



Annual Report

2020 - 2021



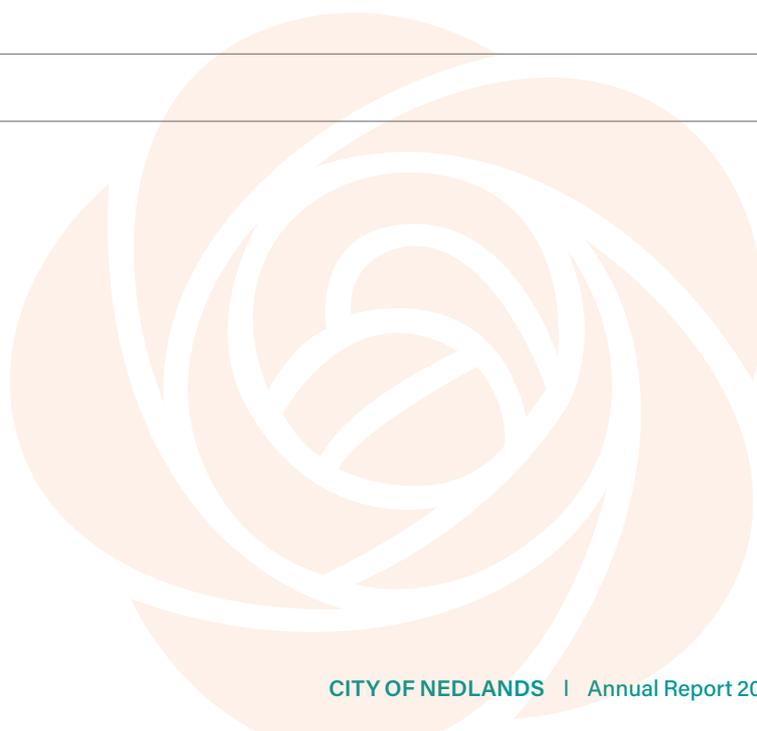
City of Nedlands

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Message from the Mayor

On reflection, the past 12 months have been an extraordinary time for our City.



Fiona Argyle,
Mayor City of Nedlands

Who could have imagined the rate of change the City has been experiencing in this time-frame, across many areas including the application of the LPS3 local planning scheme, the challenges of a global pandemic and the economic impacts of local and nationwide lock-downs.

Many councillors and residents have had to increase their technological literacy as virtual meetings replace face-to-face communications. Not only has it become necessary to understand planning codes and requirements as we unscramble the intricacies of LPS3 and the State Government's new R Codes, but Administration has been processing a record number of development applications, particularly Development Assessment Panel applications. This in turn, has led to a record number of Council meetings being attended in person by residents and other interested parties, requiring a relocation to larger meeting venues.

The City's local planning framework is now well on its way to providing important local context, ensuring respect to the past while creating a modern city on Perth's doorstep, highlighting the spectacular Swan River, Indian Ocean coastline and vast bushland areas enjoyed by many.

I am proud of the work the Council has done to navigate all of this and I thank the Administration and the community for their hard work in assisting us. I especially thank the Administration for establishing the Community Outreach Program in response to COVID-19 and I believe it has made a real difference to people in need. As has been the catch cry of the pandemic; "We are all in this together." This is a principle I have always lived by and will continue to do so.

The City also continues to renew its many community assets and infrastructure in order to refresh and modernise the City and reflect the community's Vision according to the Strategic Community Plan. We have taken the opportunity to refurbish buildings during the COVID-19 lockdown and adapt our services, including important library services, to continue to provide residents with care and support.

In 2019-20 the City started work on a new Strategic Recreation Plan to identify the community's current and future needs for sporting and recreational facilities, supporting infrastructure and services. We are also continuing to increase the urban tree canopy cover on public land achieving a net increase in the number of established trees in road reserves over the past five years. The City continues to approve and implement Enviro-scape Masterplans to drought-proof our beautiful parks for the longer term.

Our beloved Tresillian Arts Centre goes from strength to strength, never ceasing to amaze me regarding the depth of artistic talent that it brings to the fore. With strong demand for courses, and a great variety on offer, if you have not yet enrolled in something at Tresillian, I urge you to do so.

Budget highlights in 2019-20 include the very successful West Hollywood Underground Power Project delivering a second refund to landowners as the 12 month defects period came to an end, allowing remaining budgetary savings to be distributed. Western Power is now busy doing the detailed design for all remaining lots within the City. We've also been fortunate in that the COVID-19 lockdown did not impact our revenue streams as much as some other local government authorities, and as a result, I'm pleased we were able to provide some rent relief to our commercial tenants.

In closing, I thank the elected members, the executive team, City staff and volunteers, for the achievements made throughout this extraordinary year. While it has been a tough year, with many lessons learned and new skills acquired, I am positive about the future. I can see the tangible differences we have made, and continue to make, to the quality of life for our residents.

Fiona Argyle
Mayor, City of Nedlands



Cilla de Lacy, City of Nedlands Mayor, October 2019 – February 2021

Message from the CEO

I was pleased to join the City of Nedlands as Interim Chief Executive Officer in August 2021 following a time of some disruption within the City due to high staff turnover, resignations within the Council, and COVID-19 protocols and shut-downs.



I would like to acknowledge the efforts of my executive colleagues Ed Herne, Jim Duff and Mark Goodlet all of whom served in the CEO role during the 2020/2021 financial year.

During the year in review, the City has continued to focus on the health and safety of the community, responding to changes in the COVID-19 situation and taking the lead from the State Government Health Department for restrictions or other precautions.

In addition, the City has maintained a focus on initiating and completing a number of capital works projects and strategic planning activities, whilst continuing to perform the City's core functions. Staff retentions have improved and the benefits of a stable, well-established workforce are evident.

With that in mind, I would like to formally acknowledge the efforts of Council and staff during this period. When required, staff have adapted with great professionalism, to remote working and attending virtual Council Meetings. As we transition into a period of living with the COVID-19 virus in our community, the City is well prepared to continue this if and when required.

The new financial year is heralding well as we look to endorse a new governance framework including a long-term financial plan, a workforce plan and a comprehensive suite of asset management plans.

Finally, I wish to thank the Nedlands community, elected members and staff for the support, information and advice that I have received since joining the City's Administration. I look forward to the year ahead where we will continue to focus on improving the City's strategic planning capability and partner with the community to reaffirm the long-term vision for the City of Nedlands.

Bill Parker
CEO, City of Nedlands



About This Report

Welcome to the City of Nedlands 2020-21 Annual Report

In accordance with the Local Government Act 1995, which requires Local Councils to prepare an Annual Report each year, this annual report provides an account of the City's performance from 1 July 2020 to 30 June 2021.

The report outlines the City's performance, achievements and challenges during the year in review, based on the directions highlighted through the strategic focus.

Our Vision

is for a City that is environmentally sensitive, beautiful and inclusive.

Our Values

include the importance of clean, safe neighbourhoods where public health is protected and promoted.

We value our precinct character and charm and our neighbourhoods are family-friendly with a strong sense of place.

The Audience

The Annual Report is a primary method of informing stakeholders including ratepayers, residents, business owners, community and interest groups, media, staff and the wider community.

Your Council

City of Nedlands 1 July 2020 – 30 June 2021

The City of Nedlands (the City) is divided into four wards with each ward represented by the Mayor and three Councillors.

Mayor Fiona Argyle - 21 June 2021 to present

Mayor Cilla de Lacy – 21 October 2019 to 25 February 2021

Deputy Mayor – Councillor Leo McManus

Council Members

Dalkeith Ward

Councillor Fergus Bennett

Councillor Andrew Mangano

Councillor Noel Youngman

Coastal Districts Ward

Councillor Nikola Horley

Councillor Leo McManus

Councillor Kerry Smyth

Hollywood Ward

Councillor Ben Hodsdon

Councillor Paul Poliwka

(Resigned. Position vacant from 1 June 2021)

Councillor John Wetherall

Melvista Ward

Councillor Rebecca Coghlan

Councillor Rajah Senathirajah

Councillor Gordon Hay

(Resigned. Position vacant from 13 November 2020)

Councillor Bronwen Tyson

(From 2 March 2021 to fill above vacancy)





Mayor Fiona Argyle



Cr Fergus Bennett



Cr Andrew Mangano



Cr Kerry Smyth



Cr Leo McManus



Cr Nikola Horley



Cr Ben Hodsdon



Cr John Wetherall



Cr Paul Poliwka



Cr Gordon Hay



Cr Rebecca Coghlan



Cr Rajah Senathirajah



Cr Bronwyn Tyson



*Former Mayor, Cilla de Lacy
21 October 2019 to 25 February 2021*



An harmonious community where residents can enjoy living, working and socialising together remains the key goal for the City of Nedlands.

About Nedlands

The City of Nedlands is a picturesque, environmentally-sensitive and inclusive location where a diverse community of people live, work and play. Easy access to community hubs, parks, shops, schools, university, professional practitioners, and sporting facilities helps to bring people together, strengthening local relationships.

The City of Nedlands is dedicated to providing quality services to its community while being committed to maintaining the unique character of Nedlands – the beautiful parks and gardens, tree-lined streets and natural bushland.

Our focus is well-maintained urban infrastructure (roads, cycle-paths, parks, community and sporting facilities), nurturing our natural environment, supporting City events, arts and cultural activities and facilitating social programs to create an active, safe, and inclusive community. This enables lively community hubs where people can come together and interact.

We strive for our City to be easy to get around by preferred mode of travel – whether car, public transport, cycle or foot – and for it to be an active, safe, inclusive community enjoying a high standard of local services and facilities.

The City is dedicated to serving the needs of the community by understanding the community's

views, needs and aspirations to achieve the desired results, while balancing social, economic and environmental aspirations.

To achieve this, we value:

- Accountability, by conducting our business and all our services in an open, transparent and financially responsible manner
- Partnerships, by working together for a better community
- Fairness, by providing consistent, fair and unbiased treatment for the whole community

Opportunities are available for the community to participate in the City's activities and decision-making, from being active on committees and advisory groups that range from arts to governance, youth and accessibility, to participating in community engagement activities, voting in Council elections, and even nominating to become a Councillor.

Community Engagement

Overview

The City of Nedlands is committed to providing opportunities for the community to be involved in the City's decision-making processes. Residents are encouraged to provide their views, concerns and aspirations to assist in achieving sustainable outcomes on projects and policies being developed.

Sound, pro-active community development will lead to strong community cohesion, desirable city amenity and a high quality of life.

During the year, the City has continued to observe Government COVID-19 restrictions, when and where applicable, including livestreaming meetings, telephone conferencing and arranging one-on-one interviews instead of holding group gatherings.

The City's online engagement platform, Your Voice, has been further improved and now offers more opportunities to contribute via its main portal. It is also used to conduct surveys across a range of operational areas.

Your Voice categorises community engagement participation into three main classifications:

AWARE: Where a community member has visited a page within the platform but taken no further action to engage.

INFORMED: Where a community member has visited a page within the platform and then taken further steps to engage by clicking on another project, a news article or photo etc.

ENGAGED: Where a community member has visited a page within the platform, taken a further steps to engage with the project and then continuing to complete surveys and polls or comment in guestbooks.

Results at a glance

During the year in review, Your Voice Nedlands attracted 424 new registrations.

From 1 July 2020 to 30 June 2021, there were 20,500 total visits to Your Voice, of which:

- 10,435 were Aware visitors,
- 5,376 were Informed visitors, and
- 747 were Engaged visitors

The projects attracting the highest participation throughout the year are:

Project	Participants (aware)	Participants (Informed)	Participants (Engaged)
Standard Development Applications	4,100	2,168	407
Local planning policies – reviews and development	2,671	1,525	230
Local planning policy – existing laneways	700	550	165
Broadway Precinct	-	153	20
Stay Updated	1,889	334	-
Safe Active Streets	703	390	106
Scheme Amendment LPS3	566	566	230
CoN Volunteer Resource Centre	-	-	18
Underground Power	319	-	156
Brockway shared pathway	286	-	18

City Infrastructure

Overview

The City's infrastructure predominantly consists of roads, footpaths, drainage, community facilities as well as a diverse range of assets such as civic buildings, river walls, park furniture and signage.

The City of Nedlands is responsible for the following public infrastructure:

1. Roads

- Network - 155km
- Laneways - 25.3km

2. Car parks

- Off-street - 33

3. Footpath Network - 160.98km

- Footpath - 150.28km
- Shared Path - 10.7km

4. City Buildings

- including lease buildings - 97

5. Drainage

- Drainage pits - 4650
- Drainage pipes - 70.5km

6. Parks

- Recreation - 211.17Ha
- Natural Area's - 31.74Ha
- Playgrounds - 38
- BBQ's - 18

7. Urban Trees - 24,225

The planning process for the 2028 Strategic Community Plan identified that ongoing investment is required to maintain the City's infrastructure at an acceptable level and continue to provide services to the community.

The City's Asset Management team critically reviews the condition of the City's Assets and proposes capital works to sustainably provide a suitable level of service to the community. Infrastructure works are prioritised on the City's 10-year financial plan which generates a Capital Works Program each year. A summary of the completed projects in the 2020-21 Financial Year is provided below.

Key Points (Highlights)



12

Footpath projects completed



15

Road renewals projects Completed



4

Building upgrades untaken (not including general maintenance works)



23

Parks projects completed



Key Initiatives

Building Works

The Building Maintenance Capital Works program for the year in review features upgrades to several City owned facilities.

Projects undertaken during the year include:

- Installation of an Audio Induction Loop at the Mt Claremont Community Centre. This assistive listening technology is an aid for individuals with reduced levels of hearing.
- Financial assistance provided to Playlovers Theatre Group.



- Grand funding to Nedlands Golf Club and project assistance for the construction of a green keepers and maintenance shed.
- Replacement of Administration building roof tiles and insulation.
- Replacement of internal ceiling, lights and air-conditioning at Administration building.

Road resurfacing and rehabilitation

Renewal of the road network undertaken throughout the year helps improve the amenity and safety of the road network which is currently 155km in length. Such renewal works also improved stormwater collection, treating more storm water, closer to the site of capture. The Safe Active Street initiative, along Elizabeth Street and Jenkins Avenue, was also completed this year.

During the current financial year, the following roads have been rehabilitated and/or upgraded:

- Karella Street (East),
- Lissadel Street,
- Melvista Avenue,
- Brockway Road,
- Elizabeth Street (Safe Active Street Part 1),
- Jenkins Street (Safe Active Streets Part 2), and
- Hampden Road.

Montario Quarter development

The redevelopment of the former Shenton Park Hospital site continued throughout the year with further works completed on Stages 1 and 2 of the development. A plaza was created along Seymour Avenue and another was completed linking Selby Street to Dawes View. Design works were completed on Stage 2 of the proposal which is due for completion in 2023.

Footpaths

As part of its annual footpath improvement and replacement plan, the City has replaced concrete slab footpaths with cast-insitu concrete at various locations across the City.

As part of these works the following footpaths have been renewed or upgraded:

- Bruce Street,
- Viewway,
- Victoria Avenue,
- Whitfeld Street, and
- Nandina Avenue

Railway/Aberdare Intersection

During the year, significant planning and consultation has been dedicated to the improvement of the intersection at the corner of Railway Road and Aberdare Road.

Detailed design, including geotechnical and utility service investigations has commenced with preliminary investigative works revealing ground conditions and constraints associated with the project.

Due to several new developments in the area, further analysis and modelling will be undertaken to better inform the next phase of design works.

Parks

This year, renewal of Parks assets has included the completion of the following projects:

- Bishop Road Reserve Enviro-scape Master Plan
- Playground upgrade at New Court Gardens
- Renewal of groundwater bores at Peace Memorial Rose Garden, Allen Park and Bishop Road Reserve
- Replacement of AFL goal posts at Allen Park and College Park
- Renewal of fencing at Allen Park playground and the skatepark at Charles Court Reserve
- Renewal of irrigation pumping components at Daran Park

Cost savings

	Budget	Actual
Road rehabilitation (including Grant Funded Projects)	\$4,362,781	\$4,042,855
Footpath rehabilitation	\$793,751	\$528,214
Drainage rehabilitation	\$119,838	\$36,822
Building	\$604,367	\$ 351,557
Parks and Gardens	\$915,543	\$547,154

"We are writing to express our congratulations on the professionalism of Ash's team during works completed at Pine Tree Lane, Mount Claremont.

Whilst we are not technical experts, we believe they have gone well above and beyond expectations. Over the past month, every team member has completed their work in an efficient manner with due care and skill. They have reinstated the verge, cleared up debris and ensured that the works did not inconvenience the local neighbours. When operations required our access to be curtailed, there was someone at the door to warn us of the inconvenience and tell us how long it would take. Without exception, every team member has been respectful and mindful of our needs, even offering to help us to carry shopping or a suitcase when we had to park away from our homes.

We have no control over the local council, but if it were up to us, we would recommend that the team be paid a Christmas bonus in lieu of their outstanding work ethic.

Please pass on our congratulations to the team – they deserve to be told how good they are!"

Kind regards, L & S Ridley
Mt Claremont residents



Natural Environment

Key Points

- Greenways and bushland areas have continued to be maintained throughout the year in review. Local provenance species were planted to improve biodiversity, conserve existing plant communities and allow for the migration of wildlife throughout the City.

Large-scale greening projects also included numerous native plantings across the City's bushland areas and surrounding the Swanbourne Beach Oval in particular.

At Hollywood Reserve, approximately 1,000 seedlings were planted as part of a joint project between the City of Nedlands, Friends of Hollywood Reserve and Hollywood Primary School students. At Point Resolution a further 1,000 seedlings were planted on Schools Tree Day with assistance from the Friends of Point Resolution and Dalkeith Primary School students.

- These joint projects have revegetated degraded areas within Hollywood Reserve and Point Resolution. A further 4,500 local provenance

plant species were installed around Swanbourne Beach oval and the embankment behind the Shorehouse restaurant as part of two grant projects that are due for completion in June 2022. These greenway projects have commenced revegetating highly degraded areas to coastal bushland with funding from the Western Australian Planning Commission's Coastwest Grants program. The Friends of Allen Park and the Swanbourne Coastal Alliance are partnering with the City to deliver these projects.

- Throughout the year, the City has been working on collaborative projects with other land users to better manage and improve the community's bushland areas. This includes collaborating with State agencies for the protection of bushland areas at Allen Park and Shenton Bushland. In addition, Cottesloe Golf Club is also undertaking management of the remnant bushland on the course, and local schools are engaging and educating future generations about environmental conservation.

Overview

Environmental Conservation

The City prides itself on its great natural environment and protection of biodiversity, and places significant importance on the City's green spaces creating and enhancing ecological corridors while also protecting the existing urban forest.

The City has been working in partnership with the community via local bush care groups, as well as state and federal government agencies, to restore and protect its natural areas. Activities including bushland management programs focusing on protecting and enhancing existing natural plant communities; addressing erosion and environmental weed invasion, plant diseases, feral

animals, fire management, renewal of parks facilities and maintenance work in parks and reserves.

The City's activities continue to underpin the Urban Forest Strategy and bushland management plans and the Greenways and natural areas management policies by protecting and enhancing the natural environment, and enhancing and developing greenway corridors.



Sustainability

Water Conservation

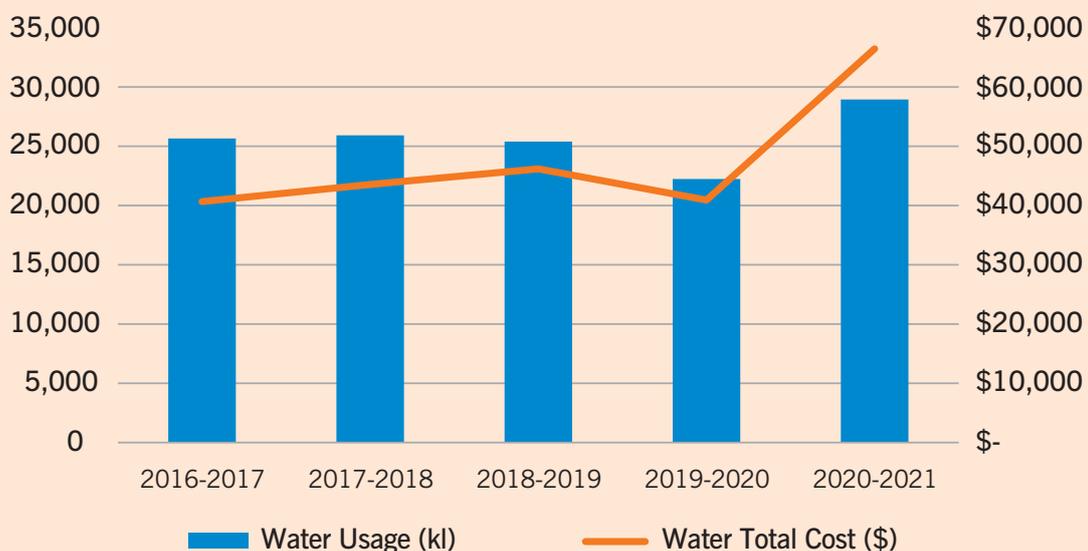
The City is a Water Corporation-endorsed Waterwise Council, committed to improving water efficiency and contributing to improved water quality throughout the City's operations. The City's bore water allocation by the Department of Water and Environmental Regulation (DWER) allows the City to source 709,300 kilolitres of groundwater per annum for 58 parks covering approximately 100 hectares of irrigated land.

The City's usage for the 2020-2021 financial year was 617,440 kilolitres (kL) 91,860kL below the allocation, equalling a 12.95 per cent saving in water use - equivalent to 36 Olympic-size swimming pools. Autumn 2021 saw above average rainfall and

was the wettest Autumn in the Perth metropolitan area for five years. This has resulted in the City using less of its allocated groundwater. A decrease in the groundwater usage is also in response to infrastructure improvements and the City scheduling the irrigation controllers around rainfall events throughout the warmer months.

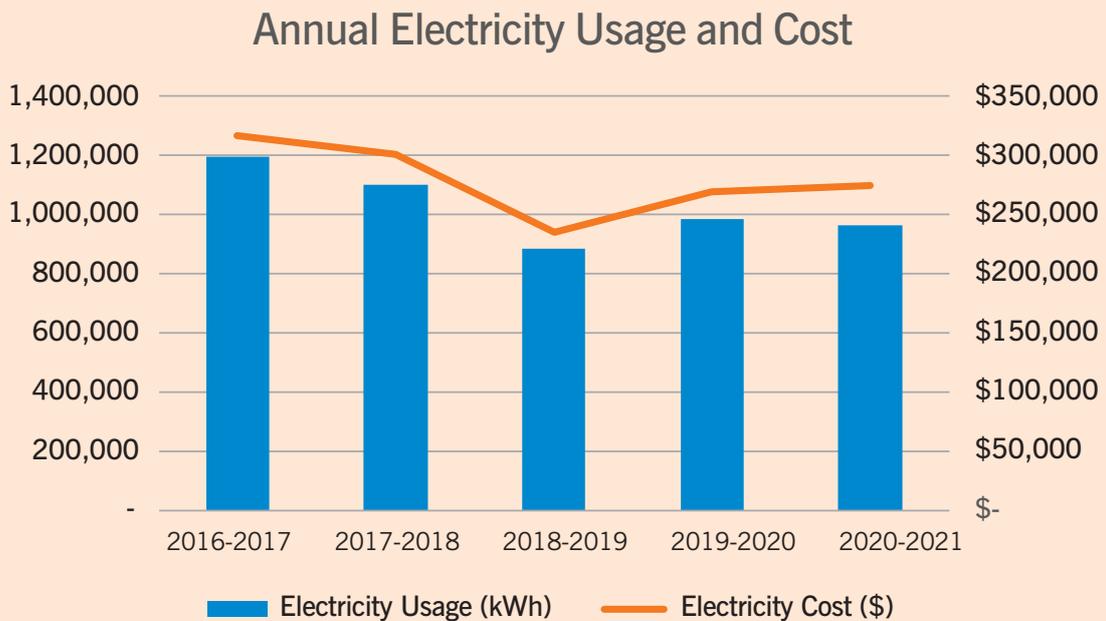
2020-2021 scheme water usage of 28,993kL increased sharply in the third and fourth quarter, mostly likely in response to changes to the COVID restrictions. The City noticed an increase in hall bookings and community activities in comparison to 2019-2020, during periods of lockdown and strict health directions.

Scheme Annual Water Usage and Cost



Electricity Consumption

The electricity consumption for 2020-2021 was 961,696 Kilowatt-hour (kWh) which represents a 24,605kWh saving from 2019-20 (986,301kWh). The stable electricity usage and costs are the result of ongoing development and implementation of street light LED technology.



WESROC Projects

During the year in review, the City of Nedlands has collaborated with Western Suburbs Regional Organisation of Councils (WESROC) and the Town of Cambridge, on a range of environmental projects including:

- Annual Native Plant Subsidy Scheme
- Norfolk Island Pine Decline Western quarter groundwater aquifer recharge investigation
- Native Verge Conversion Workshops
- Urban vegetation and heat spot mapping
- Western Suburbs Greening Plan 2020-2025
- Greening the Transit Reserve
- Feral animal control

Key Initiatives

- Coastwest grant projects commenced in conjunction with State government funding bodies and local community groups
- Extension of the greenway surrounding Swanbourne Beach Oval
- Bushcare programs with community groups, volunteers and local school groups
- Erosion control at Point Resolution and Mount Claremont Oval Bushland Reserves
- Feral animal control, including feral bees, foxes and cats
- Collaboration with the Cottesloe Golf Club to manage remnant bushland at the Club

Park Services

Initiatives associated with the City's urban forest and groundwater conservation continued to be a primary focus for Parks Services during 2020-2021. The City has now planted over 4,600 new trees on public land since 2013-14 when a target of '2,050 new trees over four years' was first adopted. Delivery of the City's Enviro-scape Master Plan continued with the project at Bishop Road Reserve now completed. The master plans are key strategic projects underpinning the Nedlands 2018-2028 Strategic Community Plan and Urban Forest Strategy 2018-2023. The objective is to ensure individual parks and precincts are fit for purpose and meet the community's needs at the most economic whole-of-life cost.

Another objective of the master plan program is to future-proof the City's greenspaces in an emerging environment where groundwater resources are likely to be less accessible. Review of the Gnangara groundwater areas allocation plan has been completed by the regulator who issues the City's groundwater licence. The regulator has disclosed that reductions in groundwater abstraction allocations associated with groundwater licences will be implemented in coming years. Investment towards redesign and renewal of the City's irrigation infrastructure will be essential in delivering greenspaces in the future while avoiding the need to implement a 'Dry Parks' policy as adopted by other metropolitan local governments.

Please pass on my thanks to the Parks Technical Officer for organising the pruning of my verge trees. The contractors did a very good job and were very polite to deal with.

"And also to the Engineering Department - our new street looks absolutely fabulous; Roads 2000 should be commended for the high standard of all parts of the project.

"The crew were extremely polite and helpful to deal with, and there was very little inconvenience caused throughout the process. The repaving of our driveway in particular was done extremely well...."

"Thank you again, we are very happy indeed with the level of service provided by the council."

Jackie Williams
City of Nedlands resident

AT A GLANCE

18,500

native seedlings planted in the City's natural areas and greenways

1,000m²

greenway extended around Swanbourne Beach Oval

2,500

native Plant Subsidy Scheme plants sold

91,860kL savings

Allocated groundwater usage saving of 91,860kL (12.95 per cent) compared to 2019-20.

6,773kL increase

Scheme water consumption increased by 6,773kL (30 per cent) compared to 2019-20.

24,605kWh saving

Electricity consumption saving of 24,605kWh (2.5 per cent) compared to 2019-20.

529

new trees planted in streetscapes and parks

444

monthly parks maintenance programs completed in total

23

parks capital improvement projects completed

Health and Compliance

Key Points

- During the COVID-19 pandemic and associated lockdowns Rangers were on duty continually to provide appropriate services to the community in a safe and effective manner. During this period, Rangers were able to reduce enforcement of timed parking restrictions, due to the large reduction of pressure on parking bays within the City. As a result, compliance efforts were re-directed to animal management matters due to the increased use of City reserves for dog walking and exercising during the lockdown periods.
- In response to the COVID-19 pandemic the City's Environmental Health Officers were given additional powers and responsibilities under the *Emergency Management Act 2005*. During this period, Officers were undertaking COVID-19 related assessments including inspecting COVID contact registers and assessing COVID related management plans for certain public events.

Overview

Environmental Health

The City's Environmental Health team is routinely involved in many aspects of preventative environmental and public health to ensure community health is maintained. This is completed through:

- the implementation of surveillance activities, including:
 - food premises
 - public buildings
 - public swimming pool and ocean monitoring
 - skin penetration premises
 - mosquito infestations
 - COVID-19 contact registers
- the assessments of various management plans and development applications

Investigations were undertaken on a range of concerns received throughout 2020-21 including environmental noise, asbestos, animals and pests, food poisoning and general health nuisances. Numerous temporary events were assessed, approved and inspected throughout the year, including the Mount Claremont Farmers Market and a range of community events.





Ranger Services

The City's Ranger Services enforce local parking laws, undertake bushfire risk mitigation, dog and cat control and licensing, and is the after-hours emergency contact for the City. City Rangers focus on proactive amenity improvement and local law enforcement.

Key Initiatives

- As a result of the ongoing COVID-19 pandemic, the City and the State Government entered into an arrangement to provide additional parking facilities for hospital staff responding to the COVID-19 emergency. This arrangement was concluded in February 2021 as a result of the low number of COVID-19 cases in Western Australia.
- The City, together with Western Australian Department of Health and a number of WESROC councils; the City of Subiaco and Towns of Claremont, Cottesloe and Mosman Park, formed the WESROC Mosquito Contiguous Local Authorities Group (CLAG). This group was formed to address cross-boundary mosquito issues. A mosquito management plan was developed and implemented by the City to methodically address mosquito issues within the district.

AT A GLANCE



294
food premises
inspections



73
public building
inspections



175
inspections of
public aquatic
facilities



84
noise
complaints/
investigations



36
dog attacks
investigated



2
dog attack
prosecutions of
which both were
successful



3,143
parking
infringements
issued



284
warnings
issued for
parking

Waste Services

Overview

The West Australian Waste Avoidance and Resource Recovery Strategy 2030 (WARRS) has established an action plan which aims to guide the State in its transition towards a low waste circular economy. The City's Waste Minimisation Strategy (WMS) and Waste plan aligns with the objectives and targets of the WARRS.

The City of Nedlands is one of the top performers among local governments in WA in achieving high diversion rates, low waste costs and strong customer satisfaction levels. The City has achieved an overall 53 per cent diversion rate from landfill – this means 53 per cent of the City's waste was either recycled, reused or recovered.

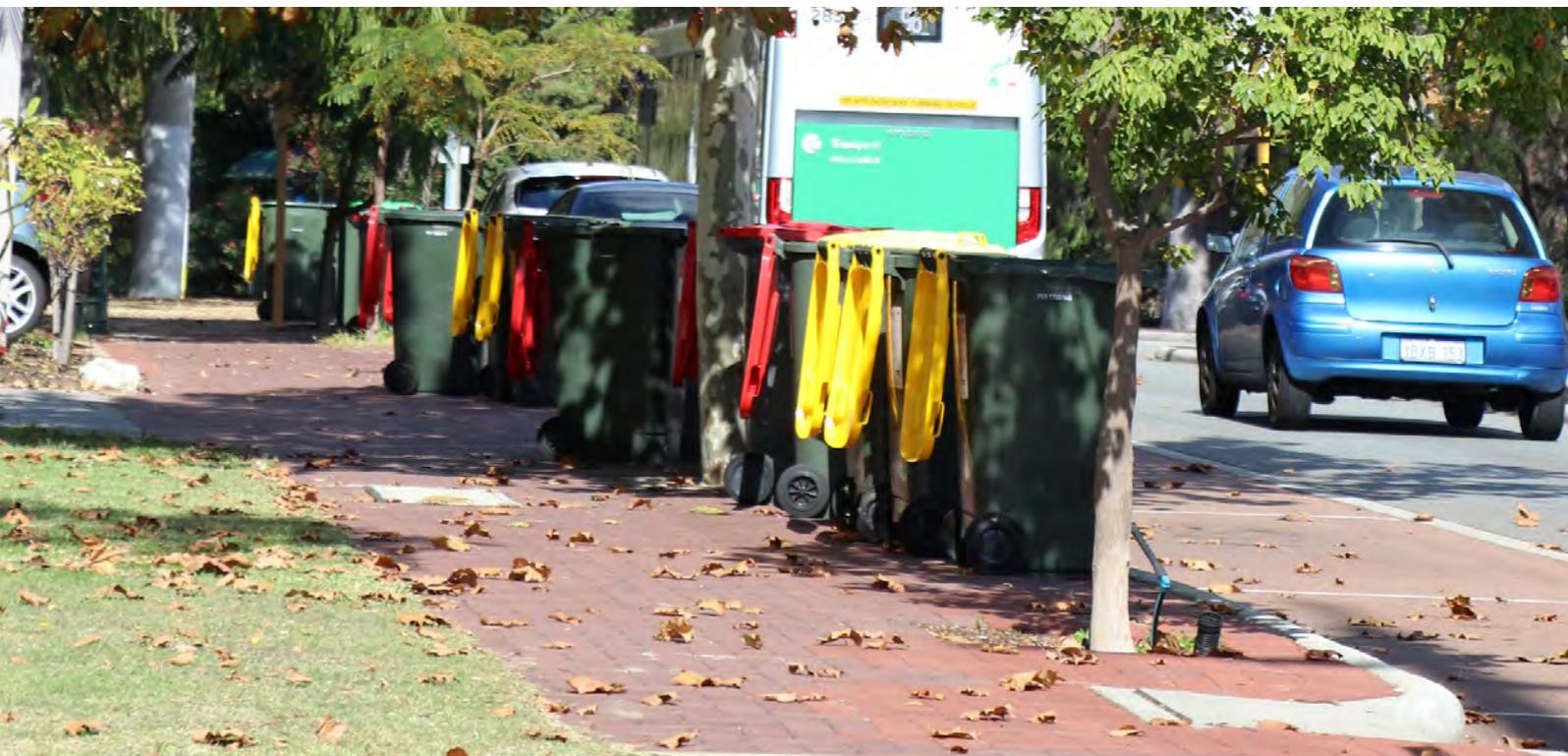
Approximately 8,300 dwellings use the three-bin kerbside collection system for general waste, green and recycling collection services. In addition, 866 commercial waste services and 625 commercial recycling services are included in the City's kerbside collection system. The City also provides two combined residential bulk verge collections each year consisting of hard waste, green waste, metals, e-waste and mattresses.

In 2020-21, the City collected 11,228 tonnes of waste, 3,345 tonnes of green waste and 3,276 tonnes of recyclable material from the kerbside collections and bulk waste streams including household hazardous waste.

In comparison to the 2019-20 diversion rate of 55 per cent, 2020-21 has seen a 2 per cent decrease in recovery. It is believed that this is predominantly due to the WA Container Deposit Scheme implementation leading to lower recyclable waste in kerbside collection.

To improve waste diversion and achieve WARRS target by 2025 and beyond, the City will explore the possible inclusion of food waste in the existing residential kerbside greenwaste bin, otherwise known as a FOGO service.

In accordance with industry best practice, and to achieve the most cost-effective outcomes for ratepayers, the City is continuing to work with the community to encourage positive attitudes and behaviour towards minimising waste, maximising recycling and reducing the amount of waste going to landfill.



Key Points

- The City is a leading metropolitan local government using a three-bin system and verge collection with a diversion rate of 53 per cent.
- More than 80 per cent of residents use the standard bin service (120L rubbish bin). The remaining residents utilise the upgrade service (240L rubbish bin) or super service (two 240L rubbish bins).
- More than 23 per cent of residents are using the complimentary second recycle bin option.
- The City's three-bin collection system is continuously improving source separation whilst achieving significant savings to ratepayers in disposal fees.
- Overall, the City's waste generation decreased by 2% in comparison to the last financial year.
- The City's Waste Management Contracts delivered a highly efficient and cost-effective waste service to residents while avoiding waste service change increases for 2020-21.
- The City is exploring the practicality of co-mingling food waste with green waste bin.
- The City is seeking ratepayers support and collaboration to reduce the usage of single-use plastic as it cannot be recycled.

Graffiti and vandalism

- The City's graffiti and vandalism policy ensures all graffiti is removed within 48 hours of being reported. The City also passes on the reports to the central police database. Historically, prompt removal has proven to be the most effective deterrent. This service is available free of charge in almost all cases and community satisfaction rating in this area remains high.

Key Initiatives

- Adoption of the City's Waste Plan
- The City delivered the waste education program to primary school students.



11, 228 tonnes
of domestic waste collected



2,599 tonnes
of recyclables diverted
from landfill



3,325 tonnes
of green waste
diverted from landfill



17 tonnes
of e-waste and mattresses
diverted from landfill



10 tonnes
of residential
household Hazardous
waste from landfill

"The City of Nedlands is one of the best performing Local Government Authorities in source separation of waste achieving resource recovery rate of approximately 50%-55%"

Built Environment

Overview

The City is responsible for strategic land-use planning, development approvals and compliance, and building and swimming pool control.

These responsibilities ensure the City continues to develop and thrive in pursuit of its vision of being an environmentally sensitive, beautiful and inclusive place. High-quality built environments are healthy, have character and charm, enhance community connections and protect amenity.

The City also offers services (building permit approvals, swimming pool inspections and building compliance) under contract to other local governments to assist with their building functions.

Strategic planning

The City is currently experiencing a period of sustained development pressure. This has been attributed in the main to the creation of 'infill development' opportunities in areas centred along the Stirling Highway and Broadway / Hampden Road spines. The majority of the development pressure in the City relates to new grouped (townhouse) and multiple dwelling (apartment) proposals. It is important to ensure these developments take place in a manner that reflects the unique context and character of the City. To achieve this, the City is developing a local planning framework to augment the Residential Design Codes and other state planning policies.

The local planning framework will be based on the development of precinct policies and plans for the main areas of infill development. These areas include the Stirling Highway mixed use corridor and surrounding residential areas, as well as the Broadway, Hollywood/Hampden and Waratah Village precincts.

During the 2020-2021 financial year, a number of key studies were completed to assist in development of the precinct plans. These included built form modelling, character definition studies and development of a community engagement strategy for each precinct. Policy development for each of the

precincts will take place during 2021-2022.

Other strategic planning work undertaken during the year included working with the City of Perth on the Queen Elizabeth II / UWA Specialised Activity Centre Plan. This plan will include the Hollywood/Hampden and Broadway precincts in the City. The Plan will provide a high-level framework for coordination of the areas of the activity centre located within both the City of Perth and the City of Nedlands.

Another area of focus during the year was public engagement on the City's proposed Existing Laneways Policy. A series of workshops were held in locations where rear laneways are present. The pros and cons of various laneway models were explored and the result of the workshops and subsequent submissions received will be considered by the City to determine next steps.

Statistics (Planning)

In the 2020-2021 financial year, a total of 245 applications were determined by the City. Of these, 223 were approved under delegated authority by the City's planning section. The remaining 22 applications were determined by Council, with 20 being granted approval.

In addition to the development applications determined by the City, a total of 21 applications were determined by the JDAP. This comprised 18 new applications and three amendments to existing JDAP approvals. The WAPC determined a total of 19 development applications relating to land subject to Metropolitan Regional Scheme reservation or within the Shenton Park Improvement Scheme Area. A new initiative during the year was the creation of the State Development Assessment Unit (SDAU) by the State Government.

Building and compliance

Following the increase in development within the City, a new dedicated development compliance team structure was initiated. This structure includes a dedicated coordinator and two compliance

officers. As construction in the City increases in number and complexity of construction works, a more focused proactive team is required to ensure and coordinate compliance across multiple City departments and requirements placed upon builders. The team is expected to be up and running in the second half of 2021.

The City will continue to provide a pool inspection program for the Town of Claremont.

The City will also be continuing its shared services with the Shire of Peppermint Grove providing building certification and advice as needed.

Assistance provided to the Town of Cottesloe for building services coverage and pool inspections following resignation of their Principal Building Surveyor until the new principal was employed.

A new initiative was instigated between the City and the Towns of Claremont, Mosman Park, Cottesloe and the Shire of Peppermint Grove with the aim of providing a unified approach and resource sharing within the areas of building control, swimming pool inspection and development compliance.

Key initiatives

Planning

- Administration and delivery of assessments in accordance with the City's new Local Planning Scheme No.3
- Refinement of process and procedures for complex development applications and JDAP applications.
- Continuing progress on the local planning framework to augment State planning policies with a focus on the Stirling Highway, Broadway, Hollywood/Hampden and Waratah Village precincts.
- Working with the City of Perth on the QEII / UWA Specialised Activity Centre Plan.
- Community engagement on the draft existing laneway local planning policy.

Building and compliance

- Initiated new internal structure for dedicated development compliance team to better deal with the increasing number and complexity of construction sites within the City.

- Continued the pool inspection shared service agreement with Town of Claremont
- Continued the building permit certification service agreement with the Shire of Peppermint Grove including assistance with pool inspections.
- Assisted the Town of Cottesloe with building services coverage following resignation of their Principal Building Surveyor.
- Instigation of a new Building Control and Compliance Collective between City and the Towns of Claremont, Mosman Park, Cottesloe and the Shire of Peppermint Grove.

95%

of building applications processed within 10 or 25-day statutory timeframe.

1,306

pool barrier inspections conducted

– 1000 in the City of Nedlands and 306 in the Town of Claremont.

755

building applications issued for the City of Nedlands

and 4 uncertified building applications assessed for the Shire of Peppermint Grove.

Building department revenue for the financial year:

Approvals \$921,223
Contract Services \$26,721
Fines and Prosecutions \$57,738

Community Services

Overview

From the young, to the young at heart, everyone is covered by the supportive services provided through the City of Nedlands. Whether you are looking for healthy activities, care and support, something to stimulate the mind or a social connection with like-minded people, the City provides these services through:

- Libraries
- Child Care
- Aged Care
- Positive Ageing

Library Services

The Nedlands Library Service operates two libraries; Nedlands Library on Stirling Highway and Mt Claremont Library on Montgomery Avenue. Membership currently stands at 7,146 across both libraries with 51% being residents.

The Nedlands Library Service also forms part of the Western Suburbs Libraries Network, a consortium including Subiaco Library, Claremont Community Hub and Library and the Grove Library. Membership entitles members to borrow from all western suburbs libraries. Each library service applies different loan conditions.



Results at a Glance

During 2020 – 2021, 237 book club sets were hired by members. This represents an increase of 66 (36%) from last year.

The libraries' collections include a variety of books, magazines, audiobooks, DVDs, local history and electronic content (eBooks, eAudiobooks, eMagazines and eMovies). The two main electronic eContent platforms are BorrowBox and Libby OverDrive.

As expected, the initial attendance across both adult and children's events were lower than pre- COVID numbers. As the community adapted to the varying changes in our services it has been pleasing to see the library events return to pre-COVID numbers. Our libraries are prepared to continue operating in a COVID-19 environment ensuring the community continues to engage across multiple platforms.

During 2020-21, the library officers focused on operating within a COVID-19 environment, ensuring preparedness for snap lockdowns and continuity of services to the community and library patrons.

The Library service maintains a social media presence through Facebook Page and Instagram accounts. As COVID-19 restrictions varied, these platforms were an effective way to communicate with many customers.

Due to COVID-19, Children's Book Week was celebrated in October 2020 instead of August. Local school children attend the sessions featuring special guests Aśka (illustrator), Dianna Wolfer (author) and Rina Fu (scientist-author-illustrator).



776

events provided at Nedlands and Mt Claremont Libraries with 5,257 people attending



39,054

downloads of library eAudiobooks



25,779

downloads of library eBooks



1,358

downloads of library eMovies



6,737

downloads of library eMagazines



17,795

searches on Family History databases



331,1090

library transactions (includes loans, returns, reservations and renewals)



77,833

visits to Nedlands and Mt Claremont Libraries



98%

satisfaction rate for library events



Aged care services – Nedlands Community Care (NCC)

The Commonwealth Home Support Program (CHSP) is provided through Nedlands Community Care (NCC). The program is jointly funded by the National Department of Health, and the City of Nedlands.

NCC provides services to assist eligible residents to remain living in their own homes for as long and as safely possible. As many elderly residents have limited contact with people outside their home, NCC also provides the support and social interaction necessary for overall emotional wellbeing.

Services provided include:

- In-home support for personal care, medication prompting, wellbeing checks, light domestic and laundry assistance, shopping, and bill paying support.
- Garden maintenance.
- Transport to medical appointments and local shopping centres, assisted by volunteers.
- The Waratah Social Club provides activities, exercise classes, meals, outings and events.
- Social support activities, in conjunction with the Waratah Social Club, include group bus outings around Perth, social get-together programs, Rummy Kub Competitions with other centres, and movie days.

The City's Positive Ageing Program has two service areas; Seniors Support and the Affinity Club.

These services are available to any local senior interested in learning more about general topics of interest, including health initiatives, educational opportunities, information sessions, and support to access services.

Key initiatives

- Information sessions delivered by external agencies including; Advocare, COTA, Dementia WA, UWA Exercise and Performance Centre, Seniors Housing, Alzheimer's WA, Senior Recreation Council.
- The Seniors Support Officer assisting members of the public to access information and support services relevant to seniors.
- During COVID-19 closures, Seniors Support assisted with supplying craft kits to isolated seniors, including kits for knitting to help the Red Cross. This popular project has expanded to become an ongoing craft activity for the Affinity Club.
- Seniors Support also includes communication with seniors via the new 'Seniors in the City' Facebook Group. This online platform is effective for Seniors Support to promote its services, activities, and items of interest to the seniors' community.
- NCC provides services to 220 clients enabling them to stay at home safely and have access to essential services during COVID-19 lockdowns.

- One of the NCC clients is 99 years of age, lives independently in her home, and enjoys her days out at the Waratah Club.

The NCC also works collaboratively with other organisations to further benefit seniors within the City:

- UWA Seniors Health Sessions: Promoting the health benefits of different types of exercise. Attendees took part in clinical trials at UWA including before and after bone density scans.
- This has been a great success and we hope to continue with a senior's only exercise session at UWA.
- 100% satisfaction rate across three UWA presentations on exercise and seniors' health with over 60 attendees in total.
- Total of 26 participants signed up for the UWA clinical trials with 30% being over 75 years of age.
- 95% average overall satisfaction rate for other information sessions.
- Presentation session through the Seniors Recreation Council of WA.
- Activity packs for seniors during COVID – distributed to isolated seniors during the lockdown periods.
- The Trauma Teddies program, which encourages local seniors to provide knitted and crocheted teddies for the Red Cross, was a resounding success. During the reporting time members of the NCC has sent over 100 teddies to this worthy cause. The teddies are given to children by ambulance drivers during traumatic situations. It has become a popular pastime for all the knitters involved in this caring project.
- COTA presentation - Navigating the Aged Care System
- Advocare presentation – Know your Rights
- Senior Housing – What do you know about downsizing?
- Dementia Australia presentation – Worried about your memory





The Affinity Club was formed in 2012 as part of the Nedlands Community Care (NCC) to deliver a positive ageing program at Dalkeith Hall in Waratah Avenue.

Affinity Club

The Nedlands Affinity Club offers a large program of activities and events for the mind, body and soul, aimed at well-aged seniors over 55 years.

The Club promotes a 'can-do' attitude to life. It was formed to offer health-enhancing activities that are stimulating and encourage community interactions, at a nominal cost for members. Activities are open to all seniors and are held at Dalkeith Hall, at Mt Claremont Community Centre and outdoor locations when suitable.

Weekly activities include:

- Walking Groups
- Table Tennis
- Yoga for Seniors
- Pilates for Seniors
- Zumba Gold
- Line Dancing
- Mah-Jong
- Canasta
- Chair Pilates
- Breathe, Stretch, Move
- Sing with Us
- Tai Chill
- Art Movies
- Memorable Movies

Monthly activities held during 2020-21 also included viewing art movies such as the Cezanne Exhibition on screen, and others; memorable movies (classics); Knit for a cause (Social Craft), Card Making and Educational talks.

Key initiatives

- A "Stay Healthy, Stay Active" open day was held in November 2020 at Dalkeith Hall to showcase the variety of activities on offer for seniors living in Nedlands and Affinity teachers showcased available programs.
- The Affinity Club annual members survey revealed a 100% overall satisfaction rate. Affinity Members commented favorably on how enjoyable and cost friendly for pensioners the activities are.
- 15 weekly classes and four monthly activities are available.
- 6,042 attendances across all the activities during 2020-2021
- 49% of Affinity Members attended two or more activities per week.
- Two new activities: Tai Chill and monthly Art Movies were launched in 2020-21
- A second weekly Mah-Jong session was added to the Positive Ageing program plus a monthly craft session – knitting 'trauma teddies' for the Red Cross. These teddies are given to children by the Ambulance drivers during traumatic situations.

Point Resolution Child Care (PRCC)

In 2020 - 2021, the centre continued to operate at a level that exceeds National Quality Standards and National Regulations. PRCC passed the 'spot' checks and audits made by the regulatory authority indicating a continued high level of care and governance.

PRCC provides an environment that ensures the care each child receives is an extension of the care they receive at home. The open-plan (mixed age group) room creates an atmosphere which allows children to socialise with their siblings and friends, while learning important early life skills. We acknowledge that each child is a unique individual and work in close partnership with families to ensure we support and provide a caring environment, inclusive for all.

Learning and development programmes are created in line with the Early Years Learning Framework. Both individual and group learning is valued and utilised, ensuring a range of experiences that help children reach their potential.

Key initiatives

- Celebrating key cultural events including NAIDOC Week, Harmony Day, a Meet and Greet Picnic, Mother's Day, Father's Day and Grandparents Day.
- PRCC successfully passed all audits conducted by the Education and Care Regulatory Unit.
- Providing staff training and opportunities for participation in forums for professional discussion, strengthening capacity to deliver inspiring and engaging programs.
- Held Intergenerational activities for the children to connect with the seniors from Nedlands Community Care to spend time together and share experiences.
- Increased sustainability practices by implementing activities to provide children with an awareness of the environment and learning positive food habits. The children created garden beds filled with herbs and vegetables and extending the activity to host a Farmers Market for families at the Centre.
- PRCC hosted a range of events including Storytime visits from Nedlands Library, and an ambulance visit from St John's Ambulance.

- PRCC achieved a 100% overall satisfaction rate in the annual parent survey with positive comments from families regarding each of the survey areas.
- Following feedback from client families PRCC has continued to work towards becoming more sustainable. Resources for the program have been based on the use of more recycled materials and families have often been asked to contribute items to aid program activities.
- PRCC has worked collaboratively with local primary schools, Dalkeith Primary and Fresh Water Bay Primary, as an extension to the Centre's Pre-Kindy and Kindy program. Such partnerships are valued for providing new and exciting opportunities for children and to help them be successful in their everyday learning. To support the transition to kindergarten for 2022, Pre-Kindy children from PRCC visited Dalkeith Pre-Primary Kindergarten for the first time.



Community Development

Overview

Community Events

Council-provided events

More than 2,500 people attended the City's major community events, including:

- One Nedlands Going Places tour
- Anzac Day Driveway Dawn Vigil
- Remembrance Day Service
- Three citizenship ceremonies
- Kids Day Out
- Swell Youth Festival

Externally provided events

As well as the above events provided by the City, community members and organisations provided a range of local events, which required City approval. These included corporate, community-based and private events. Larger-scale events included the *Up All Night Charity Walk* by Ronald McDonald House Charities, the *MSWA Ocean Ride* by MSWA and the *Walk for Women's Cancer* benefitting WA women's cancer research at the Harry Perkins Institute of Medical Research. Smaller-scale private events included wedding ceremonies and birthday parties. The City also approved small-scale events for local schools and sporting clubs.

The City's approval process for these events aims to minimise any negative impacts on the local community. The City approved 83 of these externally-provided events in 2020-21. The number of approved events was down by 45 compared to the 2019-20 financial year, when it was 128. This was most likely due to COVID-19 restrictions. All externally-provided events within the City of Nedlands are approved in accordance with State Government health directives in relation to COVID-19.



Diane Wilcox, the City of Nedlands' 2021 Community Citizen of the Year, with Deputy Mayor Leo McManus.





Sport and Recreation

The City works closely with 34 local sporting clubs that offer the community a wide range of sporting options. Bookings for facility use are co-ordinated to ensure clubs have prioritised access to the City's seven major sporting reserves. As well as access to reserves, clubs are supported in securing funding to upgrade their facilities to meet the needs of the clubs, community and sporting codes.

Local Businesses

During the year in review, the City of Nedlands hosted two Business Sundowners to provide local businesspeople, Councillors and senior City staff with an opportunity to meet in an informal setting. These events were well supported by local businesses and enjoyed by those who attended.



Youth Development

Emerge Youth Art Awards

The Emerge Youth Art Awards has showcased the artwork of talented young people since 2013. In 2020, Emerge was adapted to an online photography award to provide for COVID-19 restrictions resulting in the exhibition being held online for the first time. The awards attracted 152 entries, with attendees ranging in age from 12 to 25. This was the highest number of entries to date. Emerge provides a unique platform for emerging young artists to exhibit their work and build their portfolios.

Kids Day Out

Kids Day Out is a carnival themed event for children under 12 years old, held at the Jo Wheatley All Ability Play Space. The event provided carnival rides, stilt walkers, jugglers, glitter tattoos, pony rides and more. 2020 was the first year this event was held. Kids Day Out attracted an estimated 1,000 attendees throughout the event.

Swell Youth Festival

Swell Youth Festival was held at Swanbourne Reserve in March and targeted young people aged 12 years and over. 2021 was the first year of the Swell Youth Festival, which provided a range of exhilarating activities for young people. Approximately 600 people attended the event.

Youth Grants

The City provided a grant of \$12,500 to the Shenton Christian Council to assist with the cost of providing chaplaincy services in local schools. This annual grant has been provided by Council for over 20 years.

Skateboard and BMX Workshops

The City provided a skateboard workshop at the Nedlands Skatepark and a BMX workshop at the College Park pump-track. Both workshops were facilitated by trained coaches and continue to be popular with young people.



Volunteer Services

The City's Volunteer Services match volunteers with opportunities that suit their interests and availability.

Volunteers in community organisations

Many of the 38 volunteers referred to community organisations went on to play a key role in those organisations, contributing to a more resilient and inclusive community.

Volunteers in Council-provided services

110 volunteers gave their valued time and energy to extend many of the services delivered by the City of Nedlands. These services help to promote social inclusion, wellbeing and a resilient community capable of meeting its own needs. This included volunteers working with:

- Nedlands Community Care
- Nedlands and Mt Claremont Libraries
- Local Studies archives
- Bushcare
- Youth Advisory Council
- Audit and Risk Committee
- Public Art Committee.

Volunteers are vital as their contribution enables the City to extend and enhance its services beyond those provided by staff. On average, each volunteer gives more than five hours per month, representing more than 6,591 volunteer hours per year.

According to the Australian Bureau of Statistics (May 2017 – 18), the work of an average volunteer is valued at \$41.72 per hour. Therefore, the 6,591 hours given by volunteers working in Council-

provided services during the 2020-21 financial year represents more than \$270,000 in donated benefit to the City. This demonstrates the significant benefit volunteering brings to the City and to the broader community.

The City's Volunteer Service also benefits volunteers themselves. In the 2021 Volunteers Annual Satisfaction Survey, results showed that volunteers value the time they spend volunteering for the following reasons:

- making new friends
- feeling better connected to the community
- meeting a community need
- gaining experience
- improving their self-confidence.

In summary, volunteering benefits the City of Nedlands and the community, both socially and economically.





Tresillian Arts Centre

Tresillian Arts Centre continued to provide a wide range of recreational art courses, children's school holiday activities, art exhibitions and art studios. Tresillian's customers were highly satisfied with the services they received, expressing a 93% satisfaction rate across the financial year.

Tresillian courses

Art courses continued to be in strong demand, as well as language and lifestyle courses. Tresillian provided 245 term-based courses for adults in the four terms delivered in the 2020-21 financial year; and 43 school holiday courses for children in the four school holiday periods. A significant number of new courses delivered by new tutors brought fresh skills to the Centre and new creative opportunities to Tresillian's students.

Tresillian Art History Lectures

From Term 1 2021, Tresillian introduced a series of popular art lectures, delivered by Emeritus Professor Richard Read. These engaging and informative lectures have brought a wealth of art history knowledge to the community, with attendees warmly welcoming this new initiative.

Online booking system

Tresillian's reputation as an arts centre is well-established and sufficiently strong to attract many City of Nedlands residents as well as people from other local government areas, including country areas. The online booking system continues to gain increased usage, with customers able to search and book courses at any time, instead of being restricted to Tresillian's opening hours. In the second year

of the system's implementation, online bookings made up 75% of term bookings; and 95% of School Holiday bookings.

Social Media

Tresillian's use of social media also increased in the past 12 months, with follower numbers on Instagram and Facebook up 300%. This has contributed to increased enrolment and exhibition attendee numbers.

Café

The café continues to function as the 'heart' of the Tresillian Art Centre and is highly valued by Tresillian users. The café is a private business, run by Nicky Ray who leases the café kitchen from the City. Nicky and her staff have created their own café atmosphere, which is warm and welcoming with wholesome menu offerings.

Studio Artists

Tresillian leases studios to artists, their creativity helping to provide a vibrant and interesting Centre for community members. In the 2020-21 financial year, Tresillian provided eight art studios to seven individual artists and one arts organisation, the Printmakers Association of WA. Our studio artists contribute to Tresillian through teaching, exhibiting their work and their presence as working artists.

Exhibitions

Tresillian's Art Exhibition schedule has been very successful, with record numbers of guests attending the annual *Student & Tutor Exhibition* in October and record artwork sales across all exhibitions held during the year.

Public Art

In 2020, the public art icon Asteroid, located on the roundabout on Broadway, was severely damaged in a storm. By May 2021, the artwork was back in its familiar location, having been re-fabricated and reinstated. Asteroid by Rick Vermey was originally installed in 2001; and will now continue to be a landmark for the community for many years to come.

In the financial year 2020-21, Council approved the next public art project, on advice from the Public Art Committee. The project is to commission an artwork that pays tribute to the role of health workers during the COVID-19 pandemic.

The City's Public Art Collection is a valuable asset and contributes to the art and cultural landscape of the City of Nedlands.



144

community members became Australian citizens at the City's citizenship ceremonies.

An estimated \$270,000

worth of time donated by volunteers who helped extend and enhance Council-provided services!

152

entries in the Emerge: Youth Art Awards (Online Photography)

93% Satisfaction rating

by Tresillian Arts Centre customers

\$4,037 of grants

were provided by the City's Community Grants Fund for events a Festival of Knowledge, Community Xmas Carols, Disability Basketball and street parties.

Satisfaction ratings

95%

for Swell Youth Festival

92%

for Kids Day Out

87%

rating for the Nedlands Going Place Tour

83%

by the City's community groups and organisations

83 externally-provided events

held on City land in 2020-21

Access and Inclusion

Disability Access and Inclusion Plan

The City of Nedlands' Disability Access and Inclusion Plan 2018-19 - 2023-24 is a key strategic document, outlining the City's approach to working towards a more accessible and inclusive community.

The City is required by legislation to:

- maintain a Disability Access and Inclusion Plan (DAIP)
- address seven specific outcome areas within the plan
- report to the Department of Communities – Disability Services annually on progress against actions within the plan.

Direct community benefits result from the City's commitment to access and inclusion.

The table below shows the outcome areas where strategies or initiatives were planned, as well as the strategies or initiatives completed during the financial year.



Outcome areas	Number of strategies/ initiatives planned	Number of strategies/initiatives completed (includes ongoing strategies)
Services and events	14	10
Buildings and Facilities	5	3
Information	6	5
Service from Employees	0	0
Feedback and Complaints	0	0
Public Consultation	3	3
Employment	2	2

"My daughter is a wheelchair user and we were particularly pleased with the interaction from the staff at the activities. They were a great help and allowed her to feel a little more independent because she didn't need help from us. Really great day. Thank you!"

Parent Feedback
Swell Youth Festival

COVID-19

Organisational Update

In the 2020-21 financial year COVID-19 continued to have an impact on the City and its' services to residents. The City continued to adapt and introduce new ways to continue to operate remotely, when required.

In early February 2020 the City developed a Coronavirus Working Group and this group has continued to meet regularly throughout the pandemic, to provide directions to staff and the community while adhering to health advice from the WA Government. The City also continued to adapt public events, council meetings and other face-to-face engagements accordingly.

As an ongoing service to residents, visitors and staff, the City will continue to promote information on the City's website encouraging the community to follow health directions in regard to COVID-19. Provision of services by the City's Building Infrastructure Unit, Health and Compliance Services and Waste Services have continued uninterrupted despite the COVID-19 pandemic.

Key Points

Business Services

Extending the efforts of previous financial years, the City continues to enhance its' ICT service capabilities and infrastructure to support staff in the delivery of their services as completely as possible regardless of physical location. Enhancements have been made to desktop infrastructure, office connectivity, remote access, telephony, and communications in general. The oneCouncil project has commenced which will further extend the City's ability to service its' stakeholders more efficiently at times when workforce practises are being challenged by COVID-19.

Community Development

ANZAC Day

The City was unable to proceed with its usual Anzac Day Ceremony due to COVID-19 restrictions. Challenging times called for innovative solutions as evidenced by the commemoration on Anzac Day. The City promoted the nationwide Anzac Day

Driveway Dawn Service which was well received across the City with many residents participating. Some families also visited the War Memorial, where the ceremony usually takes place, to pay their respects and lay wreaths.

Emerge Youth Awards

In 2020, the Emerge Youth Art Awards Exhibition was adapted to an online photography award to provide for COVID-19 restrictions. The exhibition was held online for the first time. The event attracted 152 entries, the highest number of entries to date.

Nedlands Going Places Tours

A Nedlands Going Places Tour was scheduled for May 2021 but unfortunately had to be cancelled due to COVID-19.

Tresillian Arts Centre

With the reduction in travel and community members eager to use their time for enrichment opportunities, the Tresillian arts program was expanded to meet community demand. This included more courses for children and adults, and a series of art history lectures.

Other events delivered by Community Development were Kids Day Out, Remembrance Day 2020 and Swell Youth Fest. These were unaffected by COVID-19 restrictions.

Community Engagement

Community Information Sessions for Urban Planning moved to an appointment only system with one-on-one sessions being organised for interested and affected parties to meet with the planning department officers as well as an opportunity to meet with the applicant in the same format.

Community Reference Groups were established for specific interest urban planning consultation exercises including precinct planning. This alternative replaced large gathering events or community Open Day events to allow for genuine engagement to continue in a more controlled and Covid-19 friendly environment.

Community Service Centres

Restrictions due to COVID-19 impacted on the City's direct service areas – Aged care services, libraries and childcare. These areas provide support services to some of our most vulnerable community members. The delivery of these services was directly challenged by the closure of City centres as directed by the Department of Health under the COVID-19 Public Health Directive.

The City's staff were required to find new ways to deliver the support and connection that was required by the community.

Nedlands Community Care clients had little disruption to services, with home support and the Waratah Club Social group continuing with clients and staff adhering to health rules and wearing masks when needed and social distancing.

Some of the social group outings required client numbers to be reduced for staff to manage social distancing, in the transport buses and at the venues.

Clients that were unable to come into the centre were given activity packs to keep minds active, and regular wellbeing checks were made via phone calls to maintain important connections with our clients.

Positive Ageing program

Affinity Club

At the start of the 2020-21 financial year, some Affinity Club activities were back after a difficult year. Strict government guidelines during phase 4 and phase 5 had to be adhered to, but activities were increasing. Teachers and volunteers completed the Covid-19 Infection Control training, received flu vaccinations and ensured the two square metre physical space amongst members was observed. Therefore, activities such as Mah-Jong, Canasta, art movies and talks of interest that required catering and/or close proximity amongst members, were suspended.

By February 2021, Mah-Jong and Canasta returned. Hand sanitizers were provided at each playing table and were required to be used regularly. Talks of interest and art movies were re-introduced to the monthly Affinity Calendar. Since then, the Affinity Club has increased its' numbers of activities and membership.

Senior Support

Senior's information sessions in 2020-21 experienced some disruption, but the City managed to provide some sessions, even with lower numbers of attendees.

COVID-19 management requirements were followed, including:

- Keeping to a maximum of 20 attendees and keeping them informed about our precautions when booking
- Socially distancing the seating
- Providing hand sanitiser
- Mandatory use of QR codes
- Sanitising down all areas before and after the sessions

Sessions provided include:

- Advocare education session 5 November 2020
- COTA Navigation Aged Care 17 November 2020
- UWA Ed Sessions on exercise and ageing 18 March 2021, 14 May and 29 May 2021

Unfortunately, the popular Senior's Expo which was booked for March 2021 had to be cancelled, with the hope that it would be held in early 2022.

Point Resolution Child Care

As was the case in 2019-20, PRCC continued to provide childcare services with minimal impact from COVID-19. All activities and events were held as planned, made possible by the continued adherence to safe COVID-19 practices by both staff and families using the centre made this possible.

The year ahead

As WA relaxes its borders, we anticipate the COVID situation to continue to evolve and change. This may impact on the delivery of City services in the future, but we will endeavour to keep disruption to a minimum while ensuring maximum safety.

Any changes regarding public events, council meetings or other face-to-face engagements will be in accordance with health advice from the WA Government. Details will be available on the City's website.



The City appreciates the contribution made by Friends' Groups who help to maintain and care for the City's bushland reserves.

(Pictured: Friends of Allen Park)

Statutory Requirements

Employee Remuneration

In accordance with s.19 (b) of the Local Government (Administration) Regulations 1996, the number of City employees entitled to an annual salary of \$130,000 or more are:

Employee Remuneration

Salary Range	Number of Officers
\$130,000 to \$160,000	11
\$160,000 to \$170,000	0
\$190,00 to \$220,000	3
\$220,000 to \$260,000	1

Full Time Employees

As of 30 June 2021, the City's full-time equivalent employee budgeted FTE was 158.91.

Record-keeping statement

The City of Nedlands is committed to the reliable and systematic management of government records, in accordance with legislative requirements and best practice standards.

Record-keeping plan

The City's current record-keeping plan, RKP2018005, was submitted to the State Records Office in March 2018 and subsequently approved on 23 March 2018. In accordance with the State Records Act 2000, the plan is to be reviewed and submitted to the State Records Office by 23 March 2023.

Information management systems

The City is continuing a review of its business processes and the various systems used to capture business intelligence across the organisation. The City is finalising its on-premise SharePoint environment migration to SharePoint Online.

Training and awareness

Record-keeping inductions are held for all new employees on commencement. This includes their record-keeping responsibilities and desktop training using SharePoint.

Council Meetings, Internal Committees, Working Groups and External Committees and Panel and Council Member Meeting Attendance

Council Member attendance 1 July 2020 – 30 June 2021

Council, Internal & External Committees & Panels, Internal and External Working Groups

In accordance with the Local Government Act 1995, City of Nedlands Council Members meet regularly to make decisions on governing the local government.

Council Meetings are attended by the Mayor, Deputy Mayor, Councillors of the City of Nedlands the Chief Executive Officer, Directors and Executive Officer and other administration staff as required, members of the media, and community members.

City of Nedlands Council Meetings are held on the fourth Tuesday of the month, with the exception of the December Council meeting which is held on the second or third Tuesday of the month. The meetings are held in the Council Chamber, at the Administration Building at 71 Stirling Highway Nedlands on the dates listed in the meeting calendar available on the City's website.

Attendance record:

Council Member	Number of Meetings
Mayor Cilla de Lacy (until 25/2/2021)	5
Mayor Fiona Argyle (from 21 June 2021)	1
Councillor Andrew Mangano	11
Councillor Paul Poliwka (until 1/6/2021)	9
Councillor Leo McManus	9
Councillor Rajah Senathirajah	11
Councillor Kerry Smyth	11
Councillor Rebecca Coghlan	11
Councillor Noel Youngman	6
Councillor Nikola Horley	9
Councillor Ben Hodsdon	10
Councillor Bronwen Tyson (from 2 March 2021)	4
Councillor Gordon Hay (until 13 November 2020)	4
Councillor Fergus Bennett	11
Councillor John Wetherall	11

Special Council Meetings

Special Council Meetings are attended by the Mayor, Deputy Mayor, Councillors of the City of Nedlands, the Chief Executive Officer, Directors and Executive Officer and other administration staff as required, members of the media, and community members.

Attendance record:

Council Member	Number of Meetings
Mayor Cilla de Lacy (until 25/2/2021)	7
Mayor Fiona Argyle (from 21 June 2021)	1
Councillor Andrew Mangano	12
Councillor Paul Poliwka (until 1/6/2021)	11
Councillor Leo McManus	12
Councillor Rajah Senathirajah	12
Councillor Kerry Smyth	12
Councillor Rebecca Coghlan	12
Councillor Noel Youngman	7
Councillor Nikola Horley	11
Councillor Ben Hodsdon	12
Councillor Bronwen Tyson (from 2 March 2021)	3
Councillor Gordon Hay (until 13 November 2020)	5
Councillor Fergus Bennett	11
Councillor John Wetherall	10

Internal Committees

In accordance with the Local Government Act 1995, the Council has established Committees to support the operations of the Council. Information on the pages listed below provides details about the membership, required attendees and role of each Committee.

Whole of Council Committee

The purpose of the Committee of the Whole of Council is to consider matters presented to it by the Council administration and only make recommendations to Council to enable the necessary or convenient proper management of the Council functions of the Local Government Act 1995, the Planning and Development Act 2005 and other relevant legislation as amended from time to time.

Membership – Mayor de Lacy (until 25 February 2021), Mayor Argyle (from 21 June 2021) and Councillors McManus, Bennett, Mangano, Coghlan, Youngman, Smyth, Horley, Poliwka (until 1 June 2021), Hay (until 13 November 2020), Tyson (from 2 March 2021), Wetherall, Senathirajah and Hodsdon.

Attendance record:

Council Member	Number of Meetings
Mayor Cilla de Lacy (until 25/2/2021)	7
Councillor Andrew Mangano	11
Councillor Paul Poliwka (until 1/6/2021)	10
Councillor Leo McManus	11
Councillor Rajah Senathirajah	11
Councillor Kerry Smyth	11
Councillor Rebecca Coghlan	10
Councillor Noel Youngman	6
Councillor Nikola Horley	11
Councillor Ben Hodsdon	11
Councillor Bronwen Tyson (from 2 March 2021)	4
Councillor Gordon Hay (until 13 November 2020)	4
Councillor Fergus Bennett	11
Councillor John Wetherall	11

Audit and Risk Committee

This Committee is established by Council in accordance with the Local Government Act 1995, part 7, to assist the Council under Regulation 16 of the Local Government (Audit) Regulations 1995 to discharge its responsibilities with regard to the exercise of due care, diligence and skill in relation to:

- The reporting of financial information, the application of accounting policies, and the management of the financial affairs of the City,
- The assessment of the adequacy of the management of Risk.

Membership

Mayor or Deputy Mayor and four Councillors one from each ward.

Appointed Council Members:

Members - Mayor Cilla de Lacy (until 25 February 2021), Councillors McManus (Chair), Mangano, Senathirajah, Poliwka (until 1 June 2021).

Deputy Members - Councillors Smyth, Bennett, Wetherall, (No deputy for Melvista Ward due to vacant Council Member position)

Council Members not appointed to this committee are able to attend as observers.

Attendance record:

Council Member	Number of Meetings
Mayor Cilla de Lacy (until 25/2/2021)	3
Councillor Andrew Mangano	4
Councillor Paul Poliwka (until 1/6/2021)	5
Councillor Leo McManus	6
Councillor Senathirajah	6
Councillor Kerry Smyth	1 (observer)

Public Art Committee

The Public Art Committee will be established under the Local Government Act 1995 to implement public art projects within the City of Nedlands.

Membership

Mayor or Deputy Mayor and four Councillors 1 from each ward.

Appointed Council Members:

Members – Deputy Mayor McManus, Hodsdon (chair), Smyth, Mangano, Melvista Position Vacant.

Council Members not appointed to this committee are able to attend as observers.

Attendance record:

Council Member	Number of Meetings
Deputy Mayor Leo McManus	1
Councillor Andrew Mangano	1
Councillor Kerry Smyth	2
Councillor Ben Hodsdon	2

CEO Performance Review Committee

This committee is established under delegated authority to manage the performance appraisal process of the Chief Executive Officer in order to meet both Council's statutory obligations in accordance with the provisions of Section 5.38(1) of the Local Government Act 1995 and any terms and conditions of the employment contract of the Chief Executive Officer.

Membership

Mayor or Deputy Mayor and four Councillors one from each ward.

Appointed Council Members:

Members – Mayor de Lacy (until 25/2/2021) Deputy Mayor McManus, Councillors Horley (Chair), Bennett, Wetherall, Coghlan.

Council Members not appointed to this committee are able to attend as observers.

Attendance record:

Council Member	Number of Meetings
Mayor Cilla de Lacy (until 25/2/2021)	5
Deputy Mayor Leo McManus	1
Councillor Nikola Horley	5
Councillor Fergus Bennett	5
Councillor John Wetherall	6
Councillor Rebecca Coghlan	6
Councillor Andrew Mangano	4 (observer)
Councillor Rajah Senathirajah	1 (observer)
Councillor Kerry Smyth	6 (observer)
Councillor Ben Hodsdon	1 (observer)

CEO Recruitment and Selection Committee

The CEO Recruitment and Selection Committee is to be an interim Committee for the life of the CEO recruitment and selection processes.

The CEO Recruitment and Selection Committee will coordinate the end-to-end recruitment process, including working with an Executive Search consultancy as required to advertise for and search and select appropriate candidates.

Membership

Mayor or Deputy Mayor and four Councillors one from each ward.

Appointed Council Members:

Members – Mayor Cilla de Lacy (until 25 February 2021) (Chair), Councillors Smyth, Mangano, Wetherall and Coghlan.

Council Members not appointed to this committee are able to attend as observers.

Attendance record:

Council Member	Number of Meetings
Mayor Cilla de Lacy (until 25/2/2021)	1
Deputy Mayor Leo McManus	3
Councillor Andrew Mangano	4
Councillor Kerry Smyth	5
Councillor John Wetherall	5
Councillor Rebecca Coghlan	5
Councillor Fergus Bennett	2 (observer)
Councillor Noel Youngman	2 (observer)
Councillor Rajah Senathirajah	1 (observer)

Internal Working Groups

Community Working Group

The Community Working Group will perform the vital role of being a conduit between the Council and the community and helping to inform and identify local community priorities in the review and formulation of local planning policies and relevant planning instruments.

The objective is to engage directly with community representatives on key issues and areas of interest in developing local planning policies in an impartial manner.

Appointed Council Members:

Members – Councillors McManus (Chair) and Coghlan (Deputy Chair).

Council Members not appointed to this committee are able to attend as observers.

Attendance record:

Council Member	Number of Meetings
Councillor Leo McManus	5
Councillor Rebecca Coghlan	5

Site Assessment Working Group

For the purpose of this Terms of Reference, the 'Site' is defined as the proposed Hospice site and its vicinity within the Allen Park Master Plan location. The establishment of the SAWG will enable the key stakeholders to be directly involved in reviewing the proposal for a Perth Children's Hospice in Swanbourne.

The feedback provided by the SAWG will assist the City of Nedlands and Council in making decisions that respond to community concerns and aspirations and have the best overall outcomes for the community.

Members

Coastal Ward Council Members

Appointed Council Members:

Members – Councillors Smyth (Chair), Horley (Deputy Chair) and McManus.

Council Members not appointed to this committee are able to attend as observers.

Attendance record:

Council Member	Number of Meetings
Councillor Kerry Smyth	5
Councillor Nikola Horley	6
Councillor Leo McManus	4

External Committees & Panels

Development Assessment Panel

Development Assessment Panels (DAP) were introduced by the (then) Department of Planning during 2011 to assist with decision making involved with complex development applications.

Each DAP consists of three specialist members, one of which is the presiding member, and two local government members.

The Planning and Development (Development Assessment Panels) Regulations 2011 (DAP Regulations) requires Council to nominate four elected members of the Council, comprising two local members and two alternate local members to sit on the Joint Development Assessment Panel (JDAP).

Meetings held - 23

Membership

Four Council Members comprising of two Members and two Alternate Members.

Appointed Council Members:

Members – Mayor Cilla de Lacy (until 30 September 2020), Councillors Bennett and Smyth.

Alternate Members – Councillors Coghlan and Poliwka (until 1 June 2021)

Lake Claremont Advisory Committee

The Committee was established to prepare and implement a Management Plan for the Lake. Lake Claremont Advisory Committee, with community participation, ensures that the Lake is managed by the Town of Claremont, as a healthy natural seasonal lake for both conservation and recreational purposes.

Meetings held - 4

Membership

Two Councill members.

Appointed Council Members:

Member – Councillor Kerry Smyth: **Deputy Member** Councillor Fergus Bennett

Metropolitan Regional Road Group – West Sub Group

The State Road Funds to Local Government Agreement 2018/19 to 2022/23 provides the framework for distribution of State funds available from State Government for local roads. The State Road Funds to Local Government Advisory Committee (SAC) oversees, monitors and recommends to the Minister for Transport the distribution of State funds under the Agreement.

Regional Road Groups, under the Agreement, are responsible for developing regional specific policies and procedures within the overarching framework to suit local circumstances. Membership of Regional Road Groups is to comprise elected Local Government representatives (Councillors and Commissioners as appointed under the Local Government Act) with all local governments being represented.

Meetings held - 5

Membership

One Council Member

Appointed Council Members:

Members – Councillor Ben Hodsdon

WALGA Central Metropolitan Zone

The City of Nedlands is a member of the Western Australian local Government Association (WALGA).

Zones are required to meet to consider items contained on the agenda to have input into the decision making of State Council on a particular item, it must pass an advisory resolution.

The relationship between State Council and the Zones within the Western Australian Local Government Association is a critical one in the political representation of Local Government at the State and Federal levels. Zones have an integral role in shaping the political and strategic direction of Local Government as a sphere of government. Not only are Zones responsible for bringing relevant local and regional issues to the State decision making table, but they are also a key player in developing policy and legislative initiatives for Local Government. Zones have a direct relationship with the State Council of the Association, Policy Teams and Policy Forums and the Secretariat of the Association.

The primary role of Zones is to elect a State Council representative; consider the State Council agenda; and provide direction/feedback to their State Councillor. The role/functions of a Zone may include developing/advocating positions on regional issues affecting Local Government; progressing regional Local Government initiatives; identifying relevant issues for action by WALGA; networking and sharing information; and contributing to policy development through Policy Teams and Policy Forums.

Under the representational framework of the Association, Member Local Governments have the capacity to be directly involved in the development of policy for Local Government. Member Local Government can access the Association through the State Council, Secretariat, Policy Teams and Policy Forums, or alternatively can access the Association through their respective Zones.

Zones provide critical input into the business which is considered by State Council.

The relationship between State Council and the Zones within the Western Australian Local Government Association is a critical one in the political representation of Local Government at the State and Federal levels. Zones have an integral role in shaping the political and strategic direction of Local Government as a sphere of government. Not only are Zones responsible for bringing relevant local and regional issues to the State decision making table, but they are also a key player in developing policy and legislative initiatives for Local Government. Zones have a direct relationship with the State Council of the Association, Policy Teams and Policy Forums and the Secretariat of the Association.

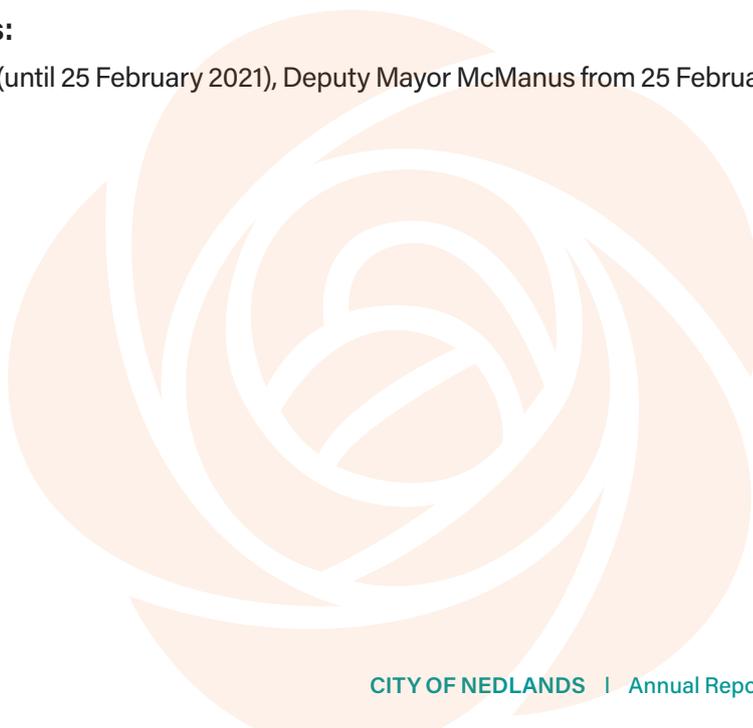
Meetings held - 1

Membership

Two Council Members.

Appointed Council Members:

Members – Mayor Cilla de Lacy (until 25 February 2021), Deputy Mayor McManus from 25 February 2021, and Councillor Smyth.



Western Suburbs Regional Organisation of Councils (WESROC)

Meetings held - 1

Membership

Mayor or Deputy Mayor and CEO or Acting CEO.

Appointed Council Members:

Members – Mayor Cilla de Lacy (until 25 February 2021), Deputy Mayor Leo McManus (until 21 June 2021), Mayor Fiona Argyle (from 21 June 2021) and CEO Bill Parker (from 4 August 2021).

Council Member Briefing Sessions

In addition to the above Council Meetings, Committee Meetings and internal and external working groups and panels, as part of the decision-making process Council Members also attend Council Member Briefing sessions on the first and third Tuesday of the month with additional meetings held on Thursdays or other days as required. These briefings cover a variety of important issues.

Council Members attended a total of 36 briefings consisting of 25 Tuesdays, 1 Wednesday and 10 Thursdays.

Freedom of Information

The *Freedom of Information Act 1992* gives the public a right to apply for access to documents held by the City of Nedlands. The City aims to make information available whenever possible, outside the freedom of information process.

The City received 16 valid freedom of information applications in 2020-21. Of these, 13 were finalised internally, one was transferred to external review, one was partially transferred and one was received from another agency.

The City of Nedlands information statement is available on the City's website at nedlands.wa.gov.au/access-information.

Official conduct of Council Members – complaints register

Section 5.121 of the Local Government Act 1995 requires a local government to maintain a register of complaints that result in an action under s. 5.110(6)(b) or (c) of the Local Government Act 1995.

Under section 5.53(2) the Annual Report is required to disclose information regarding complaints.

Ten complaints were received and lodged for determination with the Local Government Standards Panel in the 2020-21 financial year.

Seven complaints were determined by the Local Government Standards Panel with findings that no breach was made and therefore no action required.

Three complaints are yet to be determined by the Local Government Standards Panel.

Testimonials

Library Services

We collected the kids' parcels today and they were so thrilled to unwrap them. Charlotte and Harry are also really excited about the collection of books that were chosen for them. Their older sister has now requested a parcel too. Thank you again for this wonderful service. We really appreciate it. Kind regards,

Louise Burlinson
Nedlands Residence

Positive Ageing

Thank you for the effort you have put in to bring this program to us. The information sessions were fantastic, and we have enjoyed taking part in the UWA research program. We are interested in an ongoing seniors' program and look forward to continuing an exercise program in 2022. We are sure our balance and strength have benefited from the program undertaken.

Anne and John Willox
(Attended the UWA information talks and subsequent clinical health trials)

Positive Ageing

I have definitely gained by the exercises. I have much more stamina, can walk longer and stronger, and take hills in my stride. I now walk 7 - 9 kms. a day without really realising I have done it. I am continuing exercising by going to a local gym twice a week for their seniors' class. I am thinking of getting a personal trainer to continue with the sort of exercises we did at UWA - i.e. weight lifting/pushing, which we do not do much of at the gym. I am interested in an ongoing time slot at some stage.

Trish Hewson
Member, Affinity Club

Affinity Club

"The pilates classes are very welcoming and the instructor, Ilsa, is knowledgeable and encouraging.

"You don't have to worry about coming in on your own, there are plenty of opportunities to make friends."

Sue Gillett
Member, Affinity Club

Point Resolution Child Care

We are blessed to have been with point resolution Childcare Centre for four years and counting. We have enjoyed incredible stories of exciting days at " little school : as our children have grown and developed with the expert guidance and care given by the staff at PRCC.

One of the highlights in our family is receiving regular reports on our children's learning journeys. The reports are wonderful keepsakes of these children develop their real-world skills. The detailed reports highlight the time , effort and care that is sincerely dedicated to our children.

We couldn't be happier that we found our second home at PRCC.

Glencora Cabras
PRCC Client

City Infrastructure

"A quick note to thank you and your team for the works carried out in our street (Rosedale) last month.

"We were very impressed by the manner in which the works were conducted.

"The contractor worked incredibly neatly and workers were very polite and respectful of being in our street.

"The street looks fabulous!"

Joanne Sparks
City of Nedlands resident



Financials

2020 - 2021

CITY OF NEDLANDS
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

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COMMUNITY VISION

Our City will be an environmentally-sensitive, beautiful and inclusive place.

Principal place of business:
71, Stirling Highway
Nedlands WA 6009

**CITY OF NEDLANDS
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Nedlands for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the City of Nedlands at 30 June 2021 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the **24th** day of **NOVEMBER** 2021



Chief Executive Officer

William Parker

Name of Chief Executive Officer

CITY OF NEDLANDS
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Rates	29(a)	24,724,235	24,247,233	24,367,185
Operating grants, subsidies and contributions	2(a)	2,162,126	1,720,700	2,293,237
Fees and charges	2(a)	7,699,409	6,648,238	7,099,852
Service charges		(19,966)	0	(204,464)
Interest earnings	2(a)	268,905	449,000	500,063
Other revenue	2(a)	132,711	513,831	490,161
		34,967,420	33,579,002	34,546,034
Expenses				
Employee costs		(14,396,659)	(13,828,798)	(13,890,564)
Materials and contracts		(11,089,161)	(11,012,036)	(10,139,596)
Utility charges		(882,938)	(889,500)	(881,896)
Depreciation on non-current assets	11(d)	(4,288,831)	(4,446,300)	(4,128,897)
Interest expenses	2(b)	(169,430)	(173,480)	(241,893)
Insurance expenses		(375,901)	(354,067)	(412,313)
Other expenditure	2(b)	(706,287)	(882,852)	(937,514)
		(31,909,207)	(31,587,033)	(30,632,673)
		3,058,213	1,991,969	3,913,361
Non-operating grants, subsidies and contributions	2(a)	2,256,281	2,180,879	2,174,522
Profit on asset disposals	11(a)	35,067	182	77,691
(Loss) on asset disposals	11(a)	0	(30,316)	(24,217)
Fair value adjustments to financial assets at fair value through profit or loss		5,172	0	2,305
		2,296,520	2,150,745	2,230,301
Net result for the period		5,354,733	4,142,714	6,143,662
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		5,354,733	4,142,714	6,143,662

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 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Governance	2(a)	104,963	255,881	253,900
General purpose funding		25,830,794	25,171,233	25,787,306
Law, order, public safety		377,391	282,500	400,106
Health		59,545	88,000	159,281
Education and welfare		2,083,015	1,798,300	1,943,721
Community amenities		3,993,694	4,002,954	3,618,105
Recreation and culture		935,369	735,350	1,400,353
Transport		165,454	159,818	153,415
Economic services		1,347,474	1,027,184	889,132
Other property and services		69,721	57,782	(59,285)
		34,967,420	33,579,002	34,546,034
Expenses				
Governance	2(b)	(3,318,649)	(3,289,234)	(2,597,806)
General purpose funding		(458,156)	(397,983)	(667,253)
Law, order, public safety		(916,601)	(983,399)	(1,000,422)
Health		(671,243)	(756,523)	(661,509)
Education and welfare		(2,465,249)	(2,389,187)	(2,441,082)
Community amenities		(5,804,452)	(5,667,480)	(4,766,093)
Recreation and culture		(7,840,095)	(8,218,286)	(8,881,821)
Transport		(4,362,998)	(4,608,684)	(4,478,937)
Economic services		(4,686,349)	(4,794,439)	(4,727,977)
Other property and services		(1,215,985)	(308,338)	(177,842)
		(31,739,777)	(31,413,553)	(30,400,742)
Finance Costs				
Community amenities	2(b)	(59,286)	(64,136)	(80,107)
Recreation and culture		(81,583)	(80,144)	(115,745)
Transport		(28,561)	(29,200)	(36,079)
		(169,430)	(173,480)	(231,931)
		3,058,213	1,991,969	3,913,361
Non-operating grants, subsidies and contributions	2(a)	2,256,281	2,180,879	2,174,522
Profit on disposal of assets	11(a)	35,067	182	77,691
(Loss) on disposal of assets	11(a)	0	(30,316)	(24,217)
Fair value adjustments to financial assets at fair value through profit or loss		5,172	0	2,305
		2,296,520	2,150,745	2,230,301
Net result for the period		5,354,733	4,142,714	6,143,662
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		5,354,733	4,142,714	6,143,662

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



CITY OF NEDLANDS
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	NOTE	2021	2020
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	15,827,346	10,219,350
Trade and other receivables	6	1,954,644	2,183,318
Other financial assets	5(a)	4,298,665	6,277,329
Inventories	7	34,191	22,816
Contract assets	2(a)	13,500	33,686
Other assets	8	48,312	290,591
TOTAL CURRENT ASSETS		22,176,658	19,027,090
NON-CURRENT ASSETS			
Trade and other receivables	6	1,443,370	1,604,435
Other financial assets	5(b)	205,015	221,257
Property, plant and equipment	9	146,705,559	147,286,247
Infrastructure	10	92,642,616	90,302,381
Right-of-use assets	12(a)	4,998,461	5,039,912
TOTAL NON-CURRENT ASSETS		245,995,021	244,454,232
TOTAL ASSETS		268,171,679	263,481,322
CURRENT LIABILITIES			
Trade and other payables	14	7,573,268	6,186,122
Other liabilities	15	671,023	1,022,659
Lease liabilities	16(a)	64,310	52,999
Borrowings	17(a)	1,405,492	1,750,166
Employee related provisions	18	2,678,769	2,652,371
TOTAL CURRENT LIABILITIES		12,392,862	11,664,317
NON-CURRENT LIABILITIES			
Lease liabilities	16(a)	207,605	137,163
Borrowings	17(a)	2,708,993	4,114,485
Employee related provisions	18	161,190	264,987
Other provisions	14	93,181	47,251
TOTAL NON-CURRENT LIABILITIES		3,170,969	4,563,886
TOTAL LIABILITIES		15,563,831	16,228,203
NET ASSETS		252,607,848	247,253,119
EQUITY			
Retained surplus		87,333,105	81,399,623
Reserves - cash/financial asset backed	4	5,317,090	5,895,843
Revaluation surplus	13	159,957,653	159,957,653
TOTAL EQUITY		252,607,848	247,253,119

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



CITY OF NEDLANDS
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

		RESERVES CASH/FINANCIAL		
	NOTE	RETAINED SURPLUS	ASSET BACKED	REVALUATION SURPLUS
		\$	\$	\$
		\$	\$	\$
Balance as at 1 July 2019		75,056,435	6,095,369	159,957,653
Comprehensive income				
Net result for the period		6,143,662	0	0
Total comprehensive income		6,143,662	0	0
Transfers from reserves	4	2,561,212	(2,561,212)	0
Transfers to reserves	4	(2,361,686)	2,361,686	0
Balance as at 30 June 2020		81,399,623	5,895,843	159,957,653
Comprehensive income				
Net result for the period		5,354,733	0	0
Total comprehensive income		5,354,733	0	0
Transfers from reserves	4	906,703	(906,703)	0
Transfers to reserves	4	(327,947)	327,947	0
Balance as at 30 June 2021		87,333,105	5,317,090	159,957,653
				252,607,848

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



CITY OF NEDLANDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		25,232,316	24,497,464	23,395,781
Operating grants, subsidies and contributions		1,818,375	1,306,059	2,866,485
Fees and charges		7,736,502	6,648,238	7,099,852
Service charges		(19,966)	0	(204,464)
Interest received		268,905	449,000	500,063
Goods and services tax received		1,667,021	2,270,000	2,082,634
Other revenue		132,711	513,831	490,161
		36,835,864	35,684,592	36,230,512
Payments				
Employee costs		(14,467,132)	(13,628,799)	(13,652,282)
Materials and contracts		(9,433,355)	(10,970,948)	(8,664,330)
Utility charges		(882,938)	(889,500)	(881,896)
Interest expenses		(169,430)	(175,980)	(241,893)
Insurance paid		(375,901)	(354,067)	(412,313)
Goods and services tax paid		(1,808,907)	(2,300,000)	(1,764,049)
Other expenditure		(706,287)	(882,852)	(937,514)
		(27,843,950)	(29,202,146)	(26,554,277)
Net cash provided by operating activities	19	8,991,914	6,482,446	9,676,235
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	9(a)	(582,018)	(2,443,660)	(1,721,433)
Payments for construction of infrastructure	10(a)	(5,334,657)	(5,610,994)	(5,430,933)
Payments for right of use assets		(157,176)		(25,672)
Non-operating grants, subsidies and contributions	2(a)	2,256,281	2,180,879	2,174,522
Proceeds from financial assets at amortised cost		1,991,900	17,500	(1,415,692)
Proceeds from financial assets at amortised cost - self supporting loans		8,178		10,183
Proceeds from sale of property, plant & equipment	11(a)	101,989	3,411,163	519,905
Proceeds from lease receivable		0		33,352
Net cash provided by (used in) investment activities		(1,715,503)	(2,445,112)	(5,855,769)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(1,750,165)	(1,750,166)	(1,691,065)
Payments for principal portion of lease liabilities	16(b)	(75,171)	(38,987)	(80,474)
Recognition of new lease liabilities	16(b)	156,922		0
Net cash provided by (used in) financing activities		(1,668,414)	(1,789,153)	(1,771,539)
Net increase (decrease) in cash held		5,607,997	2,248,181	2,048,927
Cash at beginning of year		10,219,350	9,167,287	8,170,423
Cash and cash equivalents at the end of the year	19	15,827,346	11,415,468	10,219,350

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

CITY OF NEDLANDS
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	30 (b)	3,238,997	997,619	1,604,417
		3,238,997	997,619	1,604,417
Revenue from operating activities (excluding rates)				
Governance		110,135	255,881	256,205
General purpose funding		1,106,559	924,000	1,420,121
Law, order, public safety		377,391	282,500	400,106
Health		59,545	88,000	159,281
Education and welfare		2,083,015	1,798,300	1,943,721
Community amenities		3,993,694	4,002,954	3,618,105
Recreation and culture		935,369	735,350	1,400,353
Transport		165,454	159,818	153,415
Economic services		1,347,474	1,027,184	889,132
Other property and services		104,788	57,964	18,406
		10,283,424	9,331,951	10,258,845
Expenditure from operating activities				
Governance		(3,318,649)	(3,289,234)	(2,597,806)
General purpose funding		(458,156)	(397,983)	(667,253)
Law, order, public safety		(916,601)	(983,399)	(1,000,422)
Health		(671,243)	(756,523)	(661,509)
Education and welfare		(2,465,249)	(2,389,187)	(2,441,082)
Housing		0	0	0
Community amenities		(5,863,738)	(5,731,616)	(4,846,200)
Recreation and culture		(7,921,678)	(8,298,430)	(8,997,566)
Transport		(4,391,559)	(4,637,884)	(4,515,016)
Economic services		(4,686,349)	(4,794,439)	(4,727,977)
Other property and services		(1,215,985)	(338,654)	(202,059)
		(31,909,207)	(31,617,349)	(30,656,890)
Non-cash amounts excluded from operating activities	30(a)	4,422,232	4,476,434	3,710,881
Amount attributable to operating activities		(13,964,554)	(16,811,345)	(15,082,747)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	2,256,281	2,180,879	2,174,522
Proceeds from disposal of assets	11(a)	101,989	3,411,163	519,905
Proceeds from financial assets at amortised cost - self supporting loans		8,178	0	10,183
Proceeds on disposal of financial assets at amortised cost		0	17,500	0
Purchase of property, plant and equipment	9(a)	(582,018)	(2,443,660)	(1,721,433)
Purchase and construction of infrastructure	10(a)	(5,334,657)	(5,610,994)	(5,430,933)
Right of use of asset	12(a)	(157,176)	0	(25,672)
		(3,707,403)	(2,445,112)	(4,473,429)
Amount attributable to investing activities		(3,707,403)	(2,445,112)	(4,473,429)
FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(1,750,165)	(1,750,166)	(1,691,065)
Payments for principal portion of lease liabilities	16(b)	(75,171)	(38,987)	(80,474)
Transfers to reserves (restricted assets)	4	(327,947)	(4,524,113)	(2,361,686)
Transfers from reserves (restricted assets)	4	906,703	2,299,388	2,561,212
Amount attributable to financing activities		(1,246,580)	(4,013,878)	(1,572,013)
Surplus/(deficit) before imposition of general rates		(18,918,537)	(23,270,335)	(21,128,189)
Total amount raised from general rates	29(a)	24,724,235	24,247,233	24,367,185
Surplus after imposition of general rates	30(b)	5,805,698	976,898	3,238,996

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

CITY OF NEDLANDS
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FOR THE YEAR ENDED 30 JUNE 2021

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1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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. There are no Trust Funds held by the City.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

The following new accounting standards will have application to local government in future years:

- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

It is not expected these standards will have an impact on the financial report.

CRITICAL ACCOUNTING ESTIMATES

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

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

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source

Revenue Category	Nature of goods and services	Timing of revenue recognition until 30 June 2019	Timing of revenue recognition 1 July 2019
Rates	General Rates	When rates notice is issued	When rates notice is issued
Service charges	Underground Power, charge for specific service	When rates notice is issued	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	On receipt of funds.	Income based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	On receipt of funds.	Capital grants are recognised as income based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants without specific performance obligations	General appropriations and contributions with no reciprocal commitment	On receipt of funds.	When assets are controlled
Fees and charges	<ul style="list-style-type: none"> · Building, planning, development, and animal management, having the same nature as a license regardless of naming. · Compliance safety check · Regulatory Food, Health and safety · Kerbside collection service · Halls and facilities · Library fees, reinstatements and private works · Art course fees · Fines issued for breaches of local laws 	When fee or charge is raised in relation as event or service occurring, or upon receipt of funds.	At a point in time(or over a relatively short period of time) when the services have been provided and payments are received
Other Revenue	Insurance claims, Commissions on Licensing and ticket sales	When significant risks and rewards of ownership transfer to the purchaser and can be measured reliably, or upon receipt of funds. Fee or charge is raised in relation as event or service occurring, or upon receipt of funds.	At a point in time when the goods have been transferred and payments are received, or upon receipt of funds.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	3,049	20,000	4,106
General purpose funding	764,727	363,000	786,478
Law, order, public safety	31,844	0	31,116
Education and welfare	1,063,419	1,037,800	1,099,315
Recreation and culture	52,548	27,300	112,627
Transport	111,230	80,000	96,068
Economic services	80,753	140,000	153,641
Other property and services	54,556	52,600	9,886
	2,162,126	1,720,700	2,293,237
Non-operating grants, subsidies and contributions			
Recreation and culture	0	48,867	58,670
Transport	2,256,281	2,132,012	2,115,852
	2,256,281	2,180,879	2,174,522
Total grants, subsidies and contributions	4,418,407	3,901,579	4,467,759
Fees and charges			
Governance	91,162	75,000	263,817
General purpose funding	86,825	95,000	119,420
Law, order, public safety	345,547	70,000	356,103
Health	58,044	45,000	70,231
Education and welfare	1,019,596	758,500	715,356
Community amenities	3,962,499	4,001,454	3,618,102
Recreation and culture	844,635	678,400	1,088,545
Transport	88,793	80,000	57,166
Economic services	1,202,243	839,884	753,861
Other property and services	65	5,000	57,251
	7,699,409	6,648,238	7,099,852

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)	2021 Actual \$	2021 Budget \$	2020 Actual \$
Contracts with customers and transfers for recognisable non-financial assets			
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the City was recognised during the year for the following nature or types of goods or services:			
Fees and charges	7,219,017	6,200,935	6,149,110
Other revenue	121,959	503,078	330,983
Non-operating grants, subsidies and contributions	2,256,281	2,180,879	2,174,522
	<u>9,597,257</u>	<u>8,884,892</u>	<u>8,654,615</u>
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the City is comprised of:			
Revenue from contracts with customers included as a contract liability at the start of the period	671,023	0	1,022,659
Revenue from contracts with customers recognised during the year	6,669,953	6,704,013	5,457,434
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	2,256,281	2,180,879	2,174,522
	<u>9,597,257</u>	<u>8,884,892</u>	<u>8,654,615</u>
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	6	855,456	811,770
Contract assets		13,500	33,686
Contract liabilities from contracts with customers	15	(671,023)	(1,022,659)

Contract assets primarily relate to the City's right to consideration for work completed but not billed at 30 June 2021.

Assets associated with contracts with customers were not subject to an impairment charge.

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

Consideration from contracts with customers is included in the transaction price.

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Continued)

(b) Expenses	Note	2021 Actual	2021 Budget	2020 Actual
		\$	\$	\$
Auditors remuneration				
- Audit of the Annual Financial Report		45,000	45,000	80,000
- Other services		10,000	9,600	4,500
		<u>55,000</u>	<u>54,600</u>	<u>84,500</u>
Interest expenses (finance costs)				
Borrowings	17(b)	164,187	172,115	235,313
Lease liabilities	16(b)	5,243	1,365	6,581
		<u>169,430</u>	<u>173,480</u>	<u>241,894</u>
Other expenditure				
Impairment loss on trade and other receivables		10,432	29,500	152,517
Sundry expenses		695,855	853,352	784,997
		<u>706,287</u>	<u>882,852</u>	<u>937,514</u>

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

3. CASH AND CASH EQUIVALENTS

NOTE	2021	2020
	\$	\$
Cash at bank and on hand	11,217,687	6,682,574
Term deposits	4,609,659	3,536,776
Total cash and cash equivalents	15,827,346	10,219,350
Restrictions		
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:		
- Cash and cash equivalents	4,506,328	2,893,379
- Financial assets at amortised cost	4,281,982	6,273,882
- Bonds & Retention Funds	2,800,200	2,248,759
	8,788,310	9,167,261

The restricted assets are a result of the following specific purposes to which the assets may be used:

Reserves - cash/financial asset backed	4	5,317,087	5,895,843
Contract liabilities from contracts with customers	15	671,023	1,022,659
Bonds & Retention Funds	33	2,800,200	2,248,759
Total restricted assets		8,788,310	9,167,261

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

4. RESERVES - CASH/FINANCIAL ASSET BACKED

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Reserves cash backed - Plant Replacement Reserve	34,483	198	0	34,681	34,851	349	(35,200)	0	34,000	483	0	34,483
(b) Reserves cash backed - City Development Reserve	273,662	1,471	(200,000)	75,133	276,258	2,763	(200,000)	79,021	367,068	6,594	(100,000)	273,662
(c) Reserves cash backed - North Street Reserve	373,517	1,975	(239,172)	136,320	379,639	3,796	(200,000)	183,435	760,605	12,912	(400,000)	373,517
(d) Reserves cash backed - Welfare Reserve	693,688	2,529	0	696,217	697,194	6,972	0	704,166	484,909	208,779	0	693,688
(e) Reserves cash backed - Service Reserve	211,237	989	0	212,226	212,757	2,128	0	214,885	207,568	3,669	0	211,237
(f) Reserves cash backed - Insurance Reserve	65,123	264	0	65,387	65,702	657	0	66,359	64,099	1,024	0	65,123
(g) Reserves cash backed - Waste Management Reserve	1,081,804	105,879	0	1,187,683	1,086,802	110,868	0	1,197,670	962,682	119,122	0	1,081,804
(h) Reserves cash backed - Building Replacement Reserve	745,214	92,058	(364,000)	473,272	750,106	95,651	(364,000)	481,757	718,057	101,157	(74,000)	745,214
(i) Reserves cash backed - Swanbourne Development Reserve	134,467	469	0	134,936	135,315	1,353	0	136,668	132,008	2,459	0	134,467
(j) Reserves cash backed - Public Art Reserve	97,377	494	0	97,871	94,386	944	(50,000)	45,330	210,866	44,511	(158,000)	97,377
(k) Reserves cash backed - Business System Reserve	550,620	2,954	0	553,574	552,809	5,528	(500,000)	58,337	295,424	255,196	0	550,620
(l) Reserves cash backed - All Abilities Play Space	280,467	99,859	(66,000)	314,326	277,496	101,175	(66,000)	312,671	193,262	101,205	(14,000)	280,467
(m) Reserves cash backed - Underground Power Projects	769,990	3,879	(25,848)	748,021	777,068	1,683,566	(872,505)	1,588,129	370,166	1,480,664	(1,080,840)	769,990
(n) Reserves cash backed - Major Projects	584,194	3,242	0	587,436	580,884	2,496,680	0	3,077,564	1,294,655	23,911	(734,372)	584,194
(o) Reserves cash backed - Lawler Park	0	11,687	(11,683)	4	0	11,683	(11,683)	0	0	0	0	0
	5,895,843	327,947	(906,703)	5,317,087	5,921,267	4,524,113	(2,299,388)	8,145,992	6,095,369	2,361,686	(2,561,212)	5,895,843

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Reserves cash backed - Plant Replacement Reserve	On-going	To fund replacement of plant and equipment so that the cost is spread over a number of years.
(b) Reserves cash backed - City Development Reserve	On-going	To fund improvement and purchase of property, plant and equipment.
(c) Reserves cash backed - North Street Reserve	On-going	To fund operational and capital costs of community and recreational facilities at Mt Claremont and Swanbourne, and infrastructure generally.
(d) Reserves cash backed - Welfare Reserve	On-going	To fund the operational and capital costs to welfare services.
(e) Reserves cash backed - Service Reserve	On-going	To fund purchase of property, purchase of land and for parking areas, expense of streets depots, town planning schemes, valuation and legal cost, items of works of an urgent nature such as drainage.
(f) Reserves cash backed - Insurance Reserve	On-going	To fund any excess that may arise from having a performance based workers compensation premium.
(g) Reserves cash backed - Waste Management Reserve	On-going	To fund replacement of rubbish bin stock so that the cost is spread over a number of years.
(h) Reserves cash backed - Building Replacement Reserve	On-going	To fund the upgrade and/or replacement of council buildings.
(i) Reserves cash backed - Swanbourne Development Reserve	On-going	To fund capital works in the Swanbourne area associated with the Swanbourne Masterplan, Set-up with proceeds of the insurance claim arising from the fire of council property in Swanbourne.
(j) Reserves cash backed - Public Art Reserve	On-going	To fund works of art in the City of Nedlands.
(k) Reserves cash backed - Business System Reserve	On-going	To fund council's business system.
(l) Reserves cash backed - All Abilities Play Space	On-going	To fund the annual operating and maintenance cost of the All Abilities Play Space
(m) Reserves cash backed - Underground Power Projects	On-going	To fund Underground Power Projects
(n) Reserves cash backed - Major Projects	On-going	To fund capital works from proceeds from sale of major assets
(o) Reserves cash backed - Lawler Park	30-Jun-21	To receive a donation from the Hackett Civic Association to fund the specific requests of the Association within Lawler Park, the specific request are for covered seating, an item of exercise equipment and a plaque acknowledging the donation

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Self supporting loans

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit and loss

Financial assets at amortised cost

Self supporting loans

Financial assets at fair value through profit and loss

Units in Local Government House Trust

	2021	2020
	\$	\$
Financial assets at amortised cost	4,298,665	6,277,329
	4,298,665	6,277,329
Other financial assets at amortised cost		
Term deposits	4,281,982	6,273,882
Self supporting loans	16,683	3,447
	4,298,665	6,277,329
(b) Non-current assets		
Financial assets at amortised cost	57,401	78,815
Financial assets at fair value through profit and loss	147,614	142,442
	205,015	221,257
Financial assets at amortised cost		
Self supporting loans	57,401	78,815
	57,401	78,815
Financial assets at fair value through profit and loss		
Units in Local Government House Trust	147,614	142,442
	147,614	142,442

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 17(b) as self supporting loans.

Units in LG House Trust represents the equity the City of Nedlands has in the Local Government House Trust as a consequence of a contribution towards the cost of purchasing Local Government House. The total contribution by all Councils towards the cost of the WALGA building was \$582,000 of which the City of Nedlands contributed \$8,000. There are 620 units in the Local Government House Trust, 8 of which are held by the City of Nedlands.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The City classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit and loss

The City classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the City has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 31.

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Allowance for impairment of receivables	
Service charges receivable	
Lease Receivable	

Non-current

Pensioner's rates and ESL deferred	
Service charges receivable	
Lease Receivable	

	2021	2020
	\$	\$
	606,717	1,004,284
	855,456	811,770
	362,757	220,871
	(10,432)	(9,282)
	88,346	105,253
	51,800	50,422
	1,954,644	2,183,318
	458,741	470,734
	542,853	640,126
	441,776	493,575
	1,443,370	1,604,435

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

When the City acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. When the City is an intermediate lessor, it accounts for its interests in the head lease and sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from

The lease receivable relates to a property that the City has sub-leased to a third party. The City has classified the sub lease as a finance lease, because the sub-lease is for the whole of the remaining term of the head lease.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 31.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

7. INVENTORIES

Current

Fuel and materials

	2021	2020
	\$	\$
	34,191	22,816
	<u>34,191</u>	<u>22,816</u>
	22,816	15,727
Inventories expensed during the year	(115,523)	(149,824)
Reversal of write down of inventories to net realisable value	5,172	2,305
Additions to inventory	121,726	154,608
Balance at end of year	<u>34,191</u>	<u>22,816</u>

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year

Reversal of write down of inventories to net realisable value

Additions to inventory

Balance at end of year

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

8. OTHER ASSETS

	2021	2020
	\$	\$
Other assets - current		
Prepayments	48,312	290,591
	48,312	290,591

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	111,635,000	1,256,080	31,100,722	143,991,802	143,991,802	695,809	2,501,419	147,189,030
Additions	0	21,445	817,468	838,913	838,913	130,058	752,463	1,721,433
(Disposals)	0	0	(6,327)	(6,327)	(6,327)	(653)	(459,451)	(466,431)
Depreciation (expense)	0	(48,007)	(670,566)	(718,573)	(718,573)	(119,874)	(319,339)	(1,157,786)
Balance at 30 June 2020	111,635,000	1,229,518	31,241,297	144,105,815	144,105,815	705,340	2,475,092	147,286,247
Comprises:								
Gross balance amount at 30 June 2020	111,635,000	1,372,656	46,030,803	159,038,459	159,038,459	2,779,757	6,549,765	168,367,981
Accumulated depreciation at 30 June 2020	0	(143,138)	(14,789,506)	(14,932,644)	(14,932,644)	(2,074,417)	(4,074,673)	(21,081,734)
Balance at 30 June 2020	111,635,000	1,229,518	31,241,297	144,105,815	144,105,815	705,340	2,475,092	147,286,247
Restated balance at 1 July 2020	111,635,000	1,229,518	31,241,297	144,105,815	144,105,815	705,340	2,475,092	147,286,247
Additions	0	0	350,178	350,178	350,178	121,792	110,048	582,018
(Disposals)	0	0	0	0	0	0	(66,923)	(66,923)
Depreciation (expense)	0	(54,292)	(703,157)	(757,449)	(757,449)	(98,990)	(239,344)	(1,095,783)
Balance at 30 June 2021	111,635,000	1,175,226	30,888,318	143,698,544	143,698,544	728,142	2,278,873	146,705,559
Comprises:								
Gross balance amount at 30 June 2021	111,635,000	1,372,656	46,380,981	159,388,637	159,388,637	2,901,549	6,487,160	168,777,346
Accumulated depreciation at 30 June 2021	0	(197,430)	(15,492,663)	(15,690,093)	(15,690,093)	(2,173,407)	(4,208,287)	(22,071,787)
Balance at 30 June 2021	111,635,000	1,175,226	30,888,318	143,698,544	143,698,544	728,142	2,278,873	146,705,559

CITY OF NEDLANDS
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2021

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	Level 2	Market Approach	Independent Registered valuer	June 2017	Sales evidence of similar assets
Buildings - non-specialised	Level 2	Market Approach	Independent Registered valuer	June 2017	Sales evidence of similar assets
Buildings - specialised	Level 3	Depreciated Replacement Cost Approach	Independent Registered valuer	June 2017	Estimates of replacement cost, residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
(ii) Cost					
Furniture and equipment	Level 3	Market Approach (until 30 June 2019)	Management valuation	June 2016	Make, size, year of manufacture and condition
Plant and equipment	Level 3	Market Approach (until 30 June 2019)	Management valuation	June 2016	Make, size, year of manufacture and condition

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

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

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change was effective from 1 July 2019 and represented a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximated cost at the date of change.

CITY OF NEDLANDS
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2021

10. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - Roads	Other infrastructure - Drainage	Other infrastructure - Footpath	Other infrastructure - Parks, Garden and Reserves	Other infrastructure - Street Furniture	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	46,497,558	13,417,494	11,791,517	13,702,808	2,228,670	87,638,048
Additions	3,278,754	32,189	409,723	1,652,838	57,429	5,430,933
Depreciation (expense)	(1,140,109)	(383,123)	(400,119)	(693,462)	(149,787)	(2,766,601)
Balance at 30 June 2020	48,636,204	13,066,560	11,801,121	14,662,184	2,136,312	90,302,381
Comprises:						
Gross balance at 30 June 2020	81,959,468	27,779,231	20,809,205	22,398,408	3,622,433	156,568,745
Accumulated depreciation at 30 June 2020	(33,323,264)	(14,712,671)	(9,008,084)	(7,736,224)	(1,486,121)	(66,266,364)
Balance at 30 June 2020	48,636,204	13,066,560	11,801,121	14,662,184	2,136,312	90,302,381
Restated balance at 1 July 2020	48,636,204	13,066,560	11,801,121	14,662,184	2,136,312	90,302,381
Additions	2,223,244	1,469,714	532,461	819,990	289,248	5,334,657
Depreciation (expense)	(1,250,038)	(383,896)	(414,511)	(793,284)	(152,693)	(2,994,422)
Balance at 30 June 2021	49,609,410	14,152,378	11,919,071	14,688,890	2,272,867	92,642,616
Comprises:						
Gross balance at 30 June 2021	84,182,712	29,248,945	21,341,666	23,218,398	3,911,681	161,903,402
Accumulated depreciation at 30 June 2021	(34,573,302)	(15,096,567)	(9,422,595)	(8,529,508)	(1,638,814)	(69,260,786)
Balance at 30 June 2021	49,609,410	14,152,378	11,919,071	14,688,890	2,272,867	92,642,616

CITY OF NEDLANDS
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2021

10. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - Roads	Level 3	Depreciated Replacement Cost Approach	Independent Registered valuer	June 2018	Estimates of replacement cost, residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
Other infrastructure - Drainage	Level 3	Depreciated Replacement Cost Approach	Independent Registered valuer	June 2018	Estimates of replacement cost, residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
Other infrastructure - Footpath	Level 3	Depreciated Replacement Cost Approach	Independent Registered valuer	June 2018	Estimates of replacement cost, residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
Other infrastructure - Parks, Garden and	Level 3	Depreciated Replacement Cost Approach	Independent Registered valuer	June 2018	Estimates of replacement cost, residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
Other infrastructure - Street Furniture	Level 3	Depreciated Replacement Cost Approach	Independent Registered valuer	June 2018	Estimates of replacement cost, residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.

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

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

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the City.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY Revaluation (Continued)

At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, is treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the City to measure the vested improvements as part of the related right-of-use assets at zero cost.

Refer to Note 12 that details the significant accounting policies applying to leases (including right-of-use assets).

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021
11. FIXED ASSETS

(a) Disposals of Assets

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss	2021 Budget Net Book Value	2021 Budget Sale Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	3,036,000	3,036,000	0	0	0	0	0	0
Buildings - specialised	0	0	0	0	285,162	285,162	0	0	6,327	6,327	0	0
Furniture and equipment	0	0	0	0	0	0	0	0	653	0	0	(653)
Plant and equipment	66,923	101,989	35,066	0	120,135	90,001	182	(30,316)	459,451	513,577	77,691	(23,565)
	66,923	101,989	35,066	0	3,441,297	3,411,163	182	(30,316)	466,431	519,905	77,691	(24,217)

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$
Plant and Equipment				
Bandit Model 150 XP 12" Wood Chipper	6,377	8,182	1,805	0
Hyundai iLoad Van (1EGP649)	11,636	13,138	1,501	0
Hyundai i30 Go Hatchback (1GMD004)	6,364	15,583	9,219	0
Ford FX Ranger XL Super Cab Utility with Alloy Tray (1GMQ625)	17,091	26,322	9,231	0
Ford Ranger Super Cab Pickup XLT Utility (1GOV565)	25,456	38,765	13,309	0
	66,924	101,989	35,066	0
	66,924	101,989	35,066	0

(b) Fully Depreciated Assets in Use

The gross carrying value of assets held by the City which are currently in use yet fully depreciated are shown in the table below.

	2021	2020
	\$	\$
Furniture and equipment	0	765,145
Plant and equipment	0	298,144
	0	1,063,289

(c) Temporarily Idle Assets

The carrying value of assets held by the City which are temporarily idle or retired from active use and not classified as held for sale are shown in the table below.

	2021	2020
	\$	\$
Buildings - specialised	0	1,262,790
	0	1,262,790

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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11. FIXED ASSETS

(d) Depreciation

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Buildings - non-specialised	54,292	48,000	48,007
Buildings - specialised	703,157	696,100	670,566
Furniture and equipment	98,990	226,100	119,874
Plant and equipment	239,344	342,200	319,339
Infrastructure - Roads	1,250,038	1,266,100	1,140,109
Other infrastructure - Drainage	383,896	385,200	383,123
Other infrastructure - Footpath	414,511	412,100	400,119
Other infrastructure - Parks, Garden and Reserve	793,284	741,700	693,462
Other infrastructure - Street Furniture	152,693	151,000	149,787
Right-of-use assets - buildings	137,317	137,400	137,675
Right-of-use assets - plant and equipment	61,309	40,400	66,835
	4,288,831	4,446,300	4,128,897

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Buildings	
- Structure	100 to 140 yrs
- Fit-outs	30 to 50 yrs
- Mechanical	50 to 100 yrs
- Roof Cladding	50 to 120 yrs
Furniture and equipment	4 to 10 yrs
Plant and equipment	5 to 15 yrs
Roads	
- Pavement	20 to 210 yrs
- Sub Grade	Not depreciated
- Top Surface	35 to 50 yrs
Footpaths	25 to 50 yrs
Stormwater	
- Pipes	60 to 80 yrs
- Pits	60 to 80 yrs
- Plant	30 to 80 yrs
Right of use (plant and equipment)	Based on the remaining lease

Depreciation rates (continued)

Asset Class	Useful life
Transport	
- Bus Shelters	30 yrs
- Roundabouts	20 to 80 yrs
- Street Lights	10 to 50 yrs
Parks	10 to 100 yrs
Parks Reticulation	25 to 50 yrs

Depreciation on revaluation

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

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

(b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

12. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Right-of-use assets - buildings \$	Right-of-use assets - plant and equipment \$	Right-of-use assets Total
Balance at 1 July 2019	5,112,928	105,822	5,218,750
Additions	25,672	0	25,672
Depreciation (expense)	(137,675)	(66,835)	(204,510)
Balance at 30 June 2020	5,000,925	38,987	5,039,912
Additions	0	157,176	157,176
Depreciation (expense)	(137,317)	(61,309)	(198,626)
Balance at 30 June 2021	4,863,609	134,853	4,998,461

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

	2021 Actual \$	2020 Actual \$
Depreciation expense on lease liabilities	(61,309)	(66,835)
Interest expense on lease liabilities	(1,374)	(2,339)
Total amount recognised in the statement of comprehensive income	(62,683)	(69,174)
Total cash outflow from leases	(80,414)	(87,055)

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the City assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 11 for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the City anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

12. LEASES (CONTINUED)

(b) Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year
 1 to 2 years
 2 to 3 years
 3 to 4 years
 4 to 5 years
 > 5 years

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
	51,800	0	50,422
	53,216	0	0
	54,671	0	0
	56,165	0	0
	57,701	0	0
	220,022	0	493,575
	493,575	0	543,997

SIGNIFICANT ACCOUNTING POLICIES

The City as Lessor

Upon entering into each contract as a lessor, the City assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Entity applies AASB 15 to allocate the consideration under the contract to each component.

CITY OF NEDLANDS
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2021

13. REVALUATION SURPLUS

	2021 Opening Balance	2021 Change in Accounting Policy	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance	2020 Opening Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	94,742,418	0	0	0	0	94,742,418	94,742,418	0	0	0	94,742,418
Revaluation surplus - Land and buildings leased	0	0	0	0	0	0	0	0	0	0	0
Revaluation surplus - Buildings - non-specialised	140,384	0	0	0	0	140,384	140,384	0	0	0	140,384
Revaluation surplus - Buildings - specialised	23,004,320	0	0	0	0	23,004,320	23,004,320	0	0	0	23,004,320
Revaluation surplus - Furniture and equipment	0	0	0	0	0	0	0	0	0	0	0
Revaluation surplus - Plant and equipment	732,800	0	0	0	0	732,800	732,800	0	0	0	732,800
Revaluation surplus - Infrastructure - Roads	28,141,668	0	0	0	0	28,141,668	28,141,668	0	0	0	28,141,668
Revaluation surplus - Other infrastructure - Drainage	8,401,646	0	0	0	0	8,401,646	8,401,646	0	0	0	8,401,646
Revaluation surplus - Other infrastructure - Footpath	3,998,893	0	0	0	0	3,998,893	3,998,893	0	0	0	3,998,893
Revaluation surplus - Other infrastructure - Parks, Garden and Reserves	0	0	0	0	0	0	0	0	0	0	0
Revaluation surplus - Other infrastructure - Street Furniture	795,524	0	0	0	0	795,524	795,524	0	0	0	795,524
	159,957,653	0	0	0	0	159,957,653	159,957,653	0	0	0	159,957,653

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued salaries and wages
 Bonds and deposits held
 Service charge refund
 Accrued interest on Borrowings

Non-current

Service charge refund

	2021	2020
	\$	\$
	4,026,954	3,141,264
	262,540	318,321
	418,650	411,724
	2,800,200	2,248,759
	33,195	22,096
	31,729	43,958
	<u>7,573,268</u>	<u>6,186,122</u>
	93,181	47,251
	<u>93,181</u>	<u>47,251</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City recognises revenue for the prepaid rates that have not been refunded.

15. OTHER LIABILITIES

Current

Contract liabilities

2021	2020
\$	\$
671,023	1,022,659
<u>671,023</u>	<u>1,022,659</u>

Performance obligations for each type of liability are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year

Contract liabilities	Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity
\$	\$
671,023	1,022,659
<u>671,023</u>	<u>1,022,659</u>

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

Contract liabilities represent the the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer.

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity

Grant liabilities represent the the City's performance obligations to construct recognisable non-financial assets to identified specifications which are yet to be satisfied.

Grant liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

CITY OF NEDLANDS
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16. LEASE LIABILITIES

	2021	2020
	\$	\$
Current	64,310	52,999
Non-current	207,656	197,163
	271,966	250,162

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual	30 June 2021	30 June 2021	30 June 2021	30 June 2021	Budget	30 June 2021	30 June 2021	30 June 2021	30 June 2021	Actual	30 June 2020	30 June 2020	30 June 2020	30 June 2020
					Lease Principal 1 July 2020	Actual New Leases	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments	Lease Principal 1 July 2020	Budget New Leases	Budget Lease Principal Repayments	Budget Lease Principal Outstanding	Budget Lease Interest Repayments	Lease Principal 1 July 2019	Actual New Leases	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments
Other property and services																			
Photocopier	X836629	Fuji Xerox Australia Pty Limited	3.50%	24 months	38,987	5,570	(44,556)	1	(846)	38,987	0	(38,987)	0	(1,365)	105,822	0	(66,635)	38,987	(2,339)
Land Photocopier	N/A	Department of Planning, Lands and Heritage	2.50%	20 years plus 364 days	151,175	0	(14,012)	137,163	(3,855)	0	0	0	0	0	164,814	0	(13,639)	151,175	(4,242)
		CJAPCS2018 Kyocera	1.10%	36 Month	151,175	151,609	(15,603)	135,009	(521)	0	0	0	0	0	0	0	0	0	0
					190,162	157,176	(75,171)	272,167	(5,243)	38,987	0	(38,987)	0	(1,365)	270,638	0	(80,474)	190,162	(6,581)

CITY OF NEDLANDS
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FOR THE YEAR ENDED 30 JUNE 2021

17. INFORMATION ON BORROWINGS

	2021	2020
	\$	\$
Current	1,405,492	1,750,166
Non-current	2,708,893	4,114,485
	4,114,485	5,864,651

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2021					30 June 2020					30 June 2019				
				Actual Principal 1 July 2020	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Budget Principal 1 July 2020	Budget New Loans	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Actual Principal 1 July 2019	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
Particulars				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Government																		
Community amenities																		
Waste Bins	178	WATC	6.01%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Underground Power Project	187	WATC	2.64%	1,831,084	0	(650,570)	(39,171)	1,180,514	1,831,084	0	(650,570)	(41,935)	1,180,514	2,464,759	0	(633,675)	(57,467)	1,831,084
Underground Power Project	188	WATC	3.07%	578,626	0	(64,909)	(16,033)	513,717	578,626	0	(64,909)	(17,764)	513,717	645,499	0	(66,873)	(18,115)	578,626
Underground Power Project	189	WATC	3.07%	84,512	0	(9,480)	(2,358)	75,032	84,512	0	(9,480)	(2,595)	75,032	94,279	0	(9,767)	(2,646)	84,512
Underground Power Project	190	WATC	3.07%	60,019	0	(6,733)	(1,664)	53,286	60,019	0	(6,733)	(1,842)	53,286	66,956	0	(6,937)	(1,879)	60,019
Recreation and culture																		
Buildings & Infrastructures	181	WATC	5.91%	256,766	0	(256,766)	(7,081)	0	256,766	0	(256,766)	(7,320)	0	498,901	0	(242,135)	(22,396)	256,766
Buildings & Infrastructures	182	WATC	4.67%	398,478	0	(262,557)	(13,013)	135,921	398,478	0	(262,557)	(14,055)	135,922	649,124	0	(250,646)	(25,458)	398,478
Buildings & Infrastructures	183	WATC	2.80%	871,357	0	(164,751)	(21,453)	706,606	871,357	0	(164,751)	(22,134)	706,606	1,031,607	0	(160,250)	(25,316)	871,357
Buildings & Infrastructures	184	WATC	3.12%	791,285	0	(133,995)	(22,155)	657,290	791,286	0	(133,996)	(22,434)	657,290	921,180	0	(129,895)	(26,418)	791,285
Buildings & Infrastructures	185	WATC	3.12%	374,498	0	(63,417)	(10,445)	311,081	374,498	0	(63,417)	(10,577)	311,081	435,974	0	(61,476)	(12,503)	374,498
Buildings & Infrastructures	186	WATC	3.07%	78,815	0	(14,053)	(2,203)	64,762	78,815	0	(14,053)	(2,259)	64,762	92,445	0	(13,630)	(2,655)	78,815
Transport																		
Road Infrastructures	179	WATC	6.04%	539,211	0	(122,934)	(28,561)	416,277	539,211	0	(122,934)	(29,200)	416,277	654,992	0	(115,781)	(36,079)	539,211
				5,785,636	0	(1,736,112)	(161,984)	4,048,724	5,785,638	0	(1,736,113)	(169,856)	4,049,725	7,463,271	0	(1,677,435)	(229,277)	5,785,636
Self Supporting Loans																		
Recreation and culture																		
Buildings & Infrastructures	186	WATC	3.07%	78,815	0	(14,053)	(2,203)	64,762	78,815	0	(14,053)	(2,259)	64,762	92,445	0	(13,630)	(2,655)	78,815
				78,815	0	(14,053)	(2,203)	64,762	78,815	0	(14,053)	(2,259)	64,762	92,445	0	(13,630)	(2,655)	78,815
				5,864,651	0	(1,750,165)	(164,187)	4,114,486	5,864,653	0	(1,750,166)	(172,115)	4,114,487	7,556,716	0	(1,691,065)	(231,932)	5,864,651

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

CITY OF NEDLANDS
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FOR THE YEAR ENDED 30 JUNE 2021

17. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2020/21

The City has no new borrowings during the financial year

(c) Unspent Borrowings

The City has no unspent borrowings during the financial year

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2021	2020
	\$	\$
Credit card limit	130,000	130,000
Credit card balance at balance date	(2,859)	(4,319)
Total amount of credit unused	127,141	125,681

Loan facilities

Loan facilities - current	1,405,492	1,750,166
Loan facilities - non-current	2,708,993	4,114,485
Lease liabilities - current	64,310	52,999
Lease liabilities - non-current	207,605	137,163
Total facilities in use at balance date	4,386,400	6,054,813

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are recognised at fair value when the City becomes a party to the contractual provisions to the instrument.

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

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

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risk

Information regarding exposure to risk can be found at Note 31.

18. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

Opening balance at 1 July 2020

Current provisions
 Non-current provisions

Additional provision
 Amounts used

Balance at 30 June 2021

Comprises

Current
 Non-current

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date
 More than 12 months from reporting date

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2020			
Current provisions	1,353,707	1,298,664	2,652,371
Non-current provisions	0	264,987	264,987
	1,353,707	1,563,651	2,917,358
Additional provision	907,232	(5,443)	901,789
Amounts used	(916,525)	(62,663)	(979,188)
Balance at 30 June 2021	1,344,414	1,495,545	2,839,959
Comprises			
Current	1,344,414	1,334,355	2,678,769
Non-current	0	161,190	161,190
	1,344,414	1,495,545	2,839,959
	2021	2020	
	\$	\$	
Less than 12 months after the reporting date	1,875,138	1,856,660	
More than 12 months from reporting date	964,821	1,060,698	
	2,839,959	2,917,358	

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

19. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cash and cash equivalents	15,827,346	11,415,468	10,219,350

Reconciliation of Net Cash Provided By Operating Activities to Net Result

Net result	5,354,733	4,142,714	6,143,662
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(5,172)	0	(2,305)
Depreciation on non-current assets	4,288,831	4,446,300	4,128,897
(Profit)/loss on sale of asset	(35,066)	30,134	(53,474)
Write of minor assets	0	0	93,759
Changes in assets and liabilities:			
(Increase)/decrease in receivables	389,739	544,224	411,987
(Increase)/decrease in other assets	242,279	-	(119,761)
(Increase)/decrease in inventories	(11,375)	2,500	(4,784)
(Increase)/decrease in contract assets	20,186	-	(33,686)
Increase/(decrease) in payables	1,387,146	16,087	1,188,212
Increase/(decrease) in employee provisions	(77,399)	250,000	161,653
Increase/(decrease) in other provisions	45,930	-	-
Increase/(decrease) in other liabilities	(351,636)	(768,634)	(63,403)
Non-operating grants, subsidies and contributions	(2,256,281)	(2,180,879)	(2,174,522)
Net cash from operating activities	8,991,914	6,482,446	9,676,235

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
Governance	116,096,613	303,457,372
Education and welfare	7,758,468	7,895,542
Community amenities	2,043,498	2,082,448
Recreation and culture	35,724,147	36,136,618
Transport	77,953,725	75,640,196
Other property and services	28,603,940	25,378,103
Unallocated	(8,712)	(187,108,957)
	<u>268,171,679</u>	<u>263,481,322</u>

21. CONTINGENT LIABILITIES

The City of Nedlands is not aware of any legal claims against the City which would require disclosure as contingent liabilities.

22. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

	2021	2020
	\$	\$
Contracted for:		
- capital expenditure projects	1,656,527	2,227,483
- plant & equipment purchases	96,035	211,671
	<u>1,752,562</u>	<u>2,439,154</u>
Payable:		
- not later than one year	1,752,562	2,439,154

23. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
MAYOR Fiona Argyle			
Mayor's annual allowance	1,760	1,760	0
Meeting attendance fees	865	865	0
Annual allowance for ICT expenses	97	97	0
	2,722	2,722	0
DEPUTY MAYOR L McManus			0
Deputy Mayor's annual allowance	15,839	15,838	616
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	3,500	3,500	3,500
	42,569	42,568	27,346
COUNCILLOR Wetherall			
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	3,500	3,500	3,500
	26,730	26,730	26,730
COUNCILLOR Mangano			
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	3,500	3,500	3,500
	26,730	26,730	26,730
COUNCILLOR Hodsdon			
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	3,500	3,500	3,500
	26,730	26,730	26,730
COUNCILLOR K Smyth			
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	3,500	3,500	3,500
	26,730	26,730	26,730
COUNCILLOR Horley			
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	3,500	3,500	3,500
	26,730	26,730	26,730
COUNCILLOR Senathirajah			
Meeting attendance fees	23,230	23,230	16,236
Annual allowance for ICT expenses	3,500	3,500	2,446
	26,730	26,730	18,682
COUNCILLOR Coghlan			
Meeting attendance fees	23,230	23,230	16,236
Annual allowance for ICT expenses	3,500	3,500	2,446
	26,730	26,730	18,682
COUNCILLOR Bennett			
Meeting attendance fees	23,230	23,230	16,236
Annual allowance for ICT expenses	3,500	3,500	2,446
	26,730	26,730	18,682
COUNCILLOR Poliwka			
Meeting attendance fees	21,294	21,294	6,744
Meeting attendance fees (vacant)	0	1,936	0
Annual allowance for ICT expenses	3,208	3,208	1,016
Annual allowance for ICT expenses (vacant)	0	292	
	24,503	26,730	7,760

23. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
COUNCILLOR Youngman			
Meeting attendance fees	19,358	19,358	0
Meeting attendance fees (vacant)	0	3,872	0
Annual allowance for ICT expenses	2,917	2,917	0
Annual allowance for ICT expenses (vacant)	0	583	0
	22,275	26,730	0
COUNCILLOR Tyson			
Meeting attendance fees	7,681	7,681	0
Annual allowance for ICT expenses	1,158	1,158	0
	8,839	8,839	0
EX COUNCILLOR MR Hay			
Meeting attendance fee	8,776	9,679	0
Meeting attendance fees (vacant)	0	5,871	23,230
Annual allowance for ICT expenses	1,322	1,322	3,500
Annual allowance for ICT expenses (vacant)	0	1,020	0
	10,098	17,892	26,730
EX Mayor CM De Lacy			
Mayor's annual allowance	41,482	42,236	44,280
Mayor's annual allowance (vacant)	0	19,358	0
Meeting attendance fees	20,395	20,396	28,765
Meeting attendance fees (vacant)	0	9,888	0
Annual allowance for ICT expenses	2,292	3,403	3,500
	64,169	95,281	76,544
Ex Mayor Mr Hipkins			
Mayor's annual allowance	0	0	19,074
Meeting attendance fees	0	0	9,535
ICT expenses	0	0	1,054
Annual allowance for travel and accommodation expenses	0	0	0
	0	0	29,663
EX DEPUTY MAYOR Mr Hassell			
Deputy Mayor's annual allowance	0	0	14,651
Meeting attendance fees	0	0	21,488
Annual allowance for ICT expenses	0	0	3,238
	0	0	39,376
EX COUNCILLOR I Argyle			
Meeting attendance fees	0	0	6,994
Annual allowance for ICT expenses	0	0	1,054
	0	0	8,048
EX COUNCILLOR N Shaw			
Meeting attendance fees	0	0	6,994
Annual allowance for ICT expenses	0	0	1,054
	0	0	8,048
EX COUNCILLOR T James			
Meeting attendance fees	0	0	6,994
Annual allowance for ICT expenses	0	0	1,054
	0	0	8,048
	389,014	434,601	421,260

23. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
Mayor's allowance	43,242	63,354	63,354
Deputy Mayor's allowance	15,839	15,838	15,267
Meeting attendance fees	287,439	309,909	298,831
Annual allowance for ICT expenses	42,494	45,500	43,808
	389,014	434,601	421,260

24. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

	2021 Actual	2020 Actual
	\$	\$
The total of remuneration paid to KMP of the City during the year are as follows:		
Short-term employee benefits	2,392,592	2,447,556
Post-employment benefits	248,499	256,151
Other long-term benefits	41,308	59,199
Termination benefits	187,243	6,568
	2,869,642	2,769,474

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Transactions with related parties

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

There were no transactions with related parties.

The City's main related parties are as follows:

i. Key management personnel

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

25. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS

The City has no interest in any Joint Ventures.

26. INVESTMENT IN ASSOCIATES

The City has no interest in Associated Entities

27. MAJOR LAND TRANSACTIONS

The City did not participate in any major land transactions during the 2020/21 financial year.

28. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The City did not participate in any trading undertaking or major trading undertakings during the 2020/21 financial year.

CITY OF NEDLANDS
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2021

29. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2020/21 Actual Rateable Value \$	2020/21 Actual Rate Revenue \$	2020/21 Actual Interim Rates \$	2020/21 Actual Back Rates \$	2020/21 Actual Total Revenue \$	2020/21 Budget Rate Revenue \$	2020/21 Budget Interim Rate \$	2020/21 Budget Back Rate \$	2020/21 Budget Total Revenue \$	2019/20 Actual Total Revenue \$
Differential general rate / general rate												
Gross rental valuations												
Residential	0,06558	6,789	268,038,989	17,577,681	126,901	131,505	17,836,087	17,575,695	100,000	0	17,675,695	18,032,371
Residential Vacant	0,08220	123	6,862,500	564,108	54,444	(165,085)	453,467	566,983	0	0	566,983	543,685
Non Residential	0,07314	386	45,988,233	3,458,595	247,057	23,020	3,728,671	3,327,552	0	0	3,327,552	3,257,477
Sub-Total		7,298	320,889,722	21,600,383	428,402	(10,561)	22,018,225	21,470,230	100,000	0	21,570,230	21,833,533
Minimum payment												
	Minimum \$											
Gross rental valuations												
Residential	1,484	1,537	28,895,100	2,280,908	(30,973)	(4,805)	2,245,130	2,280,908	0	0	2,280,908	2,145,061
Residential Vacant	1,968	71	1,335,150	139,728	60,550	0	200,278	139,728	0	0	139,728	140,052
Non Residential	1,957	131	2,320,511	256,367	3,914	321	260,602	256,367	0	0	256,367	248,539
Sub-Total		1,739	32,550,761	2,677,003	33,491	(4,484)	2,706,010	2,677,003	0	0	2,677,003	2,533,652
		9,037	353,440,483	24,277,386	461,893	(15,044)	24,724,235	24,147,233	100,000	0	24,247,233	24,367,185
Discounts/concessions (Note 29(d))							0				0	0
Total amount raised from general rate							24,724,235				24,247,233	24,367,185
Specified Area Rate (Note 29(b))							0				0	0
Totals							24,724,235				24,247,233	24,367,185

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City recognises revenue for the prepaid rates that have not been refunded.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

29. RATING INFORMATION (Continued)

(b) Specified Area Rate

No specified area rates were imposed by the City of Nedlands during the year ended 2021.

(c) Service Charges

No specified area rates were imposed by the City of Nedlands during the year ended 2021.

(d) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts

The City of Nedlands offered no discounts or incentives for the early payment of rates or any other debts of ratepayers unless specifically approved by the Council.

Waivers or Concessions

The City of Nedlands offers those residents who hold a current valid seniors or pensioners concession card, a concession in respect of the following services:

- (i) Rates & Charges
- (ii) ESL
- (iii) Dogs and Cats Registration

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan		Instalment Inpaid Rates	
		Admin Charge	Interest Rate	Interest Rate	Rate
		\$	%	%	%
Option One					
Single full payment	1/09/2020	\$ -	-	-	8.00%
Option Two					
First instalment					
Second instalment					
Option Three					
First instalment	1/09/2020	\$ -	5.50%	5.50%	8.00%
Second instalment	2/11/2020	16.00	5.50%	5.50%	8.00%
Third instalment	21/01/2021	16.00	5.50%	5.50%	8.00%
Fourth instalment	29/03/2021	16.00	5.50%	5.50%	8.00%

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Interest on unpaid rates	60,973	50,000	88,563
interest on instalment plan	98,865	116,000	118,162
ESL Interest income	6,702	8,000	9,269
Charges on instalment plan	89,424	95,000	95,664
	255,964	269,000	311,658

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

30. RATE SETTING STATEMENT INFORMATION

		2020/21 Budget	2020/21	2019/20		
	2020/21 (30 June 2021 Carried Forward)	(30 June 2021 Carried Forward)	(1 July 2020 Brought Forward)	(30 June 2020 Carried Forward)		
Note	\$	\$	\$	\$		
(a) Non-cash amounts excluded from operating activities						
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .						
Adjustments to operating activities						
	Less: Profit on asset disposals	11(a)	(35,067)	(182)	(77,691)	(77,691)
	Less: Fair value adjustments to financial assets at fair value through profit and loss		(5,172)	0	(2,305)	(2,305)
	Movement in payables		0	0	(6,750)	(6,750)
	Movement in pensioner deferred rates (non-current)		11,993	0	20,702	20,702
	Movement in employee benefit provisions (non-current)		(103,797)	0	(209,209)	(209,209)
	Movement in other provisions (non-current)		45,930	0	0	0
	Movement in service charge receivable		97,273	0	95,674	95,674
	Movement in Lease receivable (non-current)		51,799	0	(493,575)	(493,575)
	Movement in lease payables (non-current)		70,442	0	137,163	137,163
	Add: Loss on disposal of assets	11(a)	0	30,316	24,217	24,217
	Add: Write of minor assets		0	0	93,758	93,758
	Add: Depreciation on non-current assets	11(d)	4,288,831	4,446,300	4,128,897	4,128,897
	Non cash amounts excluded from operating activities		4,422,232	4,476,434	3,710,881	3,710,881
(b) Surplus/(deficit) after imposition of general rates						
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.						
Adjustments to net current assets						
	Less: Reserves - cash/financial asset backed	4	(5,317,090)	(8,145,992)	(5,895,843)	(5,895,843)
	Less: Financial assets at amortised cost - self supporting loans	5(a)	(16,683)	(15,000)	(3,447)	(3,447)
	Add: Current liabilities not expected to be cleared at end of year					
	- Current portion of borrowings	17(a)	1,405,492	1,408,065	1,750,166	1,750,166
	- Current portion of lease liabilities		64,310		52,999	52,999
	- Employee benefit provisions		(49,817)	(70,590)	25,348	25,348
	Total adjustments to net current assets		(3,978,098)	(6,823,517)	(4,123,776)	(4,123,776)
Net current assets used in the Rate Setting Statement						
	Total current assets		22,176,658	17,370,932	19,027,090	19,027,090
	Less: Total current liabilities		(12,392,862)	(9,570,517)	(11,664,317)	(11,664,317)
	Less: Total adjustments to net current assets		(3,978,098)	(6,823,517)	(4,123,776)	(4,123,776)
	Net current assets used in the Rate Setting Statement		5,805,698	976,898	3,238,997	3,238,997

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

31. FINANCIAL RISK MANAGEMENT

This note explains the City's exposure to financial risks and how these risks could affect the City's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2021					
Cash and cash equivalents	0.12%	15,827,346	4,609,659	11,217,687	0
Financial assets at amortised cost - term deposits	0.25%	4,281,982	4,281,982	0	0
2020					
Cash and cash equivalents	0.51%	10,219,350	3,536,776	6,682,574	0
Financial assets at amortised cost	0.89%	6,273,882	6,273,882	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2021	2020
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	158,273	102,194

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).

31. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

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

The City applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors. The loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.04%	
Gross carrying amount	164,162	26,106	40,990	238,464	469,722
Loss allowance	0	0	0	10,432	10,432
30 June 2020					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.04%	
Gross carrying amount	241,667	159,240	9,241	254,259	664,407
Loss allowance	0	0	0	9,282	9,282

Contract Assets

The City's contract assets represent work completed, which have not been invoiced at year end. This is due to the City not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The City applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The City has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

31. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 17(c).

The contractual undiscounted cash flows of the City's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2021					
Payables	7,573,268	0	0	7,573,268	7,573,268
Borrowings	1,521,957	2,663,207	206,645	4,391,809	4,114,485
Contract liabilities	671,023	0	0	671,023	671,023
Lease liabilities	51,393	157,178	64,070	272,641	271,915
	9,817,641	2,820,385	270,715	12,908,741	12,630,691
2020					
Payables	6,186,122	0	0	6,186,122	6,186,122
Borrowings	1,926,583	3,962,019	429,791	6,318,393	5,864,651
Contract liabilities	1,022,659	0	0	1,022,659	1,022,659
Lease liabilities	58,232	71,524	81,950	211,706	190,162
	9,193,596	4,033,543	511,741	13,738,880	13,263,594

32. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

(a) AASB 1059 Service Concession Arrangements: Grantors

This standard sets out the framework for a grantor to recognise the assets, liabilities, revenue and expense associated with a service concession arrangement where an operator is providing a public service on behalf of the grantor.

There is no impact on the City's financials.

33. BONDS AND RETENTION FUNDS

All bonds and deposits not required by legislation to be held in trust are included in Restricted Cash Note 3 and shown as current liability in Note 14:

	1 July 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
Footpath Bonds	1,144,943	911,473	(490,280)	1,566,134
Hall & Key Bond	52,705	6,795	(1,499)	58,001
Tresillian Bond & Miscellaneous	7,244	1,925	(410)	8,759
Retention for Non Compliance	42,662	2,504	0	45,166
Construction Training Bond	221,168	607,631	(507,338)	321,462
Building Construction Bond	337,013	651,269	(628,312)	359,970
Unclaimed Money	52,379	0	0	52,379
Tresillian Artist Sales	749	0	0	749
Crossover Bond	6,219	0	0	6,219
Miscellaneous	224,565	30,180	(16,499)	238,246
DAP Application Levy	14,253	101,409	(118,589)	(2,928)
Adelma	100,000	0	0	100,000
Supplier Retention	44,829	35,308	(34,093)	46,044
Staff Funds	32	0	(32)	0
	2,248,759	2,348,493	(1,797,051)	2,800,200

34. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

35. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the effi</p>	<p>Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.</p>
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.</p>	<p>Rates, general purpose government grants and interest revenue.</p>
<p>LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community.</p>	<p>Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.</p>
<p>HEALTH To provide an operational framework for environmental and community health.</p>	<p>Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.</p>
<p>EDUCATION AND WELFARE To provide services to disadvantaged persons, the elderly, children and youth.</p>	<p>Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.</p>
<p>HOUSING To provide and maintain elderly residents housing.</p>	<p>Provision and maintenance of elderly residents housing.</p>
<p>COMMUNITY AMENITIES To provide services required by the community.</p>	<p>Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.</p>
<p>RECREATION AND CULTURE To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.</p>	<p>Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.</p>
<p>TRANSPORT To provide safe, effective and efficient transport services to the community.</p>	<p>Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.</p>
<p>ECONOMIC SERVICES To help promote the shire and its economic wellbeing.</p>	<p>Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building</p>
<p>OTHER PROPERTY AND SERVICES To monitor and control City of Nedlands's overheads operating accounts.</p>	<p>Private works operation, plant repair and operation costs and engineering operation costs.</p>

36. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.50	1.18	0.98
Asset consumption ratio	0.72	0.59	0.58
Asset renewal funding ratio	1.02	0.95	0.92
Asset sustainability ratio	1.36	1.61	2.33
Debt service cover ratio	3.79	4.34	5.61
Operating surplus ratio	0.09	0.12	0.18
Own source revenue coverage ratio	1.03	1.06	1.14

The above ratios are calculated as follows:

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



Independent Auditor's Report 2021



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 City of Nedlands

To the Councillors of the City of Nedlands

Report on the audit of the annual financial report

Opinion

I have audited the financial report of the City of Nedlands (City) which comprises:

- the Statement of Financial Position at 30 June 2021, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information
- the Statement by the Chief Executive Officer.

In my opinion the financial report of the City of Nedlands:

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2021 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities section below. I am independent of the City in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the City is responsible for the preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards. The CEO is also responsible for managing internal control (as required by the CEO) to ensure the financial report is free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibility for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on other legal and regulatory requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) The following material matter indicating non-compliance with Part 6 of the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law were identified during the course of my audit:
 - a) Due to accounting system limitations, vendor activity within the system cannot be tracked or monitored. The vendor also used a generic account. This increased the risk of unauthorized changes to key information, although our audit sampling did not identify any.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

Other information

The other information is the information in the entity's annual report for the year ended 30 June 2021, but not the financial report and my auditor's report. The CEO is responsible for the preparation and the Council for overseeing the other information.

My opinion does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Nedlands for the year ended 30 June 2021 included on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
30 November 2021



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