



City of Nedlands

Agenda

Annual General Meeting of Electors

12 December 2019

The Annual General Meeting of Electors of the City of Nedlands will be held on Thursday 12 December 2019 at Adam Armstrong Pavilion, Beatrice Road, Dalkeith (David Cruickshank Reserve) commencing at 6 pm.

Mark Goodlet
Chief Executive Officer
3 December 2019

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City of Nedlands

Notice of Annual General Meeting of Electors of the City of Nedlands to be held at Adam Armstrong Pavilion, Beatrice Road, Dalkeith (David Cruickshank Reserve) on Thursday 12 December 2019 at 6 pm.

Annual General Meeting of Electors Agenda

Declaration of Opening

Mayor de Lacy will declare the meeting open at 6 pm and will draw attention to the disclaimer below.

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It is noted that the advertisement calling the meeting was published in the POST Newspaper on 30 November 2019 together with notices displayed at the Administration Centre and Libraries, and on the City's Website.

1. Present and Apologies

Apologies None as at distribution of this agenda.

2. Procedural Matters

Mayor de Lacy will outline the procedures of the meeting.

3. Confirmation of Minutes

The minutes of the Annual General Meeting of Electors of the City of Nedlands held on 13 December 2018 (as per attachment 1) be confirmed as true and accurate record.

4. Annual Report 2018/19

Presentation of the City of Nedlands Annual Report 2018/19 (Text & Financial Information - Attachments 2 & 3).

4.1 Questions submitted on the Annual Report 2018/19 by Electors prior to the meeting

The Chief Executive Officer will respond to questions that were submitted in writing prior to the meeting.

4.2 Other questions on the Annual Report 2018/19

Any other questions on the Annual Report 2018/19.

5. General Business

5.1 General business submitted by Electors prior to the meeting

5.2 General business raised by Electors at the meeting

Declaration of Closure

There being no further business, Mayor de Lacy will declare the meeting closed.

General Meeting of Electors - Agenda



City of Nedlands

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Minutes of the General Meeting of Electors held on 13 December 2018 from 6pm at Adam Armstrong Pavilion, Beatrice Road, Dalkeith (David Cruickshank Reserve).

1. Opening and Welcome

His Worship the Mayor declared the meeting open at 6 pm.

(the advertisement calling the meeting was published in the POST Newspaper on 24th November and 1st December 2018, together with notices displayed at the Administration Centre and Libraries, and on the City's Website).

2. Introduction of Elected Members and Staff

3. Procedural Matters

His Worship the Mayor outlined the procedures of the meeting.

4. Records of Attendance / Apologies from Electors, Guests and Members of the Press

Councillors	His Worship the Mayor, R M C Hipkins (Presiding Member)
	Councillor I S Argyle Dalkeith Ward
	Councillor W R B Hassell Dalkeith Ward
	Councillor A W Mangano Dalkeith Ward
	Councillor C M de Lacy Hollywood Ward
	Councillor B G Hodsdon Hollywood Ward
	Councillor J D Wetherall Hollywood Ward
	Councillor N B J Horley Coastal Districts Ward
	Councillor L J McManus Coastal Districts Ward
	Councillor K A Smyth Coastal Districts Ward

Staff	Mr P L Mickleson Acting Chief Executive Officer
	Mrs L M Driscoll Director Corporate & Strategy
	Mrs S C Gibson PA to Director Corporate & Strategy

Public There were 55 members of the public present.

Press A representative from the Post Newspaper was present.

5. Contents of the Annual Report for the 2017/18 Financial Year to be considered

- Questions submitted on the Annual Report by Electors prior to the meeting.

The Acting Chief Executive Officer will respond to questions that were submitted in writing prior to the meeting.

a) Mr Andrew Mangano, 51 Minora Road, Dalkeith

1. How many FTE (Full Time Equivalent) were employed at the City of Nedlands on 30/06/18?

Response

The number of full time equivalent staff employed at the City of Nedlands on 30th June 2018 was 165.

2. How many part time staff were employed, and how many full-time staff?

Response

There were 130 full time staff and 35 part time staff employed at the City of Nedlands on 30/06/18

3. Why is this information no longer shown in the Financial Report as has been in previous years?

Response

Reporting of FTEs is not a statutory requirement and is therefore not included in the Financial Report

b) Ms Hazel Cole, 45 Langham Street, Nedlands

1. **Page 49 of the Annual Report - Statutory Requirement** it lists 'Elected Member Attendance'. I note that there are Councillors who are elected to subcommittees who have not attended a single subcommittee meeting during the year. Does the Council have any policies in place to address the non-attendance of an elected member at both Council and subcommittee meetings? What is the protocol for recording whether an elected member has attended Council or subcommittee meeting? Is it simply being in attendance at the opening of the meeting?

Response

Councillor attendance at Council Ordinary Council Meetings is covered under the Local Government Act 1995 where under *section 2.25 (4) – A member is absent without obtaining leave of the council, throughout for 3 consecutive ordinary meetings of the council is disqualified from continuing his or her membership of the council, unless all of the meetings are within a 2 month period.*

In regard to sub-committees each sub-committee has it's own Terms of Reference however, non-attendance of an elected member is not covered in these Terms of Reference nor does Council have a policy in place to address the non-attendance of an elected member.

Under the Local Government (Administration) Regulations 1996 *Part 2 11 Minutes, content of – The content of minutes of a meeting of a council or a committee is to include –*

(b) where a member enters or leaves the meeting during the course of the meeting, the time of entry or departure, as the case requires, in the chronological sequence of the business of the meeting.

This is the process we follow as required.

2. **Page 9 of the Annual Report** states 'A number one priority for Council is the delivery of underground power, which will see the completion of the entire network no later than 2030. It's an ambitious target that requires careful planning, ongoing community consultation, responsible financial management and State Government support'

I request this timeline is reviewed ASAP as 12 years is too long to receive what a majority of Nedlands ratepayers have enjoyed for many, many years. We have previously been told that underground power has not been funded under the State Underground Power Program due to the good condition of poles in the network. This excuse does not stack up, as 'good condition' poles are being removed in the current underground power projects in West Hollywood, Claremont triangle and Alfred Road. Additionally, the Council had over \$73 million in Retained surplus and cash backed Reserves (with over \$12million in current assets) at 30 June 2018. How does the Council reconcile its claim that underground power is "A number one priority" when it is still planning to take another 12 years to complete the program despite having substantial reserves?

Response

The delivery of underground power is a priority for the Council and planning for the investment of it and other major capital projects will be considered as part of the review of the long term financial plan early next year.

There are two potential opportunities for the City to complete underground power with support from the State Government and these are either through the State Underground Power Program (SUPP) or the Local Government Client Funded Program (LGCFP). The only other alternative is for the City (ratepayers) to fully fund the project which is currently approximately \$15,000 per single residential property. Should the State Government continue to support SUPP and/or LGCFP the earliest opportunity for this to take place is likely to be 2022/23. The City continues to prepare for this opportunity.

The City has \$6m in cash-backed reserves and \$67m in retained surplus.

Cash reserves have been set up with the approval of the Council for various purposes over the years and in 2018 a reserve for underground power works has also been set up, to be used for that purpose.

Retained surplus is not a cash surplus, but is made up of current assets, non-current assets, less current liabilities and non-current liabilities. It is not a readily available source of funds for use.

The current assets of \$12m include \$6m of cash-backed reserves which are restricted to the approved use. This leaves a balance of \$6m as at 30 June 2018 from which the City has to ensure that total current liabilities of \$7.3m are paid as and when they fall due.

- 3. Page 16 of the Annual Report – Integrated Strategic Planning – Underground Power** it states in paragraph 5 ‘The cost of the project was less than anticipated’. Given twelve years to complete underground power to the whole of Nedlands is unsatisfactory, what are the Council’s plans to bring forward the next stages given it has borrowed less than expected due to the high take up of upfront payments for the current Underground Power projects?

Response

Planning for the next phase of Underground Power and other capital projects will be considered as part of the review of the long term financial plan early next year.

- Other questions on the Annual Report

There were no further questions on the Annual Report.

6. General Business

- Questions submitted by Electors prior to the meeting.

Waste Bins

a) Mr Neville Hills, 3 Jameson Street, Swanbourne

1. There is much confusion regarding rubbish collections and recycling. The only conveniently available information that I am aware of, is the stickers inside the wheelybin lids. I do not think these have been updated since the bins were introduced. The requirements at different councils are varied and inconsistent. Would council review the content of the information provided, and perhaps replace the current lid stickers?

Response

The City will review the condition of the under lid stickers and replace if necessary. The information on the stickers is still valid for the City of Nedlands' waste collection process. It is noted that the City was one of the first Local Governments to provide a three bin collection system.

2. Would Council review the verge waste collection system? Since Brockway tip was closed, the City verges have become an alternative tip. This has at least three adverse impacts.
 - i. At least for a total of four weeks in every year, unsightly rubbish lines the streetscapes on which we expend large amounts of money attending to beautification and safety. This disrespects the efforts of residents and The City of Nedlands to create an attractive environment of which we can be unashamed.
 - ii. The use of the verge reserves as a tip site, conveys the view that verges are everyone's property on which to dump unwanted items and litter at any time. Often we can see the odd fridges or washing machines dumped on a verge in the expectation that someone will shift them eventually. A culture of dumping rubbish in public locations should not become council policy.
 - iii. Items collected in verge clearances are crushed and sent to landfill. Much of the materials can be sorted and reused or recycled.

Response

The City's current verge collection contract has been very successful with the collection period reduced to four weeks with materials only left on the verge for one week if the residents follow the protocols. The contract includes recycling of the verge collection which last year realised 92% diversion from landfill for the service which contributed 4% of the overall 53% recycled by the City of Nedlands.

3. Would Council explore the result of verge skips on demand, as is available at other Perth councils, most recently Cambridge Council?

Response

The City is not currently considering transitioning to skip bins due to the effectiveness with respect to recycling of the current service when compared to the skip bins.

2017 General Electors' Meeting**a) Ms Hazel Cole, 45 Langham Street, Nedlands**

1. Could you please advise why the 2017 Minutes of the General Electors' Meeting have not been attached to the Agenda for the 2018 General Electors' Meeting?

Response

The Minutes of the 2017 Annual Electors Meeting have not been attached to the 2018 Agenda as they were made available to the public via the City's Website on 22 December 2017 and were presented to Council at the first Council meeting in 2018 (February Council meeting).

2. At the 2017 General Electors' Meeting we were requested to complete an attendance register, this attendance register should become part of the Minutes not just a one liner saying PUBLIC – there were 159 members of the public present. This also applies to the Post Newspaper representative. Does the Council have a reason for not including the attendance register in the Minutes?

Response

In the interests of an individual's privacy, Council chooses not to make available to the public the names and addresses of Electors that attend the Electors meeting.

Westside Wolves / Mt Claremont Oval

Overall response regarding Westside Wolves / Mt Claremont Oval

The Council decision in May 2018 required the proposal by the Westside Wolves Hockey Club to be workshopped by Council. The Councillors workshopped the proposal with key stakeholders and resulted in the subsequent decision of Council in October to undertake the recent community consultation process.

This process was to understand the wider community's views (not just Mt Claremont) on the suitability of this location for the proposal and whether to subsequently approve that the hockey club further investigate and develop a detailed proposal and business plan for Council consideration.

The community engagement report considered by the Council at its Committee meeting on 4 December provided full details of the community engagement outcomes including submissions from stakeholders, users of the reserve and the results for each type of engagement activity.

Councillors considered and discussed this report at the Council Committee meeting resulting in a collective recommendation for Council consideration and approval. The engagement report assisted the Council to make a recommendation to the ordinary meeting of Council on 18 December 2018.

The City believes that it is important that its collective response should be the basis for further decision-making by the Council. The engagement outcomes are not just about providing the Council with a number who supported/did not support the proposal or where they came from.

Issues such as environment, parking, traffic, safety and fitness-for-purpose are examples of issues the community have identified during this process, including alternative sites and impacts on state and local government strategies and plans for the area. These issues will only become relevant if the proposal progresses.

- Mt Claremont Reserve is zoned recreation in accordance with Town Planning Scheme No. 2 and is considered a regional sport oval/facility. Any sport activity including hockey is consistent with this zoning.
- Council has previously made enquiries with the State Government about the availability of the old waste site land (Brockway tip) for various recreational activities but were all rejected due to the cost of refurbishment. This land is not controlled by Council.

b) Mr Dmitry Kazanov, 2 Milyarm Rise, Swanbourne

This is a follow up to questions raised at December 4th Council committee meeting with regard to details of Mt Claremont Oval community engagement results, specifically geographic spread and people's interests for respondents in support and against the proposal. As I understood from the response at committee that this detailed information is not readily available for all the survey results. However, these details must be available for online YourVoice Nedlands survey, which accounts for more than 76% of collected responses.

Could you please share the requested information for online survey only?

Response

There is no point in sharing only part of the information. The total story needs to be told. People completed the street field (in the survey) in a variety of ways which reduced the integrity of the data.

c) Carl Brauhart, 48 Lisle Street, Mt Claremont

1. Regarding the Mt Claremont Oval Hockey Pitch Proposal, on the 27th of November I presented maps to all councillors showing that every synthetic hockey turf in Perth has at least 200 parking bays. Does council now acknowledge that Mt Claremont Oval cannot accommodate such parking demand?

Response

The original engagement was to understand the community's views (not just Mt Claremont) on this proposal. Issues arising from the engagement included parking and traffic. When the Council considers the report at its meeting on 18 December it will determine the next steps for this proposal. This may/may not include further detailed analysis where this, and other, issues will be addressed.

2. Can the council please clarify why this proposal went out to community consultation when the council had made a considered decision in May 2018 that Mt Claremont Oval is an inappropriate site and alternatives needed to be investigated?

Response

The workshop in May included the involvement of key stakeholders which resulted in the subsequent decision of Council to undertake the recent community consultation process.

3. Can the council please clarify why it is considered valid in the concluding statements to indicate marginal support for the proposal, but fail to acknowledge strong opposition from 6 oval stakeholder groups with none in support?

Response

This result was in the report and was part of the consideration by the Committee at its 4 December meeting.

4. Can the council clarify the validity of the total numbers presented in the report, if numbers for Mt Claremont cannot be reliably extracted from the data as claimed at council committee meeting on 4th of December?

Response

The Council considered all submissions presented in the report and was able to give whatever weight it thought appropriate to where (geographically) the submissions came from.

5. Can the council advise what percentage of the 675 residents of Mt Claremont who submitted a response to the Community Consultation Survey were opposed to the proposal?

Response

Councillors have access to all submissions. It is broad community engagement and not just from residents from Mt Claremont. Councillors can do their own weighting, but it would be inappropriate for staff to manipulate the data one way or another. Staff presented the report based on the facts. Judgement calls on what weight to place on the various submissions is the role of Council.

6. Is the council aware of their obligation to manage Mt Claremont Oval, as part of an A Class Reserve, in accordance with the Natural Areas Management Plan 2013-2018 and the Mt Claremont Oval Reserve Management Plan 2013-2018, the objectives of which are to "protect, enhance and restore natural areas and biodiversity within the City of Nedlands", and that paving a large part of the oval is contrary to these objectives?

Response

Mt Claremont Reserve is zoned recreation in accordance with Town Planning Scheme No. 2 and is considered a regional sport oval/facility. Any sport activity including hockey is consistent with this zoning.

d) Anne McCrudden, 27 Landon Way, Mt Claremont

1. Can each Councillor please give an explanation to the Annual Electors Meeting as to why they accepted the Allen Park Master Plan were the Westside Wolves proposal was declined, yet they did not want to support the council recommendation to look for another more appropriate location?

Response

Councillors discussed their reasons during deliberations at the relevant Council Committee meetings resulting in a collective recommendation being put forward for Council consideration and approval.

2. What was the intent of the Council in the above resolution? It is ambiguous as it does not exclude the Mt Claremont oval permanently from use by the Westside Wolves Hockey Club?

Response

At this time Council has not determined any action arising from the community consultation. This matter will be considered at the ordinary meeting of Council on 18 December 2018.

3. Given that Westside Wolves have submitted two proposals previously to council for a home ground for their hockey club, why didn't council worked with other western suburbs councils in a collaborative manner to assist the Westside Wolves Hockey Club identify a suitable site?

Response

Council is considering a proposal submitted by Westside Wolves Hockey Club. There has been no requirement to consult with other Western Suburb Councils, however there were opportunities for them to provide feedback on the proposal.

4. Why didn't the Council challenge the Westside Wolves on the plan presented for consultation for the Mt Claremont Oval in that it was reduced to 1 synthetic pitch and 60 parking bays, when all previous proposal had two synthetic pitches and 280 bays? This is a major shift.

Response

Council, at this stage, is only considering the location for the proposal submitted by Westside Wolves Hockey Club being the Mt Claremont reserve.

5. Why the above alternative sites properly investigated by a consultant and a report provided to council? Why were they rejected as a suitable alternative site?

Response

The larger proposal at Allen Park was not supported following community consultation. The smaller proposal at Mt Claremont Reserve is now being considered in this community consultation.

6. Why is it that the Christ Church Grammar School, which has 80,000 square metres of playing fields in the Mt Claremont area feel that the land adjacent to their existing site in Stevenson Avenue Mt Claremont was worth remedial clean up for extra playing fields for them, yet the Council did not recognise that this same land, being the old rubbish dump, could be utilised as a sporting precinct which the Westside Wolves Hockey Club could use?

Response

The City has previously made enquiries with the State Government about the availability of this land for various recreational activities but were all rejected due to the cost of refurbishment. This land is not controlled by Council. The Westside Wolves submission has not been endorsed or a feasibility study undertaken.

e) Guy Churchill, Hardy Road, Nedlands

The Nedlands Electors Association (NEA) does not support the Westside Wolves Hockey Club (WWHC) proposal as presented.

1. Why was the consultation not done in such a way that the Council Administration was able to give meaningful analysis of data such as respondents residential location?

Response

The consultation was carried out to gain a level of understanding as to the support for the proposal at this location. However, due to the varied ways the City received the surveys and feedback, it was unable to accurately obtain valid data due to issues such as multiple responses from the same individuals and the quality of the information provided as feedback and in the survey forms.

2. Why did the UWA Nedlands Football Club (UWANFC), a key stakeholder, not be included by the Council Administration in the original consultation process/survey form?

Response

This was an oversight, but quickly rectified. In addition, the survey had a 'other' field and this field was completed by members of the Club.

Any other General Business questions.

a) John Millard, 52 Lisle Street, Mt Claremont

Question regarding issues with the consultation.

Response

One person identified an issue with their new iPhone7 which had trouble interacting with the City's website. The issue was resolved once it was brought to our attention and the City received no other complaints from people being unable to provide feedback in regard to their iPhone 7. The site also slowed for a short period of time and this related to someone attempting to hack into the software which slowed the system of all users of the software. As always there were multiple options for people to provide feedback on the Hockey proposal and the City's Administration provided assistance where requested.

b) Mark Rosen, 84 Dalkeith Road, Nedlands

Question regarding parking issues and Cycle pathways (Jenkins Ave, Dalkeith Road, Aldi).

Response

Jenkins Ave – there will be no loss of parking spaces as the result of Safe Active Streets project. The traffic engineers involved have confirmed that the project meets all required safety standards

Dalkeith Rd – Rangers will take enforcement action where they become aware that parking restrictions are not being complied with. There is no requirement for the Windsor Cinema to provide additional parking

Aldi – the development was approved by the JDAP in early December. It was a commercial zoned site and therefore allowed as of right. Sufficient parking has been provided for the proposed use.

Motions to be considered regarding the Westside Wolves proposal

1. Motion

Guy Churchill – Spoke in support of the motion.

Anne McCrudden – Spoke in support of the motion.

Bill Hassell, Deputy Mayor – Spoke against the motion.

Moved: Mr James Anderson, 3 Beecham Road, Mt Claremont

Seconded: Suzy Moir, 18 Chessington Gardens, Mt Claremont

“The City to advise the Westside Wolves Hockey Club that Mount Claremont Oval is not a suitable location for a hockey facility because existing users and local residents do not support the proposal and therefore the City will not continue to explore this location as an option”.

CARRIED
(3 against)

2. Motion

Moved: James Anderson, 3 Beecham Road, Mt Claremont

Seconded: Carol Brauhart, 48 Lisle Street, Mt Claremont

“The City establish a working group comprising representatives of the City of Nedlands, Westside Wolves Hockey Club, Suburban Lions Hockey Club, Department of Local Government, Sport and Cultural Industries, Town of Cambridge, YMCC Hockey Club and community representatives to explore the feasibility of establishing a hockey facility North East Mt Claremont.”

CARRIED

3. Motion

Suzi Mori – Spoke in support of the Motion.

Cilla de Lacy – Advised the Electors that there is a paper out on the State Government Website regarding the review of the Local Government Act, Community Engagement.

Carl Brauhart – Spoke in support of the Motion.

Moved: Mr Guy Churchill (Chair Nedlands Electors Association (NEA)), Hardy Road, Nedlands

Seconded: Dmitry Kazanov, 2 Milyarm Rise, Swanbourne

“That Council obtains expert external advise on the design, conduct and analysis of all future community consultation surveys”.

CARRIED UNANIMOUSLY

4. Motion

Barry Nunn – Spoke against the Motion.

Anne McCrudden – Spoke in support of the Motion.

Suzi Moir – Spoke in support of the Motion.

Kerry Smyth – Spoke to the Motion.

Cilla de Lacy – Spoke to the Motion.

Moved: Mr Guy Churchill (Chair Nedlands Electors Association (NEA)), Hardy Road, Nedlands.

Seconded: Anne McCrudden, 27 Landon Way, Mt Claremont

“Community Advisory Group: The City establishes a Community Advisory Group to provide ongoing community input into Council and the City activities and directions.”

CARRIED
(9 against)

7. Closure

Declaration of Closure

There being no further business, His Worship the Mayor declared the meeting closed at 7.02 pm.

Annual Report 2018-2019



City of Nedlands

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Uniquely
Nedlands



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Message from the Mayor

Max Hipkins, Mayor

Another financial year has come and gone, and as we move from one to the next, it's an opportunity to look back on our successes while reflecting on any challenges. Council is constantly working to meet the needs of its community and I am pleased to present the annual report for 2018-19.

The City provides a true wealth of services and I strongly believe we offer our residents and businesses good value for money. There are many aspects of our City, from roads, reserves and playgrounds to Libraries and Community Centres. Our events remain an exciting part of our annual calendar, from Summer Concerts to Splashfest, Emerge Youth Art Awards and many more.

With a population of more than 22,000 residents, we are continuing to build and improve our roads, footpaths and sporting pavilions while delivering a wide range of services to cater for our diverse community – from young children to teenagers, young adults, seniors and families.

During 2018-19, Council continued to deliver against its 10-Year Financial Plan, a document that sets out the City's plans and strategies for the future.

A number of large-scale projects have been completed over the past year, including the final stage of the river wall at Beaton Park, the finishing touches on the Jo Wheatley All Abilities Play Space and continuing our work on the proposed development of the Tawarri site. Several footpaths have been replaced across the City, the West

Hollywood Underground Power Project was finalised and came in under budget, and a new roundabout was constructed on Smyth Road to improve safety and ease traffic congestion. More recently, landscaping work and the commissioning of public art has been underway for a new park on St Johns Wood Boulevard, Mt Claremont. This will soon be a vibrant neighbourhood park for the local community to enjoy.

Local Planning Scheme No.3 came into effect in April, marking a significant change across the zoning, land use permissions and development standards for the City.

Financial progress is monitored regularly to give us a good indication of how we are travelling and to ensure our various business units are on target. Elected members and staff work together to produce the best possible result for the community. Our positive record of achievement to date is due to a continued dedication to working together so we can all take pride in our accomplishments while looking to the future ahead.

In the coming financial year, we will be investing in works that will enhance our City's appeal to residents, businesses and visitors alike, regardless of age, lifestyle or background. Included in our plans for 2019-20 are a range of projects which reflect the priorities of our community, including the redevelopment of the Tawarri site, the Safe Active Streets project funded by the Department of Transport, design of underground power for the remaining lots in the City and upgrades to our parks and reserves.



We are continuing to build and improve our roads, footpaths and parks while delivering a wide range of services to cater for our diverse community.

The City will continue to renew community assets and infrastructure over the next decade, invest in sport and recreation and manage parking. The budget for 2019-20 includes funds to undertake a Strategic Recreation Plan to establish the local community's current and future needs for sporting and recreational facilities, infrastructure and services.

We are also making a conscious effort to increase our tree canopy to combat rising urban heat. I am pleased to say that over the past five years we have achieved a net increase in the number of established trees in road reserves.

A continued focus on sustainable building, appropriate urban development and retention of bushland areas will ensure the quality of our environment is protected. The provision of bikeways and off-road trails will soon be part of a comprehensive western suburbs network, linking Nedlands with adjoining local governments.

During 2018-19 we also farewelled our CEO of seven years; Greg Trevaskis and welcomed our new CEO, Mark Goodlet. I would like to place on record my appreciation of Greg Trevaskis and his great work in managing the affairs of the City. I look forward to this continuing through the leadership of Mark Goodlet.

As always, the City of Nedlands continues to consider its vision, values, aspirations and priorities while also accounting for the challenge of balancing community aspirations, service delivery levels, priorities and affordability. This allows us to form a clear direction to deliver the best results for our community.

In closing, I thank the elected members, the executive team, City staff and volunteers, for the achievements made throughout the year to ensure our City continues to be the place of choice to live, work and visit.

Your Council

City of Nedlands 2018-2019

Cr Max Hipkins, Mayor

Dalkeith	Coastal Districts	Hollywood	Melvista
Cr Bill Hassell AM (Deputy Mayor)	Cr Nikola Horley	Cr Cilla de Lacy	Cr Gordon Hay
Cr Ian Argyle	Cr Leo McManus	Cr Ben Hodsdon	Cr Toni James
Cr Andrew Mangano	Cr Kerry Smyth	Cr John Wetherall	Cr Nigel Shaw

Mayor, Councillors and City's executive staff members.





Cr Max Hipkins
Mayor



Cr Bill Hassell AM
Deputy Mayor
Dalkeith Ward



Cr Nikola Horley
Coastal Districts Ward



Cr Cilla de Lacy
Hollywood Ward



Cr Gordon Hay
Melvista Ward



Cr Ian Argyle
Dalkeith Ward



Cr Leo McManus
Coastal Districts Ward



Cr Ben Hodsdon
Hollywood Ward



Cr Toni James
Melvista Ward



Cr Andrew Mangano
Dalkeith Ward



Cr Kerry Smyth
Coastal Districts Ward



Cr John Wetherall
Hollywood Ward



Cr Nigel Shaw
Melvista Ward



Message from the CEO

Mark Goodlet, Chief Executive Officer

This is my first annual report as CEO of the City of Nedlands and I'm pleased to have the opportunity to report on a productive and successful year.

The Council has reinforced its desire to fulfil the priorities of the Strategic Community Plan, particularly the underground power program. Throughout the coming year, we will continue this initiative on the back of the highly successful project recently completed in partnership with Western Power. The works budget has been finalised, yielding a refund to residents and lower repayments for those on a payment plan. Once the defects liability period is complete in the first half of 2020, and any outstanding works are done, further refunds are expected to flow through to residents.

The City of Nedlands is leading the way with power-saving light emitting diode (LED) streetlight technology which requires less maintenance than traditional streetlights. Lights send messages when there is a fault, eliminating the need for physical inspections. This was the first partnership between Local Government and Western Power to deliver the technology and program,

which is now starting to be rolled out across the Perth metropolitan area.

Throughout the reporting period, I have continued to meet with clubs and groups supported by the City. I believe it is important to see and hear their stories, especially as they embody the connectedness and community spirit of the City. Each group is unique, but all can benefit through the master planning process which is a successful model for establishing how public open spaces will be used, preserved and developed for the highest overall benefit of residents and groups. The City will continue to use this model for other locations, as facilities come to the end of their useful lives and demands on the ovals need to be re-evaluated.

During 2018-19 Council undertook a broad look at sport and recreation, both formal and informal, and has initiated a study to establish how well the demands for sport and recreation in the community are aligning with the facilities and public open space available. This is an important issue, as last year, the competing demand for public open space led to community conflict. The sport and recreation

The City's Executive Management Team



Peter Mickleson
Director of Planning
& Development



Lorraine Driscoll
Director of Corporate
& Strategy



Jim Duff
Director of Technical
Services

study being carried out this financial year will aim to give the Council a better understanding of the relative needs of sporting groups and others, so it is better placed to decide on actions that achieve outcomes with the highest overall benefit for the community.

Recently, the planning landscape for the City changed. During the reporting period, there was a challenging time in which the Council found its voice and concerns being ignored at State Government level. The goal posts for density were shifted and a lack of State Government engagement meant some loss of control of the Council's intentions, along with a decrease of planning opportunities for the City. Nevertheless, the outcome has been a new Local Planning Scheme No. 3 resulting in zoning density increases for less than eight per cent of City properties, albeit some very significant changes to those affected along the main transport corridors and in the Waratah Avenue commercial area and immediate surrounds. Over 92 per cent of properties have retained pre-existing zoning densities. The City is working hard to adjust its policies and to work on the affected areas to bring about the best physical outcomes for the community, under the

parameters of the new Scheme and the new regulatory environment.

Council has also indicated it is keen for the City to continue managing roads and open spaces at a high standard, while keeping rates restrained. The City will achieve this by working with the community to gauge alignment between the various services and levels of services provided, and the affordability of those services. Economic and value-driven delivery models will continue to be explored for these products and services, as an ongoing journey. Where technological improvements can add value, the City will explore options in a manner that is more about financial responsibility than prematurely adopting unproven technologies.

The Strategic Community Plan speaks of preserving all that is good about Nedlands – its leafy environment and quality public land. The new Urban Forest Strategy is one way we will achieve this. I will listen to the community and work with Council, using efficient and effective strategy, management and practice, to make character retention and community infrastructure, high priorities befitting a liveable and thriving City.



Uniquely Nedlands

The City of Nedlands is an environmentally-sensitive, picturesque and inclusive location where its diverse community of people can live through different ages and stages of their lives. There is easy access to community hubs where parks, shops, community and sporting facilities bring people together, strengthening local relationships.



The City of Nedlands is dedicated to providing value-for-money and 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.



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



Integrated Strategic Planning

The previous 10-year Strategic Community Plan identified community infrastructure, such as roads and community facilities, were in urgent need of repair and renewal and would require significant investment over the next 10 years. Therefore, infrastructure has continued as the central theme for the new plan.

The 2018-19 financial year saw the continued priority of renewing infrastructure across the City, including more than three kilometres of roads renewed, the installation of 53 new drainage pits, more than two kilometres of new and renewed footpaths constructed. The percentage of road network in good condition has increased over the past five years. The aim is for an eventual target of 8.5 per

cent within the next decade. There are currently 69.5 per cent of roads rated as good or better, 21.5 per cent rated as satisfactory and only nine per cent rated poor.

In response to the City's strategic and corporate business planning, a 10-Year Financial Plan was approved by the Council which is supported by the Five-Year Capital Works Program. Although there has been significant work across the City, there are still instances where assets are in poor condition. The development of the initial Five-Year Capital Works Program was based on programs that would provide for all City assets to be at an average condition rating that is acceptable in the near future.



City Infrastructure Capital Works Program Goals and Achievements

Description	5-year Capital Works Program Goals	2018-19 end-of-year Goals	2018-19 Actual Achieved
Square metres of natural areas paths renewed ¹	2,285m ²	457m ²	900m ²
Square metres of greenway planted ²	5,860m ²	1,172m ²	1,700m ²
Number of street/reserve trees planted	2,050	410	547
Metres of river wall repaired	281m	56m	230m
Square metres of car park new or upgraded ³	13,240m ²	2,648m ²	2,068m ²
Number of bus shelters upgraded ⁴	16	3	2
Number of drainage pits installed	100	20	53
Metres of footpath renewed	12,793m ²	2,558m ²	3,200m ²
Metres of new footpath	1,223m ²	245m ²	417m ²
Number of Black Spot projects completed	8	2	1
Kilometres of road renewed	34.31km	6.86km	3.2km

Notes

¹ Construction of footpaths at the Hollywood Reserve

² Point Resolution Reserve greenway development

³ Maisonettes property, Stirling Highway was carried forward to 2019-20

⁴ PTA funding contribution limited to two bus shelters per year subject to bus alighting numbers.

All other projects exceed goals except for the Black Spot Funding where one project was not progressed but is scheduled for future years and the renewal of roads has reduced due to condition of roads.



Highlights

Keeping Nedlands cool and shady

Urban Forest Strategic Plan 2018-2023

An urban forest is a collection of green spaces growing within an urban area, on both public and private land, and provides a range of benefits that enrich the quality of urban life. Most importantly it provides shade which significantly reduces surface temperature.

One way that an urban forest is measured is the size of the tree canopy cover which includes the branches and leaves of a tree, not the number of trees. For an individual tree canopy to be included in the statistics it must exceed three metres in diameter. Parks Services officers are currently caring for 22,400 trees throughout the City.

The City of Nedlands is home to some of the most prestigious bushland in the metropolitan area and we pride ourselves on the care and maintenance of these unique assets.

The Urban Forest Strategic Plan is a five-year planning process designed to be reviewed annually. By the year 2023, we aim to have increased the City's urban canopy by 10 per cent towards the eventual target of 20 per cent.

In doing so, we undertake to:

- Replace all deceased public trees (road reserves and public open space)
- Provide street trees to all residents and ratepayers requesting them
- Provide infill street trees to all road rehabilitation projects
- Deliver on greenway and bushland management plans, and
- Progress with the development of Enviro-scape Master Plans for all public parks and reserves.

In the 2018-19 financial year, the City's Parks Services officers planted 547 trees at a cost of \$113,383, putting us on target to meet our objectives. The officers regularly analyse the health and condition of all public trees and assess and record this information for planning purposes. Of the 547 trees planted this year, only 30 trees did not survive. This represents a very high success rate of 94.5 per cent.

Watching your step

Keeping your City's roads and pathways safe

Maintaining and building infrastructure including roads and footpaths, is a priority for the City of Nedlands with every effort being made to ensure the safety and comfort of residents and visitors.

During the year in review, more than 3.2kms of road resurfacing and rehabilitation was completed along with 3,615 m² of new and repaired footpaths.

The City has progressed its annual footpath improvement plan by upgrading several footpaths from concrete slabs to insitu concrete and constructing a new footpath along Beatrice Road between Adelma Road and Wattle Avenue.

Underground power

Working towards underground power for all residents

The City continued to install underground power across the City with the completion of the West Hollywood area in January 2019, under budget and ahead of schedule. This landmark project was the first customer-funded joint projects between the City and Western Power and has been heralded as a great success.

Two other projects, Claremont Triangle and Alfred Road (Town of Claremont project) and Alderbury Street, Floreat (Town of Cambridge project) includes residents within the City. These progressed during the year and when completed, 78.5 per cent of the City will have underground power installed.

The City will continue to progress investigations to connect the remaining residents (1,707) to underground power in the East Hollywood, Floreat and Mt Claremont areas. To commence the investigations, Council at its meeting in February approved for Administration to set aside \$220,000 in the 2019-20 budget for the detailed design for these properties.

As a result of the excellent working partnership and sound project management skills between the City, Western Power and contractors on the West Hollywood Underground Power project, savings were realised. As a result, Nedlands ratepayers within the area of the West Hollywood Underground Power Project will have approximately \$250,000 distributed as a refund in the form of a reduced bill with their 2019-20 rates notice.

Another \$250,000 will be transferred back into the underground power reserve fund. Normal practice with projects of this size is that an amount is withheld to manage any defects that may occur within the defect liability period of 52 weeks post-project completion date. This means, if no issues arise during the defect liability period, further refunds may be passed on in early-mid 2020.

Changes to Local Planning Scheme No. 3

Creating a vibrant, contemporary Nedlands

Local Planning Scheme No. 3 was published in the Government Gazette on Tuesday, 30 April 2019 – a step that completes the approval process.

The changes to zoning, land use permissions, density codes and development standards for the City of Nedlands will allow residents and others to create a Nedlands for the future. Increased and improved amenities and a diverse range of accommodation options will be built to suit residents at all stages of life from young first-home owners through to empty nesters.

The approval of LPS3 will enable the City to commence developing its planning framework of policies and procedures. The City is busy preparing a local planning framework which includes a complete revision of Local Planning Policies, Local Precinct Plans, a Town Centre Precinct Plan and associated localised planning controls which work with the provision of the new LPS3, and the State Planning Policies suite of Design WA.

Some of the projects that are currently being worked on include:

- Nedlands Town Centre Precinct Planning Policy
- Waratah Village Precinct Planning Policy
- Broadway Precinct Policy
- Laneways Policy
- Waste Management Policy
- Special Purpose Dwellings Policy
- Transition Zone Medium Density Design Guidelines.

Following gazettal of the scheme, it is important for the City and the community to work together to develop the localised planning controls, in context with new zoning and new provisions for design through state planning policy.

We believe that through community engagement, we can set the vision for the development of the local area, in context with the provisions which have been established by the State Government.

We will assist the community in understanding these changes and opportunities through community engagement, thereby keeping ratepayers and residents well-informed every step of the way.

Community Engagement



Community and stakeholder engagement is a core activity within the City of Nedlands.

It is intrinsic to Council providing good governance and strong leadership and ensures the community is consulted about its needs and concerns, as part of the City's decision-making processes. This puts the City in a better position to deliver more effective outcomes to guide its priorities into the future.

The City acknowledges that successful engagement with its community increases participation in decisions that affect them. At the same time, the City aims to deliver services in a manner that best meets expectations.

Key initiatives

The City undertook over 90 engagement projects in 2018-19 and achieved a participant membership of approximately 2,300 people through its online engagement hub, Your Voice Nedlands. This equates to approximately 11 per cent of the population (at 2016 Census).

There were approximately 30,000 visits to the website with people viewing more than 78,000 pages. Consultation involved online and traditional methods that enable people to learn more, seek information and provide feedback.

Surveys and submissions were the most popular tools with 5,540 contributions to 333 surveys for a range of projects, along with 152 feedback items for 90 individual projects and updates. The community sourced information by downloading 393 separate documents (7,580 downloads in total) along with key decision dates, photos and frequently asked questions. 3,780 visitors to the site read 922 newsfeeds. The City also provided information sessions, public open days, and direct mail-outs to inform and invite community participation in projects.

Consultation involved a range of online and traditional methods that enable people to learn more, seek information and provide feedback.

Overall, the projects attracting the highest participation were:

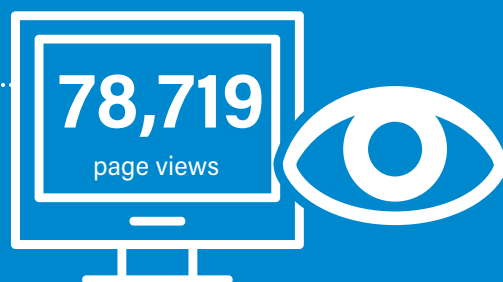
- Mt Claremont Oval – Proposal from Westside Wolves
- Public Open Space Strategy
- Draft Local Planning Scheme No. 3
- Quintilian Road Traffic Management Proposal
- 2019 Library User Survey
- Asquith Street – Mt Claremont Shopping Village Parking
- Development Applications
- Underground Power
- Stay Updated/Community Updates.

New initiatives included the introduction of a dedicated engagement site for all development applications and planning policies, along with dedicated engagement sites for any development application requiring approval from the State Government's Joint Development Assessment Panel (JDAP).

Your Voice Nedlands was continually developed and promoted across the community using traditional methods of communications, while increasing use of social media, such as Facebook and Twitter. Regular email newsletters were also produced for registered participants.

Your Voice Nedlands

30,938  visits



9,468
informed visitors
who visited a page
or several pages

21,643
aware visitors who
visited a page or
project page



Your Voice
Nedlands

City Infrastructure

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



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

To prioritise the infrastructure improvements, a five-year rolling capital works program was developed. The City is on track to complete the majority of the works programmed for 2018-19. This plan aligns with the City's 10-year financial plan, approved by Council in May 2018. A summary of priorities follows:

Underground power

Underground Power for the West Hollywood Area was completed on 29 January 2019. The project was the first customer-funded joint project between the City of Nedlands and Western Power and was deemed a huge success. This project came in under budget and ahead of schedule. A total of 598 properties will receive a refund following final reconciliation of the project.

Building works

The building maintenance capital works schedule featured a number of upgrades and various enhancements to public and community buildings.

Projects undertaken during the year included:

- John XXIII Avenue: enhancements to improve operational efficiency and create resource sharing opportunities at the works depot
- Broome Street Works Depot: replacement of a demountable office with a fit-for-purpose built structure
- City of Nedlands Administration Building: replacement of external eaves including asbestos removal and painting
- Dalkeith Hall: installation of heating and cooling.
- College Park Community Centre: complete renovation to the building including asbestos removal
- JC Smith Pavilion: replacement of the roof including removal of all asbestos
- City Wide Building Security: upgrade of security to various buildings from key access to electronic swipe card system
- Jo Wheatley All Abilities Play Space: construction of changing places accessible toilet.



Road resurfacing and rehabilitation

Nearly 3.2kms of the City's roads were renewed during the year, representing approximately two per cent of the total road network (159km). This work improves amenity and road safety. It also included the installation of soakwells to reduce the impact of potential flooding and to replenish the groundwater system. The following roads were rehabilitated:

- Brockway Road (Stubbs Terrace to Alfred Road)
- Camelia Avenue (Mimosa Avenue to Pine Tree Lane)
- Goldsmith Road (Sherwood Road to Stone Road)
- Iolanthe Street (Greenville Street to Jameson Street)
- Heritage Lane
- Kathryn Crescent
- Leura Street
- Marlin Court
- Minora Road (Hynes Road to Victoria Avenue)
- Nandina Avenue
- Riverview Court
- John XXIII Avenue
- Smyth Road/Monash Avenue Intersection
- Underwood Avenue.



Safe Active Streets Program construction

Footpaths

The City progressed its annual footpath improvement and replacement plan by upgrading various footpaths from concrete slabs to insitu concrete. A new footpath was constructed along Beatrice Road between Adelma Road and Wattle Avenue.

Rehabilitation of the following sections of the footpaths along Stirling Highway was completed:

- Meriwa Street to Clifton Street
- Florence Road to Mountjoy Road
- Baird Avenue to Boronia Avenue
- Thomas Street to Bruce Street.



Riverwall

230 metres of the river wall was constructed from the Tawarri Reception Centre to the Nedlands Yacht Club. These works included rehabilitation and stabilisation works, new paths and the development of a new beach access which also connects the beach to the Jo Wheatley All Abilities Play Space.

Car parks

The Broadway foreshore carpark was resurfaced which included 1,568m² of new asphalt surface. The project incorporated improvements to the existing drainage system providing additional storage through swales.

A new 18 bay car park was constructed on the corner of Asquith Street and Rochdale Road to address parking shortages. This included 500m² of new asphalt and landscaping of the remaining park space.



Drainage improvements and storm water management

The Swan River gross pollutant-trapping program continued during the year which, when fully implemented, will result in all gross pollutants within the City's drainage system being captured before it enters the Swan River.

The installation of soakwells in road pavements are important for replenishing groundwater at its source and to protect the road pavement against water ingress. These continued to be a focus with 53 new units (251m³ of soakwell capacity) installed across the City.

Major drainage projects included the underground drainage system in Carrington Park and drainage improvements to the Broadway Foreshore car park. An additional 400m³ of storage has been provided by these two major projects in addition to the soakwells installed.

Planning and Engagement

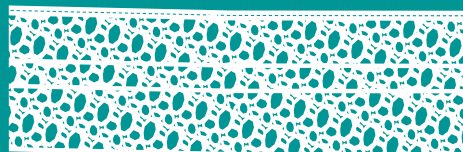
Significant work has been undertaken in planning and engagement of upcoming major projects including:

- Safe Active Street project along Elizabeth Street and Jenkins Avenue will commence with stage one in Elizabeth Street from Broadway in the later part of 2019
- Mt Claremont Shopping Village parking, improvements will continue. There are plans to progress with the development and improvement of existing park facilities at 25 Strickland Street and the Cottesloe Golf Course, subject to approval in future budgets
- Waratah Avenue Place Making Strategy: improvements to pedestrian access and safety, landscaping, street lighting, footpath and road improvements (including a roundabout at Alexander Street)
- A shared pathway on Brockway Road from Underwood Avenue to Quintilian Road
- Planning and application of funding for the replacement river wall between Nedlands Yacht Club and Jo-Jo's Jetty. Construction for the section from Nedlands Yacht Club to the exercise equipment at Bessell Avenue is planned for 2019-20.

The City is working towards an average road network condition target of 8.50 (good condition) over the next five years.

2,068m² of new or renewed carparks

230m of renewed riverwall

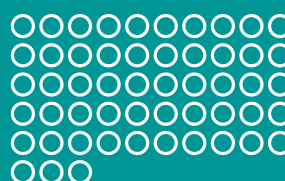


2 new bus shelters

Extra **400m³** of underground drainage storage



3.2km roads renewed



53 soakwells installed



3,200m² footpaths renewed

417m² new footpaths constructed

Natural Environment

The City prides itself on its great natural environment and protection of biodiversity, along with placing an importance on the City's green spaces (parks and gardens, reserves and sports fields).

Key points

37

Parks capital improvement projects completed



469

Monthly parks maintenance programs completed



547

Trees planted in streets and parks

119

Verge development applications assessed

Development of public open space at St Johns Wood Boulevard, Mt Claremont

Completion of last stage of the Jo Wheatley All Abilities Play Space

Jones Park Enviro-scape Master Plan completed and major works commenced



The City is working in partnership with local bush care groups and sporting and recreation clubs to restore and protect its natural areas and green spaces.

Activities include continued upgrades to sporting and recreational facilities and maintenance to parks and reserves. In bushland, the City continues to address erosion, environmental weeds, plant diseases, feral animals and fire management.

The City's activities continue to underpin the Urban Forest Strategy by protecting and maintaining the natural environment, gardens, streets and parks. These green spaces serve as hubs for the community to use and enjoy.

Parks Services

Council adopted the City of Nedlands Urban Forest Strategy 2018-2023 in November 2018. The strategy along with the development of Enviro-scape Master Plans for each of the 67 parks, are key strategic documents underpinning the Nedlands 2018-2028 Strategic Community Plan. The objective is to ensure individual parks and precincts are fit-for-purpose and meet the communities needs at the most economic whole-of-life cost.

The most recent Enviro-scape Master Plan project works completed during 2018-19 were the development of the public open space (POS) at St Johns Wood Boulevard in Mt Claremont and the upgrading of Carrington Park in Nedlands.

The St Johns Wood Boulevard POS project transformed a previously barren tract of open space into a sympathetically designed parkland with the playground to follow in 2019-20. Carrington Park was upgraded to provide stormwater detention below the park and to improve park facilities in general. Major works also commenced at Jones Park, Swanbourne which included upgrading of irrigation, new garden kerbing and completing a missing link in a footpath. All enviro-scape master plans adopt the principles of water conservation, accessibility, sustainable amenity and supporting natural diversity.

The completion of capital improvement projects across 37 parks continued to renew parks assets in accordance with the endorsed Five-Year Capital Works Program.

The objective of program is to provide and maintain safe, functional and engaging parks facilities.

The final stage of the Jo Wheatley All Abilities Play Space was completed which included construction of accessible toilet facilities. The play space has won several state and national awards since completion.

The City planted 547 trees throughout the City. The City has now planted over 3,400 new trees in the last five years which is in excess of the target set in 2013 of 2,050 trees.

Environmental Conservation

To restore and protect the City's natural areas, the City works in partnership with local bush care groups, state government funding bodies and volunteers.

Greenways and bushland areas continued to be maintained – 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 included native plantings along the Swan River foreshore, Swanbourne coastal dunes and the railway reserve.

At Point Resolution Reserve, approximately 4,000 seedlings were planted as part of a joint project between the City of Nedlands and Department of Biodiversity, Conservation and Attractions with support from the Friends of Point Resolution.

The joint project also stabilised another section of Swan River foreshore with the installation of brush walling to protect existing vegetation and new seedlings. The works will protect the river reserve from exposure to high-energy waves and natural erosion processes.

A further 6,000 local provenance plant species were planted along the Swanbourne dunes with funding from the Western Australian Planning Commission's Coastwest Grants program. The Swanbourne Coastal Alliance community group partnered with the City to deliver the project.

5,700 seedlings were also planted along the railway reserve to extend the greenway along Stubbs Terrace and Railway Road.

Parks Services

- Completion of the last stage of the Jo Wheatley All Abilities Play Space
- Upgrade of path lighting at Allen Park heritage precinct and Birdwood Parade Reserve
- Replacement of drinking fountains at Brockman Reserve, College Park
- Completion of Carrington Park Enviro-scape Master Plan works
- Completion of St Johns Wood Boulevard Public Open Space Enviro-scape Master Plan works
- Commenced major works associated with Jones Park Enviro-scape Master Plan
- Upgrade of tennis court lighting at College Park
- Renovation of lower irrigation lake at Daran Park
- New bore and associated infrastructure at Harris Park
- Upgrading of paths at Hollywood Reserve
- Replacement of pine bollards with recycled plastic bollards at Melvista Park
- New path network and bushland conservation works at Point Resolution Reserve.

23,000



Native seedlings were planted in the City's natural areas and greenways

2,800m²



of the railway reserve greenway extended along Stubbs Terrace and Railway Road

1,400m²



Natural area pathways upgraded at Hollywood Reserve

Environmental Conservation

- Coastwest and Riverbank grant projects undertaken in conjunction with state government funding bodies
- Bushcare programs with community groups, local school groups and Conservation Volunteers Australia
- Erosion control at Point Resolution Reserve, Birdwood Parade Reserve, Swanbourne Estate and Swanbourne dunes
- Feral animal control, including feral bees, foxes, cats and birds
- Quendas (native marsupials) were released at Shenton Bushland in conjunction with the Department of Biodiversity Conservation and Attractions.



Health and Compliance



Overview

Environmental Health

The City is routinely involved in many aspects of preventative public health to ensure community safety is maintained through surveillance activities, including:

- Food premises
- Public buildings
- Public swimming pool and ocean monitoring
- Skin penetration premises.

Investigations were undertaken on a range of resident concerns throughout 2018-19, including issues related to environmental noise, asbestos, animals, pests and general nuisances. Numerous temporary events were assessed, approved and inspected throughout the year, including the Mount Claremont Farmers Market.

Compliance and enforcement activities were undertaken in relation to non-compliant food premises, on a proportionate and risk-based approach through the year.

Ranger Services

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

Sustainability

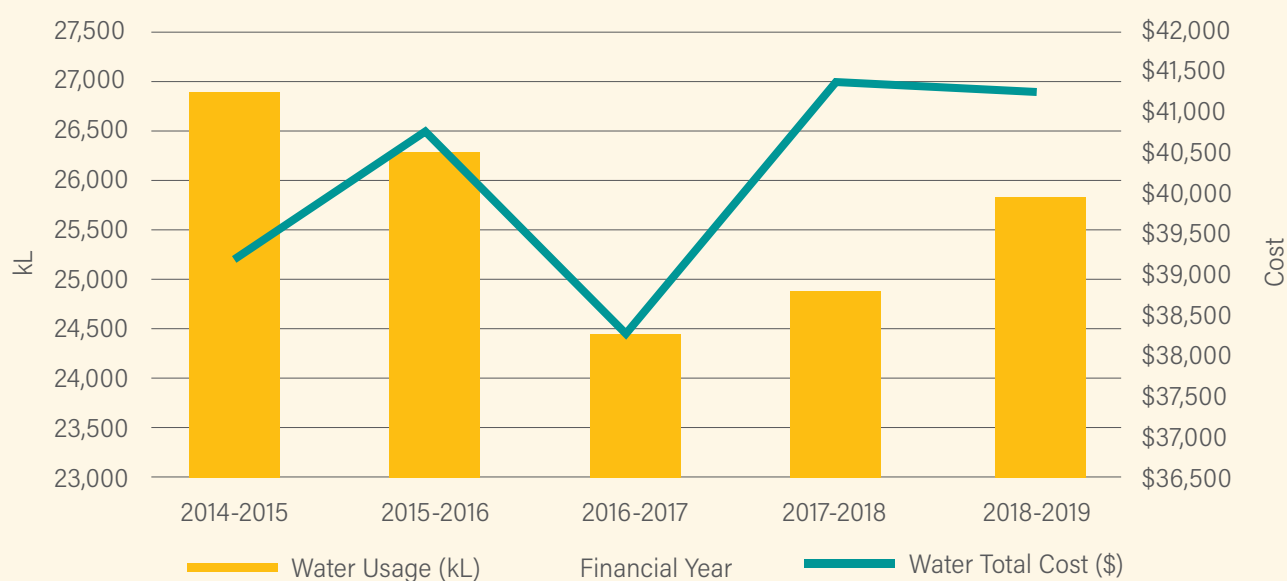
Water Conservation

The City is a Water Corporation endorsed Waterwise local government, committed to improving water efficiency and contributing to improved water quality throughout the City's operations. The City's bore water allocation with 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 2018-19 financial year was 703,081 kilolitres, 6,219 kilolitres (0.9 per cent) below the allocation. Water efficiency is achieved by undertaking regular reviews on usage, and identifying tools and techniques to improve conservation. The City has continued developing Enviro-scape Master Plans for parks and reserves to conserve and improve water quality. It is anticipated that water and energy savings will be achieved and improved through sustainable design and infrastructure upgrades.

Scheme water usage for 2018-19 increased slightly, primarily due to implementing a tree planting program in many streets to improve the City's tree canopy coverage. Scheme water was used as the best available option in all these instances. Due to the dry year (rainfall wise), existing small parks, verges and roundabouts on scheme water also used a small percentage more.

Scheme Annual Water Usage and Cost



Electricity Consumption

The electricity consumption for 2018-19 was 1,285,612kWh which is a 35,601kWh decrease from 2017-18 (1,321,221kWh). This represents a saving of \$29,646. The steady general decrease in usage since 2014 can be attributed to upgrades, usage patterns and public education over the last five years.

Electricity consumption patterns are as follows:

- 2017/18 to 2018/19 was a decrease of 64 GJ or a one per cent reduction
- 2016/17 to 2018/19 was a decrease of 305 GJ or a six per cent reduction.

The City of Nedlands has embraced the development of LED technology which will see the manufacture of Mercury-based lighting become obsolete by December 2020.

Following the improvements in LED technology, the City of Nedlands has undertaken to upgrade street lighting to LED which includes electronic metering. To date, nine per cent of the City's street lighting has been changed (199 lights). A further 30 lights are planned to change by December 2019.

The reduced energy usage of 83 per cent will offer savings, and a cost recovery for initial implementation will take three years. The anticipated sustainable outcome from the implementation of LED lighting is an energy saving of 85 per cent between the 125W MV and the 20W LED. The removal of this hazardous waste from future waste streams is a positive outcome.

WESROC Projects

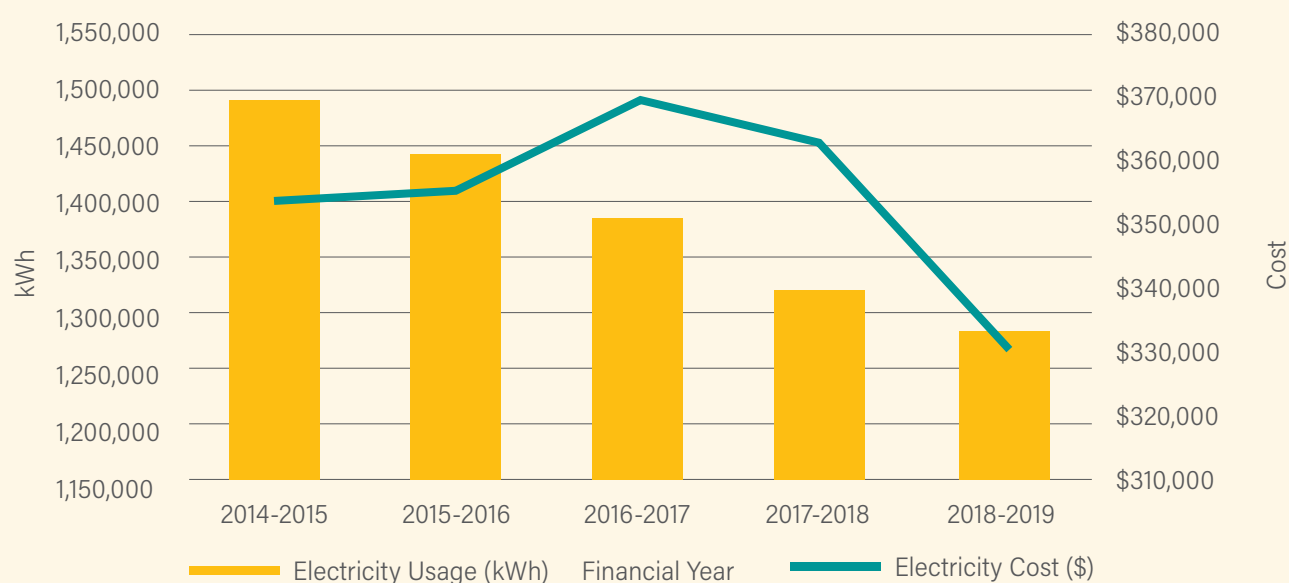
As lead council for Western Suburbs Regional Organisation of Councils (WESROC), the City undertook a range of environmental projects as follows:

- Native Plant Subsidy Scheme
- Groundwater aquifer recharge
- Whadjuk Trails
- Greening the Transit Reserve
- Feral animal control
- Urban Forest Plan
- Greening Plan.

Western Central Local Emergency Management

City Rangers were involved in the Western Central Local Emergency Management Committee in 2018-19. The committee undertakes planning for emergencies and recovery with other western suburbs local governments as well as agencies such as the Red Cross, WA Police and Department of Fire and Emergency Services. The City also reviewed its Local Emergency Recovery Plan which outlines arrangements for effectively managing recovery at a local level, including accountability and responsibility.

Annual Electricity Usage and Cost





Key initiatives

- Rangers are now wearing body worn cameras to record interactions with the public in the course of their duties. These cameras can promote public reassurance, prevent harm and deter people from anti-social behaviour.
- The City has been working with the Department of Primary Industry and Regional Development to install Beach Emergency Number (BEN) signs along Swanbourne Beach. These unique BEN codes provide specific location information, vital when emergency services are deployed in the event of a shark sighting, attack or other beach emergency.
- The City has been working with neighbouring WESROC local governments to establish a mosquito trapping, monitoring and identification program called a Contiguous Local Authorities Group (CLAG). The CLAG enables a regional based coordinated approach to mosquito identification and control and also allows access to Department of Health funding and training initiatives.
- A new, free, online "Foodsafe" food handler training initiative was launched for food handlers. This program provides education and training on key aspects of food safety and handling.

378 Food premises inspections

58 Public building inspections

47 Noise complaints/ investigations



52 Dog attacks investigated

4,341 Total parking infringements issued



331 Total warnings issued for parking

17,972 Native Plant Subsidy Scheme plants sold



208



Inspections of public aquatic facilities

Groundwater savings

0.9%
(703,081kL)

less than the City's allocation

Scheme water consumption – rose by

4%
(989kL)

compared to 2017-18



Electricity consumption – decreased by

64GJ (1%)

compared to 2017-18

Free

online "Foodsafe" food handler training course

Waste Services

The City plans to achieve the State Government's target of diverting 65 per cent of waste from landfill by 2030 through initiatives outlined in the Waste Minimisation Strategy and Action Plan 2017-2020.

Key points

The City is a leading metropolitan local government using a three-bin system and verge collection with a diversion rate from landfill of:

54%



More than

80%

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 20%

of residents are using the complimentary second recycle bin option.



432

tonnes

less waste was collected in comparison to last financial year which resulted in decreased tonnage to landfill and cost savings in disposal fees.

Despite an increased landfill levy, waste charges have been maintained at the same level since 2013 due to financial efficiency gains in the contract and tender process.

Seeking ratepayers support and collaboration to reduce usage of single use plastic as it cannot be recycled.



Overview

The City aims to achieve the State Government's target of diverting 65 per cent of waste from landfill by 2030 through initiatives outlined in the Waste Minimisation Strategy and Action Plan 2017-2020.

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 achieved an overall 54 per cent diversion rate from landfill – this means 54 per cent of the City's waste was either recycled, reused or recovered.

About 8,200 dwellings use the three-bin kerbside collection system for general, green and recycling collection services. In addition, 707 commercial waste services and 884 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 2018-19, the City collected 11,240 tonnes of waste, 3,410 tonnes of green waste and 2,611 tonnes of recyclable material from the kerbside collections and bulk waste streams including household hazardous waste. The total of combined waste diverted from landfill was 54 per cent either recovered, reused or recycled. In comparison to 2017-18, 53 per cent diversion rate, the one per cent increase in recovery was predominantly due to residents producing less waste.



In its efforts to improve waste diversion and achieve the 65 per cent target by 2030 and beyond, the City (with community support) will explore possible consideration of inclusion of food waste into the existing residential kerbside greenwaste bin, otherwise known as Food Organics, Garden Organics (FOGO). The implementation of the service will be explored if significant improvements and financial savings can be achieved, especially associated with landfill levy charges.

Plastics in our waterways poses ingestion and entanglement risks to marine life. Changing habits to avoid using single use plastic bags is a great way to start reducing the amount of plastic entering the City.

Our approach is to implement effective environmental management practices that consider the most cost-effective outcomes for ratepayers while also diverting the maximum percentage of waste away from landfill.

Graffiti and vandalism

The City maintains 48-hour graffiti removal from public spaces. 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.



Waste education workshops with Dalkeith Primary students



Key initiatives



Completed a feasibility study report on potential introduction of a FOGO service for the City's residents including how to integrate a FOGO service using the current infrastructure.

Completed residential waste audit on the City's Kerbside waste collection services (3 bin system).



The City delivered the waste education program to over 650 primary school students.



2,594

tonnes of recyclables diverted from landfill



17

tonnes of e-waste and mattresses diverted from landfill

3,410

tonnes of green waste diverted from landfill

11,240

tonnes of domestic waste collected

Built Environment

The City formulates, administers and enforces rules and regulations for its built environment. Responsibilities include land-use planning, development approvals and compliance, heritage and managing the leasing of City assets, as well as building and swimming pool control and compliance.

These activities 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.



Key points

- Gazettal of Local Planning Scheme No.3 in April 2019
- Gazettal of new SPP7.3 Residential Design Codes
- New Local Planning Policy for Exempt Development and Consultation for Planning Proposals
- Public Open Space Strategy community and stakeholder engagement
- New Local Planning Policies for Signs, Heritage, SAT Procedures, Fees and Charges (Waiving Fees), Planning, Compliance and Childcare Centres.

Strategic planning

The delivery of modifications requested by the Minister for Planning and Lands for Local Planning Scheme No.3 (LPS3) dominated the early part of 2019. This followed from previous months, the forwarding of the advertised version and modified LPS3 content to the WAPC in the second half of 2018. With the Minister adopting the Scheme and it being gazetted in April 2019, the City is now operating with a new planning scheme.

The City is busy developing the strategic and statutory framework to accommodate additional population and development in accordance with the LPS3 which includes precinct plans. These will provide further guidance for the City, the development industry and the local community on the development in key precincts within the City.

A Public Open Space (POS) Strategy is currently being developed. This follows an extensive engagement process which involved a community survey, open day events and specific public open space audits around the City. The City will continue to develop this strategy into the latter part of 2019 and will aim to finalise the strategy in the first quarter of 2020.

As part of implementing a new Local Planning Scheme, the City has revised its operational Local Planning Policy Framework and has introduced new policies in a wide range of areas including Parking, Heritage, Fees and Charges, Residential Built Form, Signage and many more. The City is modernising its policy framework to fit with the City's new Scheme and has involved the Community throughout the policy review process. Looking forward, the City is aiming to formulate an integrated transport strategy in 2020 which includes a car parking plan, active transportation and bike planning.

Statutory planning

Statutory Planning continues to innovate its assessment procedures and methods with the introduction of the new Local Planning Scheme, the 2019 State Planning Policy (SPP7.3), Residential Design Codes (Volume one and two). Processing of development applications and subdivision referrals remain a focus and a priority. Engaging, informing and involving the community in decisions relating to planning and development is also a focus.

Preliminary planning advice is being offered for assessments prior to development applications being lodged. With the introduction of Design WA, R-Codes (Volume 2) there is a greater emphasis on pre-lodgement advice being provided to inform the lodgement of complex development applications.

The City is also continuing to offer the "deemed-to-comply" check service for applicants wishing to receive confirmation of whether a proposal requires or does not require development approval. This remains a popular service.

During the reporting period 243 applications were determined by the City. Of those, 182 were determined under delegation and 42 were determined by Council. 17 were cancelled and the remaining 2 determined by the WAPC. Of the 182 determined applications under delegation by staff, all but one was determined within the required 60 or 90-day statutory timeframes.

Development compliance also formed a significant part of statutory planning resources in 2018-19, with complaints typically generated from neighbours concerned with unauthorised buildings or land uses. Complaints regarding traffic management around construction sites has also taken a considerable amount of time from statutory planning this year.



Building and compliance

Technological upgrades were completed this year, making the pool inspection program now fully electronic. Inspection reports are now being instantly emailed to owners during the inspection rather than relying on paper copies left at the property.

This year, the City also asked owners to be present during all pool inspections which improved communications and issues were able to be explained straight away.

The City has finalised its traineeship program for budding building surveyors and is looking forward to employing and training a new cadet to bring into the industry. This is something that is currently, crucially lacking for the industry.

This year the City saw the conclusion of its building permit and compliance shared service agreement with the Town of Claremont which has operated for the last four years with great success for both Councils. The City will continue to provide their pool inspection program.

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

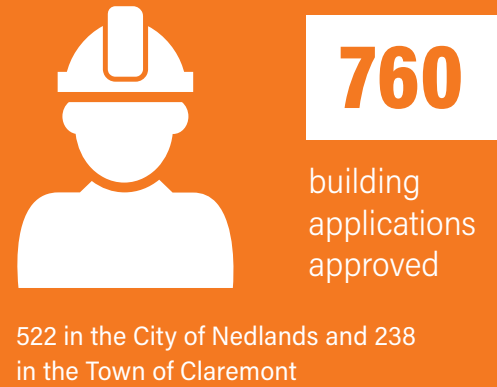
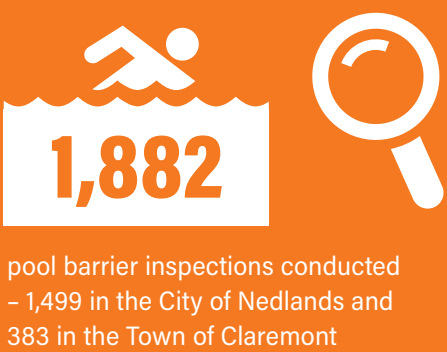
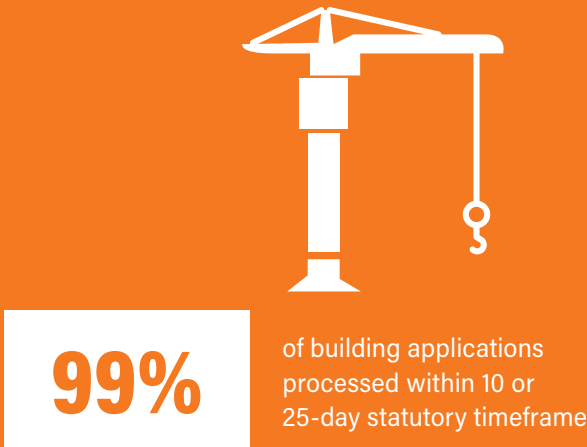
Key initiatives

Building and compliance

- Instigated new paperless pool inspections completing the pool program technology upgrade process
- Concluded a building permit shared service agreement with the Town of Claremont
- Continued the pool inspection shared service agreement with Town of Claremont
- Continued the building permit certification service agreement with the Shire of Peppermint Grove
- Finalised the cadet training program for new building surveyors.

Planning

- Administration and delivery of assessments in accordance with the City's new Local Planning Scheme No.3
- Consultation on the Draft Public Open Space Strategy
- Training and mentoring program, two student planners, one progressing to full time employment at the City and another employed by another local government
- Development of new local planning policy regarding consultation of planning applications, heritage, signs, exempt development, State Administrative Tribunal (SAT) appeals procedures, planning compliance, car parking, childcare centres and residential development.





Community Services

- Mt Claremont Community "hive" opened to provide more activities to members of the community from children to seniors, through library, aged care and positive ageing programs
- 235 Affinity Club Members (membership increased by 57% from previous year)
- 802 events provided at Nedlands and Mt Claremont libraries with 6,655 people attending
- 94,706 visits to Nedlands and Mt Claremont libraries
- High satisfactory rate for all services provided

Overview

Aged care services – Nedlands Community Care (NCC)

The Commonwealth Home Support Programme (CHSP) services are provided through Nedlands Community Care (NCC), jointly funded by the Australian Government's Department of Health and City of Nedlands. NCC provides services to assist eligible residents to remain living in their own homes for as long as safely possible. Many elderly residents have limited contact with people outside their home. NCC provides the support and social interaction needed for their wellbeing.

Services 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
- The Waratah Club providing activities, exercise classes and meals as well as outings and events
- Social support activities including group bus outings around Perth, social get-together programs, a dinner club, book clubs, movie days and computer classes.

Positive ageing program

The Affinity Club promotes a can-do attitude to life. It offers stimulating, health-enhancing activities to encourage community interactions, at a nominal cost. Activities are held at NCC, Dalkeith Hall and at The Hive (Mt Claremont Community Centre).

Weekly activities include:

- | | | |
|-----------------------|-----------------|--------------------------|
| • Walking groups | • Line dancing | • Chair Zumba |
| • Table tennis | • Mah-jong | • Cooking Demonstrations |
| • Yoga for seniors | • Canasta | • Sing with us |
| • Pilates for seniors | • Chair Pilates | • Computer Support Cafe |
| • Zumba Gold | • Chair Yoga | |

Monthly activities include outings to the local cinema followed by a meal, Laughter Yoga and attending educational talks with afternoon tea included. There have been seasonal outings such as Christmas Shopping to the new DFO shopping Centre and a Friendship Day lunch at the Swan Valley French Patisserie. Community events were also held such as a High Tea with a show in October, Melbourne Cup Lunch in November, Christmas Party Sing-a-long, Chinese New Year lunch, a Mother's Day High Tea and the Biggest Morning Tea in May. Seniors are invited to try any activity at any time.

Customer Satisfaction Survey comments provided feedback indicating activities are always well organised, staff and helpers are welcoming, listen to any queries and there are opportunities for everyone to take part in different activities.



"I enjoy working with the Nedlands Council doing the bus run to the Nedlands Libraries on a Monday. It is well organised and the folk we pick up and get to know enjoy the service (and the chat and the cup of tea!) I find it very satisfying and it is a valuable service to our Nedlands community."

Peter Freitag,
Books on Wheels
Volunteer

Point Resolution Child Care Centre (PRCC)

In 2018-19, the centre continued to operate at a level that maintained its rating of exceeding National Quality Standards and National Regulations. The centre upheld a reputation as a trusted provider of high-quality care and education in a fun and stimulating environment for children aged up to six years. PRCC cared for more than 120 children each week.

The centre continues to ensure the care each child receives is an extension of the care they receive at home. The open-planned (mixed age groups) room creates an atmosphere for the children to socialise with their siblings and friends, which generates strong bonds and reinforces family connectedness and social development for the children.

With a focus on the Early Years Learning Framework, the program provides a range of experiences that help children grow socially, emotionally and physically, while being cared for and nurtured in a safe environment. PRCC has also liaised with local primary schools to ensure the centre provides opportunities that allow children the best start to formal schooling. This also creates connections with the wider community. Following the success of the lunch trial, all children's meals are now provided at the centre.



Library services

The City has two libraries: Nedlands Library on Stirling Highway and Mt Claremont Library on Montgomery Avenue. There are 8,257 members and 93 per cent are residents.

The library collection includes a variety of books, magazines, talking books, DVDs, CDs, local history and electronic content (eBooks, eAudiobooks and eMagazines). Over the past year, 22,343 eAudiobooks were downloaded and listened to by library members. This is an increase of 5,259 downloads compared to last year. There were 17,703 eBook downloads. This is an increase of 3,342 compared to last year.

For the 2018 Roland Leach Poetry Prize we had 1,123 poems from 967 poets, our largest number of entries to date.

A successful library volunteer recognition sundowner was held in March 2019 in appreciation for the fabulous volunteers who assist in the Libraries to provide the community.

Statistics

17,200 hours of service provided by Nedlands Community Care staff to 220 eligible community members

100 percent of Affinity Club members surveyed would recommend a friend to join

Monthly average of 592 people attending Positive Ageing activities

235 Affinity Club Members (membership increased by 57% from previous year)

17 weekly classes and three-monthly activities to choose from for Affinity Club members within Dalkeith Hall, NCC and The Hive

Three new activities were introduced last year: Sing with us, Pilates with props and Movie and Pizza

802 events provided at Nedlands and Mt Claremont Libraries with 6,655 people attending

94,706 visits to Nedlands and Mt Claremont Libraries

97 per cent satisfaction rate for library events

100 per cent satisfaction rating achieved in Point Resolution Child Care Centre parent survey



22,343

downloads of library eAudiobooks

17,703

downloads of library eBooks

390,667

library transactions (includes loans, returns, reservations and renewals – increase of 36,943 from last year)

Key initiatives

Aged Care

- A variety of exercise classes successfully implemented at NCC to improve the overall wellbeing of clients and community members
- HACC funding limited to under 65's from the 1 July and funding provided by the WA Department of Health until transitioning clients over to the National Disability Insurance Scheme (NDIS)
- Commonwealth Home Support Funding started 1 July 2019 and Home and Community Care (HACC) changed to CHSP
- All Aged Care referrals now done through My Aged Care, an Australian Government web portal.

Positive Ageing

- Launched 'Sing with Us' which is a choir for all singing abilities and has been very popular amongst members
- Seated Exercises such as 'Chair Yoga', 'Chair Pilates' and 'Chair Zumba' have encouraged members to continue being active and social
- Due to their popularity, activities like Zumba Gold and Table Tennis are now available twice a week
- Introduced Movie and Pizza activities at NCC. Seasonal movies were shown such as Australiana movies ("Tracks") and Art movies such as "Loving Vincent". Movies generated interesting discussions and members enjoyed a social lunch
- New "Pilates with props" started in February. Using balls, weights and elastic bands, members were able to enjoy another dimension of Pilates
- New themed events were introduced: "Friendship day lunch" and "Mother's Day High tea with a movie" with both events well received.

Child Care

- Engaged children in sustainable practices including recycling. The children learnt how to be "waste warriors", originally inspired by the program being run at Dalkeith Primary Kindergarten, children recognise that everyone is responsible for reducing waste on a daily basis
- Liaising with the parents and enquiring about sustainable practices at home. Around 22 per cent of families reported to be engaging in approximately 25 sustainable practices in total and most of them related to reducing waste in some way. Families also indicated that they would like to learn more about sustainable practices
- Committed to supporting children, staff and families develop knowledge and respect towards Aboriginal and Torres Strait Islander history and culture.

The children participated in a range of hands-on learning experiences during Reconciliation Week and NAIDOC Week to explore real Aboriginal artefacts in a respectful way. The children used real clap sticks during their routine 'Acknowledgement of Country', as well as nestling their baby dolls in coolamons. Building knowledge, understanding and respect for Aboriginal and Torres Strait Islander history and culture is an ongoing journey for children, staff and families at PRCC

- PRCC successfully passed all audits conducted by the Education and Care Regulatory Unit and all Food Safety audits
- Implemented the revised National Quality Standards to the centre's program, documentation and policies
- Provided staff training and participation in forums for professional discussion, strengthening their capacity to deliver inspiring and engaging programs
- Community members and families attended events including a Meet and Greet Picnic, Mother's Day, Father's Day and Grandparent's Day
- Hosted a range of events including Storytime visits from the local library, mobile animal farms and an artist from Tresillian Arts Centre
- Worked with the local Bunnings Store to select and plant safe native flora and herbs in the centre's garden area
- Fostered strong partnerships and supported families with agencies such as Communicare, Telethon Speech and Hearing and local support services and specialists from the community.

Library

- Introduced Xpress Reads collection – one-week loan with no reservations and no renewals on some popular titles
- 2018 Roland Leach Poetry Prize – 1,123 entries from 112 from schools across the state – highest participation!
- The library's events at the Community Hive (since set up in November 2018), have been Spanish and German conversation groups, Kids' Chess Club, Tween Book Club, Inquisitive Little Minds (STEM base program for three to five year old children) and author talks
- Mt Claremont Library opening hours were extended in November 2018. The library is now open on Wednesdays and has a Baby Rhyme Time session on Wednesday mornings
- A weekly Mt Claremont Library Justice of the Peace signing service started in May 2019
- 114 book club sets have been hired in 2018-19.



Community Development

Throughout 2018-19, the City continued to work in partnership with the local community to celebrate and strengthen local relationships by providing a wide range of events in the following areas:

- sport and recreation
- community events
- youth development
- volunteers
- community groups
- local businesses
- disability access and inclusion
- Tresillian Arts Centre.

A major focus has continued on upgrading community facilities as these hubs strengthen local connections and help build a sense of local community.



Sport and recreation

The City works in close partnership with 34 local sporting clubs who offer the community a wide range of sporting options. Bookings for facilities are coordinated 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 facilities to meet the needs of the clubs, community and sporting codes.

Community events

Council-provided events

More than 8,400 people attended the City's major community events, including:

- Four Summer Concerts in the Park
- Party in the Park, to celebrate the City's 60th Anniversary
- Two Nedlands "Going Places" tours
- Anzac Day ceremony
- Remembrance Day ceremony
- Three citizenship ceremonies.

Externally-provided events

An increasing number of people and organisations provided events in the City's parks and reserves. These externally-provided events included corporate, community-based and private events. Larger-scale events included the Up All Night Charity Walk by Ronald McDonald House Charities and the Hawaiian Walk for Woman's Cancer. Smaller-scale private events included wedding ceremonies and birthday parties.

Key Points

- A record 7,500 people attend Summer Concerts in the Park
- Council land used for an increasing number of events organised by the community (176 in 2018-19 compared to 157 in 2017-18)
- Record number of courses, studio artists and exhibition income at Tresillian Arts Centre
- Volunteers donate \$667,520 worth of time to extend Council services
- Jo Wheatly All Abilities Play Space generates positive user feedback.

The City approved 176 externally-provided events in 2018-19, up by 19 compared to the previous financial year. The community is organising an increasing number of its own events which results in a wide range of events being available. The City works with these groups to aim to ensure safety, compatibility with other activities to maximise positive impact.

It is pleasing to see the continued growth in events organised by the community, while attendance at Council-provided events also continues to grow. The City is truly a community that likes to celebrate!



Emerge Youth Art Awards

"Nedlands RSL Sub-Branch has enjoyed the ongoing support of the City of Nedlands for a number of years. This has allowed the conduct of the important community observances of ANZAC Day and Remembrance Day as joint activities of the City and the Sub-Branch. City support has allowed the Sub-Branch to grow and continue to commemorate and honour our veterans through – in particular – active involvement with local Primary Schools."

Barry Nunn, Nedlands RSL





Youth Development

Youth Advisory Council

The Nedlands Youth Advisory Council (YAC) is a team of young volunteers aged 12-21 who live, work or study in the City of Nedlands. The YAC continues to provide input to the youth program and helps plan and coordinate City of Nedlands' youth events.

Emerge Youth Art Awards

Since 2013, the annual Emerge: Youth Art Awards Exhibition has showcased the artwork of local young artists. The August 2018 exhibition attracted 101 entries from young people aged 12 - 25 years.

Youth Grants

Twelve local young people each received a \$250 grant from Council's Youth Grants Fund. The fund recognises and encourages socially positive initiatives that contribute to the community and support local young people in their development. Examples include participating in an Aboriginal Studies course in Broome with Fair Game Australia and travel to Naples, Italy to represent Australia at the World University Games in water polo.

The City also provided a grant of \$12,500 to the Shenton Christian Council to assist with the cost of providing chaplaincy services in local schools administered by YouthCARE. Local schools providing chaplaincy services include Shenton College, Swanbourne Primary, Mt Claremont Primary and Shenton College Centre for the Deaf.

Splashfest

Splashfest is an annual water-based event for children, young people and families held in March on Swanbourne Oval. The community event involves volunteers from the Nedlands Youth Advisory Council, as well as sporting clubs and community groups. Splashfest also showcases a range of performances from talented young musicians. The free event attracted over 2,000 people.

Volunteer services

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

- referred 150 volunteers to roles in community organisations
- engaged 160 volunteers in roles within services provided by the City.

Volunteers in community organisations

Many of the 150 volunteers referred to community organisations went on to play a key role in those organisations, contributing to a more resilient and inclusive community. Many community organisations depended on volunteers to deliver their services and meet community needs.

Volunteers in Council-provided programs

The 160 volunteers who worked within the City of Nedlands programs gave their valued time to extend many of the services being delivered by the City. These included volunteering in:

- the Mt Claremont and Nedlands libraries
- Nedlands Community Care
- providing community transport
- assisting with bush care
- serving on many different committees and advisory groups.

Volunteers are important – their work allows the City to extend and enrich its services beyond those provided by staff. On average, each volunteer gives 8.8 hours per month, which is more than 16,000 volunteer hours per year.

According to the Australian Bureau of Statistics (May 2017 to 2018), the work of an average volunteer is valued at \$41.72 per hour. Therefore the 16,000 hours contributed by volunteers working in Council-provided programs in the 2018-19 financial year represents \$667,520 in donated benefit to the City.

Local businesses

The City of Nedlands hosted two Business Sundowners to provide local business owners, City staff and Councillors an opportunity to network together. The events were well-supported by local businesses and enjoyed by those who attended.

Tresillian Arts Centre

The Tresillian Arts Centre continued to provide a wide range of recreational courses, children's school holiday activities, art exhibitions and art studios. Tresillian's customers were highly satisfied with the services they received, expressing a satisfaction rating of 95 per cent across the financial year. Access has been improved, with new ACROD parking and more parking bays for members.

Tresillian courses

Art courses continued to be in strong demand, as well as language and lifestyle courses. Tresillian provided 224 term-based courses for adults in the 2018-19 financial year; and 40 school holiday courses for children. As well as an increase in the number of courses on offer, the financial year also saw an increase in the variety of courses. A significant number of courses delivered by new tutors brought fresh skills and creative opportunities to Tresillian's students.

New online booking system

Tresillian's reputation as an arts centre is well-established and sufficiently strong to attract City of Nedlands residents and people from other local government areas, including people from country areas. To facilitate the process of enrolling in courses, Tresillian introduced an online booking system which allows students to search and book courses online, from the comfort of their own home. This system has been very well received, with more than 65 per cent of our bookings created online in the first term of enrolments. Other more traditional forms of enrolment will continue to be provided while still preferred by some members.

Café

The Tresillian community was sad to farewell the much-loved café operator Carlos Soto after 15 years of providing wonderful coffee, food and music at Tresillian. An event was held to farewell him and wish him the best in his well-deserved retirement. Tresillian now has a new café operator, Nicky Ray, who has already introduced a fresh new look to the café and it is continuing its warm and welcoming hospitality. The café continues to function as the 'heart' of Tresillian and is highly valued by Tresillian's users.

Key initiatives

- Introduced online booking system at Tresillian Arts Centre
- Improved access at Tresillian Arts Centre
- Nedlands Tennis Club received a \$65,603 grant from Council and was supported in its successful application to receive a matching grant from the Department of Local Government, Sport and Cultural Industries, to convert two grass courts to hard courts with LED floodlighting
- The Department of Local Government, Sport and Cultural Industries approved a grant of \$78,227 towards the upgrade of the floodlights on the Allen Park Lower Oval. The City and Swanbourne Tigers Junior Football Club are contributing one third funding each to the project.

Studio Artists

Tresillian leases studios to artists, their creativity helping to provide a vibrant and interesting centre for community members. In the 2018-19 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 attending the annual Student and Tutor Exhibition in October and record artwork sales across all exhibitions held during the year.

176

externally provided events held on City land, up by 19 from 2017-18 (157)



34 sporting clubs used City reserves

grants valued at \$7,745 provided from Council's Community Grants Fund for local events and street parties

11

satisfaction rating by the City's hall users

82%

82%

satisfaction rating by the City's community groups and organisations



121 people were welcomed as Australian citizens

12

grants valued at a total of \$3,000 provided from Youth Grants Fund



101 entries in the Emerge: Youth Art Awards

Tresillian Arts Centre provided 224 courses with a satisfaction rating

95%



More than 7,500 people attended four Summer Concerts in the Park

87%

satisfaction rating by Summer Concert attendees

Statutory Requirements



Elected Member Attendance

1 July 2018 – 30 June 2019

Elected Member	Council (11)	Special Council (3)	Committee (11)	Audit and Risk Committee (4)	Arts Committee (6)	CEO Recruitment & Selection Committee (5)	Captain Stirling Hub Committee (3)
Mayor RMC Hipkins	10	3	8	4	6	3	3
Cr IS Argyle	10	3	10	4	N/A	N/A	N/A
Cr WRB Hassell	9	3	9	N/A	5	5	N/A
Cr GAR Hay	10	2	9	3	N/A	N/A	N/A
Cr BG Hodsdon	9	3	9	2	2	N/A	N/A
Cr NBJ Horley	9	2	6	N/A	N/A	N/A	N/A
Cr TP James	10	3	10	N/A	6	N/A	3
Cr LJ McManus	9	1	10	3	N/A	5	1**
Cr NW Shaw	10	3	10	N/A	N/A	4	1
Cr KA Smyth	10	3	9	N/A	5	N/A	N/A
Cr JD Wetherall	11	2	11	N/A	N/A	5	3
Cr CM de Lacy	10	2	10	N/A	N/A	N/A	N/A
Cr AW Mangano	11	3	11	N/A	N/A	N/A	N/A

N/A

Elected members not required to attend

** Attended as an observer

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 12 valid freedom of information applications in 2018-19. Eleven were finalised internally. One was transferred to 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 Elected Members – complaints register

Section 5.103 of the Local Government Act 1995 requires that every local government prepares a Code of Conduct to be observed by Elected Members.

Local Government (Rules of Conduct) Regulations 2007

The City's processes also support managing complaints in relation to the Local Government (Rules of Conduct) Regulations 2007, which deal with:

- Disclosure of confidential information
- Improper use of the position of Councillor to gain a personal advantage or cause detriment to the local government or others
- The misuse of local government resources
- Unauthorised involvement in administration matters
- Improperly directing, influencing or making offensive or objectionable statements about a local government employee
- Disclosure of 'impartiality' interests, and
- Notifiable and prohibited gifts.

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.

Two complaints were received and reported to the Local Government Standards Panel in 2017-18. Prior to resulting in any actions, they were appealed and dismissed by the State Administrative Tribunal on 3 July 2019.

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 \$100,000 or more are:

Full-time employees

At the 30 June 2019, the City's full-time equivalent employee number was 149.16.

Salary range	Number of employees
\$100,000 to \$109,999	4
\$110,000 to \$119,999	
\$120,000 to \$129,999	
\$130,000 to \$139,999	8
\$140,000 to \$149,999	1
\$150,000 to \$159,000	
\$160,000 to \$169,999	
\$170,000 to \$179,999	
\$180,000-plus	4

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 within the next five years 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.

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.

Access and Inclusion

Disability Access and Inclusion Plan

The City of Nedlands' Disability Access and Inclusion Plan 2018-19 to 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.

While it is a statutory requirement for the City to maintain and implement a DAIP, direct community benefits also result from the City's commitment to access and inclusion.

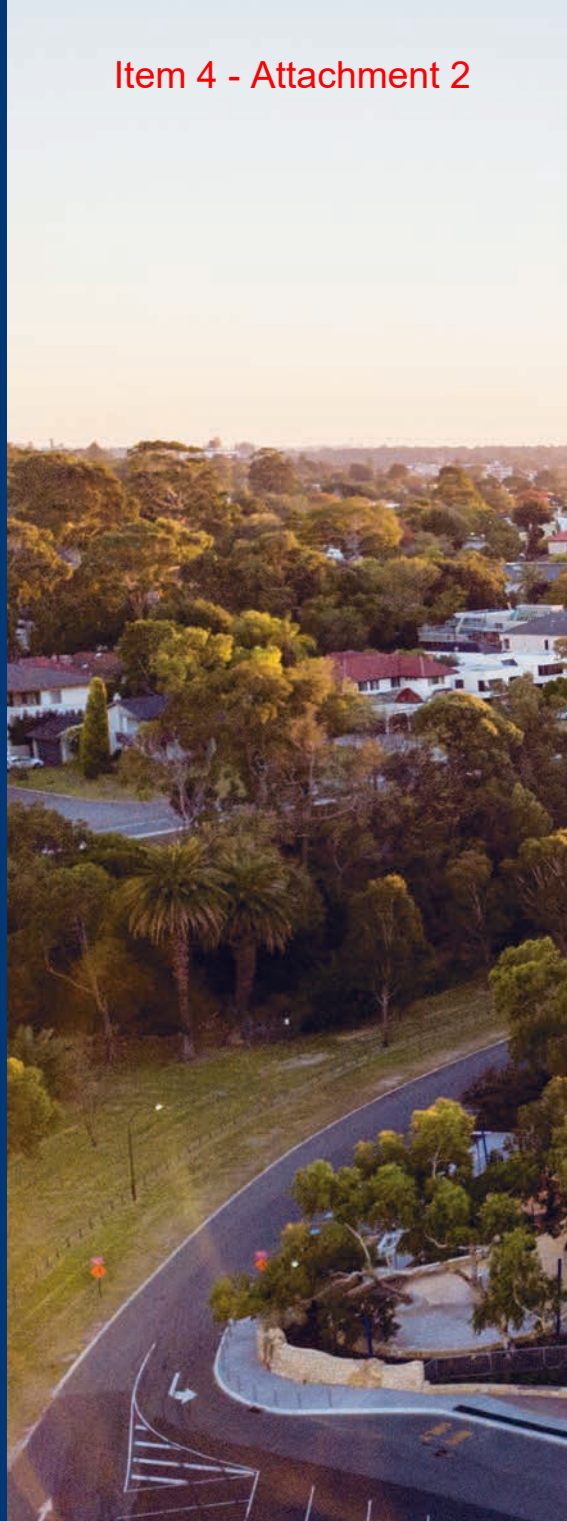
The table below indicates the outcome areas where strategies/initiatives were planned, as well as the strategies/initiatives completed for the financial year.

Outcome areas	Number of strategies/ initiatives planned	Number of strategies/initiatives completed (includes ongoing strategies)
Services and events	15	14
Buildings and Facilities	5	5
Information	6	6
Service from Employees	0	0
Feedback and Complaints	1	0
Public Consultation	3	2
Employment	2	2

Access Working Group

Members of the City's Access Working Group gave voluntary advice on matters related to disability access and inclusion, such as providing input as the City worked to develop its DAIP for 2018-19 to 2023-24.





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Annual Report 2018-2019



City of Nedlands

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Financial Report

CITY OF NEDLANDS
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

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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 30TH JUNE 2019**

*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 2019 is based on proper accounts and records to present fairly the financial position of the City of Nedlands at 30 June 2019 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 14th day of November 2019



Chief Executive Officer

Mark Goodlet

Name of Chief Executive Officer

CITY OF NEDLANDS
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
Revenue				
Rates	28(a)	23,459,523	23,127,040	22,492,209
Operating grants, subsidies and contributions	2(a)	2,126,813	1,621,300	2,049,363
Fees and charges	2(a)	6,998,936	6,557,100	6,937,496
Service charges	28(c)	3,406,430	1,159,900	0
Interest earnings	2(a)	645,924	580,000	583,828
Other revenue		262,841	561,720	572,726
		36,900,467	33,607,060	32,635,622
Expenses				
Employee costs		(13,373,742)	(13,503,113)	(12,896,982)
Materials and contracts		(10,971,507)	(12,345,867)	(14,380,196)
Utility charges		(868,508)	(828,500)	(936,522)
Depreciation on non-current assets	11(b)	(3,999,335)	(6,691,600)	(5,988,203)
Interest expenses	2(b)	(299,062)	(378,805)	(275,890)
Insurance expenses		(334,926)	(311,000)	(304,537)
Other expenditure		(738,311)	(784,200)	(755,181)
		(30,585,391)	(34,843,085)	(35,537,511)
		6,315,076	(1,236,025)	(2,901,889)
Non-operating grants, subsidies and contributions	2(a)	2,386,090	3,845,392	2,609,259
Profit on asset disposals	11(a)	57,230	88,329	495,645
Loss on asset disposals	11(a)	(46,823)	(33,937)	(40,325)
Fair value adjustments to financial assets at fair value through profit or loss	8(b)	16,403	0	(11,942)
Loss on revaluation of Infrastructure - Parks, Gardens and Reserves	10(b)	0	0	(1,232,307)
		2,412,900	3,899,784	1,820,330
Net result for the period		8,727,976	2,663,759	(1,081,559)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	12	0	0	(54,450,333)
Total other comprehensive income for the period		0	0	(54,450,333)
Total comprehensive income for the period		8,727,976	2,663,759	(55,531,892)

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

CITY OF NEDLANDS
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
Revenue	2(a)			
Governance		256,684	425,493	378,143
General purpose funding		25,000,040	24,210,140	23,931,487
Law, order, public safety		493,028	483,000	508,334
Health		63,204	59,000	90,478
Education and welfare		1,915,442	1,734,900	1,784,314
Community amenities		3,768,226	3,658,100	3,644,722
Recreation and culture		863,721	730,900	975,496
Transport		84,831	73,671	167,912
Economic services		980,971	1,001,500	1,007,763
Other property and services		3,474,321	1,230,356	146,973
		36,900,468	33,607,060	32,635,622
Expenses	2(b)			
Governance		(2,260,384)	(3,085,872)	(2,230,139)
General purpose funding		(692,359)	(372,678)	(384,077)
Law, order, public safety		(1,025,572)	(999,276)	(1,019,920)
Health		(659,400)	(708,336)	(692,569)
Education and welfare		(2,371,404)	(2,472,028)	(2,330,690)
Community amenities		(4,234,334)	(4,447,526)	(4,339,304)
Recreation and culture		(8,247,611)	(9,155,060)	(8,455,732)
Transport		(4,393,161)	(6,086,063)	(6,110,814)
Economic services		(5,094,579)	(5,001,238)	(4,911,487)
Other property and services		(1,307,526)	(2,136,203)	(4,786,889)
		(30,286,329)	(34,464,280)	(35,261,621)
Finance Costs	2(b)			
Community amenities		(104,454)	(175,807)	(40,515)
Recreation and culture		(151,740)	(157,539)	(186,114)
Transport		(42,868)	(45,459)	(49,261)
		(299,062)	(378,805)	(275,890)
		6,315,076	(1,236,025)	(2,901,889)
Non-operating grants, subsidies and contributions	2(a)	2,386,090	3,845,392	2,609,259
Profit on disposal of assets	11(a)	57,230	88,329	495,645
Loss on disposal of assets	11(a)	(46,823)	(33,937)	(40,325)
Fair value adjustments to financial assets at fair value through profit or loss	8(b)	16,403	0	(11,942)
Loss on revaluation of Infrastructure - Parks, Gardens and Reserves	10(b)	0	0	(1,232,307)
		2,412,900	3,899,784	1,820,330
Net result for the period		8,727,976	2,663,759	(1,081,559)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	(54,450,333)
Total other comprehensive income for the period		0	0	(54,450,333)
Total comprehensive income for the period		8,727,976	2,663,759	(55,531,892)

CITY OF NEDLANDS
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2019

	NOTE	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	3	8,170,423	5,097,698
Trade receivables	5	2,428,507	999,600
Other financial assets at amortised cost	8(a)	4,860,495	6,037,348
Other loans and receivables	8(a)	13,630	13,219
Inventories	6	15,727	31,936
Other current assets	7	170,830	186,333
TOTAL CURRENT ASSETS		15,659,612	12,366,134
NON-CURRENT ASSETS			
Trade receivables	5	1,227,236	447,722
Financial assets at fair value through profit and loss	8(b)	140,137	123,734
Other loans and receivables	8(b)	78,815	92,445
Property, plant and equipment	9	345,984,718	345,708,041
Infrastructure	10	87,638,048	82,571,683
TOTAL NON-CURRENT ASSETS		435,068,954	428,943,625
TOTAL ASSETS		450,728,566	441,309,759
CURRENT LIABILITIES			
Trade and other payables	13	4,782,262	2,086,520
Short term borrowings	14	0	1,652,524
Borrowings	15(a)	1,693,964	1,597,168
Employee related provisions	16	2,274,759	2,027,291
TOTAL CURRENT LIABILITIES		8,750,985	7,363,503
NON-CURRENT LIABILITIES			
Borrowings	15(a)	5,861,752	6,748,982
Employee related provisions	16	474,196	337,618
Other payables	13	54,001	0
TOTAL NON-CURRENT LIABILITIES		6,389,949	7,086,600
TOTAL LIABILITIES		15,140,934	14,450,103
NET ASSETS		435,587,632	426,859,656
EQUITY			
Retained surplus		75,945,610	67,275,653
Reserves - cash backed	4	6,095,369	6,037,350
Revaluation surplus	12	353,546,653	353,546,653
TOTAL EQUITY		435,587,632	426,859,656

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

CITY OF NEDLANDS
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2019

		RETAINED SURPLUS	RESERVES CASH BACKED	REVALUATION SURPLUS	TOTAL EQUITY
	NOTE	\$	\$	\$	\$
Balance as at 1 July 2017		69,877,931	4,516,631	407,996,986	482,391,548
Comprehensive income					
Net result for the period		(1,081,559)	0	0	(1,081,559)
Other comprehensive income	12	0	0	(54,450,333)	(54,450,333)
Total comprehensive income		(1,081,559)	0	(54,450,333)	(55,531,892)
Transfers from/(to) reserves		(1,520,719)	1,520,719	0	0
Balance as at 30 June 2018		67,275,653	6,037,350	353,546,653	426,859,656
Comprehensive income					
Net result for the period		8,727,976	0	0	8,727,976
Transfers from/(to) reserves		(58,019)	58,019	0	0
Balance as at 30 June 2019		75,945,610	6,095,369	353,546,653	435,587,632

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

CITY OF NEDLANDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		23,327,006	23,107,040	22,520,373
Operating grants, subsidies and contributions		2,126,813	1,657,633	2,128,475
Fees and charges		5,957,117	6,557,100	6,937,497
Service charges		2,959,234	1,159,900	0
Interest received		645,924	580,000	583,828
Goods and services tax received		1,496,613	0	2,037,872
Other revenue		262,841	561,720	572,725
		36,775,548	33,623,393	34,780,770
Payments				
Employee costs		(12,924,696)	(13,438,113)	(12,792,287)
Materials and contracts		(8,560,451)	(12,146,071)	(15,270,655)
Utility charges		(868,508)	(828,500)	(936,522)
Interest expenses		(297,770)	(378,805)	(267,831)
Insurance paid		(334,926)	(311,000)	(304,537)
Goods and services tax paid		(1,779,393)	0	(2,019,017)
Other expenditure		(738,311)	(784,200)	(755,181)
		(25,504,055)	(27,886,689)	(32,346,030)
Net cash provided by/(used in) operating activities	17	11,271,493	5,736,704	2,434,740
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(2,059,828)	(2,569,000)	(1,551,646)
Payments for construction of infrastructure		(7,619,246)	(11,316,100)	(9,212,125)
Payments for financial assets at amortised cost		1,176,852	0	(470,000)
Non-operating grants, subsidies and contributions		2,386,090	3,845,392	2,609,259
Proceeds from sale of property, plant & equipment		347,103	3,790,001	2,067,571
Net cash provided by/(used in) investment activities		(5,769,029)	(6,249,707)	(6,556,941)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of short term borrowings		(2,603,076)	(2,603,076)	0
Repayment of borrowings		(1,597,168)	(1,750,142)	(1,135,626)
Proceeds from new short term borrowings		950,552	950,552	1,652,524
Proceeds from new borrowings		806,734	3,468,009	3,233,761
Proceeds from self supporting loans		13,219	13,219	15,966
Net cash provided by (used in) financing activities		(2,429,739)	78,562	3,766,625
Net increase (decrease) in cash held		3,072,725	(434,441)	(355,577)
Cash at beginning of year		5,097,698	11,002,703	5,453,274
Cash and cash equivalents at the end of the year	17	8,170,423	10,568,262	5,097,698

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

CITY OF NEDLANDS
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	29 (b)	2,201,758	1,352,512	2,965,451
		2,201,758	1,352,512	2,965,451
Revenue from operating activities (excluding rates)				
Governance		256,684	425,493	831,052
General purpose funding		1,556,920	1,083,100	1,439,279
Law, order, public safety		493,028	483,000	508,334
Health		63,204	59,000	90,478
Education and welfare		1,915,442	1,740,182	1,788,496
Community amenities		3,768,227	3,658,100	3,647,289
Recreation and culture		863,721	730,900	979,132
Transport		84,831	73,671	167,912
Economic services		980,971	1,001,500	1,012,672
Other property and services		3,531,551	1,313,403	174,418
		13,514,579	10,568,349	10,639,062
Expenditure from operating activities				
Governance		(2,260,384)	(3,087,343)	(2,242,082)
General purpose funding		(692,359)	(372,678)	(384,077)
Law, order, public safety		(1,025,572)	(999,276)	(1,019,920)
Health		(659,400)	(708,336)	(692,569)
Education and welfare		(2,371,404)	(2,472,029)	(2,330,690)
Community amenities		(4,338,788)	(4,623,333)	(4,379,819)
Recreation and culture		(8,399,351)	(9,312,718)	(8,642,119)
Transport		(4,436,029)	(6,131,522)	(6,169,692)
Economic services		(5,094,579)	(5,001,238)	(4,911,487)
Other property and services		(1,354,349)	(2,168,549)	(6,049,631)
		(30,632,215)	(34,877,022)	(36,822,086)
Non-cash amounts excluded from operating activities	29(a)	3,383,590	6,627,208	6,768,157
Amount attributable to operating activities		(11,532,288)	(16,328,953)	(16,449,416)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		2,386,090	3,845,392	2,609,259
Proceeds from disposal of assets	11(a)	347,103	3,790,001	2,067,571
Purchase of property, plant and equipment	9(b)	(2,059,828)	(2,569,000)	(1,551,646)
Purchase and construction of infrastructure	10(b)	(7,619,246)	(11,316,100)	(9,212,125)
Amount attributable to investing activities		(6,945,881)	(6,249,707)	(6,086,941)
FINANCING ACTIVITIES				
Repayment of short term borrowings		(2,603,077)	(2,603,077)	0
Proceeds from short term borrowings		950,552	950,552	1,652,524
Repayment of borrowings	15(b)	(1,597,168)	(1,750,142)	(1,135,626)
Proceeds from borrowings	15(c)	806,734	3,468,009	3,233,761
Proceeds from self supporting loans	15(b)	13,219	13,219	15,966
Transfers to reserves (restricted assets)	4	(775,390)	(4,466,816)	(2,725,083)
Transfers from reserves (restricted assets)	4	717,369	3,245,505	1,204,364
Amount attributable to financing activities		(2,487,761)	(1,142,750)	2,245,906
Surplus/(deficit) before imposition of general rates		(20,965,931)	(23,721,410)	(20,290,451)
Total amount raised from general rates	28	23,459,523	23,127,040	22,492,209
Surplus/(deficit) after imposition of general rates	29(b)	2,493,592	(594,370)	2,201,758

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

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

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 (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15* and *AASB 116 Property, Plant and Equipment paragraph 7*.

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

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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.

In previous years, all bonds and deposits were held as trust money as stated in Note 31. From this year, all bonds and deposits not required by legislation to be held in trust are included in restricted cash in Note 3 and shown as current liability in Note 13.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

2. REVENUE AND EXPENSES

(a) Revenue

Grant Revenue

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

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	48,027	10,000	3,816
General purpose funding	472,819	376,100	444,027
Law, order, public safety	28,678	30,000	27,420
Education and welfare	1,089,830	1,046,900	1,091,390
Community amenities	0	0	218
Recreation and culture	85,464	43,300	51,391
Transport	291,049	85,000	386,910
Economic services	110,946	30,000	44,191
	2,126,813	1,621,300	2,049,363
Non-operating grants, subsidies and contributions			
Recreation and culture	905,430	1,568,500	1,546,613
Transport	1,480,660	2,276,892	1,062,646
	2,386,090	3,845,392	2,609,259
Total grants, subsidies and contributions	4,512,903	5,466,692	4,658,622

SIGNIFICANT ACCOUNTING POLICIES

Grants, donations and other contributions

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over

Grants, donations and other contributions (Continued)

a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 27.

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

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Fees and Charges

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Governance	80,305	77,100	82,028
General purpose funding	130,644	127,000	121,899
Law, order, public safety	464,350	453,000	480,414
Health	62,538	58,000	89,783
Education and welfare	823,612	686,000	689,123
Community amenities	3,754,179	3,658,100	3,647,286
Recreation and culture	748,703	679,300	904,152
Transport	84,869	77,000	69,676
Economic services	787,574	703,600	756,962
Other property and services	62,162	38,000	96,173
	6,998,936	6,557,100	6,937,496

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

Interest earnings

Loans receivable - clubs/institutions	3,066	3,093	4,424
Reserve accounts interest	157,890	85,600	104,928
Rates instalment and penalty interest (refer Note 28(f))	205,459	191,000	197,972
Other interest earnings	279,509	300,307	276,504
	645,924	580,000	583,828

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest earnings (Continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	10,000	35,000	19,500
- Other services - Audit of Projects	2,180	3,000	2,850
	12,180	38,000	22,350

Interest expenses (finance costs)

Borrowings (refer Note 15(b))	299,062	378,805	275,890
	299,062	378,805	275,890

Rental charges

- Operating leases	65,676	84,854	87,106
	65,676	84,854	87,106

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

3. CASH AND CASH EQUIVALENTS

	NOTE	2019 \$	2018 \$
Cash at bank and on hand		3,849,110	3,072,845
Term deposits		4,321,313	2,024,853
		8,170,423	5,097,698
Comprises:			
- Unrestricted cash and cash equivalents		4,102,077	4,374,924
- Restricted cash and cash equivalents		4,068,346	722,774
		8,170,423	5,097,698
Cash at bank and on hand			
Comprises:			
- Unrestricted cash		1,015,638	2,350,071
The following restrictions have been imposed by regulations or other externally imposed requirements:			
- Restricted cash			
Unspent grants/contributions	27	958,802	336,489
Bonds and retentions funds	13	1,874,670	0
Unspent loans	15(d)	0	386,285
		2,833,472	722,774
Total cash at bank and on hand		3,849,110	3,072,845
Term deposits			
Comprises:			
- Unrestricted term deposits		3,086,439	2,024,853
The following restrictions have been imposed by regulations or other externally imposed requirements:			
- Restricted term deposits			
Reserves cash backed - North Street Reserve	4	760,606	0
Reserves cash backed - Service Reserve	4	67,324	0
Reserves cash backed - Building Replacement Reserve	4	406,944	0
		1,234,874	0
Total Term deposits		4,321,313	2,024,853

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

Cash and cash equivalents (Continued)

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.

4. RESERVES - CASH BACKED

	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance	2019 Budget Opening Balance	2019 Budget Transfer to	2019 Budget Transfer (from)	2019 Budget Closing Balance	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual Closing Balance
Reserves cash backed - Plant Replacement Reserve	\$ 0	\$ 34,000	\$ 0	\$ 34,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 150,197	\$ 3,140	\$ (153,337)	\$ 0
Reserves cash backed - City Development Reserve	456,580	50,488	(140,000)	367,068	455,970	51,399	(300,000)	207,369	544,970	11,610	(100,000)	456,580
Reserves cash backed - North Street Reserve*	765,464	20,142	(25,000)	760,607	649,233	16,231	(425,000)	240,464	747,734	17,730	0	765,464
Reserves cash backed - Welfare Reserve	479,887	10,022	(5,000)	484,909	475,554	11,889	(43,000)	444,443	485,555	15,360	(21,028)	479,887
Reserves cash backed - Service Reserve*	202,591	4,977	0	207,567	205,660	5,142	0	210,802	1,107,960	24,631	(930,000)	202,591
Reserves cash backed - Insurance Reserve	62,547	1,552	0	64,099	62,766	1,569	0	64,335	61,266	1,281	0	62,547
Reserves cash backed - Waste Management Reserve	842,548	120,135	0	962,682	844,547	121,114	0	965,661	580,548	262,000	0	842,548
Reserves cash backed - Building Replacement Reserve*	689,120	103,937	(75,000)	718,057	475,636	97,891	(75,000)	498,527	527,137	161,983	0	689,120
Reserves cash backed - Swanbourne Development Reserve	129,140	2,868	0	132,008	129,441	3,236	0	132,677	126,241	2,899	0	129,140
Reserves cash backed - Public Art Reserve	126,894	83,972	0	210,866	127,111	83,178	0	210,289	85,012	41,882	0	126,894
Reserves cash backed - Business System Reserve	102,229	193,195	0	295,424	106,313	52,658	(50,000)	108,971	100,013	2,216	0	102,229
Reserves cash backed - All Abilities Play Space	94,900	98,362	0	193,262	94,900	98,373	(60,000)	133,273	0	94,900	0	94,900
Reserves cash backed - Underground Power Projects	485,450	12,085	(127,369)	370,166	485,450	565,136	(692,505)	358,081	0	485,450	0	485,450
Reserves cash backed - Major Projects	1,600,000	39,655	(345,000)	1,294,654	1,600,000	3,359,000	(1,600,000)	3,359,000	0	1,600,000	0	1,600,000
	6,037,350	775,390	(717,369)	6,095,369	5,712,581	4,466,816	(3,245,505)	6,933,892	4,516,631	2,725,083	(1,204,364)	6,037,350

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as:

	2019 Actual	2018 Actual
Restricted Term deposit (Note 3)	\$ 1,234,874	\$ 0
Financial assets at amortised cost (Note 8(a))	4,860,495	6,037,348
	6,095,369	6,037,348

* These reserves comprise of Restricted Term deposits and Financial assets at amortised cost - term deposits, as follows:

Reserves cash backed - North Street Reserve	760,607	765,464
Comprises:		
- Term deposits (Note 3)	760,606	0
- Financial assets at amortised cost (Note 8(d))	0	765,464
Reserves cash backed - Service Reserve	207,567	202,591
Comprises:		
- Term deposits (Note 3)	67,324	0
- Financial assets at amortised cost (Note 8(d))	140,243	202,591
Reserves cash backed - Building Replacement Reserve	718,057	689,120
Comprises:		
- Term deposits (Note 3)	406,944	0
- Financial assets at amortised cost (Note 8(d))	311,113	689,120

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

4. RESERVES - CASH BACKED (continued)

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
Reserves cash backed - Plant Replacement Reserve	On-going	To fund replacement of plant and equipment so that the cost is spread over to a number of years.
Reserves cash backed - City Development Reserve	On-going	To fund improvement and purchase of property, plant and equipment.
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.
Reserves cash backed - Welfare Reserve	On-going	To fund the operational and capital costs to welfare services.
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.
Reserves cash backed - Insurance Reserve	On-going	To fund any excess that may arise from having a performance based workers compensation premium.
Reserves cash backed - Waste Management Reserve	On-going	To fund replacement of rubbish bin stock so that the cost is spread over number of years.
Reserves cash backed - Building Replacement Reserve	On-going	To fund the upgrade and/or replacement of council buildings.
Reserves cash backed - Swanbourne Development Reserve	On-going	To fund capital works in the Swanbourne area associated with the Swanbourne Masterplan. Set-up in with proceeds of the insurance claim arising from the fire of council property in Swanbourne.
Reserves cash backed - Public Art Reserve	On-going	To fund works of art in the City of Nedlands.
Reserves cash backed - Business System Reserve	On-going	To fund council's business system.
Reserves cash backed - All Abilities Play Space	On-going	To fund the annual operating and maintenance cost of the All Abilities Play Space
Reserves cash backed - Underground Power Projects	On-going	To fund Underground Power Projects
Reserves cash backed - Major Projects	On-going	To fund capital works from proceeds from sale of major assets

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

5. TRADE RECEIVABLES

Current

Rates receivable	
Sundry receivables	
GST receivable	
Allowance for impairment of receivables	
Service charges receivable	

Non-current

Pensioner's rates and ESL deferred	
Service charges receivable	

The following movements in impairment of receivables occurred during the year:

Carrying amount at 1 July

Additional impairment

Carrying amount at 30 June

2019	2018
\$	\$
440,333	351,530
1,319,546	396,582
539,456	256,674
(9,282)	(5,186)
138,454	0
2,428,507	999,600
491,436	447,722
735,800	0
1,227,236	447,722
(5,186)	(1,170)
(4,096)	(4,016)
(9,282)	(5,186)

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.

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 30.

Previous accounting policy: Impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The

Previous accounting policy: Impairment of trade receivables (continued)

other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment.

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 carrying value and fair value is considered immaterial.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

6. INVENTORIES

Current

Fuel & Oil

2019	2018
\$	\$
15,727	31,936
15,727	31,936
31,936	14,231
(189,170)	(154,858)
172,961	172,563
15,727	31,936

The following movements in inventories occurred during the year:

Carrying amount at 1 July

Inventories expensed during the year

Additions to inventory

Carrying amount at 30 June

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.

7. OTHER ASSETS

Other assets

Prepayments

2019	2018
\$	\$
170,830	186,333
170,830	186,333

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.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

8. OTHER FINANCIAL ASSETS

(a) Current assets

Other financial assets at amortised cost (Note 8(d))
 Other loans and receivables (Note 8(c))

Other financial assets at amortised cost

- Financial assets at amortised cost - term deposits

(b) Non-current assets

Financial assets at fair value through profit and loss
 Other loans and receivables (Note 8(c))

Financial assets at fair value through profit and loss

- *Unlisted equity investments*

Financial assets at fair value through profit and loss - Interest in
 Local Government House Trust

During the year, the following gains/(losses) were recognised in profit and loss

	2019	2018
	\$	\$
	4,860,495	6,037,348
	13,630	13,219
	4,874,125	6,050,567
	4,860,495	6,037,348
	4,860,495	6,037,348
	140,137	123,734
	78,815	92,445
	218,952	216,179
	140,137	123,734
	140,137	123,734
	16,403	(11,942)
	16,403	(11,942)

This 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.

(c) Financial assets previously classified as loans and receivables

- Current Loans receivable - clubs/institutions - self-supporting loan
 - Non-current Loans receivable - clubs/institutions - self-supporting loan

	13,630	13,219
	78,815	92,445
	92,445	105,664

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 15(b) as self supporting loans.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

8. OTHER FINANCIAL ASSETS (continued)

(d) The following restrictions over other financial assets have been imposed by regulations or other externally imposed requirements:

	NOTE	2019	2018
		\$	\$
Reserve accounts			
Reserves cash backed - Plant Replacement Reserve	4	34,000	0
Reserves cash backed - City Development Reserve	4	367,068	456,580
Reserves cash backed - North Street Reserve	4	0	765,464
Reserves cash backed - Welfare Reserve	4	484,909	479,886
Reserves cash backed - Service Reserve	4	140,243	202,591
Reserves cash backed - Insurance Reserve	4	64,099	62,547
Reserves cash backed - Waste Management Reserve	4	962,682	842,548
Reserves cash backed - Building Replacement Reserve	4	311,113	689,120
Reserves cash backed - Swanbourne Development Reserve	4	132,008	129,140
Reserves cash backed - Public Art Reserve	4	210,866	126,893
Reserves cash backed - Business System Reserve	4	295,424	102,229
Reserves cash backed - All Abilities Play Space	4	193,262	94,900
Reserves cash backed - Underground Power Projects	4	370,166	485,450
Reserves cash backed - Major Projects	4	1,294,654	1,600,000
	8(a)	4,860,495	6,037,348

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 30.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Previous accounting policy: available for sale financial assets

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

Previous accounting policy: Loans and receivables

Non-derivative financial assets with fixed or determinable payments that were not quoted in an active market and are solely payments of principal and interest were classified as loans and receivables and are subsequently measured at amortised cost, using the effective interest rate method.

Refer to Note 33 for explanations regarding the change in accounting policy and reclassification of available for sale financial assets to financial assets at fair value through profit and loss.

CITY OF NEDLANDS
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2019

9 (a) PROPERTY, PLANT AND EQUIPMENT

	2019	2018
	\$	\$
Land and buildings		
Land - freehold land at:		
- Independent valuation 2017	137,993,000	137,993,000
Land - vested in and under the control of Council at:		
- Independent valuation 2017	167,231,000	167,231,000
Total land	305,224,000	305,224,000
Buildings - non-specialised at:		
- Independent valuation 2017	1,330,000	1,330,000
- Additions after valuation - cost	21,211	0
Less: accumulated depreciation	(95,131)	(47,696)
	1,256,080	1,282,304
Buildings - specialised at:		
- Independent valuation 2017	51,995,080	51,995,080
- Additions after valuation - cost	1,880,657	520,001
Less: accumulated depreciation	(17,662,087)	(16,879,542)
	36,213,651	35,635,539
Total buildings	37,469,731	36,917,843
Total land and buildings	342,693,731	342,141,843
Furniture and equipment at:		
- Management valuation 2016	2,404,597	5,186,217
- Additions after valuation - cost	445,080	215,386
Less: accumulated depreciation	(2,093,414)	(4,745,715)
	756,263	655,888
Plant and equipment at:		
- Management valuation 2016	5,659,502	7,570,025
- Additions after valuation - cost	764,575	316,310
Less: accumulated depreciation	(3,889,353)	(4,976,025)
	2,534,724	2,910,310
Total property, plant and equipment	345,984,718	345,708,041

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

9. PROPERTY, PLANT AND EQUIPMENT

(b) Movements in Carrying Amounts

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

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2017	139,147,000	167,231,000	306,378,000	1,330,000	35,894,620	37,224,620	343,602,620	774,597	3,045,552	347,422,769
Additions	0	0	0	0	520,001	520,001	520,001	130,296	901,349	1,551,646
Disposals	(1,154,000)	0	(1,154,000)	0	0	0	(1,154,000)	(14,617)	(443,633)	(1,612,250)
Depreciation (expense)	0	0	0	(47,696)	(779,082)	(826,778)	(826,778)	(234,388)	(592,958)	(1,654,124)
Carrying amount at 30 June 2018	137,993,000	167,231,000	305,224,000	1,282,304	35,635,539	36,917,843	342,141,843	655,888	2,910,310	345,708,041
Additions	0	0	0	21,211	1,360,656	1,381,868	1,381,868	229,695	448,265	2,059,828
Disposals (Note 11(a))	0	0	0	0	0	0	0	(4,031)	(332,665)	(336,696)
Depreciation (expense)	0	0	0	(47,435)	(782,545)	(829,980)	(829,980)	(125,288)	(491,186)	(1,446,454)
Carrying amount at 30 June 2019	137,993,000	167,231,000	305,224,000	1,256,080	36,213,651	37,469,731	342,693,731	756,263	2,534,724	345,984,718

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Date of Last Valuation	Inputs Used
Land and buildings				
Land - freehold land	Level 2	Market Approach	30 June 2017	Sales evidence of similar assets
Land - freehold (unique)	Level 3	Cost Approach	30 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.
Land - vested in and under the control of Council	Level 3	Cost Approach	30 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.
Buildings - non-specialised	Level 2	Market Approach	30 June 2017	Sales evidence of similar assets
Buildings - specialised	Level 3	Cost Approach	30 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.
Furniture and equipment	Level 2	Market Approach	30 June 2016	Make, size, year of manufacture and condition
Plant and equipment	Level 2	Market Approach	30 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.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

10 (a) INFRASTRUCTURE

	2019	2018
	\$	\$
Infrastructure - Roads		
- Independent valuation 2018	74,821,487	74,821,486
- Additions after valuation - cost	3,859,227	0
Less: accumulated depreciation	(32,183,155)	(31,151,711)
	46,497,559	43,669,775
Infrastructure - Drainage		
- Independent valuation 2018	27,404,144	27,404,144
- Additions after valuation - cost	342,898	0
Less: accumulated depreciation	(14,329,548)	(13,946,627)
	13,417,494	13,457,517
Infrastructure - Footpath		
- Independent valuation 2018	19,435,555	19,435,555
- Additions after valuation - cost	963,927	0
Less: accumulated depreciation	(8,607,965)	(8,227,649)
	11,791,517	11,207,906
Infrastructure - Parks, Gardens and Reserves		
- Independent valuation 2018	18,483,191	18,483,191
- Additions after valuation - cost	2,262,379	0
Less: accumulated depreciation	(7,042,762)	(6,441,524)
	13,702,808	12,041,667
Infrastructure - Street Furniture		
- Independent valuation 2018	3,374,189	3,374,189
- Additions after valuation - cost	190,815	0
Less: accumulated depreciation	(1,336,334)	(1,179,371)
	2,228,670	2,194,818
Total infrastructure	87,638,048	82,571,683

10. INFRASTRUCTURE

(b) Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the previous financial year and 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 2017	79,887,259	23,799,477	16,765,260	11,727,384	1,196,897	133,376,277
Additions	3,290,581	152,484	2,113,179	3,393,884	261,997	9,212,125
Revaluation increments / (decrements) transferred to revaluation surplus	(36,568,880)	(10,193,661)	(7,463,016)	(1,020,300)	795,524	(54,450,333)
Revaluation (loss) / reversals transferred to profit or loss	0	0	0	(1,232,307)	0	(1,232,307)
Depreciation (expense)	(2,939,185)	(300,783)	(207,517)	(826,994)	(59,600)	(4,334,079)
Carrying amount at 30 June 2018	43,669,775	13,457,517	11,207,906	12,041,667	2,194,818	82,571,683
Additions	3,859,227	342,898	963,927	2,262,379	190,815	7,619,246
Depreciation (expense)	(1,031,443)	(382,921)	(380,316)	(601,238)	(156,963)	(2,552,881)
Carrying amount at 30 June 2019	46,497,559	13,417,494	11,791,517	13,702,808	2,228,670	87,638,048

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

10. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Date of Last Valuation	Inputs Used
Infrastructure - Roads	Level 3	Cost Approach	01 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	Cost Approach	01 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	Cost Approach	01 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 Reserves	Level 3	Cost Approach	01 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	Cost Approach	01 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.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

11. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE)

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.

Change in accounting policy - asset capitalisation threshold

In accordance with the amendment to *Local Government (Financial Management) Regulation 1996*, the City is required to capitalise assets in excess of \$5,000 only. The City made a retrospective assessment in respect of previously capitalised assets costing less than \$5,000 at the date of acquisition. Based on the assessment performed, the City recognised a loss on disposal of assets with a total written down value of \$4,031. This was reflected in the Statement of Comprehensive Income for the year given that the amount was considered immaterial to restate the retained surplus as at 1 July 2018.

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost where the fair value of the asset at date of acquisition is equal to or above \$5,000. All assets are subsequently revalued in accordance with the mandatory measurement framework.

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

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

Revaluation

The fair value of fixed assets is determined at least every three years and no more than five years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus; the City was required to include as an asset are recognised in profit or loss.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY
Land under control

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

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

Land under roads

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

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

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

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

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

11. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Continued)

(a) Disposals of Assets

	2019				2019				2018			
	2019		2019		2019		2019		2018		2018	
	Actual	2019	Actual	2019	Actual	2019	Budget	2019	Actual	2018	Actual	2018
Net Book Value	Net Book Value	Sale Proceeds	Actual Profit	Actual Loss	Net Book Value	Sale Proceeds	Budget Profit	Budget Loss	Net Book Value	Sale Proceeds	Actual Profit	Actual Loss
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	3,036,000	3,036,000	0	0	1,154,000	1,600,000	446,000	0
Buildings - specialised	0	0	0	0	297,877	303,000	5,123	0	0	0	0	0
Furniture and equipment	4,031	0	0	(4,031)	0	0	0	0	14,617	5,000	0	(9,617)
Plant and equipment	332,665	347,103	57,230	(42,792)	401,732	451,001	83,206	(33,937)	443,633	462,571	49,645	(30,708)
	336,696	347,103	57,230	(46,823)	3,735,609	3,790,001	88,329	(33,937)	1,612,250	2,067,571	495,645	(40,325)

The following assets were disposed of during the year.

	2019			
	2019		2019	
	Actual	Actual	Actual	Actual
Net Book Value	Net Book Value	Sale Proceeds	Actual Profit	Actual Loss
Plant and Equipment				
Other property and services				
Plant and Equipment	152,600	209,830	57,230	0
Plant and Equipment	180,065	137,273	0	(42,792)
	332,665	347,103	57,230	(42,792)
Furniture and equipment				
Other Property and Services				
Furniture and equipment	4,031	0	0	(4,031)
	4,031	0	0	(4,031)
	336,696	347,103	57,230	(46,823)

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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11. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Continued)

(b) Depreciation

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Buildings - non-specialised	47,435	95,300	47,696
Buildings - specialised	782,545	734,600	779,082
Furniture and equipment	125,288	289,300	234,388
Plant and equipment	491,186	680,700	592,958
Infrastructure - Roads	1,031,443	3,194,200	2,939,185
Other infrastructure - Drainage	382,921	308,400	300,783
Other infrastructure - Footpath	380,316	215,900	207,517
Other infrastructure - Parks, Garden and Reserves	601,238	1,130,600	826,994
Other infrastructure - Street Furniture	156,963	42,600	59,600
	3,999,335	6,691,600	5,988,203

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.

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.

Depreciation rates

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

Buildings	
- Structure	3 to 47 yrs
- Fit-outs	1 to 9 yrs
- Mechanical	2 to 14 yrs
- Roof Cladding	3 to 47 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
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

CITY OF NEDLANDS
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12. REVALUATION SURPLUS

	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	121,100,418	0	0	0	121,100,418
Revaluation surplus - Land - vested in and under the control of Council	167,231,000	0	0	0	167,231,000
Revaluation surplus - Buildings - non-specialised	140,384	0	0	0	140,384
Revaluation surplus - Buildings - specialised	23,004,320	0	0	0	23,004,320
Revaluation surplus - Plant and equipment	732,800	0	0	0	732,800
Revaluation surplus - Infrastructure - Roads	28,141,668	0	0	0	28,141,668
Revaluation surplus - Other infrastructure - Drainage	8,401,646	0	0	0	8,401,646
Revaluation surplus - Other infrastructure - Footpath	3,998,893	0	0	0	3,998,893
Revaluation surplus - Other infrastructure - Parks, Garden and Reserves	0	0	0	0	0
Revaluation surplus - Other infrastructure - Street Furniture	795,524	0	0	0	795,524
	353,546,653	0	0	0	353,546,653

	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation (Decrement)	Total Movement on Revaluation	2018 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	121,100,418	0	0	0	121,100,418
Revaluation surplus - Land - vested in and under the control of Council	167,231,000	0	0	0	167,231,000
Revaluation surplus - Buildings - non-specialised	140,384	0	0	0	140,384
Revaluation surplus - Buildings - specialised	23,004,320	0	0	0	23,004,320
Revaluation surplus - Plant and equipment	732,800	0	0	0	732,800
Revaluation surplus - Infrastructure - Roads	64,710,548	0	(36,568,880)	(36,568,880)	28,141,668
Revaluation surplus - Other infrastructure - Drainage	18,595,307	0	(10,193,661)	(10,193,661)	8,401,646
Revaluation surplus - Other infrastructure - Footpath	11,461,909	0	(7,463,016)	(7,463,016)	3,998,893
Revaluation surplus - Other infrastructure - Parks, Garden and Reserves	1,020,300	0	(1,020,300)	(1,020,300)	0
Revaluation surplus - Other infrastructure - Street Furniture	0	795,524	0	795,524	795,524
	407,996,986	795,524	(55,245,857)	(54,450,333)	353,546,653

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

13. TRADE AND OTHER PAYABLES

Current

Sundry creditors	2,286,980
Service charge refund	234,603
Accrued salaries and wages	341,845
Accrued interest on borrowings	44,164
Bonds and retentions funds (2019 - Note 3, 2018 - Note 31)	1,874,670

Non-current

Service charge refund	54,001
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2019	2018
\$	\$
2,286,980	1,766,802
234,603	0
341,845	276,846
44,164	42,872
1,874,670	0
4,782,262	2,086,520
54,001	0
54,001	0

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

Trade and other payables (Continued)

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.

14. SHORT-TERM BORROWINGS

Unsecured

Short term borrowings	0
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Particulars/Purpose

Underground Power Project	
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2019	2018
\$	\$
0	1,652,524

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

15. INFORMATION ON BORROWINGS

(a) Borrowings

	2019	2018
	\$	\$
Current	1,693,964	1,597,168
Non-current	5,861,752	6,748,982
	7,555,716	8,346,150

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual Principal	30 June 2019 Actual New	30 June 2019 Actual Principal	30 June 2019 Actual Interest	30 June 2019 Actual Principal
				1 July 2018	Loans	repayments	repayments	outstanding
				\$	\$	\$	\$	\$
Community amenities								
Waste Bins	178	WATC	6.01%	48,688	0	48,688	409	0
Underground Power Project	187	WATC	2.64%	3,081,977	0	617,218	73,959	2,464,759
Underground Power Project	188	WATC	3.07%	0	645,499	0	12,487	645,499
Underground Power Project	189	WATC	3.07%	0	94,279	0	1,824	94,279
Underground Power Project	190	WATC	3.07%	0	66,956	0	1,295	66,956
Recreation and culture								
Buildings & Infrastructures	181	WATC	5.91%	727,240	0	228,339	36,294	498,901
Buildings & Infrastructures	182	WATC	4.67%	888,398	0	239,274	36,853	649,124
Buildings & Infrastructures	183	WATC	2.80%	1,187,478	0	155,871	30,713	1,031,607
Buildings & Infrastructures	184	WATC	3.12%	1,047,100	0	125,920	30,418	921,180
Buildings & Infrastructures	185	WATC	3.12%	495,569	0	59,595	14,396	435,974
Buildings & Infrastructures	186	WATC	3.07%	105,664	0	13,219	3,066	92,445
Buildings & Infrastructures	191	WATC		0	0	0	0	0
Transport								
Road Infrastructures	179	WATC	6.04%	764,036	0	109,044	42,868	654,992
Road Infrastructures	191	WATC		0	0	0	0	0
				8,240,486	806,734	1,583,949	281,516	7,463,271
Self Supporting Loans								
Recreation and culture								
Buildings & Infrastructures	186	WATC	3.07%	105,664	0	13,219	3,066	92,445
				105,664	0	13,219	3,066	92,445
				8,346,150	806,734	1,597,168	284,582	7,555,716

Self supporting loan is financed by payments from third parties. Waste Bins # 178 is financed by community amenities revenue. All other loan repayments are financed by general purpose revenue.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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15. INFORMATION ON BORROWINGS (continued)

(b) Repayments - Borrowings (Continued)

				Budget	30 June 2019	30 June 2019	30 June 2019	30 June 2019
	Loan	Institution	Interest	Principal	Budget	Budget	Budget	Budget
Particulars	Number		Rate	1 July 2018	New	Principal	Interest	Principal
				\$	Loans	repayments	repayments	outstanding
Community amenities								
Waste Bins	178	WATC	6.01%	48,688	0	48,688	1,100	0
Underground Power Project	187	WATC	2.64%	3,081,977	0	617,218	75,287	2,464,759
Underground Power Project	188	WATC	3.07%	0	2,043,957	126,690	60,060	1,917,267
Underground Power Project	189	WATC	3.07%	0	191,550	11,873	5,628	179,677
Underground Power Project	190	WATC	3.07%	0	232,502	14,411	6,832	218,091
Recreation and culture								
Buildings & Infrastructures	181	WATC	5.91%	727,240	0	228,339	37,987	498,901
Buildings & Infrastructures	182	WATC	4.67%	888,399	0	239,274	37,338	649,125
Buildings & Infrastructures	183	WATC	2.80%	1,187,478	0	155,871	31,396	1,031,607
Buildings & Infrastructures	184	WATC	3.12%	1,047,101	0	125,920	31,206	921,181
Buildings & Infrastructures	185	WATC	3.12%	495,569	0	59,595	14,769	435,974
Buildings & Infrastructures	191	WATC		0	500,000	0	1,750	500,000
Transport								
Road Infrastructures	179	WATC	6.04%	764,036	0	109,044	43,709	654,992
Road Infrastructures	191	WATC		0	500,000	0	1,750	500,000
				8,240,488	3,468,009	1,736,923	348,812	9,971,574

Self Supporting Loans

Recreation and culture

Buildings & Infrastructures	186	WATC	3.07%	105,664	0	13,219	3,093	92,445
				105,664	0	13,219	3,093	92,445
				8,346,152	3,468,009	1,750,142	351,905	10,064,019

				Actual	30 June 2018	30 June 2018	30 June 2018	30 June 2018
	Loan	Institution	Interest	Principal	Actual	Actual	Actual	Actual
Particulars	Number		Rate	1 July 2017	New	Principal	Interest	Principal
				\$	Loans	repayments	repayments	outstanding
Community amenities								
Waste Bins	178	WATC	6.01%	141,813	0	93,125	5,128	48,688
Underground Power Project	187	WATC	2.64%	0	3,233,761	151,784	27,976	3,081,977
Underground Power Project	188	WATC	3.07%	0	0	0	0	0
Underground Power Project	189	WATC	3.07%	0	0	0	0	0
Underground Power Project	190	WATC	3.07%	0	0	0	0	0
Recreation and culture								
Buildings & Infrastructures	181	WATC	5.91%	942,568	0	215,328	49,401	727,240
Buildings & Infrastructures	182	WATC	4.67%	1,116,817	0	228,419	47,730	888,398
Buildings & Infrastructures	183	WATC	2.80%	1,339,090	0	151,612	34,991	1,187,478
Buildings & Infrastructures	184	WATC	3.12%	1,169,167	0	122,067	34,295	1,047,100
Buildings & Infrastructures	185	WATC	3.12%	553,340	0	57,771	16,231	495,569
Buildings & Infrastructures	186	WATC	3.07%	118,485	0	12,821	3,465	105,664
Buildings & Infrastructures	191	WATC		0	0	0	0	0
Transport								
Road Infrastructures	179	WATC	6.04%	866,735	0	102,699	49,261	764,036
Road Infrastructures	191	WATC		0	0	0	0	0
				6,129,530	3,233,761	1,122,805	265,014	8,240,486
Self Supporting Loans								
Recreation and culture								
Buildings & Infrastructures	186	WATC	3.07%	118,485	0	12,821	3,465	105,664
				118,485	0	12,821	3,465	105,664
				6,248,015	3,233,761	1,135,626	268,479	8,346,150

CITY OF NEDLANDS
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15. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2018/19

Particulars/Purpose	Loan Number	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
						2019 Actual	2019 Budget	2019 Actual	2019 Budget		
						\$	\$	\$	\$	\$	\$
Community amenities											
Underground Power Project	188	WATC	Fixed Term	9	3.07%	645,499	2,043,957	645,499	2,043,957	12,487	0
Underground Power Project	189	WATC	Fixed Term	9	3.07%	94,279	191,550	94,279	191,550	1,824	0
Underground Power Project	190	WATC	Fixed Term	9	3.07%	66,956	232,502	66,956	232,502	1,295	0
Recreation and culture											
Buildings & Infrastructures	191	WATC	Fixed Term	10		0	500,000	0	500,000	0	0
Transport											
Road Infrastructures	191	WATC	Fixed Term	10		0	500,000	0	500,000	0	0
						806,734	3,468,009	806,734	3,468,009	15,606	0

(d) Unspent Borrowings

Unspent Borrowings							
Particulars			Date Borrowed	Unspent Balance 1 July 2018	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2019
				\$	\$	\$	\$
Underground Power Project	187	WATC	06 Mar 18	386,285	0	(386,285)	0
				386,285	0	(386,285)	

(e) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2019	2018
	\$	\$
Bank overdraft limit	0	500,000
Bank overdraft at balance date	0	0
Credit card limit	130,000	130,000
Credit card balance at balance date	(725)	(19,987)
Total amount of credit unused	129,275	610,013

Loan facilities

Loan facilities - current	1,693,964	1,597,168
Loan facilities - non-current	5,861,752	6,748,982
Total facilities in use at balance date	7,555,716	8,346,150

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 30.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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16. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	Provision for Annual Leave	Provision for Long Service Leave	Provision for Employment On-costs	Total
	\$	\$	\$	\$
Opening balance at 1 July 2018				
Current provisions	947,923	884,027	195,341	2,027,291
Non-current provisions	0	298,850	38,768	337,618
	947,923	1,182,877	234,109	2,364,909
Additional provision	1,037,387	417,294	167,288	1,621,970
Amounts used	(931,745)	(216,795)	(89,384)	(1,237,924)
Balance at 30 June 2019	1,053,565	1,383,376	312,014	2,748,955
Comprises				
Current	1,053,565	967,949	253,245	2,274,759
Non-current	0	415,427	58,769	474,196
	1,053,565	1,383,376	312,014	2,748,955

Annual Leave Liabilities

Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2019	2018
	\$	\$
Less than 12 months after the reporting date	811,245	782,414
More than 12 months from reporting date	242,320	165,509
	1,053,565	947,923

Long Service Leave Liabilities

Unconditional long service leave provisions are classified as current liabilities as the City does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the City has an unconditional right to defer settlement of the liability until the employee has completed the requisite years of service.

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2019	2018
	\$	\$
With 12 months of the end of the reporting period	693,133	598,453
More than 12 months after the end of the reporting period	690,243	584,424
	1,383,376	1,182,877

16. EMPLOYEE RELATED PROVISIONS (continued)

Employment On-Cost Provision

The settlement of annual leave and long service leave liabilities give rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Employee Costs' in the Statement of Comprehensive Income. The related liability is included in 'Employment On-Costs' provision.

	2019	2018
	\$	\$
Carrying amount at start of period	234,109	245,689
Additional/(reversal of) provisions recognised	77,905	(11,580)
	312,014	234,109

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Other long-term employee benefits (Continued)

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.

Employment On-cost Provision

The settlement of annual leave and long service liabilities give rise to the payment of employment on-cost. The provision is the present value of expected future payments.

Employment on-costs are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Employee Costs' in the Statement of Comprehensive Income. The related liability is included in 'Employment On-costs' provision.

17. 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:

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Cash and cash equivalents	8,170,423	10,568,262	5,097,698
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	8,727,976	2,663,759	(1,081,559)
Non-cash flows in Net result:			
Depreciation	3,999,335	6,691,600	5,988,203
(Profit)/loss on sale of asset	(10,407)	(54,392)	(455,320)
Provision of impairment of other financial assets	0	0	11,942
Loss on revaluation of fixed assets	0	0	1,232,307
Increase in fair value of financial asset	(16,403)	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(2,208,421)	16,333	126,130
(Increase)/decrease in other assets	15,503	0	0
(Increase)/decrease in inventories	16,211	0	(17,705)
Increase/(decrease) in payables	2,695,742	214,796	(647,734)
Increase/(decrease) in provisions	438,048	50,000	(112,264)
Grants contributions for the development of assets	(2,386,090)	(3,845,392)	(2,609,259)
Net cash from operating activities	11,271,493	5,736,704	2,434,740

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2019	2018
	\$	\$
Governance	309,522,255	309,383,585
Education and welfare	7,861,730	7,882,953
Community amenities	2,084,291	2,114,867
Recreation and culture	35,351,500	34,017,223
Transport	73,935,239	70,530,015
Other property and services	21,884,217	19,203,132
	450,639,231	443,131,775

19. CONTINGENT LIABILITIES

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

20. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects
- plant & equipment purchases

	2019	2018
	\$	\$
	692,158	716,312
	329,657	6,105
	1,021,815	722,417

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but

Payable:

- not later than one year
- later than one year but not later than five years

	2019	2018
	\$	\$
	69,174	702
	40,352	0
	109,526	702

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

Leases (Continued)

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

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

CITY OF NEDLANDS
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21. EMPLOYEE NUMBERS

	2019 Actual	2018 Actual
The number of full-time equivalent employees at 30 June	149.16	146

22. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to council members, Mayor and deputy Mayor.

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Meeting Fees	306,838	306,800	300,117
Mayor's allowance	62,725	62,700	62,725
Deputy Mayor's allowance	15,682	15,600	15,682
Telecommunications allowance	45,504	48,300	43,566
	430,749	433,400	422,090

Other Key Management Personnel (KMP) Compensation Disclosure

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

	2019 Actual	2018 Actual
	\$	\$
Short-term employee benefits	2,545,319	2,511,611
Post-employment benefits	256,188	264,813
Other long-term benefits	56,533	55,948
	2,858,040	2,832,372

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).

22. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:	2019	2018
	Actual	Actual
	\$	\$
Sale of goods and services	0	0
Purchase of goods and services	0	0
Amounts outstanding from related parties:		
Trade and other receivables	0	0
Loans to associated entities	0	0
Loans to key management personnel	0	0
Amounts payable to related parties:		
Trade and other payables	0	0
Loans from associated entities	0	0

Related Parties

The City's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

The associate person of KMP was employed by the City under normal employment terms and conditions.

iii. Entities subject to significant influence by the City

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

23. JOINT ARRANGEMENTS

The City of Nedlands has no interest in any Joint Ventures.

24. INVESTMENT IN ASSOCIATES

The City of Nedlands has no interest in any Associated Entities.

25. MAJOR LAND TRANSACTIONS

The City of Nedlands did not participate in any major land transactions during the 2018/19 financial year.

26. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The City of Nedlands did not participate in any trading undertaking or major trading undertakings during the 2018/19 financial year.

CITY OF NEDLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

27. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽³⁾	Closing Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽³⁾	Closing Balance ⁽¹⁾
	1/07/17	2017/18	2017/18	30/06/18	2018/19	2018/19	30/06/19
	\$	\$	\$	\$	\$	\$	\$
Recreation and culture							
DSR-Kdsports Program	3,801	0	(3,801)	0	0	0	0
HACC Transition Fund	0	25,500	(9,268)	16,232	0	(8,921)	7,311
Transport							
Roads to Recovery Grants	182,000	141,419	(255,228)	68,191	0	(68,191)	0
Safe Active Street	0	0	0	0	720,000	0	720,000
Abedare Road Project	0	0	0	0	30,000	(11,030)	18,970
Other property and services							
Riverwall Project	550,293	0	(298,227)	252,066	0	(39,545)	212,521
Total	736,094	166,919	(566,524)	336,489	750,000	(127,687)	958,802

Notes:

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

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

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

28. RATING INFORMATION

(a) Rates

RATE TYPE		Differential general rate / general rate											
Rate in \$	Number of Properties	2018/19		2018/19		2018/19		2018/19		2018/19		2017/18	
		Actual Rateable Value	Actual Revenue	Actual Interim Rates	Actual Rates	Actual Back Rates	Actual Total Revenue	Budget Rate	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Actual Total Revenue	
Gross rental valuations													
Residential	6,538	304,663,720	16,974,130	114,669	4,893	17,093,691							
Residential Vacant	128	6,753,080	533,561	12,867	5,850	552,278							
Non Residential	388	45,432,215	3,143,001	101,139	114,267	3,358,407							
Sub-Total	7,054	356,849,015	20,650,692	228,675	125,009	21,004,376							
Minimum payment													
Gross rental valuations													
Residential	1,497	32,222,840	2,158,674	(17,466)	(1,286)	2,139,922							
Residential Vacant	41	767,740	78,392	(5,286)	(1,209)	71,897							
Non Residential	128	2,286,055	243,328	0	0	243,328							
Sub-Total	1,666	35,276,635	2,480,394	(22,751)	(2,495)	2,455,147							
Discounts/concessions (refer Note 28(d))													
Total amount raised from general rate													

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

28. RATING INFORMATION (Continued)

(b) Specified Area Rate

No specified area rates were imposed by the City of Nedlands during the year ended 2019.

(c) Service Charges

Service Charges	Amount of Charge	2018/19			2018/19			2018/19			2018/19			2018/19			2017/18		
		Actual Revenue	Actual Charges Applied to Costs	Actual Charges Set Aside to Reserve	Actual Reserve Applied to Costs	2018/19 Revenue	2018/19 Charges Applied to Costs	2018/19 Actual Charges Set Aside to Reserve	2018/19 Actual Reserve Applied to Costs	2018/19 Revenue	2018/19 Charges Applied to Costs	2018/19 Budget Charges Set Aside to Reserve	2018/19 Budget Reserve Applied to Costs	2018/19 Revenue	2018/19 Charges Applied to Costs	2018/19 Budget Charges Set Aside to Reserve	2017/18 Total Actual Revenue	2017/18 Total Actual Revenue	2017/18 Total Actual Revenue
Alfred Road/Claremont Triangle UGP	60/1	\$ 2,116	\$ 38,085	\$ 38,085	\$ 0	\$ 38,085	\$ 38,085	\$ 0	\$ 0	\$ 11,884	\$ 11,884	\$ 0	\$ 0	\$ 11,884	\$ 11,884	\$ 0	\$ 0	\$ 0	\$ 0
Alfred Road/Claremont Triangle UGP	60/2	2,626	10,503	10,503	0	10,503	10,503	0	0	3,277	3,277	0	0	3,277	3,277	0	0	0	0
Alfred Road/Claremont Triangle UGP	60/3	2,913	209,755	209,755	0	209,755	209,755	0	0	85,453	85,453	0	0	85,453	85,453	0	0	0	0
Alfred Road/Claremont Triangle UGP	60/4	3,423	20,539	20,539	0	20,539	20,539	0	0	10,682	10,682	0	0	10,682	10,682	0	0	0	0
Alfred Road/Claremont Triangle UGP	60/5	4,443	97,741	97,741	0	97,741	97,741	0	0	40,204	40,204	0	0	40,204	40,204	0	0	0	0
Alfred Road/Claremont Triangle UGP	60/8	345	68,389	68,389	0	68,389	68,389	0	0	0	0	0	0	0	0	0	0	0	0
Alfred Road/Claremont Triangle UGP	60/9	406	17,598	17,598	0	17,598	17,598	0	0	0	0	0	0	0	0	0	0	0	0
Alfred Road/Claremont Triangle UGP	60/10	527	31,676	31,676	0	31,676	31,676	0	0	0	0	0	0	0	0	0	0	0	0
Alderbury Street UGP	61/1	4,533	67,991	67,991	0	67,991	67,991	0	0	28,785	28,785	0	0	28,785	28,785	0	0	0	0
Alderbury Street UGP	61/2	5,109	15,328	15,328	0	15,328	15,328	0	0	6,489	6,489	0	0	6,489	6,489	0	0	0	0
Alderbury Street UGP	61/3	6,263	92,163	92,163	0	92,163	92,163	0	0	47,726	47,726	0	0	47,726	47,726	0	0	0	0
Alderbury Street UGP	61/4	537	27,701	27,701	0	27,701	27,701	0	0	0	0	0	0	0	0	0	0	0	0
Alderbury Street UGP	61/5	606	5,204	5,204	0	5,204	5,204	0	0	0	0	0	0	0	0	0	0	0	0
Alderbury Street UGP	61/6	742	44,653	44,653	0	44,653	44,653	0	0	0	0	0	0	0	0	0	0	0	0
Alderbury Street UGP	62/1	1,337	15,698	15,698	0	15,698	15,698	0	0	7,622	7,622	0	0	7,622	7,622	0	0	0	0
West Hollywood UGP	62/2	1,610	26,121	26,121	0	26,121	26,121	0	0	9,177	9,177	0	0	9,177	9,177	0	0	0	0
West Hollywood UGP	62/3	1,766	15,907	15,907	0	15,907	15,907	0	0	7,830	7,830	0	0	7,830	7,830	0	0	0	0
West Hollywood UGP	62/4	2,619	4,704	4,704	0	4,704	4,704	0	0	3,317	3,317	0	0	3,317	3,317	0	0	0	0
West Hollywood UGP	62/5	3,331	29,885	29,885	0	29,885	29,885	0	0	10,549	10,549	0	0	10,549	10,549	0	0	0	0
West Hollywood UGP	62/6	4,071	361,253	361,253	0	361,253	361,253	0	0	161,146	161,146	0	0	161,146	161,146	0	0	0	0
West Hollywood UGP	62/7	4,282	115,113	115,113	0	115,113	115,113	0	0	52,878	52,878	0	0	52,878	52,878	0	0	0	0
West Hollywood UGP	62/8	4,546	179,227	179,227	0	179,227	179,227	0	0	74,861	74,861	0	0	74,861	74,861	0	0	0	0
West Hollywood UGP	62/9	5,497	1,097,606	1,097,606	0	1,097,606	1,097,606	0	0	523,906	523,906	0	0	523,906	523,906	0	0	0	0
West Hollywood UGP	62/10	5,626	5,038	5,038	0	5,038	5,038	0	0	3,563	3,563	0	0	3,563	3,563	0	0	0	0
West Hollywood UGP	62/11	7,542	6,749	6,749	0	6,749	6,749	0	0	4,777	4,777	0	0	4,777	4,777	0	0	0	0
West Hollywood UGP	62/12	8,967	16,043	16,043	0	16,043	16,043	0	0	5,679	5,679	0	0	5,679	5,679	0	0	0	0
West Hollywood UGP	62/13	11,013	9,848	9,848	0	9,848	9,848	0	0	3,487	3,487	0	0	3,487	3,487	0	0	0	0
West Hollywood UGP	62/14	12,438	11,121	11,121	0	11,121	11,121	0	0	15,755	15,755	0	0	15,755	15,755	0	0	0	0
West Hollywood UGP	62/15	17,955	48,143	48,143	0	48,143	48,143	0	0	22,743	22,743	0	0	22,743	22,743	0	0	0	0
West Hollywood UGP	62/16	18,430	0	0	0	0	0	0	0	5,836	5,836	0	0	5,836	5,836	0	0	0	0
West Hollywood UGP	62/17	19,380	17,321	17,321	0	17,321	17,321	0	0	12,274	12,274	0	0	12,274	12,274	0	0	0	0

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28. RATING INFORMATION (Continued)

(c) Service Charges

Service Charges	Amount of Charge	2018/19			2018/19			2018/19			2018/19			2017/18		
		Actual Revenue	Actual Charges Applied to Costs	2018/19 Actual Charges Set Aside to Reserve	2018/19 Actual Revenue	2018/19 Actual Charges Applied to Costs	2018/19 Actual Revenue	2018/19 Actual Charges Applied to Costs	2018/19 Actual Revenue	2018/19 Actual Charges Applied to Costs	2018/19 Actual Revenue	2018/19 Actual Charges Applied to Costs	2018/19 Actual Revenue	2017/18 Total Actual Revenue	2017/18 Total Actual Revenue	2017/18 Total Actual Revenue
West Hollywood UGP	62/18	159	6,257	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/19	191	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/20	209	6,612	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/21	310	4,902	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/22	395	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/23	483	99,060	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/24	508	36,064	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/25	539	34,038	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/26	652	412,959	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/27	667	5,265	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/28	894	7,059	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/29	1,063	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/30	1,306	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/31	1,475	34,923	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/32	2,129	16,804	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/33	2,185	17,249	0	0	0	0	0	0	0	0	0	0	0	0	0
West Hollywood UGP	62/34	2,298	18,138	0	0	0	0	0	0	0	0	0	0	0	0	0
		3,406,430	3,406,430	0	0	0	1,159,900	1,159,900	0	0	0	0	0	0	0	0

Nature of the Service Charge	Objects of the Charge	Reasons for the Charge	Area/Properties Charge Imposed
Underground Power Project	Provision of underground power to the project areas.	Owners' contribution of cost of underground power project.	Alfred Rd & Claremont Triangle Alderbury St West Hollywood

(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.

(e) 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

28. RATING INFORMATION (Continued)

(f) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	27 Aug 2018			11.00%
Option Two				
First instalment	27 Aug 2018	0.00	5.50%	11.00%
Second instalment	29 Oct 2018	16.00	5.50%	11.00%
Third instalment	28 Jan 2019	16.00	5.50%	11.00%
Fourth instalment	25 Mar 2019	16.00	5.50%	11.00%

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Interest on unpaid rates	81,272	86,000	76,811
Interest on instalment plan	116,161	105,000	102,654
ESL interest income	8,026	0	8,082
Deferred Rates interest	0	0	10,424
	205,459	191,000	197,972

CITY OF NEDLANDS
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29. RATE SETTING STATEMENT INFORMATION

		2018/19 (30 June 2019 Carried Forward)	2018/19 Budget (30 June 2019 Carried Forward)	2018/19 (1 July 2018 Brought 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)	(57,230)	(88,329)	(495,645)
	Movement in pensioner deferred rates (non-current)		(43,714)	0	(22,252)
	Movement in service charge receivable (non-current)		(735,800)	0	0
	Movement in employee benefit provisions (non-current)		136,578	(10,000)	13,277
	Movement in payables (non-current)		54,001	0	0
	Add: Fair value adjustments to financial assets at fair value through profit or loss		(16,403)	0	11,942
	Add: Loss on disposal of assets	11(a)	46,823	33,937	40,325
	Add: Loss on revaluation of fixed assets	10(b)	0	0	1,232,307
	Add: Depreciation on assets	11(b)	3,999,335	6,691,600	5,988,203
	Non cash amounts excluded from operating activities		3,383,590	6,627,208	6,768,157
(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 - restricted cash	4	(6,095,369)	(6,933,892)	(6,037,350)
	Less: - Financial assets at amortised cost - self supporting loans	8(a)	(13,630)	(13,629)	(13,219)
	Less: Land held for resale		0	(3,036,000)	0
	Add: Short term borrowings		0	0	1,652,524
	Add: Borrowings	15(a)	1,693,964	1,804,084	1,597,168
	Total adjustments to net current assets		(4,415,035)	(8,179,437)	(2,800,877)
Net current assets used in the Rate Setting Statement					
	Total current assets		15,659,612	14,716,900	12,366,136
	Less: Total current liabilities		(8,750,985)	(7,131,833)	(7,363,501)
	Less: Total adjustments to net current assets		(4,415,035)	(8,179,437)	(2,800,877)
	Net current assets used in the Rate Setting Statement		2,493,592	(594,370)	2,201,758

CITY OF NEDLANDS
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30. FINANCIAL RISK MANAGEMENT

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

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

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

The City held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2019	2018	2019	2018
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	8,170,423	5,097,698	8,170,423	5,097,698
Financial assets at amortised cost - term deposits	4,860,495	6,037,348	4,860,495	6,037,348
Receivables	3,655,743	1,447,322	3,655,743	1,447,322
	16,686,661	12,582,368	16,686,661	12,582,368
Financial liabilities				
Payables	4,782,262	2,086,520	4,782,262	2,086,520
Short term borrowings	0	1,652,524	0	1,621,552
Long term borrowings	7,555,716	8,346,150	7,993,561	8,576,156
	12,337,978	12,085,194	12,775,823	12,284,228

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

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

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30. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

Financial assets at amortised cost - Term Deposit

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

Cash and term deposits are subject to interest rate risk - the risk that movements in interest rates could affect returns.

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

The City manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	2019	2018
	\$	\$
Impact of a 1% ⁽¹⁾ movement in interest rates on cash and term deposits		
- Equity	130,309	111,350
- Statement of Comprehensive Income	130,309	111,350

Notes:

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

30. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

The City's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery processes.

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

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance. The City makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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 2018 or 1 July 2019 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 such as the ability of ratepayers and residents to settle the receivables. There are no material receivables that have been subject to re-negotiation of repayment terms.

No expected credit loss was forecast on 1 July 2018 or 30 June 2019 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for sundry receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Sundry Receivables					
30 June 2019					
Sundry Receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.05%	
Gross carrying amount	893,424	218,956	14,583	192,583	1,319,546
Loss allowance	0	0	0	9,282	9,282
01 July 2018					
Sundry Receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.05%	
Gross carrying amount	152,481	51,840	12,160	180,102	396,582
Loss allowance	0	0	0	9,005	9,005

**The amount of receivables exclude the GST recoverable from the ATO (statutory receivable).*

CITY OF NEDLANDS
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30. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and borrowings

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

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2019					
Payables	4,782,262	0	0	4,782,262	4,782,262
Long term borrowings	1,926,583	5,350,209	968,184	8,244,976	7,555,716
	<u>6,708,845</u>	<u>5,350,209</u>	<u>968,184</u>	<u>13,027,238</u>	<u>12,337,978</u>

2018

Payables	2,086,520	0	0	2,086,520	2,086,520
Short term borrowings	1,652,524	0	0	0	1,652,524
Long term borrowings	1,873,048	6,172,356	1,142,715	9,188,119	8,346,150
	<u>5,612,092</u>	<u>6,172,356</u>	<u>1,142,715</u>	<u>11,274,639</u>	<u>12,085,194</u>

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

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

	<1 year \$	>1<2 years \$	>2<3 years \$	>3<4 years \$	>4<5 years \$	>5 years \$	Total \$	Weighted Average Effective Interest Rate %
2019								
Borrowings								
Fixed rate								
Long term borrowings	1,691,065	1,750,166	1,405,492	1,136,520	647,117	925,355	7,555,715	9.12%
Effective interest rate	13.93%	10.08%	8.29%	6.51%	6.80%	4.63%		
2018								
Borrowings								
Fixed rate								
Short term borrowings	1,652,524	0	0	0	0	0	1,652,524	
Long term borrowings	1,597,169	1,607,488	1,669,045	1,321,880	1,050,341	1,100,227	8,346,150	8.42%
Effective interest rate	8.49%	13.42%	9.24%	7.32%	5.41%	3.86%	9,998,674	

31. TRUST FUNDS

In previous years, all bonds and deposits were held as trust money. From this year, all bonds and deposits not required by legislation to be held in trust are included in restricted cash in Note 3 and shown as current liability in Note 13.

	1 July 2018	Amounts Received	Amounts Paid	Reclassified to restricted assets	30 June 2019
	\$	\$	\$	\$	\$
Footpath Bonds	1,161,801	469,100	(556,925)	(1,073,976)	0
Hall & Key Bond	49,875	4,940	(2,967)	(51,848)	0
Tresillian Bond & Miscellaneous	6,792	808	(300)	(7,300)	0
Retention for Non Compliance	42,580	82	0	(42,662)	0
Construction Training Bond	73,277	266,722	(279,582)	(60,417)	0
Building Construction Bond	218,311	216,928	(222,376)	(212,863)	0
Unclaimed Money	50,784	0	0	(50,784)	0
Tresillian Artist Sales	749	12,198	(12,198)	(749)	0
Crossover Bond	36,219	0	(30,000)	(6,219)	0
Miscellaneous	64,407	206,417	(12,471)	(258,353)	0
DAP Application Levy	7,639	51,355	(58,994)	0	0
Adelma	100,000	0	0	(100,000)	0
Supplier Retention	9,465	0	0	(9,465)	0
Staff Funds	118	5,729	(5,811)	(36)	0
	1,822,016	1,234,278	(1,181,624)	(1,874,670)	0

32. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no significant events after the reporting period that are required to be reported in the 2018/19 Annual Financial Report.

33. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

Whilst many reflected consequential changes associated with the amendment of existing standards, the only new standard with material application is AASB 9 *Financial Instruments*.

AASB 9 Financial instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The City applied AASB 9 prospectively, with an initial application date of 1 July 2018. The adoption of AASB 9 has resulted in changes in accounting policies but the adjustments required to the amounts recognised in the financial statements was immaterial.

(a) Classification and measurement

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the City's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the City's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

33. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

(a) Classification and measurement (continued)

The classification and measurement requirements of AASB 9 did not have a significant impact on the City. The following are the changes in the classification of the City's financial assets:

- Trade receivables and Loans and advances (i.e. Other debtors) classified as Loans and receivables as at 30 June 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at amortised cost beginning 1 July 2018.

In summary, upon the adoption of AASB 9, the City had the following required (or elected) reclassifications as at 1 July 2018:

AASB 139 category	AASB 139 value \$	AASB 9 category		
		Financial asset at amortised cost \$	Fair value through OCI \$	Fair value through P/L \$
Loans and receivables				
Trade receivables (b)	1,190,648	1,190,648	0	0
Loans and advances	105,664	105,664	0	0
Financial assets	123,734	0	0	123,734
	1,420,046	1,296,312	0	123,734

(b) Impairment

The adoption of AASB 9 has fundamentally changed the City's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the City to recognise an allowance for ECLs for all financial assets not held at fair value through profit or loss. Upon adoption of AASB 9, the City recognised an additional impairment on the City's Trade receivables of \$3,819. This was reflected in profit and loss for the year, given that the amount was considered immaterial to restate the retained surplus as at 1 July 2018.

34. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the City. The Standards and Interpretations that were issued but not yet effective for the year ended 30 June 2019 are listed below. At the date of authorisation of the financial statements, the City has not fully assessed the impact of these new or amended standards and interpretations, to the extent relevant.

Standard/Interpretation	Issued/Compiled	Applicable	Impact
AASB 15 <i>Revenue from Contracts with Customers</i>	December 2014	1 January 2019	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.
AASB 16 <i>Leases</i>	February 2016	1 January 2019	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-of-use asset and lease liability into the statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position when AASB 16 is adopted.
AASB 1058 <i>Income for Not-for-Profit Entities</i>	December 2016	1 January 2019	These Standards are likely to have a significant impact on the income recognition for Not-for-Profit Entities. Key areas for consideration are: <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; and - Leases entered into at below market rates

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35. 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.

CITY OF NEDLANDS
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35. OTHER SIGNIFICANT ACCOUNTING POLICIES (continued)

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 ends of the reporting period.

CITY OF NEDLANDS
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36. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources.	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.
GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
EDUCATION AND WELFARE To provide services to disadvantaged persons, the elderly, children and youth.	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.
HOUSING To provide and maintain elderly residents housing.	Provision and maintenance of elderly residents housing.
COMMUNITY AMENITIES To provide services required by the community.	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.
RECREATION AND CULTURE To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.	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.
TRANSPORT To provide safe, effective and efficient transport services to the community.	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.
ECONOMIC SERVICES To help promote the shire and its economic wellbeing.	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 Control.
OTHER PROPERTY AND SERVICES To monitor and control City of Nedlands's overheads operating accounts.	Private works operation, plant repair and operation costs and engineering operation costs.

37. FINANCIAL RATIOS

	2019 Actual	2018 Actual	2017 Actual
Current ratio	0.98	0.85	1.31
Asset consumption ratio	0.58	0.57	0.67
Asset renewal funding ratio	0.92	0.86	0.88
Asset sustainability ratio	2.33	1.45	1.65
Debt service cover ratio	5.61	1.83	6.44
Operating surplus ratio	0.18	(0.12)	0.02
Own source revenue coverage ratio	1.14	0.84	0.94

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	$\frac{\text{own source operating revenue}}{\text{operating expense}}$



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the City of Nedlands

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the City of Nedlands which comprises the Statement of Financial Position as at 30 June 2019, 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, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

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

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2019 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 for the Audit of the Financial Report* section of my report. I am independent of the City in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual 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.

Emphasis of Matter – Basis of Accounting

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

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

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

In preparing the annual 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

The objectives of my audit are to obtain reasonable assurance about whether the annual 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 annual financial report.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (i) The following material matters 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. The City has continued to procure goods and services from two suppliers after the contract expiry, without a valid extension.
 - b. Although accounting journal entries are approved in a record-keeping system before being entered in the accounting system, there is no independent review of journals that have been input to the accounting system. This could result in unauthorised journals being posted in the accounting system without detection.
- (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 annual financial report were supported by verifiable information and reasonable assumptions.

Other Matter

The annual financial report of the City for the year ended 30 June 2018 was audited by another auditor who expressed an unmodified opinion on that annual financial report. The financial ratios for 2017 and 2018 in Note 37 of the audited annual financial report were included in the audited annual financial report for those years.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the City of Nedlands for the year ended 30 June 2019 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 annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual 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 annual financial report to confirm the information contained in this website version of the annual financial report.



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AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Delegate of the Auditor General for Western Australia
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15 November 2019



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