



City of Nedlands

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# *Annual Report*

2009–2010

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## Mayor's Report

A major planning milestone was achieved this year with the lodgement for advertising of Town Planning Scheme No. 3 (TPS3), with the state government, which will replace our current town planning scheme that is 25 years out of date.

While approval for advertising may take some time, the lodgement marks the City's commitment to move forward with planning for the future. The redevelopment of the Stirling Highway precinct sits under TPS3, which has also be lodged with the state government for advertising. The objective of the Stirling Highway project is to revitalise the amenity of the precinct while planning for diversity of housing choice.

The long-term future of the City's buildings and facilities were given a boost with the adoption of the Built Facility Asset Management Policy. This policy provides a framework to manage the built facilities throughout the City including toilet blocks, community halls, and sporting club change rooms and kitchens. In developing this policy plan, each building underwent a maintenance audit, works were costed and a budget was developed. The City now has a 20-year plan to guide the upgrade, refurbishment and amalgamation of buildings.

JC Smith Pavilion underwent a major upgrade with funds from the Department of Transport, Regional Development and Local Government. The upgrade has transformed the asset into one of the City's better sporting venues. One of the City's most popular recreational spots on the Swan River, the Tawarri Jetty, received a complete makeover with the installation of a floating pontoon, which replaced the dilapidated wooden structure. Anglers, walkers, tourists and sightseers can now enjoy all the Swan River has to offer from the safety of this new jetty.

The City of Nedlands mobilised an entire workforce in one of the City's biggest clean-up operations in the wake of the one-in-100 year storm that descended on Perth metropolitan suburbs in March 2010.

Staff and contractors worked tirelessly from within hours of the storm retreating to the moment the entire City was cleaned of vegetative debris throughout roads, drains, parks, reserves and public areas. To facilitate the clean-up free green-waste bags were distributed, additional pick-ups were organised with contract waste collectors, residents were informed of the cleanup operation by way of an all-of-household letter drop and a volunteer



**Subiaco Mayor Heather Henderson (left) and Nedlands Mayor Sheryl Froese with the Honourable John Castrilli MLA, Minister for Local Government, Heritage, Citizenship and Multicultural Interests.**

Photo supplied by the Department of Local Government.

contingent was organised to assist our senior residents with the clean-up. The City's buildings and facilities were restored to working order within a week of the storm.

The process of local government structural reform progressed with the signing of a Memorandum of Understanding between the cities of Nedlands and Subiaco. This process sealed the move forward to investigate the possibility of an amalgamation between the two organisations. Work over the next 12 months will determine the business case for the merger, and the community will be involved every step of the way.

The City conducted a community survey to gage its performance in the eyes of its citizens. Our overall rating improved from the previous survey and highlighted the community's commitment to recycling and our exemplary efforts with waste management. The next financial year will see the launch of an all-of-community consultation project titled Project 2030. This visioning project, the biggest of its kind ever initiated by the Council, will guide the future direction of the City. This is your personal invitation to get involved and have your say. Check the City's website at [nedlands.wa.gov.au](http://nedlands.wa.gov.au) for more information on events, dates and venues.

Finally, I take this opportunity to sincerely thank my fellow Councillors, the executive team and staff for their hard work and diligent commitment to making our City great. Without the cooperative efforts of everyone on the team our job of local government would be made much harder.

Sheryl Froese  
Mayor

# Mayor and Councillors

Her Worship the Mayor



S.A. Froese

Coastal Districts Ward



Cr Horley



Cr Smyth



Cr Collins

Dalkeith Ward



Cr Argyle



Cr Negus



Cr Hipkins

Melvista Ward



Cr Tan



Cr Sommerville-Brown



Cr Tyson

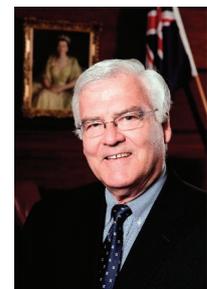
Hollywood Ward



Cr Bell



Cr Hodsdon



Cr Binks

## Chief Executive Officer's Report

The 2009–10 year has been a significant year for the City, with major projects completed and a one-in-100 year storm that wreaked considerable damage across the City. It was also the year that the City celebrated its 50th birthday.

I would like to again commend the staff on their professionalism and willingness to pitch in and help wherever needed over the last 12 months. During the March storm we had ceilings collapse and staff worked out of the Council Chambers for more than a week while power and essential services to sections of the Administration Centre were restored. Staff also worked in shifts and stood on the roadside handing out recycling bags. Staff also hand delivered an information sheet on the storm clean-up program to the whole community in one day to make sure the community was well informed.

The City's customer perception survey informed us that as a Council and Administration we had improved in the eyes of the community; however, they felt we could still improve the way we communicated and engaged with the community. We listened to this and have developed a communication strategy, new community engagement policy, and staff toolkit to ensure it is clearer and more consistent in how, when, and on what issues we will engage the community.

### Staff undertook and delivered some major projects this year including:

- Refurbishment of Tawarri Jetty.
- Capital works of \$6.8 million (roads, parks, footpaths, drainage and building refurbishment)
- Events and festivals including Summer Concerts and the 50th Anniversary of the City.
- Stirling Highway and Dalkeith (Commercial) Area Design Guidelines.
- Built Facility Asset Management Policy and Strategy.

### Key successes for the City include:

- 98.3 per cent compliance rating with all non-compliant issues addressed and implemented.
- 96 per cent utilisation of Point Resolution Occasional Child Care Centre and 40 per cent increase in courses offered at the Tresillian since 2008.
- More than 580 building licences issued and 597 Development Applications approved.
- More than 5550 tonnes of material was diverted from landfill, which greatly assists in our target to reach a 60 per cent diversion rate by 2013.

In the past 12 months we have received two grants from the federal government as part of their national stimulus package for community infrastructure. This has resulted in the replacement of Tawarri Jetty and the upgrade of facilities at JC Smith Pavilion. A third community infrastructure grant will be received this year to fund training night-lights at Mt Claremont oval.

The next 12 months will be just as busy for the City of Nedlands with a community visioning process to be undertaken involving the whole community coupled with participation in the Regional Transition Group process with the City of Subiaco.

We will continue with our five year capital works program, community events and activities, strategic planning work for Hampden–Broadway and delivering services to the community.

I wish to thank the Mayor and Councillors for their continued support and again must congratulate the executive team and staff for their commitment and efforts over the last 12 months.

Graham Foster  
Chief Executive Officer





## Executive Team

Chief Executive Officer	Graham Foster
Director Community and Strategy	Rebecca Moore
Director Corporate Services	Michael Cole
Director Development Services	Carlie Eldridge
Director Technical Services	Ian Hamilton

## Facts at a Glance

**Corporate purpose**  
Serving our Community

### Vision for the City of Nedlands

The City of Nedlands is an attractive City with residential amenity and a strong sense of community and place.

### Western Suburbs Regional Organisation of Councils (WESROC)

The City continued to work with WESROC on joint initiatives that benefit all western suburbs residents. This collaborative approach strengthens the City's relationships with its neighbours and fosters service and asset sharing across all seven represented local government authorities.

### City Statistics

Area	21 sq km
Suburbs	Dalkeith; Karrakatta; Mt Claremont; Nedlands; parts of Floreat, Shenton Park and Swanbourne.
Population	22 404 estimated
Rateable properties	8446
Public open space	39.71 hectares
Reserves and parks	46
Conservation bushland	Hollywood Reserve, Allen Park Bushland, Shenton Bushland, Pt Resolution Reserve, Birdwood Parade Reserve and Mt Claremont Oval Reserve
Actual rate revenue	\$14 151 678
Actual operating expenditure	\$22 673 730
Works actual expenditure	\$6 854 946

## Key Focus Area I: Infrastructure

To provide functional infrastructure in order to enable:

- Safe, efficient transport systems.
- Passive and active recreational opportunities.

### Parks Services

Parks Services completed 325 monthly maintenance programs on time and within budget this financial year. This included, but was not limited to, mowing, pruning, planting, and general maintenance. The Community Perceptions Survey undertaken this year identified that 80 per cent of the community were satisfied with the City's streetscapes, parks and sporting grounds.

### Masons Gardens

Parks Services, with the help of local residents, are in the process of developing a planting master plan for Masons Gardens. The objective of the master plan is to ensure the park remains one of the City's most enjoyed passive recreation parks for the community. A key component of the master plan involves the auditing of existing tree species by an independent arborist to determine their health and maintenance requirements. A planting plan will then be developed.

### Water monitoring

In 2009 the City adopted an irrigation strategy which describes how the groundwater resource will be used to provide a sustainable irrigation water supply, both in terms of quantity and quality. The strategy is a multiple site management plan to be used with consistent management principles applicable to all of the bores, pumps, irrigation systems and associated reserves operated by the City.

The Irrigation Strategy Plan operates in conjunction three other water management documents:

- The Water Conservation Plan Reference Guide, as prepared by the City and submitted to the Department of Water.
- The City of Nedlands Groundwater Operating Strategy, as prepared by the City and submitted to the Department of Water as a condition of the Groundwater Licence application.
- The Licence to Take Water, issued to the City of Nedlands by the Department of Water.

On an operational level, the Parks Services staff monitored the bore water usage at every park and reserve in the City on a monthly basis. This ensured that total usage was in line with the Department of Water's allocation to the City.

The irrigation system at St Peters Square Park on Caladenia Pde Mt Claremont underwent an upgrade with the installation of a 135 kilolitre underground bore-water storage tank, a new pump station and improvements to the reticulation system.

### Parks capital works

Parks Services capital works program included the following projects:

- Charles Court Reserve cricket wicket realignment and replacement.
- Charles Court Reserve dual use path rehabilitation.
- College Park BBQ facilities.
- College Park circuit path.
- Carrington Park playground fence upgrade stage 2.
- David Cruickshank playground upgrade.
- Daran Park pump replacements.
- Lawler Park bore replacement.
- Lesley Graham Reserve playground upgrade.
- Melvista Park car park lights installation.
- Mt Claremont Reserve tennis courts resurfacing.
- Paul Hasluck Reserve new bollard lighting installation stage 2.
- Peace Memorial Rose Garden playground upgrade.
- St Peters Square Gardens new bollard and overhead lighting stage 2.
- St Peters Square underground irrigation tank.
- Swanbourne Beach Reserve playground.
- Swanbourne Beach electrical upgrade.

### Beecham Road

The community was consulted on the upgrade works for the replacement of trees and shrubs along Beecham Road. The purpose of the replanting was to establish a native habitat corridor between Haldane Walkway and the Mt Claremont bushland. Two information sessions were held with the community to explain the works and allow residents to have input into the tree and shrub selection process.

### Level of service and park hierarchy audit

The City's parks were audited according to hierarchy—major regional parks to local parks—and the level of service they receive such as mowing, fertilising the turf, and water usage. The objective of the audit was to establish the resources used on each park and then determine how best to manage these resources in an effort to be more efficient. The results of the audit will be presented to Council in the 2010–11 financial year.

## Engineering Services

The City's Engineering Services has improved the City's road and footpath infrastructure networks by providing 4058 m of road rehabilitation, 4351 m of road resurfacing, 915 m of new footpaths and 205 m of rehabilitated footpaths during the 2009–2010 financial year.

These works ensure that the community receives a high quality of asset management that links the public with the safest infrastructure that the City can allocate funding towards. The City is on track to completing the five year plan on schedule, thus improving our major assets.

The City's five year forward plan for road and footpath works is reviewed annually to ensure projects are on schedule and allowance is made for new priorities to be scheduled into the works program. The City's fleet of vehicles, plant and equipment is replaced on a two-year rotation to ensure these resources remain in good working order.

## Traffic Management Committee

Council established the Traffic Management Committee in 2008 with the specific purpose of investigating and reviewing traffic management issues within the City. The committee has no decision-making powers; it is primarily a technical review body that advises Council on traffic related matters.

The Committee, made up of the Mayor and one Councillor from each ward and five non-voting community representatives, meets monthly and submits recommendations for consideration by the full Council. Community representation ensures the committee gains a better understanding of traffic related matters from the perspective of residents.

Current projects under review by the committee include:

- A city-wide traffic and parking hot-spots analysis and corresponding action plan.
- A review of safety issues at the intersection of Broadway and Elizabeth Streets in Nedlands.
- Implementation of parking restrictions in the Hollywood Ward.
- A traffic management review in the Allen Park precinct, Swanbourne.
- Review of the Parking and Parking Facilities Local Laws.

## Karrakatta Underpass

The underpass was officially opened on 31 August 2009. The underpass provides a vital regional link to the surrounding road network.

## Alfred Road and Rochdale Road intersection and traffic signals upgrade

This intersection was completed on the 25 June 2010. This project, which received 100 per cent funding from the federal government's Roads to Recovery program, achieved an improvement in pedestrian safety and reinforced the intersection with an LED signals upgrade.

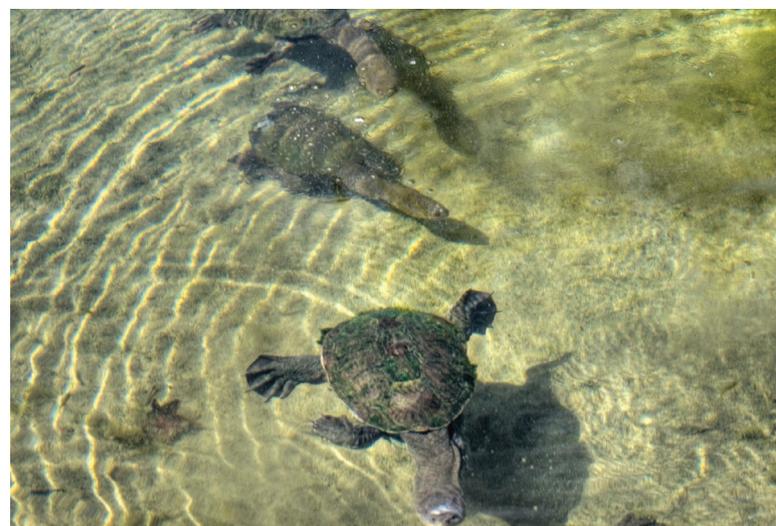
## Broadway Streetscape Project

Broadway streetscape was a joint project between the Cities of Subiaco and Nedlands and was completed in March 2010. It provides safety improvements to three roundabouts at Roberts, Myers and Caporn Streets. These intersection treatments received funding from the state government's Black Spot Program. The streetscaping involved extensive verge paving, tree planting, landscaping improvements, and the undergrounding of power. Overall the amenity of the precinct has been improved while addressing traffic and pedestrian safety issues.

Currently the City is inviting comment from the community regarding the intersection of Elizabeth Street and Broadway, opposite the Broadway Fair shopping centre. This project will continue into the next financial year.

## River wall

Repairs to the City's river wall were undertaken at the Beaton Park area between the Tawarri Function Centre and the Aqua Vital Restaurant. The repairs were funded using grant money from the Swan River Trust. River wall repairs remain a priority and will continue to receive upgrades on a needs basis.



### **Tawarri Jetty**

The jetty opposite the Tawarri Function Centre at Beaton Park was upgraded with funds from the Regional and Local Government Infrastructure Program. The jetty was completely replaced with a floating structure.

### **Storm clean-up operation**

The City deployed all available resources in a massive clean-up operation that saw trucks, bobcats, dingoes and all available administration and outside staff armed with rakes, shovels and greenwaste bags combing the City's streets to remove the deluge of vegetation that was strewn across private gardens, verges, public parks, roads and footpaths. In total 250 tonnes of greenwaste was removed, which is equivalent in volume to four or five Olympic sized swimming pools.

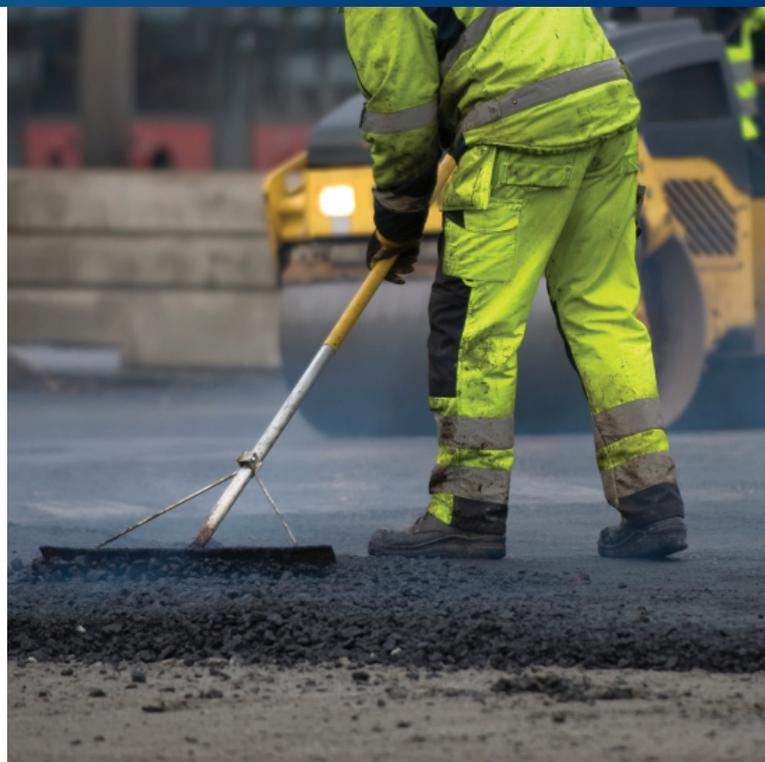
The City's initial priority was the re-opening of roads to ensure commuter and pedestrian safety, which was then followed by the removal of vegetation from drains to avert further problems had the rain continued.

Attention then moved to the removal of vast quantities of greenwaste that was choking the verges, public parks and the gardens of residences across the City. More than 7000 greenwaste bags were given out to residents over a two week period. Staff and contractors worked non-stop over a three week period to restore the City. The clean-up operation demonstrated the City's ability to respond to a natural disaster in an efficient and effective manner.

### **Principal Shared Pathway**

The design phase of the Principal Shared Path (PSP) between Shenton Station and Loch Street was started this year. The purpose of the PSP is to provide a safe pathway for bike riders and pedestrians with limited crossover interruptions. The passenger railway line reserve and adjoining road verge are the perfect locations for the path.

The ultimate aim is to provide a PSP from Fremantle to Perth allowing residents to walk and cycle to the city with few vehicular interruptions. The Department of Transport's Bikewest Branch, the Public Transport Authority and Main Roads WA are working with the City of Nedlands towards achieving this aim. The design works are expected to be finished by the end of the year after which time funding options will be explored.



### **Stephenson and Underwood Avenue Cycle Link**

The City constructed a three metre wide off-road cycle path between Challenge Stadium and the Underwood Avenue – Brockway Road intersection with funds made available from the commonwealth's National Bike Path Projects in June this year. The path provides a valuable link to the sporting venues in this precinct.

### **Beecham Road wall**

A community meeting with residents in the Beecham Road precinct was held to discuss the repair options for the retaining wall along Beecham Road. The wall will be replaced in two stages beginning in 2010.

### **Local laws review**

The City's Parking and Parking Facilities Local Law and the Thoroughfare Local Law were reviewed and advertised for public comment as part of the City's consultation process. Submissions were received and have been used in the redrafting of the local laws, which will again go out for public comment, when ratified in draft form by Council in the next financial year.

### **Black Spot funding**

Black Spot funding, available through the Department of Main Roads, allows the City to apply for funds to upgrade roads and intersections that address commuter safety issues. The City of Nedlands has one of the highest rates of successfully attracting funding in the western suburbs under this program. Funds were secured to improve the intersection of Gordon and Clifton Streets.

### Footpath improvement and rehabilitation

The City's annual footpath replacement plan involved replacing slab pavements in order to accelerate the network in the medium to long term, to achieve in situ concrete footpaths.

New footpaths included:

- Monash Avenue north side between Hampton Road and Clifton Street.
- Mooro Avenue south side opposite John XXIII College.
- Stephenson and Underwood Avenue linking with the Town of Cambridge.

Footpath rehabilitation included:

- Lynton Street



### Road rehabilitations

All roads in the City, whether resurfaced or rehabilitated, involved extensive drainage improvements that aim to reduce the impact of flooding, improve road traffic safety and recharge the ground water system.

Roads rehabilitated included:

- Bellevue Avenue
- Brockman Avenue
- Bruce Street
- Curlew Road
- Esplanade
- Lynton Street
- Martin Avenue
- Sherwood
- Waratah Avenue
- Wavell Road
- Whitney Crescent

Roads resurfaced included:

- Croydon Street
- Davies Road
- Hotchin Street
- Kingsway
- Sutcliffe Road
- Thomas Street
- Vix Street
- Weld Street

### Traffic management

- Monash Avenue blister island opposite Hollywood Primary School was installed.
- Gordon and Clifton Street intersection had a change of priority rating.

### Bus shelter upgrades

Two bus shelters were reconstructed along Montgomery Drive, one new bus shelter was constructed at Mooro Drive opposite John XXIII College, and one bus shelter was renewed on Lemnos Street opposite Shenton College.

### Off-street parking

The western side of Dalkeith Hall car park was resurfaced.

### Drainage storm management

With the one-in-100 year storm in March 2010 a review of all the City's drainage network was undertaken with Council allocating an additional \$100 000 in the 2010–2011 financial year budget. This will repair our drainage assets and storm management network.

## Key Focus Area 2: Natural Environment

To enhance and protect the City's environmental assets to ensure:

- Management of natural resources and habitats.
- Environmental sustainability.

### Environmental Health

#### Food surveillance

Inspection of food premises underwent major changes following the introduction of the *Food Act 2008*, *Food Regulations 2009* and *Food Safety Standards* which came into effect on 23 October 2009. This new legislation aligns Western Australia with national food standards. The new legislation regulates the sale of food in Western Australia and captures the whole food supply chain—a 'paddock to plate' approach.

The regulations repealed the City's Local Law Relating to Eating Houses and the new legislation encompasses all food businesses based on risk. The changeover in legislation saw all food businesses being required to notify the City of their operation and a new inspection regime implemented by the City.

This year, the City's food sampling program focused on locally manufactured products. In addition to this, the City participated in the Department of Health WA's food surveys which included a chemical residue survey for local and imported fresh fruit and vegetables and an egg-based sauces survey. Results of these surveys are expected in 2010–2011.

The City received 19 food recall notifications from the Department of Health WA for reasons including incorrect labelling, microbiological contamination, biotoxin contamination, and foreign object contamination.

#### Swimming pools and recreational waters

Public swimming pools were tested monthly as required by the new aquatic facilities legislation to ensure a high water quality and safety of swimmers. The City received approvals for all public swimming pools within the City's boundaries from the Department of Health WA, which is required under the aquatic facilities legislation. The City issued a Closure Order of a swimming pool following non-compliance with the legislation and this pool was allowed to reopen after rectification works were completed.

In conjunction with the Department of Health WA, the City took part in the annual Ocean Sampling Program for metropolitan recreational waters. The City has over the past few years performed water sampling at Swanbourne Beach and submitted information to the Department of Health WA. Sampling was completed between the months of October 2009 and January 2010. It is expected that the Department of Health WA will produce a report for the results of the program in the near future.

A number of residential properties were found to be illegally discharging their swimming pool water into the street and stormwater drains. This method of discharge contravenes the City's Health Local Laws 1997 for the disposal of liquid refuse. The City will be paying close attention to this in 2010–2011 and will implement strategies to address the issue.

#### Environmental

The City continued its annual groundwater monitoring of the contaminated groundwater plume associated with the former Brockway Landfill site in Mt Claremont.

The City undertook a program to identify and provide a risk assessment of asbestos cement material and form an asbestos register for all buildings owned by or vested to the City. New requirements for the removal of asbestos were implemented and a removalist must now be licensed with WorkSafe to remove greater than 10 square metres of friable or non friable asbestos material. A licence is not required if less than 10 square metres of bonded (non-friable) asbestos is intended to be removed.

The Environmental Health team assisted with the City's post-hailstorm clean-up. Despite the destructive nature of the storm, environmental health issues were minor with some damage to food businesses and increased pest activity.



## Noise

Many noise complaints were received with the breakdown as follows:

22	Music/party residential
15	Mechanical/humming
14	Delivery vehicles
13	Music/party commercial
10	Construction
10	Airconditioning
5	Bird
4	Pool pump
2	Explosions
2	Leaf blower
1	Sprinkler

The City continues to work with the community to address noise complaints. This year saw the City requesting and assessing an increased number of acoustic reports for commercial development applications for aged care, restaurants and waste processing proposals.

The City approved conditions for a number of events hosted by surrounding Local Government Authorities which had the potential to impact residents in the City of Nedlands. Some of these events were hosted by the Town of Claremont (Claremont Showground) and the City of Melville (Point Walter, Bicton).

## Waste and disposal

The City's Waste Minimisation Strategic Plan for 2009-2013 and Action Plan was endorsed by Council in 2009, with the aim of developing an integrated approach to waste prevention and waste minimisation. The plan seeks to achieve a 60 per cent diversion of all waste from landfill disposal facilities by 2013.

During the 2009–2010 financial year the City hosted a number of community awareness programs which focused on the importance of waste reduction, resource recovery and responsible disposal within the City.

The 'Put a lid on it' raven control campaign's objective was to reduce the numbers of Australian Ravens within the City and minimise their nuisance impact by encouraging the community not to leave food exposed. The campaign ran officially from October 2009 to March 2010 and involved promotional strategies which included local advertising targeting schools, events, local residents and businesses.

The City's annual participation for Clean Up



Australia Day is always a significant event in City of Nedlands calendar and was a resounding success. With a strong participation of dozens of volunteers and staff members, the teams managed to collect 15 bags of recyclable rubbish and 15 bags of general waste from Point Resolution and the tough terrain along the Swan River. With the growing number of volunteers, the City is expecting this event to be even bigger next year.

This year the City organised Earth Cares training for residents with assistance provided by the Western Metropolitan Regional Council. This training focused on increasing community knowledge and developing skills that assist people in minimising waste. The free training course consisted of five sessions over three weeks and these were held with a range of guest speakers.

The deluge of greenwaste resulting from the March 2010 storm was recycled by the City thanks to the efforts City residents and staff. Residents ensured the majority of greenwaste was not contaminated and therefore could be collected for composting.

During the year 6214 tonnes of general waste, 2866 tonnes of greenwaste and 2696 tonnes of recyclable material was collected and processed. General waste tonnages have increased this year due to the storm event in March and importantly more than 5550 tonnes of material was diverted from landfill this year.

The purchase of compost bins and the subsidised worm farms remains high and the City will continue to support these programs.

During 2009–10 the City received many requests for an extra recycle bin (free of charge to the resident) and additional greenwaste bins (at a cost of \$104 per year). The City will continue to work closely with residents to reduce household waste going to landfill.

## **Bushcare**

The City's Bushcare program involved ongoing implementation of the City of Nedlands Natural Area Management Plans. This involved carrying out activities such as control of priority weed species (using a combination of physical, chemical and biological controls), re-vegetation of degraded bushland areas and greenways using locally occurring native species (22 000 seedlings planted), implementing erosion control measures, and the implementing of fire management and feral animal control measures in the City's bushland reserves with the aim of conserving and enhancing biodiversity.

Point Resolution Foreshore Stabilisation and Restoration Project is a joint initiative between the City of Nedlands, the Friends of Point Resolution Reserve and the Swan River Trust. This project was funded by the Swan River Trusts Riverbank Grants Scheme Program with funds of \$212 729. The project stabilised and restored 210 linear meters of unstable foreshore and embankment.

The City of Nedlands, Swanbourne Coastal Alliance, Friends of Allen Park and Swanbourne Primary School planted 1000 locally occurring coastal seedlings along Swanbourne Dunes on National Tree Day 2009. The Friends of Hollywood Reserve joined with Hollywood Primary School during the winter of 2009 and planted 1000 locally occurring native seedlings in Hollywood Reserve. This has improved local biodiversity within these areas and will encourage animals indigenous to these areas back to the reserve over time.

Stage 1 of the Montgomery Avenue Greenway Project was completed this year. The project re-vegetated the grassed lawn area between St Johns Wood Boulevard and Mooroo Drive, Mount Claremont, with 10 000 local native seedlings. Stage 2 of the project will start next year.

## **Sustainability**

The City's sustainability message was promoted at the following events:

- Scotch College Sustainability Fair
- Nedlands Primary School Get Smart Day
- Great Garden Workshop
- UWA Sunfair
- Energy Efficiency Workshop
- Perry Lakes Garden Week
- Local native plant subsidy for residents.

## **Renewable energy**

The City's commitment to renewable energy sources was showcased with the installation of two photovoltaic cells at the City's Administration Centre and Mt Claremont Community Centre. The cells will produce 25 438 kW of electricity per annum, saving more than \$5000 on the City's electricity bill. The initiative was launched with a free information session at Mt Claremont Community Centre.

## **TravelSmart**

TravelSmart is a behaviour change program which aims to increase the number of people using alternative transport modes. The City of Nedlands is proud to have been involved in the TravelSmart program for close to ten years. TravelSmart was promoted at a number of events coordinated by the City and other local organisations including the Summer Concert Series and the Nedlands Golden Festival. Next time you're at a community event please look out for our TravelSmart stand for information on travelling smart within the City of Nedlands.

Notable community projects for this financial year are listed below.

- Bike Week: the City of Nedlands joined with the University of Western Australia and the Town of Cottesloe to host a breakfast for more 300 cyclists who cycled to work.
- Waratah Walking Group: the successful continuation of the Waratah Walking Group (in conjunction with Community Development and the Heart Foundation). This group has up to 25 regular participants.
- Schools: local schools continued to promote the TravelSmart message with a number of TravelSmart to School Days, in-class activities and rewards programs.
- Walking School Bus: schools within the City have continued their involvement in the Walking School Bus program, with a number of new parent volunteers attending training.
- TravelSmart Workplace Program: the City of Nedlands joined the TravelSmart Workplace Program, in partnership with the Department of Transport and the Department of Environment and Conservation.

## Key Focus Area 3: The Built Environment

To provide a built environment and land-use planning framework which:

- Offers diversity in housing choice.
- Is environmentally responsible.
- Provides a high level of amenity.
- Consists of a variety of neighbourhoods with community identity.
- Encourages economic activity in harmony with local amenity.
- Enables appropriate facilities for community groups.

### Property Services

In the 2009–10 financial year Property Services undertook significant projects to improve built facility infrastructure within the City. This was supported by a 2 per cent increase in rates specifically for the purpose of renewing and upgrading the City's assets and infrastructure.

### Building maintenance

The City's building maintenance team completed several maintenance projects across the City. These included maintenance projects at Point Resolution Occasional Child Care Centre, the Administration Centre, Nedlands Library, Drabble House, Nedlands Community Care and the Tresillian Centre. An additional storage facility was built at the City's depot and the change rooms at Allen Park Lower Pavilion were refurbished.

### Community facility upgrades

The City has nearly completed the detailed architectural and relevant consultant drawings for the potential redevelopment of the John Leckie Pavilion. The City's Strategic Recreation Plan nominated this location as one of the four main centres for community recreation to be centralised within the City. The other three locations are Allen Park, Highview Park and Charles Court Reserve.

Master plans for the John Leckie Pavilion and Highview Park were completed in the 2008–2009 financial year. To develop the master plans, project teams familiarised themselves with the individual characteristics of the sites and the uses and needs of the stakeholders. Methodology involved community consultation workshops. The master plans can be viewed on the City's website.

The architectural designs of new change room facilities for Mt Claremont Oval have been completed by the City. Currently there are no

change rooms located at the oval. The existing public toilets are located on the far western side of the oval, are extremely old and don't function well. These public toilets have been closed, with a set of temporary toilets installed next to the existing car park, until the new building is constructed. The tender for the construction of the building will be advertised in August 2010.

The City installed an 11 kW photovoltaic solar panel system on the roof of the Mt Claremont Community Centre and a 5 kW system on the roof of the City's Administration centre. These are the first two of hopefully many buildings to have photovoltaic cells installed to supplement the City's utility costs and assist in reducing the carbon footprint generated by the City.

A sewer extension to allow the Nedlands Yacht Club to be able to connect its sanitary systems to the mains sewer was constructed in the later part of the financial year.

### Built facility asset management

The City has completed the planning process of its Built Facility Asset Management Policy and Strategy. A working group involving the Mayor and a Councillor from each ward, as well as key administration staff met regularly to discuss the current condition of the City's built facilities, as well as strategic visions.

The Built Facility Asset Management Policy and Strategy were adopted by Council at the Council meeting of the 22 June 2010. The long term financial planning implications will be incorporated into the City's Strategic Financial Plan 2010–2020. This will assist the Council to plan its required strategic expenditure over the next 10 years for the asset management of its built facilities.



## Building control

	2006–07	2007–08	2008–09	2009–10
Applications Received	742	736	660	746
Licences issued	502	545	515	580
Value of all works	\$113 482 571	\$152 401 121	\$98 113 410	\$89 600 198
Value of fees collected	\$406 529	\$524 129	\$400 908	\$558 354
New residences	108	86	69	59
Demolition licences	51	56	55	58
Swimming pool licences	58	75	75	50
Verge material licences	23	17	26	35
Amended building licences	25	35	30	33
Residential strata titles approved	0	4	4	0
Acknowledgements	12	16	7	2
Building approval certificates	0	24	29	27

## Major Planning Applications

### Subdivision referrals

The City received 28 applications for subdivision in 2009–2010.

Proposal	Council recommendation to WAPC	WAPC decision
Old Swanbourne Hospital: North and south wing subdivisions	Refused	Approved after request from applicant for re-consideration

## Planning control

Development Applications (DAs)	2007–08	2008–09	2009–10
Received	530	574	643
Approved under delegation	440	506	558
Approved by Council	47	36	39
Fees received	\$493 036	\$346 000	\$556 696





## Major applications

Proposal	Council decision	Status
Swanbourne Estate Development: Old Swanbourne Hospital Outline Development Plan	Revised ODP received May 2010	To be presented to Council at August 2010 meeting
UWA: Development of Lot 4, Cnr Underwood Ave and Selby Street, Floreat	Council supported the draft conditions from the Minister of Environment.	Awaiting receipt of Outline Development Plan for Lot 4
Autism Association: New headquarters at 205 Stubbs Terrace, Shenton Park	Approved by Council	Awaiting building licence application
Waste Transfer Station: Proposed Stage 2 (final stage) of DiCOM Waste Treatment System at 60 Lemnos Street, Shenton Park	Approved by Council	
Cancer Council: Outline Development Plan for office additions at 15 Bedbrook Place, Shenton Park	Recommended for approval by Council.	Awaiting WAPC approval
Flying Squadron Yacht Club: Redevelopment of land and water based facilities	Recommended by Council, approved by Swan River Trust	Awaiting building licence application
QE II Hospital: Cancer Centre Stage 2	Recommended for refusal by Council, approved by WAPC	
QE II Hospital: WAIMIR Research Facility	Recommended for refusal by Council, approved by WAPC	
Nedlands Rugby Club: Alterations and additions at the Esplanade	Recommended for approval by Council, approved by Swan River Trust	Awaiting building licence application

## Planning policies

Amended or new policies 2009–10	Comments
Nil	

## Planning prosecutions

Prosecution	Comments
Nil	

## Planning for our future

Project	Council actions 2009–10	Current status
Town Planning Scheme No. 3	Council adopted the draft scheme for referral to WAPC in July 2009. While having been referred to the WAPC the document was also subject to a legal review which was completed in April 2010	Waiting for a response from the WAPC
Dalkeith Redevelopment Area	Council adopted design guidelines for Dalkeith Area and initiated a scheme amendment 192 in April 2010	Scheme amendment out for advertising
Stirling Highway Redevelopment Area	The guidelines for the Stirling Highway redevelopment area were adopted by Council and included in Town Planning Scheme No. 3	Waiting response of WAPC as part of TPS3
Scheme Amendment 190 Omnibus Amendment of Density Codes	Scheme Amendment 190 recoding various areas within the City was gazetted in April 2010	Completed
Scheme Amendment 191 Sexual Services	Council agreed to the finalisation of Scheme Amendment 191 to prohibit sexual services within the City in May 2010	Waiting to be gazetted
Scheme Amendment 193 Omnibus Amendment for Density Codes Karella and Dalkeith Roads, restriction of car parking on residential lots	Council agreed to initiate the scheme amendment in May 2010	Referred to EPA for comment
Foreshore Master Plan	Consultants appointed to commence consultation under the <i>Aboriginal Heritage Act 1972</i>	Waiting for first stage of consultation to commence



## Key Focus Area 4: Community Wellbeing

To provide a community where people have an opportunity to interact and enjoy a sense of belonging in order to promote:

- healthy lifestyles
- a safe and secure community
- quality of life.

### Community Development

#### Summer Concerts in the Parks series

Each year the City holds a series of concerts called 'Summer Concerts in the Parks' that are held on Sunday evenings throughout February. The concerts are an opportunity for families, friends and neighbours to gather in a relaxed atmosphere in one of the City's beautiful parks.

The 2010 Summer Concerts in the Parks series attracted more than 1900 people. Four concerts in total were held at Lawler Park, Masons Gardens, Mt Claremont Community Centre lawn and Dot Bennett Park.

#### Community tours

Nedlands 'Going Places Tours' give residents an opportunity to enjoy a day out while getting to know other community members. In September 2009, 33 residents enjoyed a tour to Araluen Botanic Park. Twenty-two residents explored the Mandurah Canals on a cruise boat in March 2010.

#### Nedlands Golden Festival

In November 2009, the City of Nedlands partnered with the Rotary Club of Nedlands and hosted a festival at Charles Court Reserve to celebrate their combined 50th anniversaries. More than 3000 people enjoyed the free entertainment.

#### Grants received for community events

The City received \$12 448 in funding for the Summer Concerts in the Parks series and \$6300 for the Nedlands Golden Festival from Lotterywest.

#### Cultural and Community Development Fund

The City's Cultural and Community Development Fund provides funding to assist with community event and projects organised by the local community that bring people together and help build community spirit. This year the City provided funding for a wide range of local community events, from small street parties to large-scale community events including Christmas Carols in the park. Street parties received up to \$250, while larger events received



up to \$1000, depending on attendance and the level of community benefit. The City provided eight grants totalling \$7 000 as shown below.

Grant recipient	Event
First Pelican Point Sea Scouts	Community fete and garage sale
Western Suburbs Community Bible Church	Community Christmas carols celebration
Christian City Church Crawley	Christmas carols truck
Zamia Street Christmas Party	Annual street Christmas party
Shenton College Friends of Music	Family Christmas music concert
St Lawrences Anglican Church	Christmas carols for community
S w a n b o u r n e Community Carols	Community carols event
Waroonga Road Street Party	Street party

## Community halls

The City's community facilities include halls, pavilions and community centres that can be booked from 7 am to midnight on any day of the year.

JC Smith Pavilion was included in the infrastructure upgrade program for the year and received new change rooms. Works have started on the refurbishment program of the John Leckie Pavilion with detailed architectural drawings expected next financial year. Mt Claremont Community Centre users received a boost with the purchase of lightweight furniture to assist with ease of set-up and pack-up by users.

## Crime Prevention

The City's Safer Nedlands Program continued to provide a range of crime prevention and community safety initiatives.

During the 2009–10 financial year the City provided two community safety events: the Safer Seniors session and PartySafe. The Safer Seniors session was held in September 2009 with the aim of empowering seniors with information on safe behaviours. The PartySafe information session for parents provided parents with information of the issues to consider when hosting a teenage party, including the topic of underage alcohol consumption.

## Community safety subsidies provided by the City

The City once again supported the Safety House Association and Constable Care Child Safety Foundation, providing a subsidy to both organisations to enable them to provide safety and crime prevention information to children in local primary schools.

## Graffiti removal

The City's graffiti removal service aims to reduce the visual impact of graffiti and discourage graffiti by prompt removal. The City continued to provide a 24 hour telephone graffiti reporting service as well as a link to the state government's Goodbye Graffiti website, so that graffiti incidents could be reported easily for prompt removal. The City spent more than \$45 000 on the removal of graffiti this year.

## Disability Access

### Disability Access and Inclusion Plan

The City's Disability Access and Inclusion Plan (DAIP) outlines how it will ensure that its services, buildings and information are accessible to people with disabilities, as is required by legislation.

Access improvements to the City's building and infrastructure

In 2009–10, the on-going program to improve access to the City's buildings and infrastructure continued to be implemented and included:

- Tresillian Community Centre was fitted with doors with an intercom and security camera.
- Tresillian Community Centre had the external toilet refurbished to make the toilet into a universal toilet.
- Charles Court and Mt Claremont Oval Reserves had work completed for the design of new universal toilet facilities.
- Peace Memorial Rose Garden, Lesley Graham Reserve and Swanbourne Beach Reserve each had their playgrounds upgraded with universally accessible play equipment installed.

## Accessible Communities Grants Fund

The Accessible Communities Grant Fund provides grants of up to \$1 000 for initiatives that enhance the lives and wellbeing of local people with disabilities, their families or carers.

The successful applicants were:

- Huntington's WA received \$1 000 to run a three day retreat for those tested gene positive for Huntington Disease.
- Citizen Advocacy Perth received \$1 000 to increase their marketing and promotion within the City, through advertising and distribution of notices and fliers.
- Sam Ren received \$990 to assist with accessing a film artist from Disability and the Arts Disadvantage in the Arts Australia Inc (DADAA), teaching him film and camera skills and presenting an exhibition to raise community awareness about young people dealing with disabilities.

## Access Working Group

The Access Working Group continued to provide advice to the City on improving access and inclusion for people with disabilities. Individuals with experience in the field of disability access who live or work within the City of Nedlands donate their time and expertise as members of this advisory body.



## Library Services

The Nedlands Library Service offers two libraries, one in Nedlands on Stirling Highway and one at Mt Claremont on Montgomery Avenue. Membership stands at 9359 members, which includes 3260 members from outside the City's local government boundary. Book loans and renewals exceed 226 000 transactions per year and more than 3300 people participated in events.

### Adult events

The 'Subjects of Note' series continues to provide educational and entertainment value with assorted topics hosted at both Nedlands and Mt Claremont libraries. Some of the hot topics for the year included the Tai Chi workshop conducted during Stay on Your Feet Week 2009, a digital photography workshop and Nordic walking.

The Nedlands Library held week-long activities in February for Library Lovers Day celebrated on 14 February. Christina Henri held an evening session on the Blessing of the Bonnets, West Australian author Elizabeth Bezzant conducted a writing workshop and many library customers picked a lucky dip book when they participated in a Blind Date with a Book activity.

During Library and Information Week in May 2010, library customers had a chance to go 'Behind the Scenes' with our library tours held at the Nedlands Library. Both libraries joined hundreds of other libraries around the country for the National Simultaneous Storytime for Library and Information Week. For the first time, both libraries conducted a Biggest Morning Tea in May to help raise funds for the Cancer Council.

The annual Library Books on Wheels and bus clients' Christmas function was a success at the Mt Claremont Community Centre. This year the Perth vocal group Cabaret Cadenza performed popular songs from the world of opera and musical theatre.

The Nedlands Library Book Club meets at Nedlands Library on the second Thursday of each month at 1.00 pm. This is a great way for library members to meet new people and discuss books. Afternoon tea is served and discussions are lively.

Another outreach service provided by the libraries is our fortnightly Books on Wheels service for customers that are house-bound. Our Monday weekly bus service is offered to senior library



members that are able bodied but don't have their own transport. They can come to the library to choose their own materials and socialise over morning tea.

### Meet the authors

The Nedlands Library Service hosted a variety of local and interstate authors this year. Sarah Hay, the author of *Skins* and *Texas*, started off our Meet the Authors for the year. Other authors included the bestselling authors Tony Parks and Kathryn Fox.

With the support of Dymocks Claremont, residents that attended the Meet the Author sessions had the opportunity to purchase their copy of the book and have it signed by the authors.

### The Roland Leach Poetry Prize

The biennial poetry competition The Roland Leach Poetry Prize was held in 2009. Competition packs were sent out to all Western Australian schools in May, with more than 500 entries received. This year's judge was Shane McCauley.

Roland Leach along with local businesses sponsored the competition and more than 80 children and their parents attended the awards presentation evening.

## Services for young people

Weekly Storytime continues to be a great success with 1389 children and parents attending this year. Nedlands and Mt Claremont Libraries joined hundreds of other libraries around the country for National Simultaneous Storytime in May during Library and Information Week. This is a national event coordinated by the Australian Library and Information Association to highlight the importance of reading and literacy and promote Australian authors and publishers around the country.

A new evening, Pyjama Storytime, was introduced in June 2010. This style of storytime will be conducted every quarter. Baby Rhyme Time sessions were held fortnightly during school term throughout the year at Nedlands library, with 217 participants in total. As part of The State Library's Better Beginnings Program, Baby Rhyme Time supports children's early literacy development through sharing songs, stories and action rhymes with babies from 0–12 months old, and introduces parents to techniques for sharing books with their babies.

The school holiday program was varied this year. Peppermint Green Fairy entertained a fully-booked July school holiday audience. The October school holidays had a dinosaur theme with a real live dinosaur that dug in and around the libraries. The summer school holiday program had children's author Dianna Wolfer present a writing workshop to an eager audience. There was also a colouring with sand craft session with the Sandwizard. Captain Pirate Pink Pants performed storytelling and balloon-sword fighting to capacity crowds at both libraries during the April school holidays.



## Nedlands Community Care

Nedlands Community Care provides support for residents in the City of Nedlands who are assessed as either frail aged, a younger person with a disability, or their carer.

Nedlands Community Care provides quality in-home care support as well as many other services including activities for Dementia-specific clients, respite for carers, social support activities and transport to appointments.

As well as the Nedlands Community Care staff, there are more than 50 valuable volunteers who assist with providing transport to clients and assisting with other activities to the 250 plus clients.

Highlights during the year are listed below.

- Securing Growth Funding from the Department of Health to purchase:
  - Large screen TV and DVD player for use in the day centre.
  - Nintendo Wii for ongoing activities to use with the clients.
- Continuation of collaborative meetings between aged care staff at Nedlands Community Care, the Town of Cambridge and City of Subiaco to network and exchange ideas and develop programs to improve delivery of aged care services.
- Increased activities for social support services including:
  - Computer classes
  - Out and About Tours
  - Seniors Social
  - Waratah Dinner Club
  - Book Club.
- New wellness activities including:
  - Yoga
  - Seniors Social.

## Nedlands Volunteer Service and Volunteer Resource Centre

The City's volunteer service promotes volunteering, strengthens the capacity of the volunteer sector and matches volunteers with volunteer opportunities.

### Volunteers in the community

The City receives an annual grant from the Department of Communities to operate a Volunteer Resource Centre (VRC). With this funding, the City assists local community organisations with finding volunteers and provides training and information.

### **Volunteers referred to the community**

During the aftermath of the hail storm in March 2010 the VRC coordinated the volunteer response. Twenty-two volunteers, including students from UWA, assisted local residents who were unable to clean up their own properties, particularly seniors.

### **Volunteers in the organisation**

The City's volunteer service also places volunteers in positions within the City's administration. This provides valuable experience to volunteers, while the volunteers provide valuable services to the organisation and its customers.

Volunteers working in the City's administration and outstations donated an estimated 13 968 hours to the organisation during 2009–10. This equates to a dollar value of \$335 000.

### **National Volunteer Week**

The invaluable contribution of volunteers within the community was recognised during National Volunteer Week in May 2010. A volunteer recognition morning tea was held at which the Mayor presented certificates of recognition to volunteers working in the City's libraries and at Nedlands Community Care, Tresillian Community Centre, Point Resolution Occasional Care Centre and the Volunteer Resource Centre.

### **Volunteering opportunities**

For those seeking a volunteer position, the City's volunteer services can help with information about:

- positions in up to 97 local community organisations
- 1400 volunteer positions state wide.

Potential volunteers can visit the volunteer drop-in centre in the Nedlands Library on any Tuesday morning or ring the City's Administration Centre on any weekday.

## **Point Resolution Occasional Child Care Centre**

The Point Resolution Occasional Child Care Centre provides occasional child care to residents of the City. Programs are designed to stimulate and engage children with age appropriate activities including:

- multicultural events
- intergenerational activities with seniors from Nedlands Community Care
- interactive events with parents and siblings
- awareness of our environment.

Utilisation rates have increased from 80.5 per cent in the 2007–2008 financial year to 96 per cent in this current financial year.

## **Recreation Services**

The City's Recreation Strategic Plan was reviewed this year and is expected to be adopted by Council in the 2010–2011 financial year. The Plan's purpose remains the same as that adopted by Council in 2005, which is summarised below:

- The purpose of the Recreation Plan was to establish the local community's current and future need(s) for sporting, recreational and leisure facilities and services.
- It was to be used as a basis to guide future decision making and development in relation to sport and other recreational and leisure facilities, infrastructure and services.
- It enabled Council to prioritise the competing demands for resources from sporting clubs through the Community Sporting and Recreation Facilities Fund process

### **Local sports clubs**

The City provides support to local sporting clubs to ensure community members have the opportunity to play a wide variety of sports. Support included finding appropriate grants for the clubs and maintaining reserves and pavilions for their use.

The City's facilities continue to be used by a large number of clubs that provide residents with the opportunity to play a wide range of sports including tennis, cricket, rugby, Australian Rules Football, soccer, yachting, hockey, golf, croquet, tee-ball, surf life saving and bridge. Currently 30 clubs regularly use City facilities.

Local sporting clubs have a total membership of 12 550 people with this figure taking into account residents who may be a member of more than one club. Of this total sporting club membership, 49 per



cent are City of Nedlands residents and 40.5 per cent are under 18 years of age, indicating a strong junior membership base.

### **Upgrades to sports facilities and reserves**

The City makes a major contribution to the health and wellbeing of the local community by providing and maintaining sporting facilities such as reserves and buildings used by sporting clubs.

The City was successful in receiving a Community Sport and Recreation Facilities Fund (CSRFF) grant of \$6235 from the Department of Sport and Recreation. This was used to replace the centre synthetic cricket wicket at Charles Court Reserve and the three training synthetic wickets at Mt Claremont Oval. The Claremont Nedlands Cricket Club contributed \$14 200 towards the project. All of these facilities were unable to be used for safety reasons prior to the replacement.

The City was also successful in obtaining a CSRFF grant of \$2716 to install a new synthetic cricket wicket at College Park. This work will be carried out in 2010–11.

The change room and toilets at Allen Park Pavilion were refurbished benefiting members of the junior football club and cricket club—the main users of the facility.

The City was successful in gaining a \$55 000 grant from the Federal Government's Regional and Local Community Infrastructure Fund. The funds were allocated to the upgrade of the change rooms, toilets and ceilings at JC Smith Pavilion. This upgrade will improve these facilities for members of the hockey club, cricket club and junior football club as well as other community users.

### **Club tenancy of City buildings**

The City continued to provide local sporting clubs with buildings for their use. Where that club uses the building exclusively, a lease between the City and the club is entered into. During 2009–10 leases have been entered into or renewed between the City and various sporting clubs as required. Current leases include:

- Claremont Junior Football Club
- Collegians Amateur Football and Sporting Club
- Nedlands Bridge Club
- Nedlands Croquet Club (new)
- Nedlands Golf Club
- Nedlands Yacht Club
- Riverside Lions Hockey Club (new)

- Suburban Nedlands City Hockey Club. The City provides leased buildings to the club free of charge, with all maintenance being the responsibility of the club.

### **Sport and recreation subsidies provided by Council**

The City provided a subsidy of \$7000 to both the Nedlands and the Hollywood Primary School Parents and Citizens Associations to assist with making their pools available to the general public over the summer period.

Two local cricket clubs were given a subsidy to maintain the two turf wickets at College Park, and one centre turf wicket plus a training block at both Melvista Oval and Allen Park. These subsidies greatly reduced the costs to the City of maintaining these facilities as the clubs undertake the maintenance at lower than commercial rates.

In accordance with a decision of Council in 2004, a subsidy of \$21 600 was provided to the Swanbourne Nedlands Surf Life Saving Club as a result of the closure of the kiosk at the beach.

The City supported the Nedlands Tennis Club's successful application to the Department of Sport and Recreation (DSR) for a Community Sport and Recreation Fund grant of \$64 000 to resurface and upgrade a number of their tennis courts. The City also provided a grant of \$64 000 to the club towards the project from surplus funds identified as part of the mid-year budget review.



## Community events

The City approves events held at public locations by the community within the City. The City's approval role aims to minimise any potential negative impact, while still ensuring the community enjoys a wide range of local events.

In 2009–10 the number of events increased by 65 per cent from the previous year. The events approved by the City included 40 weddings, 10 private sporting events, 8 public sporting events, 12 large-scale public community events and 21 private events.

The major events approved included the City to Surf Fun Run, the City of Perth Bike Ride, and Triathlon Pink. These events increased social interaction and added to the wellbeing of the local community.

## Tresillian Centre

Tresillian brings people together by providing:

- art, craft and leisure courses
- an interesting variety of studio artists working on site
- art exhibitions
- a crèche
- a café.

Tresillian provided 274 art, craft, language and other leisure courses during the year, with course participants expressing a 94 per cent satisfaction level.

## Increased service delivery

Tresillian increased its service delivery to the community by offering courses after hours and at alternative venues. Fourteen new courses were offered at Mt Claremont Community Centre in term one of 2010, followed by four new courses in term two of 2010.

The table below shows an increase in Tresillian's service delivery while maintaining a high level of customer satisfaction.

## Increased service delivery over three years

	2007–08	2008–09	2009–10	% Change 2007-08 to 2009-10
Number of courses provided	195	212	274	+40.5%
Room hire income	\$11 348	\$16 765	\$22 545	+98.7%
Customer satisfaction	93%	94%	94%	+1.1%



## Exhibitions

A total of 14 exhibitions were held at Tresillian during 2009–10. Of these, six were curated by Tresillian and eight were provided by organisations or artists hiring Tresillian's facilities. The exhibitions curated by Tresillian were:

- Friends of the Perth Bone and Tissue Bank Exhibition
- Tresillian Studio Artist Exhibition 2009
- Waters of Life
- Visions
- The West Australian Society of Arts 114th Annual Exhibition
- Tresillian Student and Tutor Exhibition 2010.

The annual Studio Artists' Exhibition opened on Friday 23 October with 140 works by the eight Tresillian studio artists. It generated sales of \$5895. The 2010 Annual Student and Tutor Exhibition opened on Friday 11 June 2010. Students and tutors exhibited 247 items with sales of \$4385.

## Brian Simmons Art Auction

For the ninth consecutive year, the City's Tresillian Centre held an auction of demonstration artworks created by Brian Simmonds in his popular Tresillian art classes. The 2009 Brian Simmonds auction was held on 6 November. Chris Shellbear, local real estate agent and auctioneer, donated his time and expertise to conduct the auction. Sales at auction totalled \$12 560 with 50 per cent of the profits donated to Tresillian.

## Youth Development

The City of Nedlands' youth program encourages young people to be involved in their local community through a wide range of youth-specific activities that support community wellbeing, are not already available, are safe, and encourage physical activity.

This year the City provided a wide range of activities for children and young people including: a Youth Digital Arts Festival during National Youth Week, skateboarding workshops, a Rhythm Pool Party, the Summer Skate Series, and school holiday activities.

Overall, participation rates increased this year with more than 3000 children and young people taking part, representing a 55 per cent increase in participation from the 2007–08 financial year.

## National Youth Week

National Youth Week brings young people together to celebrate youth achievement and to focus on youth issues. The cities of Nedlands and Subiaco,

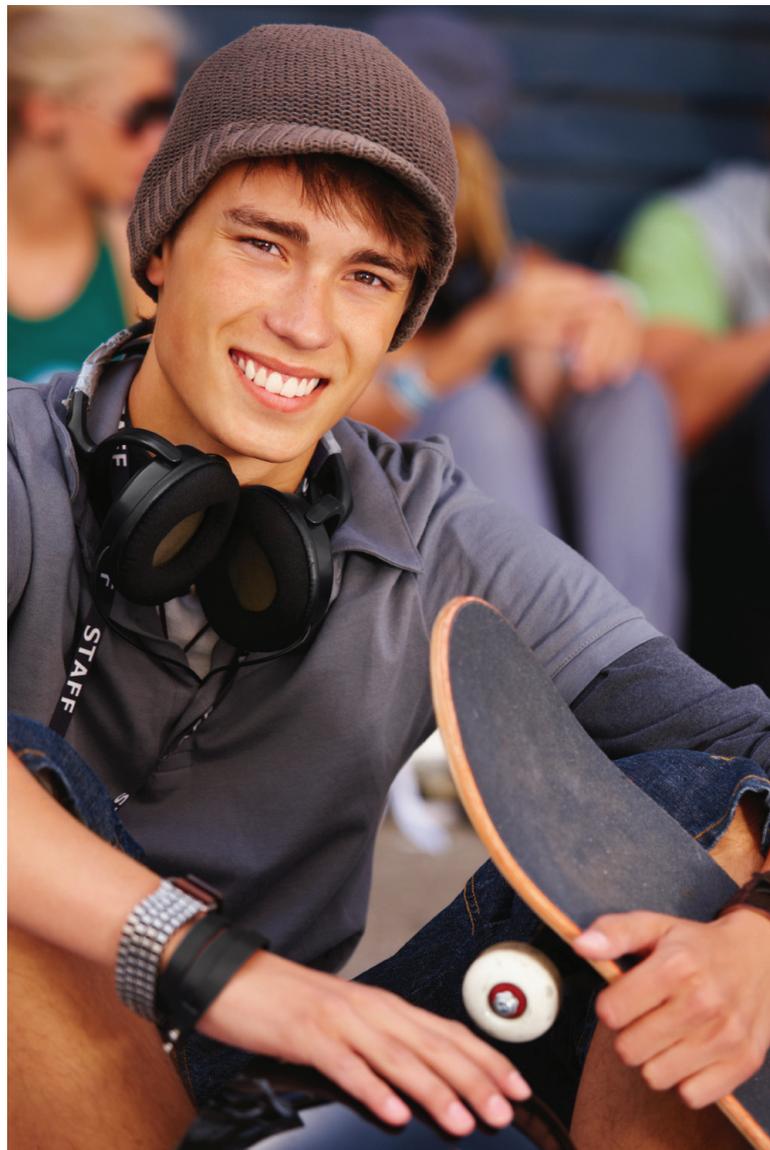
Towns of Claremont and Mosman Park and the Shire of Peppermint Grove jointly provided activities during National Youth Week in April with 210 participants attending. Events included photography workshops, film making workshops, a photography competition, and a free film screening of Bran Nue Dae at the Windsor Cinema which attracted 150 young people.

## Rhythm Pool Party

The Rhythm Pool Party was held as a joint project by the City of Nedlands and Town of Claremont at Claremont Pool. A live DJ, mechanical surfboard and a range of fun activities were offered during the evening. The event attracted more than 500 young people aged between 8 and 16 years.

## Summer Skate Series

The City participated in a skate competition hosted by YMCA HQ which was held at various skate parks across Western Australia. The City's heat attracted 28 competitors and more than 50 spectators, making the Nedlands series the best-attended event in the state. The Youth Advisory Council supported the event providing a sausage sizzle and drinks for a gold coin donation.





### **Youth Advisory Council (YAC)**

The Youth Advisory Council consists of a group of local young people aged 12 to 21 years who advise the City on youth issues, plan and deliver activities for local young people and encourage youth participation in the community.

This year the YAC members supported the Summer Skate Series with a barbeque raising \$200 for Kids Help Line. They also provided a game of giant volleyball at one of the City's Summer Concerts.

### **WESROC Youth Forum**

The City facilitated the first WESROC Youth Forum involving young people from schools within the western suburbs to find out more about their needs in relation to their community.

The forum involved group brainstorming and a questionnaire. The questionnaire asked respondents to complete the following sentences:

1. 'What I value most in my community is ...'
2. 'If I could change one thing in my community it would be ...'

The most frequent response to question number one was 'feeling safe'. And the most frequent response to question number two was 'youth hangout space'.

In response, the City intends to set up a dedicated 'youth space' where young people can meet on a regular basis.

### **Schools**

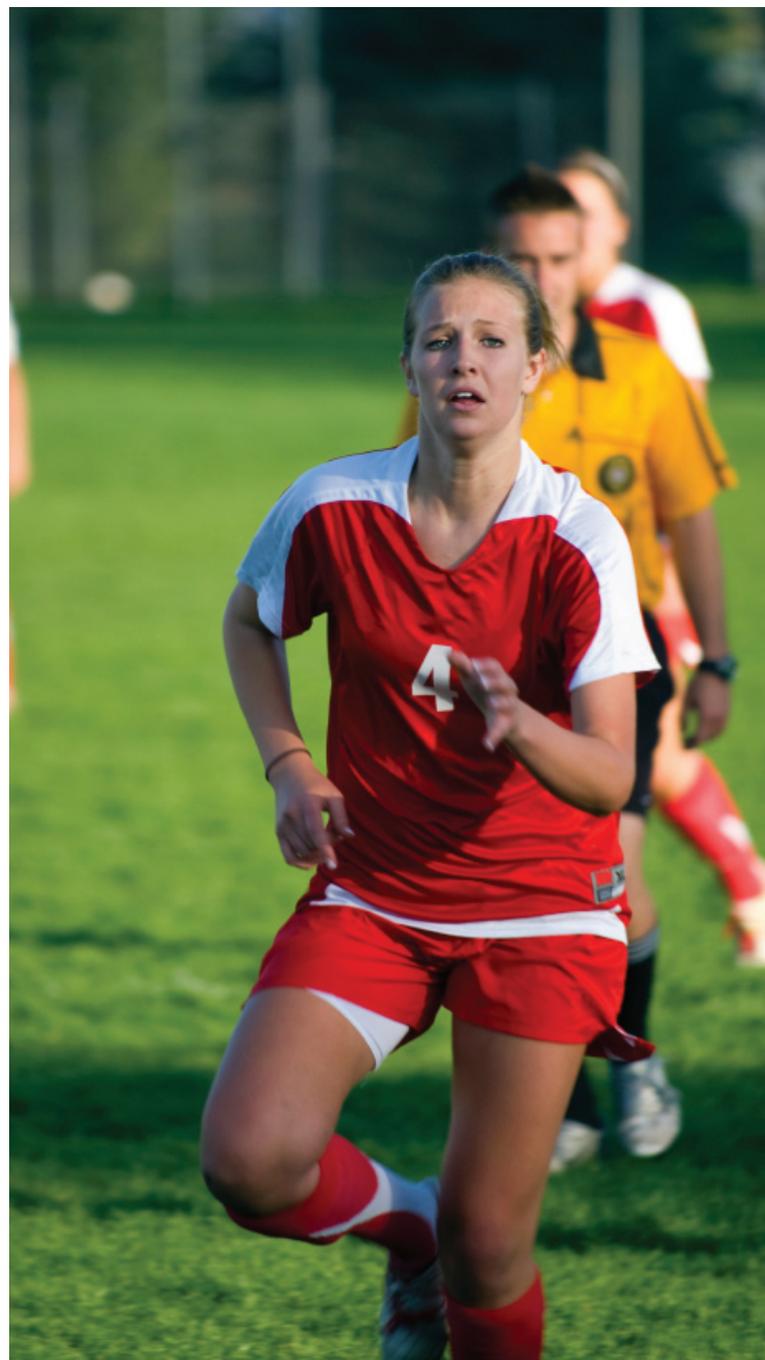
In 2009–10 Council adopted the Engagement with Local Schools Strategy, which outlined the City's approach to a more pro-active relationship with the 10 local schools within its boundaries. Local schools were provided with a single point of contact at the City to facilitate communication and information dissemination on all City programs for children and youth.

For the first time, the City surveyed local schools on their level of satisfaction with service provided by the City, resulting in a satisfaction rate of 86 per cent.

### **Sponsorships provided by the City**

This year the City provided the following donations and subsidies:

- \$10 800 to the Shenton Christian Council to assist with the provision of Chaplains at Shenton College, Mt Claremont and Swanbourne Primary Schools.
- Thirty-two grants of \$250 each to individual young people for youth initiatives that connected them to their community, under the Sponsorship of Youth Initiatives Fund.
- \$2000 to the Bluearth Project provided by Dalkeith Primary School in partnership with the City. The Bluearth project teaches students at Dalkeith Primary School the skills and values of practical community service.



## Key Focus Area 5: Governance

To ensure that the processes of local government are delivered responsibly and in a transparent, consistent and an accountable manner.

### Records Services

In the 2009–2010 financial year the Records Services team processed 38 340 pieces of incoming correspondence, capturing 15 627 pieces of that correspondence into the Electronic Document Management System (EDMS).

On a strategic level the records team have:

- Produced a 2010–2015 Strategic Plan.
- Assisted with the closure of network drives in order to maximise compliance with the *State Records Act 2000*.
- Assisted with technical upgrades such as the upgrade to MS Office 2007, Trim 6.2.4 and the Trim/Authority integration project.
- Reviewed and updated the City's Information Statement, induction procedures and internal procedure manual.
- Undertaken an extensive disaster management program after the March 2010 storm, which involved the recovery of approximately 800 hardcopy files and the temporary closure of the Records Services office.
- Started a joint project with the City's Local Studies Librarian, retrospectively digitising all of the City's council minutes, from the 1932 Claremont Roads Board minutes through to minutes from the late 1990s.



### Freedom of Information

The City of Nedlands complies with the *Freedom of Information Act 1992* by making information about our operations available in the form of our Information Statement. This document is available on request.

Persons wishing to apply for access to additional information held by the City may submit a Freedom of Information (FOI) Application. The City aims to make information available promptly and at the lowest reasonable cost. The City received 15 Freedom of Information applications in the 2009–2010 financial year.

### Human Resources

#### Storm response

When the rare event of the severe hail storm hit the City on 22 March, the training and motivation of the City's employees and volunteers really came to the fore. All over the City the magnificent team effort and 'all hands to the deck' approach resulted in good work arising out of a bad situation. Residents faced many challenges arising from storm damage to their homes and surrounds and disruption to roads and services. The fantastic, combined effort of residents, employees and volunteers meant that the City was soon returned to near-normal functioning in record time.

#### Employee health screening

The City has an increasing focus on encouraging wellness in employees. A number of initiatives encouraged and contributed to and supported the employees' health and wellbeing. The City offered general health risk assessments, skin cancer screening and a flu vaccination program to all staff. These proved to be popular with nearly one third of employees participating in the health and skin cancer assessments and over one third of employees taking advantage of the annual Flu Vaccination Program.

#### Active staff

A walking group has been established and the City to Surf proved popular with runners, walkers and strollers over either the 4 kilometre or 12 kilometre distance. The City also had participants in the 21 kilometre and full marathon events.

#### Employee Assistance Program

The Employee Assistance Program continued to be a success with employees and their families making use of the free, confidential counselling service provided by PPC Worldwide. This additional

support continues to be popular and feedback is that the service is of great benefit. Evidence is that the service is well received by users and can provide timely support in times of need.

### Charity for Fridays

Free dress Fridays continue to be popular. Employees contribute a gold coin donation to a charitable organisation each Friday in exchange for a more relaxed dress code. Worthy recipients of donations included:

- Beyond Blue
- Shenton Park Dogs Home
- Royal Flying Doctor's Service
- Valued Independent People
- Legacy
- Princess Margaret Hospital
- The Lupus Group WA
- Kanyana Wildlife Rehab Centre.

### Learning and development

The City recognises the need for a workforce that is current in its knowledge with the ability to keep pace with contemporary needs. A wide range of training and development programs were rolled out across the City. This included:

- Job specific training for outside and inside workers
- First aid training
- Supervisory training
- Local government training and information sessions
- Seminars and briefings on a wide range of topics across all functional areas
- Inducting and mentoring new staff.

### Employee's remuneration

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

Salary range	2009	2010
100 000–109 999	0	0
110 000–119 999	1	1
120 000–129 999	3	3
130 000–139 999	0	0
140 000–149 999	0	0
150 000–159 999	0	0
160 000–169 999	1	1

### Business Continuity Planning

The City's activities expose it to a variety of risks. To ensure these risks exposures don't adversely impact on the operations of the City, a risk management

framework has been developed to ensure that risks are managed across the organisation. The City has also begun the development of a business continuity plan that will assist the City to continue to deliver its critical services in the event of an emergency.

### Finance Services

Finance Services support the City through the provision of budgeting services, financial management reporting, accounts payable, accounts receivable, payroll, accounting and report of FBT and GST as well as managing the City's rating system.

### Compliance audit

The City achieved a rating of 98.3 per cent for the annual Compliance Audit Return for 2009 and the six non-compliant questions were reported to Council at their meeting of 30 March 2010. For each item of non-compliance, the recommendations of the reviewer have been accepted and have since been implemented.

While not meeting 100 per cent compliance, the completion of the Compliance Audit Return for 2009 demonstrated a high level of compliance by the City of Nedlands in all areas. The City has a proven internal culture of compliance and commitment towards best practice and the management of the City is based on sound systems and procedures with an emphasis on good governance.

### Ranger Services

The City's Rangers Services team covers a wide range of issues, from parking enforcement, animal control, fire breaks and building compliance on behalf of the Development Services team. A summary of some of their activities is as follows.

Activity	2007–08	2008–09	2009–10
Number of dogs impounded	96	59	50
Number of complaints about barking	113	132	85
Number of inspections on vacant blocks for fire breaks (non-compliant blocks)	107	55	92
Number of abandoned vehicles dealt with (impounded)	18	32	21

## Statutory Information: Principal Activities

### National Competition Policy

The Competition Principles Agreement is an agreement between the Commonwealth and State Governments that stipulates the manner in which governments will apply competition policy principles to public sector organisations under their jurisdiction. While local governments are not a signatory to the Agreement, they are bound to apply the same competition principles to their activities and functions by virtue of Clause 7 of the Agreement.

Clause 7 obliges the state government, in consultation with local government, to apply competition principles to local government activities and functions. These principles are:

- Competitive Neutrality
- Structural Reform of Public Monopolies
- Legislation Review.

### Competitive Neutrality

With respect to Competitive Neutrality, the City of Nedlands reports as follows:

- No business enterprise of the City of Nedlands has been classified by the Australian Bureau of Statistics as either a public trading enterprise, or a public financial enterprise.
- No City of Nedlands activities have been identified to which the principles of Competitive Neutrality apply in this reporting period.
- No allegations of non-compliance with the Competitive Neutrality principles have been made by any private entity.

### Structural Review of Public Monopolies

The City of Nedlands does not operate any public monopolies that pursue commercial functions. Any activities of the City of Nedlands that are conducted as a monopoly are regulatory only, and are directed to the public benefit. No further action is required in this area.

### Legislation Review

#### Disabled services

The City has developed a Disability Access and Inclusion Plan (DAIP). The DAIP is a legislative requirement of the Disability Services Act 2006, which outlines how public authorities will make their services, information and buildings accessible for people with disabilities. The City continues to meet its obligations outlined within the DAIP. See

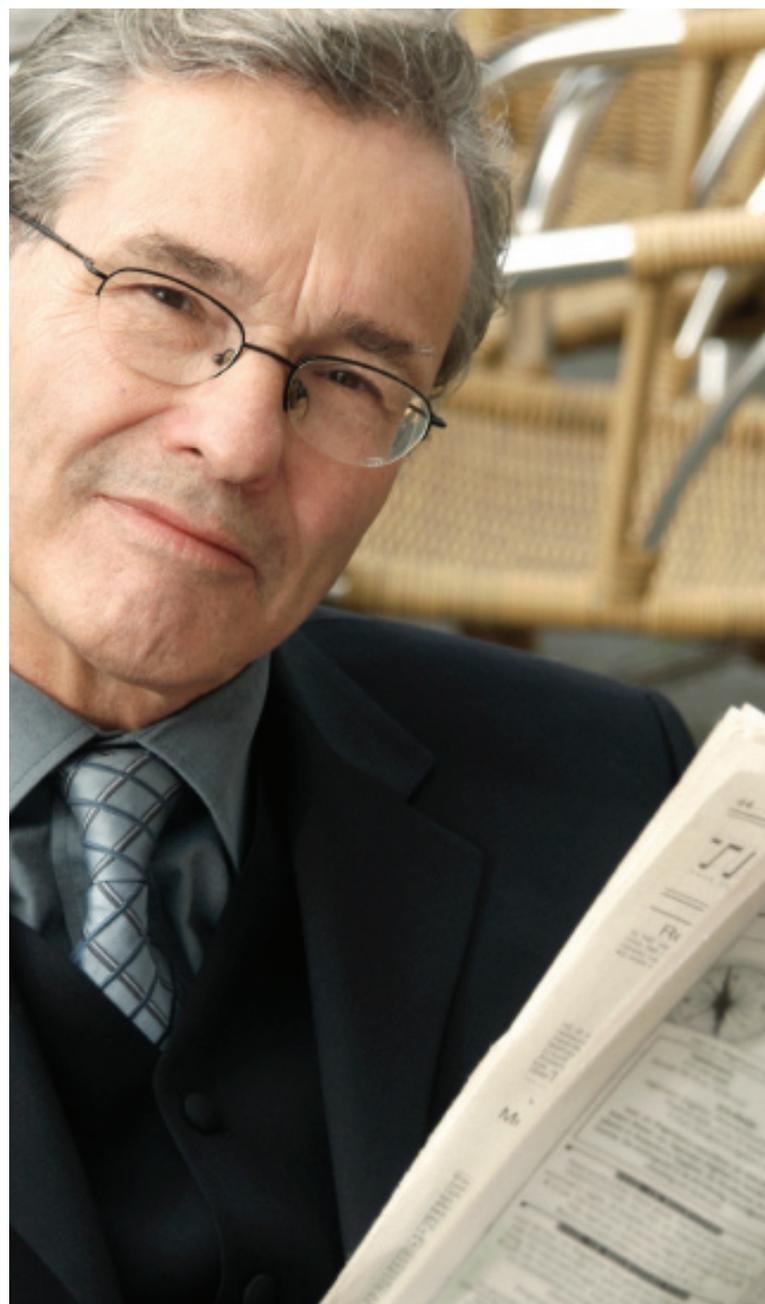
page 17 for more details on City's DAIP.

### Record keeping

Government legislation and regulations mandate the City's roles and functions. The City creates and maintains proper and adequate records of these activities to ensure sufficient evidence of the City's performance of these functions. The City's records are consistent with any written law to which the City of Nedlands is subject when performing its functions.

New employees participate in an induction program on records management. They are made familiar with the filing system as well as the Electronic Data Management System (EDMS). Staff are also inducted in the record keeping responsibilities of staff.

File audits are conducted each quarter throughout the City including administration and offsite offices. See page 26 for more information on records services provided by the City.



## Key Focus Area 6: Community Engagement

To achieve a community which is informed and engaged in order to enable it to participate in decisions that affect the local area.

### Policy and Strategy

In 2009–10 Council adopted a Community Engagement Strategy, committing to improved communication, consultation and engagement with the local community. As part of this engagement approach, Council also adopted the Engagement with Community Groups Strategy. This outlines the City's approach for improved communication and engagement with the City's local community groups and organisations. Information on a wide range of community groups and services was made available to the community on the City's website, through the Community Contacts Database.

The City also adopted an Engagement with Local Businesses Strategy and an Engagement with Schools Strategy that are discussed in KFA 4 and KFA 7. The City had also adopted a community engagement strategy and staff toolkits that provide a framework to guide staff in how, when and why to engage the community on various issues.

### Media and Communications

The City's communication strategy involves the use of various tools to inform the public and is available on the City's website at [nedlands.wa.gov.au](http://nedlands.wa.gov.au). The following initiatives have been very successful:

- Nedlands News—a full page advertisement published twice per month in the *Post Newspaper*.
- Print advertisements in the *Post Newspaper* and *Western Suburbs Weekly* on events, out-for-comment projects and public notices.
- E-news to subscribed residents.
- Media releases issued to all media outlets.
- The City's website is the definitive source of information for residents and stakeholders.
- Responding to media enquiries as per requests.
- Community information notice boards located at four of the most frequented parks in the City.
- Educational campaigns including the 'Put a lid on it' campaign to educate the community about Australian Ravens.

The City will introduce a quarterly newsletter in the next financial year which will be distributed to all residents and businesses.

## Key Focus Area 7: Economic Development

To encourage an environment where local businesses can operate efficiently and effectively, in harmony with residential amenity and which provides services to the local and broader community.

### Relationship with Local Businesses

In 2009–10 Council adopted its first Engagement with Local Businesses Strategy, aimed at developing direct relationships with local businesses and a better understanding of their needs.

Two successful and well patronised business sundowners were held, giving business people, Councillors and senior staff an opportunity for informal networking. The City's first business newsletter provided more than 400 local businesses with information targeted to their needs.

For the first time, the City surveyed local businesses on their level of satisfaction with City services. Overall satisfaction was high at 73 per cent. Satisfaction with waste services was high at 78 per cent, followed by satisfaction with crime prevention services, also high at 76 per cent. Satisfaction with information provided by the City was high at 70 per cent. Satisfaction with customer service was moderate at 67 per cent. With benchmarks to measure against, the City plans to improve satisfaction levels by continuing to build a stronger relationship with local businesses.

Local businesses were also consulted on the need for a local business association. Currently, no local business association exists within the City of Nedlands. Eighteen local business people volunteered to be part of a working group that would investigate options for setting up a local association. This will be a key project for 2010–11.



## Grants

The City secured more than \$3.5 million in grant monies this financial year. Of the grants secured, three were recurring income, with 14 representing one-off grants for specific projects.

The one-off grants included:

Grant	Amount	Funding body
Summer Concerts in the Parks 2010	\$12 448	LotteryWest
Nedlands Festival	\$6300	LotteryWest
DrinkSafe Program	\$6500	Roadwise
Community Safety Program	\$14 000	Office of Crime Prevention
Nedlands Community Care	\$28 648	Dept. of Health
Riverbank Program 2009–2010	\$128 781	Perth Regional NRM
Swanbourne Dune Protection	\$6136	Dept. of Planning
Riverbank Program 2008–2009	\$63 700	Perth Regional NRM
Streets Roads and Depot RTR	\$723 509	Dept of Infrastructure, Transport, Regional Development and Local Government
Streets Roads and Depot: Blackspot	\$158 039	Main Roads WA
Streets Roads and Depot: Main Roads	\$318 765	Main Roads WA
Streets Roads and Depot: Other	\$289 507	Main Roads WA
Property Services: Upgrades to JC Smith Pavilion	\$55 000	Dept of Infrastructure, Transport, Regional Development and Local Government
Beaton Park Jetty Repair	\$160 000	Dept of Infrastructure, Transport, Regional Development and Local Government

## Complaints Register

Attached on following pages.

## Councillors' Attendance

Attached on following pages.

## Financial Report

Attached on following pages.

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## Complaints Register in accordance with Sections 5.121 and 5.53 of the Local Government Act

Name of Council Member about whom the complaint is made	Name of Person making the complaint	Local Government Complaint No.	Description of Minor Breach	Action Taken	Date the complaint was referred to the Standards Panel	Outcome of the Standards Panel Consideration of the minor complaint
Cr. M.R. Hipkins	Minter Ellison Lawyers on behalf of University of Western Australia	SP 36 of 2008	<p>Errors and misleading information in Council Minutes on 9 September 2008 i.e. breaches of Local Government (Rules of Conduct) Regulations 2007: Regulation 7 – Securing personal advantage or disadvantaging others.</p> <ol style="list-style-type: none"> <li>1. Regulation 8 – Misuse of local government resources.</li> <li>2. Regulation 9 – Prohibition against involvement in administration.</li> <li>3. Regulation 10 – Relations with local government employees.</li> <li>4. Regulation 11 – No disclosure of interest adverse to impartiality.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reported to Standards Panel.</li> <li>2. Response to complaint obtained from Cr. Hipkins and referred to the Standards Panel on 20 November 2008.</li> </ol>	18 September 2008	Notice of Finding: 31 March 2010 - The Panel made findings that Councillor Hipkins did not commit any minor breach as alleged in or under the complaint.
Cr. P. R. Schapper	Cr. I. Tan	SP 9 of 2009	Breach alleged to have occurred under the Local Government (Rules of Conduct) Regulations 2007: Regulation 4 – Breach of Meeting Procedures Local Law (Standing Orders)	<ol style="list-style-type: none"> <li>1. Reported to Standards Panel.</li> <li>2. Advised Standards Panel that Mr Schapper did not stand for re-election as a City councillor when his term expired in October 2009 and the City is unable to ascertain his current residential address.</li> </ol>	4 May 2009	Notice of Finding: 17 March 2010 - The Panel agreed that in these circumstances its view is: (a) the complaint is a validly made complaint, as it was made in accordance with section 5.107(2) and (4) of the Local Government Act 1995 (the Act) when Mr Schapper was a current Council member; (b) since 18 October 2009 Mr Schapper has not been a Council member, and, accordingly since then and for so long as he is not a Council member, the Panel has no

Name of Council Member about whom the complaint is made	Name of Person making the complaint	Local Government Complaint No.	Description of Minor Breach	Action Taken	Date the complaint was referred to the Standards Panel	Outcome of the Standards Panel Consideration of the minor complaint
						power and is unable to continue to process the complaint (i.e. the processing of the complaint is suspended while he is not a Council member); (c) there is no constraining limitation period (under section 5.107(4) of the Act otherwise)! as the complaint has already been validly made; and (d) the effect of the contents of 2(b) and 2(c) above is that the Panel has power and is able to resume processing the complaint if and when Mr Schapper is again, elected as a Council member and while he is then a current sitting member of Council.
Cr. I. S. Argyle	Mr. C. Courtney	SP 12 of 2010	Breach alleged to have occurred under the Local Government (Rules of Conduct) Regulations 2007: Regulation 7 - Securing personal advantage or disadvantaging others; and Regulation 11 - Non-disclosure of interest adverse to impartiality	1. Reported to Standards Panel.	10 March 2010	No outcome as at 30 June 2010.
Cr. M.R. Hipkins	Cr. I. Tan	SP 14 of 2010	Breach alleged to have occurred under the Local Government (Rules of Conduct) Regulations 2007: Regulation 7 - Securing personal advantage or disadvantaging others;	1. Reported to Standards Panel.	20 April 2010	No outcome as at 30 June 2010.

**Councillor Attendance at City of Nedlands Council & Committee Meetings 2009–2010.**

Elected Member	Council		Special Council		Council Committee		Audit & Risk Committee		Budget Committee		CEO Performance Review Committee		Sustainable Nedlands Committee		Traffic Management	
	Pre Election (5)	Post Election (7)	Pre Election (5)	Post Election (6)	Pre Election (4)	Post Election (7)	Pre Election (1)	Post Election (2)	Pre Election (2)	Post Election (1)	Pre Election (4)	Post Election (2)	Pre Election (2)	Post Election (4)	Pre Election (2)	Post Election (4)
Her Worship the Mayor, S.A. Froese	5	6	5	6	4	6	1	2	2	1	4	2			2	3
Cr. I.S. Argyle	4	7	3	6	4	7	0	2	2	0						3
Cr. J.D. Bell	4	6	4	5	1	3			0	1						
Cr. R.M. Binks **		6		6		6				1						4
Cr. K.E. Collins **		4		5		4		2		0						1
Cr. R.M. Hipkins	5	7	4	6	4	6			2	1						
Cr. B.G. Hodsdon	5	4	5	5	4	5	1	2	2	1		2			1	
Cr. N.B.J. Horley	5	6	5	5	4	6			2	1						
Cr. M.S. Negus	4	7	5	6	3	6			2	1	4	2	1 +		2	
Cr. K.A. Smyth	5	7	5	5	4	7			2	1		2			2	3
Cr. M.L. Somerville-Brown **		7		6		5		2		1		1				4
Cr. I. Tan	5	6	5	6	4	6			2	1	4				2	1 +
Cr. B. Tyson	5	6	4	6	2	7			1	1		2		4		
Cr. T. P. James *	5		4		3		0		1							
Cr. M.J. Mazzucchelli *	5		5		4		1		2		4		1			
Cr. P.R. Schapper *	2		0		1				0		0					

( ) Number of meetings held | \* Term ended October 2009 | \*\* Term began October 2009 | + Deputy Delegate | ■ Councillor not required to attend meeting

## Councillor Attendance at External Committee Meetings 2009–2010

Elected Member	Nedlands Aged Persons Homes Trust (Inc.)		Swan River Trust Board		WA Local Government Association – Central Metropolitan Zone		Western Suburbs District Planning Committee		Western Suburbs Regional Organisation of Councils (WESROC)	
	Pre Election (4)	Post Election (7)	No Councillor representative required.		Pre Election (2)	Post Election (4)	No meetings held.		Pre Election (2)	Post Election (4)
Her Worship the Mayor, S.A. Froese					2	2			1	4
Cr. I.S. Argyle										
Cr. J.D. Bell				0						
Cr. R.M. Binks **										
Cr. K.E. Collins **										
Cr. R.M. Hipkins						3				
Cr. B.G. Hodsdon					0				1 +	
Cr. N.B.J. Horley		5					0	0		
Cr. M.S. Negus										
Cr. K.A. Smyth										
Cr. M.L. Somerville-Brown **										
Cr. I. Tan			0							
Cr. B. Tyson	4									
Cr. T. P. James *										
Cr. M.J. Mazzucchelli *										
Cr. P.R. Schapper *										

( ) Number of meetings held | \* Term ended October 2009 | \*\* Term began October 2009 | + Deputy Delegate | ■ Councillor not required to attend meeting

**CITY OF NEDLANDS**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

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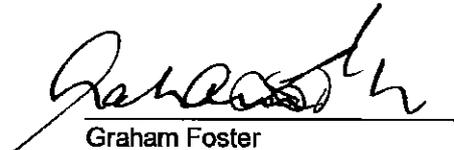
**CITY OF NEDLANDS**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the City of Nedlands being the annual financial report and other information for the financial year ended 30th June 2010 are in my opinion properly drawn up to present fairly the financial position of the City of Nedlands at 30th June 2010 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 22<sup>ND</sup> day of SEPTEMBER 2010.

  
Graham Foster  
Chief Executive Officer

**CITY OF NEDLANDS**  
**STATEMENT OF COMPEREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

	NOTE	2010 \$	2010 Budget \$	2009 \$
<b>REVENUE</b>				
Rates	22	14,151,678	14,001,500	13,245,990
Operating Grants, Subsidies and Contributions	28	1,982,430	2,696,000	2,832,277
Fees and Charges	27	5,710,051	5,140,100	4,630,374
Service Charges	24	932,004	934,500	1,051,090
Interest Earnings	2(a)	718,309	584,000	875,911
Other Revenue		289,287	87,100	227,868
		<u>23,783,759</u>	<u>23,443,200</u>	<u>22,863,510</u>
<b>EXPENSES</b>				
Employee Costs		(7,890,853)	(7,825,900)	(7,538,357)
Materials and Contracts		(10,267,120)	(11,446,200)	(9,553,827)
Utility Charges		(544,436)	(610,200)	(500,141)
Depreciation on Non-Current Assets	2(a)	(3,216,889)	(3,213,200)	(2,619,270)
Interest Expenses	2(a)	(188,314)	(208,440)	(190,232)
Insurance Expenses		(168,519)	(268,100)	(182,499)
Other Expenditure		(397,599)	(345,900)	(607,617)
		<u>(22,673,729)</u>	<u>(23,917,940)</u>	<u>(21,191,944)</u>
		1,110,030	(474,740)	1,671,566
Non-Operating Grants, Subsidies and Contributions	28	1,733,467	1,624,000	2,327,913
Profit on Asset Disposals	20	98,321	39,000	134,962
Loss on Asset Disposal	20	(9,604)	(9,000)	(2,541)
		<u>2,932,213</u>	<u>1,179,260</u>	<u>4,131,900</u>
<b>NET RESULT</b>				
<b>Other Comprehensive Income</b>				
Changes on Revaluation of Non-Current Assets		41,093,672	0	0
		<u>41,093,672</u>	<u>0</u>	<u>0</u>
<b>Total Other Comprehensive Income</b>		<u>41,093,672</u>	<u>0</u>	<u>0</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u><u>44,025,885</u></u>	<u><u>1,179,260</u></u>	<u><u>4,131,900</u></u>

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

**CITY OF NEDLANDS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

	NOTE	2010 \$	2010 Budget \$	2009 \$
<b>REVENUE</b>				
Governance		302,778	122,300	285,497
General Purpose Funding		16,575,899	14,847,500	14,259,673
Law, Order, Public Safety		219,624	75,300	61,609
Health		2,490	46,100	79,448
Education and Welfare		1,201,276	1,220,900	1,124,779
Community Amenities		3,642,338	3,402,800	2,995,894
Recreation and Culture		677,710	465,000	609,534
Transport		129,527	1,214,200	617,869
Economic Services		1,017,012	507,400	522,047
Other Property and Services		15,105	1,541,700	1,549,575
	2 (a)	<u>23,783,759</u>	<u>23,443,200</u>	<u>22,105,925</u>
<b>EXPENSES EXCLUDING FINANCE COSTS</b>				
Governance		(1,755,398)	(1,622,200)	(1,633,972)
General Purpose Funding		(359,456)	(301,100)	(334,557)
Law, Order, Public Safety		(778,098)	(585,600)	(513,942)
Health		(250,245)	(598,700)	(480,855)
Education and Welfare		(2,130,840)	(1,986,000)	(1,828,710)
Community Amenities		(4,261,738)	(4,760,700)	(4,352,304)
Recreation & Culture		(5,858,567)	(5,253,300)	(5,277,624)
Transport		(3,291,253)	(5,320,800)	(3,432,388)
Economic Services		(2,847,485)	(1,639,300)	(1,370,927)
Other Property and Services		(952,336)	(1,641,800)	(1,018,848)
	2 (a)	<u>(22,485,416)</u>	<u>(23,709,500)</u>	<u>(20,244,127)</u>
<b>FINANCE COSTS</b>				
Transport		(1,359)	0	(2,711)
Community Ammenities		0	(42,300)	0
General Purpose Funding		(186,955)	(166,140)	(187,521)
		<u>(188,314)</u>	<u>(208,440)</u>	<u>(190,232)</u>
<b>NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS</b>				
Recreation & Culture		160,000	160,000	0
Economic Services		55,000	0	0
Education & Welfare		28,648	36,000	58,959
Transport		1,489,819	1,428,000	2,268,954
		<u>1,733,467</u>	<u>1,624,000</u>	<u>2,327,913</u>
<b>PROFIT/(LOSS) ON DISPOSAL OF ASSETS</b>				
Profit		98,321	39,000	134,962
Loss		(9,604)	(9,000)	(2,541)
		<u>88,717</u>	<u>30,000</u>	<u>132,421</u>
<b>NET RESULT</b>		<b>2,932,213</b>	<b>1,179,260</b>	<b>4,131,900</b>
<b>Other Comprehensive Income</b>				
Changes on Revaluation of Non-Current Assets		<u>41,093,672</u>	<u>0</u>	<u>0</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b><u>44,025,885</u></b>	<b><u>1,179,260</u></b>	<b><u>4,131,900</u></b>

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

**CITY OF NEDLANDS  
STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2010**

	NOTE	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	10,027,708	9,572,611
Trade and Other Receivables	4	822,397	922,136
Inventories	5	17,083	15,881
<b>TOTAL CURRENT ASSETS</b>		<u>10,867,188</u>	<u>10,510,628</u>
<b>NON-CURRENT ASSETS</b>			
Other Receivables	4	313,488	344,540
Property, Plant and Equipment	6	33,562,969	33,759,569
Infrastructure	7	86,278,304	41,277,607
<b>TOTAL NON-CURRENT ASSETS</b>		<u>120,154,761</u>	<u>75,381,716</u>
<b>TOTAL ASSETS</b>		<u>131,021,949</u>	<u>85,892,344</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	3,620,637	2,965,453
Long Term Borrowings	9	135,474	1,319,547
Income in Advance		0	241,200
Provisions	10	1,172,233	1,059,034
<b>TOTAL CURRENT LIABILITIES</b>		<u>4,928,344</u>	<u>5,585,234</u>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	9	3,966,560	2,102,900
Provisions	10	110,494	213,543
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>4,077,054</u>	<u>2,316,443</u>
<b>TOTAL LIABILITIES</b>		<u>9,005,398</u>	<u>7,901,677</u>
<b>NET ASSETS</b>		<u>122,016,552</u>	<u>77,990,667</u>
<b>EQUITY</b>			
Retained Surplus		59,816,711	56,252,673
Reserves - Cash Backed	11	3,770,822	4,402,647
Reserves - Asset Revaluation	12	58,429,019	17,335,347
<b>TOTAL EQUITY</b>		<u>122,016,552</u>	<u>77,990,667</u>

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

**CITY OF NEDLANDS  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2010**

	<b>RETAINED SURPLUS \$</b>	<b>RESERVES CASH BACKED \$</b>	<b>ASSET REVALUATION RESERVE \$</b>	<b>TOTAL EQUITY \$</b>
<b>Balance as at 1 July 2008</b>	<b>51,504,812</b>	<b>5,018,608</b>	<b>17,335,347</b>	<b>73,858,767</b>
Net Result	4,131,900	0	0	4,131,900
Total Other Comprehensive Income	0	0	0	0
Reserve Transfers	615,961	(615,961)	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance as at 30 June 2009</b>	<b>56,252,673</b>	<b>4,402,647</b>	<b>17,335,347</b>	<b>77,990,667</b>
Net Result	2,932,213	0	0	2,932,213
Total Other Comprehensive Income	0	0	41,093,672	41,093,672
Reserve Transfers	631,825	(631,825)	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance as at 30 June 2010</b>	<b><u>59,816,711</u></b>	<b><u>3,770,822</u></b>	<b><u>58,429,019</u></b>	<b><u>122,016,552</u></b>

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

**CITY OF NEDLANDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2010**

	NOTE	2010 \$	2010 Budget \$	2009 \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		14,120,197	14,001,500	13,182,202
Operating Grants, Subsidies and Contributions		1,982,430	2,856,000	3,167,818
Fees and Charges		5,878,537	5,140,100	4,630,374
Service Charges		932,004	934,500	1,051,090
Interest Earnings		718,309	584,000	875,911
Goods and Services Tax		(6,214)	0	34,204
Other Revenue		289,287	87,100	227,868
		<u>23,914,550</u>	<u>23,603,200</u>	<u>23,169,467</u>
<b>Payments</b>				
Employee Costs		(7,806,287)	(7,825,900)	(7,222,198)
Materials and Contracts		(9,687,554)	(11,446,200)	(11,036,322)
Utility Charges		(544,436)	(610,200)	(500,141)
Insurance Expenses		(168,519)	(268,100)	(182,499)
Interest expenses		(188,314)	(208,440)	(176,060)
Other Expenditure		(397,599)	(345,900)	(607,617)
		<u>(18,792,709)</u>	<u>(20,704,740)</u>	<u>(19,724,837)</u>
<b>Net Cash Provided By Operating Activities</b>	13(b)	<u>5,121,841</u>	<u>2,898,460</u>	<u>3,444,630</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Purchase of Property, Plant & Equipment		(1,375,494)	(699,000)	(2,650,542)
Payments for Construction of Infrastructure		(5,824,543)	(7,827,700)	(7,752,024)
Non-Operating Grants, Subsidies and Contributions used for the Development of Assets		1,492,267	1,464,000	2,927,913
Proceeds from Sale of Plant & Equipment		361,444	262,500	451,912
		<u>361,444</u>	<u>262,500</u>	<u>451,912</u>
<b>Net Cash (Used In) Investing Activities</b>		(5,346,326)	(6,800,200)	(7,022,741)
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures		(1,306,444)	(1,305,600)	(1,169,525)
Repayment of Finance Leases		(13,975)	0	(12,704)
Proceeds from New Debentures		2,000,000	2,000,000	1,500,000
		<u>2,000,000</u>	<u>2,000,000</u>	<u>1,500,000</u>
<b>Net Cash Provided By Financing Activities</b>		679,581	694,400	317,771
<b>Net Increase (Decrease) in Cash Held</b>		455,096	(3,207,340)	(3,260,340)
Cash at Beginning of Year		<u>9,572,611</u>	<u>9,546,231</u>	<u>12,832,951</u>
<b>Cash and Cash Equivalents at the End of the Year</b>	13(a)	<u><u>10,027,708</u></u>	<u><u>6,338,891</u></u>	<u><u>9,572,611</u></u>

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

**CITY OF NEDLANDS  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2010**

	NOTE	2010 \$	2010 Budget \$
<b>REVENUE</b>			
Governance		302,778	122,300
General Purpose Funding		2,424,221	846,000
Law, Order, Public Safety		219,624	75,300
Health		2,490	46,100
Education and Welfare		1,229,924	1,256,900
Community Amenities		3,642,338	3,562,800
Recreation and Culture		837,710	625,000
Transport		1,619,346	2,482,200
Economic Services		1,072,012	507,400
Other Property and Services		15,105	1,571,700
		<u>11,365,548</u>	<u>11,095,700</u>
<b>EXPENSES</b>			
Governance		(1,755,398)	(1,622,200)
General Purpose Funding		(546,411)	(301,100)
Law, Order, Public Safety		(778,098)	(585,600)
Health		(250,245)	(598,700)
Education and Welfare		(2,130,840)	(1,986,000)
Community Amenities		(4,261,738)	(4,760,700)
Recreation & Culture		(5,858,567)	(5,253,300)
Transport		(3,292,612)	(5,320,800)
Economic Services		(2,847,485)	(1,639,300)
Other Property and Services		(952,336)	(1,641,800)
		<u>(22,673,730)</u>	<u>(23,709,500)</u>
<b>Adjustments for Cash Budget Requirements:</b>			
<b>Non-Cash Expenditure and Revenue</b>			
(Profit)/Loss on Asset Disposals		0	(30,000)
Movement in Accrued Interest		(36,954)	0
Movement in Deferred Pensioner Rates (Non-Current)		(31,052)	0
Depreciation and Amortisation on Assets		3,216,889	3,213,200
<b>Capital Expenditure and Revenue</b>			
Purchase Land Held for Resale			
Purchase Land and Buildings		(220,693)	(543,500)
Purchase Infrastructure Assets - Roads		(4,420,282)	(4,794,900)
Purchase Infrastructure Assets - Parks		(1,404,162)	(2,057,500)
Purchase Plant and Equipment		(1,030,502)	(914,900)
Purchase Furniture and Equipment		(128,386)	(215,900)
Proceeds from Disposal of Assets		361,444	262,500
Repayment of Debentures		(1,320,419)	(1,305,600)
Proceeds from New Debentures		2,000,000	2,000,000
Self-Supporting Loan Principal Income		0	0
Transfers to Reserves (Restricted Assets)		(332,266)	(458,300)
Transfers from Reserves (Restricted Assets)		964,090	1,773,499
ADD Estimated Surplus/(Deficit) July 1 B/Fwd		1,842,294	1,789,603
LESS Estimated Surplus/(Deficit) June 30 C/Fwd		2,303,497	105,903
<b>Amount Required to be Raised from Rates</b>		<u>(14,151,678)</u>	<u>(14,001,501)</u>

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

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**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 report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

The report has also been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of non-current assets.

**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 this experience and other factors combine to form the basis of making judgements about carrying values of assets and liabilities 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 this financial report.

**(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 in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of six months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the statement of financial position.

**(e) Trade and Other Receivables**

Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade 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.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Inventories**

***General***

Inventories are valued 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. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

***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 and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing a binding 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**

***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 includes the cost of all materials, direct labour and variable and fixed overheads.

***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 a basis to reflect the already consumed or expired future economic benefits.

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 significantly from that determined using fair value at balance date.

***Land under Roads***

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

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.

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) 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.

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

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and	
major re-surfacing	
- bituminous seals	20 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	12 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	25 years
Sewerage Piping	100 years
Drainage Systems	75 years

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Investments and Other Financial Assets**

***Classification***

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each balance date.

*(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. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If 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. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the balance date, which are classified as current assets.

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

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

***Recognition and derecognition***

Regular purchases and sales of financial assets are recognised on trade-date – the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the statement of comprehensive income as gains and losses from investment securities.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Investments and Other Financial Assets (Continued)**

***Subsequent measurement***

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the statement of comprehensive income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the statement of comprehensive income as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

***Impairment***

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss- measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the statement of comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments classified as available-for-sale are not reversed through the statement of comprehensive income.

**(j) 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 balance date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance 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.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each balance 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.

**(l) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality 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.

**(m) 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 municipality has a present obligation to pay resulting from employees services provided to balance 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 Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**(n) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

***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.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**(p) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under 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.

**(q) Joint Venture**

The municipality'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 relevant items reported in the statement of financial position and statement of comprehensive income. The City did not have any joint ventures in 2009/10.

**(r) 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.

**(s) Superannuation**

The Council contributes to the Local Government Superannuation Scheme and the Occupational Superannuation Fund. Both funds are defined contribution schemes.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(t) 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 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.

**(u) Rounding Off Figures**

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

**(v) Comparative Figures**

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

**(w) 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.

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(x) 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 2010.

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 2009-5 - Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]	May 2009	01 January 2010	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.
(iv) AASB 2009-8 - Amendments to Australian Accounting Standards – Group Cash – Settled Share-based Payment Transactions [AASB 2]	July 2009	01 January 2010	Nil - The Council will not have applicable transactions.

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Title and Topic	Issued	Applicable (*)	Impact
(v) 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.
(vi) 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 (ii) above).
(vii) AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1]	December 2009	01 July 2010	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 2010- 1 Amendment to Australian Accounting Standards – Limited Exemption from Comparative AASB 7 Disclosure for First-time Adopters [AASB 1 & AASB 7]	February 2010	01 July 2010	

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

(vi) (Continued)	<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
	AASB 2009- 10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB132]	October 2009	01 February 2010	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.
	Interpretation 19– Extinguishing Financial Liabilities with Equity Instruments	December 2009	01 July 2010	
	AASB 2009– 14 Amendments to Australian Interpretations – Prepayments of a minimum Funding Requirement [AASB Interpretation 14]	December 2009	01 January 2011	

Notes:

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

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(y) 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.

The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of the Council.

**AASB 101: Presentation of Financial Statements**

In September 2007, the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Council's financial statements.

*Disclosure Impact*

Terminology changes – The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity – The revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required owner changes in equity and other comprehensive income to be presented in the statement of changes in equity.

Statement of comprehensive income – The revised AASB 101 requires all income and expenses to be presented in either a single statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Council has adopted the single statement approach and the financial statements now contain a statement of comprehensive income.

Other Comprehensive Income – The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises income and expenses not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

<b>2. REVENUE AND EXPENSES</b>	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Net Result</b>		
The Net Result includes:		
(i) Charging as an Expense:		
<b>Auditors Remuneration</b>		
- Audit	15,550	21,235
<b>Depreciation</b>		
Buildings	364,031	351,322
Furniture and Equipment	335,368	321,617
Plant and Equipment	599,966	522,938
Roads	1,092,904	708,412
Footpaths	370,677	330,330
Drainage	74,204	72,819
Street Furniture	11,906	23,811
Parks, Gardens and Reserves	367,833	288,021
	<u>3,216,889</u>	<u>2,619,270</u>
<b>Interest Expenses (Finance Costs)</b>		
Finance Lease Charges		
Debentures ( <i>refer Note 21(a)</i> )	188,314	190,232
	<u>188,314</u>	<u>190,232</u>
<b>Rental Charges</b>		
- Operating Leases	21,310	29,923
	<u>21,310</u>	<u>29,923</u>
(ii) Crediting as Revenue:		
	<b>2010</b>	<b>2010</b>
	<b>\$</b>	<b>Budget</b>
		<b>\$</b>
<b>Interest Earnings</b>		
Investments		
- Reserve Funds	209,429	170,000
- Other Funds	382,049	250,000
- Deferred Rates Interest	17,456	0
Other Interest Revenue ( <i>refer note 26</i> )	109,374	138,291
	<u>718,309</u>	<u>584,000</u>
	<u>718,309</u>	<u>875,911</u>

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**2. REVENUE AND EXPENSES (Continued)**

**(b) Statement of Objective**

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

Council operations as disclosed in this budget encompass the following service orientated activities/programs:

**GOVERNANCE**

Provision of Councillor support services, administration, corporate services and strategic planning.

**GENERAL PURPOSE FUNDING**

Collection of rates, general purpose government grants and interest revenue, to allow for the provision of services

**LAW, ORDER, PUBLIC SAFETY**

Supervision of various local laws, fire prevention and animal control, Surf Life Saving building maintenance, Safer Nedlands and State Emergency Service.

**HEALTH**

Food control and health administration

**EDUCATION AND WELFARE**

Maintenance of pre-school buildings.

Home and Community Care services, including meals on wheels, childrens services & seniors activities.

**COMMUNITY AMENITIES**

Waste management services, noise control, Town Planning services and protection of the environment

**RECREATION AND CULTURE**

Maintenance of halls, recreation administration, recreation facilities including reserves, buildings and hardcourts, library operations, Gallop House and community festivals.

**TRANSPORT**

Maintenance of roads, drainage works, footpaths and traffic facilities, control of parking and enforcement of parking local laws.

**ECONOMIC SERVICES**

Building control, maintenance of City's buildings and natural assets.

**OTHER PROPERTY AND SERVICES**

Miscellaneous services not able to be classified elsewhere.

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**2. REVENUE AND EXPENSES (Continued)**

<b>(c) Conditions Over Grants/Contributions</b>		<b>Opening Balance (*) 1-Jul-08</b>	<b>Received (+) 2008/09</b>	<b>Expended (#) 2008/09</b>	<b>Closing Balance (*) 2008/09</b>	<b>Received (+) 2009/10</b>	<b>Expended (#) 2009/10</b>	<b>Closing Balance 30-Jun-10</b>
<b>Grant/Contribution</b>	<b>Function/ Activity</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	Natural Areas					269,834	(234,804)	<b>35,030</b>
	Roads to Recovery					723,509	(522,365)	<b>201,144</b>
<b>Total</b>		<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>993,343</u></b>	<b><u>(757,169)</u></b>	<b><u>236,174</u></b>

**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.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>3. CASH AND CASH EQUIVALENTS</b>		
Unrestricted	4,701,945	3,361,548
Restricted	<u>5,325,763</u>	<u>6,211,063</u>
	<u><u>10,027,708</u></u>	<u><u>9,572,611</u></u>
The following restrictions have been imposed by regulations or other externally imposed requirements:		
Plant Replacement Reserve	197,130	141,917
City Development Reserve	1,387,206	1,388,391
Welfare Reserve	348,131	401,896
Services Reserve	268,218	628,633
Tresillian Community Centre Reserve	0	10,999
North St Reserve	638,357	882,803
Insurance Reserve	46,179	43,724
Waste Management Infrastructure Reserve	124,066	118,030
Underground Power Reserve	0	111,040
Building Replacement Reserve	666,886	675,214
Swanbourne Reserve	94,649	0
Provision for Long Service Leave	110,494	213,543
Bonds and Deposits	1,444,447	1,353,673
Income Received in Advance	0	241,200
	<u><u>5,325,763</u></u>	<u><u>6,211,063</u></u>
<b>4. TRADE AND OTHER RECEIVABLES</b>		
The City did not have any investments other than term deposits in banks.		
<b>Current</b>		
Rates Outstanding	315,970	253,437
Sundry Debtors	297,408	511,835
Less: Provision for Doubtful Debts	(16,983)	(24,459)
Other Receivables	38,465	0
GST Receivable	<u>187,537</u>	<u>181,323</u>
	<u><u>822,397</u></u>	<u><u>922,136</u></u>
<b>Non-Current</b>		
Rates Outstanding - Pensioners	<u>313,488</u>	<u>344,540</u>
	<u><u>313,488</u></u>	<u><u>344,540</u></u>
<b>5. INVENTORIES</b>		
Fuel and Oil	<u>17,083</u>	<u>15,881</u>
	<u><u>17,083</u></u>	<u><u>15,881</u></u>

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
Land - Independent Valuation	<u>16,990,000</u>	<u>16,990,000</u>
	16,990,000	16,990,000
Buildings - Cost	14,744,013	14,515,339
Less Accumulated Depreciation	<u>(2,337,747)</u>	<u>(1,973,717)</u>
	12,406,265	12,541,622
Furniture and Equipment - Cost	3,467,745	3,522,626
Less Accumulated Depreciation	<u>(2,563,391)</u>	<u>(2,355,915)</u>
	904,354	1,166,711
Plant and Equipment - Cost	5,141,763	4,722,712
Less Accumulated Depreciation	<u>(1,879,414)</u>	<u>(1,661,476)</u>
	3,262,349	3,061,236
	<u><u>33,562,969</u></u>	<u><u>33,759,569</u></u>

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**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.

	<b>Land &amp; Buildings \$</b>	<b>Buidings \$</b>	<b>Furniture &amp; Equipment \$</b>	<b>Plant &amp; Equipment \$</b>	<b>Total \$</b>
Balance as at 1 July 2009	16,990,000	12,541,622	1,166,711	3,061,236	33,759,569
Additions	0	228,674	82,616	1,064,206	1,375,495
(Disposals)	0	0	(9,604)	(263,126)	(272,730)
Revaluation - Increments - (Decrements)	0	0	0	0	0
Impairment - (losses) - reversals	0	0	0	0	0
Depreciation (Expense)	0	(364,031)	(335,368)	(599,966)	(1,299,367)
Other Movements	0	0	0	0	0
<b>Balance as at 30 June 2010</b>	<b><u>16,990,000</u></b>	<b><u>12,406,265</u></b>	<b><u>904,355</u></b>	<b><u>3,262,350</u></b>	<b><u>33,562,969</u></b>

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>7. INFRASTRUCTURE</b>		
Roads - revalued as at 30 June 2010	66,000,000	20,454,065
Less Accumulated Depreciation	<u>0</u>	<u>(3,190,402)</u>
	66,000,000	17,263,663
Footpaths - management valuation	7,851,458	7,413,534
Less Accumulated Depreciation	<u>(1,655,848)</u>	<u>(1,285,171)</u>
	6,195,610	6,128,363
Drainage - revalued as at 30 June 2010	6,795,951	5,926,579
Less Accumulated Depreciation	<u>0</u>	<u>(1,062,037)</u>
	6,795,951	4,864,542
Parks - management valuation	6,461,284	5,065,488
Less Accumulated Depreciation	<u>(1,120,616)</u>	<u>(867,535)</u>
	5,340,668	4,197,953
Reticulation - management valuation	2,295,040	2,286,674
Less Accumulated Depreciation	<u>(564,062)</u>	<u>(449,310)</u>
	1,730,978	1,837,364
Street Furniture - included as part of Roads	133,936	133,936
Less Accumulated Depreciation	<u>(133,936)</u>	<u>(105,926)</u>
	0	28,010
Rights of Ways - management valuation	159,987	159,987
Less Accumulated Depreciation	<u>(56,424)</u>	<u>(49,520)</u>
	103,563	110,467
<b>Sub-Total</b>	86,166,770	34,430,362
<b>WIP</b>	111,525	6,847,245
<b>Grand Total</b>	<u><b>86,278,304</b></u>	<u><b>41,277,607</b></u>

Council have adopted a policy of re-valuing roads annually to ensure the carrying amount of each road asset is fairly stated at reporting date.

This policy accords with the requirements of AASB 116.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**7. INFRASTRUCTURE (Continued)**

**Movements in Carrying Amounts**

The following represents the movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	<b>Roads</b> \$	<b>Footpaths</b> \$	<b>Drainage</b> \$	<b>Parks and Ovals</b> \$	<b>Reticulation</b> \$	<b>Street Furniture</b> \$	<b>Right of Ways</b> \$	<b>Work-in Progress</b> \$	<b>Total</b> \$
Balance as at 1 July 2009	17,263,663	6,128,363	4,864,542	4,197,953	1,837,364	28,010	110,467	6,847,245	41,277,607
Additions	3,832,008	437,924	38,921	1,395,797	8,366	0	0	111,525	5,824,541
Transfers	6,847,245	0	0	0	0	0	0	(6,847,245)	0
Revaluation - Increments - (Decrements)	39,126,980	0	1,966,692	0	0	0	0	0	41,093,672
Impairment - (losses) - Reversals	0	0	0	0	0	0	0	0	0
Depreciation (Expense)	(1,069,896)	(370,677)	(74,204)	(253,081)	(114,752)	(28,010)	(6,904)	0	(1,917,525)
Other Movements	0	0	0	0	0	0	0	0	0
<b>Balance as at 30 June 2010</b>	<b><u>66,000,000</u></b>	<b><u>6,195,610</u></b>	<b><u>6,795,951</u></b>	<b><u>5,340,668</u></b>	<b><u>1,730,978</u></b>	<b><u>0</u></b>	<b><u>103,563</u></b>	<b><u>111,525</u></b>	<b><u>86,278,304</u></b>

Work-in-Progress is consolidated and shown as part of **Infrastructure** in the Balance sheet, and will be allocated to the appropriate asset category when capitalised.

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>8. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Sundry Creditors	1,271,028	917,559
Bonds and Deposits	1,444,447	1,353,674
Accrued Expenses	633,369	496,842
Accrued Salaries and Wages	271,794	197,378
	<u>3,620,637</u>	<u>2,965,453</u>
<b>9. LONG-TERM BORROWINGS</b>		
<b>Current</b>		
Secured by Floating Charge		
Debentures	127,972	1,305,572
HP Loan	7,502	13,975
	<u>135,474</u>	<u>1,319,547</u>
<b>Non-Current</b>		
Secured by Floating Charge		
Debentures	3,966,560	2,095,398
HP Loan	0	7,502
	<u>3,966,560</u>	<u>2,102,900</u>
Additional detail on borrowings is provided in Note 21.		
<b>10. PROVISIONS</b>		
<b>Current</b>		
Provision for Annual Leave	648,805	515,563
Provision for Long Service Leave	523,428	543,471
	<u>1,172,233</u>	<u>1,059,034</u>
<b>Non-Current</b>		
Provision for Long Service Leave	110,494	213,543
	<u>110,494</u>	<u>213,543</u>
<b>10a. OTHER LIABILITIES</b>		
Income in Advance	<u>0</u>	<u>241,200</u>

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

	2010 \$	2010 Budget \$	2009 \$
<b>11. RESERVES - CASH BACKED</b>			
<b>(a) Plant Replacement Reserve</b>			
Opening Balance	141,917	141,917	92,023
Amount Set Aside / Transfer to Reserve	55,213	267,700	49,894
Amount Used / Transfer from Reserve	0	(362,500)	0
	<u>197,130</u>	<u>47,117</u>	<u>141,917</u>
<b>(b) City Development Reserve</b>			
Opening Balance	1,388,390	1,388,364	1,702,392
Amount Set Aside / Transfer to Reserve	65,355	51,900	106,339
Amount Used / Transfer from Reserve	(66,540)	(50,000)	(420,340)
	<u>1,387,205</u>	<u>1,390,264</u>	<u>1,388,391</u>
<b>(c) North Street Reserve</b>			
Opening Balance	882,802	882,729	836,075
Amount Set Aside / Transfer to Reserve	35,554	32,640	46,729
Amount Used / Transfer from Reserve	(280,000)	(420,000)	0
	<u>638,357</u>	<u>495,369</u>	<u>882,804</u>
<b>(d) Welfare Reserve</b>			
Opening Balance	401,895	370,356	352,062
Amount Set Aside / Transfer to Reserve	16,235	14,900	49,834
Amount Used / Transfer from Reserve	(70,000)	(14,000)	0
	<u>348,130</u>	<u>371,256</u>	<u>401,896</u>
<b>(e) Services Reserve</b>			
Opening Balance	628,633	628,633	1,132,661
Amount Set Aside / Transfer to Reserve	23,585	53,900	65,589
Amount Used / Transfer from Reserve	(384,000)	(500,000)	(569,617)
	<u>268,218</u>	<u>182,533</u>	<u>628,633</u>
<b>(g) Insurance Reserve</b>			
Opening Balance	43,724	43,724	41,588
Amount Set Aside / Transfer to Reserve	2,455	1,600	2,136
Amount Used / Transfer from Reserve	0	0	0
	<u>46,180</u>	<u>45,324</u>	<u>43,724</u>
<b>(h) Underground Power Service Charge Reserve</b>			
Opening Balance	111,040	111,040	105,128
Amount Set Aside / Transfer to Reserve	0	0	5,912
Amount Used / Transfer from Reserve	(111,040)	(111,000)	0
	<u>0</u>	<u>40</u>	<u>111,040</u>
<b>(i) Waste Management Infrastructure Reserve</b>			
Opening Balance	118,030	118,030	111,745
Amount Set Aside / Transfer to Reserve	6,036	4,400	6,285
Amount Used / Transfer from Reserve	0	0	0
	<u>124,066</u>	<u>122,430</u>	<u>118,030</u>
<b>(j) Building Replacement Reserve</b>			
Opening Balance	675,214	675,135	634,472
Amount Set Aside / Transfer to Reserve	32,672	30,860	40,742
Amount Used / Transfer from Reserve	(41,000)	(304,600)	0
	<u>666,886</u>	<u>401,395</u>	<u>675,214</u>

<b>(k) Tresillian Reserve</b>			
Opening Balance	10,999	10,999	10,462
Amount Set Aside / Transfer to Reserve	511	400	537
Amount Used / Transfer from Reserve	(11,510)	(11,399)	
	<u>0</u>	<u>0</u>	<u>10,999</u>
<b>(l) Swanbourne Reserve</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	94,650	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>94,650</u>	<u>0</u>	<u>0</u>
<b>TOTAL CASH BACKED RESERVES</b>	<u><b>3,770,822</b></u>	<u><b>3,055,728</b></u>	<u><b>4,402,648</b></u>

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

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Plant Replacement Reserve

To provide for the replacement of Council's plant and equipment so that the cost is spread over a number of years. The use of funds in this reserve is ongoing

City Development Reserve

To fund the improvement of Property, Plant and Equipment. The use of funds in this reserve is ongoing

North Street Reserve

To fund the operational and capital costs of community facilities in Mt Claremont, community and recreation facilities in Swanbourne and infrastructure generally. Use of this reserve is ongoing

Welfare Reserve

To fund the operational and capital costs of welfare services. The use of funds in this reserve is ongoing.

Services Reserve

To provide funds for the purchase of land for parking areas, streets, depots etc. town planning schemes, valuation and legal expenses, items of works of an urgent nature such as drainage, street works, provision of street lighting and buildings maintenance. The use of funds in this reserve is ongoing

Swanbourne Reserve

Set-up during the year with proceeds of the insurance claim arising from the fire of Council property in Swanbourne, for future development in that suburb.

Insurance Reserve

To cover any excess that may arise from having a performance based workers compensation premium

Underground Power Service Charge Reserve

Reserve set-up to refund rate-payers in Schemes 2 and 3 of the Underground Power Project was fully utilised for that purpose during the year, and hence is now closed.

Waste Management Infrastructure Reserve

To provide for the replacement of Council's Rubbish Bin stock so that the cost is spread over a number of years. The use of funds in this reserve is ongoing.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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Building Replacment Reserve

To fund the upgrade and/or replacement of Council's buildings. The use of this reserve is ongoing

Tresillian Reserve

To fund the operational and capital costs of the Tresillian Community Centre.

The funds in the reserve were used for the set purpose during the year, and is now closed.

**12. RESERVES - ASSET REVALUATION**

	<b>2010</b>	<b>2009</b>
	\$	\$
Asset revaluation reserves arising from revaluation in prior years are as follows:	17,335,347	17,335,347
Asset revaluation effective 30 June 2010		
Roads (including Street Furniture)	39,126,980	0
Drainage	1,966,692	0
<b>TOTAL ASSET REVALUATION RESERVES</b>	<b>58,429,019</b>	<b>17,335,347</b>

**13. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand 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:

	2010	2010	2009
	\$	Budget	\$
		\$	
Cash and Cash Equivalents	10,027,708	6,338,891	9,572,611

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

Net Result	2,932,213	1,179,260	4,131,900
Depreciation	3,216,889	3,213,200	2,619,270
(Profit)/Loss on Sale of Asset	(88,717)	(30,000)	(132,421)
(Increase)/Decrease in Receivables	130,780	250,000	664,757
(Increase)/Decrease in Inventories	(1,202)	0	6,061
Increase/(Decrease) in Payables	413,995	(300,000)	(1,217,612)
Increase/(Decrease) in Employee Provisions	10,150	50,000	300,588
Grants/Contributions for the Development of Assets	(1,492,267)	(1,464,000)	(2,927,913)
<b>Net Cash from Operating Activities</b>	<b>5,121,841</b>	<b>2,898,460</b>	<b>3,444,630</b>

**CITY OF NEDLANDS**  
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**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank Overdraft limit	500,000	500,000	500,000
Bank Overdraft at Balance Date	0	0	0
Credit Card limit	25,000	25,000	25,000
Credit Card Balance at Balance Date	<u>2,567</u>	<u>(4,000)</u>	<u>(4,330)</u>
<b>Total Amount of Credit Unused</b>	<b><u>527,567</u></b>	<b><u>521,000</u></b>	<b><u>520,670</u></b>

**Loan Facilities**

Loan Facilities - Current	135,474	136,300	1,305,572
Loan Facilities - Non-Current	<u>3,966,560</u>	<u>3,966,600</u>	<u>2,095,398</u>
<b>Total Facilities in Use at Balance Date</b>	<b><u>4,102,034</u></b>	<b><u>4,102,900</u></b>	<b><u>3,400,970</u></b>

<b>Unused Loan Facilities at Balance Date</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
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**14. CONTINGENT LIABILITIES**

As at 30 June 2010 there were no legal matters outstanding by or against the City which may result in an award of damages or costs against the City.

	2010	2009
	\$	\$
<b>15. CAPITAL AND LEASING COMMITMENTS</b>		
<b>(a) Finance Lease Commitments</b>		
The City did not have any Finance Lease in 2009/10		
<b>(b) Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
Payable:		
- not later than one year	27,440	21,114
- later than one year but not later than five years	39,243	8,809
- later than five years	0	0
	<u>66,683</u>	<u>29,923</u>

**(c) Capital Expenditure Commitments**

Contracted for:		
- capital expenditure projects	466,000	517,000
- plant & equipment purchases	0	0
Payable:		
- not later than one year	466,000	517,000

The capital expenditure projects outstanding at the end of the current reporting period represents the City's commitment for John Leckie Pavillion architectural services, and upgrades to Peace Memorial Rose Garden and Highview Park lighting.

**CITY OF NEDLANDS**  
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	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>16. JOINT VENTURE</b>		
The City has not entered into any joint venture agreements.		
<b>17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY</b>		
Governance	18,170,494	18,819,494
Law, Order, Public Safety	1,235,334	1,431,061
Health	683,587	891,535
Education and Welfare	1,336,454	1,174,931
Community Amenities	19,631	31,321
Recreation and Culture	15,552,152	16,265,921
Transport	82,080,831	36,472,991
Economic Services	313,152	294,462
Unallocated	11,630,314	10,510,628
	<b>131,021,949</b>	<b>85,892,344</b>

<b>18. FINANCIAL RATIOS</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Current Ratio	1.59:1	1.31:1	1.51:1
Untied Cash to Unpaid Trade Creditors Ratio	2.47:1	3.66:1	2.28:1
Debt Ratio	6.87%	9.20%	10.32%
Debt Service Ratio	6.34%	5.91%	8.23%
Gross Debt to Revenue Ratio	17.18%	14.79%	13.67%
Gross Debt to Economically Realisable Assets Ratio	9.17%	7.62%	6.54%
Rate Coverage Ratio	59.26%	52.90%	55.95%
Outstanding Rates Ratio	2.23%	1.86%	1.66%

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{current assets minus restricted current assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
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	$\frac{\text{rates outstanding (excluding pension referrals)}}{\text{rates collectable}}$

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**19. TRUST FUNDS**

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

	<b>Balance 1-Jul-09</b>	<b>Amounts Received</b>	<b>Amounts Paid</b>	<b>Balance 30-Jun-10</b>
	<b>\$</b>	<b>\$</b>	<b>(\$)</b>	<b>\$</b>
Unclaimed Monies	18,776	1,000	(1,000)	20,777
Charity donation by Staff	765	3,515	0	4,280
	<u>19,541</u>	<u>4,515</u>	<u>(1,000)</u>	<u>25,057</u>

**20. DISPOSALS OF ASSETS - 2009/10 FINANCIAL YEAR**

The following assets were disposed of during the year.

	<b>Net Book Value</b>		<b>Sale Price</b>		<b>Profit (Loss)</b>	
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Plant & Equipments	263,126	223,500	361,448	262,500	98,321	39,000
Furniture & Equipment	9,604	9,000	0	0	(9,604)	(9,000)
	<u>272,730</u>	<u>232,500</u>	<u>361,448</u>	<u>262,500</u>	<u>88,717</u>	<u>30,000</u>

**CITY OF NEDLANDS**  
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**21. INFORMATION ON BORROWINGS**

(a) Debenture Repayments

Particulars	Principal 1-Jul-09 \$	New Loans \$	Principal Repayments		Principal 30-Jun-10		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Transport</b>								
Underground Power Schemen 3 - 177*	1,184,212	0	1,184,212	1,184,241	0	-29	47,580	47,580
<b>Community Amenities</b>								
New Bin Stock - Loan 178**	716,758	0	58,653	57,785	658,105	658,973	41,405	42,273
Roads Infrastructure - Loan 179**	1,500,000	0	63,575	63,575	1,436,426	1,436,426	91,410	90,051
Buildings & Roads - Loan 180**	0	2,000,000	0	0	2,000,000	2,000,000	7,918	28,535
	<b>3,400,970</b>	<b>2,000,000</b>	<b>1,306,439</b>	<b>1,305,601</b>	<b>4,094,531</b>	<b>4,095,370</b>	<b>188,314</b>	<b>208,439</b>

\* Underground Power Scheme repayments are financed by a Service Charge levied against properties in the relevant scheme area.

\*\* Loans 178, 179 and 180 are financed from general purpose revenue.

(b) New Debentures - 2009/10

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Interest Rate %	Amount Used		Balance Unspent \$
	Actual \$	Budget \$						Actual \$	Budget \$	
Buildings & Roads - Loan 180	2,000,000	2,000,000	WA Treasury	Interest only in year 1, principal and interest payments in years 2 to 4	4	308,388	5.78	2,000,000	2,000,000	0

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**21. INFORMATION ON BORROWINGS (Continued)**

(c) Unspent Debentures  
 Council had no unspent debenture funds as at 30th June 2010.

(d) Overdraft

Council established an overdraft facility of \$150,000 in 2006 to assist with short term liquidity requirements.  
 The balance of the bank overdraft at 1 July 2009 and 30 June 2010 was \$Nil.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. RATING INFORMATION - 2009/10 FINANCIAL YEAR**

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim Rates \$</b>	<b>Back Rates \$</b>	<b>Total Revenue \$</b>	<b>Budget Rate Revenue \$</b>	<b>Budget Interim Rate \$</b>	<b>Budget Back Rate \$</b>	<b>Budget Total Revenue \$</b>
<b>Differential General Rate</b>											
GRV - Residential	0.0505	5,602	196,431,609	9,927,851	42,777	15,027	9,985,654	9,935,662	-20,000	0	9,915,662
GRV - Non Residential	0.0703	300	25,466,139	1,791,263	95,106	-15,146	1,871,223	1,791,263			1,791,263
							0				0
<b>Sub-Totals</b>		5,902	221,897,748	11,719,114	137,883	-119	11,856,877	11,726,925	-20,000	0	11,706,925
<b>Minimum Rates</b>	<b>Minimum \$</b>										
GRV - Residential	928	2,273	31,732,822	2,109,344	-4,533	-145	2,104,665	2,109,344			2,109,344
GRV - Non Residential	1260	147	1,594,276	185,220	4,916		190,136	185,220			185,220
							0				0
<b>Sub-Totals</b>		2,420	33,327,098	2,294,564	383	-145	2,294,801	2,294,564	0	0	2,294,564
Ex-Gratia Rates							14,151,678				14,001,489
Specified Area Rate (refer note 23)							14,151,678				14,001,489
Discounts (refer note 25)											
<b>Totals</b>							<b>14,151,678</b>				<b>14,001,489</b>

**CITY OF NEDLANDS**  
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**23. SPECIFIED AREA RATE - 2009/10 FINANCIAL YEAR**

The City of Nedlands did not levy any Special Area Rate in 2009/10 year.

**24. SERVICE CHARGES - 2009/10 FINANCIAL YEAR**

	Amount of Charge \$	Revenue Raised \$	Budget Revenue \$	Applied to Service Costs \$	Budget Applied to Costs \$
Underground Power Scheme 3	per note	932,004	934,500	(932,004)	(934,500)
		932,004	934,500	(932,004)	(934,500)

- (a) Council imposed service charges in the 2008/2009 financial year for the repayment of loans raised to fund Underground Power Stage 3 which were applied towards repayments of interest and principal.
- (b) The object of the service charges for the underground power loan are to raise sufficient funds to pay for the capital and interest repayments of the loan in each financial year.
- (c) Service Charges Levied in 2008/2009 are based on one quarter for Scheme 3 of the following Underground Power connections costs plus interest

		<b>Scheme 3</b>
Single, Duplex and Triplex	Standard Network & full house service connection	\$2,915
	Std. Network & part service connection underground	\$2,685
	Std. Network underground service connection	\$2,500
	Further discounts may apply to partial and shared services.	
Multiple Dwellings	Standard Network & full house service connection	\$1,950
	Std. Network & part service connection underground	\$1,720
	Std. Network & underground service connection	\$1,535
	Further discounts may apply to partial and shared services.	
Adjacent to Transmission Lines	Standard Network & full house service connections	\$2,092
	Std. Network & part service connection underground	\$1,862
	Std. Network & underground service connection	\$1,677
	Further discounts may apply to partial and shared services.	
Non-rateable Property & Service		
	Negotiated by Western Power and/or City of Nedlands with public utility/institution	
Commercial	After Diversity Maximum Demand ADMD = (\$2,915) + (\$150 x ADMD Load)	ADMD

- (d) The service charge levied in relation to loan funds raised to fund Underground Power will be imposed on residents whose location is covered by the project areas known as the East Nedlands Underground Power Project (Scheme 3).

It is not intended at this stage that any of the service charges will be applied to or set aside in a Reserve Account. There will be no amounts applied from a Reserve Account established to hold the proceeds of service charges.

- (e) Council resolved in 2007/2008 to refund \$88 to each of the properties in Scheme 2, being the costs associated with the trolley poles along Stirling Highway; these costs were to be met from the City's general fund. A similar reduction was made in the contributions collected from properties in Scheme 3 in 2009/2010. The values shown in the Table above are net of the reductions of \$88 per property.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS**

**25. - 2009/10 FINANCIAL YEAR**

The City did not offer any discounts or incentives for prompt payment of rates.

Concessions provided to eligible Seniors and Pensioners in accordance with the Rates and Charges (Rebates and Deferments) Act 1992 are reimbursed by the State Government.

**INTEREST CHARGES AND INSTALMENTS - 2009/10 FINANCIAL YEAR**

**26.**

	<b>Interest Rate</b> %	<b>Admin. Charge</b> \$	<b>Revenue</b> \$	<b>Budgeted Revenue</b> \$
Interest on Unpaid Rates	11.00%		38,634	38,000
Interest on Instalments Plan	5.50%		70,740	66,000
Charges on Instalment Plan		18	37,590	32,000
			<u>146,964</u>	<u>136,000</u>

Ratepayers had the option of paying rates in four equal instalments, due on 22nd September 2009, 24th November 2009, 2nd February 2010 and 6th April 2010. Administration charges and interest applied for the final three instalments.

<b>FEES &amp; CHARGES</b>	<b>2010</b> \$	<b>2009</b> \$
<b>27.</b> Governance	106,068	279
General Purpose Funding	37,590	26,641
Law, Order, Public Safety	34,619	38,034
Health	2,490	67,856
Education and Welfare	363,539	327,156
Community Amenities	3,562,746	2,919,331
Recreation and Culture	529,841	472,745
Transport	244,265	214,208
Economic Services	813,788	564,124
Other Property & Services	15,105	0
	<u>5,710,051</u>	<u>4,630,374</u>

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

**CITY OF NEDLANDS**  
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<b>GRANT REVENUE</b>	<b>2010</b>	<b>2009</b>
<b>28.</b>	<b>\$</b>	<b>\$</b>
<b>By Nature and Type:</b>		
Operating Grants, Subsidies and Contributions	1,982,430	2,832,277
Non-Operating Grants, Subsidies and Contributions	1,733,467	2,327,913
	<u>3,715,897</u>	<u>5,160,190</u>
<b>By Program:</b>		
Governance	74,139	0
General Purpose Funding	729,158	838,784
Law, Order, Public Safety	0	52,736
Education and Welfare	865,083	846,854
Community Amenities	0	32,423
Recreation and Culture	253,677	90,831
Transport	1,540,222	3,141,820
Economic Services	253,618	0
Other Property and Services	0	156,742
	<u>3,715,897</u>	<u>5,160,190</u>

<b>COUNCILLORS' REMUNERATION</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>
<b>29.</b>	<b>\$</b>	<b>Budget</b>	<b>\$</b>
		<b>\$</b>	
The following fees, expenses and allowances were paid to council members and/or the Mayor.			
Meeting Fees	97,947	98,000	94,705
Mayor's Allowance	41,711	38,420	37,400
Deputy Mayor's Allowance	9,579	9,605	9,154
Information Technology Allowance	8,444	10,140	0
Telecommunications Allowance	9,758	11,700	11,304
Travelling	291	0	0
	<u>167,730</u>	<u>167,865</u>	<u>152,563</u>

<b>EMPLOYEE NUMBERS</b>	<b>2010</b>	<b>2009</b>
<b>30.</b>		
The number of full-time equivalent employees at balance date	<u>130</u>	<u>124</u>

**CITY OF NEDLANDS  
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**MAJOR LAND TRANSACTIONS**

**31.**

The City did not undertake any major land transaction during the 2009/10 financial year.

**TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

**32.**

The City did not participate in any trading undertakings or major trading undertakings during the 2009/10 financial year.

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**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:

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	10,027,708	9,572,610	10,027,708	9,572,610
Receivables	822,397	922,136	822,397	922,136
	<u>10,850,105</u>	<u>10,494,746</u>	<u>10,850,105</u>	<u>10,494,746</u>
<b>Financial Liabilities</b>				
Payables	3,620,637	2,965,453	3,620,637	2,965,453
Borrowings	4,102,034	3,422,417	3,386,329	2,726,525
	<u>7,722,671</u>	<u>6,387,870</u>	<u>7,006,966</u>	<u>5,691,978</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.

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**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.

	<b>30 Jun 10</b>	<b>30 Jun 09</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% (*) movement in interest rates on cash and investments:		
- Equity	100,300	95,700
- Income Statement	100,300	95,700

**Notes:**

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

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**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:

	<b>30 Jun 10</b>	<b>30 Jun 09</b>
Percentage of Rates and Annual Charges		
- Current	50.20%	57.62%
- Overdue	49.80%	42.38%
Percentage of Other Receivables		
- Current	85.05%	89.71%
- Overdue	14.95%	10.29%

**CITY OF NEDLANDS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**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, and associated interest payments, are set out in the Liquidity Sensitivity Table below:

	<b>Due within 1 year \$</b>	<b>Due between 1 &amp; 5 years \$</b>	<b>Due after 5 years \$</b>	<b>Total contractual cash flows \$</b>	<b>Carrying values \$</b>
<b><u>2010</u></b>					
Payables	3,672,296	0	0	3,672,296	3,672,296
Borrowings	378,482	3,211,521	1,732,828	5,322,831	4,483,134
	<u>4,050,778</u>	<u>3,211,521</u>	<u>1,732,828</u>	<u>8,995,127</u>	<u>8,155,430</u>
<b><u>2009</u></b>					
Payables	2,965,453	0	0	2,965,453	2,965,453
Borrowings	1,501,126	1,065,233	997,370	3,563,729	3,422,417
	<u>4,466,579</u>	<u>1,065,233</u>	<u>997,370</u>	<u>6,529,182</u>	<u>6,387,870</u>

**CITY OF NEDLANDS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**33. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) 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:

	<u>&lt;1 year</u>	<u>&gt;1&lt;2 years</u>	<u>&gt;2&lt;3 years</u>	<u>&gt;3&lt;4 years</u>	<u>&gt;4&lt;5 years</u>	<u>&gt;5 years</u>	<u>Total</u>	<u>Weighted Average Effective Interest Rate</u>
	\$	\$	\$	\$	\$	\$	\$	%
<b><u>Year Ended 30 June 2010</u></b>								
<b>Borrowings</b>								
<b>Fixed Rate</b>								
Total Borrowings	7,503	0	0	2,000,000	0	2,094,531	4,102,034	5.91%
Weighted Average Effective Interest Rate	9.64%			5.78%		6.03%		
<b><u>Year Ended 30 June 2009</u></b>								
<b>Borrowings</b>								
<b>Fixed Rate</b>								
Total Borrowings	1,184,212	21,477	0	0	0	2,216,757	3,422,446	6.06%
Weighted Average Effective Interest Rate	6.06%	9.64%				6.03%		

**INDEPENDENT AUDITOR'S REPORT****TO: RATEPAYERS OF CITY OF NEDLANDS**

We have audited the financial report of the City of Nedlands, which comprises the Statement of Financial Position as at 30 June 2010 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.



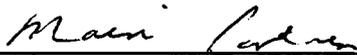
**Auditor's Opinion**

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

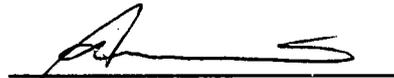
- (i) gives a true and fair view of the financial position of the City of Nedlands as at 30 June 2010 and of its financial performance for the year ended on that date; and
- (ii) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as 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  
CERTIFIED PRACTISING ACCOUNTANTS  
28 THOROGOOD STREET  
BURSWOOD WA 6100



A MACRI  
PARTNER

PERTH  
DATED THIS 24<sup>th</sup> DAY OF SEPTEMBER 2010.



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City of Nedlands

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