds		2,890,000	0	0
<b>Renew Life</b>		278,900	134,000	156,285
Fleet Management		278,900	134,000	156,285
<b>Total Non-Operating Revenue</b>		<b>3,168,900</b>	<b>134,000</b>	<b>156,285</b>
<b>Non-Operating Expense</b>				
<b>Business Life</b>		(3,966,000)	(714,750)	(727,181)
Corporate Funds		(3,966,000)	(714,750)	(727,181)
<b>Total Non-Operating Expense</b>		<b>(3,966,000)</b>	<b>(714,750)</b>	<b>(727,181)</b>
<b>Non-Cash Items Adjustments</b>				
Profit and Loss		39,100	0	0
Depreciation		5,600,000	1,666,660	0
<b>Total Non-Cash Items Adjustments</b>		<b>5,639,100</b>	<b>1,666,660</b>	<b>0</b>
<b>Suspense Items Yet To Be Applied</b>		0	0	1,135,498
Opening Surplus / (Deficit)		7,000,000	7,000,000	7,374,404
<b>Closing Surplus / (Deficit)</b>		<b>0</b>	<b>35,179,990</b>	<b>36,186,917</b>

**Graphical Representation**



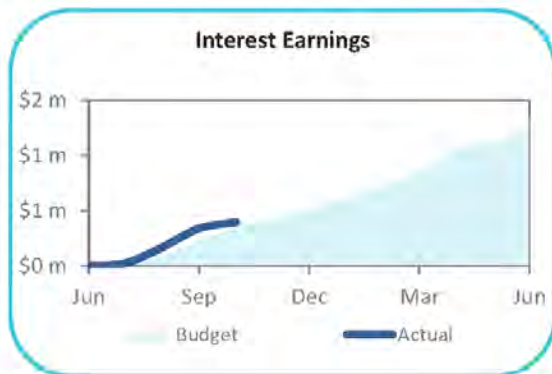
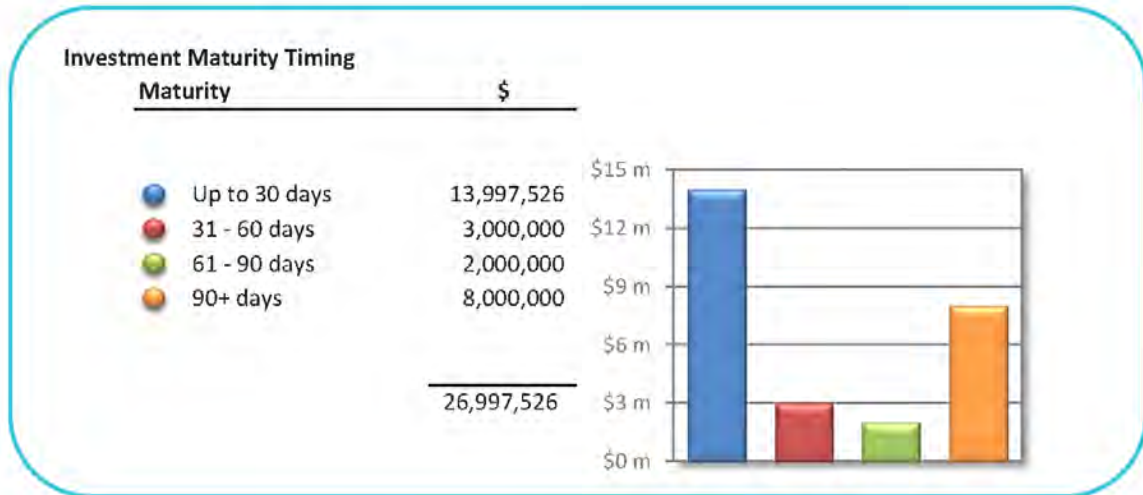
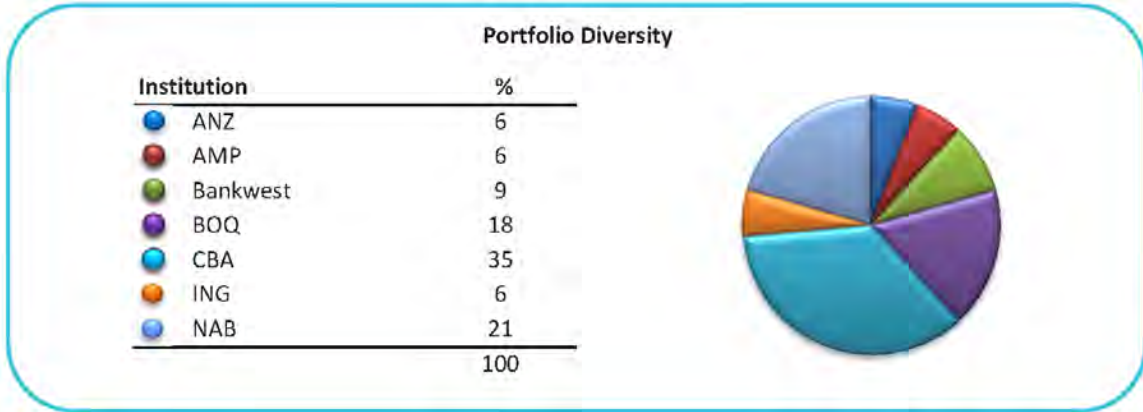
Particulars	Brought Forward 1 July \$	2014-2015 Revised Budget \$	Year To Date Actual \$
<b>Current Assets</b>			
Cash - Unrestricted	10,975,103	3,300,000	26,982,130
Cash - Reserves / Restricted	7,037,619	7,391,619	7,038,161
Receivables and Accruals	2,305,490	500,000	16,574,266
Inventories	12,166	200,000	12,166
	<u>20,330,379</u>	<u>11,391,619</u>	<u>50,606,724</u>
<b>Less Current Liabilities</b>			
Payables and Provisions	(5,918,355)	(4,000,000)	(7,381,646)
	<u>(5,918,355)</u>	<u>(4,000,000)</u>	<u>(7,381,646)</u>
<b>Net Current Asset Position</b>	<u>14,412,023</u>	<u>7,391,619</u>	<u>43,225,078</u>
<b>Less</b>			
Cash - Reserves / Restricted	(7,037,619)	(7,391,619)	(7,038,161)
<b>Estimated Surplus / (Deficiency) Carried Forward</b>	<u>7,374,404</u>	<u>0</u>	<u>36,186,917</u>



**Cash and Investments Analysis**

	Amount Invested \$	Interest Rate %	Term (Days)	Maturity Date	Projected Earnings \$	Percentage of Portfolio
<b>Cash - Unrestricted</b>						
<b>ANZ</b>	<b>2,000,000</b>				<b>5,014</b>	<b>6%</b>
19-00001	2,000,000	3.05	30	05 Nov 14	5,014	
<b>AMP</b>	<b>2,000,000</b>				<b>0</b>	<b>6%</b>
At Call	2,000,000	3.15			0	
<b>Bankwest</b>	<b>3,000,000</b>				<b>25,244</b>	<b>9%</b>
4266098	2,000,000	3.40	90	18 Nov 14	16,767	
4272146	1,000,000	3.40	91	08 Dec 14	8,477	
<b>BOQ</b>	<b>4,000,000</b>				<b>37,088</b>	<b>12%</b>
011417	2,000,000	3.45	141	28 Jan 15	26,655	
011495	1,000,000	3.40	112	06 Jan 15	10,433	
011495	1,000,000	3.40	112	10 Feb 15	10,433	
<b>CBA</b>	<b>8,973,125</b>				<b>27,761</b>	<b>26%</b>
466	1,002,714	3.37	90	06 Nov 14	8,332	
472	1,000,000	3.35	90	24 Dec 14	8,260	
477	1,011,046	3.36	120	06 Mar 15	11,169	
At Call	5,959,365					
<b>ING</b>	<b>2,000,000</b>				<b>25,931</b>	<b>6%</b>
0001	1,000,000	3.34	91	07 Oct 14	8,327	
0002	1,000,000	3.55	181	05 Jan 15	17,604	
<b>NAB</b>	<b>5,000,000</b>				<b>70,753</b>	<b>15%</b>
8344	1,000,000	3.58	184	07 Jan 15	18,047	
5273	1,000,000	3.58	183	04 Feb 15	17,949	
9441	1,000,000	3.57	181	17 Feb 15	17,703	
11496	2,000,000	3.42	91	16 Dec 14	17,053	
<b>Total Cash - Unrestricted</b>	<b>26,973,125</b>				<b>197,006</b>	<b>79%</b>
<b>Cash - Restricted</b>						
<b>CBA</b>	<b>3,038,161</b>				<b>25,393</b>	<b>9%</b>
468	1,000,000	3.36	90	18 Nov 14	8,285	
470	1,000,000	3.45	181	18 Mar 15	17,108	
At Call	1,038,161					
<b>BOQ</b>	<b>2,000,000</b>				<b>53,161</b>	<b>6%</b>
11013	2,000,000	3.58	271	06 May 15	53,161	
<b>NAB</b>	<b>2,000,000</b>				<b>44,162</b>	<b>6%</b>
1823247	1,000,000	3.61	271	06 May 15	26,803	
011529	1,000,000	3.52	180	17 Mar 15	17,359	
<b>Total Cash - Restricted</b>	<b>7,038,161</b>				<b>122,716</b>	<b>21%</b>
<b>Total Cash - Invested</b>	<b>34,011,286</b>				<b>319,722</b>	<b>100%</b>
<b>Cash on Hand</b>	<b>9,005</b>					
<b>Total Cash</b>	<b>34,020,291</b>					

Cash and Investments Analysis

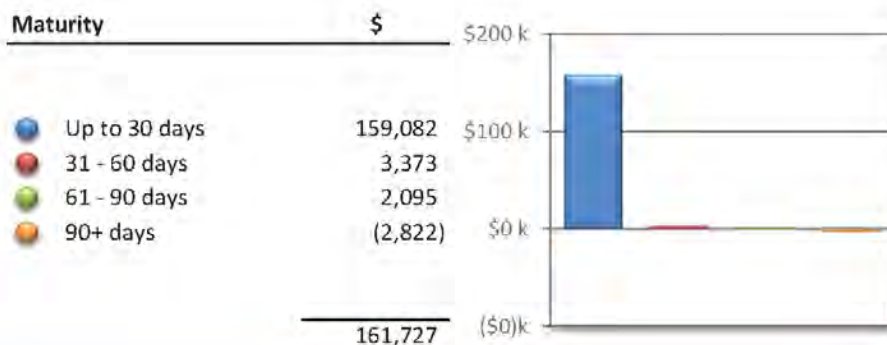


**Rates Outstanding (Not Including Deferrals or Associated Fees and Charges)**

	<b>Total</b>
Balance from Previous Year	395,697
Rates Levied - Initial	35,431,412
Rates Levied - Interims	312,616
<b>Total Rates Collectable</b>	<b>36,139,725</b>
Current Rates Collected To Date	22,516,336
<b>Current Rates Outstanding</b>	<b>13,623,388</b>
<b>% Rates Outstanding</b>	<b>37.7%</b>


**Sundry Debtors**

Type	Total	30 Days	60 Days	90 Days	90+ Days
Grants and Subsidies	40,968	40,968	0	0	0
Property Rent	650	11,572	1,609	0	(12,532)
Aqualife Fees	38,017	27,230	1,665	1,744	7,379
Leisurelife Fees	22,350	20,174	99	87	1,991
Community Life Fees	2,617	2,557	0	0	60
Health Fees	1,532	1,268	0	264	0
Other Fees and Charges	28,586	28,399	0	0	187
Building and Planning Application Fees	27,007	26,914	0	0	93
<b>Total Sundry Debtors</b>	<b>161,727</b>	<b>159,082</b>	<b>3,373</b>	<b>2,095</b>	<b>(2,822)</b>

**Sundry Debtor Aged Analysis**




**Grants and Contributions**

Details		Original	Revised	Receipt Status	
		Budget	Budget	Invoiced	Remaining
		\$	\$		
Access Inclusion / Seniors	Sponsorships	20,000	20,000	0	20,000
Corporate Funds	Federal Assistance	750,000	750,000	195,805	554,195
	Federal Local Road	325,000	325,000	86,170	238,831
Creative Arts	Sponsorship	20,000	20,000	15,000	5,000
Digital Hub	Federal Government	71,500	71,500	41,950	29,550
Economic Development	Federal Government	75,000	75,000	37,244	37,757
Engineering	MRWA Direct Grant	56,500	56,500	66,200	0
	Street Lighting Subsidy	1,000	1,000	0	1,000
	MRRG Road Rehabilitation	580,800	580,800	268,557	312,243
	Transport Grant	60,000	60,000	0	60,000
Events and Volunteers				0	0
	Lotterywest	80,000	80,000	0	80,000
	Contributions Received	5,000	5,000	0	5,000
Events and Volunteers	Sponsorship	5,000	5,000	2,455	2,545
Local History	State Government	500	500	0	500
Parks	Federal Government	137,000	137,000	102,750	34,250
Property	Contributions	100,000	100,000	0	100,000
Rangers	City of Perth	8,000	8,000	0	8,000
<b>Total Cash Deposits</b>		<b>2,295,300</b>	<b>2,295,300</b>	<b>816,130</b>	<b>1,488,870</b>

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### Reserve Funds Descriptions

The purposes for which funds have been set aside by Council, in Reserve Funds, are outlined below -

#### **Building Renewal**

*To be used to fund renewal projects associated with Council's Building assets.*

#### **Community Art**

*To be used to fund the purchase and placement of art for the Council and Community.*

#### **Drainage Renewal**

*To be used to fund renewal projects associated with Council's Drainage infrastructure.*

#### **Edward Millen Site**

*To be used to assist in improving and / or maintaining the Edward Millen site, including the associated grounds, grounds.*

#### **Furniture and Equipment Renewal**

*To be used to fund renewal projects associated with Council's Furniture and Equipment assets.*

#### **Future Fund**

*To assist in funding projects and property purchases that diversify Council's revenue streams.*

#### **Future Projects**

*To assist in funding 'new' and 'upgrade' capital projects, with funding primarily derived from the sale of land assets.*

#### **Harold Hawthorne - Carlisle Memorial**

*To be used to provide funds to assist in conducting future Spring Garden Competitions.*

#### **Other Infrastructure Renewal**

*To be used to fund renewal projects associated with Council's Other infrastructure.*

#### **Parks Renewal**

*To be used to fund renewal projects associated with Council's Parks infrastructure.*

#### **Pathways Renewal**

*To be used to fund renewal projects associated with Council's Pathways infrastructure*

#### **Plant and Machinery Renewal**

*To be used to assist in the acquisition and replacement of the Town's Plant and Machinery.*

#### **Renewable Energy**

*To assist in investigating and funding renewable energy projects within the District.*

**Roads Renewal**

*To be used to fund renewal projects associated with Council's Roads Infrastructure*

**Underground Power**

*To assist in the funding of projects associated with the installation of underground power and associated landscaping.*

**Reserve Funds Transactions**

	Annual Opening Balance \$	Transfer to Reserve \$	Transfer from Reserve \$	31 October 2014 Balance Actual      Balance Budget \$              \$		Annual Revised Budget \$
Building Renewal	20,000	2	0	20,002	20,000	20,000
Community Art	738,880	57	0	738,937	738,880	738,880
Drainage Renewal	5,000	0	0	5,000	5,000	5,000
Edward Millen Site	1,050,000	81	0	1,050,081	1,050,000	1,050,000
Furniture and Equip Renewal	70,000	5	0	70,005	70,000	70,000
Future Fund	1,644,050	127	0	1,644,177	1,644,050	1,644,050
Future Projects	1,530,000	118	0	1,530,118	1,530,000	1,530,000
Harold Hawthorn - Carlisle	15,000	1	0	15,001	15,000	15,000
Other Infrastructure Renewal	200,000	15	0	200,015	200,000	200,000
Parks Renewal	60,000	5	0	60,005	60,000	60,000
Pathways Renewal	10,000	1	0	10,001	10,000	10,000
Plant and Machinery	50,000	4	0	50,004	50,000	50,000
Renewable Energy	65,000	5	0	65,005	65,000	65,000
Roads Renewal	200,000	15	0	200,015	200,000	200,000
Underground Power	779,689	60	0	779,749	779,689	779,689
Waste Management	600,000	46	0	600,046	600,000	600,000
	<b>7,037,619</b>	<b>542</b>	<b>0</b>	<b>7,038,161</b>	<b>7,037,619</b>	<b>7,037,619</b>



## Capital Items

The following pages summarise the progress of the Capital Items.

For the purposes of these pages, the following indicators have been used -

### Item Timing

This relates to how the item is tracking time-wise and is displayed using the following indicators -

	Behind
	On-Track
	In-Front






### Budget Status

This relates to how the item is costing against the Revised Budget and is displayed using the following indicators -

	Over budget
	On budget
	Under budget

### Completion Stage

This relates to where the item is currently, in terms of completion, and is displayed using the following indicators -

	Not commenced
	Commenced
	Half-way completed
	Nearing completion
	Completed

**Capital Items**

Particulars	Item Timing	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Buildings</b>				<b>2,890,000</b>	<b>122,763</b>
<b>Asset Management</b>				<b>2,890,000</b>	<b>122,763</b>
<b>New</b>					
<u>Construction</u>					
New Community Facility, Zone 6	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	1,040,000	15,084
Victoria Park RSL - Memorial Wall	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	150,000	2,000
<u>Fire Safety Measures</u>					
Leisurelife Centre	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	110,000	2,880
	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	0	0
<b>Renewal</b>					
<u>Air-conditioning</u>					
Administration Centre	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	630,000	575
Harold Hawthorne Centre	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	40,000	0
Leisurelife Centre	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	100,000	0
Lifelong Learning Centre	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	370,000	8,320
<u>Construction</u>					
Aqualife Centre - Tank Enclosure	<input type="checkbox"/>	<input type="checkbox"/>	■■□□	25,000	22,475
Edward Millen Rotunda - General Works	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	20,000	5,347
Kensington PCYC - Ceiling	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	15,000	0
Kensington PCYC - Roof	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	30,000	0
McCallum Park Toilets - General Works	<input type="checkbox"/>	<input type="checkbox"/>	■■□□	85,000	64,792
<u>Floor Covering</u>					
Aqualife Centre	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	200,000	0
					0
<b>Upgrade</b>					0
<u>Office Modifications</u>					0
Administration Centre	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	75,000	1,290

**Capital Items**

Particulars	Item Timing	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Plant / Machinery</b>				<b>934,000</b>	<b>276,588</b>
<b>Fleet Management</b>				<b>934,000</b>	<b>276,588</b>
<b>New</b>					
<u>Light Fleet</u>					
Sedan (BLP Administration)	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ ■ □	33,000	31,196
Sedan (Parking (1))	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ □ □	20,000	20,350
Sedan (Parking (2))	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	20,000	0
Sedan (Parking (3))	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	20,000	0
<b>Renewal</b>					
<u>Light Fleet</u>					
Sedan 0-VPk (252)	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ ■ ■	55,000	54,874
Sedan 106-VPk (250)	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ ■ ■	33,000	31,218
Sedan 107-VPk	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ ■ ■	33,000	31,196
Sedan 108-VPk (258)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	23,000	0
Sedan 112-VPk	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ ■ ■	22,000	22,464
Sedan 113-VPk	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ ■ ■	22,000	21,218
Sedan 116-VPk (255)	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ □ □	23,000	18,983
Sedan 118-VPk	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	11,000	0
Sedan 119-VPk (274)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	25,000	0
Sedan 123-VPk	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	22,000	0
Sedan 125-VPk (271)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	25,000	0
Sedan 128-VPk (275)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	23,000	0
Sedan 164-VPk (272)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	23,000	0
Sedan 166-VPk (273)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	33,000	0
Sedan 168-VPk	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	22,000	0
Sedan 172-VPk (260)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	23,000	0
Sedan 186-VPk	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	22,000	0
Sedan 1EFH-352 (203)	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ ■ ■	23,000	21,941.9
Van 126-VPk (257)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	33,000	0
Van 129-VPk (256)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	33,000	0
Van 183-VPk	<input type="checkbox"/>	<input type="checkbox"/>	■ ■ ■ ■	30,000	23,145
<u>Major Plant</u>					
Truck 124-VPk	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	88,000	0
Truck 138-VPk	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	105,000	0
<u>Minor Plant</u>					
Aqualife - Pumps	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	38,000	0
Minor Plants (Parks)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	14,500	0
Trailer (173)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	6,000	0
Trailer (174)	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	2,500	0
Trailer 149-VPk	<input type="checkbox"/>	<input type="checkbox"/>	□ □ □ □	28,000	0

**Capital Items**

Particulars	Item Timing	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Furniture / Equipment</b>				<b>809,000</b>	<b>44,548</b>
<b>Regulatory Services</b>				<b>245,000</b>	<b>7,247</b>
<b>Parking Management</b>					
New - Equipment	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	10,000	0
New - Handheld enforcement management	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	75,000	0
New - Hardware, software and cabling	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	60,000	7,247
New - Licence Plate recognition initiative	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	100,000	0
<b>Aqualife</b>				<b>20,000</b>	<b>0</b>
<b>Equipment Allocation</b>					
Renew - Equipment	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	20,000	0
<b>Sporting Life</b>				<b>15,000</b>	<b>0</b>
<b>Equipment Allocation</b>					
Renew - Equipment	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	15,000	0
<b>Asset Management</b>				<b>84,000</b>	<b>723</b>
<b>Furniture Allocation</b>					
Renew - Furniture Parking Office	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	10,000	723
Renew - Furniture - Administration Cent	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	20,000	0
Renew - Furniture - Aqualife	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	10,000	0
Renew - Furniture - Digital Hub	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	2,000	0
Renew - Furniture - Leisurelife	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	5,000	0
Renew - Furniture - Lifelong Learning	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	29,000	0
Renew - Furniture - Depot	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	8,000	0
<b>ICT Services</b>				<b>345,000</b>	<b>36,578</b>
<b>Information Technology</b>					
Communications	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	44,000	1,699
Computer hardware	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	226,000	13,017
Software solutions	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	75,000	0
NBN Digital Local Government	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	0	21,863
<b>Street Operations</b>				<b>100,000</b>	<b>0</b>
<b>Waste Management</b>					
Waste Bins	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	100,000	0



**Capital Items**

Particulars	Item Timing	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Roads</b>				<b>2,524,000</b>	<b>397,070</b>
<b>Street Operations</b>				<b>2,524,000</b>	<b>397,070</b>
<b>Renewal</b>					
<b>Asphalt Overlay and Kerbing</b>					
Albany Hwy - Mint St to Dane St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	208,000	0
Bishopsgate St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	10,000	0
Camaryon St - Mint St to Lakeview St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	62,000	9,150
Duncan St - Albany Hwy to Sunbury Rd	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	250,000	23,994
Egham Rd - Burswood Rd to Kitchener Ave	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	75,000	0
Geddes St - Berwick St to Gloucester St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	86,000	3,520
Harvey St - Shepperton Rd to Howick St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	125,000	15,530
Hayman Rd - Brodie Hall Drv to Kent St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	75,000	84,998
Hayman Rd - Hillview Tce to Adie Crt	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	279,000	175,991
Hillview Trc - Laneway to Albany Hwy	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	54,000	0
Swansea St - Forward St to Welshpool Rd	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	75,000	11,258
Turner Ave - Roundabout	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	45,000	820
Albany Hwy - Kent to Mint St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	0	11,817
Gloucester st - Major Rd Asphalt Overlay	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	0	3,410
Kent st - Etwell to Turner	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	0	840
Mercury St - Major Asphalt Overlay	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	0	1,835
Milford Rd and Swansea St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	0	6,095
<b>Upgrade</b>					
<b>Intersection Treatments</b>					
Alday St and Burlington St	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	40,000	0
Cargill St and Hordern St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	70,000	1,780
Goddard St and Streatley Rd	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	50,000	1,080
Hillview St and Berwick St	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	450,000	0
Streatley Rd and Castle Way	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	80,000	0
<b>Traffic Calming</b>					
Basinghall Street	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	50,000	0
Devenish Street	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	70,000	5,840
Gallipoli Street	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	60,000	0
<b>General Upgrade Works</b>					
McCartney Crescent - Lathlain Precinct	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	200,000	39,111
Rutland Avenue	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	50,000	0
Streatley Road	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	60,000	0

**Capital Items**

Particulars	Item Timing	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Drainage</b>				<b>481,000</b>	<b>2,295</b>
<b>Street Operations</b>				<b>481,000</b>	<b>2,295</b>
<b>Renewal</b>					
<u>Drains, Pits and Pipes Works</u>					
Albany Highway	☐	☐	☐☐☐☐	15,000	0
Esperance St	☐	☐	■☐☐☐	30,000	1,080
Hillview Terrace and Albany Highway	☐	☐	☐☐☐☐	90,000	0
Howick St	☐	☐	■☐☐☐	140,000	0
King George St and Washington St	☐	☐	■☐☐☐	60,000	1,215
Lichfield St	☐	☐	■☐☐☐	45,000	0
Right-of-Ways	☐	☐	☐☐☐☐	20,000	0
River Wall	☐	☐	■☐☐☐	81,000	0
<b>Pathways</b>				<b>1,305,000</b>	<b>196,075</b>
<b>Street Operations</b>				<b>1,305,000</b>	<b>196,075</b>
<b>New</b>					
<u>Concrete Pathways</u>					
Ashburton St - Devenish St to Etwell St	☐	☐	■☐☐☐	40,000	0
Bank St - South of Forward St	☐	☐	■☐☐☐	40,000	25,464
Bishopsgate St	☐	☐	■■☐☐	125,000	151,802
Briggs St - Planet St to Orrong Road	☐	☐	■☐☐☐	35,000	700
Fred Bell Parade - Higgins Park	☐	☐	■☐☐☐	25,000	9,391
Hordern St	☐	☐	■☐☐☐	10,000	0
Kent St	☐	☐	☐☐☐☐	10,000	0
Langler St - Ends	☐	☐	■☐☐☐	30,000	2,663
Lathlain Precinct	☐	☐	☐☐☐☐	150,000	0
Parking Plan Works	☐	☐	☐☐☐☐	100,000	0
Star St - Bus Connection	☐	☐	☐☐☐☐	15,000	0
Streatley Road - Bus Connection	☐	☐	☐☐☐☐	15,000	0
Oswald St - Washington and Hordern st	☐	☐	■■☐☐	0	6,055
<b>Renewal</b>					
<u>Paved Pathways</u>					
Albany Highway - North of Rushton St	☐	☐	☐☐☐☐	25,000	0
Albany Highway - South of Dane St	☐	☐	☐☐☐☐	60,000	0
<u>Concrete Pathways</u>					
Cargill St - Berwick St to Hordern St	☐	☐	☐☐☐☐	80,000	0
Harris St - President St to Kew St	☐	☐	☐☐☐☐	25,000	0
Midgely St - Gallipoli St to Goddard St	☐	☐	☐☐☐☐	40,000	0
Oats St - Star St to Orrong Road	☐	☐	☐☐☐☐	60,000	0
Shepperton Road - Various Locations	☐	☐	☐☐☐☐	60,000	0

**Capital Items**

Particulars	Item Timing	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Upgrade</b>					
<u>Asphalt Pathways</u>					
Foreshore Pathway - McCallum Park	☐	☐	☐☐☐☐	240,000	0
Miller St - Albany Highway to Sunbury Rd	☐	☐	■☐☐☐	120,000	0
<b>Parks</b>				<b>2,329,000</b>	<b>596,001</b>
<b>Parks</b>				<b>2,329,000</b>	<b>596,001</b>
<b>New</b>					
<u>Revegetation</u>					
George Street Reserve	☐	☐	■■☐☐	75,000	33,832
Kent Street Sandpit	☐	☐	☐☐☐☐	35,000	0
<u>Landscaping and Tree Works</u>					
Various Locations	☐	☐	■☐☐☐	25,000	5,295
<b>Renewal</b>					
<u>Turf Surface</u>					
Carlisle Reserve	☐	☐	■■☐☐	7,000	2,450
Harold Rossiter Reserve	☐	☐	■☐☐☐	100,000	6,446
Higgins Park	☐	☐	■☐☐☐	70,000	2,500
JA Lee Reserve	☐	☐	■☐☐☐	70,000	2,500
<u>Landscaping and Tree Works</u>					
Arterial Roads	☐	☐	☐☐☐☐	15,000	0
Lathlain Place	☐	☐	■■☐☐	1,150,000	242,985
Rayment Park	☐	☐	☐☐☐☐	10,000	0
Various Locations	☐	☐	■■☐☐	25,000	13,475
<u>Bollards and Fencing</u>					
Carlisle Reserve	☐	☐	☐☐☐☐	37,000	0
Higgins Park	☐	☐	☐☐☐☐	20,000	0
<u>Reticulation</u>					
Fraser Reserve	☐	☐	☐☐☐☐	100,000	0
<u>Park Furniture and Equipment</u>					
Fletcher Park	☐	☐	☐☐☐☐	13,000	0
John Bissett Reserve	☐	☐	■☐☐☐	5,000	209
Kate Street Reserve	☐	☐	☐☐☐☐	5,000	0
<b>Upgrade</b>					
<u>Lighting</u>					
Parnham Reserve	☐	☐	■☐☐☐	200,000	51,816
Raphael Park	☐	☐	■■☐☐	247,000	233,637



**Capital Items**

<b>Particulars</b>	<b>Item Timing</b>	<b>Budget Status</b>	<b>Completion Stage</b>	<b>Revised Budget \$</b>	<b>Year-to-Date Actual \$</b>
<b>Park Furniture and Equipment</b>					
Devenish Street Reserve	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	50,000	855
<b>Landscaping and Tree Works</b>					
GO Edwards Park	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	70,000	0
<b>Other Assets</b>				<b>3,340,150</b>	<b>157,548</b>
<b>Neighbourhood Enrichment</b>				<b>701,150</b>	<b>64,158</b>
<b>New</b>					
<b>Artwork</b>					
Bentley	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	40,000	1,984
Burswood	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	40,000	1,984
Carlisle	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	40,000	1,984
Causeway	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	150,000	0
East Victoria Park	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	40,000	1,984
East Victoria Park - Etwell Street	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	30,000	0
Eucalyptus Todtiana	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	14,150	0
Lathlain Place	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	120,000	52,255
Outdoor Table Tennis	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	60,000	0
St James	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	40,000	1,984
Victoria Park	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	40,000	1,984
Victoria Park - Digital	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	80,000	0
Visual Art Acquisitions	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	7,000	0
<b>Street Operations</b>				<b>1,739,000</b>	<b>54,390</b>
<b>New</b>					
<b>Street Furniture</b>					
Bus Stops - Various Locations	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	60,000	0
<b>Car Parks and Right-of-Ways</b>					
Lathlain Precinct	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	100,000	148
Parking Plan Works	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	450,000	0
Westminster Sump	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	160,000	29,378
<b>Lighting</b>					
Parking Plan Works	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	300,000	0
Right-of-Way 39	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	25,000	0
Right-of-Way 52A	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	25,000	0
Street Lighting - Various Locations	<input type="checkbox"/>	<input type="checkbox"/>	■□□□	60,000	12,813
Swan River Foreshore	<input type="checkbox"/>	<input type="checkbox"/>	□□□□	154,000	0

**Capital Items**

Particulars	Item Timing	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Parklets</b>					
Parklet 3	☐	☐	■☐☐☐	10,000	3,700
Parklet 4	☐	☐	■■☐☐	10,000	4,960
Parklet 5	☐	☐	☐☐☐☐	10,000	0
Parklet 6	☐	☐	☐☐☐☐	10,000	0
Parklet 7	☐	☐	☐☐☐☐	10,000	0
<b>Renewal</b>					
<b>Lighting</b>					
Christmas Decorations	☐	☐	☐☐☐☐	140,000	0
<b>Street Furniture</b>					
Seating	☐	☐	■☐☐☐	5,000	3,392
<b>Upgrade</b>					
<b>Car Parks and Right-of-Ways</b>					
Right-of-Way 108	☐	☐	☐☐☐☐	210,000	0
<b>Parking</b>				<b>900,000</b>	<b>39,000</b>
<b>New</b>					
<b>Parking Management</b>					
Parking Meters	☐	☐	☐☐☐☐	300,000	0
Parking Plan Works	☐	☐	■■☐☐	600,000	39,000

## 14.5 Audit Committee Meeting – 25 November 2014

# agenda

AUDIT COMMITTEE



To: His Worship the Mayor and Councillors

Please be advised that an Audit Committee meeting was held at **5.00pm** on **Tuesday** 25 November 2014 in **Meeting Room 1**, Administration Centre at 99 Shepperton Road, Victoria Park.

A handwritten signature in black ink, appearing to read "A Vuleta".

**ANTHONY VULETA**  
**ACTING CHIEF EXECUTIVE OFFICER**

26 November 2014

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## 6 REPORTS

### 6.1 Auditor's Interim Audit Report – 2013-2014 Financial Year

<b>File Reference:</b>	FIN/11/0001~09
<b>Appendices:</b>	Yes

<b>Date:</b>	19 November 2014
<b>Reporting Officer:</b>	N Cain
<b>Responsible Officer:</b>	N Cain
<b>Voting Requirement:</b>	Simple Majority

#### Executive Summary:

**Recommendation – That Council notes the Auditor's Interim Audit Report and supports the Management responses to those comments.**

- This item presents the matters raised in the Auditor's Interim Report together with the responses provided by Management to those matters.

#### TABLED ITEMS:

Nil

#### BACKGROUND:

Each year, as part of Council's audit process, an Interim Audit is undertaken to ascertain areas of potential review associated with Council's financial systems / processes. The advice received through the interim audit is then assessed by Management who note the comments and take action as required. The findings of the Interim Audit, together with responses from Management, are now presented for Committee's consideration and recommendation to Council. The time difference between the Interim Audit and presentation of this report is primarily due to the time of year when the Interim Audit was done (i.e. coincided with budget, end of financial year, etc) as well as the need to carry out some internal testing at the request of the Auditors.

#### DETAILS:

As part of Council's committee structure, the Audit Committee has been established to review areas of an audit or compliance nature. The Auditor's Interim Audit is summarised in the following report. It is to be noted that the Interim Audit is primarily concerned with a review of internal controls / practices / procedures and management's compliance with those controls. The Interim Audit reports on an exception basis those items that require management's attention and does not seek to point out all the strong internal controls in place.

#### Legal Compliance:

*Local Government Act 1995* (as amended) and associated Regulations  
 Australian Accounting Standards  
 International Financial Reporting Standards

#### Policy Implications:

Nil



**Strategic Plan Implications:**

Nil

**Financial Implications:**Internal Budget:

Nil

Total Asset Management:

Nil

**Sustainability Assessment:**External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

**COMMENT:**

Matters raised by the Auditor, and Management's response to each matter, are as follows:

**INVESTMENT OF FUNDS**

We conducted a review of the investment of funds by the Town of Victoria Park at the time of our interim audit visit.

An investment policy exists, which provides general guidelines as to the levels of risk and exposure for the various types of investments that can be placed.

The Council manages its own investments. All investments placed appear to be appropriately documented, authorized and correctly recorded in the Council's Investment Register.

However, the following matters were noted and are brought to your attention:

- (i) Our review of the policy indicates that it does not contain key elements as stipulated in the Department of Local Government Guideline 19 for investments. The guideline stipulates that at a minimum, a local government investment policy should:
  - include the investment objectives of the local government;
  - define the risk aversion of the local government;
  - preserve capital, provide liquidity and the anticipated returns for the investment portfolio;

- comply with legislative requirements;
- prohibit the purchase of speculative financial instruments;
- prohibit the use of leveraging of an investment portfolio;
- prohibit the use of the investment portfolio for speculation;
- specify an acceptable instrument list;
- require investments of the local government to be regularly re-valued to reflect prevailing market prices;
- include independent financial assessments of the value of the investment portfolio for Council;
- require investments that are downgraded to below an acceptable rating benchmark to be liquidated;
- where applicable, document the process to choose an external investment manager.

We recommend that the Investment of Surplus Funds policy be updated in line with the Department of Local Government's guidelines. This will assist in providing guidance on various matters to be considered when investing surplus monies required for the future.

**Management Comment:**

*Management notes the observations as stated and confirms that the Investment policy will be updated to include the recommendations.*

- (ii) We refer to Regulation 19C of the Local Government (Financial Management) Regulations 1996 which was introduced in April 2012. It stipulates, among other things, when investing money, a Council is not to place a deposit for a fixed term of more than 12 months or to invest in bonds with a term to maturity of more than 3 years.

We noted that the existing investment policy does not include the above requirement as per the regulations.

We recommend that the policy should also state this restriction to comply with the Regulation 19C of the Local Government (Financial Management) Regulations 1996.

**Management Comment:**

*Management notes the observations as stated and confirms that the Investment policy will be updated to include the recommendations.*

- (iii) Regulation 19 of the Local Government (Financial Management) Regulations 1996 stipulates that a local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.

We noted that there are no formal established and documented internal control procedures existing with regards to placement of Council's surplus funds i.e. recording of interest quotes from banks, confirmation and authorisation of deals, etc. Current practice appears to be at the discretion of officers responsible for this function.

We recommend that a formal internal control procedural document be created to fully comply with the regulations.

**Management Comment:**

*Management notes the observations as stated and confirms that the Investment policy will be updated to include the recommendations.*

**PURCHASES AND PAYMENTS**

As part of our audit, we carried out a review of the purchasing and payments system. Our audit procedures have been designed to determine appropriate means for selecting items for testing so as to gather sufficient appropriate audit evidence to meet the objectives of the audit procedures. Our audit procedures have been designed to also determine whether purchases of goods/services were in accordance with Council's purchasing policy.

Generally the controls surrounding purchases, creditors and payments are appropriate to meet the Council's requirements.

However, the following matters were noted as requiring attention:

- (i) Regulation 11 of the Local Government (Functions and General) Regulations 1996 requires that before a local government enters into a contract for supply of goods or services, if the consideration is expected to be more than \$100,000, it must be put to public tender. Our review indicated the following instances whereby total purchases were in excess of \$100,000 and tenders had not been called for the supplies:
  - Perth Energy Pty Ltd. (\$376,456)
  - KRS Contracting. (\$156,725)
  - Frazzcon Enterprises. (\$130,472)
  - Amba Building. (\$125,434)
  - Hester Property Solutions. (\$118,030)
  - Spider Waster Collection Services Pty Ltd. (\$107,231)

In these instances the Council could be in breach of the Tender regulations. We request management investigate whether there are any other instances of similar nature where tenders were not called by the Council.

**Management Comment:**

*Management notes the observations and has created a report and implemented an internal control system that identifies and monitors payments to suppliers that is reaching the Tender threshold.*

- (ii) The Council's purchasing policy requires quotations to be obtained for various purchasing thresholds by the officers originating the order.

During our review process we noted two instances where we were unable to sight evidence of quotations obtained in accordance with the requirements of the Council's purchasing policy.

To enhance the process and improve accountability, we recommend details of quotes be

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recorded and filed with the invoice and purchase documentation. Further, all written quotes should also be retained and filed with purchase documents.

**Management Comment:**

*Management notes the observations as stated and is currently working on implementing a centralised system that would allow the quotes to be saved against a purchase order electronically. The Town promotes minimising paper copies and therefore have advised all staff to save quotes electronically within their Business unit drives until the centralised system is finalised. In the meantime internal audit checks are done each month to ensure that staff are maintaining these records as advised.*

**SUNDRY DEBTORS**

We examined the policies and procedures in relation to debtors invoicing, receipting, banking and debt collection. The debtors system, including raising of invoices, was reviewed with limited testing for some transactions.

We were satisfied that the reconciliations for sundry debtors between the general ledger control account and the subsidiary ledger have been performed and completed properly.

However, the following matter was noted and is brought to your attention:

Our review of the sundry debtors aged trial balance report as at 28 February 2014 indicated that \$ 28,327 (approximately 15%) from the total outstanding debts of \$195,819 (excluding GST receivables) were in the 90 days and over category.

Some of the large and overdue accounts in the 90 days and over category which existed in the report are:

<b>Debtors Name</b>	<b>Account Number</b>	<b>Amount \$</b>
Western Australian Taekwondo ***	595	3,470.90
United Corporation ***	978	1,216.50
R J Griffiths ***	191	7,795.18
Your PT Expert ***	599	7,090.56
Various other accounts		8,753.89
<b>Total</b>		<b>28,327.03</b>

\*\*\* : These debts were reported in our previous management letter dated 19 August 2013.

We recommend that the management review all long overdue accounts and where the debts have been proven unrecoverable, consideration be given to writing off the debts with proper approval.

**Management Comment:**

Management notes the observations and confirms that debtors listed above either have been entered into a payment plan or are currently in the process of being forwarded to debt collectors.

**PAYROLL**

We examined the Town's payroll system in the following areas:

- Reviewing the policies and procedures at the Town in relation to the Payroll system
- Staff additions and terminations
- Changes to employees pay, including variations to pay
- Authorisation and monitoring of leave taken by employees
- Processing of payroll
- Segregation of duties

The following matters were noted and are brought to your attention:

- (i) As part of our audit process, we noted that amendments to the payroll master file are not reviewed by an independent senior officer. Lack of such control may provide opportunities for inappropriate amendments to remain undetected.

We recommend that a report containing amendments to the payroll master file be produced and reviewed by an independent senior officer in order to reduce the risk of inappropriate amendments.

This matter was reported in our previous Interim management letter dated 19 August 2013.

**Management Comment:**

*Management notes the observations, and confirms that a report has been created to identify any amendments to the payroll master file. This report will be reviewed and monitored independently from the Payroll officer.*

- (ii) We reviewed a copy of the 'Employee Leave Accrued Report' during our interim visit. It was found 18 employees had over 10 weeks annual leave accrued. The largest annual leave accrued to an employee was a total of 22 weeks.

Excess leave entitlements can have adverse effects on the council, including an ever increasing liability as salary rates increase over time. Having large leave balances also exposes the council to significant payouts when employees leave the organisation.

This matter was reported in our previous Interim management letter dated 19 August 2013

**Management Comment:**

*Management notes the observations. The leave balances are under review and, where required, action is currently being taken to reduce these balances.*

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- (iii) We noted that the payroll reports for each individual business division are being reviewed and authorised by relevant officers of each division. However, this is done only after the payroll has been processed and paid.

We recommend that the payroll reports for each individual business division be reviewed and authorised before the payroll is processed and paid. This will provide assurance as to the existence of employees on the payroll and that they are being paid for correct hours worked.

This matter was reported in our previous Interim management letter dated 19 August 2013

**Management Comment:**

*Management notes the observations as stated. Currently the payroll report can only be printed after the payroll has been processed. Management will review the existing system and will ensure that an appropriate process is implemented.*

- (iv) We noted three instances whereby there was no evidence of review of the final payroll report by an independent senior officer.

We recommend that the final payroll report be reviewed by an independent senior officer to minimise the risk of errors.

**Management Comment:**

*Management notes the observations as stated and confirms that an independent HR officer reviews the payroll report each pay cycle. There have been few instances that the HR officer has forgotten to sign the reviewed document. Management will ensure that the reviewed reports are signed for confirmation each pay cycle.*

- (v) We noted that the payroll officer who is responsible for the preparation of the payroll is also authorised to perform on-line funds transfers pertaining to fortnightly payroll payments.

We recommend that authorisation of payroll on-line funds transfers be carried out by senior staff members independent of preparation. The authorisation process should seek to confirm the accuracy of the fortnightly payroll payments.

**Management Comment:**

*Management notes the observations as stated and will review the internal banking authorisation listing and amend as recommended.*

## **JOURNAL ENTRIES**

Australian Auditing Standard ASA 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report* states that there is a risk in all entities that management may be in a position to override the financial controls to perpetrate fraud. The standard requires that auditors perform audit procedures to address this risk in the areas including

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journal entries.

As part of our audit, we performed procedures and reviewed internal controls over journal entries recorded in the general ledger.

To test this, we reviewed the entire population of journals as at our audit visit date to identify those which would be regarded as unusual or higher risk. All higher risk journals were tested to ensure they were appropriate and supported by a clear business rationale.

The following matter was noted and is brought to your attention:

- (i) We noted that there is no documented policy regarding the use, authorisation and control over journal entries.

We recommend that a documented policy be created which addresses the use of standard entries, non-routine entries (corrections and adjustments) and unusual or management-requested entries. This includes details on sequential numbering, the requirement for journals to be adequately explained or supported by appropriate documentation and the approved officers who can raise or authorise journal entries.

**Management Comment:**

*Management notes the observations and confirms that there is a documented internal procedure on preparing and authorising journals. Management believes this document provides sufficient guidance and control over journal entries and do not believe a Council approved policy is needed.*

**RESOLVED:**

**Moved: Councillor Maxwell**

**Seconded: Mayor Vaughan**

**The Audit Committee recommends to the Council:**

**That Council notes the comments arising from the Auditor's 2013-2014 Interim Audit and supports the Management Responses to those comments.**

**The Motion was Put and**

**CARRIED: (2-0)**

**In favour of the Motion: Councillor Maxwell, Mayor Vaughan**



## 6.2 Independent Audit Report and Annual Financial Report – 2013-2014 Financial Year

<b>File Reference:</b>	FIN/11/0001~09
<b>Appendices:</b>	Yes

<b>Date:</b>	19 November 2014
<b>Reporting Officer:</b>	N Cain
<b>Responsible Officer:</b>	N Cain
<b>Voting Requirement:</b>	Simple Majority

### Executive Summary:

**Recommendation – That Council acknowledges the Independent Audit Report, and accepts the Annual Financial Report, for the 2013-2014 Financial Year, as included in the Appendices, noting that :**

1. **There were no issues of non-compliance found during the 2013-2014 Annual Audit, and**
2. **That no inaccuracy with the Town's Annual Financial Report for the year ended 30 June 2014 has been noted by the Auditor.**
  - This item presents matters arising from the Independent Audit conducted by Council's Auditor, Mr Tony Macri. It should be noted that no issues of inaccuracy or non-compliance with the Town's Annual Financial Report for the year ended 30 June 2014 have been identified.

### TABLED ITEMS:

Nil

### BACKGROUND:

Each year, as part of Council's audit process, an Independent Audit is undertaken to assess Council's Annual Financial Report and the legitimacy and accuracy of Council's accounts. An Independent Audit Report is then produced by the Auditor and provided to the Chief Executive Officer, Mayor and the Minister (Department for Local Government). The Independent Audit Report is included in Council's Annual Report. Any issues arising from the Independent Audit Report are to be investigated and action taken to resolve those issues.

A representative from Council's Auditor, Macri Partners, will also be in attendance at the meeting to speak to the Audit and take questions from Committee members.

### DETAILS:

As part of Council's committee structure, the Audit Committee has been established to review areas of an audit or compliance nature. The Independent Audit is presented in the Appendices.

### Legal Compliance:

*Local Government Act 1995* (as amended) and associated Regulations  
 Australian Accounting Standards  
 International Financial Reporting Standards

**Policy Implications:**

Nil

**Strategic Plan Implications:**

Nil

**Financial Implications:**Internal Budget:

Nil

Total Asset Management:

Nil

**Sustainability Assessment:**External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

**COMMENT:**

The Independent Audit was undertaken in October 2014 (Refer to Appendices) and highlights no areas of non-compliance with the *Local Government Act 1995*.

**CONCLUSION:**

The Independent Audit Report reports that the current systems in place at the Town are financially sound and that the Annual Financial Report has been found to be accurate and in accordance with the required legislation. Accordingly, it is recommended that the Independent Audit Report, and Annual Financial Report, as presented, be accepted.

**RESOLVED:****Moved: Councillor Maxwell****Seconded: Mayor Vaughan****The Audit Committee Recommends to the Council:**

**That Council acknowledges the Independent Audit Report, and accepts the Annual Financial Report, for the 2013-2014 Financial Year, as included in the Appendices, noting that:**

- 1. There were no issues of non-compliance found during the 2013-2014 Annual**
-

**Audit, and**

- 2. That no inaccuracy with the Town's Annual Financial Report for the year ended 30 June 2014 has been noted by the Auditor.**

**The Motion was Put and**

**CARRIED: (2-0)**

**In favour of the Motion: Councillor Maxwell, Mayor Vaughan**

**6.3 Chief Executive Officer’s Systems and Procedures Review: Local Government (Audit) Regulations 1996, Regulation 17**

<b>File Reference:</b>	FIN/11/0001~09
<b>Appendices:</b>	Yes

<b>Date:</b>	21 November 2014
<b>Reporting Officer:</b>	A Thampoe
<b>Responsible Officer:</b>	N Cain
<b>Voting Requirement:</b>	Simple Majority

**Executive Summary:**  
**Recommendation – The Audit Committee notes the new requirements contained in the Local Government (Audit) Regulations 1996 and endorse the Chief Executive Officer’s review.**

- The Chief Executive Officer’s review of the appropriateness and effectiveness of the systems and procedures is presented to the audit committee for endorsement.
- Future reviews to be undertaken by the Chief Executive Officer will occur once every two calendar years.
- Internal reviews will be undertaken on a six-monthly basis.

**TABLED ITEMS:**

Nil

**BACKGROUND:**

The new regulation, Regulation 17 was gazetted for the *Local Government (Audit) Regulations 1996* in February 2013. As a result of those amendments Local Government Operational Guidelines – 9 – Audit in Local Governments have been revised.

The new Regulation 17 prescribes a number of matters that are to be reviewed by the Audit Committee. These functions now include reviewing the Chief Executive Officer's report on the appropriateness and effectiveness of the local government's systems in regard to risk management, internal control and legislative compliance; and reporting the results of the Committee's consideration of that review, to the Council.

The Town engaged an external consultant from Local Government Insurance Services to assist with this review. To inform this process, workshops were held with the relevant senior staff.

This report and review process is to occur at least once every two calendar years, with the first review of each of the three areas to be completed by the Acting Chief Executive Officer, reviewed by the Audit Committee and reported to the Council by 31 December 2014.

**DETAILS:**

The Department of Local Government and Communities' *Local Government Guideline No 9 - Audit in Local Government (Guideline)* describes the issues that should be considered when undertaking a review of systems and procedures in relation to risk management, internal controls and legislative compliance. The Acting Chief Executive

Officer's review of systems and procedures has considered each of the issues detailed in the Guideline. The outcome of the review is provided in the appendices.

**Legal Compliance:**

*Local Government (Audit) Regulations 1996 – Regulation 17*

**Policy Implications:**

Nil

**Strategic Plan Implications:**

Nil

**Financial Implications:**

Nil

Total Asset Management:

Nil

**Sustainability Assessment:**

External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

**COMMENT:**

The amendment to the *Local Government (Audit) Regulations 1996* will assist the Town to identify areas where awareness of risk can be enhanced and a positive risk culture promoted and embedded throughout its operations.

**RESOLVED:**

**Moved: Councillor Maxwell**

**Seconded: Mayor Vaughan**

**The Audit Committee Recommends to the Council:**

1. That the Chief Executive Officer's review, as outlined in the Appendices addressing the requirements of *Local Government (Audit) Regulations 1996, Regulation 17:*

*"CEO to review certain systems and procedures*

- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —  
(a) risk management; and*
-

*(b) internal control; and  
(c) legislative compliance.”  
is endorsed.*

2. *That Council note that future reviews undertaken by the Chief Executive Officer will be conducted once every two calendar years in accordance with the requirements of Local Government (Audit) Regulations 1996, Regulation 17.*
3. *That Council note that internal reviews will be undertaken on a six-monthly basis.*

The Motion was Put and

CARRIED: (2-0)

In favour of the Motion: Councillor Maxwell, Mayor Vaughan

## **7 CLOSURE**

Mayor Trevor Vaughan declared the meeting closed at 5:25pm.

18 November 2014

The Mayor  
Town of Victoria Park  
Locked Bag No. 437  
VICTORIA PARK WA 6979

Dear Sir

**RE: INTERIM AUDIT – 30 JUNE 2014**

We forward a copy of the interim audit visit report for your information.

Yours faithfully



**MACRI PARTNERS**

TOWN06 AMmg



18 November 2014

Chief Executive Officer  
Town of Victoria Park  
Locked Bag No. 437  
VICTORIA PARK WA 6979

Dear Sir

**RE: INTERIM AUDIT VISIT FOR THE YEAR ENDING 30 JUNE 2014**

We carried out an interim audit of the Council for the year ending 30 June 2014.

Our interim audit covered a review of the accounting and internal control procedures in operation, as well as testing of transactions, in the following areas:

- Bank Reconciliations
- Investment of Surplus Funds
- Purchases
- Payments and Creditors
- Rate Receipts and Rate Debtors
- Receipts and Sundry Debtors
- Payroll
- Stores and Depot
- General Accounting (Journals, etc.)
- IT Controls
- Property, Plant & Equipment and Infrastructure
- Registers (Tenders Register, etc.)
- Minutes Review

Our review also covered an examination of some compliance matters, which are required under the Local Government Act 1995 (as amended) and Financial Management Regulations 1996.

Please note that our examination of internal controls was carried out for audit purposes designed primarily for the purpose of expressing an opinion on the financial statements of the Town of Victoria Park.

Because of the inherent limitations of any internal control structure, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

It should be appreciated that the matters noted came to our attention during the course of our normal audit examination and as a result do not necessarily include all those matters which a more extensive or special examination might identify.

Accordingly, our comments in this management letter are not intended to cover all aspects of the Council's internal controls and accounting systems and are limited to those matters that arose from our normal audit procedures.

The following matters were noted and are brought to your attention.

### **INVESTMENT OF FUNDS**

We conducted a review of the investment of funds by the Town of Victoria Park at the time of our interim audit visit.

An investment policy exists, which provides general guidelines as to the levels of risk and exposure for the various types of investments that can be placed.

The Council manages its own investments. All investments placed appear to be appropriately documented, authorized and correctly recorded in the Council's Investment Register.

However, the following matters were noted and are brought to your attention:

- (i) Our review of the policy indicates that it does not contain key elements as stipulated in the Department of Local Government Guideline 19 for investments. The guideline stipulates that at a minimum, a local government investment policy should:
  - include the investment objectives of the local government;
  - define the risk aversion of the local government;
  - preserve capital, provide liquidity and the anticipated returns for the investment portfolio;
  - comply with legislative requirements;
  - prohibit the purchase of speculative financial instruments;
  - prohibit the use of leveraging of an investment portfolio;
  - prohibit the use of the investment portfolio for speculation;
  - specify an acceptable instrument list;
  - require investments of the local government to be regularly re-valued to reflect prevailing market prices;
  - include independent financial assessments of the value of the investment portfolio for Council;
  - require investments that are downgraded to below an acceptable rating benchmark to be liquidated;
  - where applicable, document the process to choose an external investment manager.



We recommend that the Investment of Surplus Funds policy be updated in line with the Department of Local Government's guidelines. This will assist in providing guidance on various matters to be considered when investing surplus monies required for the future.

**Management Comment:**

*Management notes the observations as stated and confirms that the Investment policy will be updated to include the recommendations.*

- (ii) We refer to Regulation 19C of the Local Government (Financial Management) Regulations 1996 which was introduced in April 2012. It stipulates, among other things, when investing money, a Council is not to place a deposit for a fixed term of more than 12 months or to invest in bonds with a term to maturity of more than 3 years.

We noted that the existing investment policy does not include the above requirement as per the regulations.

We recommend that the policy should also state this restriction to comply with the Regulation 19C of the Local Government (Financial Management) Regulations 1996.

**Management Comment:**

*Management notes the observations as stated and confirms that the Investment policy will be updated to include the recommendations.*

- (iii) Regulation 19 of the Local Government (Financial Management) Regulations 1996 stipulates that a local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.

We noted that there are no formal established and documented internal control procedures existing with regards to placement of Council's surplus funds i.e. recording of interest quotes from banks, confirmation and authorisation of deals, etc. Current practice appears to be at the discretion of officers responsible for this function.

We recommend that a formal internal control procedural document be created to fully comply with the regulations.

**Management Comment:**

*Management notes the observations as stated and confirms that the Investment policy will be updated to include the recommendations.*



## PURCHASES AND PAYMENTS

As part of our audit, we carried out a review of the purchasing and payments system. Our audit procedures have been designed to determine appropriate means for selecting items for testing so as to gather sufficient appropriate audit evidence to meet the objectives of the audit procedures. Our audit procedures have been designed to also determine whether purchases of goods/services were in accordance with Council's purchasing policy.

Generally the controls surrounding purchases, creditors and payments are appropriate to meet the Council's requirements.

However, the following matters were noted as requiring attention:

- (i) Regulation 11 of the Local Government (Functions and General) Regulations 1996 requires that before a local government enters into a contract for supply of goods or services, if the consideration is expected to be more than \$100,000, it must be put to public tender. Our review indicated the following instances whereby total purchases were in excess of \$100,000 and tenders had not been called for the supplies:
  - Perth Energy Pty Ltd. (\$376,456)
  - KRS Contracting. (\$156,725)
  - Frazzcon Enterprises. (\$130,472)
  - Amba Building. (\$125,434)
  - Hester Property Solutions. (\$118,030)
  - Spider Waster Collection Services Pty Ltd. (\$107,231)

In these instances the Council could be in breach of the Tender regulations. We request management investigate whether there are any other instances of similar nature where tenders were not called by the Council.

### **Management Comment:**

*Management notes the observations and has created a report and implemented an internal control system that identifies and monitors payments to suppliers that is reaching the Tender threshold.*

- (ii) The Council's purchasing policy requires quotations to be obtained for various purchasing thresholds by the officers originating the order.

During our review process we noted two instances where we were unable to sight evidence of quotations obtained in accordance with the requirements of the Council's purchasing policy.

To enhance the process and improve accountability, we recommend details of quotes be recorded and filed with the invoice and purchase documentation. Further, all written quotes should also be retained and filed with purchase documents.

### **Management Comment:**

*Management notes the observations as stated and is currently working on implementing a centralised system that would allow the quotes to be saved against a purchase order electronically. The Town promotes minimising paper copies and therefore have advised all staff to save quotes electronically within their Business unit drives until the centralised*



system is finalised. In the meantime internal audit checks are done each month to ensure that staff are maintaining these records as advised.

### **SUNDRY DEBTORS**

We examined the policies and procedures in relation to debtors invoicing, receipting, banking and debt collection. The debtors system, including raising of invoices, was reviewed with limited testing for some transactions.

We were satisfied that the reconciliations for sundry debtors between the general ledger control account and the subsidiary ledger have been performed and completed properly.

However, the following matter was noted and is brought to your attention:

Our review of the sundry debtors aged trial balance report as at 28 February 2014 indicated that \$ 28,327 (approximately 15%) from the total outstanding debts of \$195,819 (excluding GST receivables) were in the 90 days and over category.

Some of the large and overdue accounts in the 90 days and over category which existed in the report are:

<b>Debtors Name</b>	<b>Account Number</b>	<b>Amount \$</b>
Western Australian Taekwondo ***	595	3,470.90
United Corporation ***	978	1,216.50
R J Griffiths ***	191	7,795.18
Your PT Expert ***	599	7,090.56
Various other accounts		8,753.89
<b>Total</b>		<b>28,327.03</b>

\*\*\* : These debts were reported in our previous management letter dated 19 August 2013.

We recommend that the management review all long overdue accounts and where the debts have been proven unrecoverable, consideration be given to writing off the debts with proper approval.

#### **Management Comment:**

Management notes the observations and confirms that debtors listed above either have been entered into a payment plan or are currently in the process of being forwarded to debt collectors.



## PAYROLL

We examined the Town's payroll system in the following areas:

- Reviewing the policies and procedures at the Town in relation to the Payroll system
- Staff additions and terminations
- Changes to employees pay, including variations to pay
- Authorisation and monitoring of leave taken by employees
- Processing of payroll
- Segregation of duties

The following matters were noted and are brought to your attention:

- (i) As part of our audit process, we noted that amendments to the payroll master file are not reviewed by an independent senior officer. Lack of such control may provide opportunities for inappropriate amendments to remain undetected.

We recommend that a report containing amendments to the payroll master file be produced and reviewed by an independent senior officer in order to reduce the risk of inappropriate amendments.

This matter was reported in our previous Interim management letter dated 19 August 2013.

### **Management Comment:**

*Management notes the observations, and confirms that a report has been created to identify any amendments to the payroll master file. This report will be reviewed and monitored independently from the Payroll officer.*

- (ii) We reviewed a copy of the 'Employee Leave Accrued Report' during our interim visit. It was found 18 employees had over 10 weeks annual leave accrued. The largest annual leave accrued to an employee was a total of 22 weeks.

Excess leave entitlements can have adverse effects on the council, including an ever increasing liability as salary rates increase over time. Having large leave balances also exposes the council to significant payouts when employees leave the organisation.

This matter was reported in our previous Interim management letter dated 19 August 2013

### **Management Comment:**

*Management notes the observations. The leave balances are under review and, where required, action is currently being taken to reduce these balances.*

- (iii) We noted that the payroll reports for each individual business division are being reviewed and authorised by relevant officers of each division. However, this is done only after the payroll has been processed and paid.

We recommend that the payroll reports for each individual business division be reviewed and authorised before the payroll is processed and paid. This will provide assurance as to



the existence of employees on the payroll and that they are being paid for correct hours worked.

This matter was reported in our previous Interim management letter dated 19 August 2013

**Management Comment:**

*Management notes the observations as stated. Currently the payroll report can only be printed after the payroll has been processed. Management will review the existing system and will ensure that an appropriate process is implemented.*

- (iv) We noted three instances whereby there was no evidence of review of the final payroll report by an independent senior officer.

We recommend that the final payroll report be reviewed by an independent senior officer to minimise the risk of errors.

**Management Comment:**

*Management notes the observations as stated and confirms that an independent HR officer reviews the payroll report each pay cycle. There have been few instances that the HR officer has forgotten to sign the reviewed document. Management will ensure that the reviewed reports are signed for confirmation each pay cycle.*

- (v) We noted that the payroll officer who is responsible for the preparation of the payroll is also authorised to perform on-line funds transfers pertaining to fortnightly payroll payments.

We recommend that authorisation of payroll on-line funds transfers be carried out by senior staff members independent of preparation. The authorisation process should seek to confirm the accuracy of the fortnightly payroll payments.

**Management Comment:**

*Management notes the observations as stated and will review the internal banking authorisation listing and amend as recommended.*

## **JOURNAL ENTRIES**

Australian Auditing Standard ASA 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report* states that there is a risk in all entities that management may be in a position to override the financial controls to perpetrate fraud. The standard requires that auditors perform audit procedures to address this risk in the areas including journal entries.

As part of our audit, we performed procedures and reviewed internal controls over journal entries recorded in the general ledger.

To test this, we reviewed the entire population of journals as at our audit visit date to identify those which would be regarded as unusual or higher risk. All higher risk journals were tested to ensure they were appropriate and supported by a clear business rationale.





The following matter was noted and is brought to your attention:

- (i) We noted that there is no documented policy regarding the use, authorisation and control over journal entries.

We recommend that a documented policy be created which addresses the use of standard entries, non-routine entries (corrections and adjustments) and unusual or management-requested entries. This includes details on sequential numbering, the requirement for journals to be adequately explained or supported by appropriate documentation and the approved officers who can raise or authorise journal entries.

**Management Comment:**

*Management notes the observations and confirms that there is a documented internal procedure on preparing and authorising journals. Management believes this document provides sufficient guidance and control over journal entries and do not believe a Council approved policy is needed.*

We thank your staff for the assistance given during the course of the audit. Should you have any queries with respect to the above or any other matter, please do not hesitate to contact us.

Yours faithfully



**ANTHONY MACRI**  
**MACRI PARTNERS**



**Town of Victoria Park  
Financial Report  
For the year ended 30 June 2014**

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

**Statement by the Chief Executive Officer**

The attached Financial Report of the Town of Victoria Park, being the Annual Financial Report and Supporting Notes and other information for the financial year ended 30 June 2014, are, in my opinion, properly drawn up to present fairly the financial position of the Town of Victoria Park at 30 June 2014 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the *Local Government Act 1995* and Regulations under the Act.

Signed as authorisation for issue on the 14<sup>th</sup> day of November 2014.



Anthony Vuleta  
Acting Chief Executive Officer

**Town of Victoria Park**  
**Statement of Comprehensive Income - By Nature and Type**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Revenue</b>				
Rates	24	31,210,742	31,088,000	28,549,608
Grants and Contributions - Operating	30	1,245,387	1,438,000	2,422,085
Fees and Charges	29	9,636,183	12,037,500	7,417,253
Service Charges		0	0	2,916,053
Interest Earnings	2	884,948	1,295,200	1,142,366
Other Revenue		1,174,285	295,700	1,229,939
		<b>44,151,545</b>	<b>46,154,400</b>	<b>43,677,304</b>
<b>Expenses</b>				
Employee Costs		(18,618,141)	(17,119,500)	(16,695,279)
Materials and Contracts		(16,531,582)	(19,537,200)	(18,648,751)
Utility Charges		(1,547,538)	(1,686,000)	(1,607,866)
Depreciation	2	(6,331,718)	(4,926,700)	(4,152,043)
Interest Expense	2	(813,153)	(840,000)	(692,843)
Insurance		(591,826)	(399,700)	(381,178)
Other Expense		(213,255)	(75,600)	(71,896)
		<b>(44,647,213)</b>	<b>(44,584,700)</b>	<b>(42,249,857)</b>
		<b>(495,668)</b>	<b>1,569,700</b>	<b>1,427,448</b>
<b>Grants and Contributions for Assets</b>				
Grants and Contributions - Non-Operating	30	1,721,102	2,086,700	406,307
		<b>1,721,102</b>	<b>2,086,700</b>	<b>406,307</b>
<b>Profit and Loss from Asset Disposal</b>				
Profit on Asset Disposal	21	1,027,659	25,900	896,086
Loss on Asset Disposal	21	(337,986)	(55,000)	(225,691)
		<b>689,673</b>	<b>(29,100)</b>	<b>670,395</b>
<b>Fair Value Adjustments</b>				
Loss on Revaluation		0	0	(7,751,878)
		<b>0</b>	<b>0</b>	<b>(7,751,878)</b>
<b>Changes in Equity</b>				
Joint Ventures		1,580,152	0	284,987
		<b>1,580,152</b>	<b>0</b>	<b>284,987</b>
<b>Net Result</b>				
		<b>3,495,259</b>	<b>3,627,300</b>	<b>(4,962,741)</b>
<b>Other Comprehensive Income</b>				
Non-Current Assets Revaluation Changes	14	162,074,851	0	154,403,488
		<b>162,074,851</b>	<b>0</b>	<b>154,403,488</b>
<b>Total Comprehensive Income</b>				
		<b>165,570,110</b>	<b>3,627,300</b>	<b>149,440,747</b>

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

**Town of Victoria Park**  
**Statement of Comprehensive Income - By Program**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Revenue</b>	2			
General Purpose Funding		32,882,731	33,579,300	30,845,178
Governance		6,654	1,000	945
Law, Order and Public Safety		2,041,674	4,466,700	666,619
Health		204,804	225,600	215,147
Education and Welfare		141,492	27,500	115,161
Community Amenities		1,515,322	905,800	921,509
Recreation and Culture		5,227,347	6,031,300	5,493,219
Transport		245,402	445,600	510,966
Economic Services		677,322	305,400	3,398,471
Other Property and Services		1,208,799	166,200	1,510,090
		<b>44,151,545</b>	<b>46,154,400</b>	<b>43,677,304</b>
<b>Expenses excluding Finance Costs</b>	2			
General Purpose Funding		(711,081)	(696,780)	(511,726)
Governance		(433,022)	(540,880)	(265,923)
Law, Order and Public Safety		(2,962,416)	(4,973,080)	(2,046,403)
Health		(1,563,770)	(1,496,910)	(1,395,474)
Education and Welfare		(1,019,292)	(1,047,680)	(1,064,387)
Community Amenities		(6,747,251)	(9,076,510)	(7,582,938)
Recreation and Culture		(16,535,652)	(17,403,890)	(15,556,139)
Transport		(7,949,572)	(7,845,780)	(8,174,780)
Economic Services		(1,539,263)	(1,472,080)	(4,736,637)
Other Property and Services		(4,372,740)	808,890	(222,606)
		<b>(43,834,060)</b>	<b>(43,744,700)</b>	<b>(41,557,014)</b>
<b>Finance Costs</b>	2			
Law, Order and Public Safety		(185,986)	(203,600)	(1,591)
Recreation and Culture		(323,896)	(420,100)	(355,985)
Economic Services		(89,818)	0	(103,500)
Other Property and Services		(213,453)	(216,300)	(231,767)
		<b>(813,153)</b>	<b>(840,000)</b>	<b>(692,843)</b>
<b>Grants and Contributions for Assets</b>				
Recreation and Culture		0	1,000,000	0
Transport		1,670,824	1,086,700	406,307
Other Property and Services		50,278		0
		<b>1,721,102</b>	<b>2,086,700</b>	<b>406,307</b>

**Town of Victoria Park**  
**Statement of Comprehensive Income - By Program (continued)**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Profit and Loss from Asset Disposal</b>				
Governance		0	0	(22,763)
Law, Order and Public Safety		0	(9,000)	(9,164)
Health		0	0	(203)
Community Amenities		0	3,600	(22,895)
Recreation and Culture		(301,523)	(3,200)	(6,000)
Transport		0	(14,200)	(33,858)
Economic Services		(8,108)	(2,600)	(28,016)
Other Property and Services		999,303	(3,700)	793,293
		<b>689,673</b>	<b>(29,100)</b>	<b>670,395</b>
<b>Changes in Joint Venture Operations</b>				
Community Amenities		1,580,152	0	284,987
		<b>1,580,152</b>	<b>0</b>	<b>284,987</b>
<b>Fair Value Adjustments</b>				
Recreation and Culture		0	0	(7,751,878)
		<b>0</b>	<b>0</b>	<b>(7,751,878)</b>
<b>Net Result</b>				
		<b>3,495,259</b>	<b>3,627,300</b>	<b>(4,962,742)</b>
<b>Other Comprehensive Income</b>				
Non-Current Assets Revaluation Changes	14	162,074,851	0	154,403,489
		<b>162,074,851</b>	<b>0</b>	<b>154,403,489</b>
<b>Total Comprehensive Income</b>				
		<b>165,570,110</b>	<b>3,627,300</b>	<b>149,440,747</b>

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

**Town of Victoria Park**  
**Statement of Financial Position**  
**As at 30 June 2014**

	Note	2014 Actual \$	2013 Actual \$
<b>Current Assets</b>			
Cash and Cash Equivalents	3	18,012,722	16,736,801
Trade and Other Receivables	5	2,305,490	4,469,342
Inventories	6	12,166	160,778
		<b>20,330,379</b>	<b>21,366,922</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables	5	1,526,991	755,772
Property, Plant and Equipment	7	204,483,550	207,291,827
Infrastructure	8	228,717,657	63,113,393
Other Financial Assets	18	6,589,697	5,009,546
		<b>441,317,895</b>	<b>276,170,537</b>
<b>Total Assets</b>		<b>461,648,274</b>	<b>297,537,458</b>
<b>Current Liabilities</b>			
Trade and Other Payables	10	2,770,119	3,226,865
Current Portion of Long Term Borrowings	11	1,932,237	1,626,640
Provisions	12	3,148,236	2,590,373
		<b>7,850,592</b>	<b>7,443,878</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	11	12,999,554	14,834,200
Provisions	12	276,643	308,006
		<b>13,276,197</b>	<b>15,142,206</b>
<b>Total Liabilities</b>		<b>21,126,789</b>	<b>22,586,084</b>
<b>Net Assets</b>		<b>440,521,484</b>	<b>274,951,374</b>
<b>Equity</b>			
Retained Surplus		97,874,652	96,667,012
Reserves - Cash Backed	13	7,037,619	4,750,000
Asset Revaluation Surplus	14	335,609,214	173,534,363
		<b>440,521,484</b>	<b>274,951,374</b>

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

**Town of Victoria Park**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2014**

	<b>Retained Surplus</b>	<b>Reserves Cash Backed</b>	<b>Asset Revaluation Surplus</b>	<b>Total Equity</b>
	\$	\$	\$	\$
<b>Prior Year Balance</b>				
Balance as at 1 July 2012	100,703,051	5,676,704	19,130,874	<b>125,510,629</b>
Net Result	(4,962,742)	0	0	<b>(4,962,742)</b>
Changes on Revaluation of Non-Current Assets	0	0	154,403,489	<b>154,403,489</b>
Transfer From / (To) Reserves	926,704	(926,704)	0	<b>0</b>
<b>Balance as at 30 June 2013</b>	<b>96,667,013</b>	<b>4,750,000</b>	<b>173,534,363</b>	<b>274,951,375</b>
<b>Current Year Balance</b>				
Balance as at 01 July 2013	96,667,013	4,750,000	173,534,363	<b>274,951,375</b>
Net Result	3,495,259	0	0	<b>3,495,259</b>
Changes on Revaluation of Non-Current Assets	0	0	162,074,851	<b>162,074,851</b>
Transfer From / (To) Reserves	(2,287,619)	2,287,619	0	<b>0</b>
<b>Balance as at 30 June 2014</b>	<b>97,874,653</b>	<b>7,037,619</b>	<b>335,609,214</b>	<b>440,521,486</b>

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



**Town of Victoria Park**  
**Statement of Cash Flows**  
For the year ended 30 June 2014

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Rates		31,210,742	31,300,000	28,549,608
Grants and Contributions - Operating		1,245,387	1,500,000	2,422,085
Fees and Charges		11,800,035	13,150,000	4,189,525
Service Charges		(832,041)	3,500,000	3,683,115
Interest Earnings		884,948	1,300,000	1,142,366
Goods and Services Tax		0	2,000,000	0
Other Revenue		1,235,106	41,100	37,919
		<b>45,544,178</b>	<b>52,791,100</b>	<b>40,024,618</b>
<b>Payments</b>				
Employee Costs		(18,091,641)	(17,300,000)	(16,270,119)
Materials and Contracts		(16,839,716)	(19,600,000)	(20,769,163)
Utility Charges		(1,547,538)	(1,700,000)	(1,607,866)
Interest Expense		(813,153)	(840,000)	(692,843)
Insurance		(591,826)	(400,000)	(381,178)
Goods and Services Tax		0	(2,000,000)	0
Other Expense		1,366,898	(80,000)	(71,896)
		<b>(36,516,977)</b>	<b>(41,920,000)</b>	<b>(39,793,067)</b>
<b>Net Cash Provided by Operating Activities</b>	15	<b>9,027,201</b>	<b>10,871,100</b>	<b>231,552</b>
<b>Cash Flows from Investing Activities</b>				
Equity Movements in Joint Ventures		(1,580,152)		0
Property, Plant and Equipment Payments		(1,925,385)	(7,768,900)	(3,773,709)
Infrastructure Payments		(6,258,112)	(8,963,000)	(4,349,322)
Grants and Contributions - Non-Operating		1,721,102	2,086,700	406,307
Sale of Assets Proceeds		1,820,318	1,899,000	1,450,465
<b>Net Cash Provided by / (Used in) Investing Activities</b>		<b>(6,222,229)</b>	<b>(12,746,200)</b>	<b>(6,266,260)</b>
<b>Cash Flows from Financing Activities</b>				
Debenture Repayments		(1,529,048)	(1,844,200)	(1,150,972)
New Debenture Proceeds		0	0	5,000,000
Reduction in Loan Liability		0	0	0
<b>Net Cash Provided by / (Used in) Financing Activities</b>		<b>(1,529,048)</b>	<b>(1,844,200)</b>	<b>3,849,028</b>
<b>Net Increase / (Decrease) in Cash Held</b>		1,275,924	(3,719,300)	(2,185,680)
<b>Cash at Beginning of Year</b>		16,736,801	13,340,100	18,922,481
<b>Cash and Cash Equivalents at End of Year</b>	15	<b>18,012,725</b>	<b>9,620,800</b>	<b>16,736,801</b>

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

**Town of Victoria Park**  
**Rate Setting Statement**  
For the year ended 30 June 2014

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Revenue</b>				
General Purpose Funding		1,671,989	2,491,300	2,295,570
Governance		6,654	1,000	945
Law, Order and Public Safety		2,041,674	4,466,700	666,619
Health		204,804	225,600	216,185
Education and Welfare		141,492	27,500	115,161
Community Amenities		1,515,322	909,400	922,022
Recreation and Culture		5,227,079	7,031,300	5,493,218
Transport		1,916,226	1,532,300	917,273
Economic Services		677,322	307,200	3,398,471
Other Property and Services		2,287,003	186,700	2,404,625
		<b>15,689,564</b>	<b>17,179,000</b>	<b>16,430,089</b>
<b>Expenses</b>				
General Purpose Funding		(711,081)	(696,780)	(511,726)
Governance		(433,022)	(540,880)	(288,686)
Law, Order and Public Safety		(3,148,402)	(5,185,680)	(9,809,036)
Health		(1,563,770)	(1,496,910)	(1,396,714)
Education and Welfare		(1,019,292)	(1,047,680)	(1,064,387)
Community Amenities		(6,747,251)	(9,076,510)	(7,321,358)
Recreation and Culture		(17,160,803)	(17,827,190)	(15,918,123)
Transport		(7,949,572)	(7,859,980)	(8,208,639)
Economic Services		(57,036)	(1,476,480)	(4,868,153)
Other Property and Services		(4,614,816)	568,590	(555,617)
		<b>(43,405,047)</b>	<b>(44,639,500)</b>	<b>(49,942,439)</b>
<b>Net Result Excluding Rates</b>		<b>(27,715,483)</b>	<b>(27,460,500)</b>	<b>(33,512,350)</b>
<b>Adjustment for Cash Budget Requirements</b>				
<b>Non-Cash Items</b>				
(Profit) / Loss on Asset Disposals	21	(689,673)	29,100	(670,395)
Loss on Revaluation		0	0	7,751,878
Depreciation on Assets	2	6,331,718	4,926,700	4,152,043
Movement In Joint Venture Equity		(1,580,152)	0	(284,987)
Movement in Non-Current Under Ground Power / Rates		(771,219)	0	(134,706)
Movement in Non-Current Leave Provision		(31,363)	0	(314,227)
		<b>3,259,311</b>	<b>4,955,800</b>	<b>10,499,605</b>

**Town of Victoria Park**  
**Rate Setting Statement (continued)**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Adjustment for Cash Budget Requirements</b>				
<b>Capital Expense and Revenue</b>				
Purchase Buildings		(574,564)	(2,409,400)	(1,968,097)
Purchase Furniture and Equipment		(658,667)	(4,178,000)	(1,163,409)
Purchase Plant and Machinery		(677,046)	(1,181,500)	(1,129,209)
Purchase Infrastructure - Roads		(1,865,520)	(2,604,200)	(1,971,080)
Purchase Infrastructure - Drainage		(478,929)	(467,100)	(258,689)
Purchase Infrastructure - Pathways		(631,899)	(1,300,000)	(647,226)
Purchase Infrastructure - Parks / Reserves		(956,183)	(2,774,000)	(657,371)
Purchase Infrastructure - Other		(2,340,692)	(1,817,700)	(618,201)
Proceeds from Disposal of Assets	21	1,820,318	1,899,000	1,450,465
Debenture Repayments	23	(1,529,048)	(1,844,200)	(1,150,972)
New Debenture Proceeds	23	0	0	5,000,000
Transfers to Reserves	13	(4,834,850)	(2,617,100)	(1,786,744)
Transfers from Reserves	13	2,547,231	100,000	2,713,448
		<b>(10,179,848)</b>	<b>(19,194,200)</b>	<b>(2,187,086)</b>
Add Surplus / (Deficit) July 1 B/Fwd	24	10,799,683	10,610,900	7,449,905
Less Surplus / (Deficit) June 30 C/Fwd	24	7,374,404	0	10,799,683
<b>Amount Required to be Raised from Rates</b>	24	<b>(31,210,742)</b>	<b>(31,088,000)</b>	<b>(28,549,608)</b>

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

**(a) Basis of Preparation**

The financial report is a general purpose financial statement that has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

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

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make 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.

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

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

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, 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 19 to these financial statements.

**(c) Goods and Services Tax**

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 that are recoverable from, or payable to, the ATO are presented as operating cash flows.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand; cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(e) Trade and Other Receivables**

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

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

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

**(f) Inventories**

***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 Resale***

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

Gains and losses are recognised in the statement of comprehensive income 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 resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**(g) Fixed Assets**

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

***Mandatory Requirement to Revalue Non-Current Assets***

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

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

(a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and

(b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government –

(i) that are plant and equipment; and,

(ii) that are –

(I) land and buildings; or

(II) infrastructure;

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

and

(c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

Notwithstanding the adjustments to the abovementioned Regulations, the Town of Victoria Park has commenced the process of adopting Fair Value that exceed the requirements of the Regulations. The Town of Victoria Park has incorporated into these accounts, valuations for all Property, Plant and Equipment and Infrastructure.

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

*Land Under Control*

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

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

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

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

*Initial Recognition and Measurement between Mandatory Revaluation Dates*

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

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believed this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

**Revaluation**

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

**Transitional Arrangements**

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes.

Those assets carried at cost will be carried in accordance with the policy detailed in the **Initial Recognition** section as detailed above.

**Town of Victoria Park  
Notes to, and forming part of, the Financial Report  
For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

Those assets carried at fair value will be carried in accordance with the *Revaluation* Methodology section as detailed above.

**Early Adoption of AASB 13 – Fair Value Measurement**

Whilst the new accounting standard in relation to Fair Value, AASB 13 – Fair Value Measurement only become applicable for the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology in the previous reporting period (year ended 30 June 2013) the Council chose to early adopt AASB 13 (as allowed for in the standard).

*Land Under Roads*

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

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

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

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

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

*Depreciation of Non-Current Assets*

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

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

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
Gravel roads	
formation	not depreciated
pavement	1% - 4%
Formed Roads	
formation	Not depreciated
pavement	1% - 4%
Foot paths - slab	20 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 years



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

*Capitalisation Threshold*

Expenditure on items of equipment under \$2,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

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

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

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

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

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

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

*Fair Value Hierarchy*

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

Level 1

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

Level 2

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

the asset or liability is included in Level 3.

*Valuation techniques*

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

Market approach

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

Income approach

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

Cost approach

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

Valuation techniques

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

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

**(i) Intangible Assets**

*Easements*

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) Financial Instruments**

*Initial Recognition and Measurement*

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie 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 cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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;
- (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; and
- (d) less any reduction for impairment.

The effective interest method used is 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.

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current. They are subsequently measured at fair value with changes to carrying amount being included in profit or loss.

**(ii) Loans and receivables**

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

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management 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-

(iv) *Available-for-sale financial assets*

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

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

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

(v) *Financial liabilities*

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

*Impairment*

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired.

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 having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial instruments, 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.

*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 Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(k) Impairment**

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

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

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard

(e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**(l) Trade and Other Payables**

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

**(m) Employee Benefits**

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**(n) Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(o) Provisions**

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

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

**(p) Leases**

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

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

**(q) Investments in Associates**

Associates are entities in which the Council has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Council. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associate entity. In addition, the Council's share of the profit or loss of the associate entity is included in the Council's profit or loss

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

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

**(r) Joint Venture**

The Council's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the appropriate line items of the financial statement. Information about the joint venture is set out in Note 18.

The Council's interests in joint venture entities are recorded using the equity method of accounting

Where the Council contributes assets to the joint venture or if the Council purchases assets from the joint venture, only the portion of the gain or loss that is not attributable to the Council's share of the joint venture shall be recognised. The Council recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

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

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

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(t) Superannuation**

The Council contributes to a number of Superannuation Funds on behalf of employees.

All funds to which the Council contributes are defined contribution plans.

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

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

**(v) Rounding Off Figures**

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

**(w) Comparative Figures**

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

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

**(x) Budget Comparative Figures**

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.

**(y) Events after Reporting Date**

On the 22 October 2014, the State Government of Western Australia announced the amalgamation of the Town of Victoria Park and the City of South Perth effective from 01 July 2015. The impact on the Town of Victoria Park has not yet been quantified.

**(z) 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 Council.

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

AASB 9 – Financial Instruments

**Issued:** December 2013

**Applicable:** 1 January 2017

**Impact:** Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]

**Issued:** December 2013  
**Applicable:** 1 January 2017  
**Impact:** Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).

AASB 2011 – 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [Not-For-Profit entities][AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 131, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]

**Issued:** December 2012  
**Applicable:** 1 January 2014  
**Impact:** Consequential changes to various standards arising from the issuance of AASB 10, 11, 12, 127 and 128. It is not expected to have a significant impact on Council.

AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]

**Issued:** June 2012  
**Applicable:** 1 January 2014  
**Impact:** This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. This Standard is not expected to significantly impact the Council's financial statements.

AASB 2013-3: Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets

**Issued:** June 2013  
**Applicable:** 1 January 2014  
**Impact:** This standard makes amendments to AASB 136 and includes requirements to disclose additional information when present value techniques are used to measure the recoverable amount of impaired assets.

AASB 2013-8: Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities

**Issued:** October 2013  
**Applicable:** 1 January 2014  
**Impact:** This standard adds Appendix E to AASB 10 to provide implementation guidance for Not-for-Profit entities regarding control criteria from the perspective of not-for-profit entities. It is not expected to have a significant impact on Council.



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

AASB 2013-9: Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 December 2013; Part B Materiality – 1 January 2014; Part C Financial Instruments – 1 January 2015]

**Issued:** December 2013  
**Applicable:** Refer Title column  
**Impact:** Part A of this standard makes various editorial corrections to Australian Accounting Standards. Part B of this standard deletes references to AASB 1031 in various Australian Accounting Standards in advance of the withdrawal of AASB 1031. Part C of this standard makes consequential amendments to AASB 9 and numerous other standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value. As the bulk of changes related either to editorial or reference changes it is not expected to have a significant impact on Council.

Notes:

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

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

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

These new and revised standards were:

AASB 10	AASB 128	AASB 2012 – 2
AASB 11	AASB 2011 - 7	AASB 2012 – 3
AASB 12	AASB 2011 - 9	AASB 2012 – 5
AASB 119	AASB 2011 – 10	AASB 2012 - 10
AASB 127		

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**2 Revenue and Expenses**

**(a) Statement of Objective**

The Town's operations, as disclosed in this document, encompass the following service activities-

*General Purpose Funding*

This activity includes rates, statutory grants and interest on investments and is the main area for revenue collection to allow for the provision of other services.

*Governance*

This includes the administration and operation of facilities and services to the elected members of Council. It also includes civic receptions, citizenship ceremonies, and the research, development and preparation of policy documentation.

*Law, Order and Public Safety*

This area includes the administration and operation of Ranger services and animal control services.

*Health*

This activity includes services such as health inspections, pest control, and noise control.

*Education and Welfare*

This area includes the senior citizens' centres, disability services and other community development activities such as seniors, youth, volunteers and indigenous support.

*Community Amenities*

This includes town planning and regional development services, protection of the environment, refuse collection and disposal, provision of public toilets, bus shelters and street furniture.

*Recreation and Culture*

This includes the provision of public buildings, libraries, aquatic facilities, community events, cultural activities, indoor and outdoor sporting complexes, parks and gardens and playgrounds.

*Transport*

This area includes the maintenance and construction of roads, drains, pathways, crossovers and traffic calming devices, plus street lighting and cleaning, road signs and parking areas.

*Economic Services*

This includes building control, private swimming pool inspections, tourism and economic development.

*Other Property and Services*

This area includes public works overheads and the purchase and maintenance of engineering plant and equipment.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>2 Revenues and Expenses</b>				
<b>(b) Net Result</b>				
The Net Result includes -				
<b><u>Charging as an Expense</u></b>				
<b>Auditor's Remuneration</b>				
Audit of Financial Statements		19,220	20,000	19,000
Audit - Projects		3,900	0	0
		<b>23,120</b>	<b>20,000</b>	<b>19,000</b>
<b>Bad and Doubtful Debts</b>				
Write Off - Building		9	0	0
Write Off - Finance		7,002	0	5,784
Write Off - Parking Management		62,590	32,496	34,908
Write Off - Regulatory Services		4,652	32,496	2,061
Write Off - Street Operations		101	0	2,184
		<b>74,354</b>	<b>64,992</b>	<b>44,936</b>
<b>Depreciation</b>				
Buildings		2,370,203	792,300	941,148
Furniture and Equipment		578,732	252,800	427,793
Plant and Machinery		654,084	390,000	593,116
Roads		1,138,189	1,651,800	936,382
Drainage		239,571	61,500	166,719
Pathways		521,487	355,000	353,357
Parks / Reserves		504,328	907,700	507,908
Other Infrastructure		325,125	515,600	225,620
		<b>6,331,718</b>	<b>4,926,700</b>	<b>4,152,043</b>
<b>Interest Expense</b>				
Debentures	22	813,153	840,000	692,843
		<b>813,153</b>	<b>840,000</b>	<b>692,843</b>
<b><u>Crediting as Revenue</u></b>				
<b>Interest Earnings</b>				
Investments - Reserve Funds		35,637	153,000	197,223
Investments - Other Funds		516,252	876,700	648,766
Other Interest Revenue	27	333,058	265,500	296,377
		<b>884,948</b>	<b>1,295,200</b>	<b>1,142,366</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenues and Expenses</b>		
<b>(c) Conditions over Contributions</b>		
<b>Contributions recognised as revenues in a previous reporting period that were not expended at the close of that period (in the manner required as per the terms of the contribution)</b>		
<b>Education and Welfare</b>		
Digital Local Government Initiative (NBN)	0	243,750
Digital Enterprise Initiative (NBN)	0	124,145
Digital Hub Initiative (NBN)	0	209,751
	<b>0</b>	<b>577,646</b>
<b>Grants recognised as revenues in a previous reporting period that were expended in the current reporting period (in the manner required as per the terms of the contribution)</b>		
<b>Education and Welfare</b>		
Digital Local Government Initiative (NBN)	0	243,750
Digital Enterprise Initiative (NBN)	0	124,145
Digital Hub Initiative (NBN)	0	209,751
	<b>0</b>	<b>577,646</b>
<b>Closing Balance of Unspent Contributions</b>	<b>0</b>	<b>0</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>3 Cash and Cash Equivalents</b>		
<b>Unrestricted</b>	8,900,103	6,986,801
<b>Restricted</b>	9,112,619	9,750,000
	<b>18,012,722</b>	<b>16,736,801</b>
<p>The following funds have restrictions on them imposed by regulations or other externally imposed requirements -</p>		
<b>Reserves</b>		
Alternative Transport Modes	0	10,000
Buildings Renewal	20,000	80,000
Community Art	738,880	650,000
Drainage Renewal	5,000	15,000
Edward Millen Reserve	1,050,000	1,130,000
Furniture and Equipment Renewal	70,000	0
Future Fund	1,644,050	540,000
Future Projects	1,530,000	0
Harold Hawthorne - Carlisle Memorial	15,000	10,000
Hubert Street Car Park Improvement	0	145,000
Information Technology	0	85,000
Infrastructure Improvement	0	35,000
Land Acquisition - Road Widening	0	155,000
Leisure Facilities	0	215,000
Lt Col Christian Garden Competition	0	30,000
Mayor Emergency Relief	0	5,000
Other Infrastructure Renewal	200,000	0
Parks Renewal	60,000	0
Pathways Renewal	10,000	0
Peninsula Infrastructure	0	120,000
Plant and Machinery	50,000	60,000
Public Open Space Development	0	110,000
Renewable Energy	65,000	0
Right-Of-Way Construction	0	30,000
Roads Renewal	200,000	0
Underground Power	779,689	625,000
Waste Management	600,000	500,000
Westminster Parking	0	200,000
	<b>7,037,619</b>	<b>4,750,000</b>
<b>Restricted Funds</b>		
Unspent Loans	2,075,000	5,000,000
	<b>2,075,000</b>	<b>5,000,000</b>
<b>Total Reserves and Restricted Cash and Cash Equivalents</b>	<b>9,112,619</b>	<b>9,750,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>4 Investments</b>		
No financial assets were held in the form of investments at 30 June for each of the reporting periods.		
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Accrued Revenue	6,919	3,005,808
Current Rates Debtors	422,993	362,331
Current ESL Debtors	34,944	93,608
Infringements	757,785	405,053
Sundry Debtors	613,868	591,955
Prepayments	412,214	0
Current Underground Power	51,947	10,588
Unclaimed Pensioner Rates Rebate	357	0
Unclaimed ESL Rates Rebate	4,464	0
Underground Power Rebate	0	0
	<b>2,305,490</b>	<b>4,469,342</b>
<b>Non-Current</b>		
Non-Current Rates Debtors	168,780	178,534
Non-Current ESL Debtors	19,403	24,919
Non-Current Underground Power	1,338,808	552,319
	<b>1,526,991</b>	<b>755,772</b>
<b>6 Inventories</b>		
<b>Current</b>		
Leisurelife	3,531	8,308
Aqualife	2,892	8,888
Land Held For Resale	5,743	143,582
	<b>12,166</b>	<b>160,778</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2013 Actual \$
<b>7 Property, Plant and Equipment</b>		
<b>Land</b>		
Independent Valuation 2014	137,264,500	137,264,500
Disposal	(881,000)	0
	<b>136,383,500</b>	<b>137,264,500</b>
<b>Buildings</b>		
Independent Valuation 2014	64,596,200	64,596,200
Additions / At Cost	425,137	0
Less Accumulated Depreciation	(2,370,203)	0
Work in Progress	423,728	274,301
	<b>63,074,862</b>	<b>64,870,501</b>
<b>Plant and Machinery</b>		
Management Valuation	2,908,500	2,908,500
Additions / At Cost	411,611	0
Less Accumulated Depreciation	(584,394)	0
	<b>2,735,717</b>	<b>2,908,500</b>
<b>Furniture and Equipment</b>		
Management Valuation	1,744,740	1,744,740
Additions / At Cost	779,395	0
Less Accumulated Depreciation	(578,732)	0
Work in Progress	344,068	503,586
	<b>2,289,471</b>	<b>2,248,326</b>
<b>Total Property, Plant and Equipment</b>	<b>204,483,550</b>	<b>207,291,827</b>

**Movements in Carrying Amounts**

	Land (Level 2)	Land (Level 3)	Buildings (Level 3)	Plant and Machinery (Level 2)	Furniture and Equipment (Level 2)	Total
Input Level Particulars	\$	\$	\$	\$	\$	\$
Beginning Balance	37,638,000	99,626,500	64,870,501	2,908,500	2,248,326	<b>207,291,827</b>
Additions	0	0	574,564	677,046	658,667	<b>1,910,277</b>
Disposals	(881,000)	0	0	(249,644)	0	<b>(1,130,644)</b>
Asset reclassification	0	0	0	53,899	(38,791)	<b>15,108</b>
Depreciation Expense	0	0	(2,370,203)	(654,084)	(578,732)	<b>(3,603,019)</b>
<b>Sub Total</b>	<b>36,757,000</b>	<b>99,626,500</b>	<b>63,074,862</b>	<b>2,735,717</b>	<b>2,289,471</b>	<b>204,483,550</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>8 Infrastructure</b>		
<b>Roads</b>		
Independent Valuation 2014	143,610,599	0
Additions / At Cost	0	70,209,834
Less Accumulated Depreciation	0	(29,525,907)
Work in Progress	710,788	32,675
	<b>144,321,387</b>	<b>40,716,601</b>
<b>Pathways</b>		
Independent Valuation 2014	32,825,687	0
Additions / At Cost	0	15,032,991
Less Accumulated Depreciation	0	(7,959,280)
Work in Progress	264,891	162,537
	<b>33,090,578</b>	<b>7,236,248</b>
<b>Drainage</b>		
Independent Valuation 2014	33,893,648	0
Additions / At Cost	0	12,121,856
Less Accumulated Depreciation	0	(7,332,992)
Work in Progress	15,844	2,685
	<b>33,909,492</b>	<b>4,791,549</b>
<b>Parks / Reserves</b>		
Independent Valuation 2014	4,952,150	4,952,150
Additions / At Cost	562,534	0
Less Accumulated Depreciation	(504,327)	0
Work in Progress	756,253	362,679
	<b>5,766,610</b>	<b>5,314,829</b>
<b>Other Assets</b>		
Independent Valuation 2014	9,385,978	0
Additions / At Cost	0	7,303,489
Less Accumulated Depreciation	0	(2,607,097)
Work in Progress	2,243,613	357,773
	<b>11,629,591</b>	<b>5,054,165</b>
<b>Total Infrastructure</b>	<b>228,717,657</b>	<b>63,113,393</b>



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**Movements in Carrying Amounts**

	Roads	Pathways	Drainage	Parks / Reserves	Other Assets	Total
Input Level	(Level 3)	(Level 3)	(Level 3)	(Level 3)	(Level 3)	
Particulars	\$	\$	\$	\$	\$	\$
Beginning Balance	40,716,601	7,236,248	4,791,549	5,314,829	5,054,165	<b>63,113,393</b>
Additions	1,865,520	631,899	478,929	956,183	2,340,692	<b>6,273,222</b>
Asset reclassification	0	0	0	(75)	(15,035)	<b>(15,110)</b>
Depreciation Expense	(1,138,189)	(521,487)	(239,571)	(504,328)	(325,125)	<b>(2,728,699)</b>
Revaluation Net Movement	102,877,455	25,743,919	28,878,585	0	4,574,892	<b>162,074,851</b>
<b>Sub Total</b>	<b>144,321,387</b>	<b>33,090,578</b>	<b>33,909,492</b>	<b>5,766,610</b>	<b>11,629,590</b>	<b>228,717,657</b>

**Property, Plant and Equipment and Infrastructure Revaluation**

The Town's Roads, Pathways, Drainage and Other Assets were revalued at 30 June 2014 by Independent valuers.

All valuations were made based on the basis of observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use.

The revaluation resulted in the following -

<u>Increase</u>	Roads	102,877,455
	Pathways	25,743,919
	Drainage	28,878,585
	Other Assets	4,574,892
		<u>162,074,851</u>

Refer Note 14 for details.

Increases were credited to the revaluation surplus in the Town's equity and recognised as Non-Current Assets Revaluation Changes in the Statement of Comprehensive Income.

Decreases were debited to Loss on Revaluation and recognised as Fair Value Adjustments in the Statement of Comprehensive Income.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>9 Intangibles</b>		
The Town did not hold any recognised intangible assets as at 30 June.		
<b>10 Trade and Other Payables</b>		
<b>Current</b>		
Payroll	142,190	185,110
Revenue Liability	278,283	239,417
ESL Liability	(80,034)	(53,462)
Trade Creditors	1,762,575	2,395,704
Payables	475,550	356,284
Accrued Expense	191,555	103,813
	<b>2,770,119</b>	<b>3,226,866</b>
<b>11 Long-Term Borrowings</b>		
<b>Current</b>		
Debentures	1,932,237	1,626,640
	<b>1,932,237</b>	<b>1,626,640</b>
<b>Non-Current</b>		
Debentures	12,999,554	14,834,200
	<b>12,999,554</b>	<b>14,834,200</b>
<b>Total</b>	<b>14,931,792</b>	<b>16,460,840</b>
Additional detail on borrowings is provided at Note 23.		
<b>12 Provisions</b>		
<b>Current</b>		
Annual Leave Provision	1,688,359	1,398,784
Sick Leave Provision	442,351	383,384
Long Service Leave Provision	1,017,526	808,205
	<b>3,148,236</b>	<b>2,590,373</b>
<b>Non-Current</b>		
Sick Leave Provision	41,450	19,302
Long Service Leave Provision	235,192	288,703
	<b>276,643</b>	<b>308,006</b>
	<b>Provision for</b>	<b>Provision for</b>
	<b>Annual Leave</b>	<b>Sick Leave</b>
	<b>Provision for</b>	<b>Long Service</b>
	<b>Annual Leave</b>	<b>Leave</b>
Opening Balance 1 July 2013	1,398,784	1,096,908
Additional Provisions	385,106	262,960
Amounts used	(99,421)	(109,806)
Movement in discounted rates	3,890	2,656
Balance at 30 June 2014	<b>1,688,359</b>	<b>1,252,718</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

2014 Actual \$	2014 Budget \$	2013 Actual \$
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**13 Reserves - Cash Backed**

In relation to each Reserve account, the purposes for which funds are set aside, and supported by money held in institutions, are -

**Alternative Transport Modes**

*To be used to assist fund projects that are associated with alternative modes of transport.*

Opening Balance	10,000	0	0
Transfer to Reserve - Municipal Funds	0	0	10,000
Transfer to Reserve - Interest Earnings	0	0	0
Transfer from Reserve	(10,000)	0	0
	<b>0</b>	<b>0</b>	<b>10,000</b>

**Building Renewal**

*To provide funds to assist with acquisition, construction, upgrading or replacement of buildings in the Town.*

Opening Balance	80,000	90,200	57,435
Transfer to Reserve - Municipal Funds	65,000	75,000	20,111
Transfer to Reserve - Interest Earnings	597	2,700	2,454
Transfer from Reserve	(125,597)	0	0
	<b>20,000</b>	<b>167,900</b>	<b>80,000</b>

**Community Art**

*To provide funds to assist with the purchase and placement of art for the Council and Community.*

Opening Balance	650,000	648,000	405,669
Transfer to Reserve - Municipal Funds	150,000	150,000	226,820
Transfer to Reserve - Interest Earnings	4,880	19,400	17,511
Transfer from Reserve	(66,000)	0	0
	<b>738,880</b>	<b>817,400</b>	<b>650,000</b>

**Drainage Renewal**

*To provide funds to assist with the provision, upgrade, replacement or general improvement of drainage in the Town.*

Opening Balance	15,000	13,500	10,944
Transfer to Reserve - Municipal Funds	0	0	3,673
Transfer to Reserve - Interest Earnings	114	400	382
Transfer from Reserve	(10,114)	0	0
	<b>5,000</b>	<b>13,900</b>	<b>15,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Edward Millen Reserve</b>			
<i>To be used to assist in improving and / or maintaining the Edward Millen site, including the associated grounds.</i>			
Opening Balance	1,130,000	1,172,200	970,154
Transfer to Reserve - Municipal Funds	50,001	50,000	131,326
Transfer to Reserve - Interest Earnings	8,481	35,100	28,521
Transfer from Reserve	(138,482)	(100,000)	0
	<b>1,050,000</b>	<b>1,157,300</b>	<b>1,130,000</b>
<b>Furniture and Equipment Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Furniture and Equipment assets</i>			
Opening Balance	0	91,900	0
Transfer to Reserve - Municipal Funds	131,801	446,800	0
Transfer to Reserve - Interest Earnings	639	2,700	0
Transfer from Reserve	(62,440)	0	0
	<b>70,000</b>	<b>541,400</b>	<b>0</b>
<b>Future Fund</b>			
<i>To assist in funding projects and property purchases that diversify Council's revenue streams.</i>			
Opening Balance	540,000	556,700	0
Transfer to Reserve - Municipal Funds	1,100,001	1,100,000	540,000
Transfer to Reserve - Interest Earnings	4,049	16,700	0
Transfer from Reserve	0	0	0
	<b>1,644,050</b>	<b>1,673,400</b>	<b>540,000</b>
<b>Future Projects</b>			
<i>To assist in funding 'new' and 'upgrade' capital projects, with funding primarily derived from the sale of land assets.</i>			
Opening Balance	0	0	0
Transfer to Reserve - Municipal Funds	1,530,000	0	0
Transfer to Reserve - Interest Earnings	0	0	0
Transfer from Reserve	0	0	0
	<b>1,530,000</b>	<b>0</b>	<b>0</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Harold Hawthorne - Carlisle Memorial</b>			
<i>To assist in the replacement of major appliances / equipment and any structural repairs to these Council-responsibility facilities.</i>			
Opening Balance	10,000	12,500	4,352
Transfer to Reserve - Municipal Funds	10,000	10,000	5,452
Transfer to Reserve - Interest Earnings	78	300	197
Transfer from Reserve	(5,078)	0	0
	<b>15,000</b>	<b>22,800</b>	<b>10,000</b>
<b>Hubert Street Car Park Improvement</b>			
<i>To be used to assist in the upgrading of the Hubert Street Car Park facility.</i>			
Opening Balance	145,000	0	137,354
Transfer to Reserve - Municipal Funds	0	0	1,434
Transfer to Reserve - Interest Earnings	0	0	6,212
Transfer from Reserve	(145,000)	0	0
	<b>0</b>	<b>0</b>	<b>145,000</b>
<b>Information Technology</b>			
<i>To be used to assist in the purchase, upgrade or replacement of computer software or hardware.</i>			
Opening Balance	85,000	0	73,983
Transfer to Reserve - Municipal Funds	0	0	9,131
Transfer to Reserve - Interest Earnings	0	0	1,886
Transfer from Reserve	(85,000)	0	0
	<b>0</b>	<b>0</b>	<b>85,000</b>
<b>Infrastructure Improvement</b>			
<i>To assist in the provision, upgrade, replacement or overall improvement of infrastructure within Town road reserves.</i>			
Opening Balance	35,000	0	33,975
Transfer to Reserve - Municipal Funds	0	0	833
Transfer to Reserve - Interest Earnings	0	0	192
Transfer from Reserve	(35,000)	0	0
	<b>0</b>	<b>0</b>	<b>35,000</b>
<b>Land Acquisition - Road Widening</b>			
<i>To be used to assist in the purchase of property and / or land required for the extension or widening of road reserves.</i>			
Opening Balance	155,000	0	146,419
Transfer to Reserve - Municipal Funds	0	0	1,897
Transfer to Reserve - Interest Earnings	0	0	6,684
Transfer from Reserve	(155,000)	0	0
	<b>0</b>	<b>0</b>	<b>155,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual	2014 Budget	2013 Actual
	\$	\$	\$
<b>13 Reserves - Cash Backed</b>			
<b>Lathlain Park Study</b>			
<i>To be used to assist in the future investigation of alternative uses for Lathlain Park</i>			
Opening Balance	0	0	86,889
Transfer to Reserve - Municipal Funds	0	0	0
Transfer to Reserve - Interest Earnings	0	0	1,950
Transfer from Reserve	0	0	(88,839)
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Leisure Facilities</b>			
<i>To be used to assist in the upgrade and development of the Aqualife and Leisurelife Centres, including major plant replacement.</i>			
Opening Balance	215,000	0	202,818
Transfer to Reserve - Municipal Funds	0	0	4,972
Transfer to Reserve - Interest Earnings	0	0	7,211
Transfer from Reserve	(215,000)	0	0
	<b>0</b>	<b>0</b>	<b>215,000</b>
<b>Lt Col Christian Garden Competition</b>			
<i>To be used to provide funds to assist in conducting future Spring Garden Competitions.</i>			
Opening Balance	30,000	30,400	27,026
Transfer to Reserve - Municipal Funds	0	5,000	1,752
Transfer to Reserve - Interest Earnings	227	900	1,222
Transfer from Reserve	(30,227)	0	0
	<b>0</b>	<b>36,300</b>	<b>30,000</b>
<b>Mayor Emergency Relief</b>			
<i>To be used to provide financial assistance to areas within Western Australia that have been subjected to natural disaster.</i>			
Opening Balance	5,000	1,900	1,652
Transfer to Reserve - Municipal Funds	1	5,000	3,287
Transfer to Reserve - Interest Earnings	36	0	61
Transfer from Reserve	(5,037)	0	0
	<b>0</b>	<b>6,900</b>	<b>5,000</b>
<b>Other Infrastructure Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Other infrastructure</i>			
Opening Balance	0	178,800	0
Transfer to Reserve - Municipal Funds	595,000	0	0
Transfer to Reserve - Interest Earnings	2,586	5,300	0
Transfer from Reserve	(397,586)	0	0
	<b>200,000</b>	<b>184,100</b>	<b>0</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Parks Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Parks infrastructure</i>			
Opening Balance	0	140,700	0
Transfer to Reserve - Municipal Funds	110,001	0	0
Transfer to Reserve - Interest Earnings	824	4,200	0
Transfer from Reserve	(50,825)	0	0
	<b>60,000</b>	<b>144,900</b>	<b>0</b>
<b>Pathways Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Pathways infrastructure</i>			
Opening Balance	0	500	0
Transfer to Reserve - Municipal Funds	22,500	12,500	0
Transfer to Reserve - Interest Earnings	78	0	0
Transfer from Reserve	(12,578)	0	0
	<b>10,000</b>	<b>13,000</b>	<b>0</b>
<b>Peninsula Infrastructure</b>			
<i>To assist in the replacement of infrastructure and ongoing maintenance to public areas within the Burswood Peninsula area.</i>			
Opening Balance	120,000	140,800	12,527
Transfer to Reserve - Municipal Funds	1	70,000	107,153
Transfer to Reserve - Interest Earnings	902	4,200	319
Transfer from Reserve	(120,903)	0	0
	<b>0</b>	<b>215,000</b>	<b>120,000</b>
<b>Plant and Machinery</b>			
<i>To be used to assist in the acquisition and replacement of the Town's plant and machinery.</i>			
Opening Balance	60,000	281,000	40,211
Transfer to Reserve - Municipal Funds	231,061	14,000	17,971
Transfer to Reserve - Interest Earnings	0	8,400	1,819
Transfer from Reserve	(241,061)	0	0
	<b>50,000</b>	<b>303,400</b>	<b>60,000</b>
<b>Public Open Space Development</b>			
<i>To assist in the acquisition and development of land for additional open space, as well as the development of existing open space.</i>			
Opening Balance	110,000	0	191,471
Transfer to Reserve - Municipal Funds	0	0	0
Transfer to Reserve - Interest Earnings	0	0	8,862
Transfer from Reserve	(110,000)	0	(90,333)
	<b>0</b>	<b>0</b>	<b>110,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Renewable Energy</b>			
<i>To assist in investigating and funding renewable energy projects within the District</i>			
Opening Balance	0	0	0
Transfer to Reserve - Municipal Funds	65,000	65,000	0
Transfer to Reserve - Interest Earnings	0	0	0
Transfer from Reserve	0	0	0
	<b>65,000</b>	<b>65,000</b>	<b>0</b>
<b>Right-Of-Way Construction</b>			
<i>To assist in the provision and construction of sealed right-of-ways throughout the Town.</i>			
Opening Balance	30,000	0	26,708
Transfer to Reserve - Municipal Funds	0	0	2,876
Transfer to Reserve - Interest Earnings	0	0	416
Transfer from Reserve	(30,000)	0	0
	<b>0</b>	<b>0</b>	<b>30,000</b>
<b>Roads Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Roads Infrastructure</i>			
Opening Balance	0	226,400	0
Transfer to Reserve - Municipal Funds	390,904	50,000	0
Transfer to Reserve - Interest Earnings	1,648	6,700	0
Transfer from Reserve	(192,552)	0	0
	<b>200,000</b>	<b>283,100</b>	<b>0</b>
<b>Underground Power</b>			
<i>To assist in the funding of projects associated with the installation of underground power and associated landscaping.</i>			
Opening Balance	625,000	1,023,600	3,056,531
Transfer to Reserve - Municipal Funds	150,001	160,800	40
Transfer to Reserve - Interest Earnings	4,688	30,700	102,705
Transfer from Reserve	0	0	(2,534,276)
	<b>779,689</b>	<b>1,215,100</b>	<b>625,000</b>



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Waste Management</b>			
<i>To assist in the funding of waste management and waste minimisation initiatives.</i>			
Opening Balance	500,000	511,800	0
Transfer to Reserve - Municipal Funds	200,000	250,000	500,000
Transfer to Reserve - Interest Earnings	3,751	15,300	0
Transfer from Reserve	(103,751)	0	0
	<b>600,000</b>	<b>777,100</b>	<b>500,000</b>
<b>Westminster Parking</b>			
<i>To be used to assist in the conversion of the sump in Westminster Street near Albany Highway into parking.</i>			
Opening Balance	200,000	0	190,586
Transfer to Reserve - Municipal Funds	0	0	795
Transfer to Reserve - Interest Earnings	0	0	8,619
Transfer from Reserve	(200,000)	0	0
	<b>0</b>	<b>0</b>	<b>200,000</b>
<b>Total Reserves</b>			
<b>Opening Balance</b>	4,750,000	5,120,900	5,676,704
<b>Transfer to Reserve - Municipal Funds</b>	4,801,273	2,464,100	1,589,520
<b>Transfer to Reserve - Interest Earnings</b>	33,577	153,000	197,223
<b>Transfer from Reserve</b>	(2,547,231)	(100,000)	(2,713,448)
<b>Closing Balance</b>	<b>7,037,619</b>	<b>7,638,000</b>	<b>4,750,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>14 Reserves - Asset Revaluation</b>		
Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:		
<b>Land</b>		
Opening Balance	121,123,806	0
Revaluation Increment	0	121,123,806
<b>Closing Balance</b>	<b>121,123,806</b>	<b>121,123,806</b>
<b>Buildings</b>		
Opening Balance	33,279,682	0
Revaluation Increment	0	33,279,682
<b>Closing Balance</b>	<b>33,279,682</b>	<b>33,279,682</b>
<b>Roads</b>		
Opening Balance	19,130,874	19,130,874
Revaluation Increment	102,877,455	0
<b>Closing Balance</b>	<b>122,008,329</b>	<b>19,130,874</b>
<b>Pathways</b>		
Opening Balance	0	0
Revaluation Increment	25,743,919	0
<b>Closing Balance</b>	<b>25,743,919</b>	<b>0</b>
<b>Drainage</b>		
Opening Balance	0	0
Revaluation Increment	28,878,585	0
<b>Closing Balance</b>	<b>28,878,585</b>	<b>0</b>
<b>Other Assets</b>		
Opening Balance	0	0
Revaluation Increment	4,574,892	0
<b>Closing Balance</b>	<b>4,574,892</b>	<b>0</b>
<b>Total Asset Revaluation Surplus</b>	<b>335,609,214</b>	<b>173,534,363</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014	2013
	Actual	Actual
	\$	\$

**15 Notes to the Statement of Cash Flows**

**(a) 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 -

Cash and Cash Equivalents	18,012,722	16,736,801
	<b>18,012,722</b>	<b>16,736,801</b>

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

Net Result	3,495,258	(4,962,742)
Depreciation	6,331,718	4,152,043
(Profit) / Loss on Sale of Asset	(689,673)	(670,395)
(Increase) / Decrease in Receivables	1,392,633	(2,460,665)
(Increase) / Decrease in Other Financial Assets		(1,477,008)
(Increase) / Decrease in Inventories	148,612	(142,781)
Increase / (Decrease) in Payables	(456,746)	(1,977,631)
Increase / (Decrease) in Employee Provisions	526,500	425,160
Loss on Fair Value Adjustment	0	7,751,878
Grants and Contributions for Asset Development	(1,721,102)	(406,307)
<b>Net Cash from Operating Activities</b>	<b>9,027,200</b>	<b>231,552</b>

**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank Overdraft Limit	200,000	200,000
Bank Overdraft at Balance Date	0	0
Credit Card Limit	20,000	20,000
Credit Card at Balance Date	(1,891)	0
<b>Total Amount of Credit Unused</b>	<b>218,109</b>	<b>220,000</b>

**Loan Facilities**

Loan Facilities - Current	1,932,237	1,626,640
Loan Facilities - Non-Current	12,999,554	14,834,200
<b>Total Facilities in Use at Balance Date</b>	<b>14,931,792</b>	<b>16,460,840</b>
<b>Unused Loan Facilities at Balance Date</b>	<b>2,075,000</b>	<b>0</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**16 Contingent Liabilities**

On 15 August 2006, the Town of Victoria Park agreed to sign a Deed of Guarantee to satisfy the financial security requirements relating to the tender that was under review by the Mindarie Regional Council for the construction of a Resource Recovery Facility at Neerabup. The Town's maximum exposure under the Deed of Guarantee is \$7.33 million. The Deed of Guarantee will only crystallise if -

- a. Mindarie Regional Council is unable to meet payments that creates a default under the Resource Recovery Facility Agreement (RRFA)
- b. There is a *Force Majeure* event.

*Force Majeure* events will be limited due to insurance and can be narrowed down to the following -

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

**17 Capital Leasing Commitments**

The Town had no capital leasing commitments at 30 June for the periods being reported.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**18 Other Financial Assets**

**Joint Ventures**

**Mindarie Regional Council**

The Mindarie Regional Council was formally constituted in December 1987. The Town of Victoria Park, along with the Municipalities of Joondalup, Wanneroo, Stirling, Perth, Cambridge and Vincent, form the membership of the Mindarie Regional Council. The primary function of the Regional Council is for the orderly and efficient treatment and / or disposal of waste. The Town of Victoria Park has a one-twelfth (1/12) equity in the assets and liabilities of the refuse disposal facility as per the constitution amendment (25 November 1996). The values as shown below were, at the time of preparation of these financial statements, unaudited.

	<b>2014</b>	<b>2013</b>
	\$	\$
Current Assets	2,260,440	1,446,004
Non-Current Assets	3,775,554	3,935,230
<b>Total Assets</b>	<b>6,035,994</b>	<b>5,381,234</b>
Current Liabilities	685,935	568,372
Non-Current Liabilities	2,295,910	2,137,779
<b>Total Liabilities</b>	<b>2,981,845</b>	<b>2,706,151</b>
<b>Net Assets</b>	<b>3,054,149</b>	<b>2,675,083</b>

**Tamala Park Regional Council**

The Tamala Park Regional Council was formally constituted in February 2006. The Town of Victoria Park, along with the Municipalities of Joondalup, Wanneroo, Stirling, Perth, Cambridge and Vincent, form the membership of the Tamala Park Regional Council. The purpose of the Regional Council is to create an urban development of 165 hectares immediately north of the Mindarie Regional Council leased land. The Town of Victoria Park has a one-twelfth (1/12) equity in the assets and liabilities of the development. The values as shown below were, at the time of preparation of these financial statements, unaudited.

	<b>2014</b>	<b>2013</b>
	\$	\$
Current Assets	3,429,039	2,208,442
Non-Current Assets	163,192	163,649
<b>Total Assets</b>	<b>3,592,230</b>	<b>2,372,091</b>
Current Liabilities	55,327	36,074
Non-Current Liabilities	1,355	1,555
<b>Total Liabilities</b>	<b>56,682</b>	<b>37,629</b>
<b>Net Assets</b>	<b>3,535,548</b>	<b>2,334,462</b>
<b>Total Joint Venture Net Assets</b>	<b>6,589,697</b>	<b>5,009,545</b>
<b>Movement in Joint Venture Equity (Increase / (Decrease))</b>	<b>1,580,152</b>	<b>1,477,007</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**19 Trust Funds**

Trust funds held at balance date over which the Town has no control, and that are not included in the financial statements, are as follows:

<b>Details</b>	<b>Open 1 July \$</b>	<b>Net Movement \$</b>	<b>Balance 30 June \$</b>
Construction Training Fund Levy	24,910	112,030	136,940
Building Registration Board	15,170	988	16,158
Pathways and Works Contributions	1,264,098	(5,134)	1,258,964
Miscellaneous Bonds and Deposits	23,867	57,883	81,750
Leisure Facilities Bonds and Deposits	6,265	(1,100)	5,165
Trust Account Prior to 1 July 1995	(200)	200	0
Council Number Plates	256	124	380
	<b>1,334,366</b>	<b>164,991</b>	<b>1,499,357</b>

<b>2014 Actual \$</b>	<b>2013 Actual \$</b>
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**20 Total Assets Classified by Function and Activity**

General Purpose Funding	11,618,933	15,649,286
Governance	646,129	208,164
Law, Order and Public Safety	757,785	405,053
Health	6,379	25,938
Education and Welfare	38,952	31,226
Community Amenities	2,789,774	1,694,447
Recreation and Culture	71,039,075	72,900,740
Transport	223,366,047	58,388,564
Economic Services	1,644,493	661,085
Other Property and Services	149,740,706	147,572,957
	<b>461,648,274</b>	<b>297,537,458</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**21 Disposal of Assets**

The following assets were disposed of during the year -

Details and Asset ID	Net Book Value		Sale Price		Profit / (Loss)	
	Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$
<b>Land</b>						
Various Land Holdings	0	1,600,000	0	1,600,000	0	0
650 Albany Hwy, Victoria Park	881,000	0	580,012	0	(300,988)	0
7 Victoria Park Drv, Burswood	1	0	999,237	0	999,236	0
<b>Plant and Machinery</b>						
Building - 112-VPk	0	13,200	0	11,000	0	(2,200)
Building - 113-VPk	0	13,200	0	11,000	0	(2,200)
Building - 123-VPk	0	13,200	0	15,000	0	1,800
Chief Executive Office - 107-VPk	0	19,200	0	14,000	0	(5,200)
Engineering - 124-VPk	0	17,600	0	18,000	0	400
Engineering - 135-VPk	0	19,000	0	18,000	0	(1,000)
Engineering - 138-VPk	0	21,000	0	20,000	0	(1,000)
Engineering - 149-VPk	0	5,600	0	2,000	0	(3,600)
Engineering - 154-VPk	2,731	5,600	1,508	2,000	(1,223)	(3,600)
Engineering - 162-VPk	120,045	65,900	124,099	86,000	4,054	20,100
Engineering - Minor Plant	0	1,000	0	1,000	0	0
Engineering - Skid Steer Loader	10,000	23,000	19,205	18,000	9,205	(5,000)
Finance - 181-VPk	17,146	18,000	11,782	11,000	(5,364)	(7,000)
IT Services - 114-VPk	22,290	13,200	11,418	11,000	(10,872)	(2,200)
Parks - 148-VPk	0	13,200	0	10,000	0	(3,200)
Parks - Minor Plant	11,720	2,000	2,858	2,000	(8,862)	0
Rangers - 183-VPk	0	18,000	0	9,000	0	(9,000)
RLP Administration - 111-VPk	0	19,800	0	10,000	0	(9,800)
Urban Planning - 168-VPk	0	13,200	0	15,000	0	1,800
Urban Planning - 171-VPk	0	13,200	0	15,000	0	1,800
Engineering - 179-VPk	20,923	0	15,282	0	(5,641)	0
Engineering - 184-VPk	15,289	0	26,746	0	11,457	0
Engineering - 159-VPk	7,000	0	1,964	0	(5,036)	0
Engineering - 1EAV573 - Tipper	22,500	0	26,208	0	3,708	0
	<b>1,130,645</b>	<b>1,928,100</b>	<b>1,820,318</b>	<b>1,899,000</b>	<b>689,673</b>	<b>(29,100)</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**2014                      2013                      2012**

**22 Financial Ratios**

Current Ratio	1.43	1.56	1.62
Asset Sustainability Ratio	0.49	0.78	0.66
Debt Service Cover Ratio	3.81	3.92	4.44
Own Source Revenue Coverage Ratio	0.98	0.78	0.04
Operating Surplus Ratio	0.04	(0.14)	0.95

The above ratios are calculated as follows -

	Current Assets Minus Restricted Assets
Current Ratio	Current Liabilities Minus Liabilities From Restricted Assets
Asset Sustainability Ratio	Capital Renewal and Replacement Expenditure
Debt Service Cover Ratio	Depreciation Expense
Operating Surplus Ratio	Annual Operating Surplus before Interest and Depreciation
Own Source Revenue Coverage Ratio	Principal and Interest
	Operating Revenue minus Operating Expense
	Own Source Operating Revenue
	Own Source Operating Revenue
	Operating Expense

**Additional Ratio Information**

This information relates to ratios that only require attestation that they have been checked and supported by verifiable information. In keeping with amendments to the Local Government (Financial Management) Regulations 1996 (Reg. 50), comparatives for the 2012 year has not been reported as financial information is not available.

Asset Consumption Ratio	0.99	0.52	n/a
Asset Renewal Funding Ratio	1.01	0.97	n/a

Asset Consumption Ratio	Depreciated Replacement Cost of Depreciable Assets
	Current Replacement Cost of Depreciable Assets
Asset Renewal Funding Ratio	NPV of Planned Capital Renewal over 15 years
	NPV of Required Capital Renewal over 15 years



**Town of Victoria Park**  
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**For the year ended 30 June 2014**

**23 Information on Borrowings**

<b>(a) Debentures (Budget)</b>	<b>Principal 1 July \$</b>	<b>New Loans \$</b>	<b>Principal Repayment \$</b>	<b>Principal 30 June \$</b>	<b>Interest Expense \$</b>
<b>Law, Order and Public Safety</b>					
13 Parking Initiative	5,000,000	0	628,400	4,371,600	203,600
<b>Recreation and Culture</b>					
04 Aqualife Centre	2,280,547	0	273,900	2,006,647	125,000
07 Aqualife Centre II	2,585,926	0	258,600	2,327,326	156,100
11 Fletcher Park	529,123	0	27,200	501,923	25,400
<b>Economic Services</b>					0
13 Underground Power	2,187,466	0	326,300	1,861,166	92,100
<b>Other Property and Services</b>					0
02 Depot Land	697,271	0	82,100	615,171	42,500
03 Administration Centre	946,852	0	113,000	833,852	53,900
09 14 Kent Street	696,771	0	48,800	647,971	51,700
10 1 Harper Street	1,088,799	0	62,900	1,025,899	68,200
12 Depot Upgrade	448,086	0	23,000	425,086	21,500
	<b>16,460,841</b>	<b>0</b>	<b>1,844,200</b>	<b>14,616,641</b>	<b>840,000</b>

<b>(b) Debentures (Actual)</b>	<b>Principal 1 July \$</b>	<b>New Loans \$</b>	<b>Principal Repayment \$</b>	<b>Principal 30 June \$</b>	<b>Interest Expense \$</b>
<b>Law, Order and Public Safety</b>					
14 Parking Initiative	5,000,000	0	313,225	4,686,775	185,986
<b>Recreation and Culture</b>					
04 Aqualife Centre	2,280,547	0	273,940	2,006,607	124,105
07 Aqualife Centre II	2,585,926	0	258,604	2,327,322	153,285
11 Fletcher Park	529,123	0	27,150	501,973	25,181
<b>Economic Services</b>					
13 Underground Power	2,187,466	0	326,341	1,861,125	89,818
<b>Other Property and Services</b>					
02 Depot Land	697,271	0	82,141	615,130	41,157
03 Administration Centre	946,852	0	112,990	833,862	53,206
09 14 Kent Street	696,771	0	48,805	647,966	51,632
10 1 Harper Street	1,088,799	0	62,861	1,025,938	67,458
12 Depot Upgrade	448,086	0	22,992	425,094	21,325
	<b>16,460,840</b>	<b>0</b>	<b>1,529,048</b>	<b>14,931,792</b>	<b>813,153</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**23 Information on Borrowings**

**(c) New Debentures**

There were no new debentures entered into during the 2013-2014 Financial year.

**(d) Unspent Debentures**

There was \$2,075,000 in unspent debentures at 30 June.

**(e) Overdraft**

The Town has an overdraft facility of \$200,000 to assist with short-term liquidity.

The Town did not need to utilise these facilities and the balance of the bank overdraft at 30 June was \$nil.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**24 Rating Information**

<b>(a) Rating (Budget)</b>	<b>Property Numbers #</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim and Back Rates \$</b>	<b>Total Revenue \$</b>
Rate in \$ - 7.85 cents					
Minimum Charge - \$933					
<b>General Rate</b>					
Gross Rental Value	13,613	362,835,404	28,482,579	113,378	28,595,957
<b>Minimum Charge</b>					
Gross Rental Value	2,671	27,180,337	2,492,043	0	2,492,043
<b>Total</b>	<b>16,284</b>	<b>390,015,741</b>	<b>30,974,622</b>	<b>113,378</b>	<b>31,088,000</b>
Rate Equivalent Payments and Adjustments					
					0
Specified Area Rates					
					0
<b>Total</b>					<b>31,088,000</b>
<b>(b) Rating (Actual)</b>	<b>Property Numbers #</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim and Back Rates \$</b>	<b>Total Revenue \$</b>
Rate in \$ - 7.85 cents					
Minimum Charge - \$933					
<b>General Rate</b>					
Gross Rental Value	13,624	362,861,404	28,484,621	233,626	28,718,247
<b>Minimum Charge</b>					
Gross Rental Value	2,671	27,180,337	2,492,043	452	2,492,495
<b>Total</b>	<b>16,295</b>	<b>390,041,741</b>	<b>30,976,664</b>	<b>234,078</b>	<b>31,210,742</b>
Rate Equivalent Payments and Adjustments					
					0
Specified Area Rates					
					0
<b>Total</b>					<b>31,210,742</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 30 June \$	2013 1 July \$	2013 30 June \$
<b>24 Rating Information</b>			
<b>(c) Information on Surplus / (Deficit) Brought Forward</b>			
<b>Surplus / (Deficit)</b>			
<b>Comprises -</b>			
Cash - Unrestricted	8,900,103	6,986,801	6,986,801
Receivables and Accruals - Current	2,305,490	4,469,342	4,469,342
Inventories - Current	12,166	160,778	160,778
<b>Less -</b>			
Payables - Current	(2,770,119)	(3,226,866)	(3,226,866)
Provisions - Current	(3,148,236)	(2,590,373)	(2,590,373)
<b>Adjustments</b>			
Unspent Loans	2,075,000	5,000,000	5,000,000
<b>Surplus / (Deficit)</b>	<b>7,374,404</b>	<b>10,799,683</b>	<b>10,799,683</b>

**25 Specified Area Rates**

The Town did not raise any Specified Area Rates during the 2013-2014 financial year.

**26 Service Charges**

	Revenue Raised \$	Budget Revenue \$	Applied to Service Costs \$	Budget to Costs \$
Underground Power	(60,821)	(61,000)	106	250

The area for which the above Underground Power Service Charge is to be levied includes the suburb of Lathlain, plus the "Goodwood" precinct area of Burswood, bounded by Goodwood Parade, Great Eastern Highway and Graham Farmer Freeway. Western Power is the primary agent associated with the works and they have indicated that they will be contracting the works out to a suitable contractor. The Service Charge is to fund 75% of the associated works. The remaining 25% is to be funded by Council.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**27 Rates Related Discounts, Incentives, Concessions and Write-Offs**

The Town did not provide any discounts, waivers or concessions with regards to the payment of rates.

Three payment incentives were offered -

1 - Kustom Cupcakes Yummy Package (A year's supply of Kustom Cupcakes, Four tickets to the Black Swan State Theatre Company performance of Midsummer, Six-month Maxi-life Membership for Leisurelife and Aqualife and \$1,000 cash from the Town of Victoria Park)

2 - John Hughes Package (\$900 cheque courtesy of John Hughes, \$400 voucher for The Balmoral Hotel, Four tickets to Sol Gabetta plays Dvorak performed by the West Australian Symphony Orchestra, \$1,000 cash from the Town of Victoria Park.

3 - Pfr.com.au Package (Living Local pack with gift cards from local businesses worth a combined \$900, Two nights accommodation for two adults in a Studio Room at The Sebel Residence East Perth, including breakfast each morning and a bottle of wine on arrival, \$1,000 cash from the Town of Victoria Park.

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
Written-off rates and rates related fees and charges	3,861	4,169

**28 Rates Related Interest and Charges**

	<b>Interest Rate</b>	<b>Actual Revenue</b>	<b>Budgeted Revenue</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>
Pensioner Deferred Rates Interest (as set by State Government)	3.95	5,660	8,000
Instalment Interest	5.5	158,517	180,000
Late Payment Interest	11	93,492	75,000
Waste Debts Interest (Rates)	11	3,264	2,000
Charges on instalment plans and arrangements		67,512	67,000
		<b>328,445</b>	<b>332,000</b>

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

- 1 19 September 2013
- 2 26 October 2013
- 3 22 January 2014
- 4 26 March 2014

Administration charges and interest applied for the final three instalments (\$4 per instalment).

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>29 Fees and Charges</b>		
General Purpose Funding	172,583	132,430
Law, Order and Public Safety	1,874,996	566,593
Health	201,258	206,317
Education and Welfare	116,008	97,134
Community Amenities	1,464,364	898,834
Recreation and Culture	5,031,386	5,052,579
Transport	149,534	138,620
Economic Services	540,494	286,078
Other Property and Services	85,562	38,667
	<b>9,636,183</b>	<b>7,417,253</b>

**30 Grants and Contributions**

**By Nature or Type**

Grants and Contributions - Operating	1,245,387	2,422,085
Grants and Contributions - Non-Operating	1,721,102	406,307
	<b>2,966,489</b>	<b>2,828,392</b>

**By Program**

General Purpose Funding	582,537	1,062,762
Governance	0	0
Law, Order and Public Safety	155,674	95,802
Health	6	54
Education and Welfare	25,415	42,743
Community Amenities	0	0
Recreation and Culture	175,666	405,594
Transport	1,746,240	759,792
Economic Services	62,073	124,145
Other Property and Services	218,878	337,500
	<b>2,966,489</b>	<b>2,828,392</b>

**31 Employee Numbers**

Number of Full-Time Equivalent Employees at Balance Date	<b>182</b>	<b>167</b>
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**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>32 Elected Members' Fees and Allowances</b>			
Mayoral Allowance	60,000	60,000	60,000
Deputy Mayoral Allowance	15,000	15,000	15,000
Members Meeting Fees	170,013	205,500	70,000
Telecommunications Allowance	0	0	21,600
Information and Communication Technology Allowance	31,068	31,500	12,267
Members Expenses	6,183	5,300	4,940
Members Travel	2,285	5,500	3,867
	<b>284,548</b>	<b>322,800</b>	<b>187,674</b>

**33 Post Balance Date Events**

There were no Post Balance Date Events incurred by the Town.

**34 Major Land Transactions**

There were no Major Land Transactions incurred by the Town.

**35 Financial Risk Management**

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

The Town 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 Town under policies approved by Council. Council held the following financial instruments at balance date -

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	18,012,722	16,736,801	18,012,722	16,736,801
Receivables	3,832,481	5,225,114	3,832,481	5,225,114
<b>Financial Liabilities</b>				
Payables	2,770,119	3,226,866	2,770,119	3,226,866
Borrowings	14,931,792	16,460,840	12,891,609	16,387,441

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**35 Financial Risk Management**

Fair value is determined as follows -

Cash and cash equivalents, Receivables, Payables - estimated to the carrying value, which approximates net market value.

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

**(a) Cash and cash equivalents and Financial Assets at Fair Value**

The Town's objective is to maximise return on cash and cash investments whilst maintaining an adequate level of liquidity and preserving capital. The Town maintains an investment policy and the policy is subject to regular review. An investment report is provided monthly setting out the make-up and performance of the portfolio.

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

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

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

The Town manages these risks by diversifying the portfolio and only purchasing investments with high credit ratings or capital guarantees.

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% movement in interest rates on cash and investments		
- Equity	180,127	167,368
- Statement of Comprehensive Income	180,127	167,368

The above are sensitivity percentages based on expectation of possible future market movements.



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**35 Financial Risk Management**

**(b) Receivables**

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

The level of outstanding receivables is reported monthly and monitored for acceptable collection performance. Suitable provision is made for doubtful receivables, as required, and credit checks are carried out on most non-rate debtors. There are no material receivables that have been subject to a re-negotiation of repayment terms. The Town's profile of credit risk at balance date was -

	<b>2014</b>	<b>2013</b>
Percentage of Rates and Annual Charges		
- Current (Due within 12 months)	52%	33%
- Overdue	48%	67%
Percentage of Other Receivables		
- Current (Due within 30 days)	87%	37%
- Overdue	13%	63%

**(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. This risk is managed by monitoring cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

The contractual undiscounted cash flows of Payables and Borrowings are set out in the Liquidity Sensitivity Table as shown below -

	Due Within 1 Year \$	Due Between 1 and 5 Years \$	Due After 5 Years \$	Total Contractual Cash Flows \$	Total Carrying Values \$
<b>2014</b>					
Payables	2,770,119	0	0	<b>2,770,119</b>	2,770,119
Borrowings	2,686,207	10,744,827	4,741,007	<b>18,172,041</b>	14,931,792
	<b>5,456,326</b>	<b>10,744,827</b>	<b>4,741,007</b>	<b>20,942,160</b>	<b>17,701,911</b>
<b>2013</b>					
Payables	3,226,866	0	0	<b>3,226,867</b>	3,226,866
Borrowings	2,270,602	10,725,675	7,413,509	<b>20,409,786</b>	16,460,840
	<b>5,497,468</b>	<b>10,725,675</b>	<b>7,413,509</b>	<b>23,636,653</b>	<b>19,687,706</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**35 Financial Risk Management**

**(c) Payables and Borrowings (continued)**

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. This is not a factor with the loan portfolio, as set out below, as all loans have a fixed interest rate for the duration of the loan. The following table sets out the carrying amount, by maturity, of the financial instruments of the Town of Victoria Park -

	<b>Less Than 1 Year \$</b>	<b>Between 1 and 5 Years \$</b>	<b>More Than 5 Years \$</b>	<b>Total \$</b>	<b>Weighted Average Effective Interest Rate %</b>
<b>Year Ended 30 June 2014</b>					
Fixed Rate Debentures	1,932,237	8,758,802	4,240,752	<b>14,931,792</b>	5.13%
	<b>Less Than 1 Year \$</b>	<b>Between 1 and 5 Years \$</b>	<b>More Than 5 Years \$</b>	<b>Total \$</b>	<b>Weighted Average Effective Interest Rate %</b>
<b>Year Ended 30 June 2013</b>					
Fixed Rate Debentures	1,626,640	8,324,757	6,509,443	<b>16,460,840</b>	5.13%

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**36 Fair Value Measurements**

Town of Victoria Park measures the following assets at fair value on a recurring basis after initial recognition:

- Financial Assets at fair value through profit or loss
- Property, Plant and Equipment
- Infrastructure

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

**(a) Recurring Fair Value Measurements**

	Note	30 June 2014			Total
		Level 1	Level 2	Level 3	
<b>Financial Assets</b>					
Financial Assets at fair value through profit or loss:		-	-	-	-
<b>Total financial assets recognised at fair value on a recurring basis</b>		-	-	-	-
<b>Non-Financial Assets</b>					
Land		-	36,757,000	99,626,500	136,383,500
Buildings		-	-	63,074,862	63,074,862
Plant and Machinery		-	2,735,717	-	2,735,717
Furniture and Equipment		-	2,289,471	-	2,289,471
Roads		-	-	144,321,387	144,321,387
Pathways		-	-	33,090,578	33,090,578
Drainage		-	-	33,909,492	33,909,492
Parks / Reserves		-	-	5,766,610	5,766,610
Other Assets		-	-	11,629,590	11,629,590
<b>Total non-financial assets recognised at fair value on a recurring basis</b>		-	41,782,187	391,419,019	433,201,206

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	Note	30 June 2013			Total
		Level 1	Level 2	Level 3	
<b>Financial Assets</b>					
Financial Assets at fair value through profit or loss:		-	-	-	-
<b>Total financial assets recognised at fair value on a recurring basis</b>		-	-	-	-
<b>Non-Financial Assets</b>					
Plant and Machinery		-	2,908,500	-	2,908,500
Furniture and Equipment		-	1,744,740	-	1,744,740
<b>Total non-financial assets recognised at fair value on a recurring basis</b>		-	4,653,240	-	4,653,240

**(b) Transfer Policy**

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

**(c) Highest and Best Use**

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

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

Assets	Level of Valuation Input	Fair Value at 30 June 2014	Valuation Technique(s)	Inputs Used
<b>Non-Financial Assets</b>				
Land	2	36,757,000	Sales comparison Approach	Price per square metre
	3	99,626,500	Sales comparison / Cost Approach	Price per square metre

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

<b>Assets</b>	<b>Level of Valuation Input</b>	<b>Fair Value at 30 June 2014</b>	<b>Valuation Technique(s)</b>	<b>Inputs Used</b>
Buildings	3	63,074,862	Cost Approach	Sourced from cost guides such as Rawlinsons, Cordells, 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.
Plant and Machinery	2	2,735,717	Sales comparison Approach and Cost approach to non-market type assets	Completed a physical on site inspection, listing of the assets and research to establish current new equipment costs, age, condition, utility and maintenance history.
Furniture and Equipment	2	2,289,471	Sales comparison Approach and Cost approach to non-market type assets	Completed a physical on site inspection, listing of the assets and research to establish current new equipment costs, age, condition, utility and maintenance history.
Roads	3	144,321,387	Cost Approach	Indicative Unit Rates based on technical assessment or by age
Pathways	3	33,090,578	Cost Approach	Asset data based on condition scores and unit rates.
Drainage	3	33,909,492	Cost Approach	Asset data based on condition scores and unit rates.
Parks / Reserves	3	5,766,610	Cost Approach	Sourced from cost guides such as Rawlinsons, Cordells, 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.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

Assets	Level of Valuation Input	Fair Value at 30 June 2014	Valuation Technique(s)	Inputs Used
Other Assets	3	11,629,590	Cost Approach	Car parks and Right of Way asset data was based on condition scores and unit rates. Other miscellaneous assets were valued using information provided by the Town of Victoria Park. The remaining useful life was determined using known construction dates and an estimated total useful life.
<b>Total</b>		433,201,206		

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

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

Description and fair value as at 30 June	Fair value as at 30 June	Valuation technique(s)	Unobservable inputs	Range of inputs (probability - weighted average)	Relationship of unobservable inputs to fair value
Land	99,626,500	Sales comparison / Cost Approach	Note 36 (d)	+ / - 10%	A change of 10% would result in a change in fair value by \$9,962,650
Buildings	63,074,862	Cost Approach	Note 36 (d)	+ / - 10%	A change of 10% would result in a change in fair value by \$6,307,486
Roads	144,321,387	Cost Approach	Note 36 (d)	+ / - 10%	A change of 10% would result in a change in fair value by \$14,432,139
Pathways	33,090,578	Cost Approach	Note 36 (d)	+ / - 10%	A change of 10% would result in a change in fair value by \$3,309,058
Drainage	33,909,492	Cost Approach	Note 36 (d)	+ / - 10%	A change of 10% would result in a change in fair value by \$3,390,949
Parks / Reserves	5,766,610	Cost Approach	Note 36 (d)	+ / - 10%	A change of 10% would result in a change in fair value by \$576,661
Other Assets	11,629,590	Cost Approach	Note 36 (d)	+ / - 10%	A change of 10% would result in a change in fair value by \$1,162,959

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**(f) Recurring fair value measurements and process**

The following methods are used to determine the fair value measurements.

**Land, Building and Improvement**

All land, building, improvement and playground equipment have been physically inspected in order to ascertain their condition and Remaining Useful Life for the purpose of Fair Value in accordance with AASB 13 and AASB 16. All properties capable of being transacted upon in an 'open market' have been valued for Fair Value on comparable sales evidence, consistent with a Level 2 input as outlined in AASB 13.

Those building, improvement and playground equipment assets which are considered to be of a 'specialised nature' (non – market type properties which are not readily traded in the market place) have been assessed on a Depreciated Replacement Cost (DRC) approach consistent with a Level 3 input as outlined in AASB 13.

*Relevant Town Planning Scheme Consideration*

Taking into consideration the Highest and Best Use is in keeping with the relevant Town Planning Scheme. All land, building, improvement and playground equipment assets have been valued in accordance with the Town of Victoria Park District Planning Scheme No 1. (Gazetted 30 September 1998, updated to include Amd 57gg 22/2/13).

All building, improvement and playground equipment values for insurance purposes have been calculated from a Perth based construction rate with an appropriate district allowance then applied to each location.

With regard to land that is currently zoned Parks and Recreation and or for Public Purpose, it is considered highly unlikely that the entity would be able to change the existing use for the purpose of it being sold in the property market. In order to reflect the value of the land as public purpose, having a highly restricted use, the valuers have established a value of the land that reflects its current usage.

In arriving at an appropriate land value for the Parks and Recreation and Public Purpose zoned land, taking into consideration its highly restricted use, the valuers have investigated the value of land within a wider general area of the region where traditionally land values are at their lowest. They have then applied the appropriate sales of this marginal land to the subject property after making due allowances for location, size and utility.

In accordance with the input levels within AASB 13, where freehold land parcels that due to their zoning, area, usage or topography, 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. The valuers therefore valued these particular freehold parcels of land by making the necessary adjustments to the closest available market evidence, by applying a piecemeal approach to this market evidence in order to reflect the use to which the land is currently used or zoned, in accordance with the Local Authority's Town Planning Scheme.

In relation to freehold land that is zoned Commercial, Industrial or Residential in accordance with the Local Authority's Town Planning Scheme, but is currently used for another purpose, the valuers have not discounted the value based on its current usage. This land was valued on the Highest and Best Use principle consistent within AASB 13 and 116.

**Plant, Machinery, Furniture and Equipment**

These classes of assets were revalued in 2013 as part of the mandatory requirements embodied in Local Government (Financial Management) Regulation 17A. Whilst the additions since that time are shown at cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down values approximate fair values. Thus, the values are considered in accordance with Local Government (Financial Management (Regulation) 17A (2) which requires these assets to be shown at fair value. They will be revalued during the year ended 30 June 2016 in accordance with the mandatory asset measurement framework detailed at Note 1(c).

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

**Infrastructure**

The infrastructure valuation was carried out by an Independent valuer - Talis Consultants. To comply with AASB13, certain inputs were required to value individual asset classes. According to AASB13 the value was determined by what the Town could dispose the asset in an arms-length transaction in the most appropriate market. With respect to infrastructure such as roads, car parks, paths, street lighting and drainage there are no discernible markets and as such needs to be valued at what it would cost to return to its full service potential to determine its current fair value. This requires the condition of the asset to be determined. This was determined through a technical assessment or by age if there is confidence that the age of the asset is indicative of the condition of the asset.

Talis Consultants developed the indicative unit rates in consultation with the Town's staff and the analysis of recent projects where appropriate and where the information exists. This included works carried out internally and works that are externally resourced by way of current contracts. Actual costs of projects carried out are recorded in the financial system which was interrogated to determine indicative unit rates. It should be noted that each similar project will still have individual characteristics and therefore different costs associated with their construction. The unit rates can be considered indicative at a network level.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

Where information is not available or not at a suitable detail, experience and typical industry parameters of comparable metropolitan local governments had been used.

A percentage of depreciation is assigned to each condition rating to calculate a modelled RUL (Remaining Useful Life) relative to its TUL (Total Useful Life). This method is a simple and effective method to account for the effect of condition.

*Data confidence*

Roads - The most recent condition survey of infrastructure assets was carried out in 2012 by ARBB. As this survey was within three years of the date of this valuation, a high level of confidence can be attributed to the valuation figures.

Car Parks - A condition survey of car parks was undertaken in 2014 by the Town, attributing a high level of confidence to the valuation figures.

Pathways - condition survey of footpaths was undertaken in 2014 by Talis, attributing a high level of confidence to the valuation figures.

Drainage - A condition survey of selected drainage structures was undertaken by Opus in 2010. Asset construction dates were not available so, in order to conduct a valuation, the condition data that was available was extrapolated to populate condition fields for all drainage structures. The assumption was made that, due to the small geographical size of the Town, variations in soil type and climate will be low so drainage structure condition would degrade uniformly. These factors afford the valuation figures a medium level of confidence.

Other Assets - The valuers were provided with a list of miscellaneous assets with At Cost purchase prices. These assets were not sited by Talis however given the nature of the assets the age of the assets would suffice to determine their value. The data provided was not by individual asset of similar type and therefore valued as a group. The confidence in data is therefore considered moderate.

*Inputs*

Roads - The condition survey report was interrogated to determine costs attributed to the four road components as below:

The subgrade consists of the initial earthworks such as clearing and formation of the insitu or imported materials. It has a cost to first establish however is deemed not to depreciate over time. The subgrade is no longer considered when replacing the road as it has already been cleared and formed.

Pavement – the load bearing structure of the road that is depreciated

Surface – the flexible structure that prevents the ingress of water into the pavement structure and provides a textured surface for traffic.

Surface Water Channel – kerb structures that direct the flow of storm water and retain the adjacent verge

Car Parks, Pathways and Drainage - The valuation was carried out using a custom built spreadsheet which included Asset data provided by the Town, including condition scores and unit rates.

Other Assets - The valuation was carried out using a custom built spreadsheet which included Asset data provided by the Town. The replacement costs for each item listed equalled the purchase price listed in the provided data.

**(f) 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:

**Liabilities**

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

Description	Note	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
Borrowings	35	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.





## **TOWN OF VICTORIA PARK**



Audit Completion Report to the  
Audit Committee  
For the Year Ended 30 June 2014

18 NOVEMBER 2014

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# 1. Executive Summary

Under the requirements of Australian Auditing Standard ASA 260: “*Communication with Those Charged with Governance*”, we are required to communicate audit matters arising from the audit of financial statements to those charged with governance of an entity. This Annual Audit Completion Report together with our previous External Audit Plan reported to the Audit Committee.

This report has been prepared for the Audit Committee to summarise the significant matters that have arisen from our year-end audit of the Town of Victoria Park for the year ended 30 June 2014.

## 1.1 Status of Audit

Our audit field work at the Town of Victoria Park for the financial year ended 30 June 2014 has been completed.

Before our Independent Auditor’s Report is signed off and issued to the Council, the following outstanding matter is required to be attended to:

- Completion of audit procedures relating to Auditing Standard ASA 560 *Subsequent Events* to be performed up to the date of signing the Independent Auditor’s Report.

## 1.2 Deliverables

Output	Timing
External Audit Plan	January 2014
Interim Audit Management Letter	June 2014
Present the Audit Completion Report to the Audit Committee	November 2014
Provide Independent Auditor’s Report on the Financial Report	

## 2. Financial Statements and Audit Opinion

### Audit Opinion

We have completed the audit of the Town of Victoria Park's accounts in line with current Australian Auditing Standards and will give an **Unqualified Opinion**.

- (a) gives a true and fair view of the financial position of the Town of Victoria Park as at 30 June 2014 and of its financial performance for the year ended on that date; and
- (b) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards.

Refer to **Appendix 1** for our Proposed Draft Independent Auditor's Report

## 3. Current Year Areas of Audit Focus

Our audit procedures were focused on those areas of Town of Victoria Park's activities that are considered to represent the key audit risks identified in our external audit plan and through discussions with management during the course of our audit.

	Risk Area	Audit Response
1	Land & Buildings and Infrastructure Assets	<p>Town of Victoria Park's Land &amp; Buildings and Infrastructure Assets were valued at fair value from the historical cost and management valuation basis during the year ended 30 June 2014 and verified and test checked by Independent valuers, Griffin Valuation Advisory and Tailis Asset Management.</p> <p>Audit procedures tested on a sample basis:</p> <ul style="list-style-type: none"> <li>• Capital asset additions on a sample basis for accuracy to supporting documentation.</li> <li>• Valuation to fair value from cost on the Town of Victoria Park's Property, Plant and Equipment and Infrastructure assets.</li> </ul> <p>We have relied upon the values adopted by management / independent valuer and other external sources where appropriate.</p> <p>Asset reconciliation schedules were verified against trial balance reported amounts.</p> <p>Audit evaluated the professional competence and objectivity of the expert and the adequacy of the scope of the expert's</p>

		<p>work.</p> <p>Audit also obtained a signed "Management Evaluation" letter which was critical in providing with the necessary understanding of how management has approached with the fair valuation exercise and the evaluation of the valuation results.</p> <p>Results of the audit procedures conducted did not note any material misstatement of the asset classes.</p>
2	Revenue (Fees and Charges and Grant Revenue)	<p>Audit procedures were tailored to ascertain the completeness and accuracy of revenue:</p> <ul style="list-style-type: none"> <li>➤ Control testing on fees and charges</li> <li>➤ Test a sample of revenue transactions to supporting documentation</li> <li>➤ Substantive analytical procedures</li> </ul> <p>For the year ended 30 June 2014, these amounts appear to be reasonably accounted for and recognised appropriately.</p>
3	Purchasing and Payments	<p>Audit procedures were performed to review and assess the processes and policies in the purchasing and payments area. Discussions were held with the relevant personnel involved in this area to gain an understanding of the processes and procedures, followed by an assessment of the overall controls in place. Testing was performed during our interim audit on this key operating cycle.</p> <p>Additionally, analytical procedures were performed on expenditure items to assess items for reasonableness and to ensure that fluctuations from prior year balances were consistent with our expectations.</p>
4	Payroll Expenditure	<p>Discussions were held with the relevant payroll staff. This procedure undertaken facilitated the understanding of the processes and policies in place for payroll.</p> <p>Substantive audit procedures were also performed to verify completeness and accuracy of payroll for the year ended 30 June 2014. Analytical procedures tested payroll and statutory superannuation balances, comparing budgeted results to actual results and highlighting fluctuations in fortnightly payments which were then subject to further examination.</p>

5	Provisions for Annual and Long Service Leave	<p>We examined the annual and long service leave provisions and tested a few employees on a sample basis.</p> <p>The assumptions used by Town of Victoria Park for the provisions with respect to discount and bond rates were compared to the equivalent assumptions provided by Macri Partners. All assumptions were within the acceptable ranges.</p> <p>Our sample testing of annual leave and long service leave balances noted no variances.</p>
6	Contingent Liabilities	<p>Audit procedures included discussions with management and reviewing the solicitor's representation letter. We also are in the process of obtaining a management representation letter to confirm that there are no other contingent liabilities apart from the issue that has been disclosed in the accounts.</p>

We are satisfied that these key areas of focus have been addressed appropriately based on our audit procedures and are properly reflected in the Town of Victoria Park's financial report.

#### **4. Assessment of Internal Controls**

Our interim phase of the audit indicated that the current internal control systems and processes are reasonable. They are designed adequately for Town of Victoria Park's current business operations.

However, a separate Interim Audit Management Letter has been provided to management following our interim audit which provides details of the internal control and compliance matters raised.

We will be following up on the implementation of the management comments during our next interim audit visit. The result of our follow-up will be reported within our next Interim Audit Management Letter.

#### **5. Key Findings During Final Phase of Audit**

During our audit planning procedures and risk identification process, we identified a number of key focus areas as outlined in Section 3 above. During the course of our year-end fieldwork, there were no accounting and audit issues noted.

## 6. Specific Required Communications

The Australian Auditing Standard ASA 260: “*Communication with Those Charged with Governance*” requires the auditor to communicate certain matters to the Audit Committee that may assist them in overseeing management’s financial reporting and disclosure process. Below we summarise these required communications as they apply to your organisation.

Reporting Requirement	Detailed Comments
Changes to Audit Approach Outlined in External Audit Plan	<ul style="list-style-type: none"> <li>➤ There were no changes to the audit approach outlined in the External Audit Plan.</li> </ul>
Significant accounting policies	<ul style="list-style-type: none"> <li>➤ Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Victoria Park including new pronouncements adopted during the year, are described in Note 1 to the financial statements.</li> <li>➤ There were no significant changes in the application of existing policies during the year ended 30 June 2014, other than the fair value measurement of the Council’s assets and liabilities in accordance with AASB 13 <i>Fair Value Measurement</i>. The accounting policies adopted in the financial statements are appropriately disclosed.</li> </ul>
Sensitive Accounting Estimates and Disclosures	Refer to “Current Year of Audit Focus” section
Misstatements and significant audit adjustments	<ul style="list-style-type: none"> <li>➤ We are required to report to you all unadjusted misstatements which we have identified during the course of our audit, other than those of a trivial nature. In the context of the Town of Victoria Park, we consider that amounts of a value less than \$40,000 should be considered trivial. This represents approximately 5% of materiality.</li> <li>➤ A number of disclosure adjustments to the financial statements have been discussed and amended during the course of our audit.</li> </ul>
Significant Weaknesses in Internal Controls	<ul style="list-style-type: none"> <li>➤ No significant weaknesses in internal control were identified.</li> </ul>
Disagreements with management	<ul style="list-style-type: none"> <li>➤ There have been no significant disagreements with management during the course of the audit.</li> </ul>

<p>Serious Difficulties Encountered in Dealing with Management when Performing the Audit such as:</p> <ul style="list-style-type: none"> <li>• Significant delays in management providing required information</li> <li>• An unnecessarily brief time within which to complete the audit</li> <li>• Extensive unexpected effort required to obtain sufficient appropriate audit evidence</li> <li>• The unavailability of expected information</li> <li>• Restrictions imposed on the auditor by management</li> </ul>	<ul style="list-style-type: none"> <li>➤ There were no serious difficulties encountered in dealing with management when performing the audit.</li> </ul>
<p>Fraud and Illegal Acts</p>	<ul style="list-style-type: none"> <li>➤ We are not aware of any matters that require communication.</li> <li>➤ We would request that the Audit Committee members raise with us any areas of risk not addressed in our communications and that they inform us of their knowledge of any actual or suspected fraud.</li> </ul>
<p>Compliance with laws and regulations</p>	<ul style="list-style-type: none"> <li>➤ In performing our audit procedures, we have not become aware of any non-compliance with applicable laws or regulations that would have an impact on the determination of material amounts and disclosures in the financial report.</li> <li>➤ We have also received representations from management confirming that the Council is in compliance with all laws and regulations that impact the Council.</li> </ul>
<p>Books and records and conduct of the audit</p>	<ul style="list-style-type: none"> <li>➤ We have been presented with all the necessary books and explanations requested of management to support the amounts and disclosures contained in the financial statements in a timely and efficient manner.</li> <li>➤ We take this opportunity to thank Mr. Nathan Cain, Mrs Ann Thampoe and their staff for the assistance and courtesy during our audit.</li> </ul>
<p>Other Information in Documents Containing Audited Financial Statements</p>	<ul style="list-style-type: none"> <li>➤ Our financial statement audit opinion relates only to the financial statements and accompanying notes. However, we will also review other information in the Annual Report, such as Management's Discussion and Analysis, for consistency with the audited financial statements.</li> </ul>
<p>Related Party Transactions</p>	<ul style="list-style-type: none"> <li>➤ None of which we are aware.</li> </ul>



Major Issues Discussed with Management in Connection with Initial or Recurring Retention	<ul style="list-style-type: none"> <li>➤ None.</li> </ul>
Going concern	<ul style="list-style-type: none"> <li>➤ As part of our audit, we have assessed and agreed with the conclusions reached by the management concerning the application of the going concern concept.</li> </ul>
Independence	<ul style="list-style-type: none"> <li>➤ We confirm that, as the date of this report, we are independent having regard to Macri Partners' policies, professional rules and relevant statutory requirements regarding auditor independence.</li> <li>➤ During the year ended 30 June 2014, Macri Partners has not provided any non-audit services to the Town of Victoria Park.</li> </ul>

## 7. Disclaimer

This report has been prepared for the Audit Committee and management of Town of Victoria Park Council only. It should not be quoted or referred to, in whole or in part, without our prior written consent. No warranty is given to, and no liability will be accepted from, any party other than the Town of Victoria Park.

## **INDEPENDENT AUDITOR'S REPORT**

### **TO: RATEPAYERS OF TOWN OF VICTORIA PARK**

We have audited the financial report of the Town of Victoria Park, which comprises the Statement of Financial Position as at 30 June 2014 and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity and Statement of Cash Flows and Rate Setting Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

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

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

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

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

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

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

#### **Independence**

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

## **INDEPENDENT AUDITOR'S REPORT (Cont'd)**

### **Auditor's Opinion**

In our opinion, the financial report of the Town of Victoria Park:

- (c) gives a true and fair view of the financial position of the Town of Victoria Park as at 30 June 2014 and of its financial performance for the year ended on that date; and
- (d) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards.

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

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

- (a) There are no matters that in our opinion indicate significant adverse trends in the financial position or financial management practices of the Council.
- (b) There are no matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- (c) The asset consumption ratio and the asset renewal funding ratio included in the annual financial report (Note 22 of the annual financial report) are supported by verifiable information and reasonable assumptions.
- (d) All necessary information and explanations were obtained by us.
- (e) All audit procedures were satisfactorily completed in conducting our audit.

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

This auditor's report relates to the financial report of Town of Victoria Park for the year ended 30 June 2014 included on the Town of Victoria Park's website. Management is responsible for the integrity of the Town of Victoria Park's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

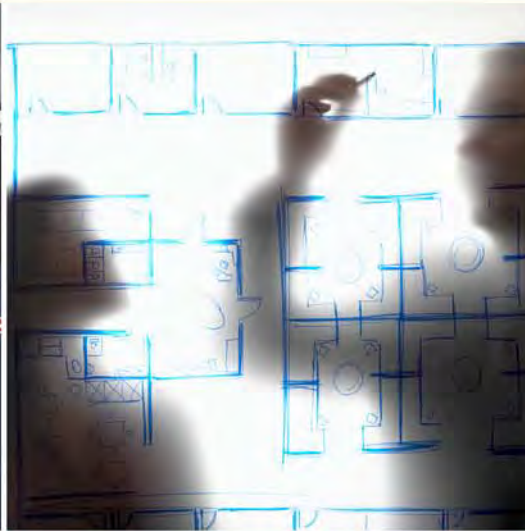
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**MACRI PARTNERS  
CERTIFIED PRACTISING ACCOUNTANTS  
SUITE 2, 137 BURSWOOD ROAD  
BURSWOOD WA 6100**

---

**A MACRI  
PARTNER**

**PERTH  
DATED THIS 18<sup>TH</sup> DAY OF NOVEMBER 2014**



## **Risk Management Governance Framework**

- Risk Management Policy
- Risk Management Procedures

**Last Updated: November 2014**

**Version: 1.00**

# Town of Victoria Park

**Prepared by: LGIS Risk Management**

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# Introduction

The Policy and Procedures form the Risk Management Framework for the Town of Victoria Park (the “Town”). It sets out the Town’s approach to the identification, assessment, management, reporting and monitoring of risks. All components of this document are based on AS/NZS ISO 31000:2009 Risk Management.

It is essential that all areas of the Town adopt these procedures to ensure:

- Strong corporate governance.
- Compliance with relevant legislation, regulations and internal policies.
- Integrated Planning and Reporting requirements are met.
- Uncertainty and its effects on objectives is understood.

This Framework aims to balance a documented, structured and systematic process with the current size and complexity of the Town along with existing time, resource and workload pressures.

Further information or guidance on risk management procedures is available from LGIS Risk Management.

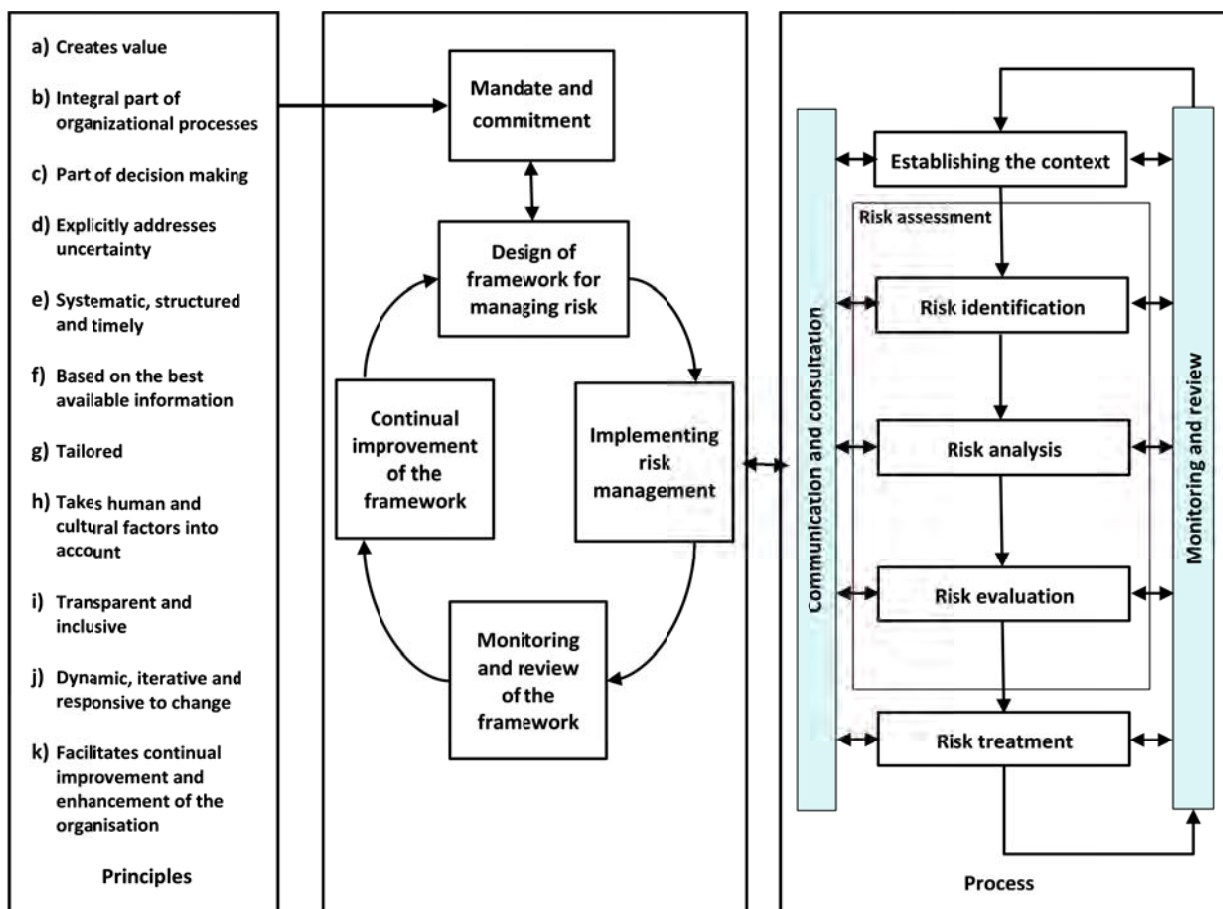


Figure 1: Risk Management Process (Source: AS/NZS 31000:2009)

# Risk Management Policy

## Purpose

The Town of Victoria Park (the “Town”) Risk Management Policy documents the commitment and objectives regarding managing uncertainty that may impact the Town’s strategies, goals or objectives.

## Policy

It is the Town’s Policy to achieve best practice (aligned with AS/NZS ISO 31000:2009 Risk management), in the management of all risks that may affect the Town, its customers, people, assets, functions, objectives, operations or members of the public.

Risk Management will form part of the Strategic, Operational, Project and Line Management responsibilities and where possible, be incorporated within the Town’s Integrated Planning Framework.

The Town’s Strategic Management Team will determine and communicate the Risk Management Policy, Objectives and Procedures, as well as, direct and monitor implementation, practice and performance.

Every employee within the Town is recognised as having a role in risk management from the identification of risks to implementing risk treatments and shall be invited and encouraged to participate in the process.

Consultants may be retained at times to advise and assist in the risk management process, or management of specific risks or categories of risk.

## Definitions (from AS/NZS ISO 31000:2009)

**Risk:** Effect of uncertainty on objectives.

Note 1: An effect is a deviation from the expected – positive or negative.

Note 2: Objectives can have different aspects (such as financial, health and safety and environmental goals) and can apply at different levels (such as strategic, organisation-wide, project, product or process).

**Risk Management:** Coordinated activities to direct and control an organisation with regard to risk.

**Risk Management Process:** Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.

## Risk Management Objectives

- Optimise the achievement of our vision, mission, strategies, goals and objectives.
- Provide transparent and formal oversight of the risk and control environment to enable effective decision making.
- Enhance risk versus return within our risk appetite.
- Embed appropriate and effective controls to mitigate risk.
- Achieve effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
- Enhance organisational resilience.
- Identify and provide for the continuity of critical operations

## Risk Appetite

The Town quantified its risk appetite through the development and endorsement of the Town's Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Procedures and are subject to ongoing review in conjunction with this policy.

All organisational risks to be reported at a corporate level are to be assessed according to the Town's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisations appetite and are to be noted within the individual risk assessment.

## Roles, Responsibilities and Accountabilities

The CEO is responsible for the allocation of roles, responsibilities and accountabilities. These are documented in the Risk Management Procedures (Operational Document).

## Monitor and Review

The Town will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

This policy will be kept under review by the Town's Management Team and its employees. It will be formally reviewed every two years.



# Risk Management Procedures

## Governance

Appropriate governance of risk management within the Town of Victoria Park (the “Town”) provides:

- Transparency of decision making.
- Clear identification of the roles and responsibilities of the risk management functions.
- An effective Governance Structure to support the risk framework.

## Framework Review

The Risk Management Framework is to be reviewed for appropriateness and effectiveness at least every two years.

## Operating Model

The Town has adopted a “Three Lines of Defence” model for the management of risk. This model ensures roles; responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, Management and Community will have assurance that risks are managed effectively to support the delivery of the Strategic, Corporate and Operational Plans.

## First Line of Defence

All operational areas of the Town are considered ‘1<sup>st</sup> Line’. They are responsible for ensuring that risks (within their scope of operations) are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include;

- Establishing and implementing appropriate processes and controls for the management of risk (in line with these procedures).
- Undertaking adequate analysis (data capture) to support the decisioning of risk matters.
- Prepare risk acceptance proposals where necessary, based on level of residual risk.
- Retain primary accountability for the ongoing management of their risk and control environment.

## Second Line of Defence

The Executive Manager, Governance (Risk Framework Owner) acts as the primary ‘2<sup>nd</sup> Line’. This position owns and manages the framework for risk management. They draft and implement the governance procedures and provide the necessary tools and training to support the 1st line process.

Maintaining oversight on the application of the framework provides a transparent view and level of assurance to the 1<sup>st</sup> and 3<sup>rd</sup> lines on the risk and control environment. Support can be provided by additional oversight functions completed by other 1<sup>st</sup> Line Teams (where applicable). Additional responsibilities include:

- Providing independent oversight of risk matters as required.
- Monitoring and reporting on emerging risks.
- Co-ordinating the Town’s risk reporting for the CEO, SMT and the Audit Committee.

### Third Line of Defence

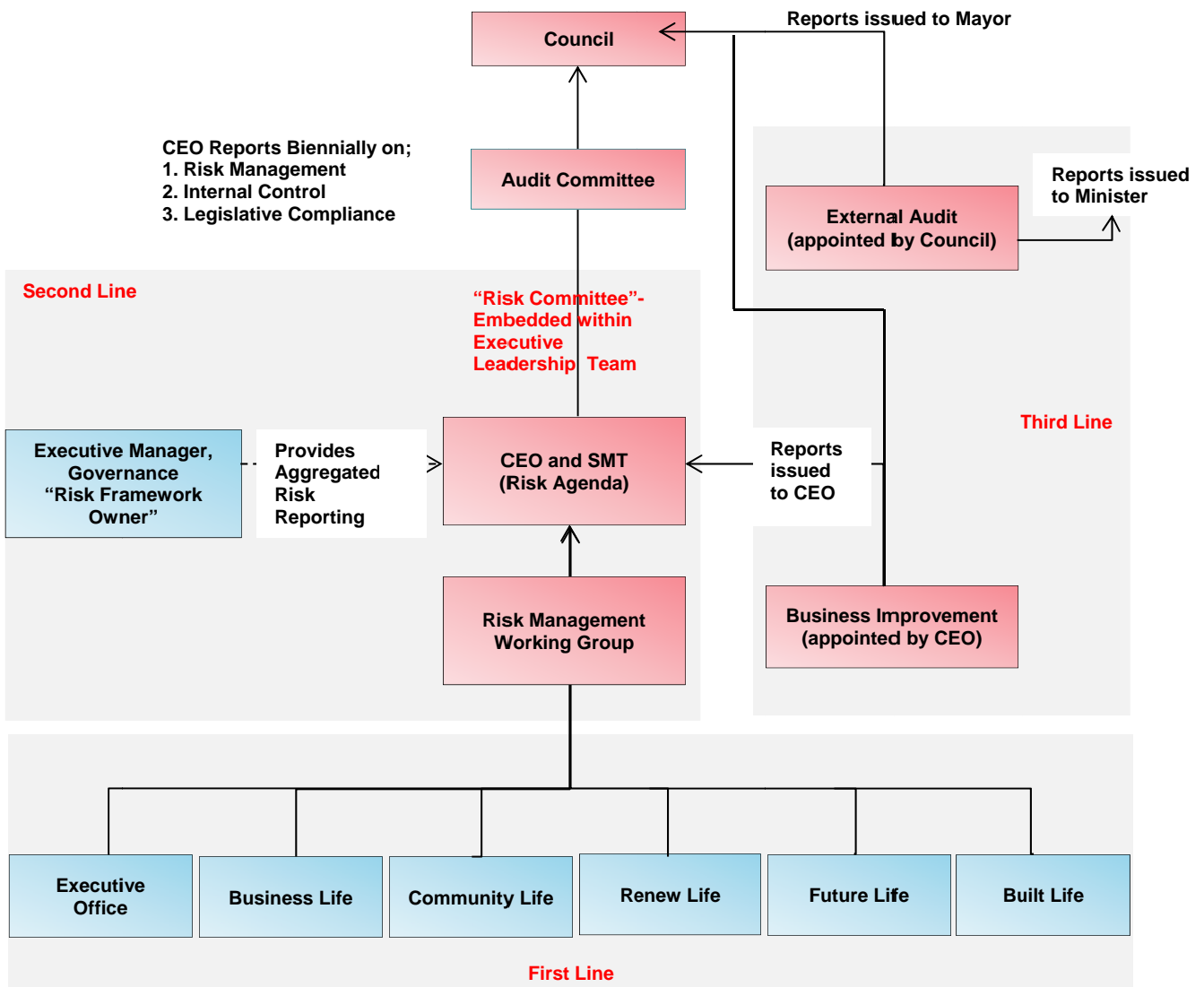
Internal and External Audit are the third line of defence, providing independent assurance to the Council, Audit Committee and Town management on the effectiveness of business operations and oversight frameworks (1<sup>st</sup> and 2<sup>nd</sup> Line).

Internal Audit – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of which would be determined by the CEO with input from the Audit Committee.

External Audit – Appointed by the Council on the recommendation of the Audit Committee to report independently to the President and CEO on the annual financial statements only.

### Governance Structure

The following diagram depicts the current operating structure for risk management within the Town.



## **Roles and Responsibilities**

### **Council**

- Review and approve the Town's Risk Management Policy and Risk Assessment and Acceptance Criteria.
- Appoint / Engage External Auditors to report on financial statements annually.
- Establish and maintain an Audit Committee in terms of the Local Government Act.

### **Audit Committee**

- Support Council to provide effective corporate governance.
- Oversight of all matters that relate to the conduct of External Audits.
- Must be independent, objective and autonomous in deliberations.
- Make recommendations to Council on External Auditor appointments.

### **CEO / Strategic Management Team**

- Appoint Internal Auditors as required under Local Government (Audit) regulations.
- Liaise with Council in relation to risk acceptance requirements.
- Approve and review the appropriateness and effectiveness of the Risk Management Framework.
- Drive consistent embedding of a risk management culture.
- Analyse and discuss emerging risks, issues and trends.
- Document decisions and actions arising from 'risk matters'.
- Own and manage the Risk Profiles at Town Level.

### **Risk Management Working Group**

- Assist embedding of a risk management culture.
- Analyse and discuss emerging risks, issues and trends.

### **Risk Framework Owner (RFO)**

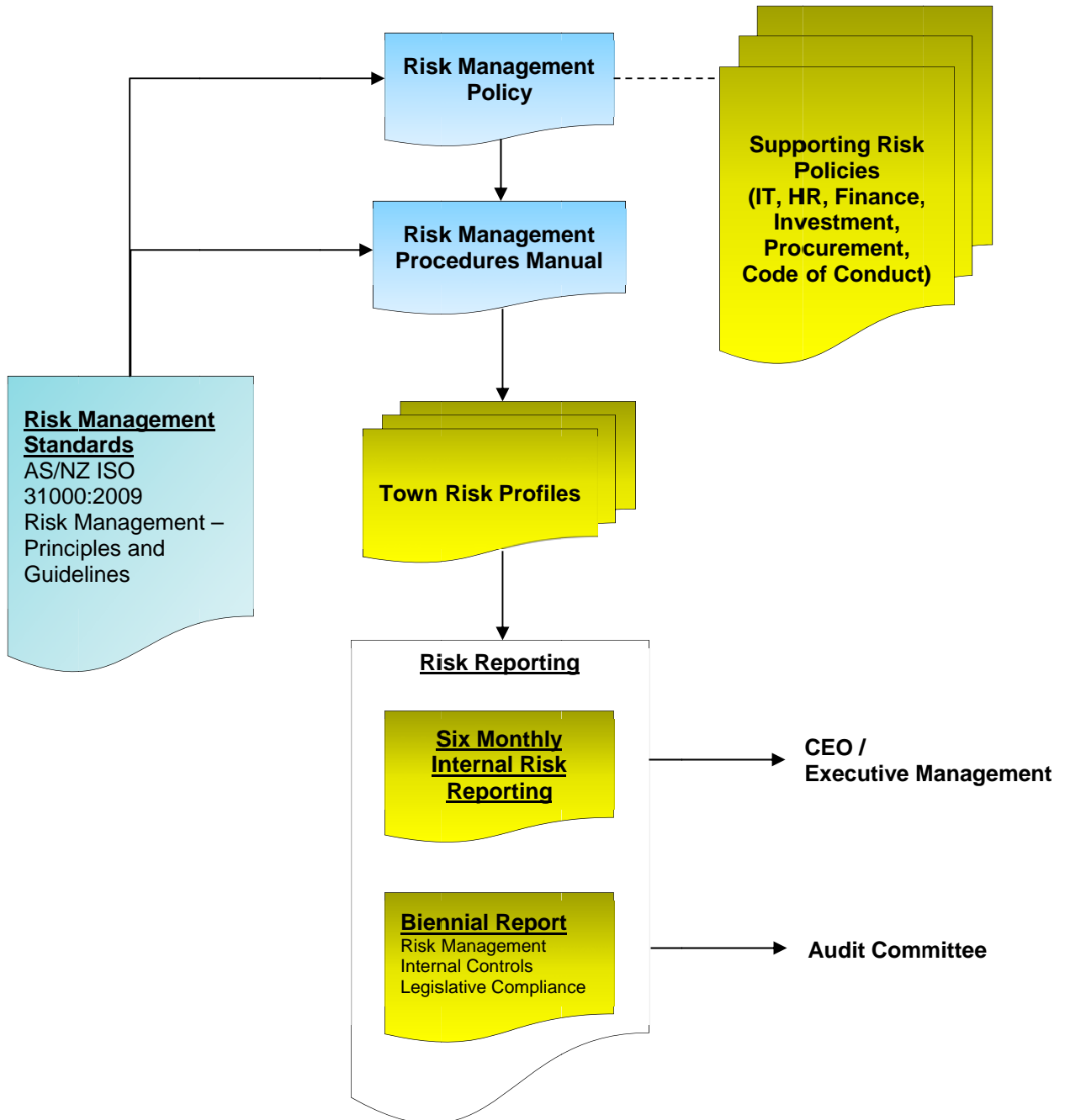
- Oversee and facilitate the Risk Management Framework.
- Support reporting requirements for Risk matters.

### **Work Areas**

- Drive risk management culture within work areas.
- Own, manage and report on specific risk issues as required.
- Assist in the Risk and Control Management process as required.
- Highlight any emerging risks or issues accordingly.
- Incorporate 'Risk Management' into Management Meetings, by incorporating the following agenda items;
  - New or emerging risks.
  - Review existing risks.
  - Control adequacy.
  - Outstanding issues and actions.

### Document Structure (Framework)

The following diagram depicts the relationship between the Risk Management Policy, Procedures and supporting documentation and reports.



## Risk and Control Management

All Work Areas of the Town are required to assess and manage the Risk Profiles on an ongoing basis.

Each Manager, in conjunction with the Risk Framework Owner (RFO) are accountable for ensuring that Risk Profiles are:

- Reflective of the material risk landscape of the Town.
- Reviewed on at least a six monthly basis, unless there has been a material restructure or change in the risk and control environment.
- Maintained in the standard format.

This process is supported by the use of key data inputs, workshops and ongoing business engagement.

### Risk and Control Assessment

To ensure alignment with ISO 31000:2009 Risk Management, the following approach is to be adopted from a Risk and Control Assessment perspective.

#### Establishing the Context

The first step in the risk management process is to understand the context within which the risks are to be assessed and what is being assessed, this forms two elements:

#### **Organisational Context**

The Town's Risk Management Procedures provides the basic information and guidance regarding the organisational context to conduct a risk assessment; this includes Risk Assessment and Acceptance Criteria (Appendix A) and any other tolerance tables as developed. In addition, existing Risk Themes are to be utilised (Appendix C) where possible to assist in the categorisation of related risks.

Any changes or additions to the Risk Themes must be approved by the Risk Framework Owner (RFO) and CEO.

All risk assessments are to utilise these documents to allow consistent and comparable risk information to be developed and considered within planning and decision making processes.

#### **Specific Risk Assessment Context**

To direct the identification of risks, the specific risk assessment context is to be determined prior to and used within the risk assessment process. For risk assessment purposes the Town has been divided into three levels of risk assessment context:

#### Strategic Context

The Town's external environment and high level direction. Inputs to establishing the strategic risk assessment context may include;

- Organisations Vision / Mission
- Stakeholder Analysis
- Environment Scan / SWOT Analysis
- Existing Strategies / Objectives / Goals

### Operational Context

The Town's day to day activities, functions, infrastructure and services. Prior to identifying operational risks, the operational area should identify its Key Activities i.e. what is trying to be achieved. Note: these may already be documented in business plans, budgets etc.

### Project Context

Project Risk has two main components:

- **Risk in Projects** refers to the risks that may arise as a result of project activity (i.e. impacting on process, resources or IT systems) which may prevent the Town from meeting its objectives
- **Project Risk** refers to the risks which threaten the delivery of project outcomes.

In addition to understanding what is to be assessed, it is also important to understand who are the key stakeholders or areas of expertise that may need to be included within the risk assessment.

### Risk Identification

Using the specific risk assessment context as the foundation and in conjunction with relevant stakeholders, answer the following questions, capture and review the information within each Risk Profile.

- What can go wrong? / What are areas of uncertainty? (Risk Description)
- How may this risk eventuate? (Potential Causes)
- What are the current measurable activities that mitigate this risk from eventuating? (Controls)
- What are the potential consequential outcomes of the risk eventuating?

### Risk Analysis

To analyse the risks the Town's Risk Assessment and Acceptance Criteria (Appendix A) is applied:

- Based on the documented controls, analyse the risk in terms of Existing Control Ratings
- Determine relevant consequence categories and rate how bad it could be if the risk eventuated with existing controls in place (Consequence)
- Determine how likely it is that the risk will eventuate to the determined level of consequence with existing controls in place (Likelihood)
- By combining the measures of consequence and likelihood, determine the risk rating (Level of Risk)

### Risk Evaluation

The Town is to verify the risk analysis and make a risk acceptance decision based on:

- Controls Assurance (i.e. are the existing controls in use, effective, documented, up to date and relevant)
- Existing Control Rating
- Level of Risk
- Risk Acceptance Criteria (Appendix A)
- Risk versus Reward / Opportunity

The risk acceptance decision needs to be documented and those risks that are acceptable are then subject to the monitor and review process.

Note: Individual Risks or Issues may need to be escalated due to its urgency, level of risk or systemic nature.

### Risk Treatment

For unacceptable risks, determine treatment options that may improve existing controls and/or reduce consequence / likelihood to an acceptable level.

Risk treatments may involve actions such as avoid, share, transfer or reduce the risk with the treatment selection and implementation to be based on;

- Cost versus benefit
- Ease of implementation
- Alignment to organisational values / objectives

Once a treatment has been fully implemented, the Risk Framework Owner (RFO) is to review the risk information and acceptance decision with the treatment now noted as a control and those risks that are acceptable then become subject to the monitor and review process (Refer to Risk Acceptance section).

### Monitoring and Review

The Town is to review all Risk Profiles at least on a six monthly basis or if triggered by one of the following;

- changes to context,
- a treatment is implemented,
- an incident occurs or due to audit/regulator findings.

The Risk Framework Owner (RFO) is to monitor the status of risk treatment implementation and report on, if required.

The CEO and Management Team will monitor significant risks and treatment implementation as part of their normal agenda item on a quarterly basis with specific attention given to risks that meet any of the following criteria:

- Risks with a Level of Risk of High or Extreme
- Risks with Inadequate Existing Control Rating
- Risks with Consequence Rating of Catastrophic
- Risks with Likelihood Rating of Almost Certain

The design and focus of Risk Summary report will be determined from time to time on the direction of the CEO and Management Team. They will also monitor the effectiveness of the Risk Management Framework ensuring it is practical and appropriate to the Town.

### Communication and Consultation

Throughout the risk management process, stakeholders will be identified, and where relevant, be involved in or informed of outputs from the risk management process.

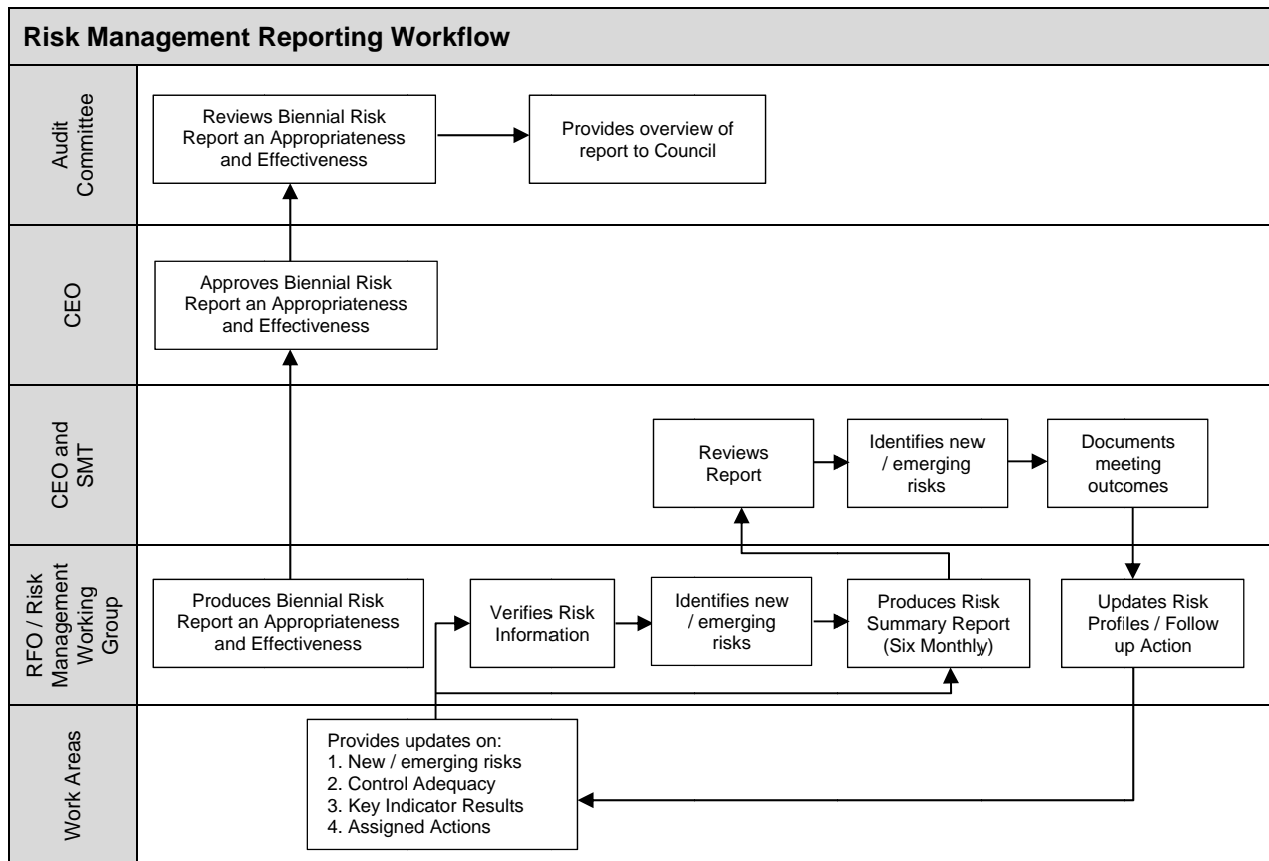
Risk management awareness and training will be provided to all staff.

Risk management will be included within the employee induction process to ensure new employees are introduced to the Town's risk management culture.

## Reporting Requirements

### Coverage and Frequency

The following diagram provides a high level view of the ongoing reporting process for Risk Management.



Each Work Area is responsible for ensuring:

- They continually provide updates in relation to new, emerging risks, control effectiveness and key indicator performance to the Risk Framework Owner (RFO).
- Work through assigned actions and provide relevant updates to the Risk Framework Owner (RFO).
- Risks / Issues reported to the CEO and Management Team are reflective of the current risk and control environment.

The Risk Framework Owner (RFO) and Risk Management Working Group is responsible for:

- Ensuring Town Risk Profiles are formally reviewed and updated, at least on a six monthly basis or when there has been a material restructure, change in risk ownership or change in the external environment.
- Six Monthly Risk Reporting for the CEO and SMT – Contains an overview of the Risk Summary for the Town.
- Annual Compliance Audit Return completion and lodgement.



## Key Indicators

Key Indicators (KI's) may be used for monitoring and validating key risks and controls. The following describes the process for the creation and reporting of KIs:

- Identification
- Validity of Source
- Tolerances
- Monitor and Review

### Identification

The following represent the minimum standards when identifying appropriate KI's key risks and controls:

- The risk description and casual factors are fully understood
- The KI is fully relevant to the risk or control
- Predictive KI's are adopted wherever possible
- KI's provide adequate coverage over monitoring key risks and controls

### Validity of Source

In all cases an assessment of the data quality, integrity and frequency must be completed to ensure that the KI data is relevant to the risk or Control.

Where possible the source of the data (data owner) should be independent to the risk owner. Overlapping KI's can be used to provide a level of assurance on data integrity.

If the data or source changes during the life of the KI, the data is required to be revalidated to ensure reporting of the KI against a consistent baseline.

### Tolerances

Tolerances are set based on the Town's Risk Appetite. They are set and agreed over three levels:

- Green – within appetite; no action required.
- Amber – the KI must be closely monitored and relevant actions set and implemented to bring the measure back within the green tolerance.
- Red – outside risk appetite; the KI must be escalated to the CEO and Management Team where appropriate management actions are to be set and implemented to bring the measure back within appetite.

### Monitor and Review

All active KI's are updated as per their stated frequency of the data source.

When monitoring and reviewing KI's, the overall trend must be considered over a longer timeframe instead of individual data movements. The trend of the KI is specifically used as an input to the risk and control assessment.

## Risk Acceptance

Day to day operational management decisions are generally managed under the delegated authority framework of the Town.

Risk Acceptance is a management decision to accept, within authority levels, material risks which will remain outside appetite framework (refer Appendix A – Risk Assessment and Acceptance Criteria) for an extended period of time (generally 3 months or longer).

The following process is designed to provide a framework for those identified risks.

The 'Risk Acceptance' must be in writing, signed by the relevant Manager and cover:

- A description of the risk.
- An assessment of the risk (eg. Impact consequence, materiality, likelihood, working assumptions etc)
- Details of any mitigating action plans or treatment options in place
- An estimate of the expected remediation date.

A lack of budget / funding to remediate a material risk outside appetite is not sufficient justification in itself to accept a risk.

Accepted risks must be continually reviewed through standard operating reporting structure (ie. Management Team)

## Annual Assurance Plan

The annual assurance plan is a monitoring schedule prepared by the Risk Framework Owner (RFO) that sets out the control assurance activities to be conducted over the next 12 months. This plan needs to consider the following components.

- Existing control adequacy ratings across the Town's Risk Profiles.
- Consider control coverage across a range of risk themes (where commonality exists).
- Building profiles around material controls to assist in design and operating effectiveness reviews.
- Consideration to significant incidents.
- Nature of operations
- Additional or existing 2<sup>nd</sup> line assurance information / reviews (eg. HR, Financial Services, IT)
- Frequency of monitoring / checks being performed
- Review and development of Key Indicators
- Timetable for assurance activities
- Reporting requirements

Whilst this document and subsequent actions are owned by the Risk Framework Owner (RFO), input and consultation will be sought from individual Directorates.

## Appendix A – Risk Assessment and Acceptance Criteria

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
<b>Insignificant (1)</b>	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, localised low impact on community trust, low profile or no media item	Inconsequential or no damage.	Contained, reversible impact managed by on site response
<b>Minor (2)</b>	First aid injuries	\$1,001 - \$10,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non compliances	Substantiated, localised impact on community trust or low media item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
<b>Moderate (3)</b>	Medical type injuries	\$10,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact on community trust or moderate media profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
<b>Major (4)</b>	Lost time injury (>5 days)	\$50,001 - \$500,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, widespread high impact on community trust, high media profile, third party actions	Significant damage requiring internal and external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
<b>Catastrophic (5)</b>	Fatality, permanent disability	More than \$500,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Non-compliance results in litigation, criminal charges or significant damages or penalties	Substantiated, public embarrassment, widespread loss of community trust, high widespread multiple media profile, third party actions	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment and building	Uncontained, irreversible impact

Measures of Likelihood			
Rating	Description	Frequency	Probability
<b>Almost Certain</b>	The event is expected to occur in most circumstances	More than once per year	> 90% chance of occurring
<b>Likely</b>	The event will probably occur in most circumstances	At least once per year	60% - 90% chance of occurring
<b>Possible</b>	The event should occur at some time	At least once in 3 years	40% - 60% chance of occurring
<b>Unlikely</b>	The event could occur at some time	At least once in 10 years	10% - 40% chance of occurring
<b>Rare</b>	The event may only occur in exceptional circumstances	Less than once in 15 years	< 10% chance of occurring

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Risk Acceptance Criteria			
Risk Rank	Description	Criteria	Responsibility
<b>LOW</b>	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Business Unit Manager
<b>MODERATE</b>	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Executive Manager
<b>HIGH</b>	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Director / CEO
<b>EXTREME</b>	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

Existing Controls Ratings		
Rating	Foreseeable	Description
<b>Effective</b>	There is <u>little</u> scope for improvement.	<ol style="list-style-type: none"> <li>Processes (Controls) operating as intended and aligned to Policies / Procedures.</li> <li>Subject to ongoing monitoring.</li> <li>Reviewed and tested regularly.</li> </ol>
<b>Adequate</b>	There is <u>some</u> scope for improvement.	<ol style="list-style-type: none"> <li>Processes (Controls) generally operating as intended, however inadequacies exist.</li> <li>Nil or limited monitoring.</li> <li>Reviewed and tested, but not regularly.</li> </ol>
<b>Inadequate</b>	There is a <u>need</u> for improvement or action.	<ol style="list-style-type: none"> <li>Processes (Controls) not operating as intended.</li> <li>Processes (Controls) do not exist, or are not being complied with.</li> <li>Have not been reviewed or tested for some time.</li> </ol>

# Appendix B – Risk Profile Template

<b>Risk Theme</b>	<b>Date</b>
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**This Risk Theme is defined as:**  
*Definition of Theme*

**Potential causes include:**  
*List of potential causes*

Key Controls	Type	Date	Town Rating
<i>List of Key Controls</i>			

<b>Overall Control Ratings:</b>	
---------------------------------	--

Risk Ratings	Town Rating
<b>Consequence:</b>	
<b>Likelihood:</b>	

<b>Overall Risk Ratings:</b>	
------------------------------	--

Key Indicators	Tolerance	Date	Overall Town Result
<i>List of Key Indicators</i>			

**Comments**  
*Rationale for all above ratings*

Current Issues / Actions / Treatments	Due Date	Responsibility
<i>List current issues / actions / treatments</i>		

# Appendix C – Risk Theme Definitions

## Misconduct

Intentional activities in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority. This would include instances of:

- Relevant authorisations not obtained.
- Distributing confidential information.
- Accessing systems and / or applications without correct authority to do so.
- Misrepresenting data in reports.
- Theft by an employee
- Collusion between Internal and External parties

This does not include instances where it was not an intentional breach - refer Errors, Omissions or Delays, or Inaccurate Advice / Information.

## External theft and fraud (inc. Cyber Crime)

Loss of funds, assets, data or unauthorised access, (whether attempts or successful) by external parties, through any means (including electronic), for the purposes of;

- Fraud – benefit or gain by deceit
- Malicious Damage – hacking, deleting, breaking or reducing the integrity or performance of systems
- Theft – stealing of data, assets or information (no deceit)

Examples include:

- Scam Invoices
- Cash or other valuables from 'Outstations'.

## Business and community disruption

Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal Town business activities. The event may result in damage to buildings, property, plant and equipment (all assets). This could be a natural disaster, weather event, or an act carried out by an external party (inc. vandalism). This includes;

- Lack of (or inadequate) emergency response / business continuity plans.
- Lack of training to specific individuals or availability of appropriate emergency response.
- Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident.
- Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc

This does not include disruptions due to IT Systems or infrastructure related failures - refer "Failure of IT and communication systems and infrastructure".

## Errors, omissions, delays

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process. This includes instances of;

- Human errors, incorrect or incomplete processing
- Inaccurate recording, maintenance, testing and / or reconciliation of data.
- Errors or inadequacies in model methodology, design, calculation or implementation of models.

This may result in incomplete or inaccurate information. Consequences include;

- Inaccurate data being used for management decision making and reporting.
- Delays in service to customers
- Inaccurate data provided to customers

This excludes process failures caused by inadequate / incomplete procedural documentation - refer "Inadequate Document Management Processes".

### **Failure of IT and/or Communications Systems and Infrastructure**

Instability, degradation of performance, or other failure of IT Systems, Infrastructure, Communication or Utility causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked. Examples include failures or disruptions caused by:

- Hardware and/or Software
- IT Network
- Failures of IT Vendors

This also includes where poor governance results in the breakdown of IT maintenance such as;

- Configuration management
- Performance Monitoring
- IT Incident, Problem Management and Disaster Recovery Processes

This does not include new system implementations - refer "Inadequate Project / Change Management".

### **Failure to fulfil statutory, regulatory or compliance requirements**

Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This could result in fines, penalties, litigation or increase scrutiny from regulators or agencies. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated legal documentation (internal and public domain) to reflect changes.

This does not include Occupational Safety and Health Act (refer "Inadequate safety and security practices") or any Employment Practices based legislation (refer "Ineffective Employment practices")

It does include the Local Government Act, Health Act, Building Act, Privacy Act and all other legislative based obligations for Local Government.

### **Providing inaccurate advice / information**

Incomplete, inadequate or inaccuracies in professional advisory activities to customers or internal staff. This could be caused by using unqualified staff, however it does not include instances relating Breach of Authority.

### **Inadequate project / change Management**

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time requirements or scope changes. This includes:

- Inadequate Change Management Framework to manage and monitor change activities.
- Inadequate understanding of the impact of project change on the business.
- Failures in the transition of projects into standard operations.
- Failure to implement new systems
- Failures of IT Project Vendors/Contractors

### **Inadequate Document Management Processes**

Failure to adequately capture, store, archive, retrieve, provision and / or disposal of documentation. This includes:

- Contact lists.
- Procedural documents.
- 'Application' proposals/documents.
- Contracts.
- Forms, requests or other documents.



### **Inadequate safety and security practices**

Non-compliance with the Occupation Safety and Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are:

- Inadequate Policy, Frameworks, Systems and Structure to prevent the injury of visitors, staff, contractors and/or tenants.
- Inadequate Organisational Emergency Management requirements (evacuation diagrams, drills, wardens etc).
- Inadequate security protection measures in place for buildings, depots and other places of work (vehicle, community etc).
- Public Liability Claims, due to negligence or personal injury.
- Employee Liability Claims due to negligence or personal injury.
- Inadequate or unsafe modifications to plant and equipment.

### **Inadequate engagement practices**

Failure to maintain effective working relationships with the Community (including Local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This invariably includes activities where communication, feedback and / or consultation is required and where it is in the best interests to do so. For example;

- Following up on any access and inclusion issues.
- Infrastructure Projects.
- Regional or District Committee attendance.
- Local Planning initiatives.
- Strategic Planning initiatives

This does not include instances whereby Community expectations have not been met for standard service provisions such as Community Events, Library Services and / or Bus/Transport services.

### **Inadequate asset sustainability practices**

Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads, playgrounds, boat ramps and all other assets and their associated lifecycle from procurement to maintenance and ultimate disposal. Areas included in the scope are;

- Inadequate design (not fit for purpose)
- Ineffective usage (down time)
- Outputs not meeting expectations
- Inadequate maintenance activities.
- Inadequate financial management and planning.

It does not include issues with the inappropriate use of the Plant, Equipment or Machinery. Refer Misconduct.

### **Inadequate Supplier / Contract Management**

Inadequate management of External Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management and monitoring processes. This also includes:

- Concentration issues
- Vendor sustainability

### **Ineffective employment practices**

Failure to effectively manage and lead human resources (full/part time, casuals, temporary and volunteers). This includes not having an effective Human Resources Framework in addition to not having appropriately qualified or experienced people in the right roles or not having sufficient staff numbers to achieve objectives. Other areas in this risk theme to consider are;

- Breaching employee regulations (excluding OH&S)
- Discrimination, Harassment and Bullying in the workplace
- Poor employee wellbeing (causing stress)
- Key person dependencies without effective succession planning in place
- Induction issues
- Terminations (including any tribunal issues)
- Industrial activity

Care should be taken when considering insufficient staff numbers as the underlying issue could be process inefficiencies.

### **Ineffective management of facilities / venues / events**

Failure to effectively manage the day to day operations of facilities and / or venues. This includes;

- Inadequate procedures in place to manage the quality or availability.
- Ineffective signage
- Booking issues
- Financial interactions with hirers / users
- Oversight / provision of peripheral services (eg. cleaning / maintenance)

### **Inadequate environmental management.**

Inadequate prevention, identification, enforcement and management of environmental issues. The scope includes;

- Lack of adequate planning and management of coastal erosion issues.
- Failure to identify and effectively manage contaminated sites (including groundwater usage).
- Waste facilities (landfill / transfer stations).
- Weed control.
- Ineffective management of water sources (reclaimed, potable)
- Illegal dumping.
- Illegal clearing / land use.



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# Town of Victoria Park Risk Dashboard Report November 2014

## Executive Summary

Being the Town's first report under the introduced risk management framework, focus is on embedding and driving continual improvement. Future reports will continue to provide relevant insight and recommendations to assist governance activities for the Strategic Management Team. It is supported by the attached documents that were produced through a workshop on the 11th November 2014 and ensuing discussions.

1. Risk Profiles for the 16 themes identified.
2. Risk Management Policy amendments and Procedures.

## Recommendations

### Embedding

1. Arrange for the attached Risk Management Policy and Procedures to be endorsed and adopted.

### Risk Profiles

1. Discuss and review the attached Risk Profiles Review and approve all Risk Profiles (from a Risk & Control perspective).
2. Confirm Current Issues / Actions / Treatments (Responsibility & Due Date)

<b>Misconduct</b>		Risk	Control
		Moderate	Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Formalise ICT Access Controls Upon Removal	TBC	TBC	
Review Key and Access Card Procedures and Register	TBC	TBC	

<b>Business &amp; community disruption</b>		Risk	Control
		Low	Inadequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review, Finalise and Adopt Business Continuity Plan	TBC	TBC	
Review, Finalise and Adopt Emergency Management Plans	TBC	TBC	

<b>Inadequate environmental management</b>		Risk	Control
		Low	Effective
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review Funding of Sustainability of Environmental Response / Management Programmes	TBC	TBC	
Review Emergency Response Procedures to Environmental Incidents	TBC	TBC	

<b>Errors, omissions &amp; delays</b>		Risk	Control
		High	Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Develop and Document Procedures	TBC	TBC	
Deliver Staff Training	TBC	TBC	
Review of Internal Procedures (as part of structural reform)	TBC	TBC	
Utilise Feedback Register and Lessons Learnt	TBC	TBC	

<b>External theft &amp; fraud (inc. Cyber Crime)</b>		Risk	Control
		Moderate	Effective
Current Issues / Actions / Treatments	Due Date	Responsibility	
Consider Extension of CCTV Coverage	TBC	TBC	
Formalise Theft Response Procedures	TBC	TBC	
External ICT Security Audit	TBC	TBC	

<b>Failure of ICT systems and infrastructure</b>		Risk	Control
		Moderate	Inadequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Formalise and Finalise ICT hardware systems and Plan and Adopt ICT Governance Framework	TBC	TBC	
Implement ICT Digital Strategy	TBC	TBC	

## Town of Victoria Park Risk Dashboard Report November 2014

<b><u>Failure to fulfil statutory, regulatory or compliance requirements</u></b>		<b>Risk</b>	<b>Control</b>
		<b>Moderate</b>	<b>Effective</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Expand Internal Audit Beyond Local Government Act</i>	TBC	TBC	

<b><u>Providing inaccurate advice / information</u></b>		<b>Risk</b>	<b>Control</b>
		<b>Low</b>	<b>Adequate</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Implement CMS</i>	TBC	TBC	

<b><u>Inadequate document management processes</u></b>		<b>Risk</b>	<b>Control</b>
		<b>High</b>	<b>Inadequate</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Embed Record Management Procedures and Systems</i>	TBC	TBC	
<i>Removal of Corporate Drives</i>	TBC	TBC	
<i>Downsize of Corporate Mailboxes</i>	TBC	TBC	

<b><u>Inadequate engagement practices</u></b>		<b>Risk</b>	<b>Control</b>
		<b>High</b>	<b>Adequate</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Centralise Community Engagement</i>	TBC	TBC	
<i>Develop Community Engagement Policy</i>	TBC	TBC	
<i>Increase Staff Awareness of Engagement / Consultation Requirements / Actions</i>	TBC	TBC	

<b><u>Inadequate asset sustainability practices</u></b>		<b>Risk</b>	<b>Control</b>
		<b>High</b>	<b>Adequate</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Increased Funding for Asset Management</i>	TBC	TBC	
<i>Reprioritisation of Funding Allocation</i>	TBC	TBC	

<b><u>Inadequate safety and security practices</u></b>		<b>Risk</b>	<b>Control</b>
		<b>High</b>	<b>Adequate</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Raise Profile and OSH Discussions as Part of Culture</i>	TBC	TBC	
<i>Formalised Training for Specific Tasks and Jobs</i>	TBC	TBC	
<i>Develop Training Matrix</i>	TBC	TBC	

<b><u>Ineffective employment practices</u></b>		<b>Risk</b>	<b>Control</b>
		<b>Moderate</b>	<b>Effective</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Provide Manager/Supervisor Access to Employee Kiosk</i>	TBC	TBC	
<i>Undertake Training Needs Analysis</i>	TBC	TBC	

<b><u>Inadequate project / change management</u></b>		<b>Risk</b>	<b>Control</b>
		<b>High</b>	<b>Effective</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Centralise Project Management Methodologies</i>	TBC	TBC	
<i>Develop Risk Appetite / Tolerances and Apply to Projects</i>	TBC	TBC	

<b><u>Inadequate supplier / contract management</u></b>		<b>Risk</b>	<b>Control</b>
		<b>High</b>	<b>Inadequate</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Centralise Supplier and Contract Management and Procedures (review resourcing level)</i>	TBC	TBC	
<i>Update Procurement Procedures</i>	TBC	TBC	
<i>Deliver Key Staff Contract Management Training</i>	TBC	TBC	

<b><u>Ineffective management of facilities / venues / events</u></b>		<b>Risk</b>	<b>Control</b>
		<b>Moderate</b>	<b>Effective</b>
<b>Current Issues / Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>	
<i>Review Funding and Budgets for Facilities</i>	TBC	TBC	

**14.6 Annual Report 2013-2014**





TOWN OF  
VICTORIA PARK

# annual report 2013 – 2014



Cover image: © Saner 2014, Mural @ Food For Me Café, 877 Albany Highway  
Opposite page: © Saner 2014, Mural @ Zucchero Café, 253 Albany Highway



## Introduction

The Town of Victoria Park has always strived to be a local government body with a difference. Now in the face of Local Government Reform we look to truly embrace our unique personality and lead the way in creating communities that thrive in an open and involved environment.

Our residents are engaged and embody a diverse, cultured, informed and interactive vibe distinctive to our streets, neighbourhoods, entertainment hubs and recreational zones.

These characteristics set us up for even greater future success in bringing vibrancy to the Town, under any outcome.

We know it's the people that make a place somewhere great to live, work or play and we look forward to continuing our commitment to the Town's people in delivering community benefits that contribute to a meaningful life.



## Mayor's Message

The past year has been another significant one in the Town's history with major announcements about our future.

The biggest news we have been proud to announce is the successful retention of the Burswood Peninsula in the fallout of Local Government Reform.

The Battle for Burswood has been won. I'd personally like to thank our community, Council and staff for their unwavering support in our bid to achieve this.

We are committed to continuing our efforts in

the amalgamation transition process and look forward to developing new ways of working with the City of South Perth, in the creation of a new city.

Whatever the outcome on this front, I will continue to strongly represent my community throughout the transition and make sure our collective voices are heard.

Another big milestone is the confirmation of an ongoing partnership with the West Coast Eagles and the Perth Football Club, to deliver a new sports complex as part of the *Lathlain Precinct Redevelopment Project*.

This project promises to bring numerous long-term health and wellbeing benefits to the community.

I would like to thank the Elected Members and staff for their continued commitment to the success of the Town and as can be seen from this Annual Report, the Town continues to live its vision of bringing a vibrant lifestyle to the community.

A handwritten signature in black ink, appearing to read 'T. Vaughan'.

His Worship, the Mayor  
**Trevor Vaughan**





## CEO's Foreword

The past year has been filled with challenges and change with local government reform playing heavily on our minds and impacting on our daily work environment. But I'm proud to say the people at the Town of Victoria Park have shown their commitment to excellence, in any circumstance – as reflected in our staff cultural survey results which show significant improvement toward the organisation's desired culture.

The Town has embraced the reform transition process, and looks at the imposed changes as a one-in-one-hundred-year opportunity. Our staff members have risen to the occasion, leading the way, with acceptance and the mind set of moving forward.

We are keen to keep researching and adopting new business models for local government and look forward to progressing the reform process with the City of South Perth, forming a strong new city under the guidance of our project

vision *One City, One Culture, Our Future*.

In conjunction with this, we are reinvigorated by our recent successful bid to retain the Burswood Peninsula within the new city, and gaining the opportunity to govern over the Bentley and Wilson areas provided to the new entity from the City of Canning.

Other Town achievements this year have included:

- the planned *Lathlain Precinct Redevelopment Project* with the West Coast Eagles and Perth Football Club progressing in August
- the activation of Albany Highway increasing with the introduction of parklets, free Wi-Fi, various art works, and the reduction of red tape
- implementing the *Integrated Movement Network Strategy* – one of the first deliverables was our *Parking Management Plan* which received a national award. The strategy provides a vision

of the future, transport management and infrastructure needs and priorities out to 2031;

- The Town's active role in helping to guide the New Perth Stadium project through membership of the Perth Stadium Steering Committee
- the Digital Hub surpassing all expectations around providing access to technology and improving digital literacy in the Town; and
- The Town played a role in progressing the development of the six-star Crown Towers Hotel at Crown Perth.

Each of these priority projects is bringing huge community benefits to the Town, and will continue to contribute strongly to realising our vision of delivering a vibrant lifestyle.

Acting  
Chief Executive Officer  
**Anthony Vuleta**

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## Who we are

- There are 37,682 people living in Victoria Park, which represents a growth of 1,465 from the previous year.
- The median age of our population is 34 years.
- There are 15,773 dwellings in the Town with 14,101 of these occupied.
- 48% of housing is medium to high density.
- Our households are made up of 31.4% of lone people, and 19% of couples with children.
- 40.5% of the Town's residents were born overseas with 27% from non-English speaking backgrounds.
- Of the 19,656 of people who work in the Town 11.4% also live here.

Our mission is portrayed through four key areas:

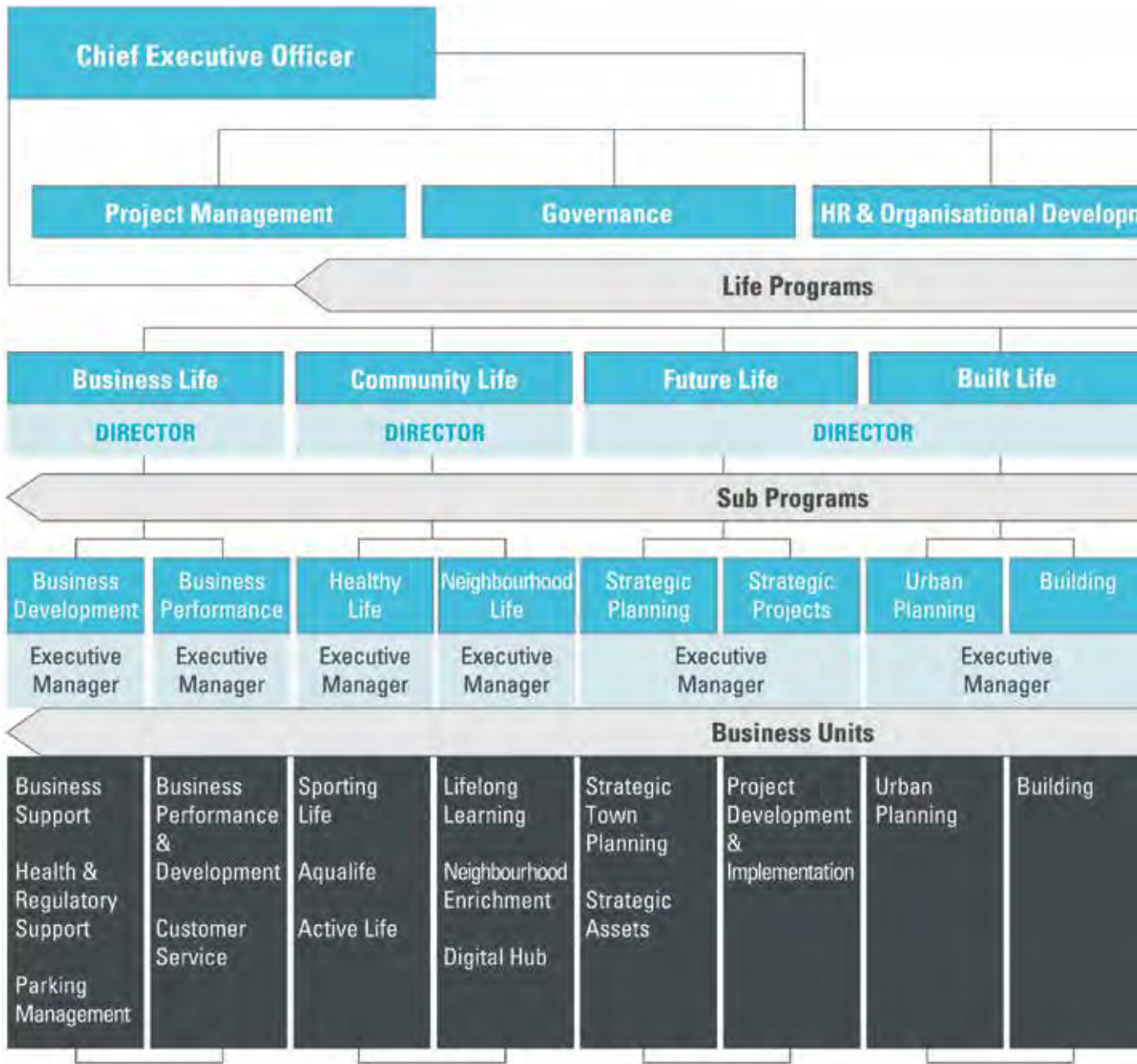
- **Creativity...** that we embrace and live.
- **Attractiveness...** of the Town to people and business.
- **Friendliness...** through welcoming and listening.
- **Environmental sustainability...** that is reflected in the way we make decisions.

Our values are:

- **Positive**
- **Inspirational**
- **Caring.**

Our vision is Victoria Park = Vibrant Lifestyle

# Organisational Structure



# Your Councillors



**Trevor Vaughan**  
Mayor  
Term exp: 10/15

Town of Victoria Park



**Cr Claire Anderson**  
Deputy Mayor  
Term exp: 10/15

Banksia



**Cr John Bissett**  
Term exp: 10/15

Banksia



**Cr Keith Hayes**  
Term exp: 10/17

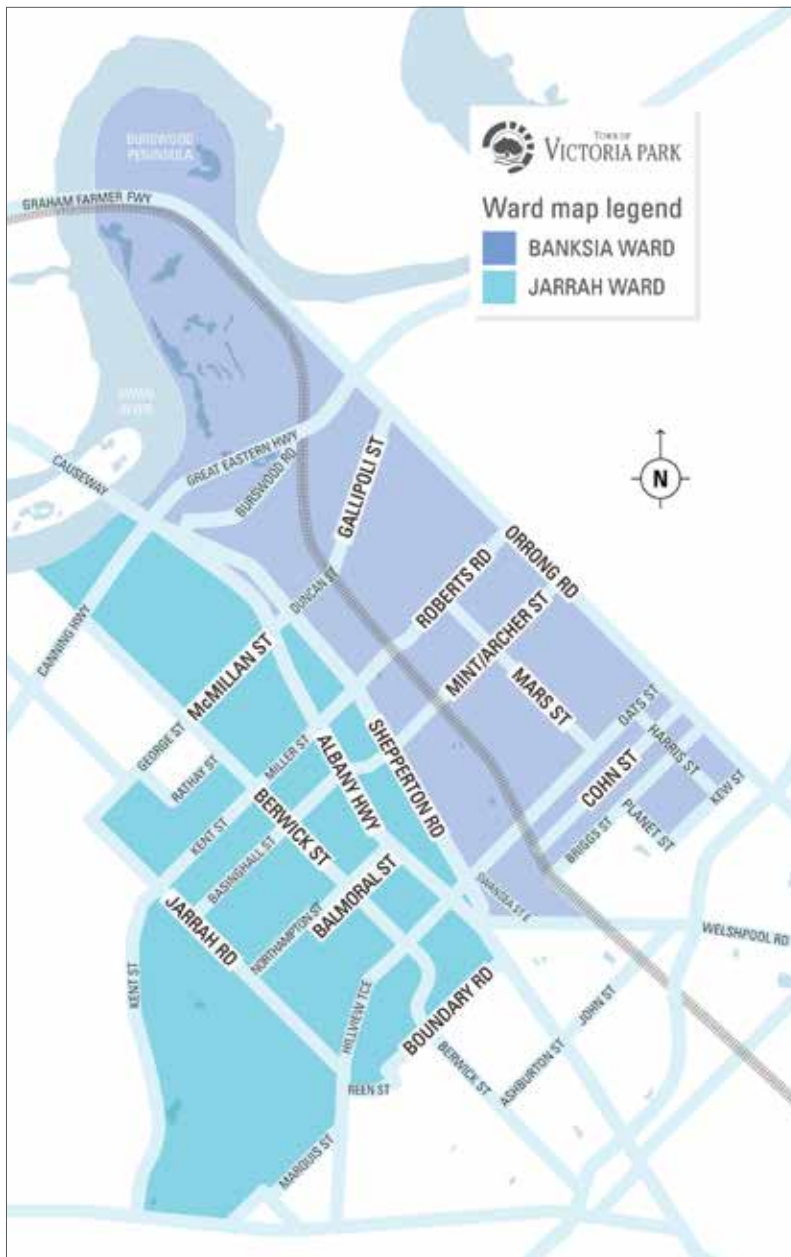
Banksia



**Cr Mark Windram**  
Term exp: 10/17



# Your Wards



**Cr Vince Maxwell**  
Term exp: 10/17



**Cr Vin Nairn**  
Term exp: 10/15



**Cr Brian Oliver**  
Term exp: 10/17



**Cr Vicki Potter**  
Term exp: 10/15

# The Year in Review

## CEO Office

### Communications and Marketing

#### Website

In June 2014 the Town launched its new mobile website [www.lifeinthepark.com.au](http://www.lifeinthepark.com.au) which accompanied the roll out of free Wi-Fi along Albany Highway.

The mobile website is designed as an economic development tool to help promote businesses as well as create a user-friendly access point for information and things to do within the Town.

Features of the new mobile website include a 'what's near me' feature, events calendar, parking map, social media wall and more.

More new features for the website will be added in the new financial year, including an updated and more user-friendly interactive art map.

#### Events

##### → Civic Events

A successful Australia Day Celebration including the annual Australia Day Awards was held on 26 January 2014.

The community was invited to nominate individuals and groups deserving of the Town's recognition for their achievements. The winner of the individual category for 2014 was Roger Meakes. The event included the January Citizenship Ceremony.

This year's commemorative Anzac Day dawn service was very successful with a record turnout. The involvement of several community groups including the Victoria Park RSL, local Scout and Guide groups, and Victoria Park Rotary, as well as involvement from Kent Street High School and Ursula Frayne Catholic College, added to its success.

##### → Community Events

The Town partnered with the RSPCA by being involved in their annual fundraising event – Million Paws Walk. A 'Victoria Park Zone' at McCallum Park was created on the day, with signage, a drink station and a ranger's stall.

##### → Stakeholder Events

Several stakeholder engagement events were held over the year including the Music by Moonlight VIP Function. This event was designed to engage with strategic partners of the Town in an enjoyable and elegant setting.

## Marketing/Promotions

Marketing and promotional materials for Town events and programs have been consistently produced to a very high quality throughout the year.

Marketing assistance and direction have been provided to the Project Management Team, Victoria Park Library and Town Leisure Centres.

Several innovative marketing strategies were executed including the promotion of free Wi-Fi on Albany Highway, Battle for Burswood – Phase 2 and Lathlain Community Day.

## Publications

The Town's quarterly newsletter *Life in the Park* is written, designed and produced in-house.

There has been a focus over 2013/14 on featuring local not-for-profits via a front cover picture and inside cover feature story.

This has been positively received by the community and has helped promote these organisations.

The Town's summer edition was plastic-wrapped in a community information package, along with the *2013 Waste and Recycling Guide*. This 'bumper' pack of information was well-received by the community.

Several new regular newsletters have been produced including *Good Call* (a Human Resources internal newsletter) and *Food in the Park* (an initiative of the Health team) to distribute to local businesses.

Over the year, many corporate documents have also been proof-read, edited and designed to ensure a consistent look and voice to all corporate documentation and publications published internally or externally.

## Digital Focus

A strong digital focus has been maintained, with an expanded presence on social media channels.

The Town's Facebook and Twitter accounts have increased ten-fold and feedback from the online community has confirmed their value, as customer service and marketing tools.

A LinkedIn page for the Town has been established. The LinkedIn profile has the dual purpose of being an avenue for recruitment, and also a method for distributing news, events and information to the business community.

The Town has also initiated its own Instagram profile which has gained traction with followers. Town parklets also have a Twitter account.

Additionally more filming has taken place, eg. YouTube videos, most recently for the Lathlain Community Day and reform updates from the Mayor.

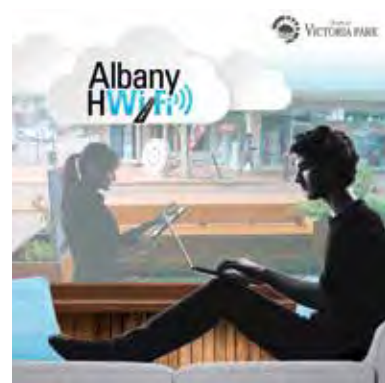
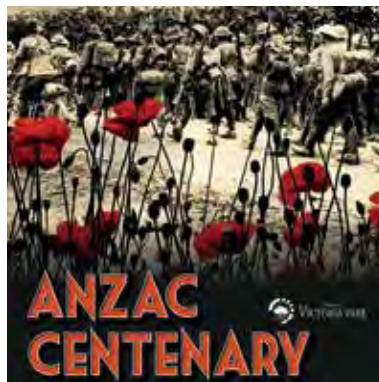
The YouTube videos have been well received and have even encouraged media to attend events.

## Strategic Media Relations

There has been a stronger strategic focus on media relations. Coverage of good news stories primarily by the two local papers (*Southern Gazette* and *Examiner*), as well as *The West Australian* and *The Sunday Times* has increased significantly, raising the profile of the Town.

Maintaining good relationships with key media representatives has helped diffuse negative coverage and assisted in the delivery of strategic messages.





## Project Management

The Project Management Office is a new branch under Corporate Life and was started with the vision: *“Deliver successful projects to the community and the organisation that are aligned with the Town’s strategic direction: the right people; using the right tools; and delivering the right projects.”*

### Training and Support

The Project Management Team started 2014 by seconding a new officer into the team. This is the third internal secondment opportunity the Project Management Team has had approved in the past 18 months. This secondment has enabled the team to operate at full capacity leaving more time for team members to work on individual projects.

Training provided by Central Tafe through the National Development Workforce Fund, has provided a wide range of Town staff with training in project management as a core competency, and also a Diploma in Project Management.

This program has been integral in developing the planning and organisational skills of key staff across various areas within the Town.

Follow up sessions are now underway, offering certificate graduates the opportunity to gather at monthly meetings, discuss project implementation within the respective business units, ask questions and also build on the skills learnt through an internal peer group.

### Albany Highway Activation

An Albany Highway Activation program has been developed over the past year by Council, which includes a series of ‘small win’ projects aimed at attracting people to the Albany Highway strip. The program began with installation of two people counters and continued over summer with the installation of two parklets, Chinese New Year activation, two ‘pop up’ French cinema evenings, and the commissioning of an urban artwork. This project strives to achieve the overall vision of Council.

The objective of the Albany Highway Activation program is to create several place making stations that are enjoyable places for businesses and people.

Activating Albany Highway is being informed by four place making principles:

1. A vibrant place day and night.
2. The community is connected socially and physically.
3. For one another, the environment and their town.
4. Many cultures and experiences.

All of the projects delivered to date, have received an abundance of positive feedback and plans are in the making to produce more community minded events and place making structures into the new financial year.

The Project Management Team also aims to engage more with local traders to inform and educate them on the people counters, which will assist traders in achieving maximum results for their business.

### → Chinese New Year

Chinese New Year celebrations from 1 – 15 February involved Lion Dancers performing on the streets in Vic Park and East Vic Park with 12 local businesses taking part in a *Giving Thanks* incentive. Twelve *Giving Thanks* quotes were chosen from 88 entries and were placed along Albany Highway in the form of window and wall posters.

The *Southern Gazette* covered the event and identified the Town to be engaging in cultural activities.

### → Ou LaLa French Cinema

Ou LaLa French Cinema, in conjunction with the Town of Victoria Park, presented two French Cinema evening events in Memorial Park on 16 March and 6 April. Both events exceeded the expectations of the public and the Town. A-list guest speakers attended each event and sparked positive and constructive talk among the guests. The *pop up* cinema idea is being considered for part of the Perth International Film Festival in the future.

### → Pop Up Lunch @ J-Bento

Pop Up Lunch @ J-Bento assists in delivering alfresco style dining at the quirky bento house on Leonard Street. It is planned to be an ongoing monthly dining event held on the second Friday of each month. Community members can gather, enjoy local Japanese cuisine and live music at an outdoor alfresco style lunch event with a twist.

### → Urban Art Mural

In partnership with The Vic Park Collective, an urban art mural was commissioned on the Ten Ten Kitchen wall in East Vic Park. International calibre urban artists, The Yok and Sheryo, produced the urban art which will help with activating the area.

## Local Government Reform

Since July 2013, the State Government has been formally progressing reform of the local government sector, focusing on the key task of reducing the total number of metropolitan local governments from 30 to around 15. The Project Management Office has been central in the design and ongoing management of both the operational and project management requirements throughout the evolving reform process.

Key tasks have included:

- coordination/preparation of submissions to the Department of Local Government and Communities, Local Government Advisory Board and the Minister for Local Government
- management of the Joint Reform Task Force and Local Implementation Committee
- design and roll-out of the Reform Program Office; and
- design and roll-out of the interim reform organisation structure.

## Lathlain Park Redevelopment

In September 2013 the Town and the West Coast Eagles Football Club (WCE) entered into a Heads of Agreement to guide the preparation of lease documents for the part-use of Lathlain Park as part of the Lathlain Precinct Redevelopment Project (LPRP). It proposed the WCE develop a high performance training, administration and community centre on site. For this project, the Project Management Office was tasked with coordinating:

- business case requirements in accordance with the *Local Government Act 1995*
- a detailed Agreement for Lease and lease documentation preparation
- negotiation with the WCE on lease terms
- legal review and adjustment of documentation; and
- stakeholder, risk and budget management.

Publicly advertising the lease information was endorsed by Council at a special meeting on 24 June. A final recommendation was made and approved on 5 August with the official lease agreement between the Town and the WCE signed on 6 August.

In conjunction, a joint partnership between the Town, the WCE and the Perth Football Club was entered to deliver the entire LPRP with a completion target of 2017.

As Lathlain has long been identified by the Town as an area for enhancement and revival, the project is now a priority within the Town's Strategic Community Plan and includes intentions for redevelopment and revitalisation of seven project zones, with the central premise to help make Lathlain a more focal and vibrant place.

## Town Centre Redevelopment

Keen to move the Town Centre Redevelopment project forward, the Town is seeking to involve the State Government in pre-funding of major infrastructure requirements for this project. LandCorp, WA's own land development agency has been in discussions with the Town for several months regarding potential funding models. Council will then need to determine a preferred delivery method. The redevelopment design principles built over several years with many stakeholders will be maintained.





## Governance

### Governance Framework

Governance is an important concept and impacts on all sectors of the community. The practice of good governance is increasingly seen as critical for ensuring that:

- the organisation meets legal and ethical compliance
- decisions are made in the interests of all stakeholders; and
- the organisation behaves as a good corporate citizen.

This year a Corporate Governance Framework was developed and endorsed by Council to ensure services and facilities provided to the community are delivered by a proper and democratic government, to the broad range of people who have an interest in the region including; residents, commercial and retail business, people who work in the district, as well as local, national and international visitors.

### Disability Access and Inclusion Plan

The Disability Service Act 1993 (amended 2004) mandates that all Local Government Authorities develop and implement a *Disability Access and Inclusion Plan* (DAIP). The Town's DAIP 2012–2017 contains seven outcome areas, which outline tasks and actions to guide Council staff, agents and contractors in delivering work practices to the public, that are consistent with relevant Australian Standards for access and mobility; and which are inclusive of people with disabilities within our community.

The Minister for Disability Services is required to table a report in Parliament each year on the progress of DAIPs in Western Australia. The Town submitted its progress report for 2013-14 to showcase achievements across the seven outcome areas. Some significant and innovative initiatives undertaken to enhance access and inclusion included the following.

### → My Life, My Place 2013

*My Life, My Place* was a community engagement initiative aimed at breaking down social and attitudinal barriers to inclusion, as experienced by people with a disability and their families and carers. The program profiled the incredible stories of seven ordinary local residents of all abilities, who contribute to the rich fabric and strength of our local community.

The point of difference of *My Life, My Place* to other social inclusion projects was the approach of showcasing the achievements and contributions of the 'person', rather than simply celebrating achievements because someone has a disability. This was evidenced through local residents with and without disabilities featuring in *My Life, My Place*, without distinction being made to ability.

The launch of *My Life, My Place* coincided with the 21st anniversary of International Day of People with Disability 2013, and aligned to the National Disability Strategy 2010–2020 of building an inclusive society.

To assist in reaching and educating the broad target audience, the roll out of *My Life, My Place* began on 1 December 2013 through a multimedia approach including:

- a community launch and photo exhibition in a local café
- black and white photo installations displayed on local businesses including NAB, Café Gelato and Kettle Café and on Town assets
- nightly digital projection of portraits on a triple-story building during Disability Awareness Week
- YouTube posting of video documentaries
- feature article and cover page in the Town's *Life in the Park* newsletter, which was distributed to

over 18,000 households and businesses

- portraits displayed on sail-track banners at high-volume traffic thoroughfares
- the publication of a catalogue book which contained portraits and oral history stories made available at local businesses
- extensive postings on the Town's social media sites; and
- a news article titled 'Pictures of Inspiration' in the *Southern Gazette*, 10 December 2013.

The innovative approach and success of *My Life, My Place* is evidenced by:

- participants stating they finally feel like they are part of the community. They are recognised and strangers stop to say hello and congratulate them on sharing their incredible stories
- the City of Rockingham contacting the Town to discuss the project

concept, approach, delivery and outcome to replicate the project

- the City of South Perth inviting the Seniors, Access and Inclusion Officer to showcase *My Life, My Place* at its Inclusive Community Action Group
- the Disability Services Commission WA reporting on *My Life, My Place* at the State Wide Local Area Coordinators meeting, in recognition of the unique and original approach undertaken by the Town and with the hope of replication within other communities
- peak body Inclusion WA incorporating *My Life, My Place* into its training content as an example of leading practice for social inclusion; and
- Identity WA requesting permission to share the *My Life, My Place* video documentaries on their website due to the innovative approach undertaken.

### → Master Locksmith Access Key

To encourage and enable greater access and inclusion of people with disabilities within the community, the Town introduced the Master Locksmith Access Key (MLAK) system to the majority of our designated accessible public toilets. MLAK key holders have 24/7 access to MLAK keyed designated accessible toilets within the Town, and to a network of public facilities Australia wide. These may include elevators at railway stations, designated toilets in other Local Government Authorities and to adaptive equipment (e.g. Liberty Swing and beach wheelchairs).

### → Publications

To enhance access and inclusion to the Town, the following publications were produced and are available at the Town's Administration Building, Aqualife and Leisurelife centres, and the Town's Library. Electronic versions are also available on the Town's website. All publications are available in alternative formats by request.

- *Designated Accessible Parking Bays* is a comprehensive guide intended to support people to locate designated accessible parking bays that are owned and managed by Council. It is recognised that accessible parking enables community members and visitors to the Town access to shops, facilities and the community at large.
- *Disability Access and Inclusion Plan – Council Support Package* is a support document that enables staff to successfully achieve outcomes contained within the Town's DAIP. The aim is to explore the responsibilities and requirements contained within the DAIP, and provide practical tips and examples on how to engage people with disabilities.
- *Guide to Council Services for People with Disabilities* is a comprehensive guide to the Town's services, resources and facilities which are available to people with disabilities and their support networks.





**disability access & inclusion plan - council support package**

*Alternative format*

This publication is available in alternative formats from the Town of Victoria Park such as large print, braille, computer files or audiocassettes upon request. Please contact the Communications Team on 011 8122.



**Southern Gazette**

with Linda Mann

Photographer and filmmaker Andy McGregor and athlete Paul at last week's portrait launch at the Battle Cafe.

**Pictures of inspiration**



**My Life, My Place**

My Life, My Place is a Town of Victoria Park initiative which provides access to local residents of all abilities, skills & talents via their unique talents, individual strengths and abilities.

My Life, My Place will be introduced to the community to introduce the disability sector and our town's neighbourhood. Their strengths across all life phases will help residents connect, build relationships, expand their networks, and increase their participation in life for all. Town of Victoria Park.



## Human Resources

### Organisational Change

The ongoing organisational change program continued during the year with focus on cultural change, core competency training and implementing initiatives approved in the Town's *Workforce Planning Strategy 2013–2023*.

In 2013/14 the Town experienced its lowest staff turnover for six years. Prior to the start of the organisational change initiatives the Town was experiencing turnover of around 18–20%; in the past 12 months it has dropped to about 12.5%. With positive staff satisfaction levels of 76% that were identified in the 2012 staff survey, this is another indicator of the positive effect the change initiatives are having on staff.

Although there was a reduction in the area of recruitment and selection as a result of reduced turnover, the focus for the year was on more specialised positions, such as those associated with the *Parking Management Project*; procurement management and business development.

The Human Resources and Organisational Development team has also focused on other key initiatives including a review of Human Resource policies and procedures. A number of policies have been reviewed and updated to reflect best practice and industry standards including Staff Induction; Grievance Procedures and Social Media usage.

In response to the Town's *Career Development Program*, we have also begun the development of a skills inventory. All training and development records held by the Town have been transferred into a central database. This will be followed with a skills audit to pick up other staff skills for inclusion in the database.

### Training Programs

The *Cultural Optimisation Program* has continued to cascade through the Town. The focus groups for the past 12 months have been the business unit managers, supervisors and team leaders. These are seen as key groups within the Town for the integration of cultural change at operational levels of the organisation.

The Town's core competency training program has also continued with additional training in project management as well as business excellence. The focus over the next 12 months will be in performance management and front line management training.

An extensive program in OSH training was also implemented during the year. This included regular induction and re-induction programs; as well as training in investigation techniques.

The focus for the next 12 months will be to assist staff in dealing with the possible impact of local government reform.

## Organisational Development

The *Integrated Planning Framework* for the Town of Victoria Park was completed on 30 June 2013 and has been implemented through the *Corporate Business Plan* during the year.

The *Four Year Corporate Business Plan* describes the key services and projects the Town will deliver in the next four years. It also includes the financial resources and human resources required for each key service or project.

Enhancing the way we add value to the services we deliver has been significantly developed by mapping organisational processes. Process mapping not only benefits the Town by capturing staff knowledge, it also encourages process improvement and promotes cross-functional participation in service delivery.

The process mapping initiative also includes external partnerships (e.g. suppliers, distributors and other service partners) who are involved in the overall service delivery chain. These process maps will be reviewed annually with the objective of improving the way we do business.

The focus for Human Resources and Organisational Development for 2014/15 will be the ongoing implementation of workforce planning initiatives; support for staff during the local government reform process; ongoing training in our core competencies; process analysis and improvement; and our ongoing commitment to improving the safety, health and wellness of our staff.



## Community Life

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### Neighbourhood Life

#### Digital Hub

The Digital Hub has proven to be a thriving success during its first year. Since opening in January 2013 it has delivered a wide range of high impact training services to residents of the Town, improving and enhancing technological confidence and capability of the community. It has become a Centre for Excellence and proven to be a professional, approachable and focused resource centre.

The Hub has delivered training sessions above the KPIs, which were considered to be very optimistic, when preparing the grant submission to the Federal Government. It is delivering an additional 15% in Group Sessions and an additional 50% in one-to-one sessions. The iVan has also delivered more than 100 sessions outside of the Hub, to a wide range of individuals and organisations.

Strong and meaningful partnerships have been forged with the Disability Services Commission, PVS Employment, Centrelink, Options Employment, local schools and several community groups and organisations. Concentrated training to the disadvantaged has resulted in 22 residents securing employment, as a direct result of the skills they gained through training provided at the Hub.

The Hub Manager has maintained a strong partnership with volunteers through Curtin University, as well as a growing number of local residents to deliver the training sessions. Eleven local residents volunteer their time and expertise to help create an inclusive and supportive centre with real community buy-in. Roger Meakes from the Victoria Park Rotary Club has been an outstanding volunteer assisting the Manager from day one, and was recently named Town of Victoria Park Citizen of the Year.

#### Lifelong Learning

##### → Local History

The Historic Edward Millen Home was opened to the public on three occasions throughout the year, including in October 2013 to coincide with the Victoria Park Art Awards, and in May 2014 as part of the Western Australian Heritage Festival.

Another successful Local History Awards program was run with a total of 12 entries received. This year the awards included entries of written memoirs, original research and photographic memories. The awards promote interest in the rich history of the Town by encouraging the community to explore local identities, significant events and heritage relating to the area. All entries received are added to the Local History Collection, where they help fill the gaps in our Town's history, and will be available to researchers for years to come.



The third biennial Early Settlers Celebration, to recognise residents who have lived in the Town for more than 50 years, was held in November 2013. An interesting talk was given by early settler, Mrs Natalie Easter, on her recollections of living in the area which had much of the audience reflecting on their own childhoods in Victoria Park. To date the Town has 135 early settlers registered; anyone who has lived in the Town for 50 years or more is encouraged to contact the Town's Local History Coordinator (at the Library) to be added to the register.

Significantly, a new bronze plaque commemorating local residents who gave their lives during the Vietnam and Korean Wars was mounted on the step riser of the memorial in Memorial Gardens. The new acknowledgement complemented the existing plaque commemorating those who lost their lives in World War I and World War II.

### → Programs and Events

The Library launched a new events program titled Buzz Week. Buzz Weeks have been held four times a year and are a creative and innovative way to engage adults and children in our community, and showcase the Lifelong Learning program. Highlights from Buzz Week programs to date include a Neil Diamond tribute, a drumming workshop, an arcade game workshop, a forensic science lecture, and a theatrical performance entitled *At the Going Down of the Sun*.

A special Storytime for mums and bubs was held when much loved Australian children's author Mem Fox visited to read her new book, *Baby Bedtime*, as well as several other favourites written by the author. The Mem Fox visit was offered to the Library as a result of good business relations and a friendly connection with local business, Westbooks.

### → 3D Printer

Since introducing the 3D printer for public use the Library has clocked up over 1,000 'build hours' and printed over 100 items for the community including local artists, businesses, entrepreneurs, university students and local residents. The introduction of the 3D printing initiative has been so successful that the Town's e-Services Librarian has been invited to speak at the Biennial Australian Library and Information Association (ALIA) National Conference in September 2014. ALIA will fly Andrew Kelly to the conference, providing him with accommodation and a full registration, so he can share his experiences, particularly around reaching out to those people who may not have visited the Library in some time, and find that things have changed significantly since their last visit.

### → National Novel Writing Month

Throughout November 2013 the libraries of four Local Government Authorities (LGAs) joined forces to present a project named Write Along the Highway. The Cities of Armadale and Gosnells, the Town of Victoria Park and the Shire of Serpentine-Jarrahdale helped promote National Novel Writing Month, by providing 'write-in' sessions, various events and author talks concluding with a combined Write Night event, hosting a panel of authors and publishers to provide advice and guidance for participating novelists.

### → Maker Workshops

The Library has run several 'maker' style workshops throughout the year focusing on encouraging young people into Science, Technology, Engineering and Maths fields. Most notably the Light Up Rabbit workshop, which combined sewing and electronics to create a felt rabbit that lights up, for participants to take home, received great feedback. The workshop was well attended and introduced many to new skills with the aim of encouraging them to pursue further studies in electronics and craft.

### → Book Club

The Library hosts two bi-monthly book clubs, providing multiple copies of titles for club members to borrow. Book Club promotional flyers have been distributed to various outlets within the Town to promote the range of Library services and resources available, and to encourage the community to engage with the Library by creating their own book clubs with the support of Library staff and stock.

### → Children's Services

The Library's services for young children continue to be well supported by the community. Over 1,100 babies attended a Baby Rhyme Time session with their caregiver and more than 1,550 pre-schoolers have enjoyed a Storytime session during the year. A calendar of events was well received by families, including the popular Teddy Bears' Picnic, School Holiday Activities and Page Turners Club.

### → Library Statistics

- More than 243,614 physical items were borrowed from the Library.
- More than 4,306 eBooks, 551 eAudio and 3,693 eMagazines were loaned straight to customers' personal devices such as tablets and desktop PCs.
- 3,080 new members joined the Library with an overall membership of 13,116.
- A total of over 103,441 people visited the Library during the year.
- More than 27,900 people logged onto the public access computers, while over 56,297 free Wi-Fi sessions were activated.

## Neighbourhood Enrichment

### → Bookings

The Bookings Officer is responsible for the casual and seasonal bookings of active and passive reserves within the Town. The active sporting reserves continued to be heavily booked with organised sports through the summer and winter seasons.

The Town's passive reserves were also busy, with major events such as the Ride to Conquer Cancer and Eventing in the Park. GO Edwards Park, particularly its Gazebo, also remain in high demand for weddings and casual events.

### → Cultural Engagement

#### International Men's Day 2013

The Town celebrated International Men's Day with three events. The theme for 2013 was *Keeping Men and Boys Safe*.

1. International Men's Day Community Event  
Sunday 17 November 2013, Kensington PCYC

The Town of Victoria Park together with Kensington PCYC, Victoria Park Rotary and the new Victoria Park Men's Shed, hosted a local community event at the Kensington PCYC.

The event included a workshop with *The Fathering Project* (established by Professor and Author Bruce Robinson, WA Father of the Year). During afternoon tea, a resource display on a range of support services was offered and the PCYC facilities were open for viewing, with live demonstrations at the Men's Shed.

2. Digital Hub Activity  
27 November 2013

A special event for families was hosted at the Digital

Hub, where fathers, sons and daughters engaged in an activity to strengthen their relationships. The activity included participants:

- taking and bringing photos of places of significance
  - sharing the meaning of these photos; and
  - assisting in the editing and captioning of the photos into an album to keep.
3. Mental Health Workshop  
Thursday 21 November 2013

To profile and support positive mental health for men, Glenn Mitchell (former ABC TV/Radio Sports Broadcaster and Author) presented *Re-Shaping Life: My Journey through Mental Illness*. This event had 62 people in attendance and called attention to a common but often hidden issue, to provide hope and understanding for those who experience (or know someone who has) mental illness.

### Aboriginal Engagement Strategy (AES)

- The Town of Victoria Park has formed an Aboriginal Engagement Strategy (AES) group with local Aboriginal representatives, to help explore and inform ways that share a meaningful understanding and recognition of the history, culture and achievements of Aboriginal and Torres Strait Islander peoples.
- During 2013–2014, the Town has worked with the AES to deliver a range of strategies that include cultural presentations for NAIDOC Week, participating in Canning Coalition's 'Deadly Dreaming' event as a local government service provider to advise on employment, education and training options, as well as the telling of Aboriginal stories, music and dance during Harmony Week to educate and foster community inclusion.

### → Cultural Engagement

#### Chinese New Year 2014: 31 January–15 February

Chinese New Year celebrations occurred for the first time in the Town with Lion Dancing and a 'Giving Thanks' project with 12 participating businesses. Approximately 300 people were impacted on the streets, with Lion Dance performances over a two-week period, and more than 80 'Giving Thanks' responses from the wider community. The comments were placed in drop-boxes on display at each participating business and used as a basis for the design of 12 posters placed on show throughout the Town.

#### International Women's Day 2014: 7 March

With over 100 attendees, this event incorporated:

- music and storytelling by Wajipha Chongwe from Tasila Culture
- an interactive percussion drumming and dance workshop by Freddy Poncin; and
- community service stall holders with a range of free advice and information for women.

#### Harmony Week Events 2014: 20–21 March

Approximately 110 people were at both events held at the Harold Hawthorne Centre and The Homestead Victoria Park.

Each event included:

- a hands-on activity upon arrival, where everyone was invited to write on a colourful 'hand' template, their first name and country of birth. Each hand was displayed on a wall to highlight our multicultural community
- a local school activity (music, poetry and dance – including students with disabilities)
- an Aboriginal dance, culture and music performance
- dance group West Coast Cloggers; and
- the sharing of food and fellowship (including Aboriginal food).

→ **Visual Art**

In partnership with the Victoria Park Centre for the Arts, the Town held the 18th annual Victoria Park Art Awards which was exhibited at Edward Millen Home for the first time. The exhibition, held from 20 October to 2 November 2013, was visited by about 800 people. The awards attracted 55 participating artists, with the Monadelphous first prize of \$2,500 being awarded to the piece *Baby Maker* by Adam Ismail.

The 2013 awards saw the curators select photographs and artworks from the Town's Local History and Art Collections to complement the selected participating artists. These additional components contributed to the success of the exhibition, resulting in an improved exhibition layout and the opportunity for the community to see pieces of the Town's collections not previously exhibited.

The annual Banners in the Terrace Competition provided a colourful display of banners along St Georges and Adelaide Terraces in the Perth CBD. Banners created represent the communities and regions of Western Australia.

In 2014 the Town's banner was created by Carson Street School. In previous years the Town's contribution to this project has primarily involved covering the cost of producing the banner. This year in addition, the Town provided a supportive framework for participants in a design development workshop hosted at the Digital Hub. Using the pieces of technological equipment at the Hub, and with guidance from the Hub Manager, the Town's Arts and Culture Officer, and finishing touches from the Town's Graphic Designer, the students were able to create a visually stunning banner.





## → Public Art

The *Public Art Masterplan 2013–2015* was endorsed by Council in October 2013. The masterplan outlines an aspirational series of works to be commissioned over the next few years. It has been possible to progress these projects as a result of the Town's Community Arts Reserve, where a small percentage of rates is deposited each year in order to progress projects that contribute to the Town's vision.

Public artworks were progressed throughout the year, including:

- an interactive light sensed artwork created by Anna Crane, of Jager Studio, which was unveiled on 30 May 2014 at a biennial ceremony announcing inductees in to the Town's Sporting Walk of Fame; and
- A playable artwork by artist Jahne Rees was commissioned for GO Edwards Park, Burswood. Utilising a heritage log "Eucalyptus Toditana" from Kitchener Avenue, the artwork will be incorporated into the newly designed

playground on Burswood Avenue. This artwork was commissioned from a curated shortlist and will be installed May 2015.

- A condition report was developed for all existing public artwork in the Town, with the assessment collated into an inventory of works and maintenance schedule. Consequently, four priority artworks were refurbished to prime condition, with the remaining twenty artworks assessed for regular annual attention.
- Under the Town's PLNG3 policy, private developers continue to contribute a percentage of fees to the commissioning of public art as part of planning approval. Three artworks were commissioned in the Town within the year, and the creative arts officer continues to work closely to support these commitments and enhance the cultural value of the built environment.

## → Safer Neighbourhoods

The Town's *Safer Neighbourhoods Plan 2013–2016* includes several initiatives to create safe streets and neighbourhoods. The successful Street Meet 'n' Greet and Security Incentive Scheme programs continued to be supported by Council and the community. New projects such as the Designated Driver program were also launched. The Town also assisted in several Crime Prevention Through Environmental Design (CPTED) interventions in hot spot areas to assist WA Police.

In addition, the Town's Community Safety Working Group including representatives from the WA Police, Crown Perth, the Department of Housing, Curtin University and the community, continued to meet regularly to ensure a proactive approach to community safety in the Town.

## → Events

The Town delivered a wide range of community events throughout the year, ranging from music concerts to family festivals.

The Moreton Bay Fig Festival is a family-friendly array of kids' activities and entertainment. Held on 20 October 2013 at John MacMillan Park, around 4,000 attended. The event was more popular than ever with intergenerational families and was successfully run in conjunction with the Town's Library and Leisurelife Centre.

The Christmas Street Mall on 24 November 2013 is the Town's largest event in terms of audience with about 10,000 people through a closed-off section of Albany Highway. It features entertainment, kids' activities and Christmas craft stalls. A small contribution towards the event was raised through sponsorship from local businesses.

The Twilight Trio of concerts held on the first three Sundays of January 2014 were well attended despite record-breaking high temperatures. The concerts saw between 400 and 1,000 people enjoying different upbeat cover bands at each venue. Extremely positive feedback was received from audience members, with survey responses indicating that more than 90% of respondents enjoyed the performances.

Music by Moonlight was hosted on 9 March 2014 in partnership with the Western Australian Youth Orchestra (WAYO) and the Burswood Park Board. The event continues to grow in quality and popularity. The event hosted an audience of about 4,000 people on Burswood Park foreshore with WAYO performing classical hits from around the world. The events Major Sponsor, LotteryWest, provided financial support, making it possible for the annual event to be offered to the public again in 2014.

In addition, this year LotteryWest provided an additional contribution that enabled a new community outreach program. Bankwest also continued their sponsorship of the event.

The Sporting Walk of Fame Induction was held on 30 May 2014 and featured the unveiling of a new integrated walkway. Five elite sportspeople were inducted in 2014, for achievements and contributions to the sports of swimming, water polo and water skiing.

These people were: Wendy Arancini, Bridgett Gusterson (water polo), Barbara Chapman (water skiing), Rene Hardenbol, Mandy Maywood (swimming).

### → Volunteering

During National Volunteer Week 2014 the Town hosted a thank you morning tea at Burswood on Swan for approximately 150 local volunteers, from 40 community and sporting groups throughout the Town. Long Service certificates were presented to people that have volunteered for ten years or more. Sixty certificates were presented, signifying 1,564 years of volunteer service.

Attendees were treated to a presentation by David Wirrpanda, former West Coast Eagles football player and founder of the Wirrpanda Foundation, who inspired the audience about the importance of fostering a culture of volunteering and leadership in all organisations.

### → Information and Donations

The Town's involvement in the State Government's KidSport program, makes it possible for children to participate in community sport and recreation, no matter what their financial circumstances. KidSport allows eligible youth aged five to 18 to apply for financial assistance to contribute towards club fees. The Town has acquired a grant of \$20,000 in 2013/14 for the Department of Sport and Recreation KidSport program. A total of 116 vouchers have been issued.

Individuals, community groups and schools have been supported with donations from the Town, for an array of purposes including arts, sports, welfare and youth leadership.



## Healthy Life

### Sporting Life

#### → **Agility Rehabilitation**

Agility Rehabilitation, a local business providing exercise rehabilitation services to local and surrounding communities, signed a lease in 2014 to work from a room at the Leisurelife Centre. The business enhances the Centre by providing a service in a central and easy to reach location.

#### → **Vacation Care Service**

The National Quality Framework (NQF) raises quality and drives continuous improvement and consistency in Australian education and care services. Established in 2012, the NQF applies to most long day care, family day care, preschool/kindergarten and outside school hours care services. All Australian governments have agreed to implement the NQF for Early Childhood Education and Care.

Implementation of the NQF is well and truly underway and is raising the bar on what quality looks like across all children's education and care services.

The assessment and rating process is designed so parents, educators and the public understand what is quality education and care.

In October 2013, the Leisurelife 'Just 4 Kids' outside schools hours care was one of the first West Australian vacation care services to participate in the three-day assessment, with the Department of Local Government and Communities. In determining the final ratings for the service, a rigorous assessment was carried out on the quality of the service against the National Quality Standards in seven quality assessment areas. The service then receives a rating out of five, ranging from 'excellent' to 'significant improvement required'.

At the end of the assessment, the service offered at Leisurelife received a rating of three – successfully 'meeting the national quality standards'. This is a great achievement which highlights the level of quality education and care the service provides in all seven quality areas.

Program staff have since reflected on the assessment process and will use this to develop a *Quality Assessment Improvement Plan*. The next assessment and opportunity to review the rating is scheduled for January 2016.

#### → **Daytime Ladies Netball**

The Ladies Daytime Netball program was successfully re-established after several months of work. The competition aids in increasing women's participation in sports, with particular focus on young mothers in the local community.

### → **Leisurelife Gym: New equipment installation**

The cardiovascular equipment was upgraded to include Integrity Series Life Fitness treadmills, recumbent bikes, upright bikes and the Matrix S Series spin bikes.

This new equipment features the latest in comfort and technology with select machines fitted with individual TV screens and iPod connectivity and has been really well received by all of our gym members.

### → **Local Sports Club News**

Sue Hillier, our resident Victoria Park Squash Club Junior Coach, was crowned the 2014 World Masters Squash Champion in Hong Kong for the Women's 50–55 age group. Sue successfully defeated her opponent in the grand final match in just 13 minutes after starting the competition as the lowest seed in her division!

### → **Sporting Life CERM Performance Indicators Statistics**

- Nearly 300,000 annual attendances to the Leisurelife facility
- Average of 90 new members per month and a total of 2,850 health and fitness members across Aqualife and Leisurelife.

#### CERM strength highlights:

- Increase in overall satisfaction levels: total of 89% survey participants satisfied with the overall facility, and 87% indicated they would recommend the Centre;
- Substantial reduction in number of problems experienced by survey respondents (22%, down from 29% in 2013);
- Substantial increase in number of patrons who have used the Centre for two or more years (highlights an increase in patron loyalty);
- Highest area of satisfaction: staff friendliness, presentation, and experience/ knowledge with an average of 98% satisfaction across these three areas.

### → **Sports Program Success: Building communities through sport**

The Sports and Programs Manager successfully created three community sporting teams from a list of individual nominations for netball, mixed basketball and men's basketball. These team members comprised of newly migrated residents to the Town, players looking to meet other like-minded individuals and adults hoping to get back into sport after an extended break. These teams continue to play in the Leisurelife sporting competition and have even formed friendships outside of the Centre.

## Active Life

### Active Life Program Launch

This was the first year for the Active Life program. Programs delivered over the course of the year included weekly walking groups, a six-week nutrition program for parents, a three-week nutrition program for Juniper/Rowethorpe independent living, five active family days, a bike safety program, a mental health workshop, three active family days for Vic Park Youth Accommodation, a six-week post-natal fitness program and a four-week active photography program.

All programs offered by the Active Life Coordinator were evaluated, with feedback sought from participants. The walking groups, active family days, and mental health workshop were considered to be the stand-out programs offered since the sub-life program was launched.

Active Family Days, which provide opportunities for families to participate in physical activities together, ran from November 2013

to March 2014. A range of activities was offered, with the most popular being 'Make and Fly a Kite Day' which attracted over 50 participants from 20 different families. 60% of families that participated provided their feedback regarding the program. 41% of respondents were from a CALD (Culturally and Linguistically Diverse) background and 28% were classified as "inactive" (the Department of Health defines inactive as exercising less than 150 minutes of moderate – intense physical activity over at least five sessions in a week).

### Health Promotion eNewsletter

A monthly eNewsletter has been developed and is being sent to just under 300 subscribers. The eNewsletter is used for promoting Active Life and external programs, as well as providing general healthy living tips.



## Aqualife Centre

The Aqualife Centre was presented with a Gold Award from the Water Corporation for water saving initiatives that saved between 35 and 50% water, compared to previous years.

The pool deck shower, spa and steam room at the Aqualife Centre had a long awaited makeover. As per the maintenance plan, removal of the orange mosaic tiles for more practical large white tiles on the pool deck shower and the steam room was completed in October 2013.

At the same time, the yellow pool deck floor around this wet area was removed and replaced with a coloured, non-slip concrete surface. Works included levelling the concrete to ensure water would flow into the drains and not create puddles as it previously did.

Aqualife's Centre Manager has been working closely with the Town's Assets team to ensure the Asset Management Plan for the facility is actioned.

The 2013/14 summer season was an extremely

hot and busy one at the Aqualife Centre. Thousands of the Town's residents flocked to the centre to escape the heat, enjoy the facilities and spend time with their families.

Aqualife staff officially launched the Royal Lifesaving Society Watch Around Water (WAW) campaign on 30 December 2013. Many children were delighted by a guest appearance from Walter the Watch Dog, who helped spread water safety and supervision messages.

The WAW program was initiated in 2004 following several drowning deaths of young children in public swimming pools. It aims to raise awareness among parents and caregivers of young children about the importance of supervision and their role in supervising young children at public swimming pools.

This year Aqualife staff completed a WAW information session to enhance communication with families on the importance of swim and survival skills, and

the importance of close supervision of children around swimming pools. Parents are encouraged to keep active with their children and always be within arm's reach of their children. The message is clear – *water safety is everyone's responsibility.*

A lifeguard *super* vision training program was implemented in September 2013 and provides excellent training for our lifeguards in ensuring our customers' safety.

### Programs

In March 2014 the Aqualife Centre hosted the National Water Polo Talent Camp run by Waterpolo Australia, with nearly 30 under-20 male athletes participating.

Aqualife's very successful school carnival season runs from January to April every year, with strong support from our local schools totalling 25 carnivals for 2014.

The health and fitness department ran several seminars and programs



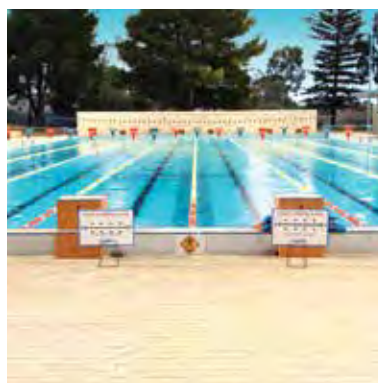
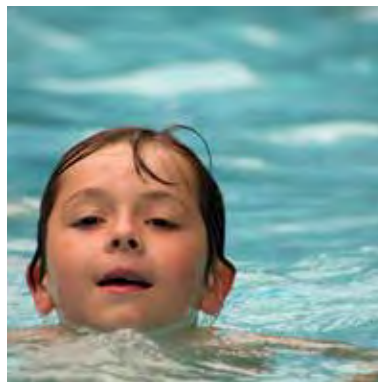
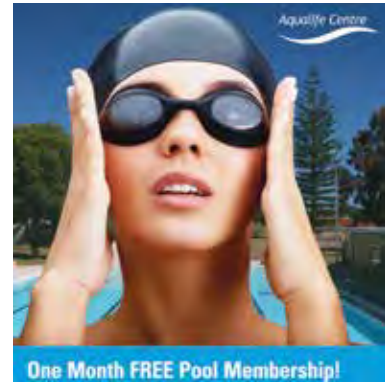
in 2014. Seminar topics included nutritional advice and information as well as injury management and training tips. Group fitness class launches run on a quarterly basis and provide our participants with a variety of class options throughout the year.

### Cultural Engagement

Our women’s only swim lessons continue to prove popular with the community. These lessons are held in Aqualife’s hydrotherapy pool, which is a perfect location for this program due to the privacy of the pool and the shallow depth.

#### → Aqualife CERM Performance Indicators Statistics

- Nearly 500,000 annual attendances to the Aqualife facility
- 34% of patrons have been attending for more than five years.



## Built Life

The Town strives for excellence in the built environment by enabling innovative design and neighbourhood planning. We endeavour to enhance our unique character by promoting high quality development and vibrant, liveable streetscapes.

Built Life has had a busy year implementing electronic lodgement and assessment of applications for both Planning and Building. We now look forward to providing an even higher level of service to our customers as we continue to expand our electronic services.

### Urban Planning

During the 2013/14 financial year, Built Life dealt with a significant increase in the number of applications received and determined, with more than 838 applications for the whole of the 2013/14 financial year, up by 17% (719) from last financial year.

This was a considerable achievement by the Built Life team, as it was also coupled with staff shortages, ongoing changes to the Building Act, new processes through the integration of new records management with TRIM, ICON Electronic Lodgement and the Trapeze Electronic Assessment.

The overall value of development approved in the Town from July 2013 to June 2014 exceeded \$395 million.

### Significant approvals

This year saw the approval of two 18 storey mixed-office residential developments in the Causeway Precinct, acting as catalysts for the future development of this area. The approval of a further mixed-use tower within the Burswood Station East precinct resulted in an excellent design outcome for the prominent site on Riversdale Road adjacent to Graham Farmer Freeway. The redevelopment of the Red Castle Motel site was also approved this year, for a significant medium density residential development close to the Burswood Station.

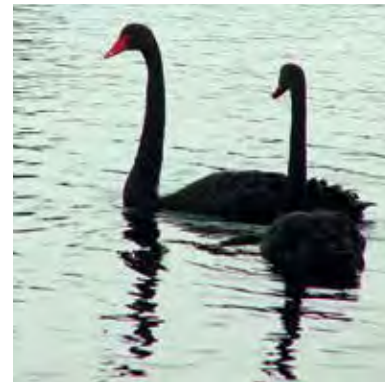
### Albany Highway Development

The conversion of car yards to vibrant high quality mixed-use residential and commercial developments, continued along Albany Highway, with several being started or completed in 2013/14. These developments are changing the face of Albany Highway, resulting in a more activated and attractive use of land for the precinct.

## Building

The Building Business Unit ensures buildings within the Town are safe, liveable, accessible and sustainable, and meet statutory requirements by assessing building permit applications; adhering to building compliance and regulations; and enforcing swimming pool regulation.

Building Permits also increased significantly from 752 in 2012/13, to a total of 920 applications in 2013/14. This represents an increase of 22%.



## Future Life

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The Strategic Planning Business Unit provides an integrated and comprehensive direction for the future development of the Town.

### Burswood Point Redevelopment

The *Belmont Park Structure Plan*, with associated Town Planning Scheme Amendment 57, has now been approved. The next phases of planning for the development, including detailed Area Plans for each of the identified precincts, and the corresponding subdivision of development lots, were started with some progress made. However, due to changes in shareholders, these are now on hold until such time as the developer chooses to recommence.

### Land Asset Optimisation Strategy (LAOS)

The *Land Asset Optimisation Strategy* (LAOS) has been prepared by Hester Property Solutions with an internal working group and has been adopted by Council as the basis for optimising each land asset, to achieve revenue diversification and strategic projects. The implementation of LAOS recommendations has begun with the sale of two properties.

### Burswood Station East and West masterplans

The draft *Burswood Station East Masterplan* has now been prepared for the Town by its planning consultant. The draft *Burswood Station West Masterplan* has also been prepared by the Department of Planning, as has the draft Burswood Peninsula Structure Plan. While the State Government has delayed the projects due to the decision to locate the Perth Stadium on the Burswood Peninsula, it is anticipated these masterplans and the *Burswood Peninsula Structure Plan* will be progressed in the 2014/15 financial year.



### Edward Millen Home

Funds are set aside to prepare concept plans for the sustainable renewal and ongoing use of the Town's heritage-listed Edward Millen site. The Town will continue to work toward activation of the site to encourage public access and use of this significant asset. Due diligence matters including discussions with the Heritage Council and the Department of Lands have begun.

### Bentley-Curtin Special Control Area Structure Plan

Curtin University and the Department of Planning are preparing separate studies to identify future growth opportunities for the Bentley Technology Precinct. The Town will be involved in the planning and determination of structure planning in the area, with assessment by Strategic Town Planning. The Bentley-Curtin Special Control Area Structure Plan being prepared by the Department of Planning is progressing well with involvement from the Town of Victoria Park and City of South Perth, including recent drafting of the *Bentley-Curtin Economic, Retail and Employment Strategy*.

### Albany Highway Activation

The Town is seeking to encourage more activation, innovation and creativity on Albany Highway. Principles have been adopted, which will eventually be the basis for the review of its Local Laws, and policies and procedures, to enable greater vitality, activation and ownership of this main street. This is being enhanced through a series of catalyst projects, such as the introduction of Albany Highway Wi-Fi and parklets.

## Renew Life

Renew Life manages the Town's assets and aims to provide leadership on environmental matters through effective waste management and other initiatives. Design and construction of infrastructure also occurs in this program area, with the aim of ensuring that streetscapes and parks are well maintained and remain attractive for public use.

### Park Life

#### Lathlain Precinct Redevelopment Project

The first community engagement activity between the partners occurred on 18 May at Lathlain Oval, in the form of a free Community Day, where around 800 people attended. The day invited the community to come and get more information about the stages of development and see some early design concepts. As a Town event, supported by its partners, the Project Managers of each zone spoke directly with the public about anticipated changes and improvements, as well as the long-term community benefits expected to evolve

from having the West Coast Eagles (WCE) headquarters based in the Town.

On the day the community also enjoyed a free sausage sizzle and kids' activities, interaction with Perth Football Club and WCE officials and players and dance workshops by Urban Youth Crew, supported by the Wirrpanda Foundation. Media coverage was achieved on the Channel 7 evening news and in community newspapers.

Further progress was made in relation to the implementation of the *Lathlain Park Master Plan* over the past year. In September 2013 the West Coast Eagles football club and the Town entered into a *Heads of Agreement* in relation to the redevelopment of Lathlain Park.

The *Lathlain Precinct Redevelopment Project* (LPRP) now consists of seven redevelopment zones.

#### **ZONE 1. Perth Football Club:**

Construction of new WAFL clubrooms for the Perth Demons Football Club.

#### **ZONE 2. Community Activity:**

Development of passive parkland recreation for the community. A temporary dog exercise area was constructed on Lathlain Park.

#### **ZONE 3. West Coast Eagles:**

Development of an administration building and elite sporting complex for the WCE including the Wirrpanda Foundation, and for community use. The Town and the WCE negotiated a 99 year ground lease and will prepare other associated documentation that will enable approximately \$50 million worth of investment at Lathlain Park as part of the LPRP.

#### **ZONE 4. Lathlain Place:**

Streetscape and infrastructure enhancements of the street between McCartney Crescent and Howick Street. Detailed design and costings for this project were completed in May 2014, with the construction due to begin in September and be completed by December 2014.

**ZONE 5. Rayment Park:**

Redevelopment of the passive recreation area to provide increased community activity.

**ZONE 6. Community Building:**

Demolition of the building at Lot 59 Lathlain Place in January 2014, has made way for construction of a new community building for infant health, the local play group and toy library. The new building is due for completion in 2015.

**ZONE 7. Equitable Access:**

Street, parking, landscape and pathway upgrades of Roberts Road, Bishopsgate Street, Goddard Street and McCartney Crescent.

**GO Edwards Park**

This year the detailed design, staging and costing plan for GO Edwards Park was developed and endorsed by Council. The implementation of the masterplan for this site will be undertaken over a five-year period at an estimated cost of \$2.5 million.

Some features of the plan will include an all access pathway through the parkland, a new nature based playground, sensory gardens, botanical gardens, as well as new park furniture and lighting structures. There will be an educational centre for children and families to learn about their natural surroundings with proposed habitat areas, and aquatic planting and trees native to the parkland. The plans will be used by the Town to redevelop the park and gain external funding to deliver it.

Also included will be the installation of a public artwork. This artwork will recycle the Town's *Eucalyptus todtiana* tree trunk, removed from Kitchener Avenue, after the tree's demise. Children will

be able to climb over the 'monster' that the artist will create from the trunk, as a piece of play equipment.

**George Street Reserve Revegetation Project**

The 11 year plan to revegetate the George Street Reserve to natural bushland continued in 2013/14.

Internal pathways were created, some exotic flora species were removed while mulch and other soft-scaping were installed. Major features of the concept plan include a Noongar food garden, demonstration landscapes representing the different Swan Coastal and Bassendean Sands soil types found in the area, a native tree food source for the endangered Carnaby's Cockatoo, carbon offsetting for the Town vehicle fleet, and a limestone pathway network linking the adjacent Kensington Bushland and Harold Rossiter Reserve.

## Raphael Park and Parnham Reserve lighting projects

The Town received \$137,000 from the Department of Sport and Recreation to assist in delivering the Raphael Park Floodlighting Project.

In 2012/13, after previously assessing the floodlighting capabilities of the active reserves, the Town arranged a specialist lighting consultant to design lighting plans for Parnham and Raphael Reserves. The designs also included detailed tender specifications for the lighting upgrade. It is anticipated this upgrade will be completed in the 2014/15 financial year.

### State Street Reserve

After extensive public consultation, the park was upgraded. Works included a new playground, shade sails, seating and fencing. A busy bee was held and more than 23 members of the community came to assist with planting, mulching and installing roll on turf. The cost of the project was \$50,000 and the park is being very well utilised.

Other minor parks projects completed over 2013/14 include the following:

- renewal of irrigation infrastructure at Carlisle Reserve (\$80,000)
- Stage II of the Shepperton Road entry statement landscaping (\$94,000)
- pump and filter upgrade for reticulation extension McCallum Park – Stage II (\$24,000)
- renewal of bollards at Taylor Reserve (\$18,000)
- renewal of bollards at Higgins Park (\$35,000)
- installation of the *Breathe* artwork and associated landscaping at the Aqualife Centre (\$7000)
- renewal of flood lighting at J.A. Lee Reserve (\$30,000)
- renew playground at Houghton Park (\$38,000)





## Assets

### Buildings and Maintenance

The following major building projects were completed in the past financial year:

- Refurbishments of the Higgins Park Clubrooms were completed after a major arson attack, to the value of \$120,000.
- Major upgrade of the Read Park public toilets, to the value of \$60,000.
- Renovations to the Garland Street/McCallum Park toilet block to repair the building's roof, upgrade the power supply and revamp the toilets for disabled access. The project is valued at \$99,000.
- Modifications to many of the Town's clubrooms were undertaken to improve external access to the toilets and render them *public toilets*. This has substantially increased the level of service to our reserves and public open spaces. As part of this project a Master Locksmith Association Key (MLAK) was introduced to enable after-hours access to toilets for disabled members of the public. The MLAK system is an Australia-wide initiative.

### Cost Saving Initiatives

The Town received funding through the *Local Government Environmental Efficiency Program* for the installation of a solar-thermal hot water system on the pool-side change rooms and showers at the Aqualife Centre.

This installation involved:

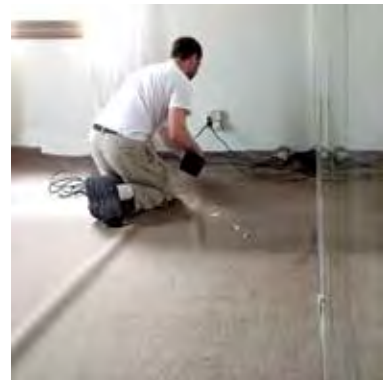
- supply and installation of eight solar storage tanks
- supply and installation of 24 solar panels on the roof; and
- supply and installation of a gas booster hot water system.

## Minor Building Works

The following minor building works were completed in the past financial year:

- Air-conditioning renewal and upgrade works to the WA Disabled Sports Association occupancy and administration and office area at the Leisurelife Centre.
- Air-conditioning renewal and upgrade works to the East Victoria Park RSL building.
- Replacing the Library carpet.
- Building of a bin storage enclosure and cleaners storage room at the RSL VC Gurney building.

Other asset functions this year included a full valuation of the Town's plants and equipment, transport infrastructure, drainage, buildings and parks' play equipment.



## Street Life

This financial year, the Street Life Sub Program has managed to secure more than one million dollars in external funding from various federal and state agencies. These grants have been diversified to support numerous engineering infrastructure projects, including the renewal and upgrading of roads, new streetscapes, new public transport infrastructure, new pedestrian and bike paths, new road safety and traffic management devices and other public infrastructure within the road reserves. Some projects have been staged over two years and therefore not all grant funding has been forth coming within the current financial year.

### Road Resurfacing and Upgrades

The purpose of these road works is mainly to extend the road's service life or improve the level of service provided. These projects were either partly funded through Metropolitan Road Rehabilitation Group (MRRG) grants or wholly funded by municipal funds.

Main Roads WA generally distributes these funds for roads carrying high traffic volumes and serving as major connectors to the arterial network. Resurfacing of local roads, which makes up the bulk of the Town's road network, is funded entirely by the Town and schemes such as the *Road to Recovery* program which greatly assists Council in maintaining the local network.

In accordance with the Town's *Asset Management Plan* and the annual road condition audits, road renewal works totalling more than \$1.4 million have been undertaken on Jarrah Road, Mercury Street, Albany Highway, Bishopsgate Street, Gloucester Street and other locations which form part of a bigger project scope.

**Note:** to ensure the Town's road infrastructure doesn't deteriorate to a state beyond repair, the Town needs to spend an average of more than \$1.2 million a year for the resurfacing of local streets which do not qualify for MRRG funding.



## Road Safety and Traffic Management

These projects target several road locations in the Town where there is a history of crashes at an intersection or a segment of carriageway.

By funding safety measures such as roundabouts and other traffic management devices at these targeted locations, the program aims to reduce the risk and severity of any future crashes. Programs of this sort are effective, minimising incidences and the potential costs associated with ongoing accidents.

There have been frequent issues raised by residents regarding road safety problem sites in the Town. Lower cost, minor improvements have been applied to ensure risks are treated with some form of mitigation measure; this may include line marking and signage upgrades or other minor physical geometric changes.

Some of the safety improvement works being progressed by staff this financial year include the following.

- Etwell Street – minor streetscape enhancements
- Mint Street/Carnarvon Street – minor intersection upgrade; and
- Berwick Street/Hillview Terrace Intersection – major road and signal modifications.

## Major Drainage Works and Upgrades

The building out of previously vacant properties in low lying areas of the Town coupled with changes in climate, have resulted in frequent flooding of several privately owned buildings. Low lying areas of the Town with little potential to accommodate overland flow paths in short bursts of heavy rainfall, cause the most flooding problems.

The Town's underground drainage network dates back to the 1960s and much of the network is considered inadequate, due to increased stormwater run-off from development over the past 20 years. This has put additional pressure on the drainage system.

Since the Perth storms of March 2010, Renew Life has started implementing relatively low cost road modification works in conjunction with road resurfacing projects. The usual flooded properties have not had any repeat flood issues since 2011, despite the fact that many other metropolitan councils have still experienced flooding issues during heavy storm events of the past few years.

As part of the Town's ongoing commitment to further reduce the incidents of road flooding, municipal funds have been allocated to the following drainage projects this financial year:

- Tuam Street – new piped drainage
- Marchamley Street – verge swale and new pipe crossing
- Bishopsgate Street – as part of cycling infrastructure improvements; and
- Westminster Street sump – as part of car parking improvements.

### New Footpaths and Cycling infrastructures

The Town has successfully acquired funding from the Department of Transport (DoT) to install footpaths and cycling facilities. The aim of this program is to encourage a more sustainable, healthier and more environmentally-conscious manner of transport and movement.

New paths were designed to meet new Australian Disability Standards. This financial year, the Town has installed street cycle lanes on Kent Street (west of Albany Highway).

The Town is also finalising the first stage design of the proposed Rutland Avenue Principal Shared Path.

### TOVP Street Lighting and Roadway Audit

This program aims to assist Western Power maintain street lighting assets and improve response times associated with lighting repairs.

In early 2009, Renew Life allocated an officer and specific resources to assist with improving this service.

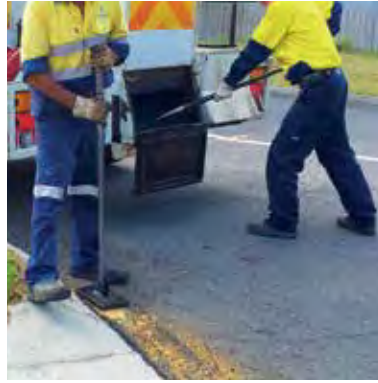
More than three years' worth of data collection has resulted in a more than 80% reduction in the number of lighting faults reported.

## Transport

Street Life worked constructively with the Public Transport Authority (PTA) to assist with prioritising works to upgrade various bus shelters in the Town.

The PTA's funding contributed to the installation of six new bus shelters during this financial year.

External funding contribution for at least another six bus shelters and connecting footpaths for next financial year has been submitted to the PTA for approval.



## Business Life

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### Environmental Health Services

The area of Environmental Health delivered all required legislated inspections and assessments during the 2013/14 financial year.

This included:

- food premises inspections for all 351 food distribution outlets within the district
- alfresco dining assessments for the 33 licensed alfresco areas
- monthly inspections and sampling of 24 public pools and 14 public spas
- inspection of 66 salons and skin-adornment establishments; and
- inspection of 82 public buildings.

From the total number of facility inspections, assessments and sampling analysis, nine *Improvement Notices* were issued. All matters raised within the notices have now been complied with.

The Town also undertook food sampling as part of an initiative funded by the Department of Health. Essentially, food samples are taken from premises throughout the area and tested for compliance against public standards. All samples complied with public health food standards.

### Free Public Wi-Fi

This public infrastructure project was delivered and commissioned during 2013/14 and includes the delivery of internal Wi-Fi to the Town's administration centre and the installation of solar powered poles that support Wi-Fi devices, street signage and improved crossover lighting where possible.

The purpose of the Wi-Fi initiative is to assist the renewal of the Town's Albany Highway precinct. The Town has proactively demonstrated leadership by working in partnerships to deliver an exciting open space Wi-Fi experience. The Wi-Fi is designed to increase public safety by attracting pedestrian traffic

along Albany Highway, as well as encouraging social interaction and spontaneity within the Town and promote the philosophy that resilient and proactive communities invest in themselves.

Other indirect benefits to the Town include support for business start-ups along Albany Highway due to increased amenity, foot traffic and digital technology as well as welcoming international visitors with access to free, robust Wi-Fi which enables them to communicate with friends and family seamlessly upon arrival.

## Economic Strategy and Tourism

To help foster growth and sustainability for the Town's business community, a series of public consultations were held. The feedback shared then guided the final drafting of the *Economic Strategy and Tourism Plan 2013–2017*. The strategy concentrates on supporting core drivers of the local economy, which were identified as:

- productive precinct development (including education and tourism precincts)
- economic infrastructure development
- business support and skills development; and
- marketing and investment attraction.

The core objective of the strategy is to maximise the use of current local investment and better utilise local resources by supporting local businesses and new investment in the Town, whilst continuing to support growing the area's wealth and income, and encouraging the distribution of that wealth through local expenditure.

## External Funding Partnerships

The Town continues to deliver its annual program, in collaboration with like-minded partners, as well as providing support and expertise to community organisations within the Town in relation to preparing strategic management plans and funding submissions.

Funding programs during the 2013/14 year include:

- Digital Hub Program
- Digital Local Government Program
- Digital Enterprise Program
- Saluting Their Service Funding for Memorial Garden
- Kid Sport Subsidy
- Cat Sterilisation Program
- Emergency Preparedness Program
- Community Crime Prevention Program
- Roads Funding programs
- Local Government Energy Efficiency Program
- Swan River Trust; and
- Metro Local Government Reform Funding.

The Town's *Sponsorship Policy* has also been updated to reflect the importance that is placed on external relationship building, management and mutually beneficial outcomes for all partners.

## Information and Technology Improvements

During the 2013/14 year, Information and Communications Technology was a focus for the Town. Improvements in the Town's Record Management System and Purchasing System occurred, which improves the efficiency and compliance of the Town in these areas.

Communication improvements to out-centre buildings have also occurred. The primary benefit is to ensure secure and consistent high-speed communication between the main administration centre and other Council facilities – which has been achieved.

## Implementation of the Equitable Access – Parking Management Plan

The Town undertook the implementation of the *Equitable Access – Parking Management Plan* during the 2013/14 year. The plan is designed to ensure all users of the area get an opportunity to visit and park in the area they are visiting, which includes reducing congestion.

This included the implementation of parking management measures in a number of key areas, including the following:

- Carlisle TAFE, Oats Street Station, Aqualife Centre, Somerset Street, and Rutland Avenue
- Albany Highway: Shepperton Road to Basinghall Street, including Hubert Street and Balmoral Street car parks
- Albany Highway: Tuam Street to Cargill Street
- Causeway Precinct: Burswood Road and surrounds
- Armagh Street, Albany Highway, Cargill Street and Hordern Street; and
- Duncan Street: Kitchener Avenue to Albany Highway.

The plan included the implementation of timed and paid parking in the above locations, as well as the creation of a Parking Management Unit dedicated to the safe and proper use of parking in the district. Although far from popular, the implementation of the plan has, on first observation, met the objectives of freeing up parking in the area.





cat sterilisation subsidy



# Plan For The Future: 2011–2016 Update

## Community Life Projects

### Sport and Recreation Facilities Strategy

In December 2013 Council endorsed a recommendation from the Healthy Life Working Group to accept the *Sport and Recreation Facilities Strategy*, prepared by consultants to the Town.

The strategy will inform the upgrade and development of sport and recreation facilities in the Town, taking into account changing demographics and projected demand for individual sports, together with a review of existing facilities. This will assist the Town in meeting the needs of community and sporting clubs today, while also placing the Town in a position to meet the needs of future generations.

The principle of sustainability underpins the strategy in terms of our existing and potential future sport and recreation facilities, as well as that of the Town; i.e. the impact of upgrading or developing sport and recreation facilities as they fit in the context of other initiatives, within the *Strategic Community Plan*.

### Neighbourhood Living Plan

In July and August 2013, the Town hosted six 'Café Conversations' throughout the suburbs in local cafes, to engage the community about what makes their neighbourhood a great place to be, and what we can do to further strengthen this. The focus themes for discussion were arts and culture, volunteering and clubs, physical activity, and literature and local history.

An extensive list of ideas was generated by residents, the Town and business, to help grow our cultural identity. The Town has responded to the community feedback by reallocating resources to align with expressed community needs, and supporting a wide variety of initiatives.

Many of the initiatives are included in the Town's *Neighbourhood Living Plan*, which was finalised in June 2014.

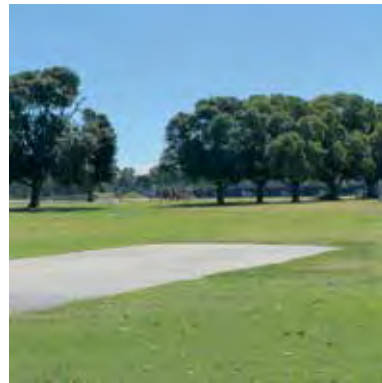
### Carlisle Lathlain Community Centre

A Business Case for the development of a multi-purpose community centre on the corner of Bishopsgate Street and Roberts Road in Carlisle was presented to Council in February 2014. Council resolved not to proceed with the project due to high costs and likely low patronage.

In addition, there was no evidence that some of the sporting clubs to be located there (a bowling club and croquet club) were needed in the area, with four bowling clubs within 5km of the Carlisle site, and a further four bowling clubs and two croquet clubs located just outside the 5km radius.

That said, the area will be revitalised with the introduction of the *Lathlain Precinct Redevelopment Project* (across Roberts Road from the site proposed for the Carlisle Lathlain Community Centre), which is reported on by the Renew Life Program.





## Built Life Projects

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### Urban Planning

#### Development Function Review

Urban Planning will continue to implement options for the electronic lodgement and online assessment of applications in 2014/15. We look forward to providing an even higher level of service to our customers once implementation is complete.

### Building

#### Building Services Review

Building continues to review its processes and policies to ensure it is up-to-date on all contemporary building service requirements and processes. Building will continue to expand the options for electronic lodgement and online assessment of applications in 2014/15 and anticipates providing better service to our customers through this process.

Building also continues to strive for excellence in the delivery of accessible buildings, and coordinates its efforts across the organisation to enhance universal access to homes, parks, streets, businesses and other facilities within the Town.



## Future Life Projects

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### Strategic Town Planning

#### Burswood Station East and West masterplans

The draft Burswood Station East and draft Burswood Station West masterplans and the *Burswood Peninsula Structure Plan* will be progressed in the 2014/15 financial year leading to the preparation of a *Structure Plan* and *Scheme Amendment* for the Burswood Station East area in this coming financial year.

#### Bentley-Curtin Special Control Area Structure Plan

The *Bentley-Curtin Special Control Area Structure Plan* being prepared by Department of Planning is progressing well with involvement from the Town of Victoria Park and City of South Perth including recent preparation of the draft *Bentley-Curtin Economic, Retail and Employment Strategy*. It is anticipated that this will be finalised early in the 2014/15 financial year.

#### Albany Highway Activation

Draft guidelines for the review of Local Laws, Policies and Procedures, to enable greater vitality, activation and ownership of Albany Highway have now been completed and will be presented to Council early in the 2014/15 financial year. In the interim period heading into local government reform, it is proposed these guidelines will form the basis for discretionary decision making within existing regulatory boundaries, and then form the basis of a review of our regulations, to be more proactive, enabling activation on Albany Highway as part of the new local government entity.

#### Local Planning Strategy

In preparation for local government reform, Strategic Town Planning has begun a gap analysis in preparation for a likely joint *Local Planning Strategy* for the new local government entity with its counterparts at the City of South Perth. Should reform not proceed, this information will be used to review the current draft *Local Planning Strategy* for the Town.



## Strategic Projects

### Edward Millen Home

Work will continue toward the development of concept plans in consultation with the Heritage Council and the Department of Lands for the sustainable renewal and use of the Edward Millen site, during the 2014/15 financial year.

## Strategic Assets

### Land Asset Optimisation Strategy

The implementation of *Land Asset Optimisation Strategy* (LAOS) recommendations has begun with the sale of two properties and will continue into the 2014/15 financial year, with the assessment of identified properties for value optimisation.



## Renew Life Projects

### Park Life

#### Lathlain Precinct Redevelopment Project

The *Lathlain Precinct Redevelopment Project* has been divided into seven separate development zones:

- ZONE 1. Perth Football Club
- ZONE 2. Community Activity
- ZONE 3. West Coast Eagles
- ZONE 4. Lathlain Place
- ZONE 5. Rayment Park
- ZONE 6. Community Building
- ZONE 7. Equitable Access

Substantial progress with the LPRP is planned in 2014/15 with the completion of the following components:

- Streetscape upgrade to Lathlain Place as part of Zone 4.
- Construction of the community building on Lathlain Place to accommodate the local playgroup, toy library and child health clinic as part of Zone 6.
- Parking upgrade and traffic management improvements on McCartney Crescent as part of Zone 7.

#### GO Edwards Park Detailed Design Plan

The five-stage detailed design for the redevelopment of GO Edwards Park will begin in 2014/15. Features of this stage of the redevelopment include the following:

- Woodland nature-based play areas to provide a sensory garden educational experience to the playground area. This includes a feature artwork piece made from the old *Eucalyptus todtiana* tree.
- Proposed meandering trail through the educational sensory gardens.
- Water Sensitive Urban Design – naturally vegetated and rock-lined swale to treat stormwater runoff from the access road and car park. Small timber footbridges will provide pedestrian access.
- Wooded tree planting area plus deep-rooted vegetation for water quality improvement of the lake (Melaleuca, Eucalyptus and Casuarina species).
- The start of the main concrete path linking the east and west of the park.

#### George Street Reserve Revegetation Project

An 11-year revegetation plan for this reserve was created and endorsed by Council and began in 2012/13. Stage one of the project will continue in 2014/15 and will include the installation of pathways and planting of the Bassendean sands flora.

#### Foreshore Access and Management Plan

The Town's connection to the river by land places a special need on management of water quality, vegetation, fauna and physical access to the foreshore. The Town has engaged Urbis Consultants to develop and deliver the *Foreshore Access and Management Plan* in 2014. The objectives of the plan will be to:

- identify natural resources, processes and management principles and practices across the foreshore, for long-term ecological sustainability and optimum community access and use

- identify ways to minimise threats to the foreshore
- identify recreation and leisure resources for public use of the area where appropriate, while maintaining natural ecosystems; and
- investigate the potential for interpretational features consistent with the values of the area.

## Assets

### Building Renewal Projects

The Town will continue to deliver its mechanical services renewal program at its Administration Building, Victoria Park Library and Leisurelife Centre. Major flooring renewal works are planned at the Aqualife Centre.

## Street Life

### Street Improvement – Design

Several projects are either in design and progress or will be completed by next financial year. They intend to be constructed next financial year (minor projects are not mentioned here). Projects include several intersection upgrades, treatments and islands, traffic calming and equitable access works in Zone 7 of the *Lathlain Precinct Redevelopment Project*. There will also be drainage works near Howick Street, King George and Washington Streets, Lichfield Street, Esperance Street and Hillview Terrace/Albany Highway intersection. Additional parking bays will also be put adjacent the Scouts building on McCartney Crescent.

### Street Improvement – Traffic and Transport

Several projects are aligned with the *Integrated Movement Network Strategy*.

Initially the *Lathlain Traffic Management Plan* – pilot project stage 1, involves traffic calming, new

intersections, preliminary investigation and works, on-road cycle lanes at Miller Street, seven new bus shelters and bus stop footpath connections, four new pathways, pedestrian crossings at Langler Street, and a *Staff Travel Plan*.

### Street Operations

Externally-funded engineering road resurfacing works will occur at:

- Albany Highway: Dane Street to Canterbury Terrace
- Hillview Terrace: Burlington Street to Albany Highway
- Swansea Street East: Forward Street to Welshpool Road
- Hayman Road: Hillview Terrace to Adie Court
- Hayman Road: Brodie Hall Drive to Kent Street; and
- Duncan Street: Albany Highway to Sunbury Road.

Fully Town-funded engineering road resurfacing works will occur at:

- Geddes Street: Berwick Street to Gloucester Street
- Carnarvon Street: Mint Street to Lakeview Street
- Harvey Street:

Shepperton Road to Howick Street

- Egham Road: Burswood Road to Kitchener Avenue; and
- Turner Avenue: Turner Avenue round-about.

Engineering Pathway renewal works will occur at:

- Albany Highway: north of Rushton and south of Dane Street towards Hillview Terrace
- Oats Street: Star Street to Orrong Road
- Cargill Street: Berwick Street to Hordern Street
- Harris Street: President Street to Kew Street; and
- Midgely Street: Gallipoli Street to Goddard Street.

### Asset Renewal Works

The Town is required to renew its infrastructure assets (mainly kerbed streets, drainage, pathways and lighting) to the value of about \$4 million per year. This is about 10% of the Town's annual revenue. It is critical the Town spends about \$1.8 million a year on its resurfacing program.

This investment has helped the Town lower its drainage renewal expenditure due to improving surface drainage flow of all flood risk streets that are being resurfaced. The Town also completed low cost crack sealing of all residential streets last year, to slightly extend their service lives. This also means that road maintenance costs are reduced. If neglected, once these roads have reached a terminal age (usually between 20 and 35 years), it will cost the Town many times more to reconstruct them. The whole life cost required for the renewal of local streets is not affected by the amount of residential traffic. A residential street with 3,000 vehicles per day and another with only 500 vehicles per day will

still reach their terminal age within a few years of each other, if the environmental conditions are similar.

### Waste Services

The Town has progressed further on its new *Waste Operations Plan* to further improve the purity of its waste streams and the efficiency of operations associated with waste disposal, recycling and processing beyond industry best practice. Due to local government reforms associated with the Cities of South Perth and Canning, this plan review is now being analysed from the perspective of the three councils, and is currently being considered by the technical managers from each.

As a result of the ongoing and constructive working relationship between the Engineering and Waste Services staff of the Town and the City of South Perth, the following free services have been made available to the Town's residents through the City's Collier Park Waste Transfer Station and will be promoted through the Town's website.



Disposal of e-waste including the following items, which are intact but obsolete or unused to a maximum of 15 items per visit:

- televisions – Plasma, CRT, LCD, LED, Rear Projection
- computer equipment
- laptops, notebooks, palm tops
- desktop/central processing units, cards and motherboards
- monitors, printers, faxes, scanners, multi-function units that scan/fax/print, and web cameras
- compact disc drives, digital video disk drives, hard drives and floppy drives
- mouse and trackball, keyboards, joysticks and gamepads.
- disposal of uncontaminated cardboard.
- disposal of uncontaminated used motor oil to a maximum of 10 litres per visit.

The high level of graffiti removal services provided by the Town's crew will continue.

### Fleet Services

The Town had allocated budget in the long-term financial plan to replace some old engineering trucks during the 2014/15 financial year, but this has been deferred to future financial years, due to the unknown number and type of truck that may be required to suit to the new amalgamated entity.



## Business Life Projects

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### You're Welcome – Access WA website

The *You're Welcome – Access WA* website is an online tool for people with disabilities, carers and seniors to search for accessible businesses and community facilities in Western Australia. Access information assists people of all ages and abilities, including people who use a wheelchair, have difficulty walking or who are blind or deaf. The website includes information about accommodation, hotels, parking, toilets, change rooms, beaches, tourist attractions, food and dining, health, parks and playgrounds, cinemas, theatres, libraries, shops, tourist attractions and sport and recreation facilities. Stage 2 of the initiative was completed with the information being uploaded to the website.

### Economic Strategy and Tourism Plan

The objectives of the *Economic Strategy and Tourism Plan 2013–2017* aims to position the Town as a major residential, commercial and retail urban centre and allow for residents and the broader community to be connected with, and identify the Town as a leading dynamic urban community.

The core objective for tourism is to add value to visitors through a combined urban experience of Perth, by positioning the Town of Victoria Park as central to the lifestyle, dining and cultural experiences of Perth.

### Information and Technology

Continued upgrades to security and continuity of communications and data will be a key focus in the coming year.



## Statutory Reports

### Competition Principles Agreement – National Competition Policy

The Competition Principles Agreement (CPA) is a contractual agreement between the Federal Government and all State and Territory Governments. Local government is committed to the CPA through the State Governments' involvement. The focus of the CPA is to ensure all public enterprises operate in a transparent manner in the best public interest.

This requires public enterprises to review their operations to ensure they do not have a competitive advantage or disadvantage resulting from their status as public enterprises. To ensure compliance with the CPA, local governments are required to include in their annual reports, details in relation to CPA. The Town supports the concept of the CPA and is pleased to report on the following.

#### → **Competitive Neutrality**

This principle deals with ensuring that government business operations do not have any advantage or disadvantage in comparison with the private sector. At present no activities undertaken by the Town have been classified as either a Public Trading Enterprise or a Public Financial Enterprise by the Australian Bureau of Statistics. During the reporting period, the Town did not receive any allegations of non-compliance with the principles of Competitive Neutrality.

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

The Town does not operate any Public Monopolies within the CPA definition and accordingly, there is no reporting requirement. The Town did not privatise any activities during 2013/14.

#### → **Local Laws**

During the 2013/14 Fiscal Year the Council reviewed the following Local Laws.

- Town of Victoria Park Health Local Law 2003
- Town of Victoria Park Activities on Thoroughfares and Trading in Thoroughfares and Public Places Local Law
- Town of Victoria Park Local Government Property Local Law 2000; and
- Street Alignment, Rutland Avenue Local Law.

As a result of the review, no changes were made to the following Local Laws:

- Town of Victoria Park Activities on Thoroughfares and Trading in Thoroughfares and Public Places Local Law
- Town of Victoria Park Local Government Property Local Law 2000; and
- Street Alignment, Rutland Avenue Local Law.

The Town of Victoria Park Health Local Law 2003 however, requires amending and will eventually be repealed and replaced by two new Local Laws being the:

- Town of Victoria Park Health Local Law 2014; and
- Town of Victoria Park Animals, Environment and Nuisance Local Law 2014.

Amendments were also made to the Parking and Parking Facilities Amendment Local Law 2009 resulting in the endorsement of the Parking and Parking Facilities Amendment (General) Local Law 2013.

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

These regulations require reporting various offences by Council Members. Council Members must comply with their obligations under the *Local Government Act 1995* and subsidiary legislation. Complaints about Council Member conduct are to be made to the Complaints Officer, who at the Town is the Chief Executive Officer. In the 2013/14 Fiscal Year no complaints were received concerning Council Members and, therefore, no reports were necessary.

### Public Interest Disclosure

In accordance with the requirements of the *Public Interest Disclosure Act 2003* (the Act), the Town has procedures to make disclosures under the Act. These procedures aim to protect people from reprisals for making protected disclosures, and provide guidance on investigations. In the 2013/14 Fiscal Year no disclosures relating to improper conduct were made to the Town.

### Compliance Audit Return

All local governments are required to carry out an annual compliance audit for the period 1 January to 31 December as required by the Department of Local Government and Communities. The 2013 Compliance Audit Return was presented to Council on 11 February 2014. In all areas, the Town was 100% compliant. A certified copy of the return was submitted to the Director General of the Department of Local Government and Communities on 17 February 2014.

In addition to its statutory obligation, the Town conducts its own quarterly in-house Compliance Audits to ensure it complies with its regulatory requirements under the *Local Government Act 1995* (the Act).



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

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

### Freedom of Information

The Town of Victoria Park received and dealt with 16 Freedom of Information (FOI) applications for the 2013/14 year. The average processing time for these was 31 days, which is within the regulated timeframe. The Town's Information Statement outlines the FOI process and lists the types of documents available inside and outside of FOI.

### Records 2013/14

The Town of Victoria Park is committed to ensuring its records are kept safe and accessible in accordance with legislative requirements and best practice standards.

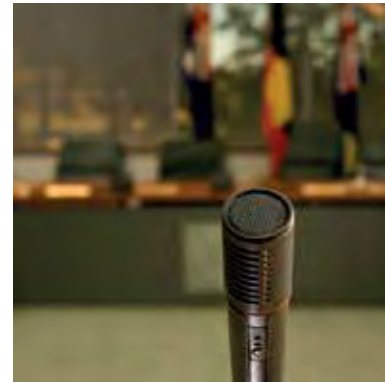
The Town's Record Keeping Plan (as required by the *State Records Act 2000*) was initially approved by the State Records Commission in 2004 and subsequently reviewed in 2009. The second review is currently being undertaken.

The Town successfully implemented a new centralised Electronic Document Records Management System (EDRMS) – TRIM – in November 2013. Conversion of the Town's corporate records from the redundant EDRMS to TRIM involved the transfer of more than 76,000 files and 400,000 individual records, including all the associated metadata.

TRIM allows for the centralised secure storage of all records created and received by the Town in the course of its business. New scanning software

has been implemented which also allows for optical character recognition to reduce manual processing times and improve system search capabilities. The TRIM system is integrated with other business systems ensuring records produced by these systems also are saved to TRIM. Records Services, in conjunction with all business units, is developing automation processes to improve service delivery and embed record keeping within business processes. Aligned with this, the Town will start a project to transfer all records to TRIM from the network drives, minimising the network drive size and ensuring all officers save the Town's records to one system.

Undertaking TRIM and record keeping awareness training is compulsory for all officers. Records Services offer individual training as required and small group training. Since TRIM was implemented in late 2013 a total of 147 officers have been trained to fully utilise the TRIM system.



Financial Report 2013-2014





**Town of Victoria Park  
Financial Report  
For the year ended 30 June 2014**

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

**Statement by the Chief Executive Officer**

The attached Financial Report of the Town of Victoria Park, being the Annual Financial Report and Supporting Notes and other information for the financial year ended 30 June 2014, are, in my opinion, properly drawn up to present fairly the financial position of the Town of Victoria Park at 30 June 2014 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the *Local Government Act 1995* and Regulations under the Act.

Signed as authorisation for issue on the 14<sup>th</sup> day of November 2014.



Anthony Vuleta  
Acting Chief Executive Officer

**Town of Victoria Park**  
**Statement of Comprehensive Income - By Nature and Type**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Revenue</b>				
Rates	24	31,210,742	31,088,000	28,549,608
Grants and Contributions - Operating	30	1,245,387	1,438,000	2,422,085
Fees and Charges	29	9,636,183	12,037,500	7,417,253
Service Charges		0	0	2,916,053
Interest Earnings	2	884,948	1,295,200	1,142,366
Other Revenue		1,174,285	295,700	1,229,939
		<b>44,151,545</b>	<b>46,154,400</b>	<b>43,677,304</b>
<b>Expenses</b>				
Employee Costs		(18,618,141)	(17,119,500)	(16,695,279)
Materials and Contracts		(16,531,582)	(19,537,200)	(18,648,751)
Utility Charges		(1,547,538)	(1,686,000)	(1,607,866)
Depreciation	2	(6,331,718)	(4,926,700)	(4,152,043)
Interest Expense	2	(813,153)	(840,000)	(692,843)
Insurance		(591,826)	(399,700)	(381,178)
Other Expense		(213,255)	(75,600)	(71,896)
		<b>(44,647,213)</b>	<b>(44,584,700)</b>	<b>(42,249,857)</b>
		<b>(495,668)</b>	<b>1,569,700</b>	<b>1,427,448</b>
<b>Grants and Contributions for Assets</b>				
Grants and Contributions - Non-Operating	30	1,721,102	2,086,700	406,307
		<b>1,721,102</b>	<b>2,086,700</b>	<b>406,307</b>
<b>Profit and Loss from Asset Disposal</b>				
Profit on Asset Disposal	21	1,027,659	25,900	896,086
Loss on Asset Disposal	21	(337,986)	(55,000)	(225,691)
		<b>689,673</b>	<b>(29,100)</b>	<b>670,395</b>
<b>Fair Value Adjustments</b>				
Loss on Revaluation		0	0	(7,751,878)
		<b>0</b>	<b>0</b>	<b>(7,751,878)</b>
<b>Changes in Equity</b>				
Joint Ventures		1,580,152	0	284,987
		<b>1,580,152</b>	<b>0</b>	<b>284,987</b>
<b>Net Result</b>				
		<b>3,495,259</b>	<b>3,627,300</b>	<b>(4,962,741)</b>
<b>Other Comprehensive Income</b>				
Non-Current Assets Revaluation Changes	14	162,074,851	0	154,403,488
		<b>162,074,851</b>	<b>0</b>	<b>154,403,488</b>
<b>Total Comprehensive Income</b>				
		<b>165,570,110</b>	<b>3,627,300</b>	<b>149,440,747</b>

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

**Town of Victoria Park**  
**Statement of Comprehensive Income - By Program**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Revenue</b>	2			
General Purpose Funding		32,882,731	33,579,300	30,845,178
Governance		6,654	1,000	945
Law, Order and Public Safety		2,041,674	4,466,700	666,619
Health		204,804	225,600	215,147
Education and Welfare		141,492	27,500	115,161
Community Amenities		1,515,322	905,800	921,509
Recreation and Culture		5,227,347	6,031,300	5,493,219
Transport		245,402	445,600	510,966
Economic Services		677,322	305,400	3,398,471
Other Property and Services		1,208,799	166,200	1,510,090
		<b>44,151,545</b>	<b>46,154,400</b>	<b>43,677,304</b>
<b>Expenses excluding Finance Costs</b>	2			
General Purpose Funding		(711,081)	(696,780)	(511,726)
Governance		(433,022)	(540,880)	(265,923)
Law, Order and Public Safety		(2,962,416)	(4,973,080)	(2,046,403)
Health		(1,563,770)	(1,496,910)	(1,395,474)
Education and Welfare		(1,019,292)	(1,047,680)	(1,064,387)
Community Amenities		(6,747,251)	(9,076,510)	(7,582,938)
Recreation and Culture		(16,535,652)	(17,403,890)	(15,556,139)
Transport		(7,949,572)	(7,845,780)	(8,174,780)
Economic Services		(1,539,263)	(1,472,080)	(4,736,637)
Other Property and Services		(4,372,740)	808,890	(222,606)
		<b>(43,834,060)</b>	<b>(43,744,700)</b>	<b>(41,557,014)</b>
<b>Finance Costs</b>	2			
Law, Order and Public Safety		(185,986)	(203,600)	(1,591)
Recreation and Culture		(323,896)	(420,100)	(355,985)
Economic Services		(89,818)	0	(103,500)
Other Property and Services		(213,453)	(216,300)	(231,767)
		<b>(813,153)</b>	<b>(840,000)</b>	<b>(692,843)</b>
<b>Grants and Contributions for Assets</b>				
Recreation and Culture		0	1,000,000	0
Transport		1,670,824	1,086,700	406,307
Other Property and Services		50,278		0
		<b>1,721,102</b>	<b>2,086,700</b>	<b>406,307</b>

**Town of Victoria Park**  
**Statement of Comprehensive Income - By Program (continued)**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Profit and Loss from Asset Disposal</b>				
Governance		0	0	(22,763)
Law, Order and Public Safety		0	(9,000)	(9,164)
Health		0	0	(203)
Community Amenities		0	3,600	(22,895)
Recreation and Culture		(301,523)	(3,200)	(6,000)
Transport		0	(14,200)	(33,858)
Economic Services		(8,108)	(2,600)	(28,016)
Other Property and Services		999,303	(3,700)	793,293
		<b>689,673</b>	<b>(29,100)</b>	<b>670,395</b>
<b>Changes in Joint Venture Operations</b>				
Community Amenities		1,580,152	0	284,987
		<b>1,580,152</b>	<b>0</b>	<b>284,987</b>
<b>Fair Value Adjustments</b>				
Recreation and Culture		0	0	(7,751,878)
		<b>0</b>	<b>0</b>	<b>(7,751,878)</b>
<b>Net Result</b>				
		<b>3,495,259</b>	<b>3,627,300</b>	<b>(4,962,742)</b>
<b>Other Comprehensive Income</b>				
Non-Current Assets Revaluation Changes	14	162,074,851	0	154,403,489
		<b>162,074,851</b>	<b>0</b>	<b>154,403,489</b>
<b>Total Comprehensive Income</b>				
		<b>165,570,110</b>	<b>3,627,300</b>	<b>149,440,747</b>

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

**Town of Victoria Park  
Statement of Financial Position  
As at 30 June 2014**

	Note	2014 Actual \$	2013 Actual \$
<b>Current Assets</b>			
Cash and Cash Equivalents	3	18,012,722	16,736,801
Trade and Other Receivables	5	2,305,490	4,469,342
Inventories	6	12,166	160,778
		<b>20,330,379</b>	<b>21,366,922</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables	5	1,526,991	755,772
Property, Plant and Equipment	7	204,483,550	207,291,827
Infrastructure	8	228,717,657	63,113,393
Other Financial Assets	18	6,589,697	5,009,546
		<b>441,317,895</b>	<b>276,170,537</b>
<b>Total Assets</b>		<b>461,648,274</b>	<b>297,537,458</b>
<b>Current Liabilities</b>			
Trade and Other Payables	10	2,770,119	3,226,865
Current Portion of Long Term Borrowings	11	1,932,237	1,626,640
Provisions	12	3,148,236	2,590,373
		<b>7,850,592</b>	<b>7,443,878</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	11	12,999,554	14,834,200
Provisions	12	276,643	308,006
		<b>13,276,197</b>	<b>15,142,206</b>
<b>Total Liabilities</b>		<b>21,126,789</b>	<b>22,586,084</b>
<b>Net Assets</b>		<b>440,521,484</b>	<b>274,951,374</b>
<b>Equity</b>			
Retained Surplus		97,874,652	96,667,012
Reserves - Cash Backed	13	7,037,619	4,750,000
Asset Revaluation Surplus	14	335,609,214	173,534,363
		<b>440,521,484</b>	<b>274,951,374</b>

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

## **1 Significant Accounting Policies**

The significant accounting policies that have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

### **(a) Basis of Preparation**

The financial report is a general purpose financial statement that has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

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

#### Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make 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.

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

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

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, 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 19 to these financial statements.

### **(c) Goods and Services Tax**

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 that are recoverable from, or payable to, the ATO are presented as operating cash flows.

### **(d) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand; cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

**Town of Victoria Park  
Statement of Changes in Equity  
For the year ended 30 June 2014**

	Retained Surplus	Reserves Cash Backed	Asset Revaluation Surplus	Total Equity
	\$	\$	\$	\$
<b>Prior Year Balance</b>				
Balance as at 1 July 2012	100,703,051	5,676,704	19,130,874	<b>125,510,629</b>
Net Result	(4,962,742)	0	0	<b>(4,962,742)</b>
Changes on Revaluation of Non-Current Assets	0	0	154,403,489	<b>154,403,489</b>
Transfer From / (To) Reserves	926,704	(926,704)	0	<b>0</b>
<b>Balance as at 30 June 2013</b>	<b>96,667,013</b>	<b>4,750,000</b>	<b>173,534,363</b>	<b>274,951,375</b>
<b>Current Year Balance</b>				
Balance as at 01 July 2013	96,667,013	4,750,000	173,534,363	<b>274,951,375</b>
Net Result	3,495,259	0	0	<b>3,495,259</b>
Changes on Revaluation of Non-Current Assets	0	0	162,074,851	<b>162,074,851</b>
Transfer From / (To) Reserves	(2,287,619)	2,287,619	0	<b>0</b>
<b>Balance as at 30 June 2014</b>	<b>97,874,653</b>	<b>7,037,619</b>	<b>335,609,214</b>	<b>440,521,486</b>

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

**Town of Victoria Park**  
**Statement of Cash Flows**  
For the year ended 30 June 2014

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Rates		31,210,742	31,300,000	28,549,608
Grants and Contributions - Operating		1,245,387	1,500,000	2,422,085
Fees and Charges		11,800,035	13,150,000	4,189,525
Service Charges		(832,041)	3,500,000	3,683,115
Interest Earnings		884,948	1,300,000	1,142,366
Goods and Services Tax		0	2,000,000	0
Other Revenue		1,235,106	41,100	37,919
		<b>45,544,178</b>	<b>52,791,100</b>	<b>40,024,618</b>
<b>Payments</b>				
Employee Costs		(18,091,641)	(17,300,000)	(16,270,119)
Materials and Contracts		(16,839,716)	(19,600,000)	(20,769,163)
Utility Charges		(1,547,538)	(1,700,000)	(1,607,866)
Interest Expense		(813,153)	(840,000)	(692,843)
Insurance		(591,826)	(400,000)	(381,178)
Goods and Services Tax		0	(2,000,000)	0
Other Expense		1,366,898	(80,000)	(71,896)
		<b>(36,516,977)</b>	<b>(41,920,000)</b>	<b>(39,793,067)</b>
<b>Net Cash Provided by Operating Activities</b>	15	<b>9,027,201</b>	<b>10,871,100</b>	<b>231,552</b>
<b>Cash Flows from Investing Activities</b>				
Equity Movements in Joint Ventures		(1,580,152)		0
Property, Plant and Equipment Payments		(1,925,385)	(7,768,900)	(3,773,709)
Infrastructure Payments		(6,258,112)	(8,963,000)	(4,349,322)
Grants and Contributions - Non-Operating		1,721,102	2,086,700	406,307
Sale of Assets Proceeds		1,820,318	1,899,000	1,450,465
<b>Net Cash Provided by / (Used in) Investing Activities</b>		<b>(6,222,229)</b>	<b>(12,746,200)</b>	<b>(6,266,260)</b>
<b>Cash Flows from Financing Activities</b>				
Debenture Repayments		(1,529,048)	(1,844,200)	(1,150,972)
New Debenture Proceeds		0	0	5,000,000
Reduction in Loan Liability		0	0	0
<b>Net Cash Provided by / (Used in) Financing Activities</b>		<b>(1,529,048)</b>	<b>(1,844,200)</b>	<b>3,849,028</b>
<b>Net Increase / (Decrease) in Cash Held</b>		1,275,924	(3,719,300)	(2,185,680)
<b>Cash at Beginning of Year</b>		16,736,801	13,340,100	18,922,481
<b>Cash and Cash Equivalents at End of Year</b>	15	<b>18,012,725</b>	<b>9,620,800</b>	<b>16,736,801</b>

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



**Town of Victoria Park**  
**Rate Setting Statement**  
For the year ended 30 June 2014

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Revenue</b>				
General Purpose Funding		1,671,989	2,491,300	2,295,570
Governance		6,654	1,000	945
Law, Order and Public Safety		2,041,674	4,466,700	666,619
Health		204,804	225,600	216,185
Education and Welfare		141,492	27,500	115,161
Community Amenities		1,515,322	909,400	922,022
Recreation and Culture		5,227,079	7,031,300	5,493,218
Transport		1,916,226	1,532,300	917,273
Economic Services		677,322	307,200	3,398,471
Other Property and Services		2,287,003	186,700	2,404,625
		<b>15,689,564</b>	<b>17,179,000</b>	<b>16,430,089</b>
<b>Expenses</b>				
General Purpose Funding		(711,081)	(696,780)	(511,726)
Governance		(433,022)	(540,880)	(288,686)
Law, Order and Public Safety		(3,148,402)	(5,185,680)	(9,809,036)
Health		(1,563,770)	(1,496,910)	(1,396,714)
Education and Welfare		(1,019,292)	(1,047,680)	(1,064,387)
Community Amenities		(6,747,251)	(9,076,510)	(7,321,358)
Recreation and Culture		(17,160,803)	(17,827,190)	(15,918,123)
Transport		(7,949,572)	(7,859,980)	(8,208,639)
Economic Services		(57,036)	(1,476,480)	(4,868,153)
Other Property and Services		(4,614,816)	568,590	(555,617)
		<b>(43,405,047)</b>	<b>(44,639,500)</b>	<b>(49,942,439)</b>
<b>Net Result Excluding Rates</b>		<b>(27,715,483)</b>	<b>(27,460,500)</b>	<b>(33,512,350)</b>
<b>Adjustment for Cash Budget Requirements</b>				
<b>Non-Cash Items</b>				
(Profit) / Loss on Asset Disposals	21	(689,673)	29,100	(670,395)
Loss on Revaluation		0	0	7,751,878
Depreciation on Assets	2	6,331,718	4,926,700	4,152,043
Movement In Joint Venture Equity		(1,580,152)	0	(284,987)
Movement in Non-Current Under Ground Power / Rates		(771,219)	0	(134,706)
Movement in Non-Current Leave Provision		(31,363)	0	(314,227)
		<b>3,259,311</b>	<b>4,955,800</b>	<b>10,499,605</b>

**Town of Victoria Park**  
**Rate Setting Statement (continued)**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Adjustment for Cash Budget Requirements</b>				
<b>Capital Expense and Revenue</b>				
Purchase Buildings		(574,564)	(2,409,400)	(1,968,097)
Purchase Furniture and Equipment		(658,667)	(4,178,000)	(1,163,409)
Purchase Plant and Machinery		(677,046)	(1,181,500)	(1,129,209)
Purchase Infrastructure - Roads		(1,865,520)	(2,604,200)	(1,971,080)
Purchase Infrastructure - Drainage		(478,929)	(467,100)	(258,689)
Purchase Infrastructure - Pathways		(631,899)	(1,300,000)	(647,226)
Purchase Infrastructure - Parks / Reserves		(956,183)	(2,774,000)	(657,371)
Purchase Infrastructure - Other		(2,340,692)	(1,817,700)	(618,201)
Proceeds from Disposal of Assets	21	1,820,318	1,899,000	1,450,465
Debenture Repayments	23	(1,529,048)	(1,844,200)	(1,150,972)
New Debenture Proceeds	23	0	0	5,000,000
Transfers to Reserves	13	(4,834,850)	(2,617,100)	(1,786,744)
Transfers from Reserves	13	2,547,231	100,000	2,713,448
		<b>(10,179,848)</b>	<b>(19,194,200)</b>	<b>(2,187,086)</b>
Add Surplus / (Deficit) July 1 B/Fwd	24	10,799,683	10,610,900	7,449,905
Less Surplus / (Deficit) June 30 C/Fwd	24	7,374,404	0	10,799,683
<b>Amount Required to be Raised from Rates</b>	24	<b>(31,210,742)</b>	<b>(31,088,000)</b>	<b>(28,549,608)</b>

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**1 Significant Accounting Policies**

**(e) Trade and Other Receivables**

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

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

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

**(f) Inventories**

*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 Resale*

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

Gains and losses are recognised in the statement of comprehensive income 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 resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**(g) Fixed Assets**

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

*Mandatory Requirement to Revalue Non-Current Assets*

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

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

(a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

## 1 Significant Accounting Policies

### (g) Fixed Assets

(b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government –

- (i) that are plant and equipment; and,
- (ii) that are –
  - (I) land and buildings; or
  - (II) infrastructure; and

(c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years. Notwithstanding the adjustments to the abovementioned Regulations, the Town of Victoria Park has commenced the process of adopting Fair Value that exceeds the requirements of the Regulations. The Town of Victoria Park has incorporated into these accounts, valuations for all Property, Plant and Equipment and Infrastructure.

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

#### *Land Under Control*

In accordance with Local Government (Financial Management) Regulation 16(a), the Council is required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance. Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note. Whilst they were initially recorded at cost, fair value at the date of acquisition was deemed cost as per AASB 116.

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

#### *Initial Recognition and Measurement between Mandatory Revaluation Dates*

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

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believed this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

#### *Revaluation*

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**1 Significant Accounting Policies**

**(g) Fixed Assets**

*Transitional Arrangements*

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes. Those assets carried at cost will be carried in accordance with the policy detailed in the *Initial Recognition* section as detailed. Those assets carried at fair value will be carried in accordance with the *Revaluation Methodology* section as detailed above

*Early Adoption of AASB 13 – Fair Value Measurement*

Whilst the new accounting standard in relation to Fair Value, AASB 13 – Fair Value Measurement only become applicable for the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology in the previous reporting period (year ended 30 June 2013) the Council chose to early adopt AASB 13 (as allowed for in the standard).

*Land Under Roads*

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

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

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

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

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

*Depreciation of Non-Current Assets*

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

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

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**1 Significant Accounting Policies**

**(g) Fixed Assets**

Gravel roads	
formation	not depreciated
pavement	1% - 4%
Formed Roads	
formation	Not depreciated
pavement	1% - 4%
Foot paths - slab	20 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 years

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

*Capitalisation Threshold*

Expenditure on items of equipment under \$2,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

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

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

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

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

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

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

## **1 Significant Accounting Policies**

### **(h) Fair Value of Assets and Liabilities**

#### *Fair Value Hierarchy*

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

#### Level 1

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

#### Level 2

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

#### Level 3

Measurements based on unobservable inputs for the asset or liability.

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

#### *Valuation techniques*

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

#### Market approach

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

#### Income approach

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

#### Cost approach

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**1 Significant Accounting Policies**

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

Valuation techniques

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

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

**(i) Intangible Assets**

*Easements*

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

**(j) Financial Instruments**

*Initial Recognition and Measurement*

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

Financial instruments are initially measured at fair value plus 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 cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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;
- (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; and
- (d) less any reduction for impairment.



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

## 1 Significant Accounting Policies

### (j) Financial Instruments

The effective interest method used is 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.

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current. They are subsequently measured at fair value with changes to carrying amount being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss. Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management 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.

(iv) *Available-for-sale financial assets*

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

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss. Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

(v) *Financial liabilities*

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**1 Significant Accounting Policies**

**(j) Financial Instruments**

*Impairment*

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired.

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 having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial instruments, 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.

*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 Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

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

**(k) Impairment**

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

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

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

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**(l) Trade and Other Payables**

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

## **1 Significant Accounting Policies**

### **(m) Employee Benefits**

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

### **(n) Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

### **(o) Provisions**

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

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

### **(p) Leases**

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

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

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

### **(q) Investments in Associates**

Associates are entities in which the Council has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Council. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associate entity. In addition, the Council's share of the profit or loss of the associate entity is included in the Council's profit or loss. The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition, whereby the Council's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**1 Significant Accounting Policies**

**(r) Joint Venture**

The Council's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the appropriate line items of the financial statement. Information about the joint venture is set out in Note 18.

The Council's interests in joint venture entities are recorded using the equity method of accounting. Where the Council contributes assets to the joint venture or if the Council purchases assets from the joint venture, only the portion of the gain or loss that is not attributable to the Council's share of the joint venture shall be recognised. The Council recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

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

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

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

**(t) Superannuation**

The Council contributes to a number of Superannuation Funds on behalf of employees.

All funds to which the Council contributes are defined contribution plans.

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

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

**(v) Rounding Off Figures**

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

**(w) Comparative Figures**

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year. When the Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest period will be disclosed.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

## 1 Significant Accounting Policies

### (x) 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.

### (y) Events after Reporting Date

On the 22 October 2014, the State Government of Western Australia announced the amalgamation of the Town of Victoria Park and the City of South Perth effective from 01 July 2015. The impact on the Town of Victoria Park has not yet been quantified.

### (z) 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 Council.

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

#### AASB 9 – Financial Instruments

**Issued:** December 2013

**Applicable:** 1 January 2017

**Impact:** Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.

#### AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]

**Issued:** December 2013

**Applicable:** 1 January 2017

**Impact:** Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).

#### AASB 2011 – 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [Not-For-Profit entities][AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 131, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]

**Issued:** December 2012

**Applicable:** 1 January 2014

**Impact:** Consequential changes to various standards arising from the issuance of AASB 10, 11, 12, 127 and 128. It is not expected to have a significant impact on Council.

#### AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]

**Issued:** June 2012

**Applicable:** 1 January 2014

**Impact:** This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. This Standard is not expected to significantly impact the Council's financial statements.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**1 Significant Accounting Policies**

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

AASB 2013-3: Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets

**Issued:** June 2013  
**Applicable:** 1 January 2014  
**Impact:** This standard makes amendments to AASB 136 and includes requirements to disclose additional information when present value techniques are used to measure the recoverable amount of impaired assets.

AASB 2013-8: Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities

**Issued:** October 2013  
**Applicable:** 1 January 2014  
**Impact:** This standard adds Appendix E to AASB 10 to provide implementation guidance for Not-for-Profit entities regarding control criteria from the perspective of not-for-profit entities. It is not expected to have a significant impact on Council.

AASB 2013-9: Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 December 2013; Part B Materiality – 1 January 2014; Part C Financial Instruments – 1 January 2015]

**Issued:** December 2013  
**Applicable:** Refer Title column  
**Impact:** Part A of this standard makes various editorial corrections to Australian Accounting Standards. Part B of this standard deletes references to AASB 1031 in various Australian Accounting Standards in advance of the withdrawal of AASB 1031. Part C of this standard makes consequential amendments to AASB 9 and numerous other standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value. As the bulk of changes related either to editorial or reference changes it is not expected to have a significant impact on Council.

Notes:

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

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

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

AASB 10	AASB 128	AASB 2012-2
AASB 11	AASB 2011-7	AASB 2012-3
AASB 12	AASB 2011-9	AASB 2012-5
AASB 119	AASB 2011-10	AASB 2012-10
AASB 127		

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**2 Revenue and Expenses**

**(a) Statement of Objective**

The Town's operations, as disclosed in this document, encompass the following service activities-

*General Purpose Funding*

This activity includes rates, statutory grants and interest on investments and is the main area for revenue collection to allow for the provision of other services.

*Governance*

This includes the administration and operation of facilities and services to the elected members of Council. It also includes civic receptions, citizenship ceremonies, and the research, development and preparation of policy documentation.

*Law, Order and Public Safety*

This area includes the administration and operation of Ranger services and animal control services.

*Health*

This activity includes services such as health inspections, pest control, and noise control.

*Education and Welfare*

This area includes the senior citizens' centres, disability services and other community development activities such as seniors, youth, volunteers and indigenous support.

*Community Amenities*

This includes town planning and regional development services, protection of the environment, refuse collection and disposal, provision of public toilets, bus shelters and street furniture.

*Recreation and Culture*

This includes the provision of public buildings, libraries, aquatic facilities, community events, cultural activities, indoor and outdoor sporting complexes, parks and gardens and playgrounds.

*Transport*

This area includes the maintenance and construction of roads, drains, pathways, crossovers and traffic calming devices, plus street lighting and cleaning, road signs and parking areas.

*Economic Services*

This includes building control, private swimming pool inspections, tourism and economic development.

*Other Property and Services*

This area includes public works overheads and the purchase and maintenance of engineering plant and equipment.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	Note	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>2 Revenues and Expenses</b>				
<b>(b) Net Result</b>				
The Net Result includes -				
<b><u>Charging as an Expense</u></b>				
<b>Auditor's Remuneration</b>				
Audit of Financial Statements		19,220	20,000	19,000
Audit - Projects		3,900	0	0
		<b>23,120</b>	<b>20,000</b>	<b>19,000</b>
<b>Bad and Doubtful Debts</b>				
Write Off - Building		9	0	0
Write Off - Finance		7,002	0	5,784
Write Off - Parking Management		62,590	32,496	34,908
Write Off - Regulatory Services		4,652	32,496	2,061
Write Off - Street Operations		101	0	2,184
		<b>74,354</b>	<b>64,992</b>	<b>44,936</b>
<b>Depreciation</b>				
Buildings		2,370,203	792,300	941,148
Furniture and Equipment		578,732	252,800	427,793
Plant and Machinery		654,084	390,000	593,116
Roads		1,138,189	1,651,800	936,382
Drainage		239,571	61,500	166,719
Pathways		521,487	355,000	353,357
Parks / Reserves		504,328	907,700	507,908
Other Infrastructure		325,125	515,600	225,620
		<b>6,331,718</b>	<b>4,926,700</b>	<b>4,152,043</b>
<b>Interest Expense</b>				
Debentures	22	813,153	840,000	692,843
		<b>813,153</b>	<b>840,000</b>	<b>692,843</b>
<b><u>Crediting as Revenue</u></b>				
<b>Interest Earnings</b>				
Investments - Reserve Funds		35,637	153,000	197,223
Investments - Other Funds		516,252	876,700	648,766
Other Interest Revenue	27	333,058	265,500	296,377
		<b>884,948</b>	<b>1,295,200</b>	<b>1,142,366</b>



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenues and Expenses</b>		
<b>(c) Conditions over Contributions</b>		
<b>Contributions recognised as revenues in a previous reporting period that were not expended at the close of that period (in the manner required as per the terms of the contribution)</b>		
<b>Education and Welfare</b>		
Digital Local Government Initiative (NBN)	0	243,750
Digital Enterprise Initiative (NBN)	0	124,145
Digital Hub Initiative (NBN)	0	209,751
	<b>0</b>	<b>577,646</b>
 <b>Grants recognised as revenues in a previous reporting period that were expended in the current reporting period (in the manner required as per the terms of the contribution)</b>		
<b>Education and Welfare</b>		
Digital Local Government Initiative (NBN)	0	243,750
Digital Enterprise Initiative (NBN)	0	124,145
Digital Hub Initiative (NBN)	0	209,751
	<b>0</b>	<b>577,646</b>
	<b>0</b>	<b>0</b>
<b>Closing Balance of Unspent Contributions</b>	<b>0</b>	<b>0</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>3 Cash and Cash Equivalents</b>		
<b>Unrestricted</b>	8,900,103	6,986,801
<b>Restricted</b>	9,112,619	9,750,000
	<b>18,012,722</b>	<b>16,736,801</b>

The following funds have restrictions on them imposed by regulations or other externally imposed requirements -

**Reserves**

Alternative Transport Modes	0	10,000
Buildings Renewal	20,000	80,000
Community Art	738,880	650,000
Drainage Renewal	5,000	15,000
Edward Millen Reserve	1,050,000	1,130,000
Furniture and Equipment Renewal	70,000	0
Future Fund	1,644,050	540,000
Future Projects	1,530,000	0
Harold Hawthorne - Carlisle Memorial	15,000	10,000
Hubert Street Car Park Improvement	0	145,000
Information Technology	0	85,000
Infrastructure Improvement	0	35,000
Land Acquisition - Road Widening	0	155,000
Leisure Facilities	0	215,000
Lt Col Christian Garden Competition	0	30,000
Mayor Emergency Relief	0	5,000
Other Infrastructure Renewal	200,000	0
Parks Renewal	60,000	0
Pathways Renewal	10,000	0
Peninsula Infrastructure	0	120,000
Plant and Machinery	50,000	60,000
Public Open Space Development	0	110,000
Renewable Energy	65,000	0
Right-Of-Way Construction	0	30,000
Roads Renewal	200,000	0
Underground Power	779,689	625,000
Waste Management	600,000	500,000
Westminster Parking	0	200,000
	<b>7,037,619</b>	<b>4,750,000</b>
<b>Restricted Funds</b>		
Unspent Loans	2,075,000	5,000,000
	<b>2,075,000</b>	<b>5,000,000</b>
<b>Total Reserves and Restricted Cash and Cash Equivalents</b>	<b>9,112,619</b>	<b>9,750,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>

**4 Investments**

No financial assets were held in the form of investments at 30 June for each of the reporting periods.

**5 Trade and Other Receivables**

**Current**

Accrued Revenue	6,919	3,005,808
Current Rates Debtors	422,993	362,331
Current ESL Debtors	34,944	93,608
Infringements	757,785	405,053
Sundry Debtors	613,868	591,955
Prepayments	412,214	0
Current Underground Power	51,947	10,588
Unclaimed Pensioner Rates Rebate	357	0
Unclaimed ESL Rates Rebate	4,464	0
Underground Power Rebate	0	0
	<b>2,305,490</b>	<b>4,469,342</b>

**Non-Current**

Non-Current Rates Debtors	168,780	178,534
Non-Current ESL Debtors	19,403	24,919
Non-Current Underground Power	1,338,808	552,319
	<b>1,526,991</b>	<b>755,772</b>

**6 Inventories**

**Current**

Leisurelife	3,531	8,308
Aqualife	2,892	8,888
Land Held For Resale	5,743	143,582
	<b>12,166</b>	<b>160,778</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2013 Actual \$
<b>7 Property, Plant and Equipment</b>		
<b>Land</b>		
Independent Valuation 2014	137,264,500	137,264,500
Disposal	(881,000)	0
	<b>136,383,500</b>	<b>137,264,500</b>
<b>Buildings</b>		
Independent Valuation 2014	64,596,200	64,596,200
Additions / At Cost	425,137	0
Less Accumulated Depreciation	(2,370,203)	0
Work in Progress	423,728	274,301
	<b>63,074,862</b>	<b>64,870,501</b>
<b>Plant and Machinery</b>		
Management Valuation	2,908,500	2,908,500
Additions / At Cost	411,611	0
Less Accumulated Depreciation	(584,394)	0
	<b>2,735,717</b>	<b>2,908,500</b>
<b>Furniture and Equipment</b>		
Management Valuation	1,744,740	1,744,740
Additions / At Cost	779,395	0
Less Accumulated Depreciation	(578,732)	0
Work in Progress	344,068	503,586
	<b>2,289,471</b>	<b>2,248,326</b>
	<b>204,483,550</b>	<b>207,291,827</b>

**Movements in Carrying Amounts**

	Land (Level 2)	Land (Level 3)	Buildings (Level 3)	Plant and Machinery (Level 2)	Furniture and Equipment (Level 2)	Total
<b>Input Level Particulars</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Beginning Balance	37,638,000	99,626,500	64,870,501	2,908,500	2,248,326	<b>207,291,827</b>
Additions	0	0	574,564	677,046	658,667	<b>1,910,277</b>
Disposals	(881,000)	0	0	(249,644)	0	<b>(1,130,644)</b>
Asset reclassification	0	0	0	53,899	(38,791)	<b>15,108</b>
Depreciation Expense	0	0	(2,370,203)	(654,084)	(578,732)	<b>(3,603,019)</b>
Impairment Loss		0	0			<b>0</b>
Revaluation Net Movement		0	0	0	0	<b>0</b>
<b>Sub Total</b>	<b>36,757,000</b>	<b>99,626,500</b>	<b>63,074,862</b>	<b>2,735,717</b>	<b>2,289,471</b>	<b>204,483,550</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>8 Infrastructure</b>		
<b>Roads</b>		
Independent Valuation 2014	143,610,599	0
Additions / At Cost	0	70,209,834
Less Accumulated Depreciation	0	(29,525,907)
Work in Progress	710,788	32,675
	<b>144,321,387</b>	<b>40,716,601</b>
<b>Pathways</b>		
Independent Valuation 2014	32,825,687	0
Additions / At Cost	0	15,032,991
Less Accumulated Depreciation	0	(7,959,280)
Work in Progress	264,891	162,537
	<b>33,090,578</b>	<b>7,236,248</b>
<b>Drainage</b>		
Independent Valuation 2014	33,893,648	0
Additions / At Cost	0	12,121,856
Less Accumulated Depreciation	0	(7,332,992)
Work in Progress	15,844	2,685
	<b>33,909,492</b>	<b>4,791,549</b>
<b>Parks / Reserves</b>		
Independent Valuation 2014	4,952,150	4,952,150
Additions / At Cost	562,534	0
Less Accumulated Depreciation	(504,327)	0
Work in Progress	756,253	362,679
	<b>5,766,610</b>	<b>5,314,829</b>
<b>Other Assets</b>		
Independent Valuation 2014	9,385,978	0
Additions / At Cost	0	7,303,489
Less Accumulated Depreciation	0	(2,607,097)
Work in Progress	2,243,613	357,773
	<b>11,629,591</b>	<b>5,054,165</b>
<b>Total Infrastructure</b>	<b>228,717,657</b>	<b>63,113,393</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**8 Infrastructure**

**Movements in Carrying Amounts**

	Roads	Pathways	Drainage	Parks / Reserves	Other Assets	Total
Input Level	(Level 3)	(Level 3)	(Level 3)	(Level 3)	(Level 3)	
Particulars	\$	\$	\$	\$	\$	\$
Beginning Balance	40,716,601	7,236,248	4,791,549	5,314,829	5,054,165	<b>63,113,393</b>
Additions	1,865,520	631,899	478,929	956,183	2,340,692	<b>6,273,222</b>
Asset reclassification	0	0	0	(75)	(15,035)	<b>(15,110)</b>
Depreciation Expense	(1,138,189)	(521,487)	(239,571)	(504,328)	(325,125)	<b>(2,728,699)</b>
Impairment Loss	0	0	0		0	<b>0</b>
Revaluation Net Movement	102,877,455	25,743,919	28,878,585	0	4,574,892	<b>162,074,851</b>
<b>Sub Total</b>	<b>144,321,387</b>	<b>33,090,578</b>	<b>33,909,492</b>	<b>5,766,610</b>	<b>11,629,590</b>	<b>228,717,657</b>

**Property, Plant and Equipment and Infrastructure Revaluation**

The Town's Roads, Pathways, Drainage and Other Assets were revalued at 30 June 2014 by Independent valuers.

All valuations were made based on the basis of observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use.

The revaluation resulted in the following -

<u>Increase</u>		\$
Roads		102,877,455
Pathways		25,743,919
Drainage		28,878,585
Other Assets		4,574,892
		<u><b>162,074,851</b></u>

Increases were credited to the revaluation surplus in the Town's equity and recognised as Non-Current Assets Revaluation Changes in the Statement of Comprehensive Income.

Decreases were debited to Loss on Revaluation and recognised as Fair Value Adjustments in the Statement of Comprehensive Income.

**9 Intangibles**

The Town did not hold any recognised intangible assets as at 30 June.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>10 Trade and Other Payables</b>		
<b>Current</b>		
Payroll	142,190	185,110
Revenue Liability	278,283	239,417
ESL Liability	(80,034)	(53,462)
Trade Creditors	1,762,575	2,395,704
Payables	475,550	356,284
Accrued Expense	191,555	103,813
	<b>2,770,119</b>	<b>3,226,866</b>

**11 Long-Term Borrowings**

<b>Current</b>		
Debentures	1,932,237	1,626,640
	<b>1,932,237</b>	<b>1,626,640</b>
<b>Non-Current</b>		
Debentures	12,999,554	14,834,200
	<b>12,999,554</b>	<b>14,834,200</b>
<b>Total</b>	<b>14,931,792</b>	<b>16,460,840</b>

**12 Provisions**

<b>Current</b>		
Annual Leave Provision	1,688,359	1,398,784
Sick Leave Provision	442,351	383,384
Long Service Leave Provision	1,017,526	808,205
	<b>3,148,236</b>	<b>2,590,373</b>
<b>Non-Current</b>		
Sick Leave Provision	41,450	19,302
Long Service Leave Provision	235,192	288,703
	<b>276,643</b>	<b>308,006</b>

	<b>Annual Leave Provision</b>	<b>Sick Leave Provision</b>	<b>Long Service Leave Provision</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening Balance 1 July 2013	1,398,784	402,686	1,096,908
Additional Provisions	385,106	143,178	262,960
Amounts used	(99,421)	(63,510)	(109,806)
Movement in discounted rates	3,890	1,446	2,656
<b>Balance at 30 June 2014</b>	<b>1,688,359</b>	<b>483,801</b>	<b>1,252,718</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

2014 Actual \$	2014 Budget \$	2013 Actual \$
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**3 Reserves - Cash Backed**

In relation to each Reserve account, the purposes for which funds are set aside, and supported by money held in institutions, are -

**Alternative Transport Modes**

*To be used to assist fund projects that are associated with alternative modes of transport.*

Opening Balance	10,000	0	0
Transfer to Reserve - Municipal Funds	0	0	10,000
Transfer to Reserve - Interest Earnings	0	0	0
Transfer from Reserve	(10,000)	0	0
	<b>0</b>	<b>0</b>	<b>10,000</b>

**Building Renewal**

*To provide funds to assist with acquisition, construction, upgrading or replacement of buildings in the Town.*

Opening Balance	80,000	90,200	57,435
Transfer to Reserve - Municipal Funds	65,000	75,000	20,111
Transfer to Reserve - Interest Earnings	597	2,700	2,454
Transfer from Reserve	(125,597)	0	0
	<b>20,000</b>	<b>167,900</b>	<b>80,000</b>

**Community Art**

*To provide funds to assist with the purchase and placement of art for the Council and Community.*

Opening Balance	650,000	648,000	405,669
Transfer to Reserve - Municipal Funds	150,000	150,000	226,820
Transfer to Reserve - Interest Earnings	4,880	19,400	17,511
Transfer from Reserve	(66,000)	0	0
	<b>738,880</b>	<b>817,400</b>	<b>650,000</b>

**Drainage Renewal**

*To provide funds to assist with the provision, upgrade, replacement or general improvement of drainage in the Town.*

Opening Balance	15,000	13,500	10,944
Transfer to Reserve - Municipal Funds	0	0	3,673
Transfer to Reserve - Interest Earnings	114	400	382
Transfer from Reserve	(10,114)	0	0
	<b>5,000</b>	<b>13,900</b>	<b>15,000</b>



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Edward Millen Reserve</b>			
<i>To be used to assist in improving and / or maintaining the Edward Millen site, including the associated grounds.</i>			
Opening Balance	1,130,000	1,172,200	970,154
Transfer to Reserve - Municipal Funds	50,001	50,000	131,326
Transfer to Reserve - Interest Earnings	8,481	35,100	28,521
Transfer from Reserve	(138,482)	(100,000)	0
	<b>1,050,000</b>	<b>1,157,300</b>	<b>1,130,000</b>
<b>Furniture and Equipment Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Furniture and Equipment assets</i>			
Opening Balance	0	91,900	0
Transfer to Reserve - Municipal Funds	131,801	446,800	0
Transfer to Reserve - Interest Earnings	639	2,700	0
Transfer from Reserve	(62,440)	0	0
	<b>70,000</b>	<b>541,400</b>	<b>0</b>
<b>Future Fund</b>			
<i>To assist in funding projects and property purchases that diversify Council's revenue streams.</i>			
Opening Balance	540,000	556,700	0
Transfer to Reserve - Municipal Funds	1,100,001	1,100,000	540,000
Transfer to Reserve - Interest Earnings	4,049	16,700	0
Transfer from Reserve	0	0	0
	<b>1,644,050</b>	<b>1,673,400</b>	<b>540,000</b>
<b>Future Projects</b>			
<i>To assist in funding 'new' and 'upgrade' capital projects, with funding primarily derived from the sale of land assets.</i>			
Opening Balance	0	0	0
Transfer to Reserve - Municipal Funds	1,530,000	0	0
Transfer to Reserve - Interest Earnings	0	0	0
Transfer from Reserve	0	0	0
	<b>1,530,000</b>	<b>0</b>	<b>0</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

2014	2014	2013
Actual	Budget	Actual
\$	\$	\$

**13 Reserves - Cash Backed**

**Harold Hawthorne - Carlisle Memorial**

*To assist in the replacement of major appliances / equipment and any structural repairs to these Council-responsibility facilities.*

Opening Balance	10,000	12,500	4,352
Transfer to Reserve - Municipal Funds	10,000	10,000	5,452
Transfer to Reserve - Interest Earnings	78	300	197
Transfer from Reserve	(5,078)	0	0
	<b>15,000</b>	<b>22,800</b>	<b>10,000</b>

**Hubert Street Car Park Improvement**

*To be used to assist in the upgrading of the Hubert Street Car Park facility.*

Opening Balance	145,000	0	137,354
Transfer to Reserve - Municipal Funds	0	0	1,434
Transfer to Reserve - Interest Earnings	0	0	6,212
Transfer from Reserve	(145,000)	0	0
	<b>0</b>	<b>0</b>	<b>145,000</b>

**Information Technology**

*To be used to assist in the purchase, upgrade or replacement of computer software or hardware.*

Opening Balance	85,000	0	73,983
Transfer to Reserve - Municipal Funds	0	0	9,131
Transfer to Reserve - Interest Earnings	0	0	1,886
Transfer from Reserve	(85,000)	0	0
	<b>0</b>	<b>0</b>	<b>85,000</b>

**Infrastructure Improvement**

*To assist in the provision, upgrade, replacement or overall improvement of infrastructure within Town road reserves.*

Opening Balance	35,000	0	33,975
Transfer to Reserve - Municipal Funds	0	0	833
Transfer to Reserve - Interest Earnings	0	0	192
Transfer from Reserve	(35,000)	0	0
	<b>0</b>	<b>0</b>	<b>35,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Land Acquisition - Road Widening</b>			
<i>To be used to assist in the purchase of property and / or land required for the extension or widening of road reserves.</i>			
Opening Balance	155,000	0	146,419
Transfer to Reserve - Municipal Funds	0	0	1,897
Transfer to Reserve - Interest Earnings	0	0	6,684
Transfer from Reserve	(155,000)	0	0
	<b>0</b>	<b>0</b>	<b>155,000</b>
<b>Lathlain Park Study</b>			
<i>To be used to assist in the future investigation of alternative uses for Lathlain Park</i>			
Opening Balance	0	0	86,889
Transfer to Reserve - Municipal Funds	0	0	0
Transfer to Reserve - Interest Earnings	0	0	1,950
Transfer from Reserve	0	0	(88,839)
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Leisure Facilities</b>			
<i>To be used to assist in the upgrade and development of the Aqualife and Leisurelife Centres, including major plant replacement.</i>			
Opening Balance	215,000	0	202,818
Transfer to Reserve - Municipal Funds	0	0	4,972
Transfer to Reserve - Interest Earnings	0	0	7,211
Transfer from Reserve	(215,000)	0	0
	<b>0</b>	<b>0</b>	<b>215,000</b>
<b>Lt Col Christian Garden Competition</b>			
<i>To be used to provide funds to assist in conducting future Spring Garden Competitions.</i>			
Opening Balance	30,000	30,400	27,026
Transfer to Reserve - Municipal Funds	0	5,000	1,752
Transfer to Reserve - Interest Earnings	227	900	1,222
Transfer from Reserve	(30,227)	0	0
	<b>0</b>	<b>36,300</b>	<b>30,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Mayor Emergency Relief</b>			
<i>To be used to provide financial assistance to areas within Western Australia that have been subjected to natural disaster.</i>			
Opening Balance	5,000	1,900	1,652
Transfer to Reserve - Municipal Funds	1	5,000	3,287
Transfer to Reserve - Interest Earnings	36	0	61
Transfer from Reserve	(5,037)	0	0
	<b>0</b>	<b>6,900</b>	<b>5,000</b>
<b>Other Infrastructure Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Other infrastructure</i>			
Opening Balance	0	178,800	0
Transfer to Reserve - Municipal Funds	595,000	0	0
Transfer to Reserve - Interest Earnings	2,586	5,300	0
Transfer from Reserve	(397,586)	0	0
	<b>200,000</b>	<b>184,100</b>	<b>0</b>
<b>Parks Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Parks infrastructure</i>			
Opening Balance	0	140,700	0
Transfer to Reserve - Municipal Funds	110,001	0	0
Transfer to Reserve - Interest Earnings	824	4,200	0
Transfer from Reserve	(50,825)	0	0
	<b>60,000</b>	<b>144,900</b>	<b>0</b>
<b>Pathways Renewal</b>			
<i>To be used to fund renewal projects associated with Council's Pathways infrastructure</i>			
Opening Balance	0	500	0
Transfer to Reserve - Municipal Funds	22,500	12,500	0
Transfer to Reserve - Interest Earnings	78	0	0
Transfer from Reserve	(12,578)	0	0
	<b>10,000</b>	<b>13,000</b>	<b>0</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Peninsula Infrastructure</b>			
<i>To assist in the replacement of infrastructure and ongoing maintenance to public areas within the Burswood Peninsula area.</i>			
Opening Balance	120,000	140,800	12,527
Transfer to Reserve - Municipal Funds	1	70,000	107,153
Transfer to Reserve - Interest Earnings	902	4,200	319
Transfer from Reserve	(120,903)	0	0
	<b>0</b>	<b>215,000</b>	<b>120,000</b>
<b>Plant and Machinery</b>			
<i>To be used to assist in the acquisition and replacement of the Town's plant and machinery.</i>			
Opening Balance	60,000	281,000	40,211
Transfer to Reserve - Municipal Funds	231,061	14,000	17,971
Transfer to Reserve - Interest Earnings	0	8,400	1,819
Transfer from Reserve	(241,061)	0	0
	<b>50,000</b>	<b>303,400</b>	<b>60,000</b>
<b>Public Open Space Development</b>			
<i>To assist in the acquisition and development of land for additional open space, as well as the development of existing open space.</i>			
Opening Balance	110,000	0	191,471
Transfer to Reserve - Municipal Funds	0	0	0
Transfer to Reserve - Interest Earnings	0	0	8,862
Transfer from Reserve	(110,000)	0	(90,333)
	<b>0</b>	<b>0</b>	<b>110,000</b>
<b>Renewable Energy</b>			
<i>To assist in investigating and funding renewable energy projects within the District</i>			
Opening Balance	0	0	0
Transfer to Reserve - Municipal Funds	65,000	65,000	0
Transfer to Reserve - Interest Earnings	0	0	0
Transfer from Reserve	0	0	0
	<b>65,000</b>	<b>65,000</b>	<b>0</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

2014	2014	2013
Actual	Budget	Actual
\$	\$	\$

**13 Reserves - Cash Backed**

**Right-Of-Way Construction**

*To assist in the provision and construction of sealed right-of-ways throughout the Town.*

Opening Balance	30,000	0	26,708
Transfer to Reserve - Municipal Funds	0	0	2,876
Transfer to Reserve - Interest Earnings	0	0	416
Transfer from Reserve	(30,000)	0	0
	<b>0</b>	<b>0</b>	<b>30,000</b>

**Roads Renewal**

*To be used to fund renewal projects associated with Council's Roads Infrastructure*

Opening Balance	0	226,400	0
Transfer to Reserve - Municipal Funds	390,904	50,000	0
Transfer to Reserve - Interest Earnings	1,648	6,700	0
Transfer from Reserve	(192,552)	0	0
	<b>200,000</b>	<b>283,100</b>	<b>0</b>

**Underground Power**

*To assist in the funding of projects associated with the installation of underground power and associated landscaping.*

Opening Balance	625,000	1,023,600	3,056,531
Transfer to Reserve - Municipal Funds	150,001	160,800	40
Transfer to Reserve - Interest Earnings	4,688	30,700	102,705
Transfer from Reserve	0	0	(2,534,276)
	<b>779,689</b>	<b>1,215,100</b>	<b>625,000</b>

**Waste Management**

*To assist in the funding of waste management and waste minimisation initiatives.*

Opening Balance	500,000	511,800	0
Transfer to Reserve - Municipal Funds	200,000	250,000	500,000
Transfer to Reserve - Interest Earnings	3,751	15,300	0
Transfer from Reserve	(103,751)	0	0
	<b>600,000</b>	<b>777,100</b>	<b>500,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>13 Reserves - Cash Backed</b>			
<b>Westminster Parking</b>			
<i>To be used to assist in the conversion of the sump in Westminster Street near Albany Highway into parking.</i>			
Opening Balance	200,000	0	190,586
Transfer to Reserve - Municipal Funds	0	0	795
Transfer to Reserve - Interest Earnings	0	0	8,619
Transfer from Reserve	(200,000)	0	0
	<b>0</b>	<b>0</b>	<b>200,000</b>
<b>Total Reserves</b>			
<b>Opening Balance</b>	4,750,000	5,120,900	5,676,704
<b>Transfer to Reserve - Municipal Funds</b>	4,801,273	2,464,100	1,589,520
<b>Transfer to Reserve - Interest Earnings</b>	33,577	153,000	197,223
<b>Transfer from Reserve</b>	(2,547,231)	(100,000)	(2,713,448)
<b>Closing Balance</b>	<b>7,037,619</b>	<b>7,638,000</b>	<b>4,750,000</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>14 Reserves - Asset Revaluation</b>		
Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:		
<b>Land</b>		
Opening Balance	121,123,806	0
Revaluation Increment	0	121,123,806
<b>Closing Balance</b>	<b>121,123,806</b>	<b>121,123,806</b>
<b>Buildings</b>		
Opening Balance	33,279,682	0
Revaluation Increment	0	33,279,682
<b>Closing Balance</b>	<b>33,279,682</b>	<b>33,279,682</b>
<b>Roads</b>		
Opening Balance	19,130,874	19,130,874
Revaluation Increment	102,877,455	0
<b>Closing Balance</b>	<b>122,008,329</b>	<b>19,130,874</b>
<b>Pathways</b>		
Opening Balance	0	0
Revaluation Increment	25,743,919	0
<b>Closing Balance</b>	<b>25,743,919</b>	<b>0</b>
<b>Drainage</b>		
Opening Balance	0	0
Revaluation Increment	28,878,585	0
<b>Closing Balance</b>	<b>28,878,585</b>	<b>0</b>
<b>Other Assets</b>		
Opening Balance	0	0
Revaluation Increment	4,574,892	0
<b>Closing Balance</b>	<b>4,574,892</b>	<b>0</b>
<b>Total Asset Revaluation Surplus</b>	<b>335,609,214</b>	<b>173,534,363</b>



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014	2013
	Actual	Actual
	\$	\$

**15 Notes to the Statement of Cash Flows**

**(a) 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 -

Cash and Cash Equivalents	18,012,722	16,736,801
	<b>18,012,722</b>	<b>16,736,801</b>

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

Net Result	3,495,258	(4,962,742)
Depreciation	6,331,718	4,152,043
(Profit) / Loss on Sale of Asset	(689,673)	(670,395)
(Increase) / Decrease in Receivables	1,392,633	(2,460,665)
(Increase) / Decrease in Other Financial Assets		(1,477,008)
(Increase) / Decrease in Inventories	148,612	(142,781)
Increase / (Decrease) in Payables	(456,746)	(1,977,631)
Increase / (Decrease) in Employee Provisions	526,500	425,160
Loss on Fair Value Adjustment	0	7,751,878
Grants and Contributions for Asset Development	(1,721,102)	(406,307)
<b>Net Cash from Operating Activities</b>	<b>9,027,200</b>	<b>231,552</b>

**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank Overdraft Limit	200,000	200,000
Bank Overdraft at Balance Date	0	0
Credit Card Limit	20,000	20,000
Credit Card at Balance Date	(1,891)	0
<b>Total Amount of Credit Unused</b>	<b>218,109</b>	<b>220,000</b>

**Loan Facilities**

Loan Facilities - Current	1,932,237	1,626,640
Loan Facilities - Non-Current	12,999,554	14,834,200
<b>Total Facilities in Use at Balance Date</b>	<b>14,931,792</b>	<b>16,460,840</b>

**Unused Loan Facilities at Balance Date**

	<b>2,075,000</b>	<b>0</b>
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**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**16 Contingent Liabilities**

On 15 August 2006, the Town of Victoria Park agreed to sign a Deed of Guarantee to satisfy the financial security requirements relating to the tender that was under review by the Mindarie Regional Council for the construction of a Resource Recovery Facility at Neerabup. The Town's maximum exposure under the Deed of Guarantee is \$7.33 million. The Deed of Guarantee will only crystallise if -

- a. Mindarie Regional Council is unable to meet payments that creates a default under the Resource Recovery Facility Agreement (RRFA)
- b. There is a *Force Majeure* event.

*Force Majeure* events will be limited due to insurance and can be narrowed down to the following -

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

**17 Capital Leasing Commitments**

The Town had no capital leasing commitments at 30 June for the periods being reported.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**18 Other Financial Assets**

**Joint Ventures**

**Mindarie Regional Council**

The Mindarie Regional Council was formally constituted in December 1987. The Town of Victoria Park, along with the Municipalities of Joondalup, Wanneroo, Stirling, Perth, Cambridge and Vincent, form the membership of the Mindarie Regional Council. The primary function of the Regional Council is for the orderly and efficient treatment and / or disposal of waste. The Town of Victoria Park has a one-twelfth (1/12) equity in the assets and liabilities of the refuse disposal facility as per the constitution amendment (25 November 1996). The values as shown below were, at the time of preparation of these financial statements, unaudited.

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Current Assets	2,260,440	1,446,004
Non-Current Assets	3,775,554	3,935,230
<b>Total Assets</b>	<b>6,035,994</b>	<b>5,381,234</b>
Current Liabilities	685,935	568,372
Non-Current Liabilities	2,295,910	2,137,779
<b>Total Liabilities</b>	<b>2,981,845</b>	<b>2,706,151</b>
 <b>Net Assets</b>	 <b>3,054,149</b>	 <b>2,675,083</b>

**Tamala Park Regional Council**

The Tamala Park Regional Council was formally constituted in February 2006. The Town of Victoria Park, along with the Municipalities of Joondalup, Wanneroo, Stirling, Perth, Cambridge and Vincent, form the membership of the Tamala Park Regional Council. The purpose of the Regional Council is to create an urban development of 165 hectares immediately north of the Mindarie Regional Council leased land. The Town of Victoria Park has a one-twelfth (1/12) equity in the assets and liabilities of the development. The values as shown below were, at the time of preparation of these financial statements, unaudited.

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Current Assets	3,429,039	2,208,442
Non-Current Assets	163,192	163,649
<b>Total Assets</b>	<b>3,592,230</b>	<b>2,372,091</b>
Current Liabilities	55,327	36,074
Non-Current Liabilities	1,355	1,555
<b>Total Liabilities</b>	<b>56,682</b>	<b>37,629</b>
 <b>Net Assets</b>	 <b>3,535,548</b>	 <b>2,334,462</b>
 <b>Total Joint Venture Net Assets</b>	 <b>6,589,697</b>	 <b>5,009,545</b>
 <b>Movement in Joint Venture Equity (Increase / (Decrease))</b>	 <b>1,580,152</b>	 <b>1,477,007</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**19 Trust Funds**

Trust funds held at balance date over which the Town has no control, and that are not included in the financial statements, are as follows:

<b>Details</b>	<b>Open 1 July \$</b>	<b>Net Movement \$</b>	<b>Balance 30 June \$</b>
Construction Training Fund Levy	24,910	112,030	136,940
Building Registration Board	15,170	988	16,158
Pathways and Works Contributions	1,264,098	(5,134)	1,258,964
Miscellaneous Bonds and Deposits	23,867	57,883	81,750
Leisure Facilities Bonds and Deposits	6,265	(1,100)	5,165
Trust Account Prior to 1 July 1995	(200)	200	0
Council Number Plates	256	124	380
	<b>1,334,366</b>	<b>164,991</b>	<b>1,499,357</b>

<b>2014 Actual \$</b>	<b>2013 Actual \$</b>
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**20 Total Assets Classified by Function and Activity**

General Purpose Funding	11,618,933	15,649,286
Governance	646,129	208,164
Law, Order and Public Safety	757,785	405,053
Health	6,379	25,938
Education and Welfare	38,952	31,226
Community Amenities	2,789,774	1,694,447
Recreation and Culture	71,039,075	72,900,740
Transport	223,366,047	58,388,564
Economic Services	1,644,493	661,085
Other Property and Services	149,740,706	147,572,957
	<b>461,648,274</b>	<b>297,537,458</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**21 Disposal of Assets**

The following assets were disposed of during the year -

Details and Asset ID	Net Book Value		Sale Price		Profit / (Loss)	
	Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$
<b>Land</b>						
Various Land Holdings	0	1,600,000	0	1,600,000	0	0
650 Albany (Victoria Park)	881,000	0	580,012	0	(300,988)	0
7 Victoria Park (Burswood)	1	0	999,237	0	999,236	0
<b>Plant and Machinery</b>						
Building - 112-VPk	0	13,200	0	11,000	0	(2,200)
Building - 113-VPk	0	13,200	0	11,000	0	(2,200)
Building - 123-VPk	0	13,200	0	15,000	0	1,800
Chief Executive Office - 107-VP	0	19,200	0	14,000	0	(5,200)
Engineering - 124-VPk	0	17,600	0	18,000	0	400
Engineering - 135-VPk	0	19,000	0	18,000	0	(1,000)
Engineering - 138-VPk	0	21,000	0	20,000	0	(1,000)
Engineering - 149-VPk	0	5,600	0	2,000	0	(3,600)
Engineering - 154-VPk	2,731	5,600	1,508	2,000	(1,223)	(3,600)
Engineering - 162-VPk	120,045	65,900	124,099	86,000	4,054	20,100
Engineering - Minor Plant	0	1,000	0	1,000	0	0
Engineering - Skid Steer Loader	10,000	23,000	19,205	18,000	9,205	(5,000)
Finance - 181-VPk	17,146	18,000	11,782	11,000	(5,364)	(7,000)
IT Services - 114-VPk	22,290	13,200	11,418	11,000	(10,872)	(2,200)
Parks - 148-VPk	0	13,200	0	10,000	0	(3,200)
Parks - Minor Plant	11,720	2,000	2,858	2,000	(8,862)	0
Rangers - 183-VPk	0	18,000	0	9,000	0	(9,000)
RLP Administration - 111-VPk	0	19,800	0	10,000	0	(9,800)
Urban Planning - 168-VPk	0	13,200	0	15,000	0	1,800
Urban Planning - 171-VPk	0	13,200	0	15,000	0	1,800
Engineering - 179-VPk	20,923	0	15,282	0	(5,641)	0
Engineering - 184-VPk	15,289	0	26,746	0	11,457	0
Engineering - 159-VPk	7,000	0	1,964	0	(5,036)	0
Engineering - 1EAV573 - Tipper	22,500	0	26,208	0	3,708	0
	<b>1,130,645</b>	<b>1,928,100</b>	<b>1,820,318</b>	<b>1,899,000</b>	<b>689,673</b>	<b>(29,100)</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**2014                      2013                      2012**

**22 Financial Ratios**

Current Ratio	1.43	1.56	1.62
Asset Sustainability Ratio	0.49	0.78	0.66
Debt Service Cover Ratio	3.81	3.92	4.44
Own Source Revenue Coverage Ratio	0.98	0.78	0.04
Operating Surplus Ratio	0.04	(0.14)	0.95

The above ratios are calculated as follows -

	Current Assets Minus Restricted Assets
Current Ratio	Current Liabilities Minus Liabilities From Restricted Assets
Asset Sustainability Ratio	Capital Renewal and Replacement Expenditure
Debt Service Cover Ratio	Depreciation Expense
Operating Surplus Ratio	Annual Operating Surplus before Interest and Depreciation
Own Source Revenue Coverage Ratio	Principal and Interest
	Operating Revenue minus Operating Expense
	Own Source Operating Revenue
	Own Source Operating Revenue
	Operating Expense

**Additional Ratio Information**

This information relates to ratios that only require attestation that they have been checked and supported by verifiable information. In keeping with amendments to the Local Government (Financial Management) Regulations 1996 (Reg. 50), comparatives for the 2012 year has not been reported as financial information is not available.

Asset Consumption Ratio	0.99	0.52	n/a
Asset Renewal Funding Ratio	1.01	0.97	n/a

	Depreciated Replacement Cost of Depreciable Assets
Asset Consumption Ratio	Current Replacement Cost of Depreciable Assets
Asset Renewal Funding Ratio	NPV of Planned Capital Renewal over 15 years
	NPV of Required Capital Renewal over 15 years

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**23 Information on Borrowings**

<b>(a) Debentures (Budget)</b>	<b>Principal 1 July \$</b>	<b>New Loans \$</b>	<b>Principal Repayment \$</b>	<b>Principal 30 June \$</b>	<b>Interest Expense \$</b>
<b>Law, Order and Public Safety</b>					
13 Parking Initiative	5,000,000	0	628,400	4,371,600	203,600
<b>Recreation and Culture</b>					
04 Aqualife Centre	2,280,547	0	273,900	2,006,647	125,000
07 Aqualife Centre II	2,585,926	0	258,600	2,327,326	156,100
11 Fletcher Park	529,123	0	27,200	501,923	25,400
<b>Economic Services</b>					0
13 Underground Power	2,187,466	0	326,300	1,861,166	92,100
<b>Other Property and Services</b>					0
02 Depot Land	697,271	0	82,100	615,171	42,500
03 Administration Centre	946,852	0	113,000	833,852	53,900
09 14 Kent Street	696,771	0	48,800	647,971	51,700
10 1 Harper Street	1,088,799	0	62,900	1,025,899	68,200
12 Depot Upgrade	448,086	0	23,000	425,086	21,500
	<b>16,460,841</b>	<b>0</b>	<b>1,844,200</b>	<b>14,616,641</b>	<b>840,000</b>

<b>(b) Debentures (Actual)</b>	<b>Principal 1 July \$</b>	<b>New Loans \$</b>	<b>Principal Repayment \$</b>	<b>Principal 30 June \$</b>	<b>Interest Expense \$</b>
<b>Law, Order and Public Safety</b>					
14 Parking Initiative	5,000,000	0	313,225	4,686,775	185,986
<b>Recreation and Culture</b>					
04 Aqualife Centre	2,280,547	0	273,940	2,006,607	124,105
07 Aqualife Centre II	2,585,926	0	258,604	2,327,322	153,285
11 Fletcher Park	529,123	0	27,150	501,973	25,181
<b>Economic Services</b>					89,818
13 Underground Power	2,187,466	0	326,341	1,861,125	89,818
<b>Other Property and Services</b>					
02 Depot Land	697,271	0	82,141	615,130	41,157
03 Administration Centre	946,852	0	112,990	833,862	53,206
09 14 Kent Street	696,771	0	48,805	647,966	51,632
10 1 Harper Street	1,088,799	0	62,861	1,025,938	67,458
12 Depot Upgrade	448,086	0	22,992	425,094	21,325
	<b>16,460,840</b>	<b>0</b>	<b>1,529,048</b>	<b>14,931,792</b>	<b>813,153</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**23 Information on Borrowings**

**(c) New Debentures**

There were no new debentures entered into during the 2013-2014 Financial year.

**(d) Unspent Debentures**

There was \$2,075,000 in unspent debentures at 30 June.

**(e) Overdraft**

The Town has an overdraft facility of \$200,000 to assist with short-term liquidity.

The Town did not need to utilise these facilities and the balance of the bank overdraft at 30 June was \$nil.



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**24 Rating Information**

<b>(a) Rating (Budget)</b>	<b>Property Numbers #</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim and Back Rates \$</b>	<b>Total Revenue \$</b>
Rate in \$ - 7.85 cents Minimum Charge - \$933					
<b>General Rate</b>					
Gross Rental Value	13,613	362,835,404	28,482,579	113,378	28,595,957
<b>Minimum Charge</b>					
Gross Rental Value	2,671	27,180,337	2,492,043	0	2,492,043
<b>Total</b>	<b>16,284</b>	<b>390,015,741</b>	<b>30,974,622</b>	<b>113,378</b>	<b>31,088,000</b>
Rate Equivalent Payments and Adjustments					0
Specified Area Rates					0
<b>Total</b>					<b>31,088,000</b>

<b>(b) Rating (Actual)</b>	<b>Property Numbers #</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim and Back Rates \$</b>	<b>Total Revenue \$</b>
Rate in \$ - 7.85 cents Minimum Charge - \$933					
<b>General Rate</b>					
Gross Rental Value	13,624	362,861,404	28,484,621	233,626	28,718,247
<b>Minimum Charge</b>					
Gross Rental Value	2,671	27,180,337	2,492,043	452	2,492,495
<b>Total</b>	<b>16,295</b>	<b>390,041,741</b>	<b>30,976,664</b>	<b>234,078</b>	<b>31,210,742</b>
Rate Equivalent Payments and Adjustments					0
Specified Area Rates					0
<b>Total</b>					<b>31,210,742</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	2014 30 June \$	2013 1 July \$	2013 30 June \$
<b>24 Rating Information</b>			
<b>(c) Information on Surplus / (Deficit) Brought Forward</b>			
<b>Surplus / (Deficit)</b>			
<b>Comprises -</b>			
Cash - Unrestricted	8,900,103	6,986,801	6,986,801
Receivables and Accruals - Current	2,305,490	4,469,342	4,469,342
Inventories - Current	12,166	160,778	160,778
<b>Less -</b>			
Payables - Current	(2,770,119)	(3,226,866)	(3,226,866)
Provisions - Current	(3,148,236)	(2,590,373)	(2,590,373)
<b>Adjustments</b>			
Unspent Loans	2,075,000	5,000,000	5,000,000
<b>Surplus / (Deficit)</b>	<b>7,374,404</b>	<b>10,799,683</b>	<b>10,799,683</b>

**25 Specified Area Rates**

The Town did not raise any Specified Area Rates during the 2013-2014 financial year.

**26 Service Charges**

	Revenue Raised \$	Budget Revenue \$	Applied to Service Costs \$	Budget to Costs \$
Underground Power	(60,821)	(61,000)	106	250

The area for which the above Underground Power Service Charge is to be levied includes the suburb of Lathlain, plus the "Goodwood" precinct area of Burswood, bounded by Goodwood Parade, Great Eastern Highway and Graham Farmer Freeway. Western Power is the primary agent associated with the works and they have indicated that they will be contracting the works out to a suitable contractor. The Service Charge is to fund 75% of the associated works. The remaining 25% is to be funded by Council.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**27 Rates Related Discounts, Incentives, Concessions and Write-Offs**

The Town did not provide any discounts, waivers or concessions with regards to the payment of rates.

Three payment incentives were offered -

- 1 - Kustom Cupcakes Yummy Package (A year's supply of Kustom Cupcakes, Four tickets to the Black Swan State Theatre Company performance of Midsummer, Six-month Maxi-life Membership for Leisurelife and Aqualife and \$1,000 cash from the Town of Victoria Park)
- 2 - John Hughes Package (\$900 cheque courtesy of John Hughes, \$400 voucher for The Balmoral Hotel, Four tickets to Sol Gabetta plays Dvorak performed by the West Australian Symphony Orchestra, \$1,000 cash from the Town of Victoria Park.
- 3 - Pfr.com.au Package (Living Local pack with gift cards from local businesses worth a combined \$900, Two nights accommodation for two adults in a Studio Room at The Sebel Residence East Perth, including breakfast each morning and a bottle of wine on arrival, \$1,000 cash from the Town of Victoria Park.

	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
Written-off rates and rates related fees and charges	3,861	4,169

**28 Rates Related Interest and Charges**

	<b>Interest</b>	<b>Actual</b>	<b>Budgeted</b>
	<b>Rate</b>	<b>Revenue</b>	<b>Revenue</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>
Pensioner Deferred Rates Interest (as set by State Government)	3.95	5,660	8,000
Instalment Interest	5.5	158,517	180,000
Late Payment Interest	11	93,492	75,000
Waste Debts Interest (Rates)	11	3,264	2,000
Charges on instalment plans and arrangements		67,512	67,000
		<b>328,445</b>	<b>332,000</b>

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

- 1        19 September 2013
- 2        26 October 2013
- 3        22 January 2014
- 4        26 March 2014

Administration charges and interest applied for the final three instalments (\$4 per instalment).

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
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	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>29 Fees and Charges</b>		
General Purpose Funding	172,583	132,430
Law, Order and Public Safety	1,874,996	566,593
Health	201,258	206,317
Education and Welfare	116,008	97,134
Community Amenities	1,464,364	898,834
Recreation and Culture	5,031,386	5,052,579
Transport	149,534	138,620
Economic Services	540,494	286,078
Other Property and Services	85,562	38,667
	<b>9,636,183</b>	<b>7,417,253</b>

**30 Grants and Contributions**

**By Nature or Type**

Grants and Contributions - Operating	1,245,387	2,422,085
Grants and Contributions - Non-Operating	1,721,102	406,307
	<b>2,966,489</b>	<b>2,828,392</b>

**By Program**

General Purpose Funding	582,537	1,062,762
Governance	0	0
Law, Order and Public Safety	155,674	95,802
Health	6	54
Education and Welfare	25,415	42,743
Community Amenities	0	0
Recreation and Culture	175,666	405,594
Transport	1,746,240	759,792
Economic Services	62,073	124,145
Other Property and Services	218,878	337,500
	<b>2,966,489</b>	<b>2,828,392</b>

**31 Employee Numbers**

Number of Full-Time Equivalent Employees at Balance Date	<b>182</b>	<b>167</b>
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**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

	<b>2014</b>	<b>2014</b>	<b>2013</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>32 Elected Members' Fees and Allowances</b>			
Mayoral Allowance	60,000	60,000	60,000
Deputy Mayoral Allowance	15,000	15,000	15,000
Members Meeting Fees	170,013	205,500	70,000
Telecommunications Allowance	0	0	21,600
Information and Communication Technology Allowance	31,068	31,500	12,267
Members Expenses	6,183	5,300	4,940
Members Travel	2,285	5,500	3,867
	<b>284,548</b>	<b>322,800</b>	<b>187,674</b>

**33 Post Balance Date Events**

There were no Post Balance Date Events incurred by the Town.

**34 Major Land Transactions**

There were no Major Land Transactions incurred by the Town.

**35 Financial Risk Management**

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

The Town 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 Town under policies approved by Council. Council held the following financial instruments at balance date -

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	18,012,722	16,736,801	18,012,722	16,736,801
Receivables	3,832,481	5,225,114	3,832,481	5,225,114
<b>Financial Liabilities</b>				
Payables	2,770,119	3,226,866	2,770,119	3,226,866
Borrowings	14,931,792	16,460,840	12,891,609	16,387,441

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**35 Financial Risk Management**

Fair value is determined as follows -

Cash and cash equivalents, Receivables, Payables - estimated to the carrying value, which approximates net market value.

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

**(a) Cash and cash equivalents and Financial Assets at Fair Value**

The Town's objective is to maximise return on cash and cash investments whilst maintaining an adequate level of liquidity and preserving capital. The Town maintains an investment policy and the policy is subject to regular review. An investment report is provided monthly setting out the make-up and performance of the portfolio.

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

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

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

The Town manages these risks by diversifying the portfolio and only purchasing investments with high credit ratings or capital guarantees.

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% movement in interest rates on cash and investments		
- Equity	180,127	167,368
- Statement of Comprehensive Income	180,127	167,368

The above are sensitivity percentages based on expectation of possible future market movements.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**35 Financial Risk Management**

**(b) Receivables**

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

The level of outstanding receivables is reported monthly and monitored for acceptable collection performance. Suitable provision is made for doubtful receivables, as required, and credit checks are carried out on most non-rate debtors. There are no material receivables that have been subject to a re-negotiation of repayment terms. The Town's profile of credit risk at balance date was -

	<b>2014</b>	<b>2013</b>
Percentage of Rates and Annual Charges		
- Current (Due within 12 months)	52%	33%
- Overdue	48%	67%
Percentage of Other Receivables		
- Current (Due within 30 days)	87%	37%
- Overdue	13%	63%

**(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. This risk is managed by monitoring cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

The contractual undiscounted cash flows of Payables and Borrowings are set out in the Liquidity Sensitivity Table as shown below -

	Due Within 1 Year \$	Due Between 1 and 5 Years \$	Due After 5 Years \$	Total Contractual Cash Flows \$	Total Carrying Values \$
<b>2014</b>					
Payables	2,770,119	0	0	<b>2,770,119</b>	2,770,119
Borrowings	2,686,207	10,744,827	4,741,007	<b>18,172,041</b>	14,931,792
	<b>5,456,326</b>	<b>10,744,827</b>	<b>4,741,007</b>	<b>20,942,160</b>	<b>17,701,911</b>
<b>2013</b>					
Payables	3,226,866	0	0	<b>3,226,867</b>	3,226,866
Borrowings	2,270,602	10,725,675	7,413,509	<b>20,409,786</b>	16,460,840
	<b>5,497,468</b>	<b>10,725,675</b>	<b>7,413,509</b>	<b>23,636,653</b>	<b>19,687,706</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**35 Financial Risk Management**

**(c) Payables and Borrowings**

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. This is not a factor with the loan portfolio, as set out below, as all loans have a fixed interest rate for the duration of the loan. The following table sets out the carrying amount, by maturity, of the financial instruments of the Town of Victoria Park -

	<b>Less Than 1 Year \$</b>	<b>Between 1 and 5 Years \$</b>	<b>More Than 5 Years \$</b>	<b>Total \$</b>	<b>Weighted Average Effective Interest Rate %</b>
<b>Year Ended 30 June 2014</b>					
Fixed Rate Debentures	1,932,237	8,758,802	4,240,752	<b>14,931,792</b>	5.13%
	<b>Less Than 1 Year \$</b>	<b>Between 1 and 5 Years \$</b>	<b>More Than 5 Years \$</b>	<b>Total \$</b>	<b>Weighted Average Effective Interest Rate %</b>
<b>Year Ended 30 June 2013</b>					
Fixed Rate Debentures	1,626,640	8,324,757	6,509,443	<b>16,460,840</b>	5.13%



**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**36 Fair Value Measurements**

Town of Victoria Park measures the following assets at fair value on a recurring basis after initial recognition:

- Financial Assets at fair value through profit or loss
- Property, Plant and Equipment
- Infrastructure

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

**(a) Recurring Fair Value Measurements**

	30 June 2014			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial Assets at fair value through profit or loss	0	0	0	0
<b>Total financial assets recognised at fair value on a recurring basis</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-Financial Assets</b>				
Land	0	36,757,000	99,626,500	<b>136,383,500</b>
Buildings	0	0	63,074,862	<b>63,074,862</b>
Plant and Machinery	0	2,735,717	0	<b>2,735,717</b>
Furniture and Equipment	0	2,289,471	0	<b>2,289,471</b>
Roads	0	0	144,321,387	<b>144,321,387</b>
Pathways	0	0	33,090,578	<b>33,090,578</b>
Drainage	0	0	33,909,492	<b>33,909,492</b>
Parks and Reserves	0	0	5,766,610	<b>5,766,610</b>
Other Assets	0	0	11,629,590	<b>11,629,590</b>
<b>Total non-financial assets recognised at fair value on a recurring basis</b>	<b>0</b>	<b>41,782,187</b>	<b>391,419,019</b>	<b>433,201,206</b>

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**36 Fair Value Measurements**

**(a) Recurring Fair Value Measurements**

	30 June 2013			Total
	Level 1	Level 2	Level 3	
<b>Financial Assets</b>				
Financial Assets at fair value through profit or loss	0	0	0	0
<b>Total financial assets recognised at fair value on a recurring basis</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-Financial Assets</b>				
Plant and Machinery	0	2,908,500	0	<b>2,908,500</b>
Furniture and Equipment	0	1,744,740	0	<b>1,744,740</b>
<b>Total non-financial assets recognised at fair value on a recurring basis</b>	<b>0</b>	<b>4,653,240</b>	<b>0</b>	<b>4,653,240</b>

**(b) Transfer Policy**

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

**(c) Highest and Best Use**

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

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**36 Fair Value Measurements**

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

<b>Assets</b>	<b>Level of Valuation Input</b>	<b>Fair Value at 30 June 2014</b>	<b>Valuation Technique</b>	<b>Inputs Used</b>
<b>Non-Financial Assets</b>				
Land	2	36,757,000	Sales	Price per square metre
	3	99,626,500	Sales	Price per square metre
Buildings	3	63,074,862	Cost	Sourced from cost guides such as Rawlinsons, Cordells, 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.
Plant and Machinery	2	2,735,717	Sales / Cost	Completed a physical on site inspection, listing of the assets and research to establish current new equipment costs, age, condition, utility and maintenance history.
Furniture and Equipment	2	2,289,471	Sales / Cost	Completed a physical on site inspection, listing of the assets and research to establish current new equipment costs, age, condition, utility and maintenance history.
Roads	3	144,321,387	Cost	Indicative unit rates based on technical assessment or by age of the asset.
Pathways	3	33,090,578	Cost	Asset data based on condition scores and unit rates.
Drainage	3	33,909,492	Cost	Asset data based on condition scores and unit rates.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**36 Fair Value Measurements**

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

<b>Assets</b>	<b>Level of Valuation Input</b>	<b>Fair Value at 30 June 2014</b>	<b>Valuation Technique</b>	<b>Inputs Used</b>
Parks and Reserves	3	5,766,610	Cost	Sourced from cost guides such as Rawlinsons, Cordells, 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.
Other Assets	3	11,629,590	Cost	Car parks and Right of Way asset data was based on condition scores and unit rates. Other miscellaneous assets were valued using information provided by the Town of Victoria Park. The remaining useful life was determined using known construction dates and an estimated total useful life.
<b>Total</b>		<b><u>433,201,206</u></b>		

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**36 Fair Value Measurements**

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

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

Description	Fair Value at 30 June 2014	Valuation Technique	Unobservable Inputs	Input Range (Probability Average)	Relationship of unobservable inputs to fair value
Land	99,626,500	Sales	Note 36 (d)	+/- 10%	A change of 10% would result in a change in fair value by \$9,962,650
Buildings	63,074,862	Sales	Note 36 (d)	+/- 10%	A change of 10% would result in a change in fair value by \$6,307,486
Roads	144,321,387	Sales	Note 36 (d)	+/- 10%	A change of 10% would result in a change in fair value by \$14,432,139
Pathways	33,090,578	Sales	Note 36 (d)	+/- 10%	A change of 10% would result in a change in fair value by \$3,309,058
Drainage	33,909,492	Sales	Note 36 (d)	+/- 10%	A change of 10% would result in a change in fair value by \$3,390,949
Parks and Reserves	5,766,610	Sales	Note 36 (d)	+/- 10%	A change of 10% would result in a change in fair value by \$576,661
Other Assets	11,629,590	Sales	Note 36 (d)	+/- 10%	A change of 10% would result in a change in fair value by \$1,162,959

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

### **36 Fair Value Measurements**

#### **(f) Recurring fair value measurements and process**

The following methods are used to determine the fair value measurements.

#### **Land, Building and Improvements**

All land, building, improvements and playground equipment have been physically inspected in order to ascertain their condition and Remaining Useful Life for the purpose of Fair Value in accordance with AASB 13 and AASB 16. All properties capable of being transacted upon in an 'open market' have been valued for Fair Value on comparable sales evidence, consistent with a Level 2 input as outlined in AASB 13.

Those building, improvements and playground equipment assets that are considered to be of a 'specialised nature' (non – market type properties that are not readily traded in the market place) have been assessed on a Depreciated Replacement Cost (DRC) approach consistent with a Level 3 input as outlined in AASB 13.

#### *Relevant Town Planning Scheme Consideration*

Taking into consideration the Highest and Best Use is in keeping with the relevant Town Planning Scheme. All land, building, improvement and playground equipment assets have been valued in accordance with the Town of Victoria Park District Planning Scheme No 1. (Gazetted 30 September 1998, updated to include Amd 57gg 22/2/13).

All building, improvement and playground equipment values for insurance purposes have been calculated from a Perth based construction rate with an appropriate district allowance then applied to each location.

With regard to land that is currently zoned Parks and Recreation and or for Public Purpose, it is considered highly unlikely that the entity would be able to change the existing use for the purpose of it being sold in the property market. In order to reflect the value of the land as public purpose, having a highly restricted use, the valuers have established a value of the land that reflects its current usage.

In arriving at an appropriate land value for the Parks and Recreation and Public Purpose zoned land, taking into consideration its highly restricted use, the valuers have investigated the value of land within a wider general area of the region where traditionally land values are at their lowest. They have then applied the appropriate sales of this marginal land to the subject property after making due allowances for location, size and utility.

In accordance with the input levels within AASB 13, where freehold land parcels that due to their zoning, area, usage or topography, 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. The valuers therefore valued these particular freehold parcels of land by making the necessary adjustments to the closest available market evidence, by applying a piecemeal approach to this market evidence in order to reflect the use to which the land is currently used or zoned, in accordance with the Local Authority's Town Planning Scheme.

In relation to freehold land that is zoned Commercial, Industrial or Residential in accordance with the Local Authority's Town Planning Scheme, but is currently used for another purpose, the valuers have not discounted the value based on its current usage. This land was valued on the Highest and Best Use principle consistent within AASB 13 and 116.

#### **Plant, Machinery, Furniture and Equipment**

These classes of assets were revalued in 2013 as part of the mandatory requirements embodied in Local Government (Financial Management) Regulation 17A. Whilst the additions since that time are shown at cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down values approximate fair values. Thus, the values are considered in accordance with Local Government (Financial Management (Regulation) 17A (2) that requires these assets to be shown at fair value. They will be revalued during the year ended 30 June 2016 in accordance with the mandatory asset measurement framework detailed at Note 1(c).

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

### 36 Fair Value Measurements

#### (f) Recurring fair value measurements and process

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

#### Infrastructure

The infrastructure valuation was carried out by an Independent valuer - Talis Consultants. To comply with AASB13, certain inputs were required to value individual asset classes. According to AASB13 the value was determined by what the Town could dispose the asset in an arms-length transaction in the most appropriate market. With respect to infrastructure such as roads, car parks, paths, street lighting and drainage there are no discernible markets and as such needs to be valued at what it would cost to return to its full service potential to determine its current fair value. This requires the condition of the asset to be determined. This was determined through a technical assessment or by age if there is confidence that the age of the asset is indicative of the condition of the asset.

Talis Consultants developed the indicative unit rates in consultation with the Town's staff and the analysis of recent projects where appropriate and where the information exists. This included works carried out internally and works that are externally resourced by way of current contracts. Actual costs of projects carried out are recorded in the financial system that was interrogated to determine indicative unit rates. It should be noted that each similar project will still have individual characteristics and therefore different costs associated with their construction. The unit rates can be considered indicative at a network level.

Where information is not available or not at a suitable detail, experience and typical industry parameters of comparable metropolitan local governments had been used.

A percentage of depreciation is assigned to each condition rating to calculate a modelled RUL (Remaining Useful Life) relative to its TUL (Total Useful Life). This method is a simple and effective method to account for the effect of condition.

#### *Data confidence*

Roads - The most recent condition survey of infrastructure assets was carried out in 2012 by ARBB. As this survey was within three years of the date of this valuation, a high level of confidence can be attributed to the valuation figures.

Car Parks - A condition survey of car parks was undertaken in 2014 by the Town, attributing a high level of confidence to the valuation figures.

Pathways - condition survey of footpaths was undertaken in 2014 by Talis, attributing a high level of confidence to the valuation

Drainage - A condition survey of selected drainage structures was undertaken by Opus in 2010. Asset construction dates were not available so, in order to conduct a valuation, the condition data that was available was extrapolated to populate condition fields for all drainage structures. The assumption was made that, due to the small geographical size of the Town, variations in soil type and climate will be low so drainage structure condition would degrade uniformly. These factors afford the valuation figures a medium level of confidence.

Other Assets - The valuers were provided with a list of miscellaneous assets with At Cost purchase prices. These assets were not sighted by Talis however given the nature of the assets the age of the assets would suffice to determine their value. The data provided was not by individual asset of similar type and therefore valued as a group. The confidence in data is therefore considered moderate.

**Town of Victoria Park**  
**Notes to, and forming part of, the Financial Report**  
**For the year ended 30 June 2014**

**36 Fair Value Measurements**

**(f) Recurring fair value measurements and process**

*Inputs*

Roads - The condition survey report was interrogated to determine costs attributed to the four road components as below:

The subgrade consists of the initial earthworks such as clearing and formation of the in situ or imported materials. It has a cost to first establish however is deemed not to depreciate over time. The subgrade is no longer considered when replacing the road as it has already been cleared and formed.

Pavement – the load bearing structure of the road that is depreciated.

Surface – the flexible structure that prevents the ingress of water into the pavement structure and provides a textured surface for traffic.

Surface Water Channel – kerb structures that direct the flow of storm water and retain the adjacent verge.

Car Parks, Pathways and Drainage - The valuation was carried out using a custom built spreadsheet that included Asset data provided by the Town, including condition scores and unit rates.

Other Assets - The valuation was carried out using a custom built spreadsheet that included Asset data provided by the Town. The replacement costs for each item listed equalled the purchase price listed in the provided data.

**(f) 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:

**Liabilities**

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

<b>Description</b>	<b>Note</b>	<b>Fair Value</b>	<b>Valuation Technique</b>	<b>Inputs Used</b>
Borrowings	35	2	Income / discounted cashflow	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.





## Auditor's Report

## **INDEPENDENT AUDITOR'S REPORT**

### **TO: RATEPAYERS OF TOWN OF VICTORIA PARK**

We have audited the financial report of the Town of Victoria Park, which comprises the Statement of Financial Position as at 30 June 2014 and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity and Statement of Cash Flows and Rate Setting Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

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

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

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

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

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

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

#### **Independence**

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

## **INDEPENDENT AUDITOR'S REPORT (Cont'd)**

### **Auditor's Opinion**

In our opinion, the financial report of the Town of Victoria Park:

- (a) gives a true and fair view of the financial position of the Town of Victoria Park as at 30 June 2014 and of its financial performance for the year ended on that date; and
- (b) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards.


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


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

- (a) There are no matters that in our opinion indicate significant adverse trends in the financial position or financial management practices of the Council.
- (b) There are no matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law that were noted during the course of our audit.
- (c) The asset consumption ratio and the asset renewal funding ratio included in the annual financial report (Note 22 of the annual financial report) are supported by verifiable information and reasonable assumptions.
- (d) All necessary information and explanations were obtained by us.
- (e) All audit procedures were satisfactorily completed in conducting our audit.

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

This auditor's report relates to the financial report of Town of Victoria Park for the year ended 30 June 2014 included on the Town of Victoria Park's website. Management is responsible for the integrity of the Town of Victoria Park's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

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

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

**PERTH**  
**DATED THIS 26<sup>th</sup> DAY OF NOVEMBER 2014.**









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This information is available in an alternative format  
to people with a disability on request to 9311 8132