

City of Stirling Financial Statements



Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Statement by Chief Executive Officer

The accompanying financial report of the City of Stirling has been prepared in compliance with the provisions of the Local Government Act 1995 from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 16th day of December 2024

S. Rodic

STEVAN RODIC

CHIEF EXECUTIVE OFFICER



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The City of Stirling conducts the operations of a local government with the following community vision:

A sustainable City with a local focus.

Principal place of business:
25 Cedric Street,
Stirling WA 6021



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

City of Stirling

To the Council of the City of Stirling

Opinion

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the City for the year ended 30 June 2024 and its financial position at the end of that period
- is 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 below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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

The Chief Executive Officer (CEO) of the City is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the City's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- 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 responsibilities for the audit of the financial report

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

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

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

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Stirling for the year ended 30 June 2024 included in the annual report on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the City to confirm the information contained in the website version.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
17 December 2024

Statement of Comprehensive Income

For the year ended 30 June 2024

	Note	2024 Budget $	2024 Actual $	2023 Actual $
Revenue				
Rates	2a, 25	159,396,098	160,080,943	154,260,298
Security service charge	2a	4,082,400	4,137,943	3,594,493
Grants & subsidies	2a	15,231,013	15,021,260	17,344,226
Contributions, reimbursements & donations	2a	2,399,040	3,056,584	2,882,348
Waste service charge	2a	44,486,121	45,403,791	41,349,212
Fees & charges	2a	19,595,599	20,270,361	19,284,517
Interest revenue	2a	8,490,804	11,345,930	7,591,193
Registrations/licences & permits	2a	4,046,170	4,244,396	3,880,387
Underground power	2a	1,383,484	125,194	89,150
Other revenue/income	2a	4,759,229	4,629,243	6,144,389
Total revenue from ordinary activities		**263,869,958**	**268,315,645**	**256,420,213**
Expenses				
Employee costs	2b	(102,751,934)	(107,110,470)	(98,311,185)
Materials & contracts direct maintenance of non-current assets		(28,827,903)	(30,602,107)	(26,463,666)
Materials & contracts other works		(73,445,384)	(69,856,878)	(68,588,081)
Underground power		(1,383,484)	(1,638,943)	(460,840)
Utility charges		(8,309,790)	(8,381,284)	(8,126,442)
Depreciation and amortisation	8e	(51,293,437)	(51,789,769)	(50,352,901)
Finance costs	2b, 27	-	(8,079)	(9,298)
Insurance expenses		(2,238,300)	(2,462,107)	(2,331,144)
Other expenditure	2b	(4,886,522)	(3,995,917)	(2,849,690)
Total expenditure from ordinary activities		**(273,136,754)**	**(275,845,554)**	**(257,493,247)**
Net result from operating activities		**(9,266,796)**	**(7,529,909)**	**(1,073,034)**
Non-operating activities				
Capital grants & subsidies	2a	10,383,729	11,971,912	15,971,754
Gifted & acquired assets		-	121,926	10,000
Share of profit/(loss) of associates accounted for using the equity method	20a	-	2,665,876	2,172,332
Profit on sale of Catalina land		6,666,666	15,676,633	4,583,668
Fair value adjustment to financial assets through profit and loss	4	-	4,203	9,215
Fair value adjustment to Investment Property		-	488,500	-
Profit on asset disposals		506,564	1,250,687	684,009
Loss on asset disposals		(127,959)	(8,307,950)	(21,370,613)
Total non-operating activities		**17,429,001**	**23,871,787**	**2,060,365**
Net result	16b	**8,162,205**	**16,341,878**	**987,331**
Other comprehensive income				
Share of other comprehensive income of associates accounted for using the equity method	15, 20b, 20c	-	840,752	3,724,100
Changes in asset revaluation surplus	15	-	69,909,798	68,580,545
Total comprehensive income		**8,162,205**	**87,092,428**	**73,291,976**

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

Statement of Financial Position

For the year ended 30 June 2024

	Note	2024 $	2023 $
Assets			
Current assets			
Cash & cash equivalents	3 / 16	161,892,443	161,732,397
Trade and other receivables	5a	17,097,560	15,846,286
Other assets	5c	3,869,740	3,357,653
Inventories	6	3,749,006	5,019,769
Contract assets	7	2,096,563	1,712,576
Total current assets		**188,705,312**	**187,668,681**
Non-current assets			
Other financial assets	4	207,927	203,724
Trade and other receivables	5b	2,246,296	1,730,690
Inventory - land held for resale	6	106,354	167,946
Investment property	11	6,000,000	-
Property, plant & equipment	8a	818,077,616	801,206,423
Infrastructure	8c	1,682,682,786	1,624,814,758
Intangibles	9	2,501,444	3,029,481
Right of use assets	10a	70,961	142,649
Investments	20a	67,466,111	59,851,577
Total non-current assets		**2,579,359,495**	**2,491,147,248**
Total assets		**2,768,064,807**	**2,678,815,929**
Liabilities			
Current liabilities			
Trade and other payables	12	45,588,296	44,669,335
Other liabilities	13	3,095,464	2,621,511
Lease liabilities	10b, 27	5,654	79,514
Employee related provisions	14	19,316,096	18,409,253
Total current liabilities		**68,005,510**	**65,779,613**
Non-current liabilities			
Lease liabilities	10b, 27	68,532	67,092
Employee related provisions	14	1,184,831	1,255,718
Total non-current liabilities		**1,253,363**	**1,322,810**
Total liabilities		**69,258,873**	**67,102,423**
Net assets		**2,698,805,934**	**2,611,713,506**
Equity			
Retained surplus		1,080,669,952	1,068,353,767
Reserves - cash/investment backed	28	98,989,504	94,897,412
Revaluation surplus	15	1,519,146,478	1,448,462,327
Total equity		**2,698,805,934**	**2,611,713,506**

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

Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Retained surplus $	Reserves cash backed $	Revaluation surplus $	Total equity $
Balance as at 1 July 2022		**1,085,224,338**	**70,153,272**	**1,382,471,298**	**2,537,848,908**
Comprehensive income					
Net result		987,331	-	-	987,331
Share of other comprehensive income of associates	15, 20b, 20c	-	-	3,724,100	3,724,100
Change on revaluation of non-current assets	15	-	-	68,580,545	68,580,545
Total comprehensive income		**987,331**	**-**	**72,304,645**	**73,291,976**
Realisation of revaluation reserve upon disposal of assets	15	6,313,616	-	(6,313,616)	-
Transfers to and from trust		572,622	-	-	572,622
Transfers to reserves	28	(43,157,787)	43,157,787	-	-
Transfers from reserves	28	18,413,647	(18,413,647)	-	-
Balance as at 30 June 2023		**1,068,353,767**	**94,897,412**	**1,448,462,327**	**2,611,713,506**
Total equity as at 1 July 2023		1,068,353,767	94,897,412	1,448,462,327	2,611,713,506
Comprehensive income					
Net result		16,341,878	-	-	16,341,878
Share of other comprehensive income of associates	15, 20b, 20c	-	-	840,752	840,752
Change on revaluation of non-current assets	15	-	-	69,909,798	69,909,798
Total comprehensive income		**16,341,878**	**-**	**70,750,550**	**87,092,428**
Realisation of revaluation reserve upon disposal of assets	15	66,399	-	(66,399)	-
Transfers to reserves	28	(34,556,475)	34,556,475	-	-
Transfers from reserves	28	30,464,383	(30,464,383)	-	-
Balance as at 30 June 2024		**1,080,669,952**	**98,989,504**	**1,519,146,478**	**2,698,805,934**

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

Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts			
Rates		159,027,497	154,958,406
Underground power		788,954	1,801,982
Fees from regulatory services		4,470,229	3,927,350
Service charges		70,168,399	66,750,470
Interest revenue		10,080,111	6,253,937
Grants, subsidies & contributions		16,933,730	19,911,991
Other revenue		4,138,789	3,113,255
		265,607,709	**256,717,391**
Payments			
Employee costs		(126,247,594)	(114,461,671)
Materials & contracts		(75,738,164)	(77,174,646)
Underground power		(1,517,017)	(460,840)
Utility charges		(8,381,285)	(8,126,442)
Insurance		(2,462,106)	(2,331,143)
Interest		(8,079)	(9,298)
Other expenditure		(4,519,408)	(2,826,730)
		(218,873,653)	**(205,390,770)**
Net cash from operating activities	16b	**46,734,056**	**51,326,621**
Cash flows used in investing activities			
New & redevelopment of community infrastructure		(25,224,502)	(35,985,312)
Payments for purchase of property, plant & equipment		(47,315,629)	(17,040,113)
Transfer from trust		-	572,622
Payments for principal portion of lease liabilities		(79,615)	(18,518)
Distributions from investment in associate	20c	10,000,000	6,666,664
Proceeds from sale of property, plant & equipment		4,073,824	2,003,411
Capital grants, subsidies & contributions		11,971,912	11,651,820
Net cash used in investing activities		**(46,574,010)**	**(32,149,426)**
Net increase in cash & cash equivalent		160,046	19,177,195
Cash & cash equivalent at beginning of reporting period		161,732,397	142,555,202
Cash & cash equivalent at end of reporting period	3	**161,892,443**	**161,732,397**

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

Statement of Financial Activity

For the year ended 30 June 2024

	Note	2024 Budget $	2024 Actual $	2023 Actual $
Operating activities				
Revenue from operating activities				
General rates	25	159,396,098	160,080,943	154,260,298
Security service charge	2a	4,082,400	4,137,943	3,594,493
Grants & subsidies	2a	15,231,013	15,021,260	17,344,226
Contributions, reimbursements & donations	2a	2,399,040	3,056,584	2,882,348
Waste service charge	2a	44,486,121	45,403,791	41,349,212
Fees & charges	2a	19,595,599	20,270,361	19,284,517
Interest revenue	2a	8,490,804	11,345,930	7,591,193
Profit on disposal of assets		506,564	1,250,687	684,009
Registrations/licences & permits	2a	4,046,170	4,244,396	3,880,387
Underground power		1,383,484	125,194	89,150
Other revenue	2a	4,759,229	4,629,243	6,144,389
Fair value adjustments to investment property	11	-	488,500	-
Total revenue from operating activities		**264,376,522**	**270,054,832**	**257,104,222**
Expenditure from operating activities				
Employee costs		(102,751,934)	(107,110,470)	(98,311,185)
Materials & contracts direct maintenance of non-current assets		(28,827,903)	(30,602,107)	(26,463,666)
Materials & contracts other works		(73,445,384)	(69,777,263)	(68,501,362)
Underground power		(1,383,484)	(1,638,943)	(460,840)
Utilities		(8,309,790)	(8,381,284)	(8,126,442)
Depreciation on non-current assets	8e	(51,293,437)	(51,789,769)	(50,352,901)
Loss on disposal of assets		(127,959)	(8,307,950)	(21,370,613)
Fair value adjustment to financial assets		-	4,203	9,215
Interest expenses	2b, 27	-	(8,079)	(9,298)
Insurance expenses		(2,238,300)	(2,462,107)	(2,331,144)
Other expenditure	2b	(4,886,522)	(3,995,917)	(2,849,690)
Total expenditure from operating activities		**(273,264,713)**	**(284,069,686)**	**(278,767,926)**
		(8,888,191)	**(14,014,854)**	**(21,663,704)**
Non cash amounts excluded from operating activities	26a	50,914,832	54,277,553	71,014,622
Amount attributed to operating activities		**42,026,641**	**40,262,699**	**49,350,918**

Statement of Financial Activity (continued)

For the year ended 30 June 2024

	Note	2024 Budget $	2024 Actual $	2023 Actual $
Investing activities				
Inflows from investing activities				
Capital grants & subsidies	2a	10,383,729	11,971,912	15,971,754
Profit on sale of Catalina Land		6,666,666	15,676,633	4,583,668
Proceeds from disposal of assets		2,937,000	4,073,824	2,003,410
		19,987,395	31,722,369	22,558,832
Outflows from investing activities				
Total capital expenditure		(120,405,919)	(72,381,490)	(49,311,326)
		(120,405,919)	(72,381,490)	(49,311,326)
Non-cash amounts excluded from investing activities		-	193,614	(39,298)
Amount attributed to investing activities		**(100,418,524)**	**(40,465,507)**	**(26,791,792)**
Financing activities				
Inflows from financing activities				
Transfers (to) & from Town Planning Schemes and Trust		-	-	572,622
Transfers from reserves	28	26,201,537	30,464,383	18,413,647
		26,201,537	30,464,383	18,986,269
Outflows from financing activities				
Payments for principal portion of lease liabilities	27	-	(79,615)	(86,718)
Transfers to reserves	28	(17,932,118)	(34,556,475)	(43,157,787)
		(17,932,118)	(34,636,090)	(43,244,505)
Amount attributed to financing activities		**8,269,419**	**(4,171,707)**	**(24,258,236)**
Movement in surplus or deficit				
Surplus at the start of the financial year		50,122,464	45,400,909	47,100,019
Amount attributed to operating activities		42,026,641	40,262,699	49,350,918
Amount attributed to investment activities		(100,418,524)	(40,465,507)	(26,791,792)
Amount attributed to financial activities		8,269,419	(4,171,707)	(24,258,236)
Surplus after imposition of general rates	26	**-**	**41,026,394**	**45,400,909**

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

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Notes to and forming part of the financial statements

For the year ended 30 June 2024

1. Basis of preparation

The financial report of The City of Stirling, which is a Class 1 local government, comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

The Local Government (Financial Management) Regulations 1996 provide that:

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls;

and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 Property, Plant and Equipment, which would have required the City to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect 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.

As with all estimates. The use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment - note 8.
  - Infrastructure - note 8.
- Expected credit loss on financial assets - notes 5 and 7.
- Assets held for sale - note 6.
- Investment property - note 11.
- Estimated useful life of intangible assets - note 9.
- Measurement of employee benefits - note 14.

Fair value hierarchy information can be found in note 23.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

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.

All monies held in the Trust Fund are excluded from the financial statements.

A separate statement of those monies appears in note 29 of the financial report.

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2021-2 Amendments to Australian Accounting Standards - disclosure of accounting policies or definition of accounting estimates.

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

These amendments may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- AASB 2023-1 Amendments to Australian Accounting Standards - Supplier finance arrangements of Not-for-Profit Public Sector Entities

These amendments may result in additional disclosures in the case of applicable finance arrangements.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

2. Revenue and expenses

a) Revenue

Contracts with customers

Recognition of revenue is dependent on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/ Refunds/ Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - sale of stock	Kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

2. Revenue and expenses (continued)

a) Revenue (continued)

Revenue recognition

Revenue recognised during the year under each basis of recognition by nature or type of goods or services is provided in the table below:

For the year ended 30 June 2024

Nature or type	Contracts with customers $	Capital grant/ contributions $	Statutory Requirements $	Other $	Total $
Rates	-	-	160,080,943	-	160,080,943
Grants, subsidies and contributions	9,371,825	-	8,706,019	-	18,077,844
Fees and charges	17,357,775	-	2,912,586	-	20,270,361
Registrations, licenses and permits	-	-	4,244,396	-	4,244,396
Service charges	-	-	49,666,928	-	49,666,928
Interest earnings	-	-	11,345,930	-	11,345,930
Other revenue	-	-	854,148	3,775,095	4,629,243
Capital grants, subsidies and contributions	-	11,971,912	-	-	11,971,912
Total	**26,729,600**	**11,971,912**	**237,810,950**	**3,775,095**	**280,287,557**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

2. Revenue and expenses (continued)

a) Revenue (continued)

For the year ended 30 June 2023

Nature or type	Contracts with customers	Capital grant/ contributions	Statutory Requirements	Other	Total
	$	$	$	$	$
Rates	-	-	154,260,298	-	154,260,298
Grants, subsidies and contributions	10,195,634	-	10,030,940	-	20,226,574
Fees and charges	16,750,589	-	2,533,928	-	19,284,517
Registrations, licenses and permits	-	-	3,880,387	-	3,880,387
Service charges	-	-	45,032,855	-	45,032,855
Interest earnings	-	-	7,591,193	-	7,591,193
Other revenue	-	-	1,360,052	4,784,337	6,144,389
Capital grants, subsidies and contributions	-	15,971,754	-	-	15,971,754
Total	**26,946,223**	**15,971,754**	**224,689,653**	**4,784,337**	**272,391,967**

Assets and services acquired below fair value	2024 Budget $	2024 Actual $	2023 Actual $
Contributed assets	-	121,926	10,000
Recognised volunteer services	-	-	-
	-	**121,926**	**10,000**

The City utilises volunteer services for community services.

Volunteer services are not recognised as revenue as the fair value of the services cannot be reliably estimated.

Interest revenue	2024 Budget $	2024 Actual $	2023 Actual $
Interest on reserve funds	2,519,996	5,122,195	2,888,479
Rates penalty interest	500,000	572,458	509,948
Other interest earnings	5,470,808	5,651,277	4,192,766
	8,490,804	**11,345,930**	**7,591,193**

Fees and charges relating to rates receivable	2024 Budget $	2024 Actual $	2023 Actual $
Charges on instalment plans	2,000	2,310	1,950

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

2. Revenue and expenses (continued)

b) The change in net assets resulting from operations was arrived at after charging the following items:

	2024 $	2023 $
Auditors remuneration		
Audit of the Annual Financial Report	152,300	136,140
	152,300	**136,140**
Employee Costs		
Employee benefit costs	100,633,116	93,957,655
Other employee costs	6,477,354	4,353,530
	107,110,470	**98,311,185**
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	8,079	9,298
	8,079	**9,298**
Other expenditure		
Change in impairment loss on trade and other receivables	(309,408)	(126,437)
Change in impairment loss on contract assets	(214,082)	149,394
Donations, sponsorships and contributions	2,892,382	1,873,905
Election and other elected member expenses	1,627,025	952,828
	3,995,917	**2,849,690**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

3. Cash and cash equivalents

Cash on hand

	Note	2024 $	2023 $
Cash at bank and on hand - unrestricted		7,602,819	8,858,557
Term deposits		154,289,624	161,665,465
Total cash and cash equivalents	16a	**161,892,443**	**161,732,397**
Held as:			
Restricted cash and cash equivalents		116,360,382	111,430,707
Unrestricted cash and cash equivalents		45,532,061	50,301,690
		161,892,443	**161,732,397**

Material accounting policies

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted assets

Restricted financial asset balances are not available for general use by the City due to externally imposed restrictions which may be specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. Other financial assets

Non-current assets	2024 $	2023 $
Financial assets at fair value through profit and loss		
Units in Local Government House Trust - opening balance	203,724	194,509
Movement attributable to fair value increment	4,203	9,215
Units in Local Government House Trust - closing balance	**207,927**	**203,724**

The City, along with other Local Government Authorities is a beneficiary of the Local Government Unit Trust. The City holds 10 units in the Trust.

As set out in the Trust Deed units in the Trust can only be issued to Local Government Authorities recognised under the Local Government Act and cannot be commercially traded.

Material accounting policies

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 profit or loss.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 21.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

5. Trade and other receivables and other assets

a) Trade and other receivables - current

		2024 $	2023 $
Rates and statutory receivables		7,971,143	6,746,690
Trade and other receivables		6,894,718	7,901,452
GST Receivable		2,253,631	1,525,281
		17,119,492	**16,173,423**
Less: Allowance for credit losses of trade and other receivables	21b	(21,932)	(327,137)
		17,097,560	**15,846,286**

b) Trade and other receivables - non-current

	2024 $	2023 $
Pensioner's rates and ESL deferred	2,067,670	1,543,424
Deferred debtors	178,626	187,266
	2,246,296	**1,730,690**

Disclosure of opening and closing balances related to contracts with customer

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is:

	30 June 2024 $	30 June 2023 $	30 June 2022 $
Trade and other receivables from contracts with customers	6,894,718	7,901,452	8,592,218
Contract assets	2,096,563	1,926,658	1,791,725
Allowance for credit losses of trade and other receivables	(21,932)	(327,137)	(453,574)
Allowance for credit losses of contract assets	-	(214,082)	(64,688)
Total trade and other receivables from contracts with customers	**8,969,349**	**9,286,891**	**9,865,681**

c) Other assets

	2024 $	2023 $
Interest due on investments not matured	1,922,540	1,388,768
Current prepayments	1,947,200	1,968,885
	3,869,740	**3,357,653**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

5. Trade and other receivables and other assets (continued)

c) Other assets (continued)

Material accounting policies

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and service charges and other statutory charges or fines. Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade and other receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations as part of the ordinary course of business.

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non-financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and are measured at amortised cost using the effective interest rate method.

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

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 21.

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.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

6. Inventories

Current	2024 $	2023 $
Construction materials & fuel	405,080	445,703
Land held for resale		
Cost of acquisition	53,894	45,670
Development costs	3,290,032	4,528,396
Total	**3,749,006**	**5,019,769**

Non-current	2024 $	2023 $
Land held for resale		
Cost of acquisition	167,946	188,067
Transfer to current inventory	(61,592)	(20,121)
Total	**106,354**	**167,946**

The following movement in land held for sale occurred during the year:

Land held for sale	Current $	Non-current $	Total $
Balance at beginning of the year	4,574,066	167,946	4,742,012
Land disposed/sold during the year	(53,368)	-	(53,368)
Land transferred from non-current to current inventory	61,592	(61,592)	-
Development costs	(1,238,364)	-	(1,238,364)
Balance at end of year	**3,343,926**	**106,354**	**3,450,280**

Material 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.

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

7. Contract assets

Current	2024 $	2023 $
Contract assets	2,096,563	1,926,658
Allowance for impairment of contract assets	-	(214,082)
Total	**2,096,563**	**1,712,576**

Significant accounting policies

Contract assets

Contract assets primarily relate to the City's right to consideration for work completed but not billed at the end of the period.

Impairment of assets associated with contracts with customers are detailed in note 5b.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

8. Property, plant, equipment and infrastructure

a) Movements in balances of property, plant & equipment

	Note	Land $	Buildings $	Total land and buildings $
Balance as at 1 July 2022		**398,442,659**	**285,630,436**	**684,073,095**
Additions		1,700,000	-	1,700,000
Disposals		(850,000)	(7,244,452)	(8,094,452)
Revaluation increments / (decrements) transferred to revaluation surplus		47,197,000	21,383,545	68,580,545
Depreciation (expense)	8e	-	(6,532,645)	(6,532,645)
Transfers		-	15,199,010	15,199,010
Balance as at 30 June 2023		**446,489,659**	**308,435,894**	**754,925,553**
Comprises:				
Gross balance amount at 30 June 2023		446,489,659	308,435,894	754,925,553
Accumulated depreciation at 30 June 2023		-	-	-
Balance at 30 June 2023		**446,489,659**	**308,435,894**	**754,925,553**
Balance at 1 July 2023		**446,489,659**	**308,435,894**	**754,925,553**
Additions		-	250,953	250,953
Disposals		-	(1,578,978)	(1,578,978)
Revaluation increments / (decrements) transferred to revaluation surplus		(810,547)	-	(810,547)
Reclassifications		(2,720,000)	(2,791,500)	(5,511,500)
Depreciation (expense)	8e	-	(6,260,653)	(6,260,653)
Transfers		-	5,294,031	5,294,031
Balance as at 30 June 2024		**442,959,112**	**303,349,747**	**746,308,859**
Comprises:				
Gross balance amount at 30 June 2024		442,959,112	309,602,178	752,561,290
Accumulated depreciation at 30 June 2024		-	(6,252,431)	(6,252,431)
Balance at 30 June 2024		**442,959,112**	**303,349,747**	**746,308,859**

The fair value of property, plant and equipment is determined at least every five years in accordance with the regulatory framework, Local Government (Financial Management) Regulation 17A (2). Refer to Note 8(b) for the year in which each asset category was assessed and level of fair value hierarchy. Additions since date of valuations are shown at cost. At the end of each reporting period the valuation is reviewed and where appropriate fair value is updated to reflect current market conditions.

The reclassification relates to reclassification of an asset to Investment Property, see note 11.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

Plant and equipment $	Mobile vehicle and plant $	Furniture and equipment $	Recreation equipment $	Assets under construction $	Total $
9,411,923	**18,296,205**	**3,446,678**	**3,376,907**	**14,224,174**	**732,828,982**
106,744	4,424,860	521,884	48,456	14,221,699	21,023,643
(5,608)	(772,618)	(15,743)	(31,170)	-	(8,919,591)
-	-	-	-	-	68,580,545
(1,369,223)	(3,491,869)	(1,004,715)	(656,961)	-	(13,055,413)
966,711	199,404	803,569	241,042	(16,661,479)	748,257
9,110,547	**18,655,982**	**3,751,673**	**2,978,274**	**11,784,394**	**801,206,423**
15,474,658	33,695,678	9,681,293	5,667,806	11,784,394	831,229,382
(6,364,111)	(15,039,696)	(5,929,620)	(2,689,532)	-	(30,022,959)
9,110,547	**18,655,982**	**3,751,673**	**2,978,274**	**11,784,394**	**801,206,423**
9,110,547	**18,655,982**	**3,751,673**	**2,978,274**	**11,784,394**	**801,206,423**
353,940	13,600,570	531,465	69,135	24,016,749	38,822,812
(13,166)	(2,897,889)	(41,864)	(9,534)	-	(4,541,431)
-	-	-	-	-	(810,547)
-	-	-	-	-	(5,511,500)
(1,355,767)	(3,844,103)	(880,963)	(607,990)	-	(12,949,476)
946,484	(190,051)	-	912,229	(5,101,358)	1,861,335
9,042,038	**25,324,509**	**3,360,311**	**3,342,114**	**30,699,785**	**818,077,616**
16,736,474	40,799,753	10,005,680	6,616,976	30,699,785	857,419,958
(7,694,436)	(15,475,244)	(6,645,369)	(3,274,862)	-	(39,342,342)
9,042,038	**25,324,509**	**3,360,311**	**3,342,114**	**30,699,785**	**818,077,616**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

8. Property, plant, equipment and infrastructure (continued)

b) Carrying amount measurements

i. Fair value - as determined at the last valuation date

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
Land	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuers	June 2023	Price per hectare / market borrowing rate
Non - specialised buildings	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuers	June 2023	Price per square metre / market borrowing rate
Specialised buildings	3	Cost approach using replacement cost to calculate value, and then adjusted to take account of accumulated depreciation.	Independent registered valuers and Management Valuation	June 2023	Construction costs (Level 2) and current condition, residual values and remaining useful life assessment inputs (Level 3)

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 City to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

8. Property, plant, equipment and infrastructure (continued)

b) Carrying amount measurements (continued)

ii. Cost

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
Plant & equipment	3	Cost approach using replacement cost, adjusted to take account of accumulated depreciation.	Cost	Not applicable	Not applicable
Mobile fleet & plant	3	Cost approach using replacement cost, adjusted to take account of accumulated depreciation.	Cost	Not applicable	Not applicable
Furniture & office equipment	3	Cost approach using replacement cost, adjusted to take account of accumulated depreciation.	Cost	Not applicable	Not applicable
Recreation equipment	3	Cost approach using replacement cost, adjusted to take account of accumulated depreciation.	Cost	Not applicable	Not applicable
Assets under construction	2	Cost approach using cost of goods or service at acquisition	Cost	Not applicable	Not applicable

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

8. Property, plant, equipment and infrastructure (continued)

c) Movements in balances of infrastructure

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

	Note	Roads	Drainage	Footpaths
		$	$	$
Balance as at 1 July 2022		**1,101,910,854**	**269,972,540**	**116,625,740**
Additions		-	-	-
Disposals		-	-	-
Depreciation (expense)	8e	(22,728,647)	(5,901,657)	(2,611,260)
Transfers		13,492,297	3,523,106	1,728,692
Balance as at 30 June 2023		**1,092,674,504**	**267,593,989**	**115,743,172**
Comprises:				
Gross balance amount at 30 June 2023		1,159,687,063	285,041,487	123,407,227
Accumulated depreciation at 30 June 2023		(67,012,559)	(17,447,498)	(7,664,055)
Balance at 30 June 2023		**1,092,674,504**	**267,593,989**	**115,743,172**
Balance at 1 July 2023		**1,092,674,504**	**267,593,989**	**115,743,172**
Additions		-	-	-
Disposals		-	-	-
Revaluation increments / (decrements) transferred to revaluation surplus	15	-	70,720,345	-
Depreciation (expense)	8e	(23,987,119)	(5,918,482)	(2,751,339)
Transfers		13,785,719	5,337,280	2,082,834
Balance as at 30 June 2024		**1,082,473,104**	**337,733,132**	**115,074,667**
Comprises:				
Gross balance amount at 30 June 2024		1,173,472,782	337,733,132	125,490,062
Accumulated depreciation at 30 June 2024		(90,999,678)	-	(10,415,395)
Balance at 30 June 2024		**1,082,473,104**	**337,733,132**	**115,074,667**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

Other engineering infrastructure $	Reserves $	Reticulation and other parks $	Lighting $	Assets under construction $	Total $
19,127,912	**61,362,996**	**51,189,658**	**20,129,613**	**4,171,131**	**1,644,490,444**
-	-	-	-	31,373,621	31,373,621
-	(13,770,422)	-	-	-	(13,770,422)
(781,156)	-	(3,426,830)	(1,266,250)	-	(36,715,800)
75,202	2,271,820	3,216,709	1,403,351	(26,274,262)	(563,085)
18,421,958	**49,864,394**	**50,979,537**	**20,266,714**	**9,270,490**	**1,624,814,758**
19,216,849	49,864,394	54,406,367	21,532,964	9,270,490	1,722,426,841
(794,891)	-	(3,426,830)	(1,266,250)	-	(97,612,083)
18,421,958	**49,864,394**	**50,979,537**	**20,266,714**	**9,270,490**	**1,624,814,758**
18,421,958	**49,864,394**	**50,979,537**	**20,266,714**	**9,270,490**	**1,624,814,758**
-	-	-	-	33,989,971	33,989,971
-	(6,589,660)	-	-	-	(6,589,660)
-	-	-	-	-	70,720,345
(803,748)	-	(3,438,148)	(1,299,907)	-	(38,198,743)
465,038	3,371,551	2,846,581	2,720,729	(32,663,617)	(2,053,885)
18,083,248	**46,646,285**	**50,387,970**	**21,687,536**	**10,596,844**	**1,682,682,786**
19,681,888	46,646,285	57,252,948	24,253,692	10,596,844	1,795,127,633
(1,598,640)	-	(6,864,978)	(2,566,156)	-	(112,444,847)
18,083,248	**46,646,285**	**50,387,970**	**21,687,536**	**10,596,844**	**1,682,682,786**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

8. Property, plant, equipment and infrastructure (continued)

d) Carrying amount measurements of infrastructure

i) Fair value - as determined at the last valuation date

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
Roads	3	Cost approach using current replacement cost	Independent valuation	June 2020	Construction costs (Level 2) and current condition, residual values and remaining useful life assessment inputs (Level 3)
Drainage	3	Cost approach using current replacement cost	Independent valuation	June 2024	Construction costs (Level 2) and current condition, residual values and remaining useful life assessment inputs (Level 3)
Footpaths	3	Cost approach using current replacement cost	Independent valuation	June 2020	Construction costs (Level 2) and current condition, residual values and remaining useful life assessment inputs (Level 3)
Other engineering infrastructure (including bridges)	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs (Level 2) and current condition, residual values and remaining useful life assessment inputs (Level 3)
Reticulation & other parks	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs (Level 2) and current condition, residual values and remaining useful life assessment inputs (Level 3)
Lighting	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs (Level 2) and current condition, residual values and remaining useful life assessment inputs (Level 3)

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.

ii) Cost

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
Reserves	3	Actual cost of acquisition	Actual cost	June 2022	Actual cost
Assets under construction	2	Historical cost of acquisition	Actual cost	June 2022	Purchase costs and current stage of works

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

8. Property, plant, equipment and infrastructure (continued)

e) Depreciation

Depreciation rates

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

Asset	Useful life
Artwork	Not Depreciated
Artwork - public	50 years
Buildings	10 to 50 years
Furniture & equipment	3 to 10 years
Plant & equipment	6 to 20 years
Mobile vehicles & plant	1 to 10 years
Recreation equipment	5 to 10 years
Roads	20 years to infinite
Drainage	30 to 100 years
Footpaths	15 to 60 years
Other engineering infrastructure	15 to 150 years
Reticulation & other parks infrastructure	10 to 75 years
Lighting	20 to 35 years
Reserves	Not Depreciated
Right-of-use (plant and equipment)	Based on the remaining lease term
Intangible assets - computer software licence	5 years

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

Fully depreciated assets still in use

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

By asset class	2024 $	2023 $
Plant & equipment	1,190	1,233
Mobile vehicles & plant	13,668	2,020,850
Furniture & office equipment	940	990
Recreation equipment	6,779	23,848
	22,577	**2,046,921**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

8. Property, plant, equipment and infrastructure (continued)

f) Material accounting policies

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost. Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the 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. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. Assets for which the fair value as at the date of acquisition is under $5,000 are not recognised as an asset in accordance with *Local Government (Financial Management) Regulation 17A (5).* These assets are expensed immediately.

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the City's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right of use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2).* Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable value

In accordance with *Local Government (Financial Management) Regulation 17A(2),* the carrying amount of non financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvement that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvement) on land vested in the City.

Whilst the regulatory framework only required a revaluation to occur every five years, it also provides for the City to revalue earlier if it chooses to do so. For land, buildings and infrastructure, increase in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit and loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

8. Property, plant, equipment and infrastructure (continued)

f) Material accounting policies (continued)

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, 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.

Depreciation on Revaluation

When an item of property, plant and equipment and infrastructure 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.

Impairment

In accordance with *Local Government (Financial management) Regulations 17A(4C),* the City is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land and buildings and infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, is greater than its estimated recoverable amount.

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 or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.
When revalued assets are disposed of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

9. Intangible assets

	Computer Software $	Work in progress $	Total $
Balance as at 1 July 2022	2,712,243	445,938	3,158,181
Additions	288,506	-	288,506
Amortisation	(504,865)	-	(504,865)
Work in progress	-	87,659	87,659
Balance as at 30 June 2023	**2,495,884**	**533,597**	**3,029,481**
Balance as at 1 July 2023	**2,495,884**	**533,597**	**3,029,481**
Additions	264,893	-	264,893
Amortisation	(562,767)	-	(562,767)
Work in progress	-	(230,163)	(230,163)
Balance as at 30 June 2024	**2,198,010**	**303,434**	**2,501,444**

Material accounting policies

Computer Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the City are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software.
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight line basis over the individual asset's useful life from the time the asset is held ready for use. The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.
Amortisation is included within depreciation in the Statement of Comprehensive Income.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

10. Leases

a) Right-of-use assets

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

	Right of use assets - land $	Right of use assets - plant and equipment $	Right of use assets - Total $
Balance as at 1 July 2022	**2,100**	**91,251**	**93,351**
Additions/terminations	(100)	126,221	126,121
Depreciation expense	-	(76,823)	(76,823)
Balance as at 30 June 2023	**2,000**	**140,649**	**142,649**
Gross balance as at 30 June 2023	5,000	277,393	282,393
Accumulated depreciation as at 30 June 2023	(3,000)	(136,744)	(133,844)
Balance as at 30 June 2023	**2,000**	**140,649**	**142,649**
Balance as at 1 July 2023	**2,000**	**140,649**	**142,649**
Additions/terminations	(100)	7,195	7,095
Depreciation (expense)	-	(78,783)	(78,783)
Balance as at 30 June 2024	**1,900**	**69,061**	**70,961**
Gross balance as at 30 June 2024	5,000	284,588	289,588
Accumulated depreciation as at 30 June 2024	(3,100)	(215,527)	(218,627)
Balance as at 30 June 2024	**1,900**	**69,061**	**70,961**

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

	2024 $	2023 $
Depreciation of right-of-use assets	78,783	76,823
Finance charge on lease liabilities	8,079	9,298
Total amount recognised in the statement of comprehensive income	**86,862**	**86,121**
Total cash outflow from leases	8,079	9,298

The right of use asset of Land relates to a parcel of land for use by the City for 50 years. The City does not have the option to purchase the leased land at the expiry of the lease period.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

10. Leases (continued)

b) Lease liabilities

	2024 $	2023 $
Current	5,654	79,514
Non-current	68,532	67,092
	74,186	**146,606**

The City has various leases relating to plant and equipment. The lease term varies between 2 and 5 years. The measurement of lease liabilities does not include variable lease payments and any future cash outflows associated with leases not yet commenced to which the City is committed. Refer to Note 27 for details of lease liabilities.
The City has not revalued the right of use assets relating to plant and equipment as the difference between the fair value and carrying amount is immaterial.

Secured liabilities and assets pledged as securities

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

Material accounting policies

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 27.

Right-of-use assets - valuation measurement

Right of use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured zero cost (i.e. not included in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.
Refer to Note 8 under revaluation for details on the material accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

10. Leases (continued)

c) Lessor - Property, Plant and Equipment Subject to Lease

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

	2024 $	2023 $
Less than 1 year	2,728,371	2,655,343
1 to 2 years	2,837,506	2,723,587
2 to 3 years	2,951,006	2,945,294
3 to 4 years	3,069,046	3,029,453
4 to 5 years	3,191,808	3,116,137
> 5 years	17,979,380	17,847,104

Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease

	2024 $	2023 $
Rental Income	2,728,371	2,490,740

The City leases premises to clubs and other community institutions with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. These premises are not considered investment property as they are leased for use in the supply of services to the community.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the City is exposed to changes in the residual value at the end of the current leases, the City group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases.

Expectations about the future residual values are reflected in the fair value of the properties.

Refer to note 11 for details of leased investment property.

Material accounting policies

The City as lessor

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

Initial direct costs incurred in entering into an operating lease (e.g. legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term. When a contract is determined to include lease and non-lease components, the City applies AASB 15 to allocate the consideration under the contract to each component.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

11. Investment property

	2024 Actual $	2024 Budget $	2023 Actual $
Non-current assets - at reportable value			
Carrying balance at 1 July	-	-	-
Acquisitions	5,511,500	-	-
Net gain from fair value adjustment	488,500		
Closing balance at 30 June	**6,000,000**	**-**	**-**

This investment property was transferred from fixed assets (where it was previously disclosed) to investment property during the financial year.

Amounts recognised in profit or loss for investment properties

Rental income	363,036
Fair value gain recognised in profit or loss	488,500

Leasing arrangements

Investment properties are leased to tenants under long term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:

Minimum lease payments under non cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:

	2024 Actual $	2024 Budget $
Less than 1 year	318,444	318,444
1 to 2 years	-	-
2 to 3 years	-	-
3 to 4 years	-	-
4 to 5 years	-	-
> 5 years	-	-
	318,444	**318,444**

Future years are nil as all leases currently in place at 30 June 2024 are due to expire during 2024/25 and therefore there are no 'non cancellable' leases in place past 30 June 2025. The investment property is leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the City is a lessor is recognised in income on a straight-line basis over the lease term.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index rate. Although the City is exposed to changes in the residual value at the end of the current leases, the City typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the property.

Refer to note 10 for details of leased property, plant and equipment not classified as investment property.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

11. Investment property (continued)

Material accounting policies

Investment properties

Investment properties are principally freehold buildings, held for long-term rental yields and not occupied by the City.

In accordance with *The Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are investment properties, are shown at their reportable value.

Reportable value for the purposes of *The Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date.

Revaluation

In accordance with the regulatory framework, investment properties are required to be revalued whenever required by AASB 140 and, in any event, every 5 years.

Fair value of investment properties

A management valuation was performed to determine the fair value of the investment property. The main Level 3 inputs used in the valuation were discount rates, yields, expected vacancy rates and rental growth rates estimated by management based on comparable transactions and industry data.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

12. Trade and other payables

Current	2024 $	2023 $
Trade payables	14,173,724	9,434,805
Accrued creditors	11,658,296	14,947,445
Accrued payroll liabilities	1,643,048	2,883,582
Income received in advance	3,837,814	3,491,719
Bonds and deposits held	14,275,414	13,911,784
	45,588,296	**44,669,335**

Material accounting policies

Financial liabilities

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

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

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 any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

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

Prepaid rates

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

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

13. Other liabilities

	2024 $	2023 $
Current		
Contract liabilities from contracts with customers	1,874,600	1,642,924
Capital grant/contributions liabilities	1,220,864	978,587
	3,095,464	**2,621,511**
Reconciliation of changes in contract liabilities		
Opening balance	1,642,924	1,573,105
Additions	1,874,600	1,642,924
Revenue from contracts with customers included as a contract liability at the start of the period	(1,642,924)	(1,573,105)
	1,874,600	**1,642,924**

The aggregate amount of the performance obligation unsatisfied (or partially unsatisfied) in relation to these contract liabilities was $1,874,600 (2023: $1,642,924)

The City expects to satisfy the performance obligations from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.

	2024 $	2023 $
Reconciliation of changes in capital grant/contributions		
Opening balance	978,587	952,644
Additions	1,220,864	978,587
Revenue from capital grant/contributions held as a liability at the start of the period	(978,587)	(952,644)
	1,220,864	**978,587**

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

	Contract liabilities $	Liabilities from transfers for recognisable non financial assets $
Less than 1 year	**1,874,600**	**1,220,864**

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

Material accounting policies

Contract liabilities

Contract liabilities represent the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer. Contract liabilities represent performance obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Capital grant/contribution liabilities

Grant liabilities represent the City's performance obligations to construct recognisable non-financial assets to identified specifications to be controlled by the City which are yet to be satisfied. Grant liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

14. Employee related provisions

	2024 $	2023 $
Current provisions		
Annual leave	7,746,238	7,383,961
Long service leave	11,569,858	11,025,292
	19,316,096	**18,409,253**
Non-current provisions		
Annual leave	-	-
Long service leave	1,184,831	1,255,718
	1,184,831	**1,255,718**
Total employee related provisions	**20,500,927**	**19,664,971**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are 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:

	2024 $	2023 $
Amounts are expected to be settled on the following basis:		
Less than 12 months after the reporting date	2,349,163	2,359,796
More than 12 months from the reporting date	18,151,764	17,305,175
	20,500,927	**19,664,971**
Expected reimbursements of employee related provisions from other local governments included within other receivables	-	-

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

14. Employee related provisions (continued)

Material accounting policies

Employee benefits

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.

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.

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.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

15. Revaluation surplus

	2024 Actual Opening balance $	2024 Actual Changes on revaluation of assets $	2024 Actual Realisation on disposal of assets $	2024 Actual Closing balance $
(a) Plant & equipment revaluation reserve	6,265	-	(199)	6,066
(b) Mobile vehicle and plant revaluation reserve	44,917	-	-	44,917
(c) Furniture and office equipment revaluation reserve	852,612	-	(66,200)	786,412
(d) Recreation equipment revaluation reserve	13,690	-	-	13,690
(e) Roads revaluation reserve	614,245,131	-	-	614,245,131
(f) Drainage revaluation reserve	149,834,575	70,720,345	-	220,554,920
(g) Footpaths revaluation reserve	62,891,587	-	-	62,891,587
(h) Other engineering infrastructure revaluation reserve	16,886,312	-	-	16,886,312
(i) Reserves revaluation reserve	31,827,308	-	-	31,827,308
(j) Other parks infrastructure revaluation reserve	-	-	-	-
(k) Reticulation revaluation reserve	-	-	-	-
(l) Land revaluation reserve	426,851,837	(810,547)	-	426,041,290
(m) Building revaluation reserve	126,693,254	-	-	126,693,254
(n) Equity accounted investments				
• Catalina Regional Council	305,000	411,667	-	716,667
• Mindarie Regional Council	18,009,839	429,085	-	18,438,924
Total	**1,448,462,327**	**70,750,550**	**(66,399)**	**1,519,146,478**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

2023 Actual Opening balance $	2023 Actual Changes on revaluation of assets $	2023 Actual Realisation on disposal of assets $	2023 Actual Closing balance $
6,265	-	-	6,265
44,917	-	-	44,917
865,752	-	(13,140)	852,612
13,690	-	-	13,690
614,245,131	-	-	614,245,131
149,834,575	-	-	149,834,575
62,891,587	-	-	62,891,587
16,886,312	-	-	16,886,312
31,827,308	-	-	31,827,308
-	-	-	-
-	-	-	-
380,504,835	47,197,000	(849,998)	426,851,837
110,760,187	21,383,545	(5,450,478)	126,693,254
2,118	302,882	-	305,000
14,588,621	3,421,218	-	18,009,839
1,382,471,298	**72,304,645**	**(6,313,616)**	**1,448,462,327**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

16. Notes to the statement of cash flows

a) Reconciliation of cash

For the purpose of the Statement of Cash Flows, cash and cash equivalents includes cash on hand, cash at bank and investments in short term money market activity. All trust monies are excluded.

Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2024 $	2023 $
Cash & cash equivalents		**161,892,443**	**161,732,397**

Restrictions

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

	Note	2024 $	2023 $
The following restrictions have been imposed by regulations or other externally imposed requirements:			
- Cash and cash equivalents	3	116,360,382	111,430,707
		116,360,382	**111,430,707**
Reserves - cash/investment backed	28	98,989,504	94,897,412
Bonds and other payables	12	14,275,414	13,911,784
Contract liabilities for contracts with customers	13	1,874,600	1,642,924
Grants for transfers for recognisable non-financial assets	13	1,220,864	978,587
Total restricted financial assets		**116,360,382**	**111,430,707**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

16. Notes to the statement of cash flows (continued)

b) Reconciliation of net cash used in operating activities to change in net assets.

	2024 $	2023 $
Net result	16,341,878	987,331
Non-cash items		
(Decrease)/Increase in impairment	(519,287)	22,957
Gain on LG Unit trust	(4,203)	(9,215)
Fair value adjustment to investment property	(488,500)	-
Net (Profit)/loss on disposal of non-current assets	7,057,263	20,686,604
Gifted and acquired assets	(121,926)	(10,000)
Depreciation	51,789,769	50,352,901
Changes in assets and liabilities		
Increase/(decrease) in employee entitlements	835,956	7,900
Increase/(decrease) in payables & provisions	1,046,822	(2,413,665)
Increase/(decrease) in income in advance	346,095	(827,308)
(Increase)/decrease in receivables	(1,995,447)	401,871
(Increase)/decrease in prepayments	21,685	(428,273)
(Increase)/decrease in inventory	1,332,355	176,955
(Increase) in investments	(16,773,782)	(5,948,467)
Increase in contract liabilities	-	95,762
(Increase) in contract assets	(169,905)	(134,933)
Decrease in lease liabilities	7,195	18,021
Capital grants and subsidies	(11,971,912)	(11,651,820)
Net Cash from Operating Activities	**46,734,056**	**51,326,621**

c) Credit standby arrangements

	2024 $	2023 $
Bank overdraft limit	500,000	500,000
Bank overdraft at reporting date	-	-
Total amount of credit unused	**500,000**	**500,000**

17. Contingencies

Contaminated sites

In compliance with the Contaminated Sites Act 2003, the City has two road reserves adjacent to privately owned sites that are listed in the Department of Water and Environmental Regulation (DWER) contaminated site register. The road reserves are considered as affected sites and are located:

- Adjacent to a site classified as “Contaminated – Remediation Required” in North Beach Road, Gwelup, and
- Adjacent to a site classified as “Possibly Contaminated – Investigation Required” in Walter Road West, Dianella

Until the City investigates to determine the presence and scope of contamination, assess the risk, and agree with DWER on the need and criteria for remediation of a risk-based approach, the City is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the DWER Guidelines.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

18. Capital commitments

	2024 $	2023 $
Contracted for:		
- capital expenditure projects	15,764,782	10,665,010
- plant & equipment purchases	19,351,510	21,995,290
	35,116,292	**32,660,300**
Payable		
- not later than one year	35,116,292	32,660,300

The capital expenditure projects outstanding at the end of the current and previous reporting period represent various constructions works throughout the City.

19. Related party transactions

a) Elected member remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members	Note	2024 Budget $	2024 Actual $	2023 Actual $
Mayor				
Annual allowance		96,597	93,811	91,997
Meeting attendance fees		51,139	49,665	48,704
Annual allowance for ICT expenses		3,675	3,500	3,500
Travel and accommodation expenses		2,000	104	1,820
		153,411	**147,080**	**146,021**
Deputy Mayor				
Annual allowance		24,149	23,446	22,999
Meeting attendance fees		34,093	30,368	32,470
Annual allowance for ICT expenses		3,675	3,500	3,500
Travel and accommodation expenses		2,000	871	2,540
		63,917	**58,185**	**61,509**
All other council members				
Meeting attendance fees		443,209	432,050	413,992
Annual allowance for ICT expenses		47,775	45,500	45,500
Travel and accommodation expenses		26,000	11,673	7,438
		516,984	**489,223**	**466,930**
	19b	734,312	694,488	674,460
Meeting fees		528,441	512,083	495,166
Mayors allowance		96,597	93,811	91,997
Deputy mayors allowance		24,149	23,446	22,999
Travelling expenses		30,000	12,648	11,798
Telecommunications allowance		55,125	52,500	52,500
		734,312	**694,488**	**674,460**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

19. Related party transactions (continued)

b) Key Management Personnel (KMP) compensation

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

	Note	2024 $	2023 $
Short-term employee benefits		1,652,787	1,541,183
Post-employment benefits		149,320	127,067
Other long-term benefits		38,821	35,523
Council member costs	19a	694,488	674,460
		2,535,416	**2,378,233**

Short-term employee benefits

These amounts include all salary, paid leave and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to elected members which may be separately found in the table 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 annual leave and long service leave entitlements accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP.

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

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 and are detailed in Notes 19a and 19b.

ii. Other related parties

Outside of normal citizen type transactions with the City, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the City

There were no such entities requiring disclosure during the current or previous year.

iv. Associated entities accounted for under the equity method

The City is involved in associated arrangements with Catalina Regional Council and Mindarie Regional Council. See details of transactions in notes 19c and 19d.

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.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

19. Related party transactions (continued)

c) Catalina Regional Council

The following related party transactions occurred with Catalina Regional Council (CRC) for the financial year ending 30 June.

	2024 Actual $	2023 Actual $
Fees and charges	637,670	602,727
Materials & contracts other works	928,474	627,461
Distributions received	10,000,000	6,666,664

d) Mindarie Regional Council

The following related party transactions occurred with the Mindarie Regional Council (MRC) for the financial year ending 30 June.

	2024 Actual $	2023 Actual $
Fees and charges	373,849	305,212
Materials & contracts other works	11,310,402	10,000,939
Amounts Payable to Related Parties:		
Trade and Other Payables	723,047	267,062

20. Investment in associates

a) Investment in associates

Set out in the table below are the associates of the City. All associates are measured using the equity method. Western Australia is the principal place of business for all associates.

Name of entity	% of ownership interest	2024 Actual $	2023 Actual $
Mindarie Regional Council (refer note 20b)	33.33	46,892,876	44,238,269
Catalina Regional Council (refer note 20c)	33.33	20,573,235	15,613,308
Total equity accounted investments		**67,466,111**	**59,851,577**

	Note	2024 $	2023 $
Share of profit/(loss) of associates accounted for using the equity method			
Share of profit/(loss) of Mindarie Regional Council	20b	2,225,521	2,143,342
Share of profit/(loss) of Catalina Regional Council	20c	440,355	28,990
		2,665,876	**2,172,332**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

20. Investment in associates (continued)

b) Mindarie Regional Council

The City, along with 6 other Councils is a member of the Mindarie Regional Council. The Mindarie Regional Council's objective is to establish and operate a long term refuse disposal site on Mindarie Super lot 118. The City has 1/3rd interest in Mindarie Regional Council.

The City has contributed one third of the land and establishment costs of the refuse disposal facility and it uses the refuse disposal facility at Mindarie to deposit non-recyclable waste collected by the City's domestic and commercial waste services.

The City currently has a contingent liability in relation to the Mindarie Regional Council. Details of this contingent liability are provided in note 20(d).

The table below reflects the summarised financial information of the material investments in associates based on the audited results of the Mindarie Regional Council. This does not reflect the City's share of those amounts. They have been amended to reflect adjustments made by the City when using the equity method, including fair value adjustments and modification for differences in accounting policy.

Summarised statement of comprehensive income	2024 $	2023 $
Revenue	37,295,742	37,598,322
Interest revenue	3,098,542	1,512,800
Expenses	(24,292,231)	(23,999,900)
Finance costs	(1,255,386)	(1,074,941)
Depreciation	(8,451,384)	(7,606,255)
Profit on disposal of assets	281,281	-
Net Result for the period	6,676,564	6,430,026
Other comprehensive income	1,287,255	10,263,654
Total comprehensive income Mindarie Regional Council	**7,963,819**	**16,693,680**
City's share of total comprehensive income	**2,654,606**	**5,564,560**

Summarised statement of financial position	2024 $	2023 $
Cash and cash equivalents	21,681,423	20,262,141
Other current assets	57,745,265	44,011,271
Total current assets	**79,426,688**	**64,273,412**
Non-current assets	103,118,451	100,324,693
Total assets	**182,545,139**	**164,598,105**
Current financial liabilities	(680,492)	(628,560)
Other current liabilities	(15,889,908)	(4,899,821)
Total current liabilities	**(16,570,400)**	**(5,528,381)**
Non-current financial liabilities	(5,702,532)	(6,161,220)
Other non-current liabilities	(19,593,578)	(20,193,694)
Total non-current liabilities	**(25,296,110)**	**(26,354,914)**
Total liabilities	**(41,866,510)**	**(31,883,295)**
Net assets	**140,678,629**	**132,714,810**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

20. Investment in associates (continued)

Reconciliation to carrying amounts	2024 Actual $	2023 Actual $
Opening net assets 1 July	132,714,810	116,021,130
Profit/(Loss) for the period	6,676,564	6,430,026
Other comprehensive income	1,287,255	10,263,654
Closing net assets 30 June	**140,678,629**	**132,714,810**

Carrying amount of equity accounted investments	2024 Actual $	2023 Actual $
Carrying amount at 1 July	44,238,270	38,673,710
- share of associate's net profit/(loss) for the period	2,225,521	2,143,342
- share of associate's other comprehensive income arising during the period	429,085	3,421,218
Carrying amount at 30 June	**46,892,876**	**44,238,270**

c) Catalina Regional Council (CRC) (Tamala Park Regional Council prior to 1 August 2023)

The City has a 1/3rd interest in Catalina Regional Council (known as Tamala Park Regional Council prior to 1 August 2023). The Regional Council was formed to manage the development and sale of land at Catalina Estate on behalf of six local governments.

The City has determined it has significant influence over the Regional Council as it holds 33.33 percent of the voting rights, as the City has representation on Council, and participates in policy-making decisions including the decisions regarding contributions and distributions.

The Catalina Regional Council's activities centre around the development of part Lot 118 Mindarie. Lot 118 was initially purchased in 1981 to provide a refuse landfill site for member councils of the Mindarie Regional Council, this lot is now being developed with a purpose of creating a new urban land development and a new urban community.

The investment in Catalina Regional Council has been recognised at the value of its equity contributions. The City has undertaken a revaluation of its investments to fair value according to *Local Government (Financial Management) Regulations 1996.*

Summarised statement of comprehensive income	2024 Actual $	2023 Actual $
Revenue	8,000	27,818
Interest revenue	2,502,910	1,249,328
Expenses	(1,149,880)	(1,121,077)
Depreciation	(37,053)	(45,082)
Finance costs	(2,913)	(3,614)
Loss on assets written off	-	(20,403)
Net Result for the period	**1,321,064**	**86,970**
Other comprehensive income	1,235,000	908,647
Total comprehensive income Catalina Regional Council	**2,556,064**	**995,617**
City's share of total comprehensive income	**852,021**	**331,872**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

20. Investment in associates (continued)

c) Catalina Regional Council (CRC) (Tamala Park Regional Council prior to 1 August 2023) (continued)

Summarised statement of financial position	2024 Actual $	2023 Actual $
Cash and cash equivalents	22,602,158	12,294,817
Other current assets	35,992,662	32,578,497
Total current assets	**58,594,820**	**44,873,314**
Non-current assets	3,841,864	2,640,157
Total assets	**62,436,684**	**47,513,471**
Other current liabilities	(628,116)	(559,922)
Total current liabilities	**(628,116)**	**(559,922)**
Non-current liabilities	(88,862)	(113,627)
Total non-current liabilities	**(88,862)**	**(113,627)**
Total liabilities	**(716,978)**	**(673,549)**
Net assets	**61,719,706**	**46,839,922**

c) Catalina Regional Council (CRC)

Reconciliation to carrying amounts	2024 Actual $	2023 Actual $
Opening net assets 1 July	46,839,922	54,515,893
Profit/(loss) for the period	1,321,064	86,970
Contribution to equity	12,323,720	(8,671,588)
Other comprehensive income	1,235,000	908,647
Closing net assets 30 June	**61,719,706**	**46,839,922**

Carrying amount of equity accounted investments	2024 Actual $	2023 Actual $
Carrying amount at 1 July	15,613,307	18,171,964
- share of associates net profit/(loss) for the period	440,355	28,990
- share of associates other comprehensive income arising during the period	411,667	302,882
- contribution to equity in associate	-	(475,581)
- capital contributions - net	14,107,906	4,251,716
- distribution of equity by associate	(10,000,000)	(6,666,664)
Carrying amount at 30 June	**20,573,235**	**15,613,307**

The City's share of the land held for re-sale in relation to Catalina Regional Council has been recognised in Note 6.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

20. Investment in associates (continued)

d) Contingent liabilities from investments in associates

i) Contaminated site - MRC landfill site

The 2021 Mandatory Auditor's Report (MAR) report recommended that further works were required to close out the following:

- The adequacy of the landfill gas monitoring network including confirmation of screening intervals.
- Assessment of the potential for off-site migration of landfill gas particularly with relation to preferential pathways.
- Ongoing assessment of landfill gas and groundwater as part of an ongoing site management plan to inform long term trends and to inform the need or otherwise for mitigation measures.
- The MAR noted further long-term assessment of Perfluoroakyl and polyfluoroakyl substances (PFAS) (in addition to other contaminant of potential concern (COPCs) in groundwater including arsenic, nickel, ammonia, benzene and pathogens) would be appropriate.

The October 2023 MAR reported on those further investigations completed and provides an update on the conditions of the source site and affected site.

The purpose of the 2023 MAR audit was to:

- Confirm that the investigations undertaken adequately characterized the contamination status of the site.
- Confirm whether potentially significant risks to human health, the environment or environmental values exist on-site or off-site.
- Confirm the suitability of the site for the current and proposed land uses.
- Recommend a site classification under the Contaminated Sites Act 2003

The MAR auditor has determined, based on the analysis contained in the assessed reports, that:

- Source Site: Remains suitable for ongoing use as a Class II landfill, subject to implementation of a site management plan to prevent exposure to landfill gas, soil and groundwater contamination
- Affected Site: Remains suitable for current use as a development "buffer zone". The site is situated to the north of the MRC landfill.

The October 2023 MAR report summary of findings for the Source and Affected sites are listed below:

Source Site:

- Soil – No soil investigations were completed in 2021 and 2023
- Groundwater – Groundwater results indicate impact to aquifer immediately below the landfill. Elevated levels of contaminants were above the relevant drinking water guidelines, some also exceeded the criteria for non-potable water use. No contaminants of potential concern (COPCs) were detected in samples collected from the onsite abstraction bore above the non-potable criteria.
- Landfill gas – The site is considered capable of generating a significant quantity of landfill gases and vapours. Methane was detected at elevated levels in boreholes outside the waste mass and along the northern wall of the landfill. The extraction system appears to be effectively mitigating methane with negligible detections outside of the extraction well network. There are indications of fugitive emissions through damages areas of the cap which would require repair and maintenance.

20. Investment in associates (continued)

d) Contingent liabilities from investments in associates (continued)

Affected Site:

- Groundwater results indicate some contaminants above the relevant drinking water guidelines but were below criteria for non-potable water uses. Certain COPCs detected above drinking water criteria were considered to be a reflection of natural site conditions.
- No methane has been recorded in recent events at monitoring wells outside the site boundary.

Site management plan (SMP)

A SMP was developed and received by the MRC in May 2020 and updated in May 2022. The SMP was required to provide a management plan for the site to ensure that potential hazards associated with soil, landfill gas, and groundwater contaminants are appropriately managed for the site's continued use as a landfill facility and leachate management. There are no "results" associated with this SMP, it is an ongoing document that continues to evolve to address the comprehensive management of landfill gas and groundwater in light of the most recent information obtained from periodic tests results.

The October 2023 MAR report concludes that:

- The auditor is satisfied that the information contained in the reviewed reports, considered as a whole, is sufficient to inform the current site and surrounding site condition and restrictions that may be applicable.
- Expectations of concerted effort to improve future reporting and reports to comply with relevant standards and guidelines.
- The assessments were sufficient to define the potential extents and types of contaminated media with an appropriate level of confidence.
- Investigation methodologies were sufficient to assess and manage risk.
- Ongoing assessment of landfill gas and groundwater as part of an ongoing Site Management Plan should be undertaken to inform long term trends and to inform the need or otherwise for mitigation measures.

The MRC Contaminated Site Approved Auditor recommended that MRC should continue to provide the auditor with updated information as it becomes available (i.e. at least a 6 monthly update following sampling and annual reporting, (plus immediate notification if things change). Communication received on 3 May 2024 stated "as there has been no change in the risk profile and nothing to indicate that restrictions should change, a MAR should be submitted in 2025 following 2 years of monitoring".

Material accounting policies

Investments in associates

An associate is an entity over which the City has significant influence. Significant influence is the power to participate in the financial operating policy decisions of the investee but not control or joint control of those policies. Investments in associates are accounted for using the equity method. The equity method of accounting is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

21. Financial risk management

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

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

The City does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk. Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

a) Interest rate risk

Cash and cash equivalents

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

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk.

Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate %	Carrying Amounts $	Fixed Interest Rate $	Variable Interest Rate $	Non Interest Bearing $
2024					
Cash and cash equivalents	5.05	161,892,443	154,289,624	-	7,602,819
2023					
Cash and cash equivalents	4.54	161,732,397	161,665,465	-	66,932

Sensitivity

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

	2024 $	2023 $
Impact of a 1% movement in interest rates on profit and loss and equity*	1,618,924	1,617,324

* Holding all other variables constant

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

21. Financial risk management (continued)

b) Credit Risk

Trade and other receivables

The City's major receivables comprise of 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 policies. It also provides several payment options.

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. Council is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance. 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 fees and charges over a period of 12 months before 1 July 2023 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.

No provisions are made for Rates debtors as the City has provisions under Schedule 6.3 of the *Local Government Act 1995* to assist in recovering rates or service charges which remain unpaid.

The loss allowance as at 30 June 2024 and 30 June 2023 was determined as follows for trade and other receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
As at 30 June 2024					
Trade and other receivables					
Expected credit loss	0.0003	0.0002	0.0002	0.0013	
Gross carrying amount	4,858,949	947,534	517,324	15,175,652	21,499,459
Loss allowance	1,362	203	80	20,287	21,932
As at 30 June 2023					
Trade and other receivables					
Expected credit loss	0.0845	0.0931	0.0830	0.0081	
Gross carrying amount	3,605,802	1,079,605	180,997	14,964,365	19,830,769
Loss allowance	304,566	100,503	15,028	121,122	541,219

For consistency purposes the gross carrying amounts for the prior year have been amended to be more in line with the current financial year.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

21. Financial risk management (continued)

b) Credit Risk (continued)

The loss allowances for trade, other receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Trade and other receivables		Contract Assets	
	2024 Actual $	2023 Actual $	2024 Actual $	2023 Actual $
Opening loss allowance as at 1 July	327,137	453,574	214,082	64,688
Increase/(Decrease) in loss allowance recognised in profit or loss during the year	(275,854)	(17,446)	(214,082)	150,510
Receivables written off during the year as uncollectible	(29,351)	(108,991)	-	(1,116)
Closing loss allowance at 30 June	**21,932**	**327,137**	**-**	**214,082**

Trade, other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the City, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on rates and statutory receivables, trade, other receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contract Assets

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

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

21. Financial risk management (continued)

c) Liquidity risk

Payables

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 16c.

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

	Due within 1 year $	Due between 1 & 5 years $	Total contractual cash flows $	Carrying values $
2024				
Trade and other payables	45,588,296	-	45,588,296	45,588,296
Lease liabilities	5,654	68,532	74,186	74,186
	45,593,950	**68,532**	**45,662,482**	**45,662,482**
2023				
Trade and other payables	44,669,335	-	44,669,335	44,669,335
Lease liabilities	79,514	67,092	146,606	146,606
	44,748,849	**67,092**	**44,815,941**	**44,815,941**

22. Events occurring after the end of the reporting period

On 25 July 2024, the City received notice from the Department of Water and Environmental Regulation (DWER) that the former landfill site at Hertha reserve has been reclassified from 'possibly contaminated - investigation required' to 'contaminated - remediation required' due to the large infrastructure project being undertaken to extend Stephenson Avenue. A site management plan and testing is required to be undertaken by Main Roads and its partners who are responsible for the works.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

23. Other material 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 report 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.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

23. Other material accounting policies (continued)

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost 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).

i) 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.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

23. Other material accounting policies (continued)

i) Fair value hierarchy (continued)

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.

j) Impairment of assets

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the City controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 8.

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.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

24. Function and activity

a) Service objectives and description

Objective	Description
Governance	
To provide a decision making process for the efficient allocation of scarce resources.	Administration and operation of facilities and services to members of the City; Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific City services; All other governance related activities in areas such as City Support, Administration, Finance and Information Services have been allocated down to the Programs that these costs support.
Law, order and public safety	
To provide services to help ensure a safer community.	Supervision of various local laws, security, fire prevention, emergency services and animal control.
Health	
To provide an operational framework for environmental and community health.	Food quality and pest control, health education, health related emergency response.
Education and welfare	
To provide services to disadvantaged persons, the elderly, children and youth.	Provision, management and support services for families, children and the aged and disabled within the community, assistance to schools, senior citizens support groups and meals on wheels.
Community amenities	
To provide services required by the community.	Town planning and development, rubbish collection services, noise control, stormwater drainage, the provision of public conveniences, bus shelters, roadside furniture and litter control.
Recreation and culture	
To establish and effectively manage infrastructure and resources which will help the social well being of the community.	Provision of facilities and support for organisations concerned with leisure time activities and sport, support for the performing and creative arts and the preservation of the national estate. This includes maintenance of halls, aquatic centres, recreation and community centres, parks, gardens, sports grounds and the operation of libraries.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

24. Function and activity (continued)

a) Service objectives and description (continued)

Objective	Description
Transport	
To provide safe, efficient and effective transport services to the community.	Construction, maintenance and cleaning of streets, roads, bridges, drainage works, footpaths, parking facilities, traffic signs and the Council Operation Centre, street lighting, traffic lights, including development, plant purchase and maintenance.
General purpose funding	
To collect revenue to allow for the provision of services.	Rates income and expenditure, general purpose government grants, pensioner deferred rates and interest revenue.
Economic services	
To help promote the local government and its economic well-being.	To plan facilities and regulate land use consistent with community expectations and environmental considerations.
Other property and services	
To provide effective and efficient property services to the community and to monitor and control Council's overheads operating accounts.	Private works operations, public works overheads, City plant operations and repair costs, land and property services and others that cannot be assigned to one of the preceding programs.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

24. Function and activity (continued)

b) Income and Expenses by program

	2024 Budget $	2024 Actual $	2023 Actual $
Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions			
General purpose funding	167,888,902	177,160,685	161,882,681
Governance	1,519,018	2,118,270	2,392,286
Law, order & public safety	4,672,300	4,783,876	4,178,465
Health	267,220	316,405	384,974
Education & welfare	3,260,734	9,397,168	2,400,869
Community amenities	49,671,389	55,055,618	46,927,944
Recreation & culture	15,346,728	19,154,356	16,186,814
Transport	2,367,400	2,697,220	2,085,299
Economic services	1,973,150	1,960,176	1,874,286
Other property & services	7,807,850	28,758,757	14,924,155
	254,774,691	**301,402,532**	**253,237,773**
Grants, subsidies and contributions and capital grants, subsidies and contributions			
General purpose funding	8,200,000	2,884,890	10,580,216
Governance	-	378,704	-
Law, order & public safety	165,500	-	55,025
Education & welfare	7,385,489	-	7,974,847
Community amenities	550,000	58,275	2,700,000
Recreation & culture	3,624,309	1,124,658	3,472,774
Transport	4,243,444	6,964,335	5,877,334
Other property & services	1,100,000	561,049	2,655,784
	25,268,742	**11,971,912**	**33,315,980**
Total revenue	**280,043,433**	**313,374,444**	**286,553,753**
Expenses from operations			
General purpose funding	(4,366)	(3,482,055)	(758,136)
Governance	(43,536,606)	(43,174,825)	(49,286,741)
Law, order & public safety	(9,203,139)	(10,483,071)	(8,706,616)
Health	(2,495,577)	(2,789,457)	(2,249,826)
Education & welfare	(14,164,048)	(15,154,658)	(15,302,598)
Community amenities	(52,201,520)	(47,784,071)	(46,294,957)
Recreation & culture	(73,757,202)	(85,500,217)	(84,908,915)
Transport	(59,240,258)	(58,885,328)	(55,550,540)
Economic services	(5,029,776)	(6,738,925)	(4,829,653)
Other property & services	(12,248,736)	(23,039,959)	(17,678,439)
Total expenditure	**(271,881,228)**	**(297,032,565)**	**(285,566,422)**
Net result	**8,162,205**	**16,341,878**	**987,331**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

24. Function and activity (continued)

c) Total assets

	2024 Actual $	2023 Actual $
General purpose funding	105,141,424	95,810,560
Governance	22,509,581	21,799,956
Law, order & public safety	4,151,495	3,507,023
Health	447,245	418,314
Education & welfare	16,089,294	16,016,996
Community amenities	99,227,003	88,216,916
Recreation & culture	425,066,828	429,073,667
Transport	1,504,299,241	1,454,745,689
Economic services	3,718,234	4,464,718
Other property & services	535,065,813	533,154,326
Unallocated	52,348,649	31,607,764
Total assets	**2,768,064,807**	**2,678,815,929**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

25. Rates

Rating information

Rate description	Basis of valuation	Rate in $	Number of properties	Rateable value* $	2024 Budget $	2024 Actual $	2023 Actual $
Residential	Gross rental valuation	0.051335	61,451	1,725,763,552	88,702,131	88,592,072	81,727,410
Industrial	Gross rental valuation	0.058010	1,858	241,006,461	13,873,339	13,980,785	13,336,764
Commercial	Gross rental valuation	0.055718	1,714	372,957,085	20,204,535	20,780,423	17,657,572
Vacant	Gross rental valuation	0.077003	1,354	36,625,100	2,479,071	2,535,166	2,413,154
Total general rates					**125,259,076**	**125,888,446**	**115,134,900**
Minimum payments		**Minimum**					
General minimum	Gross rental valuation	921	36,064	50,375,267	32,958,906	33,214,944	34,828,786
Parkland villas (under 36m²)	Gross rental valuation	766	7	76,440	5,362	5,362	5,194
Strata titled storage units	Gross rental valuation	598	54	290,166	32,890	32,292	34,161
Interim rates					1,139,864	939,899	4,257,257
Total general and minimum payments rates					**159,396,098**	**160,080,943**	**154,260,298**
Plus							
Late payment penalties					250,000	405,438	351,653
Arrears rates					2,000	2,310	1,950
Instalment charges & interest					250,000	167,018	158,293
Total general purpose funding					**159,898,098**	**160,655,709**	**154,772,194**

For the 2023/24 financial year, and in accordance with the provisions of Section 6.33 of the *Local Government Act 1995*, the City of Stirling have adopted a Differential rates strategy with a different rate in the dollar applied to each of the four property categories. The key values of objectivity, fairness, equity and transparency have been applied when setting the rate in the dollar

The rate revenue was recognised from the rate record as soon as practicable after the City resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

The City introduced a concession scheme to provide more support to owners while they are undertaking development. In accordance with the provisions of Section 6.47 of the Local Government Act 1995, a concession was granted to owners of land that had been classified as vacant for less than two years on 1 July 2023. The concession had the effect of reducing the Rate in the $ charged from the vacant rate to the relevant differential rate (residential, industrial or commercial). The minimum rate of $921 was still applicable for vacant land.

*Rateable Value at time of raising of rate.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

26. Determination of surplus or deficit

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 Statement of Financial Activity in accordance with *Local Government Financial Management Regulation 32.*

Adjustments to operating activities	Note	2024 Budget $	2024 Actual $	2023 Actual $
Less: Profit on asset disposals		(506,564)	(1,250,687)	(684,009)
Less: Share of net profit of associates and joint ventures accounted for using the equity method		-	2,665,876	2,172,332
Add: Loss on disposal of assets		127,959	8,307,950	21,370,613
Add: Depreciation		51,293,437	51,789,769	50,352,901
Non-cash movements in non-current assets and liabilities:				
Financial assets at amortised cost		-	(4,203)	(9,215)
Investment in associates		-	(7,614,534)	(3,005,903)
Trade and other receivables		-	(515,606)	773,596
Inventory - Land held for resale		-	61,592	20,121
Employee benefit provisions		-	835,956	7,899
Lease liabilities		-	1,440	16,287
Non-cash amounts excluded from operating activities		**50,914,832**	**54,277,553**	**71,014,622**

b) Non-cash amounts excluded from investing activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with *Local Government Financial Management Regulation 32.*

Adjustments to investing activities	Note	2024 Budget $	2024 Actual $	2023 Actual $
Property, plant and equipment received for substantially less than fair value		-	121,926	10,000
Right of use asset received - non cash		-	71,688	(49,298)
Non-cash amounts excluded from investing activities		-	**193,614**	**(39,298)**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

26. Determination of surplus or deficit (continued)

c) Surplus or deficit after imposition of general rates

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Local Government Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets	Note	2024 Budget $	2024 Actual $	2023 Actual $
Less: Reserve accounts	28	(90,453,002)	(98,989,504)	(94,897,412)
Add: Current liabilities not expected to be cleared at end of year				
- Current annual leave	14	6,909,090	7,746,238	7,383,961
- Current long service leave	14	10,363,635	11,569,858	11,025,292
Total adjustments to net current assets		**(73,180,277)**	**(79,673,408)**	**(76,488,159)**
Net current assets used in the Statement of Financial Activity				
Total current assets		153,974,298	188,705,312	187,668,681
Less: Total current liabilities		(80,794,021)	(68,005,510)	(65,779,613)
Less: Total adjustments to net current assets		(73,180,277)	(79,673,408)	(76,488,159)
Surplus or deficit after imposition of general rates		**-**	**41,026,394**	**45,400,909**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

27. Lease liabilities

	2024 $ Current	2024 $ Non-current	2024 $ Total	2023 $ Current	2023 $ Non-current	2023 $ Total
Plant and equipment	5,554	66,632	72,186	79,414	65,192	144,606
Land	100	1,900	2,000	100	1,900	2,000
	5,654	**68,532**	**74,186**	**79,514**	**67,092**	**146,606**

		Plant and equipment		
		Lease liability Current $	Lease liability Non-current $	Lease liability Total $
1 July 2022	**Balance at start of year**	46,898	48,805	95,703
	New lease liability	26,792	99,431	126,223
	Movement from non-current to current	83,044	(83,044)	-
	Repayment/ termination	(86,618)	-	(86,618)
	Lease interest	9,298	-	9,298
30 June 2023	**Balance at end of year**	**79,414**	**65,192**	**144,606**
1 July 2023	**Balance at start of year**	79,414	65,192	144,606
	New lease liability	101	7,094	7,195
	Movement from non-current to current	5,553	(5,553)	-
	Repayment/ termination	(87,594)	-	(87,594)
	Lease interest	8,079	-	8,079
30 June 2024	**Balance at end of year**	**5,553**	**66,733**	**72,286**

Plant equipment leased is either for larger printers/scanners or golf carts.

Land - peppercorn lease			Total - plant & equipment and land		
Lease liability Current $	Lease liability Non-current $	Lease liability Total $	Lease liability Current $	Lease liability Non-current $	Lease liability Total $
100	2,000	2,100	46,998	50,805	97,803
-	-	-	26,792	99,431	126,223
100	(100)	-	83,144	(83,144)	-
(100)	-	(100)	(86,718)	-	(86,718)
-	-	-	9,298	-	9,298
100	**1,900**	**2,000**	**79,514**	**67,092**	**146,606**
100	1,900	2,000	79,514	67,092	146,606
-	-	-	101	7,094	7,195
100	(100)	-	5,653	(5,653)	-
(100)	-	(100)	(87,694)	-	(87,694)
-	-	-	8,079	-	8,079
100	**1,800**	**1,900**	**5,653**	**68,533**	**74,186**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

28. Restricted reserves - cash backed

	2024 Actual Opening Balance $	2024 Actual Transfer to $	2024 Actual Transfer (from) $	2024 Actual Closing Balance $
Restricted by legislation				
a) Cash in lieu of public open space reserve	928,477	257,774	-	1,186,251
b) Development contribution right of way improvement works reserve	-	777,748	(777,748)	-
c) Development contribution fund	-	271,585	-	271,585
d) Security service charge reserve	475,523	963,632	(946,663)	492,492
e) Payment in lieu of parking reserve	3,045,831	164,161	-	3,209,992
	4,449,831	**2,434,900**	**(1,724,411)**	**5,160,320**
Restricted by council				
f) Asset acquisition reserve	99,183	5,346	-	104,529
g) Capital investment reserve	17,684,822	10,000,000	(166,929)	27,517,893
h) Corporate projects reserve	24,046,309	4,213,806	(14,719,869)	13,540,246
i) Edith Cowan Reserve lighting reserve	42,334	2,282	-	44,616
j) Investment income reserve	2,994,946	1,418,170	(192,137)	4,220,979
k) Plant replacement reserve	5,496,112	4,110,065	(6,730,954)	2,875,223
l) Previous employees long service leave provision	830,578	14,162	-	844,740
m) Public parking strategy reserve	6,677,269	359,885	(163,818)	6,873,336
n) Road widening reserve	145,334	7,833	-	153,167
o) Staff leave liability reserve	13,916,697	750,068	-	14,666,765
p) Strategic waste development reserve	14,523,055	8,862,062	(4,580,473)	18,804,644
q) Tamala Park reserve	-	-	-	-
r) Tree reserve	1,223,116	443,504	(215,147)	1,451,473
s) Workers compensation reserve	2,767,826	1,934,392	(1,970,645)	2,731,573
	90,447,581	**32,121,575**	**(28,739,972)**	**93,829,184**
Total	**94,897,412**	**34,556,475**	**(30,464,383)**	**98,989,504**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

2024 Budget Opening Balance $	2024 Budget Transfer to $	2024 Budget Transfer (from) $	2024 Budget Closing Balance $	2023 Actual Opening Balance $	2023 Actual Transfer to $	2023 Actual Transfer (from) $	2023 Actual Closing Balance $
928,477	4,775	-	933,252	229,060	699,417	-	928,477
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
538,147	659,127	(1,123,147)	74,127	946,033	637,753	(1,108,263)	475,523
3,045,831	61,029	-	3,106,860	2,927,523	118,308	-	3,045,831
4,512,455	**724,931**	**(1,123,147)**	**4,114,239**	**4,102,616**	**1,455,478**	**(1,108,263)**	**4,449,831**
99,183	478	-	99,661	1,886,771	76,249	(1,863,837)	99,183
17,708,672	6,666,666	-	24,375,338	4,492,554	13,417,514	(225,246)	17,684,822
24,107,988	2,752,449	(11,000,000)	15,860,437	4,895,967	20,499,717	(1,349,375)	24,046,309
42,334	848	-	43,182	40,690	1,644	-	42,334
2,336,851	629,235	(233,890)	2,732,196	3,036,815	993,846	(1,035,715)	2,994,946
10,932,373	5,115,339	(6,019,500)	10,028,212	7,167,158	289,641	(1,960,687)	5,496,112
801,160	-	-	801,160	775,168	55,410	-	830,578
6,683,249	119,780	(1,270,000)	5,533,029	6,429,402	259,827	(11,960)	6,677,269
145,334	2,912	-	148,246	139,689	5,645	-	145,334
13,916,698	278,862	-	14,195,560	13,376,137	540,560	-	13,916,697
13,461,420	1,625,545	(6,280,000)	8,806,965	9,460,488	5,193,646	(131,079)	14,523,055
-	-	-	-	9,852,680	-	(9,852,680)	-
1,206,878	15,073	(275,000)	946,951	1,055,936	368,610	(201,430)	1,223,116
2,767,826	-	-	2,767,826	3,441,201	-	(673,375)	2,767,826
94,209,966	**17,207,187**	**(25,078,390)**	**86,338,763**	**66,050,656**	**41,702,309**	**(17,305,384)**	**90,447,581**
98,722,421	**17,932,118**	**(26,201,537)**	**90,453,002**	**70,153,272**	**43,157,787**	**(18,413,647)**	**94,897,412**

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

28. Restricted reserves - cash backed (continued)

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

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

Name of Reserve	Purpose of the reserve
Restricted by legislation	
a) Cash in lieu of public open space	This reserve was established in accordance with the *Local Government Act 1995 and section 154 of the Planning and Development Act* to account for the contribution and payment in lieu of public open space received after 12 September 2020.
b) Development contribution right of way improvement works reserve	This reserve was established in accordance with the *Local Government Act 1995* to account for the contribution and payment of any right of way improvement work undertaken by the City.
c) Development contribution fund	This reserve was established for the Scarborough Redevelopment contribution Area. Planning control for the Scarborough Redevelopment Area was returned from the State Government to the City on 9 August 2023 (process called normalisation). The Development Contribution Plan (DCP) sets out the infrastructure needs of the redevelopment area and the financial contributions required towards the costs of this infrastructure. The introduction of the DCP allows the City to levy and collect contributions towards the beachside works.
d) Security service charge reserve	This reserve was created to accommodate excess funds from the charge levied for the Property Surveillance and Security services. In accordance with the provisions of Section 6.38 of the Local Government Act 1995 any surplus generated from this charge is to be allocated to a reserve and used for Security Services, or be repaid to owners.
e) Payment in lieu of parking reserve	These funds are provided by developers where it is impractical to provide the number of parking spaces generally required for a particular development/use. These are held until an opportunity arises where suitable parking may be provided. Care is taken to ensure that the funds are separately identified to enable them to be applied only to works within the specific areas from which the revenue was sourced.
Restricted by council	
f) Asset acquisition reserve	Created in 2004/05 to accommodate anticipated revenues from land sales which are an integral part of the City's overall asset rationalisation program.
g) Capital investment reserve	The Capital investment reserve will hold proceeds of any sale of investment property, funds allocated by Council for investment purposes, surplus funds from investment purposes and any other funds as determined by Council.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

28. Restricted reserves - cash backed (continued)

Name of Reserve	Purpose of the reserve
Restricted by council	
h) Corporate projects reserve	Created in 2004/05 to accommodate future development needs of the City. The finalisation of the Strategic Community Plan, together with the long term works plan will assist in identifying appropriate uses for these funds.
i) Edith Cowan Reserve lighting reserve	These funds were provided by the developer of the estate surrounding the Churchlands Reserve. Council resolved to place the funds in a financial reserve fund to pay for future maintenance and running costs associated with the lighting on this reserve.
j) Investment income reserve	The Investment income reserve will hold rent from investment properties, dividends and distributions from other investments and interest earned on Capital investment reserve
k) Plant replacement reserve	This reserve account is designed to eliminate the need for substantial allocations from rates in any year. The principle behind the reserve is that a proportionate payment will be made from the general fund annually that relates to utilisation (consumption) of existing plant and provides for plant replacement.
l) Previous employees long service leave provision reserve	The purpose of this reserve is to provide for liabilities for long service leave payments that may need to be made to other local governments in respect of the transferred service entitlement of past employees of the City. Regulations provide that long service leave entitlements are transferable from Council to Council for an employee's uninterrupted service in local government.
m) Public parking strategic reserve	This reserve was created to fund the City's Paid Parking Strategy.
n) Road widening reserve	The Road widening reserve was set up within the 2012/13 financial year to be used for compensation payments associated with the compulsory acquisition of land for road widening along Beaufort Street and Harborne Street.
o) Staff leave liability reserve	It is the function of this reserve to cash-back the liability of the City for long service leave and annual leave for continuing employees. The liability is calculated based on legal and contractual entitlements. The reserve will be maintained at a minimum of 50% of the liability.
p) Strategic waste development reserve	The reserve was created in 2015/16 by renaming the 3-Bin Replacement Reserve and is to be used to fund strategic waste related projects.
q) Tamala Park reserve	The City will be receiving funds over the next few years for the sale of land developed at Tamala Park. It is proposed that the funds be used for income generating projects which in turn will help create a sustainable City.
r) Tree reserve	The Tree reserve will hold any funds set aside under the City's Street and Reserve Trees policy.
s) Workers compensation reserve	The scope of this reserve is the payment of premium obligations and common law claims with respect to work related injuries for which the City as employer has a statutory or common law liability.

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2024

29. Trust funds

Trust funds allocated interest

Funds over which the City has no control and which are not included in the Financial Statements are as follows:

Purpose of trust fund	Opening balance 1 July 2023 $	Receipts $	Paid out $	Interest earned $	Closing balance 30 June 2024 $
Other bonds	529,178	-	(1,010)	25,970	554,138
Town planning scheme no 18	4,428,989	-	-	217,622	4,646,611
Town planning scheme no 25	29,259	-	-	1,438	30,697
Town planning scheme no 27	430,475	-	-	21,152	451,627
Town planning scheme no 28	652,714	-	-	32,072	684,786
Laneways	547,254	-	(82,082)	26,891	492,063
Other trusts	884,427	-	-	43,457	927,884
Payment in lieu of public open space	9,615,935	-	-	472,487	10,088,422
	17,118,231	**-**	**(83,092)**	**841,089**	**17,876,228**







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A sustainable City with a local focus

City facilities

Administration Centre

25 Cedric Street, Stirling
(08) 9205 8555

Animal Care Facility

15 Natalie Way, Balcatta
(08) 9205 7120

Hamersley Public Golf Course

102 Marmion Avenue, Karrinyup
(08) 9205 7440

Henderson Environment Centre

16 Groat Street, North Beach
(08) 9205 8555

Multicultural Centre

38 Ashbury Crescent, Mirrabooka
(08) 9205 7320

Mount Flora Museum

Elvire Street, Watermans Bay
(08) 9205 8555

Operations Centre

16 Natalie Way, Balcatta WA
(08) 9205 8555

Recycling Centre Balcatta

238 Balcatta Road, Balcatta WA
(08) 9205 8555

Stirling Leisure

Hamersley

Belvedere Road, Hamersley
(08) 9205 7600

Mirrabooka

38 Ashbury Crescent, Mirrabooka
(08) 9205 7320

Karrinyup

2 Natalie Way, Karrinyup
(08) 9345 8555

Balga

Princess Road, Balga
(08) 9205 7340

Scarborough

Scarborough Community Hub
173 Gildercliffe Street, Scarborough
(08) 9205 7490

Scarborough Beach

171 The Esplanade, Scarborough
(08) 9205 7560

Inglewood

62 Alexander Drive, Inglewood
(08) 9205 7720

Stirling Libraries

Dianella

Waverley Street, Dianella
(08) 9205 7740

Inglewood

Inglewood Town Square
895 Beaufort Street, Inglewood
(08) 9205 7700

Karrinyup

Davenport Street, Karrinyup
(08) 9205 7400

Mirrabooka

Mirrabooka Community Hub
21 Sudbury Road, Mirrabooka
(08) 9205 7300

Osborne

Osborne Community Hub
9 Royal Street, Tuart Hill
(08) 9205 7900

Scarborough

Scarborough Community Hub
173 Gildercliffe Street, Scarborough
(08) 9205 7420

Stirling Community Centres

There are 16 community centres in the City of Stirling, which provide residents with a range of hire facilities, as well as several ongoing community educational and recreational programs.

Most community centres are home to autumn clubs or seniors' clubs that use the centres as their bases. These clubs encourage active ageing by offering a supportive environment to socialise.

Visit www.stirling.wa.gov.au/venuehire for more information.

City of Stirling
City of Choice

Administration Centre 25 Cedric Street Stirling WA 6021
Telephone (08) 9205 8555
Enquiries www.stirling.wa.gov.au/enquiries
Web www.stirling.wa.gov.au| /citystirlingwa

This information is available in alternative formats on request. Please contact the Customer Contact Centre on (08) 9205 8555.