



ANNUAL REPORT

Town of Victoria Park
2010 - 2011





Town's Facts

Town population - 32,000

Area - 17.62 km

The average age is 35

82% of the population is 20 or older

24% of the population is 55 or older

45% of the Town's population was born overseas

The average size of households is 2 people

9.2% of people speak a language other than English



Mayor's Foreword

The Town of Victoria Park is experiencing an exciting time of growth and development. We are heading towards a future in which we'll see the Town become a busy hive of activity, where people enjoy living and love to visit, everybody is welcome and opportunities are available to all. I'm so proud of the work being done in our community, the Community Life program area had a very successful year with many admirable achievements improving the quality of life for us all.

Residents seem keen to live a healthy lifestyle with the Aqualife Learn to Swim and Recreational Swimming programs enjoying record participation and the member retention at Aqualife and Leisurelife outperforming the market trends. Council is also encouraging active lifestyles with the endorsement of a feasibility study for the development of a Multi-Purpose Sports Facility at the old Carlisle/Lathlain Bowling Club site.

The Council and staff continue to work hard to make the Town a vibrant, interesting and attractive place to live. This year Council approved the commission of 10 new public artworks to celebrate the history, passion and talent of the Town and its residents. Four of the artworks have now been commissioned and residents can look forward to the installation of these in the near future.

Safety is crucial to your enjoyment of the area and this year two projects have significantly enhanced the feeling of security experienced by residents. The Security Incentive Scheme provided rebates for the purchase of home security items and resulted in many households improving their security, which discourages undesirable attention. The Street Meet 'n' Greet program encouraged residents to get to know their neighbours, which increases the potential for residents to spot unusual activity and develops that great sense of community that we all so enjoy. The Community Safety Committee also continued to be very active in assisting residents in need.

The extended trading hours in the Town have encouraged more visits after normal business hours, which has also increased the feeling of community safety and further highlighted the vibrancy and energy of our Town.

The financial year ended with an extremely exciting announcement that will have a very positive impact on the Town. The State Government decision to build the new stadium on the Burswood Peninsula in the Town of Victoria Park will provide many opportunities for residents and businesses. The Town has asked the State Government to commit to a Master Plan for the Peninsula area as the development will be a catalyst for growth in the Town.

I would like to take this opportunity to thank my fellow Councillors and the Town staff for all of their efforts over the last year and congratulate them on the many successes we have enjoyed. Finally, as 2011 is the International Year of the Volunteer I would like to offer a resounding thank you to all those amazing people in our community who make such a difference to the lives of others by volunteering. Our community would not be what it is without the hard work and commitment of our many wonderful volunteers.

His Worship the Mayor
Trevor Vaughan



Message from the CEO

In my first full financial year at the Town of Victoria Park I have continued to be impressed by the energy and passion of the people who live, work and play in the Town.

This year our Plan for the Future 2011 - 2026 was completed, providing a new direction for the organisation, which will guide us in delivering exciting outcomes for the community.

The Plan focuses on projects to positively impact the quality of life experienced by residents and placing the Town in the best possible position for the future. The five Life program areas of the Plan focus staff and Councillors on cooperation and collaboration across the organisation, enabling us to achieve the best possible results.

As part of the future planning process the Council adopted a new vision and mission, which are detailed later in this document. We will be working to achieve the vision and mission in everything we do for the community.

The Plan for the Future presents us a great opportunity to enhance quality of life. Our combined and focused efforts over the coming years will result in the Town of Victoria Park becoming a vibrant inner city Town with a strong and unique identity.

Work towards making the Town an appealing urban centre began this year with planning for mixed use developments along Albany Highway and a Town Centre which will provide a focus for community gatherings and exhibitions.

This financial year the Town ran several very successful events, great opportunities for our community to get together and celebrate achievements and the unique qualities of our Town. The Music by Moonlight event on the Burswood foreshore and the Twilight series of free concerts were well attended and showcased beautiful locations within the Town.

I look forward to continuing working with the community, staff and Councillors to fulfil the potential of the Town of Victoria Park and making this a place where people want to be and where unique attributes are celebrated.

A handwritten signature in black ink, appearing to read 'Arthur Kyrton'. The signature is fluid and cursive, written in a professional style.

Arthur Kyrton
CEO
Town of Victoria Park



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About Our Annual Report

The Town's annual report shows the significant progress in meeting the objectives set out in our previous Strategic Plan 2004 - 2013 and the new direction of the Plan for the Future which was adopted early in 2011. For the purpose of this report the document shall follow the new program structure.

The Town and Council are committed to providing a comprehensive summary of the Town's performance and to be transparent in all of its reporting.

Our Vision - Vibrant Lifestyle

This annual report, like all publications developed by the Town, is linked to the Town's Plan for the Future and honours the efforts of the Council and the Town administration. The Town aims to develop the vibrancy of the area and maintain the character of the Town with enjoyable entertainment precincts.

Our Town

The Victoria Park Roads Board was proclaimed on 20 July 1894. On 30 April 1897 the area attained municipality status. On 18 November 1917 the municipality was dissolved and joined the City of Perth. In 1993 the State Government restructured the City of Perth and on 1 July 1994 the Town of Victoria Park was established.

The area covers 17.6 km with 6 km of Swan River foreshore parkland, the Albany Hwy main street, Burswood Entertainment Complex, WA Technology Park and Curtin University.



Vision, Mission and Values

Victoria Park Council adopted a new vision and mission as part of the Plan for the Future document in May 2011. Prior to this date the Town was operating on the Strategic Plan 2004 - 2013.

Strategic Plan 2004 - 2013

Mission

Plan effectively for the future
Encourage and promote community development
Respect and enhance the natural environment
Foster and support a high level of social and civic responsibility
Build partnerships with stakeholders
Encourage and support sustainable economic growth
Provide high quality services that are equitable, accessible and safe
Recognise and support cultural diversity
Provide an attractive, safe, high quality physical environment
Exercise good stewardship over our resources

Vision

An attractive, sustainable, inner city location where people take pride and identify the Town as a great and unique place to be.

Plan for the Future 2011 - 2026

OUR VISION IS: Victoria Park - Vibrant Lifestyle

MISSION summarised through four key components:

Creative:

We will embrace creativity.	We will be welcoming
Our Town will be unique, quirky and identifiable.	We will listen
We will be creative in all things, in the decisions we make and the solutions we find.	We will sparkle
	We will make your day

Attractive:

We will attract people and businesses to our Town.
Our Town will be the destination for lifestyle, work and recreation.

Environmentally sustainable:

We will be aware of the changing environment in which we operate, live, work and recreate.
We will make decisions on the basis of sustainability principles by considering the environmental, economic and social impacts of those decisions.

Friendly:

We will be:

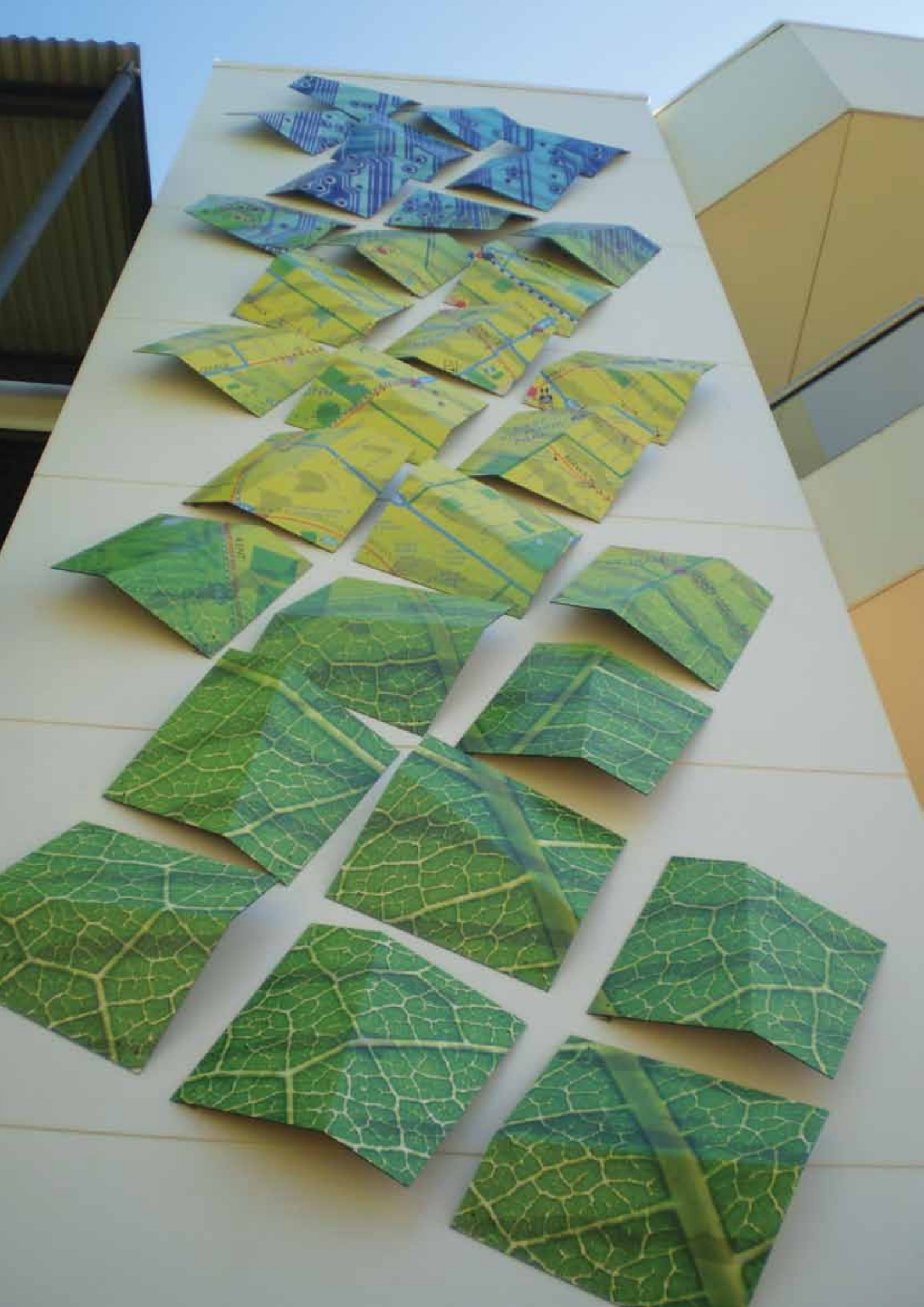
- Positive
- Inspirational
- Caring

We are a place "big enough to count and small enough to care".

We aim to live these values.

OUR VALUES ARE

Our Organisational Structure



YOUR COUNCIL 2009 - 2011



**His Worship the Mayor
Trevor Vaughan**
t: 9311 8155
m: 0447 374 528
tvaughan@vicpark.wa.gov.au
Term Expires: October 2011

Jarraah Ward



Cr David Ashton
Deputy Mayor
t/f: 9355 0369
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Term Expires: October 2013



Cr Vin Nairn
t: 9361 2662
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allsigns@westnet.com.au
Term Expires: October 2011



Cr Adam Vilaca
m: 0431 957 077
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Term Expires: October 2013



Cr Julie Armstrong
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Term Expires: October 2011

Banksia Ward



Cr Keith Hayes
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Term Expires: October 2013



Cr Rowena Skinner
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Term Expires: October 2013

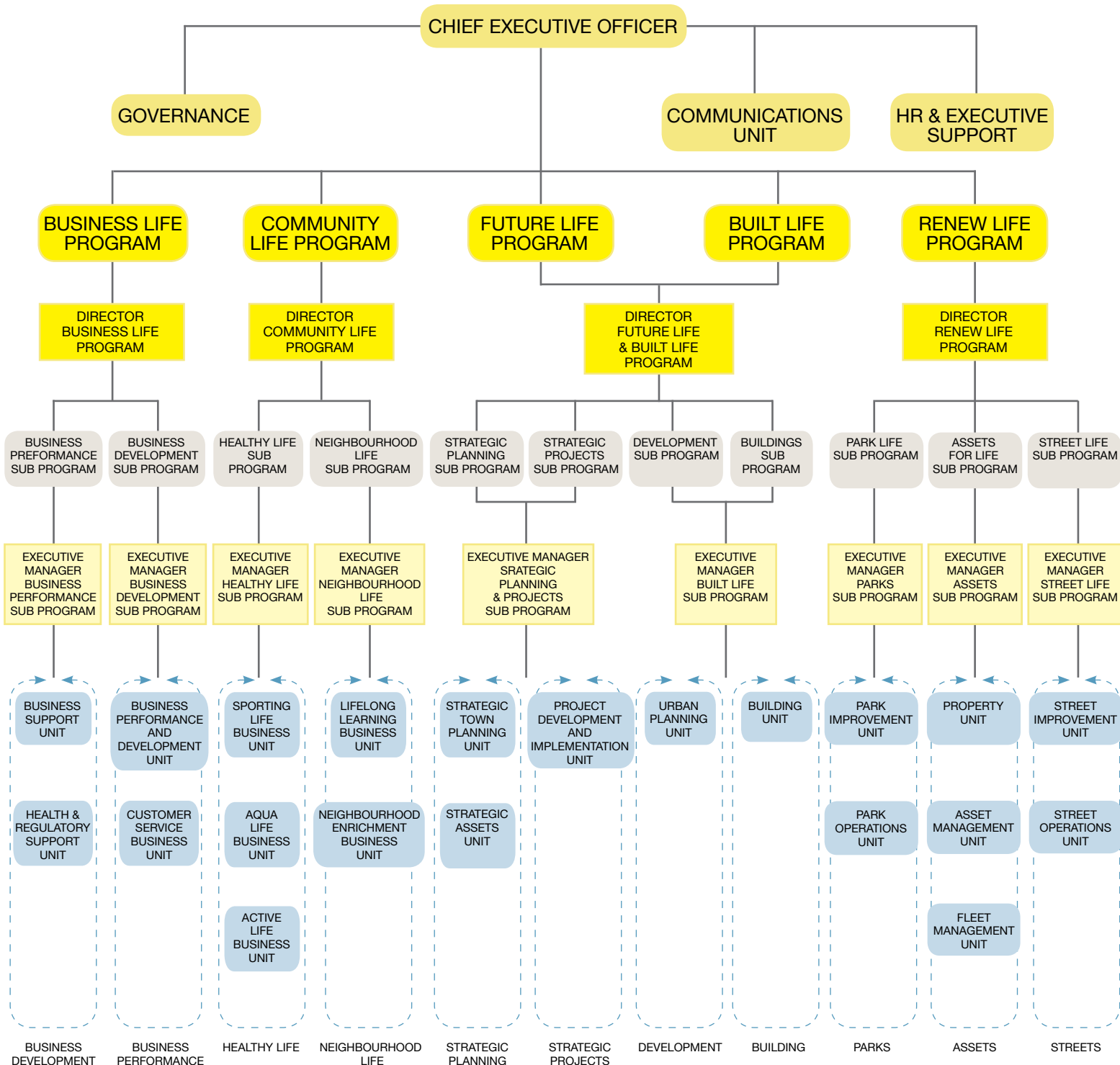


Cr Claire Anderson
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Term Expires: October 2011



Cr John Bissett
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Term Expires: October 2011

To ensure alignment between programs and the organisational structure the Town has restructured the organisation to link a director to all program areas. Future reviews of the Plan for the Future may highlight the need for increases in staff.



Program Structure

The Town has adopted a program based structure to guide it over the next five years, which will be constantly reviewed. The five program areas focus on outcomes that will benefit the Town.

The central theme to the five program areas is LIFE. The Town has been using the LIFE theme in various activities and facilities for a number of years; this theme will be central to everything we do as it provides a positive message to our community and organisation.

Program Areas	Focus
Community Life	The Community Life program will focus on the development of a healthy community and strong neighbourhoods and build on the high level of diversity experienced within the Town.
Business Life	The Business Life program will provide support and infrastructure to ensure that the Town can accommodate growth to achieve its goals. There will be a focus on the economic sustainability of the Town.
Built Life	The Built Life program will promote the development of a high quality built environment in the Town, by facilitating innovation in design and neighbourhood planning and strive for excellence in the built environment.
Renew Life	Renew Life will enhance the infrastructure and appearance of the Town, remedy the backlog of infrastructure maintenance work, maximise the utilisation of the assets of Council and provide environmental management and leadership.
Future Life	Future Life will develop and implement policies and procedures to ensure the appropriate development of the Town to ensure future demands are met.

“The Town’s Community Life Program was created in August 2010 in recognition of the need for our community to be a healthy and safe place to live, where cultural diversity and harmony are celebrated”



COMMUNITY LIFE

The Town's Community Life program was created in August 2010 in recognition of the need for our community to be a healthy and safe place to live, where cultural diversity and harmony are celebrated.

The objectives of the program are to create a vibrant Town that is a place of social interaction, creativity and vitality. We want to connect people to services, resources, information, facilities and experiences that enhance their physical and social well-being and provide opportunities for lifelong learning for all sectors of the community. The program promotes access and equality in service provision for all members of the community as well as celebrating the rich history and heritage of the Town.

Multi-Purpose Sports Facility

In October 2010, Council endorsed a recommendation to establish the Multi-Purpose Sports Facility (MPSF) Advisory Committee to carry out a feasibility study and prepare a business plan for the development of a MPSF at the old Carlisle/Lathlain Bowling Club site.

A concept design has been prepared and costed for the site, as well as a business case for the potential management and operation of the facility. The business case is pending confirmation of a financial contribution from Department of Sport and Recreation toward the facility.

SPORTING LIFE

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

Just 4 Kids Vacation Care Program

In 2010/11, staff at the Leisurelife Centre achieved National Childcare Accreditation, which recognises the Centre's Just 4 Kids program as being a high quality service.

Throughout the financial year, over 1,700 children participated in Just 4 Kids programs which included talent shows, cooking challenges, ice skating, arts & crafts sessions, Australia Day celebrations, belly dancing lessons and getting up close and personal with the animals at the South Perth and Peel Zoos.

Leisurelife were fortunate enough to obtain flexible support funding from Communicare. This funding enabled the program to provide additional support to children with special needs to make it possible for them to actively participate in the vacation care program.

Saturday Night Bingo

Weekly Bus Charters, servicing both North and South of the river, were introduced to transport Seniors to the Leisurelife Centre to socialise and enjoy a game of bingo. In 2010/11 over 17,000 participants joined Saturday Night Bingo at the Centre.

The Centre completed an annual Bingo Audit, carried out by the Department of Racing, Gaming and Liquor.

Senior and Junior Sports Competitions and Activities

Partnerships were formed with local school groups to develop specialised sports coaching sessions and tournaments which perceived positive feedback.

The number of total competitions and activities grew throughout the financial year, attracting over 65,000 participants. The introduction of a new Thursday night social badminton competition resulted in a 20% increase in participant numbers.

AQUALIFE

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

Learn to Swim - Swimming Program, from 4 months to adults

In a first for Local Government pools in Perth, the Town introduced women only classes, which were particularly well received by local culturally diverse groups.

A total of 6,099 participants took part in the 2010/11 Learn to Swim program, an increase of 26% on the previous year, with summer enrolments experiencing record participation.

Recreational Swimming

A total of 429,849 participants were recorded within the aquatic area representing an increase of 18% on last financial year, with a steady number of people with disabilities and many culturally diverse groups continuing to visit the aquatic area.

Aquatics - Sustainability Initiatives

The Aqualife Centre continued to participate in the Water Corporation water study audit in support of sustainability. The study of water use in aquatic facilities, where and how it is used is an invaluable tool for the future sustainability of the industry. Aqualife is one of only seven facilities in the state participating in this important project.

As a continued commitment to environmental initiatives the Centre has set targets to reduce electricity and water consumption to reduce the Centre's carbon footprint.

Health and Fitness

In 2010/11 the Town reviewed its Health and Fitness customer service systems to develop more convenient and accessible options for people wishing to join the Aqualife or Leisurelife Centres.

New member welcome orientation sessions were introduced to encourage members to feel more connected to our staff and other members, as well as being more informed of how our facility operates. Programs were developed to encourage wider community usage, including nutrition seminars and the 12 week total body blitz program, which promotes a more holistic approach to exercise by assessing all lifestyle habits that may hinder people from reaching their best fitness potential. New membership growth remained stable whilst our retention rate outperformed market trend at 35% (Market trend = 20 - 25%). Incentives and loyalty rewards, including Burswood movie ticket giveaways, were issued to long-term members. To date the Town has 29 members on gold (20%) loyalty discount, issued to those who have held membership for over 12 years.

LIFELONG LEARNING

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

LOCAL HISTORY

Early Settlers' Celebration 2010 (inaugural event)

The Town identified Early Settlers as those people who have lived continuously in the Town of Victoria Park localities of Victoria Park, East Victoria Park, Lathlain, Carlisle, Burswood and parts of Rivervale, Welshpool, Bentley or St James for 50 years or more and who are currently residents within the district.

The Town held an Early Settlers' celebratory morning tea on Friday 26 November 2010 at the Administration Function Room to acknowledge and celebrate these long-term residents who have played an important part in contributing to the prosperity and lifestyle of the Town.

In response to advertisements placed in various media 69 residents registered as Early Settlers, and along with partners and guests, 45 Early Settlers attended the celebration where they received a framed certificate and a 2010 commemorative pin. It was decided that the event would be held again in 2011 and thereafter biennially.

Interpretive Sign for Tram Pole Corner Albany Highway and Mackie Street

In recognition of the role trams played in the development of Victoria Park from 1905 to the 1950s, the Town created an interpretive sign to highlight the last remaining tram pole which is situated on the corner of Mackie Street and Albany Highway, Victoria Park.

This power pole is the last example of how electricity was carried into Victoria Park to run the trams. Even after the trams stopped running in 1950, the pole continued to be used as an electricity pole into the 1980s.

Living Memories: Stories from the early days of Victoria Park

The Town collected and published stories, poems and photographs submitted as part of the biennial Local History Awards. The booklet is available for sale at the Library and Administration Centre.

E-SERVICES

Kobo ebook reader

The Town purchased two Kobo e-book readers which are available for loan from the Victoria Park Library. Using e-Ink technology, the Kobo screen looks just like print on a page but with the advantage of being able to adjust the font size and style to suit your reading preferences. The introduction of the e-books has enabled Library members to access books in an alternative format. The Kobo readers have been very popular, with many members taking the opportunity to try the technology before they purchase their own electronic reader.

Audiobook Downloads

Online access to audio books was introduced on the Library Services' website in 2010/11. Ebscohost Downloadable Audiobooks allows members to download and borrow audiobooks directly from the library website to their home computer, iPhone or MP3 player.

Online Databases

A new online database was introduced at the Library in 2010/11. Dynamic Learning Online provides simple online training solutions teaching people how to use popular computer applications and functions such as Microsoft Office, searching the Internet, setting up email accounts and social network training (e.g. Twitter, Facebook and blogging).

Better Beginnings Program

Supported by the State Library of Western Australia and Rio Tinto, the Better Beginnings Program is run in conjunction with the Town's Child Health Centres. The program targets babies and children from birth to five years of age by helping parents and caregivers to foster the development of their child's early language and literacy skills along with a lifelong love of reading. The program aims to strengthen the role of the Town of Victoria Park Library as a community hub.

In 2010/11 46% of new Library memberships, for children aged zero to four years, were signed up during visits by the Librarian to local Child Health Centres.

The Town's Library also runs Baby Rhyme Time sessions with an average of 25 children aged six to 18 months attending each session over the past financial year and an average number of 45 children aged two to five years of age attending Story Time sessions each week.

NEIGHBOURHOOD ENRICHMENT

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

Community Safety

The Town continued implementation of its Community Safety and Crime Prevention Plan, which is available on the Town's website. A range of initiatives helped improve community safety and reduce crime over the past financial year.

The Town encouraged residents and businesses to install security devices through its Security Incentive Scheme, providing rebates to the value of \$25,585, which were awarded to 182 approved applications covering 209 security items.

The inaugural Street Meet 'n' Greet project promoted the benefits of hosting an informal gathering to get to know your neighbours, with a total of 16 registered events culminating in a celebration on Neighbour Day, with six local businesses sponsoring prizes for registered hosts.

Grant funding from the Office of Crime Prevention enabled the Street Meet 'n' Greet project (\$10,000), as well as the delivery of a program where residents identified by Police as significantly impacted upon by crime or anti-social behaviour were offered a home entry monitoring system to enable viewing at their front door (\$3,300), as well as Safer Community Connections (\$6,600).

Community Hot Spot Intervention Plans were developed and implemented for areas where sustained levels of crime and anti-social behaviour were reported.

The Town's electronic Community Safety newsletter distributed 14 issues over two volumes in 2010/11 and to date has 294 subscribers.

Homeless Connect volunteers provided an opportunity for homeless people in the Town to access essential services and goods for free at a special event.

Community Safety Committee Meetings

The committee met monthly throughout the year, with guests from Department of Housing, Department of Corrective Services and Burswood Casino to discuss the challenges and strategies available to combat anti-social behaviour and crime within the Town.

Disability Access and Inclusion Plan 2008 - 2013

The Town has made consistent progress to implement outcome areas contained within the Disability Access and Inclusion Plan (DAIP) with all sections contributing to enhancing access to the Town's services, events, buildings, facilities and information. The Disability Access Advisory Committee continued to be instrumental in providing general advice and support to solve problems or issues reported by people with disabilities. Agents and contractors engaged by the Town to provide services to the public are also being informed of the need to ensure that access and inclusion is in line with the DAIP.

A report summary of the Town's 2010/11 achievements is available on the Town's website, along with an electronic copy of the DAIP 2008 - 2013.

Community Events and Volunteering

The Town's calendar of public events again proved popular and continued to grow in 2010/11. Events held this year included:

- Moreton Bay Fig Festival
- Christmas Street Mall
- Twilight Concert Series
- Criterium Cycle Race
- Music by Moonlight - presented by the Burswood Park Board, Lotterywest and the Town of Victoria Park
- The Volunteers Morning Tea
- The Enhanced Access Awards

Youth

Several projects engaged youth within the Town. Portable skate ramps which are on a rotation schedule around suitable venues were purchased. Five Youth in the Park consultation sessions were held to gain ideas of ways to increase youth participation at events. Youth service providers from the Town, City of South Perth and City of Belmont were invited to attend Sparkys meetings to discuss topics such as how to support young people with mental health issues, effective ways of working with indigenous young people and to hear speakers from Hepatitis WA.

Arts and Culture

The Town continued to implement initiatives that promote the Town as a living canvas, through its public art program and support for the celebration, promotion and understanding of cultural diversity.

In December 2010 Council suspended its Public Art Master Plan for a period of 12 months, to support the delivery of 10 new public art commissions valued at \$30,000 each. All 10 artworks will be installed by June 2012. The Arts and Culture Advisory Committee was given approval to select the artists and artwork.

The Victoria Park Art Awards were organised in partnership with property group Hawaiian and the Victoria Park Centre for the Arts and reached entry capacity with 180 submissions received. The Town purchased five pieces from the Art Awards to add to its collection, at a total cost of \$3,285.

Other arts and culture demonstrations and initiatives included:

- Hillview Looking replica artwork
- Harmony Roadshows 2011 program
- Banners in the Terrace competition
- Victoria Park Centre for the Arts support
- Tram Bus Shelter commission

Donations

In accordance with Policy FIN7- Financial Assistance, the total expenditure for donations in 2010/11 was \$14,215.

The following donations were approved:

- Eight local schools received a total of \$2,460 to support student projects.
- Thirteen individuals received funding to assist with travel to represent Western Australia or Australia in sporting competitions. A total of \$2,800 was distributed collectively, with individuals

receiving either \$100 or \$200.

- Seventeen community groups received a combined total of \$6,300 to support local projects.
- The Town's Active Youth program supports young people at a financial disadvantage with up to \$100 towards sports fees. A total of \$2,655 was given.

SERRAG

The Town continued its representation on the South East Regional Recreation Advisory Group. Key projects included the revision of the Regional Sport and Recreation Facilities Strategy.

Club Development

The Town and City of South Perth were jointly successful in receiving grant funding from the Department of Sport and Recreation to continue employment of Club Development Officers. The new three year agreement of \$22,500 per annum was signed in March 2010, for a part-time Club Development Officer whose role is to support the viability and governance of local sport and recreation clubs.

Edward Millen

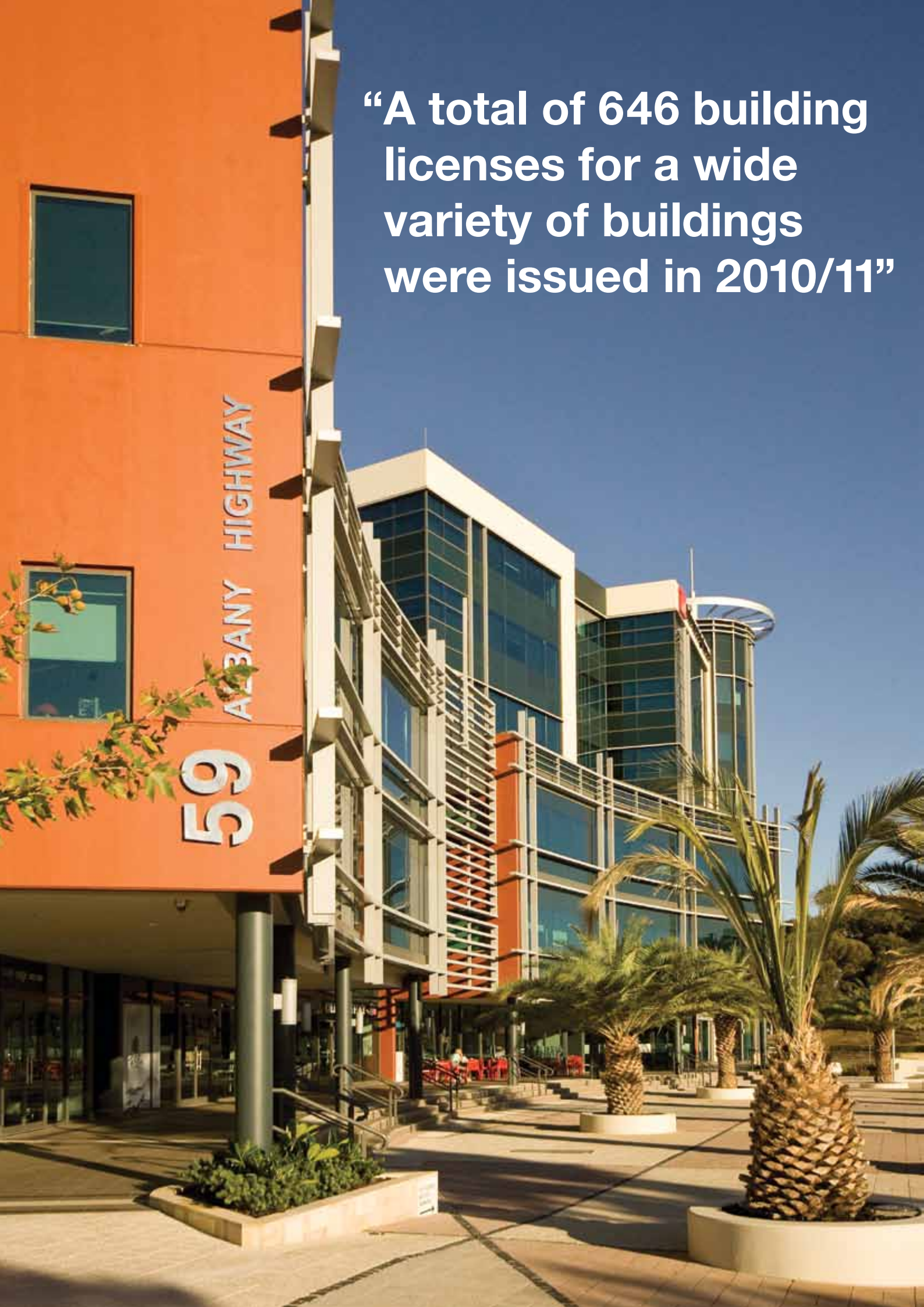
The Town received funding from Lotterywest and engaged the AEC Group to carry out a feasibility study and the development of a business plan for the Edward Millen Site. The purpose of the investigations is to provide evidence that supports informed decision-making regarding the future of the Edward Millen site in consultation with key stakeholders.

Maintenance and remedial work of the buildings has continued, to ensure they are protected against further deterioration, for general amenity and in readiness for future development.

The first stage of the study was drafted in 2010/11 and completion of stage two of the business plan is expected in 2010/12.



“A total of 646 building licenses for a wide variety of buildings were issued in 2010/11”



BUILT LIFE

The Town strives for excellence by facilitating innovative design in the built environment and neighbourhood planning. We endeavour to enhance our unique character by promoting high quality development and vibrant, liveable streetscapes. Built Life's core business is processing development applications and subdivision referrals and clearances; assessing development compliance and regulation; policy implementation and review; and enforcing adherence to the Town Planning Scheme, Building Codes of Australia and other relevant legislation.

Urban Planning

Local Planning Policy Streetscape Review

In 2010/11 the Town commenced a review of the Local Planning Policy - Streetscape. The review will ensure the policy reflects the community's expectations for residential development within the Town, provide scope for more modern designs in appropriate locations, and provide for sustainable design proposals.

Community consultation will take place once the draft Policy has been revised and Council will consider the comments prior to adopting the Policy.

Development along Albany Highway

Several mixed use residential and commercial developments were approved along Albany Highway, and were commenced or completed throughout the financial year. In particular, a number of car yards were removed and replaced with high quality residential and commercial developments. These developments are changing the face of Albany Highway, and have resulted in a more active and efficient use of land.

Development in the Causeway Precinct

Planning approval was issued for the development of two sites at 43-47 Burswood Road and 2 Hawthorne Place, following amendments to the Town Planning Scheme, to facilitate high quality intensive residential and commercial development within the Causeway Precinct.

Both sites have been approved for redevelopment comprising a mix of residential units and office floor space, with a residential tower to 18 storeys on each site. These developments will act as a catalyst for further investment in the Town and are consistent with the long term vision for the Causeway Precinct.

Building

The Building business unit ensures buildings within the Town are safe, liveable, accessible, sustainable and meet statutory requirements and regulations by assessing building licence applications. Building also enforce swimming pool regulations.

A total of 646 building licenses for a wide variety of buildings were issued in 2010/11, which included the major redevelopment of the Burswood Entertainment Complex and mixed use, residential and commercial buildings.

“The Future Life Program provides integrated comprehensive direction for the future development of the Town through strategic, sustainability and transport planning”



FUTURE LIFE

The Future Life program provides integrated comprehensive direction for the future development of the Town through strategic, sustainability and transport planning.

Strategic Planning

Town Planning Scheme Review and Local Planning Strategy

In 2010/11, Council's strategic vision for the future development of the Town was consolidated in a Draft Local Planning Strategy. That vision was then incorporated into a statutory framework as the Draft Local Planning Scheme No.2 and both documents were submitted to the Western Australian Planning Commission for consent to advertise for community consultation.

Activity Centres Strategy

Consultants Belingwe & Planwest were engaged to review the Local Commercial Centres Strategy 2003 and prepare an Activity Centres Strategy for the Town based on the principles and guidelines of State Planning Policy 4.2 - Activity Centres for Perth and Peel.

This strategy will consider the amount of retail floor space required for each activity centre within the Town, including the Town Centre. Finalisation of the strategy is awaiting the release of new population projections by the Department of Planning.

Residential Character Study

In 2010 the Town carried out a Residential Character Study Review to determine how original dwellings within the Town could be preserved while still retaining the development potential of lots. The findings of this Review were incorporated into the Draft Local Planning Strategy and Draft Local Planning Scheme No.2, which were submitted to the Department of Planning as a background study.

Belmont Park Redevelopment

The undeveloped land around Belmont Park Racecourse was purchased by Golden Group Pty Ltd, who are planning to create a high density mixed use development around the existing racetrack. London based international architects Foster + Partners formed part of the consultant group engaged to design the development and in May 2011 the applicant held a workshop with stakeholders to commence the structure planning process. Structure planning will continue into 2011/12.



**“The Town was chosen
as the only WA Metropolitan
National Broadband site
for the project’s second
stage release”**



RENEW LIFE

The Town's Renew Life program area aims to provide leadership on environmental matters through effective waste management, as well as providing design and facility management services, managing the Town's assets and ensuring streetscapes and parklands remain attractive and safe for the public to use into the future.

Lathlain Park Precinct Master Plan

Following a decision by Council at the meeting on 7 September 2010, the Lathlain Park Precinct Master Plan was opened for public comment and distributed to all owners/occupiers within 800 metres of Lathlain Park. The Town received 118 responses and the feedback received was presented in a report at the Ordinary Council Meeting of 15 March 2011. Council is now proceeding with staging of works, funding, and stakeholder negotiations in relation to this project.

Metropolitan National Broadband site

The Town of Victoria Park was chosen as the only WA Metropolitan National Broadband site for the project's second stage release.

Underground Power

The Town was successful in obtaining approval for two stages of underground power in Lathlain and Burswood.

PARK LIFE

In 2010/11 the Town carried out several projects to maintain and upgrade parks.

Upgrade and renewal works were completed at the Fletcher Park Clubrooms, with the official opening taking place on 6 April 2011. This project was partially funded by the Department of Sport and Recreation.

At Lathlain Park (Brownes Stadium), major asset preservation and maintenance works took place, while a Rejuvenation Station was installed and officially opened at Read Park.

New play equipment and shade sails were installed at Kate Street Reserve, John Bissett Park, Raphael Park and Alday Street Reserve and solar lighting was installed at various parks and reserves within the Town, including McCallum Park.

A street tree audit was completed across the Town.

Other project works included the completion of the multi-use sports courts, demolition works and installation of irrigation infrastructure at McCallum Park; an upgrade of the Building Management System at the Town's Administration Office and the replacement of air conditioners at Harold Hawthorne Centre.

STREET LIFE

All short-term solutions for drainage hot-spots were implemented and a waste characterisation report was developed. A parking hot-spot implementation strategy was also devised.

Road resurfacing was carried out on Geddes Street and along Albany Highway from Welshpool Road to Hillview Terrace.

The intersection at Briggs and Star Streets was upgraded, with the installation of traffic islands in Briggs Street to reinforce priority.

As a preventative measure, anti-hoon speed cushions were installed on Westminster Street,

Alday Street, Jarrah Road and Etwell Street and a roundabout was installed at the intersection of Cornwall and Gallipoli Streets.

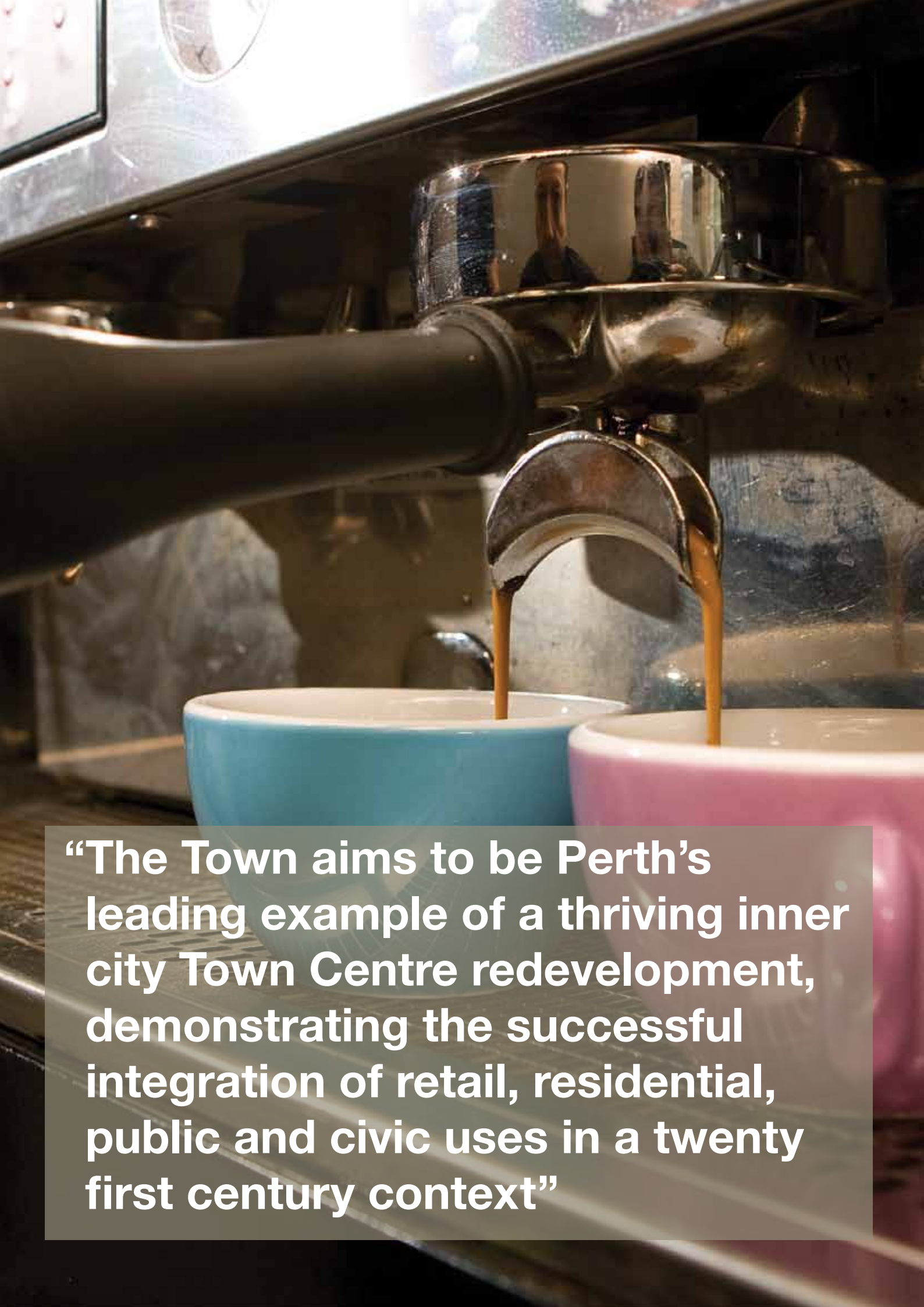
Traffic island modifications were made at the intersection of Oats Street and Swansea Street East to reinforce left turn only into Oats Street. Various works relating to improving safety at intersections were carried out, including the installation of the Hillview Crash Barrier and changes to parking restrictions to increase sight lines.

Various minor drainage upgrades also took place along Swansea Street, Oswald Street, Mercury Street and Roberts Road.

Solar lights were installed at McCallum Park, to increase the number of hours the community can use the park each day. A shared path was created at GO Edwards Park, from Bolton Avenue to Craig Street.







“The Town aims to be Perth’s leading example of a thriving inner city Town Centre redevelopment, demonstrating the successful integration of retail, residential, public and civic uses in a twenty first century context”

BUSINESS LIFE

The Business Life Program Area supports Council to achieve optimum performance while ensuring the Town provides exemplary support, both internally and externally, through the efficient provision of whole of organisation services.

Financial Management

The Town introduced new financial management software at the beginning of 2011 to improve the provision of financial information and reporting using real time data. Staff training in this system continued throughout the year. In addition, the General Ledger accounts were modified so that each Program area can access relevant information to ensure good business decisions can be made at all times.

Environmental Health and Regulatory Services

In 2010/11, Environmental Health Officers and Rangers educated the community on their obligations in relation to excessive noise and expected standards of dog control, and developed solutions to ongoing parking issues in several problem areas.

Officers also regularly inspected food premises to ensure they were clean and compliant for the safety of the community.

Information Services Records

In accordance with the State Records Act 2000, the Town is required to have a Record Keeping Plan. The Plan was initially approved by the State Records Commission in 2004 and reviewed again in 2009.

- An upgrade of the Town's current electronic Document Records Management System (eDRMS) is planned. The new eDRMS will be integrated with other systems within the Town to ensure total information management, including the financial/property system and mapping system.
- The Town's current record keeping system is effective and offers centralisation of all corporate information and simultaneous access for all users.
- A total of 31 staff participated in a record keeping training session during 2010/11, to ensure they are aware of their record keeping roles and responsibilities. Training is compulsory for all new staff that will create, collect or use records during their employment. The record keeping training sessions address the use of the eDRMS, record keeping responsibilities, legislative framework, operational procedures, and retention/disposal requirements.
- Measurements of corporate record keeping performance indicators during this period are compared to last year's figures in the table below.

Performance Indicator	2009/10	2010/11	Trend
Number of new files created	1,093	752	↓ 31%
Number of documents registered	41,478	39,570	↓ 5%
Number of files retrieved	2,214	1,254	↓ 43%
Number of Freedom of Information Applications Received	4	2	↓ 50%
Response time of Freedom of Information Applications (average number days)	24	4	↓ 83%

Information and Communication Technology

- Remote Access to improve workplace flexibility is on track for delivery in December 2011.
- Progress with virtualisation of server system, increasing capacity and improving security and disaster recovery.
- Email software upgrade to improve usability with superior quality of output.
- Change from telephony infrastructure to Voice Over Internet Protocol (VOIP) for full phone system.
- Move from back-up tapes to back up servers, more reliable and faster back to business service.
- Phase 1 of the new website rolled out with News and Events pages.
- Internet provider migration to faster Internet Service Provider (ISP) account.

Official Conduct Report

The Local Government Act requires the Town to report on the number of official conduct complaints recorded under section 5.121 during a financial year.

During the 2010/11 financial year three official complaints were recorded. These were dealt with in accordance with the complaints management section of the Town's Administration Policy Manual.

Economic Development

As part of an initiative to help increase traffic to local businesses, Albany Highway turned green to promote Wicked the Broadway Musical, which was showing at Burswood Theatre. Some restaurants within the town then offered discounts to ticket holders to encourage theatre patrons to dine in Victoria Park prior to seeing the show.

Participating businesses benefited from this initiative and thanked the council for their involvement, while the management of Wicked and Burswood Entertainment Complex were also grateful to the Town for assisting them in promoting the event.

This newly created business area under the Town's new corporate structure has been well received by the business community.

Revenue Diversification

To help reduce the Town's reliance on rates, a newly contracted position was created in 2010/11 to raise revenue through grants and sponsorship. Staff also received training in relationship building with agencies, aimed at providing long-term contacts with funding bodies.

Business Development

In 2010/11, the Town agreed to establish new business software that will assist staff in:

- Meeting their operational obligations
- Developing skills in Business Excellence
- Developing skills in Business Planning; and
- Setting performance measures for each of the Business Units.

Customer Service

Staff from across the organisation worked together to create a new model of customer service for the Town, based on the Customer Value proposition that is Value = Product /Service + Image + Relationship. Cost effective initiatives such as name badge wearing and meeting staff in other program areas were introduced immediately. It was agreed that Customer Service would have business unit status and a call centre would be developed.

Town Centre Redevelopment

The Victoria Park Town Centre Redevelopment is part of the Town's Plan for the Future 2011-2026. In broad terms the Town aims to be Perth's leading example of a thriving inner city Town Centre redevelopment, demonstrating the successful integration of retail, residential, public and civic uses in a twenty first century context.

The Town's primary objectives are to create a vibrant Town Centre through the development of lots that realise the maximum value of the land in the precinct, the renewal of a range of community facilities, and the creation of a public square and extended public realm that is attractive to users and visitors.

In 2010/11 Council entered into a Memorandum of Understanding with the owners of the Park Centre Shopping Centre (Hawaiian) to develop the land bounded by Albany Highway, Kent Street, Gloucester Street, Mooregate Street and Basinghall Street into a vibrant Town Centre.

At its meeting on 30 November 2010, Council resolved to receive the Project Definition Plan developed by Kooperman Project Management for the Centre and provide additional funds to undertake further consultancy work in the form of Urban Design, Landscape Architecture and placemaking (a form of community connection and consultation).

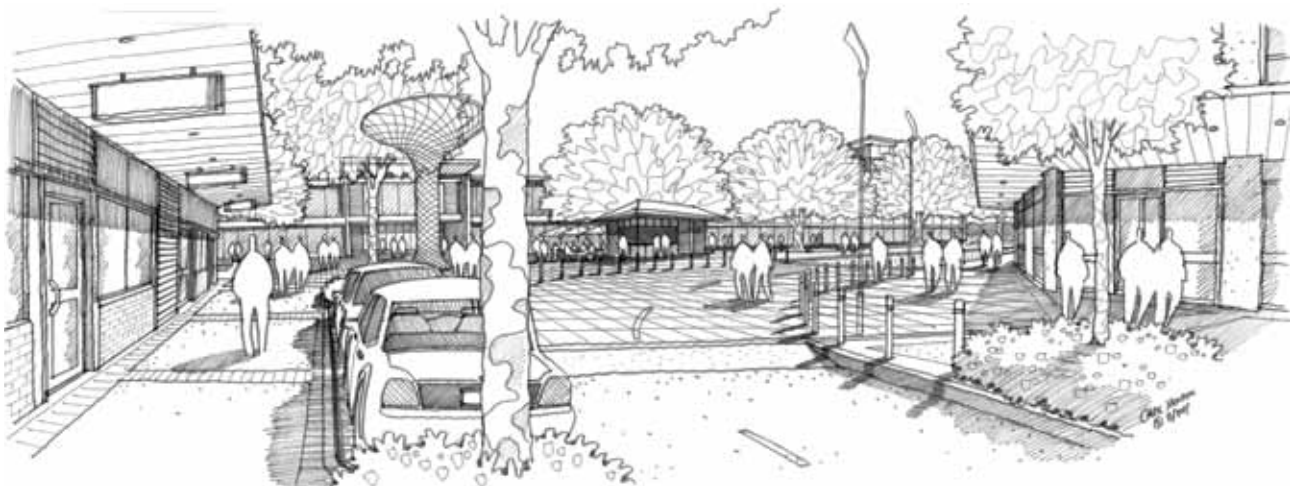
The Project Definition Plan will be modified to include future work completed by the consultants and amended financial modelling based on the changes made.

The updated Project Definition Plan will then be presented to Council to endorse the next stage of the development.

PAYMENTS TO EMPLOYEES

Set out below, in bands of \$10,000, is the number of Town employees entitled to an annual salary of \$100,000 or more:

Salary Range - \$	2010/11
130,000 - 140,000	4
170,000 - 180,000	1



FINANCIAL REPORT

For the Year Ended 30th June 2011

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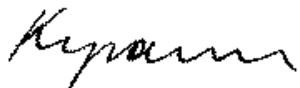
**TOWN OF VICTORIA PARK
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

**LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Town of Victoria Park being the annual financial report and other information for the financial year ended 30th June 2011 are in my opinion properly drawn up to present fairly the financial position of the Town of Victoria Park at 30th June 2011 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 29th day of November 2011



Athanasios (Arthur) Kyron
Chief Executive Officer

TOWN OF VICTORIA PARK
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2011

	NOTE	2011 \$	2011 Budget \$	2010 \$
REVENUE				
Rates	22	24,157,173	24,116,085	21,917,631
Operating Grants, Subsidies and Contributions	28	1,588,925	1,203,465	1,265,362
Fees and Charges	27	7,416,836	6,638,651	6,025,791
Interest Earnings	2(a)	1,243,475	1,033,433	837,232
Other Revenue		9,089	361,281	641,126
		<u>34,415,498</u>	<u>33,352,915</u>	<u>30,687,142</u>
EXPENSES				
Employee Costs		(13,601,772)	(12,378,996)	(12,020,742)
Materials and Contracts		(11,248,723)	(12,367,469)	(3,543,965)
Utility Charges		(1,425,519)	(1,923,710)	(1,634,415)
Depreciation on Non-Current Assets	2(a)	(3,972,430)	(3,966,927)	(3,952,828)
Interest Expenses	2(a)	(637,613)	(637,614)	(608,342)
Insurance Expenses		(384,591)	(320,839)	(305,068)
Donations, Contributions & Grants		(475,823)	(407,178)	(316,583)
Other Expenditure		(308,825)	(794,878)	(7,609,611)
		<u>(32,055,296)</u>	<u>(32,797,611)</u>	<u>(29,991,554)</u>
		2,360,202	555,304	695,588
Non-Operating Grants, Subsidies and Contributions	28	591,101	366,911	723,489
Profit on Asset Disposals	20	12,705	0	1,767
Loss on Asset Disposal	20	(187,905)	(274,203)	(563,127)
Change in Equity - Joint Ventures		(91,854)	0	2,254,540
		<u>2,684,249</u>	<u>648,012</u>	<u>3,112,257</u>
NET RESULT		2,684,249	648,012	3,112,257
TOTAL COMPREHENSIVE INCOME		<u><u>2,684,249</u></u>	<u><u>648,012</u></u>	<u><u>3,112,257</u></u>

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 30TH JUNE 2011

	NOTE	2011 \$	2011 Budget \$	2010 \$
REVENUE				
Governance		7,356	0	777
General Purpose Funding		26,502,547	26,108,273	23,874,115
Law, Order, Public Safety		108,879	84,600	167,581
Health		192,359	201,600	157,575
Community Amenities		938,729	829,350	805,981
Recreation and Culture		4,999,826	4,839,372	4,419,769
Transport		667,514	783,000	616,359
Economic Services		667,986	375,600	439,659
Other Property and Services		330,302	131,120	205,326
	2 (a)	<u>34,415,498</u>	<u>33,352,915</u>	<u>30,687,142</u>
EXPENSES EXCLUDING FINANCE COSTS				
Governance		(2,104,309)	(2,199,271)	(1,881,731)
General Purpose Funding		(692,486)	(691,498)	(496,636)
Law, Order, Public Safety		(800,002)	(894,711)	(675,925)
Health		(646,936)	(635,372)	(626,976)
Education and Welfare		(352,078)	(385,720)	(376,229)
Community Amenities		(5,421,816)	(6,394,765)	(5,568,248)
Recreation & Culture		(11,036,566)	(12,002,381)	(11,131,970)
Transport		(7,260,609)	(8,204,799)	(8,001,805)
Economic Services		(751,172)	(761,292)	(677,924)
Other Property and Services		(2,351,709)	9,812	54,232
	2 (a)	<u>(31,417,683)</u>	<u>(32,159,997)</u>	<u>(29,383,212)</u>
Contributions/Grants for the Development of Assets				
General Purpose Funding		174,255	0	0
Recreation and Culture		160,386	50,000	150,000
Transport		256,460	316,911	573,489
		<u>591,101</u>	<u>366,911</u>	<u>723,489</u>
Disposal of Assets				
Proceeds on Sale		381,629	462,000	388,684
Book Value		(556,828)	(736,203)	(950,044)
Gain/(Loss) on Disposal		<u>(175,199)</u>	<u>(274,203)</u>	<u>(561,360)</u>
Finance Costs				
Recreation and Culture		(372,510)	(372,511)	(398,362)
Other Property and Services		(265,103)	(265,103)	(209,980)
	2 (a)	<u>(637,613)</u>	<u>(637,614)</u>	<u>(608,342)</u>
Changes in Equity - Joint Ventures				
Community Amenities		(91,855)	0	2,254,540
NET RESULT		<u>2,684,249</u>	<u>648,012</u>	<u>3,112,257</u>
TOTAL COMPREHENSIVE INCOME		<u><u>2,684,249</u></u>	<u><u>648,012</u></u>	<u><u>3,112,257</u></u>

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

**TOWN OF VICTORIA PARK
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2011**

	NOTE	2011 \$	2010 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	15,308,484	11,113,703
Trade and Other Receivables	4	1,218,614	1,171,177
Inventories	5	48,948	55,805
TOTAL CURRENT ASSETS		<u>16,576,046</u>	<u>12,340,685</u>
NON-CURRENT ASSETS			
Other Receivables	4	181,524	163,747
Property, Plant and Equipment	6	50,619,338	50,784,332
Infrastructure	7	67,911,181	67,779,950
Other Financial Assets	16	3,688,871	3,764,080
TOTAL NON-CURRENT ASSETS		<u>122,400,914</u>	<u>122,492,109</u>
TOTAL ASSETS		<u>138,976,960</u>	<u>134,832,794</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	3,840,476	1,830,157
Long Term Borrowings	9	745,900	730,859
Provisions	10	1,798,132	1,606,635
TOTAL CURRENT LIABILITIES		<u>6,384,508</u>	<u>4,167,651</u>
NON-CURRENT LIABILITIES			
Long Term Borrowings	9	9,168,786	9,914,686
Provisions	10	131,848	142,889
TOTAL NON-CURRENT LIABILITIES		<u>9,300,634</u>	<u>10,057,575</u>
TOTAL LIABILITIES		<u>15,685,142</u>	<u>14,225,226</u>
NET ASSETS		<u>123,291,818</u>	<u>120,607,568</u>
EQUITY			
Retained Surplus		98,310,012	95,735,093
Reserves - Cash Backed	11	5,850,931	5,741,601
Reserves - Asset Revaluation	12	19,130,874	19,130,874
TOTAL EQUITY		<u>123,291,817</u>	<u>120,607,568</u>

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 30TH JUNE 2011**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	ASSET REVALUATION RESERVE \$	TOTAL EQUITY \$
Balance as at 1 July 2009		92,560,811	5,803,626	19,130,874	117,495,311
Net Result		3,112,257	0	0	3,112,257
Total Other Comprehensive Income		0	0	0	0
Reserve Transfers		62,025	(62,025)	0	0
Balance as at 30 June 2010		95,735,093	5,741,601	19,130,874	120,607,568
Net Result		2,684,249	0	0	2,684,249
Total Other Comprehensive Income		0	0	0	0
Reserve Transfers		(109,330)	109,330	0	0
Balance as at 30 June 2011		98,310,012	5,850,931	19,130,874	123,291,817

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

**TOWN OF VICTORIA PARK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2011**

	NOTE	2011 \$	2011 Budget \$	2010 \$
Cash Flows From Operating Activities				
Receipts				
Rates		24,050,049	24,007,862	21,894,778
Operating Grants, Subsidies and Contributions		515,531	203,300	1,265,362
Fees and Charges		7,231,666	6,638,651	6,360,797
Service Charges		2	0	0
Interest Earnings		1,275,911	0	817,467
Goods and Services Tax			0	1,179,137
Other Revenue		9,226	301,281	641,126
		<u>33,082,385</u>	<u>31,151,094</u>	<u>32,158,667</u>
Payments				
Employee Costs		(13,279,140)	(12,451,176)	(11,923,774)
Materials and Contracts		(9,502,459)	(5,178,271)	(4,742,001)
Utility Charges		(1,034,219)	(1,923,710)	(1,634,415)
Insurance Expenses		(384,591)	(338,467)	(305,068)
Interest expenses		(637,613)	(407,178)	(316,583)
Goods and Services Tax		(115,591)	(637,614)	0
Other Expenditure		(744,058)	(7,343,641)	(8,538,788)
		<u>(25,697,671)</u>	<u>(28,280,057)</u>	<u>(27,460,629)</u>
Net Cash Provided By (Used In) Operating Activities	13(b)	<u>7,384,714</u>	<u>2,871,037</u>	<u>4,698,038</u>
Cash Flows from Investing Activities				
Payments for Purchase of Land & Buildings		(837,661)	0	0
Payments for Purchase of Plant, Furniture & Equipment		(1,164,098)	(4,669,758)	(2,363,739)
Payments for Construction of Infrastructure		(2,493,737)	(2,255,830)	(3,260,889)
Equity in Mindarie Regional Council		(16,645)	(25,162)	(15,613)
Non-Operating Grants, Subsidies and Contributions used for the Development of Assets		1,655,876	1,367,076	723,489
Proceeds from Sale of Plant & Equipment		397,191	462,000	387,739
Proceeds from Sale of Furniture & Equipment			0	945
Interest Earnings			903,433	0
Net Cash Provided By (Used In) Investing Activities		<u>(2,459,074)</u>	<u>(4,218,241)</u>	<u>(4,528,068)</u>
Cash Flows from Financing Activities				
Repayment of Borrowings		(730,859)	(730,859)	(1,289,366)
Proceeds from New Debentures			1,405,000	1,261,801
Net Cash Provided By (Used In) Financing Activities		<u>(730,859)</u>	<u>674,141</u>	<u>(27,565)</u>
Net Increase (Decrease) in Cash Held		4,194,781	(673,063)	142,405
Cash at Beginning of Year		11,113,703	10,710,288	10,971,299
Cash and Cash Equivalents at the End of the Year	13(a)	<u><u>15,308,484</u></u>	<u><u>10,037,225</u></u>	<u><u>11,113,704</u></u>

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

**TOWN OF VICTORIA PARK
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2011**

	NOTE	2011 \$	2011 Budget \$
REVENUE			
Governance		7,355	0
General Purpose Funding		2,345,372	1,802,188
Law, Order, Public Safety		108,879	84,600
Health		184,965	201,600
Community Amenities		922,721	829,350
Recreation and Culture		4,982,196	4,839,372
Transport		668,650	783,000
Economic Services		658,906	375,600
Other Property and Services		<u>204,080</u>	<u>131,120</u>
		10,083,124	9,046,830
EXPENSES			
Governance		(2,104,309)	(2,199,271)
General Purpose Funding		(692,486)	(691,498)
Law, Order, Public Safety		(800,002)	(894,711)
Health		(646,936)	(635,372)
Education and Welfare		(352,078)	(385,720)
Community Amenities		(5,513,671)	(6,394,765)
Recreation & Culture		(11,409,076)	(12,374,892)
Transport		(7,260,609)	(8,204,799)
Economic Services		(751,172)	(761,292)
Other Property and Services		<u>(2,616,811)</u>	<u>(255,291)</u>
		(32,147,150)	(32,797,611)
Net Operating Result Excluding Rates		(22,064,026)	(23,750,781)
Adjustments for Cash Budget Requirements:			
Non-Cash Expenditure and Revenue			
(Profit)/Loss on Asset Disposals		175,199	0
Movement in Deferred Pensioner Rates (Non-Current)		(15,768)	0
Capital Contributions from Other Parties		591,101	366,911
Depreciation and Amortisation on Assets		3,972,430	3,966,927
Capital Expenditure and Revenue			
Purchase Land and Buildings		(837,661)	(2,945,237)
Purchase Infrastructure Assets		(2,493,735)	(3,255,830)
Purchase Plant and Equipment		(671,706)	(1,128,641)
Purchase Furniture and Equipment		(492,392)	(776,057)
Equity in Mindarie Regional Council		75,209	(25,162)
Proceeds from Disposal of Assets		381,629	462,000
Repayment of Debentures		(730,859)	(730,859)
Proceeds from New Debentures		0	1,405,000
Transfers to Reserves (Restricted Assets)		(729,090)	(648,544)
Transfers from Reserves (Restricted Assets)		619,760	985,327
ADD Opening Funds July 1 B/Fwd		3,118,931	1,768,861
LESS Closing Funds June 30 C/Fwd		(5,056,195)	0
Amount Required to be Raised from Rates	22	<u>(24,157,173)</u>	<u>(24,306,085)</u>

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 30TH JUNE 2011

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this financial report are:

(a) Basis of Preparation

The financial report is a general purpose financial statement which 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.

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 the 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, but a separate statement of those monies appears at Note 19 to these financial statements.

(c) Goods and Services Tax

In accordance with recommended practice, 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.

(d) 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 which are subject to an insignificant risk of changes in value and bank overdrafts.

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

(e) Trade and Other Receivables

Collectibility 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.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 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 Finance costs and holding charges incurred after development is completed are expensed.

Revenue arising from the sale of property is recognised in the statement of comprehensive income 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 intention 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 or 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 overhead.

Revaluation

Certain asset classes may be revalued 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

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying

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

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

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 AASB1051 - 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 are separately and 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 - General	40 years
Buildings - Minor	10 - 20 years
Furniture & Fittings	5 - 10 years
Computer Equipment & Peripherals	3 years
Communication Equipment	3 - 5 years
Other Equipment	3 - 10 years
Plant	2 - 10 years
Infrastructure excluding unsealed carpark, grassed wickets and courts	5 - 80 years
Unsealed carpark, grassed wickets and courts and parks landscaping	Infinite

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

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Depreciation of Non-Current Assets (Continued)

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. 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 \$1,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

(h) 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 at 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
- (b) less any reduction for impairment.

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

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

(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 assets.

(ii) Loans and receivables

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period (classified as non-current assets).

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period (classified as current assets).

If the Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

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

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period (classified as current assets).

(v) 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 the statement of comprehensive income.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Estimation of Fair Value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(j) 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 estimate of the recoverable amount of the asset is made in accordance with AASB 136 '*Impairment of Assets*' and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

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.

(k) 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.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Council has a present obligation to pay resulting from employees services provided to reporting date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

(ii) Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(m) 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.

(n) 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 to settle the obligation; 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.

Provisions are not recognised for future operating losses.

(o) 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 equal to the present

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.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) 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 16.

(q) 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 operation for the current reporting period.

(r) Superannuation

The Council contributes to a number of superannuation funds on behalf of employees.

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

(t) Rounding Off Figures

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

(u) Comparative Figures

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

(v) 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.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2011.

Council's assessment of these new standards and interpretations is set out below:

Title and Topic	Issued	Applicable (*)	Impact
(i) AASB 9 – Financial Instruments	December 2009	01 January 2013	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
(ii) AASB 124 – Related Party Disclosures	December 2009	01 January 2011	Nil – It is not anticipated the Council will have any related parties as defined by the Standard.
(iii) AASB 1053 - Application of Tiers of Australian Accounting Standards	June 2010	01 July 2013	Nil - Due to its nature and statutory requirements the Council will be deemed a Tier 1 entity and will continue to prepare general purpose financial statements.
(iv) AASB 2009 -12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	December 2009	01 January 2011	Nil – The revisions embodied in this standard relate to standards which do not apply to local government (ie AASB8) or are largely editorial in nature and will have minimal effect (if any) on the accounting practices of the Council.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable (*)	Impact
(v) AASB 2009— 11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	December 2009	01 January 2013	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).
(vi) AASB 2010 - 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050, & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052]	June 2010	01 July 2013	Nil - None of these amendments will have any effect on the financial report as the standard does not apply in the case of general purpose financial statements.
(vii) AASB 2010 - 4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101, 134, and Interpretation 13]	June 2010	01 January 2011	Nil - The revisions are part of the AASB's annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs. It is not anticipated these will have any effect on the Council.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable (*)	Impact
(viii) AASB 2010 - 5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]	October 2010	01 January 2011	Nil - The revisions embodied in this standard are largely editorial in nature or relate to standards not applicable to the Council and will have minimal effect (if any) on the accounting practices of the Council.
(ix) AASB 2010 - 6 Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets [AASB 1 & 7]	November 2010	01 July 2011	Nil - The revisions embodied in this standard amend disclosures required on transfers of financial assets. The Council is not expected to have any qualifying transfers.
(x) 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, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	December 2010	01 January 2013	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).
(xi) AASB 2010 - 8 Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets [AASB 1 & 7]	December 2010	01 January 2012	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable (*)	Impact
(xi) (Continued)			
AASB 2010 - 9 Amendments to Australian Accounting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1]	December 2010	01 July 2011	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2009 - 14 Amendments to Australian Interpretations - Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]	December 2009	01 January 2011	
AASB 2010 - 10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009 - 11 & 2010 - 7]	December 2010	01 January 2013	

Notes:

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

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) 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 became mandatory and which were applicable to its operations.

These new and revised standards were:

AASB 2009 - 5
AASB 2009 - 8
AASB 2009 - 10
AASB 2009 - 13
AASB 2010 - 1
AASB 2010 - 3

Interpretation 19

The standards adopted had a minimal effect on the accounting and reporting practices of the Council as they were either 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 30TH JUNE 2011**

2. REVENUE AND EXPENSES

2011
\$

2010
\$

(a) Net Result

The Net Result includes:

(i) Charging as an Expense:

Significant Expense

Auditors Remuneration

- Audit	9,398	11,910
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Depreciation

Buildings	958,532	971,265
Furniture and Equipment	335,485	354,901
Plant and Equipment	344,036	343,558
Roads	988,040	971,805
Footpaths	406,686	404,434
Drainage	193,219	192,709
Parks	549,073	537,012
Other Infrastructure	197,360	177,144
	3,972,430	3,952,828

Interest Expenses (Finance Costs)

Debentures (<i>refer Note 21(a)</i>)	637,613	608,342
	637,613	608,342

Rental Charges

- Operating Leases	0	5,449
	0	5,449

(ii) Crediting as Revenue:

2011
\$

2011
Budget
\$

2010
\$

Interest Earnings

Investments		
- Reserve Funds	252,713	265,454
- Other Funds	645,626	637,979
Other Interest Revenue	345,137	130,000
	1,243,475	1,033,433
		837,232

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

The Town of Victoria Park is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

GOVERNANCE

All costs and revenues associated with the Mayor and Councillors of the Town of the Victoria Park. Governance also includes civic receptions and functions, public relations, electoral and other issues relating to providing support to the Mayor, Councillors and the ratepayers which do not concern specific Council services.

GENERAL PURPOSE FUNDING

Rates and administration costs associated with the collections of rates, general purpose grants, untied road grants and interest on municipal and reserve funds.

LAW, ORDER, PUBLIC SAFETY

Fire Prevention (including the WA Fire Brigade Board Levy, clearing for fire hazards), Animal Control, Dog Pound, Local Law Control, Community Policing, State Emergency Services and Ranger Services.

HEALTH

Maternal and infant health, preventative services, immunisation, food control, health and health administration and pest control.

WELFARE

Aged and disabled - senior citizens centres, welfare administration, donations to welfare organisations and education.

COMMUNITY AMENITIES

Rubbish collections, recycling, refuse site operations, public litter bins, town planning and other protection of the environment.

RECREATION AND CULTURE

Public halls, civic centres, community centres, Aqualife Centre, parks and sports grounds, sports clubs, recreation administration and culture administration, community recreation programme, Leisurelife Centre, library and community arts programme.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

TRANSPORT

Roadworks, footpaths, rights of way, drainage, road reserves - landscape, street lighting, street cleaning, street trees, street sign maintenance, Kent St Sandpit, recoverable works, road widening and road widening properties, street furniture, traffic surveys, traffic management, carpark maintenance, parking services and water transport facilities.

ECONOMIC SERVICES

Building control and swimming pool inspections.

OTHER PROPERTY AND SERVICES

Private works, public works overheads, depot, plant operations, unclassified, general administration and financial services.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions	Grant/Contribution	Function/ Activity	Opening		Closing		Received (+) 2010/11	Expended (#) 2010/11	Closing Balance 30-Jun-11
			Balance (*) 1-Jul-09	Balance (*) 30-Jun-10	Expended (#) 2009/10	Balance (*) 30-Jun-10			
	Regional & Local Community Infrastructure Program (RCLIP)	Recreation	\$ 139,716	\$ 43,362	(132,816)	\$ 36,462	0	0	\$ 0
Total			139,716	43,362	(132,816)	36,462	0	(43,362)	0

Notes:

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

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

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

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
3. CASH AND CASH EQUIVALENTS		
Unrestricted	9,081,940	5,067,789
Restricted	<u>6,226,543</u>	<u>6,045,914</u>
	<u><u>15,308,484</u></u>	<u><u>11,113,703</u></u>
The following restrictions have been imposed by regulations or other externally imposed requirements:		
Land Acquisition for Road Widening Reserve	138,125	130,472
Aqualife Centre Reserve	0	363,903
Public Open Space Development Reserve	179,361	218,263
Leisurelife Centre Reserve	316,158	0
Plant & Equipment Reserve	37,933	38,160
Drainage Improvement Reserve	10,349	35,831
Buildings Improvement Reserve	53,999	51,201
Information Technology Reserve	21,588	52,414
Harold Hawthorne Senior Citizens Reserve	4,108	49,221
Hubert Street Car Park Improvements Reserve	129,573	122,394
Westminster Parking Reserve	179,763	169,802
Right of Way Construction Reserve	6,328	5,977
Lt Col. Christian Garden Competition Reserve	25,495	24,081
Community Art Reserve	720,613	718,797
Underground Power Reserve	2,828,964	2,530,144
Lathlain Park Feasibility/Concept Study Reserve	82,681	33,794
Edward Millen Improvement & Maintenance Reserve	1,074,602	1,090,283
Waste Management Reserve	0	106,864
Infrastructure Improvement	32,141	0
Peninsula Infrastructure	7,578	0
Mayors Emergency Relief Fund	1,574	0
Works Bonds & Miscellaneous Deposits	<u>375,612</u>	<u>304,313</u>
	<u><u>6,226,543</u></u>	<u><u>6,045,914</u></u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
4. TRADE AND OTHER RECEIVABLES		
Current		
Rates	246,340	98,146
Accrued Income	30,565	192,369
Property Rental/Leases	9,950	3,618
Infringements	516,478	423,662
State Treasury	42,548	15,654
GST Receivable	163,617	236,149
Underground Power Instalments	0	2,010
Prepayments	0	45,599
Other Receivables	209,116	153,970
	<u>1,218,614</u>	<u>1,171,177</u>
Non-Current		
Pensioner Deferred Rates #	179,515	163,747
Underground Power Instalments	2,009	0
	<u>181,524</u>	<u>163,747</u>

Pensioner Rates Deferred relates to rates deferred by pensioners in accordance with the Rates and Charges (Rebates and Deferment) Act 1992.

5. INVENTORIES

Current		
Depot	25,067	33,500
Administration Centre - Stationery	0	1,249
Leisurelife Centre	2,093	2,856
Aqualife Centre	21,788	18,200
	<u>48,948</u>	<u>55,805</u>

6. PROPERTY, PLANT AND EQUIPMENT

Land and Buildings - Cost	55,311,494	54,473,833
Less Accumulated Depreciation	<u>(9,128,447)</u>	<u>(8,198,210)</u>
	46,183,047	46,275,623
Furniture and Equipment - Cost	5,933,164	5,864,769
Less Accumulated Depreciation	<u>(2,414,121)</u>	<u>(2,086,435)</u>
	3,519,043	3,778,334
Plant and Equipment - Cost	5,488,102	5,006,997
Less Accumulated Depreciation	<u>(4,570,854)</u>	<u>(4,276,622)</u>
	917,248	730,375
	<u>50,619,338</u>	<u>50,784,332</u>

Assets at cost are subject to an annual assessment as to whether there is any indication an asset may have been impaired in accordance with AASB 136 "Impairment of Assets".

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

The following represents the movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	<u>Land & Buildings \$</u>	<u>Plant & Equipment \$</u>	<u>Furniture & Equipment \$</u>	<u>Total \$</u>
Balance as at the beginning of the year	46,275,623	730,375	3,778,334	50,784,332
Additions	837,661	492,392	671,706	2,001,759
(Disposals)	0	0	(556,829)	(556,829)
Reclassifications	28,295	29,966	(30,132)	28,129
Depreciation (Expense)	(958,531)	(335,485)	(344,036)	(1,638,052)
Carrying amount at the end of year	<u><u>46,183,048</u></u>	<u><u>917,248</u></u>	<u><u>3,519,043</u></u>	<u><u>50,619,339</u></u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
7. INFRASTRUCTURE		
Roads - Cost	64,761,543	64,376,334
Less Accumulated Depreciation	<u>(27,591,099)</u>	<u>(26,604,215)</u>
	37,170,445	37,772,119
Footpaths - Cost	14,162,144	14,021,975
Less Accumulated Depreciation	<u>(7,195,410)</u>	<u>(6,785,059)</u>
	6,966,734	7,236,916
Drainage - Cost	11,678,712	11,678,712
Less Accumulated Depreciation	<u>(6,973,054)</u>	<u>(6,779,835)</u>
	4,705,659	4,898,877
Parks - Cost	16,520,643	15,899,670
Less Accumulated Depreciation	<u>(5,386,787)</u>	<u>(4,813,252)</u>
	11,133,855	11,086,418
Other Infrastructure - Cost	6,443,295	6,355,866
Less Accumulated Depreciation	<u>(2,166,570)</u>	<u>(1,968,053)</u>
	4,276,726	4,387,813
Work in Progress	3,657,763	2,397,807
	<u>67,911,181</u>	<u>67,779,950</u>

Assets at cost are subject to an annual assessment as to whether there is any indication an asset may have been impaired in accordance with AASB 136 "Impairment of Assets"

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

7. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

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

	Roads \$	Footpaths \$	Drainage \$	Parks \$	Other Infrastructure \$	Work In Progress \$	Total \$
Balance at the beginning of the year	37,772,119	7,236,916	4,898,877	11,086,418	4,387,813	2,397,807	67,779,950
Additions	385,210	140,169	0	626,369	82,030	1,259,956	2,493,735
Reclassifications	1,157	(3,665)	0	(29,860)	4,241	0	(28,127)
Depreciation (Expense)	(988,040)	(406,686)	(193,218)	(549,073)	(197,360)	0	(2,334,376)
Carrying amount at the end of year	37,170,445	6,966,734	4,705,659	11,133,855	4,276,725	3,657,763	67,911,181

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010	
	\$	\$	
8. TRADE AND OTHER PAYABLES			
Current			
Income in Advance	384,052	463,348	
Trade & Other Creditors	2,650,820	671,134	
Work bonds and miscellaneous deposits	375,611	304,313	
Accrued Salaries and Wages	429,993	391,362	
	<u>3,840,476</u>	<u>1,830,157</u>	
9. LONG-TERM BORROWINGS			
Current			
Debentures	745,900	730,859	
	<u>745,900</u>	<u>730,859</u>	
Non-Current			
Debentures	9,168,786	9,914,686	
	<u>9,168,786</u>	<u>9,914,686</u>	
10. PROVISIONS			
Current			
Provision for Annual Leave	1,043,717	923,364	
Provision for Long Service Leave	754,416	683,271	
	<u>1,798,132</u>	<u>1,606,635</u>	
Non-Current			
Provision for Long Service Leave	131,848	142,889	
	<u>131,848</u>	<u>142,889</u>	
11. RESERVES - CASH BACKED			
(a) Land Acquisition for Road Widening Reserve			
Opening Balance	130,472	129,848	124,399
Interest Earned Transferred from Operations	7,653	5,295	6,073
Transfers From Operations	0	0	0
Transfers To Operations	0	(24,000)	0
Closing Balance	<u>138,125</u>	<u>111,143</u>	<u>130,472</u>
(b) Leisure Facilities Reserve			
Opening Balance	363,903	362,133	291,237
Interest Earned Transferred from Operations	17,255	11,196	20,001
Transfers From Operations	0	0	136,315
Transfers To Operations	(65,000)	(159,500)	(83,650)
Closing Balance	<u>316,158</u>	<u>213,829</u>	<u>363,903</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011 \$	2011 Budget \$	2010 \$
11. RESERVES - CASH BACKED (Continued)			
(c) Public Open Space Development Reserve			
Opening Balance	218,263	217,203	248,123
Interest Earned Transferred from Operations	11,098	7,124	12,196
Transfers From Operations	0	0	0
Transfers To Operations	(50,000)	(88,200)	(42,056)
Closing Balance	<u>179,361</u>	<u>136,127</u>	<u>218,263</u>
(d) Leisurelife Centre Reserve			
Opening Balance	0	0	6,526
Interest Earned Transferred from Operations	0	0	278
Transfers From Operations	0	0	0
Transfers To Operations	0	0	(6,804)
Closing Balance	<u>0</u>	<u>0</u>	<u>0</u>
(e) Drainage Improvement Reserve			
Opening Balance	38,160	37,977	36,354
Interest Earned Transferred from Operations	2,189	447	1,806
Transfers From Operations	0	0	0
Transfers To Operations	(30,000)	(30,000)	0
Closing Balance	<u>10,349</u>	<u>8,424</u>	<u>38,160</u>
(f) Plant & Equipment Reserve			
Opening Balance	35,831	35,660	34,163
Interest Earned Transferred from Operations	2,102	1,970	1,668
Transfers From Operations	0	0	0
Transfers To Operations	0	0	0
Closing Balance	<u>37,933</u>	<u>37,630</u>	<u>35,831</u>
(g) Buildings Improvement Reserve			
Opening Balance	51,201	50,958	216,577
Interest Earned Transferred from Operations	2,797	2,747	9,624
Transfers From Operations	0	0	0
Transfers To Operations	0	0	(175,000)
Closing Balance	<u>53,999</u>	<u>53,705</u>	<u>51,201</u>
(h) Information Technology Reserve			
Opening Balance	52,414	51,321	256,323
Interest Earned Transferred from Operations	6,674	2,427	11,839
Transfers From Operations	86,305	86,305	20,000
Transfers To Operations	(123,804)	(89,322)	(235,748)
Closing Balance	<u>21,588</u>	<u>50,731</u>	<u>52,414</u>
(i) Harold Hawthorne Senior Citizens Reserve			
Opening Balance	49,221	48,986	46,930
Interest Earned Transferred from Operations	2,887	33	2,291
Transfers From Operations	0	0	0
Transfers To Operations	(48,000)	(48,000)	0
Closing Balance	<u>4,108</u>	<u>1,019</u>	<u>49,221</u>

TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011

	2011 \$	2011 Budget \$	2010 \$
11. RESERVES - CASH BACKED (Continued)			
(j) Hubert Street Car Park Improvements Reserve			
Opening Balance	122,394	121,809	116,697
Interest Earned Transferred from Operations	7,179	6,728	5,697
Transfers From Operations	0	0	0
Transfers To Operations	0	0	0
Closing Balance	<u>129,573</u>	<u>128,537</u>	<u>122,394</u>
(k) Westminster Parking Reserve			
Opening Balance	169,802	168,991	161,899
Interest Earned Transferred from Operations	9,961	9,334	7,903
Transfers From Operations	0	0	0
Transfers To Operations	0	0	0
Closing Balance	<u>179,763</u>	<u>178,325</u>	<u>169,802</u>
(l) Right of Way Construction Reserve			
Opening Balance	5,977	5,948	34,472
Interest Earned Transferred from Operations	351	315	1,505
Transfers From Operations	0	0	0
Transfers To Operations	0	0	(30,000)
Closing Balance	<u>6,328</u>	<u>6,263</u>	<u>5,977</u>
(m) Lt. Col. Christian Garden Competition Reserve			
Opening Balance	24,081	23,966	22,960
Interest Earned Transferred from Operations	1,414	1,324	1,121
Transfers From Operations	0	0	0
Transfers To Operations	0	0	0
Closing Balance	<u>25,495</u>	<u>25,290</u>	<u>24,081</u>
(n) Community Art Reserve			
Opening Balance	718,797	715,327	643,558
Interest Earned Transferred from Operations	19,398	21,730	35,159
Transfers From Operations	60,765	60,765	55,748
Transfers To Operations	(78,347)	(169,000)	(15,668)
Closing Balance	<u>720,613</u>	<u>628,822</u>	<u>718,797</u>
(o) Underground Power Reserve			
Opening Balance	2,530,144	2,517,936	2,645,779
Interest Earned Transferred from Operations	147,322	138,094	133,014
Transfers From Operations	151,498	121,530	0
Transfers To Operations	0	0	(248,649)
Closing Balance	<u>2,828,964</u>	<u>2,777,560</u>	<u>2,530,144</u>
(p) Lathlain Park Feasibility/Concept Study Reserve			
Opening Balance	33,794	33,632	90,739
Interest Earned Transferred from Operations	3,887	3,581	5,277
Transfers From Operations	45,000	45,000	25,000
Transfers To Operations	0	0	(87,222)
Closing Balance	<u>82,681</u>	<u>82,213</u>	<u>33,794</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011 \$	2011 Budget \$	2010 \$
11. RESERVES - CASH BACKED (Continued)			
(q) Edward Millen Improvement & Maintenance Reserve			
Opening Balance	1,090,283	1,085,057	826,890
Interest Earned Transferred from Operations	42,301	52,036	51,489
Transfers From Operations	60,765	60,765	222,992
Transfers To Operations	(118,747)	(270,305)	(11,088)
Closing Balance	<u>1,074,602</u>	<u>927,553</u>	<u>1,090,283</u>
(r) Waste Management Reserve			
Opening Balance	106,864	106,327	0
Interest Earned Transferred from Operations	(1,002)	673	4,864
Transfers From Operations	0	0	102,000
Transfers To Operations	(105,862)	(107,000)	0
Closing Balance	<u>0</u>	<u>0</u>	<u>106,864</u>
(s) Peninsula Infrastructure Reserve			
Opening Balance	0	0	0
Interest Earned Transferred from Operations	354	400	0
Transfers From Operations	7,224	7,224	0
Transfers To Operations	0	0	0
Closing Balance	<u>7,578</u>	<u>7,624</u>	<u>0</u>
(t) The Mayors Emergency Relief Fund			
Opening Balance	0	0	0
Interest Earned Transferred from Operations	74	0	0
Transfers From Operations	1,500	1,500	0
Transfers To Operations	0	0	0
Closing Balance	<u>1,574</u>	<u>1,500</u>	<u>0</u>
(u) Infrastructure Improvement Reserve			
Opening Balance	0	0	0
Interest Earned Transferred from Operations	0	0	0
Transfers From Operations	32,141	0	0
Transfers To Operations	0	0	0
Closing Balance	<u>32,141</u>	<u>0</u>	<u>0</u>
TOTAL CASH BACKED RESERVES	<u><u>5,850,931</u></u>	<u><u>5,376,295</u></u>	<u><u>5,741,601</u></u>

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

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

11. RESERVES - CASH BACKED (Continued)

On restructuring of the City of Perth, the Town was provided with specific cash reserves, which were transferred to the Town by Order of the Governor under Section 13 of the Local Government Act 1960. The Town has also established other specific reserves to provide for future facilities and amenities throughout the Town. The purpose of each reserve is summarised below.

Land Acquisition for Road Widening Reserve

To provide funds for the acquisition of land and/or property required for the extension or widening of road reserves within the Town according to declarations of new street alignments pursued by the Town and Gazetted under its Local Laws.

Leisure Facilities Reserve

To provide funds for the upgrade and development of both the Aqualife Centre and the Leisurelife Centre including the replacement of major items of plant & equipment.

Public Open Space Development Reserve

To provide funds for the acquisition and development of land to provide additional public open space in the Town and develop existing public open space in the Town.

Leisurelife Centre Reserve

To provide funds for the replacing of major items of plant and equipment or modifications to the Centre.

Drainage Improvement Reserve

To provide funds for the provision, upgrading, replacement or overall improvement of drainage in the Town.

Plant & Equipment

To provide funds for the acquisition and replacement of plant and equipment to undertake works and provide services in the Town.

Buildings Improvement Reserve

To provide funds for the acquisition, construction, upgrading or replacement of Municipal buildings in the Town.

Infrastructure Improvement Reserve

To provide funds for the provision, upgrading, replacement or overall improvement of infrastructure within road reserves in the Town.

Information Technology Reserve

To provide funds for the purchase, upgrading or replacement of computer software or hardware.

Harold Hawthorne Senior Citizens Centre/Carlisle Memorial Hall

To provide funds for the replacement of major appliances/equipment and any structural repairs to these facilities that are the responsibility of the Town.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

11. RESERVES - CASH BACKED (Continued)

Hubert Street Car Park Improvements Reserve

To provide funds for the upgrade of the Hubert Street Car Park.

Westminster Parking Reserve

To provide funds for the conversion of the sump in Westminster Street near Albney Highway and provide parking on the site.

Right of Way Construction Reserve

To provide funds for the sealing of Right of Ways.

Lt. Col. Christian Garden Competition Reserve

To provide funds for future Spring Garden Competitions.

Community Art Reserve

To provide funds for the purchase of art for the Council and Community.

Community Safety Reserve

To provide funds for community safety initiatives within the Town of Victoria Park.

Underground Power & Landscaping Reserve

To provide funds for the future undergrounding of power within the Town of Victoria Park.

Lathlain Park Feasibility/Concept Study Reserve

To provide funds for the future investigation of alternate uses of Lathlain Park.

Edward Millen Improvement & Maintenance Reserve

To hold any funds gained from rates or grants for the purpose of improving and/or maintaining the Edward Millen site including all the associated grounds

Waste Management Reserve

To fund waste management and waste minimisation initiatives.

Peninsula Infrastructure Replacement and Maintenance Reserve

To provide funds for the replacement of infrastructure and ongoing maintenance for the public areas that the Council is responsible for within the Peninsula development in Burswood.

The Mayors Emergency Relief Fund Reserve

To provide financial assistance to areas within Western Australia that have been subjected to a Natural Disaster.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

12. RESERVES - ASSET REVALUATION	2011	2010
	\$	\$
Total Asset Revaluation Reserves	<u>19,130,874</u>	<u>19,130,874</u>

13. 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:

	2011	2011	2010
	\$	Budget	\$
		\$	
Cash and Cash Equivalents	<u>15,308,484</u>	<u>10,037,225</u>	<u>11,113,703</u>

(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result

Change in Net Assets Resulting From Operations	2,684,249	(352,153)	1,466,059
Adjustments for items not involving the movement of Cash:			
Depreciation	3,972,430	3,966,927	3,952,828
(Profit)/Loss on Sale of Asset	175,199	274,203	561,360
Revenues from Investing Activities:			
Grants/Contributions for the Development of Assets	(591,101)	(366,911)	(723,489)
Receipts from Appropriations/Grants			
Recurrent	(1,132,586)	0	0
Change in Operating Assets and Liabilities			
Adjustments:			
Interest Earnings		(903,433)	0
(Increase)/Decrease in Income in Advance	(79,296)	0	(100,277)
(Increase)/Decrease in Accruals	(579,060)	433,844	468,623
Increase/(Decrease) in Employee Entitlements	180,456	15,245	96,968
Increase/(Decrease) in Receivables	(329,381)	(298,223)	(61,566)
Increase/(Decrease) in Accrued Income	161,804	0	(19,765)
Increase/(Decrease) in Prepayments	45,599	17,628	(28,720)
Increase/(Decrease) in Inventory	6,857	(16,090)	2,752
Increase/(Decrease) in Underground Power Instalments	0	0	4,866
Increase/(Decrease) in Deferred Rates Receivable	(15,768)	0	(21,144)
Increase/(Decrease) in Creditors	2,785,500	0	(907,352)
Increase/(Decrease) in Liabilities		100,000	0
Increase/(Decrease) in GST Payable	(115,591)	0	31,549
Increase/(Decrease) in Works Bonds & Miscellaneous Deposits	71,299	0	(24,654)
Increase/(Decrease) in Other Financial Assets	91,854	0	0
Add Adjustment to Proceeds from Sale of Plant & Add Adjustment to Receipts from Appropriations	(15,562) 67,811	0 0	0 0
Net Cash from Operating Activities	<u>7,384,714</u>	<u>2,871,037</u>	<u>4,698,038</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

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

(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 Balance at Balance Date	(9,484)	(5,370)
Total Amount of Credit Unused	<u>210,516</u>	<u>214,630</u>

Loan Facilities

Loan Facilities - Current	745,900	730,859
Loan Facilities - Non-Current	9,168,786	9,914,686
Total Facilities in Use at Balance Date	<u>9,914,686</u>	<u>10,645,545</u>

Unused Loan Facilities at Balance Date	<u>NIL</u>	<u>NIL</u>
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14. CONTINGENT LIABILITIES

At the Ordinary Council Meeting held 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 currently 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:

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

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

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

15. CAPITAL AND LEASING COMMITMENTS	2011	2010
	\$	\$
(a) Finance Lease Commitments	NIL	NIL
(b) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
Payable:		
- not later than one year	0	3,480
- later than one year but not later than five years	0	1,740
- later than five years	0	0
	<u>0</u>	<u>5,220</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

16. OTHER FINANCIAL ASSETS

Interest in Joint Ventures

(i) Mindarie Regional Council

The Mindarie Regional Council was formally constituted in December 1987.

The Town of Victoria Park along with the Cities of Joondalup, Wanneroo, Stirling, Perth and the Town's of Cambridge and Vincent, is a member of the Mindarie Regional Council. The primary function of the Regional Council under the constitution agreement, is for the orderly and efficient treatment and/or disposal of waste.

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 (dated 25 November 1996) that recognises the Town as a member of the Mindarie Regional Council.

	2011	2010
	\$	\$
The Town's interest in the assets and liabilities of the Mindarie Regional Council is as follows:	<u>2,292,897</u>	<u>2,337,532</u>

Interest in Mindarie Regional Council as at 30 June 2011 is represented as follows:

Current Assets	1,396,061	1,440,209
Non-Current Assets	<u>3,425,746</u>	<u>3,479,261</u>
Total Assets	4,821,806	4,919,470
Current Liabilities	800,021	511,993
Non-current Liabilities	<u>1,728,888</u>	<u>2,069,945</u>
Total Liabilities	2,528,909	2,581,938
Net Assets	<u>2,292,897</u>	<u>2,337,532</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

16. OTHER FINANCIAL ASSETS (Continued)

(ii) Tamala Park Regional Council

The Tamala Park Regional Council was formally constituted in February 2006.

The Town of Victoria Park along with the Cities of Joondalup, Wanneroo, Stirling, Perth and the Town's of Cambridge and Vincent, is a member of the Tamala Park Regional Council. The 7 participants are joint owners of Lot 118 Mindarie, which is an area of 432 hectares situated in the local authority district of Wanneroo. Part of the land is used by the Mindarie Regional Council as a refuse landfill.

The Tamala Park Regional Council has been established for the specific purpose of creating an urban development of 165 hectares immediately north of the area leased to the Mindarie Regional Council.

The Town of Victoria Park has a one twelfth (1/12) equity in the assets and liabilities of the Tamala Park Regional Council.

	2011	2010
	\$	\$
The Town's interest in the assets and liabilities of Tamala Park Regional Council is as follows:	<u>1,395,974</u>	<u>1,426,548</u>

Interest in Tamala Park Regional Council as at 30 June 2011 is represented as follows:

Current Assets	1,241,366	1,272,420
Non-Current Assets	<u>167,797</u>	<u>167,814</u>
Total Assets	1,409,163	1,440,234
Current Liabilities	12,102	13,110
Non-current Liabilities	<u>1,087</u>	<u>576</u>
Total Liabilities	13,189	13,686
Net Assets	<u>1,395,974</u>	<u>1,426,548</u>

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

Governance	262,832	72,917
General Purpose Funding	9,599,737	11,822,699
Law, Order, Public Safety	227,633	121,424
Health	1,187,678	1,200,475
Education and Welfare	2,499,696	2,514,589
Community Amenities	5,171,734	5,281,832
Recreation and Culture	37,832,686	40,571,734
Transport	67,225,888	59,156,969
Economic Services	166,294	114,615
Other Property and Services	<u>14,802,782</u>	<u>13,975,541</u>
	<u>138,976,960</u>	<u>134,832,795</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

18. FINANCIAL RATIOS	2011	2010	2009
Current Ratio	1.72	2.01	1.69
Untied Cash to Unpaid Trade Creditors Ratio	5.16	12.01	3.64
Debt Ratio	0.11	0.11	0.11
Debt Service Ratio	0.04	0.04	0.05
Gross Debt to Revenue Ratio	0.28	0.35	0.34
Gross Debt to Economically Realisable Assets Ratio	0.14	0.16	0.16
Rate Coverage Ratio	0.7	0.70	0.69
Outstanding Rates Ratio	0.01	0.01	0.01

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Untied Cash to Unpaid Trade Creditors Ratio	$\frac{\text{untied cash}}{\text{unpaid trade creditors}}$
Debt Ratio	$\frac{\text{total liabilities}}{\text{total assets}}$
Debt Service Ratio	$\frac{\text{debt service cost}}{\text{available operating revenue}}$
Gross Debt to Revenue Ratio	$\frac{\text{gross debt}}{\text{total revenue}}$
Gross Debt to Economically Realisable Assets Ratio	$\frac{\text{gross debt}}{\text{economically realisable assets}}$
Rate Coverage Ratio	$\frac{\text{net rate revenue}}{\text{operating revenue}}$
Outstanding Rates Ratio	$\frac{\text{rates outstanding}}{\text{rates collectable}}$

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

19. TRUST FUNDS

There were no funds held at balance date over which the Town has custody but no control.

20. DISPOSALS OF ASSETS

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Plant & Equipment						
Law, Order & Public Safety	0	64,916	0	34,000	0	(30,916)
Health	28,320	28,320	20,926	19,000	(7,394)	(9,320)
Community Amenities	51,173	80,883	35,165	53,000	(16,008)	(27,883)
Recreation & Culture	61,562	95,592	43,932	66,000	(17,630)	(29,592)
Transport	0	0	1,136	0	1,136	0
Economic Services	28,522	85,513	19,441	53,000	(9,081)	(32,513)
Other Property & Services	387,251	380,979	261,029	237,000	(126,222)	(143,979)
	556,828	736,203	381,629	462,000	(175,199)	(274,203)

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

21. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

Particulars	Principal 1-Jul-10 \$	New Loans \$	Principal Repayments		Principal 30-Jun-11		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Recreation and Culture								
Loan 4 - Aqualife Centre	3,026,853		231,773	231,773	2,795,080	2,784,695	169,544	169,544
Loan 7 - Aqualife Centre	3,309,946		215,382	215,382	3,094,564	3,058,155	201,726	201,726
Loan 8 - Aqualife Equipment	23,994		22,884	22,884	1,110	22,884	1,241	1,241
Loan 11 - Fletcher Park	0	0	0	0	0	555,000	0	0
Other Property & Services								
Loan 2 - Depot Land	929,954		68,254	68,254	861,700	847,094	57,050	57,050
Loan 3 - Admin Building Extn	1,256,433		95,014	95,014	1,161,419	1,154,164	72,800	72,800
Loan 9 - 14 Kent Street	829,038		39,076	39,075	789,963	782,646	61,974	61,974
Loan 10 - 1 Harper Street	1,269,326		58,477	58,477	1,210,849	1,203,324	73,279	73,279
Loan 12 - Works Depot Upgrade	0		0	0	0	470,000	0	0
	10,645,545	0	730,859	730,859	9,914,686	10,877,962	637,613	637,614

All loan repayments were financed by general purpose revenue.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

21. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2010/11

There were no unspent debenture funds as at 30th June 2011.

(c) Unspent Debentures

There were no unspent debenture funds as at 30th June 2011.

(d) Overdraft

Council has an overdraft facility of \$200,000 to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2010 and 30 June 2011 was \$Nil.

22. RATING INFORMATION - 2010/11 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
General Rate											
GRV Rate in Dollar 8.21917 cents	8.21917	11,188	247,647,436	20,354,551	301,469	-16,235	20,639,784	20,358,205	215,000	5,000	20,578,205
Minimum Rates											
GRV Assessment @ \$770.00	-	4,567	36,713,411	3,516,590	-15,759	-533	3,500,299	3,521,980	0	0	3,521,980
Ex-Gratia Rate											
GRV Rate in Dollar 8.21917 cents	8.21917	18	224,910	18,780	-876	-813	17,090	15,900	0	0	15,900
Sub-Totals		15,773	284,585,757	23,889,920	284,834	-17,581	24,157,173	23,896,085	215,000	5,000	24,116,085

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

23. SPECIFIED AREA RATE - 2010/11 FINANCIAL YEAR

The Town had no specified area rates or differential rates levied under Section 6.38 of the Local Government Act 1995 during 2010/11.

24. SERVICE CHARGES - 2010/11 FINANCIAL YEAR

The Town had no service charges levied under Section 6.38 of the Local Government Act 1995 during 2010/11.

25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS

The total reduction in revenue arising from concessions granted by the Town in relation to fees and charges is summarised below:

	Actual 2010/11	Actual 2009/10
CONCESSIONS		
Aqualife Centre - Admission Charges	116,076	54,950
WAIVERS		
General Rates	0	14,432
	<u>116,076</u>	<u>69,382</u>

Concessions are granted to pensioners, students and not-for-profit organisations. These concessions are detailed in the Schedule of Fees and Charges for 2010/11 forming a part of the Budget.

	Actual 2010/11	Actual 2009/10
WRITE-OFFS		
Bad Debts	3,810	4,702
	<u>3,810</u>	<u>4,702</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

26. INTEREST CHARGES AND INSTALMENTS

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		62,592	56,000
Interest on Instalments Plan	5.50%		156,787	160,000
Charges on Instalment Plan		\$4.00	63,507	63,000
			<u>282,885</u>	<u>279,000</u>

In 2010/11, the Town offered two options for the payment of rates; in one full payment within 35 days of the issue of the rate notice, or in four (4) instalments, payable every two months.

27. FEES & CHARGES

	2011 \$	2010 \$
General Purpose Funding	101,252	3,596
Law, Order, Public Safety	102,548	101,367
Health	184,587	141,896
Community Amenities	916,253	783,367
Recreation and Culture	4,785,243	4,177,731
Transport	512,093	348,323
Economic Services	657,297	427,643
Other Property and Services	157,564	41,868
	<u>7,416,836</u>	<u>6,025,791</u>

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

28. GRANT REVENUE

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

	2011 \$	2010 \$
By Nature and Type:		
Operating Grants, Subsidies and Contributions	1,588,925	1,265,362
Non-Operating Grants, Subsidies and Contributions	591,101	723,489
	<u>2,180,026</u>	<u>1,988,851</u>
By Program:		
Governance	7,356	0
General Purpose Funding	1,174,904	1,079,398
Law, Order, Public Safety	6,331	46,200
Health	7,772	0
Education and Welfare	0	0
Community Amenities	22,612	0
Recreation and Culture	374,969	239,250
Transport	411,882	624,003
Economic Services	5,718	0
Other Property and Services	168,482	0
	<u>2,180,026</u>	<u>1,988,851</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

29. ELECTED MEMBERS REMUNERATION	2011	2011	2010
	\$	Budget	\$
		\$	
Annual Entertainment Allowance			
Mayor	60,000	60,000	58,214
Deputy Mayor	15,000	15,000	14,857
	<u>75,000</u>	<u>75,000</u>	<u>73,071</u>
 Reimbursement of Expenses			
Travelling Expenditure	2,073	1,575	1,057
Telephone & Facsimile Expenditure	21,989	21,600	21,736
Information Technology Expenditure	15,435	9,000	12,331
Vehicle Operating Expenses	5,185	4,500	4,310
Other Expenditure	5,130	2,625	3,416
	<u>49,813</u>	<u>39,300</u>	<u>42,850</u>
 Annual Meeting Allowance			
Mayor	14,000	14,000	14,000
Councillors	56,000	56,000	56,000
	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>

30. EMPLOYEE NUMBERS	2011	2010
The number of full-time equivalent employees at balance date	<u>168</u>	<u>141</u>

31. MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions during the 2010/11 financial year.

32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2010/11 financial year.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

33. FINANCIAL RISK MANAGEMENT

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

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

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

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2011	2010	2011	2010
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	15,308,484	11,113,704	15,308,484	11,113,704
Receivables	1,400,138	1,334,924	1,400,138	1,334,924
	<u>16,708,622</u>	<u>12,448,628</u>	<u>16,708,622</u>	<u>12,448,628</u>
Financial Liabilities				
Payables	3,840,476	1,830,157	3,840,476	1,830,157
Borrowings	9,914,686	10,645,545	7,797,239	8,153,762
	<u>13,755,162</u>	<u>12,475,702</u>	<u>11,637,715</u>	<u>9,983,919</u>

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.

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

33. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

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

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

Cash and investments are also subject to interest rate risk – the risk that movements in interest rates could affect returns.

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

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

Notes:

(*) Sensitivity percentages based on management's expectation of future possible market movements.

Recent market volatility has seen large market movements for certain types of investments.

Impact of a 0.5% (*) movement in interest rates on cash and investments:

- Equity	76,542	50,678
- Statement of Comprehensive Income	76,542	50,678

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

33. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

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

	2011	2010
Percentage of Rates Receivable against Rates Income	1.80%	1.20%

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

33. FINANCIAL RISK MANAGEMENT (Continued)

**(c) Payables
Borrowings**

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

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

	<u>2011</u>	<u>2010</u>
	Due within 1 year \$	Due between 1 & 5 years \$
	Due after 5 years \$	Total contractual cash flows \$
	Carrying values \$	
Payables	3,839,095	0
Borrowings	1,427,429	6,756,968
	<u>5,266,524</u>	<u>6,756,968</u>
	3,839,095	3,839,095
	9,914,686	13,561,065
	<u>13,753,781</u>	<u>17,400,160</u>
Payables	1,830,157	0
Borrowings	1,368,341	8,183,987
	<u>3,198,498</u>	<u>8,183,987</u>
	1,830,157	1,830,157
	10,645,545	14,929,538
	<u>12,475,702</u>	<u>16,759,695</u>

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

33. FINANCIAL RISK MANAGEMENT (Continued)

**(c) Payables
Borrowings (Continued)**

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

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

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Year Ended 30 June 2011								
Payables								
Borrowings								
Fixed Rate								
Debentures	745,900	790,647	839,321	891,050	945,965	5,701,803	9,914,686	6.13%
Weighted Average Effective Interest Rate	6.07%	6.07%	6.07%	6.07%	6.07%	6.18%		
Year Ended 30 June 2010								
Payables								
Borrowings								
Fixed Rate								
Debentures	730,859	744,792	790,647	839,341	891,051	6,648,855	10,645,545	6.13%
Weighted Average Effective Interest Rate	6.09%	6.06%	6.07%	6.07%	6.07%	6.17%		

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

34 DEALINGS WITH ELECTED MEMBERS

During the financial year ended 30 June 2011 the Town of Victoria Park made payments totalling \$990 to All Signs, a business which is associated with Cr Nairn (2009/2010 \$6,403).



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 2011 and the Statement of Comprehensive Income, Statement of Changes in Equity, 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 notes.

Council's Responsibility for the Financial Report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, 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 ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of the Town of Victoria Park:

- (i) gives a true and fair view of the financial position of the Town of Victoria Park as at 30 June 2011 and of its financial performance for the year ended on that date; and
- (ii) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards (including the Australian Accounting Interpretations).

Statutory Compliance

We did not during the course of our audit become aware of any instances where the Council did not comply with the requirements of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

MACRI PARTNERS

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



A MACRI
PARTNER

PERTH
DATED THIS 29th DAY OF NOVEMBER 2011.



"Travelling" by artist Jennifer Sadler - winner of 2010 Victoria Park Art Awards



"Urban Space" by artist Garry Hyde - winner of 2011 Victoria Park Art Awards



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