



Town of Cottesloe



Cottesloe

ANNUAL

REPORT

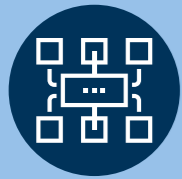
2022





OUR VISION

AN ICONIC COASTAL COMMUNITY WITH A RELAXED LIFESTYLE.



OUR MISSION

TO PRESERVE AND IMPROVE COTTESLOE'S NATURAL AND BUILT ENVIRONMENT AND BEACH LIFESTYLE BY USING SUSTAINABLE STRATEGIES IN CONSULTATION WITH THE COMMUNITY.



UNDERPINNING PRINCIPLES

SUSTAINABLE DEVELOPMENT

To embrace and integrate sustainable development principles including social, economic, environmental and cultural aspects when planning for the district.

COMMUNITY PARTICIPATION

Effective community participation in decisions about the district and its future.

GOOD GOVERNANCE

Leadership, transparency, accountability, probity, proper management, effective services, equitable access to services, commitment to partnership working and organisational capacity building.

CO-OPERATION

The exchange of good practice, support and mutual learning and partnerships with government and other stakeholders to progress the Town.

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*Sculpture by the Sea, Cottesloe 2022
Cover: Installation of the shark barrier at Cottesloe Main Beach*

OUR ELECTED MEMBERS

2021/2022



Mayor Lorraine Young



Cr Helen Sadler - Deputy Mayor
(North Ward)



Cr Craig Masarei
(North Ward)



Cr Kirsty Barrett
(East Ward)



Cr Brad Wylynko
(East Ward)



Cr Paul MacFarlane
(Central Ward)



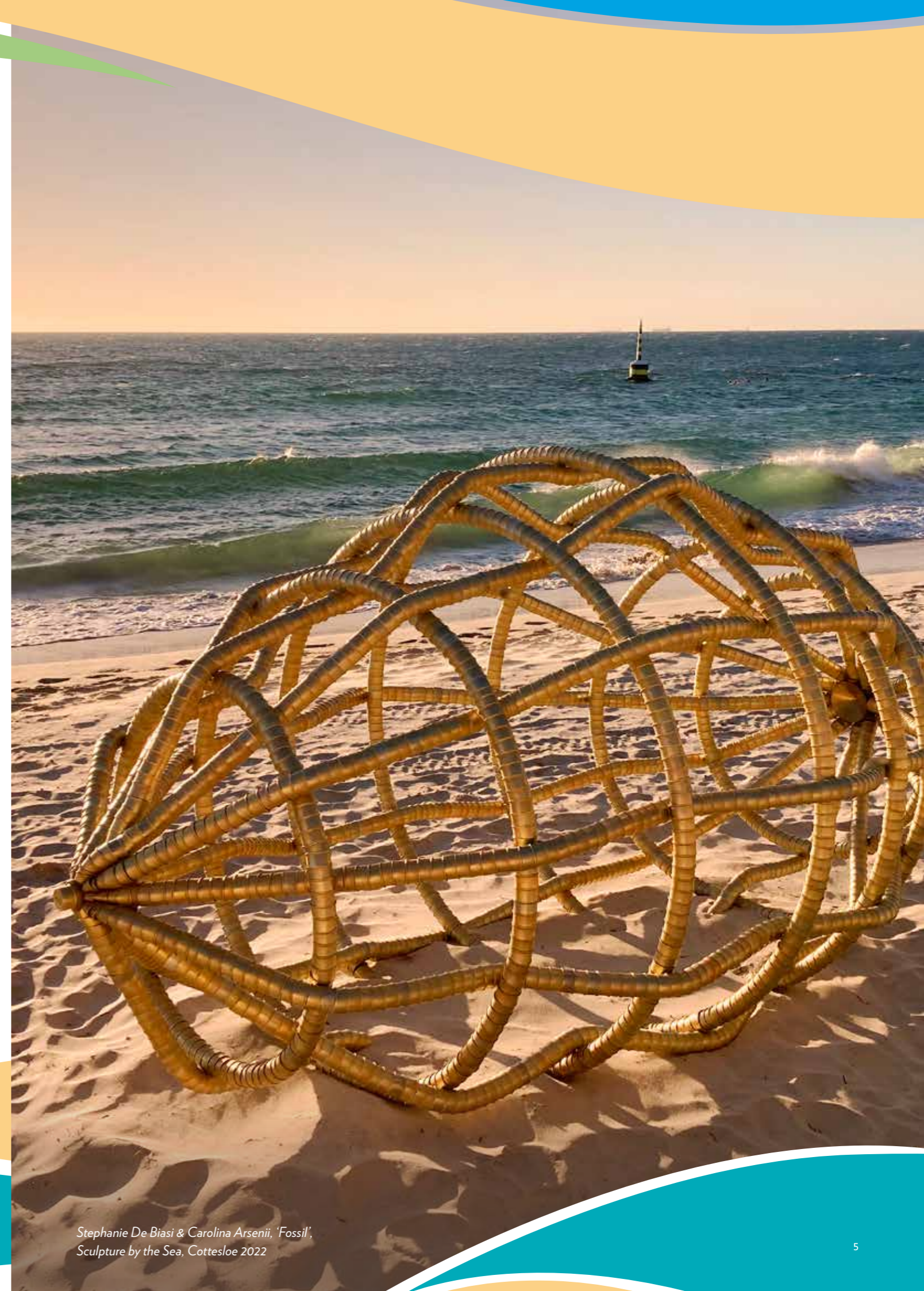
Cr Melissa Harkins
(Central Ward)



Cr Chilla Bulbeck
(South Ward)



Cr Caroline Harben
(South Ward)



*Stephanie De Biasi & Carolina Arsenii, 'Fossil',
Sculpture by the Sea, Cottesloe 2022*

MAYOR'S MESSAGE



ON BEHALF OF THE TOWN OF COTTESLOE, I AM PLEASED TO PRESENT THE 2021-22 ANNUAL REPORT. I HIGHLIGHT BELOW OUR ACHIEVEMENTS AND AREAS OF FOCUS OVER THE PERIOD.

Facilities and recreational amenity

The Town continued its focus on upgrading existing facilities and meeting the recreational needs of our community. The impact of COVID-19 continued during the year, but the Town remained committed to ensuring that services to our community carried on without interruption, and that planned projects were continued, whilst managing potential material and labour shortages.

We made progress on major projects, including awarding the contract to replace the Anderson Pavilion, completing and opening the new Dutch Inn playground, approving the location and moving on to concept design for the Cottesloe Skatepark, developing a concept plan for the East Cottesloe playground and approving the design for the Eric Street Shared Path. As more of these projects move to completion, they will significantly improve amenity for our residents.

The shark barrier was installed in early October and removed in early April. We consulted our community on the benefit of the barrier and the current period of installation, and Council will now consider feedback and determine if an extension or change is supported. We secured two Spectur shark warning systems from the Department of Fisheries, now installed at the Cove in south Cottesloe and at north Cottesloe beach. The barrier and the Spectur units allow our community and visitors to enjoy peace-of-mind swimming in Cottesloe.

In November 2021 the Town received a proposal for the redevelopment of the Indiana building and adjacent Crown land. The proposal raises significant legal, commercial, environmental and heritage issues which must be understood before determining the next step. To this end, in March 2022 agreement was reached with the lessee (a company in the Tattarang group) to meet the cost of obtaining the required advice, noting that the brief to advisors and the advice itself will remain confidential to the Town. The Town's Administration then worked with appropriate experts to obtain the advice, which will be presented to Council for further consideration.

In November 2021 Cottesloe beach was the venue for a "Pineapple Club" event catering primarily for younger residents and visitors. Learning from this event will inform the nature and timing of future events at Cottesloe beach. In March 2022, Cottesloe also welcomed the *Sculpture by the Sea, Cottesloe* exhibition, for the 18th consecutive year. Despite the challenges posed by COVID-19, the event was a success, and was thoroughly enjoyed by our own community and over 140,000 visitors.

The Town became only the second local government in WA to formally allow residents to "create community" by using residential verges for play equipment. Work continues on appropriate protocols to ensure that this is achieved without exposing the Town to uninsured risk.

We engaged with the State and Federal Government and Agencies – and candidates in the Federal election – to lobby for funding for the community-supported and Council-endorsed Foreshore Masterplan. Implementation of the Masterplan will create a human-focussed and family friendly foreshore which meets its potential and lives up to the expectations of the community and the hundreds of thousands of visitors we welcome to Cottesloe every year.

Reconciliation

The Town's Reconciliation Action Working Group commenced work on our first, "Reflect", Reconciliation Action Plan (RAP). The RAP will contain practical actions to drive the Town's contribution to reconciliation internally and within our community.

Planning

In addition to its usual planning work, our Planning department spent considerable time dealing with development applications lodged with the State government's new State Development Assessment Unit (SDAU). The Town kept our community informed on applications lodged via that process and made its own submissions, focussing on non-compliance with our Local Planning Scheme and inconsistencies with the State's own strategic planning framework. We also raised with the State government agencies and Ministers our community's concerns about the SDAU process.

Planning resources were also directed to responding to the State government proposal to rezone the site of the McCall Centre in south Cottesloe. The Town's submission outlined the need for strategic planning for the land surrounding the site, for recreational and community purposes, as consistently identified in strategic planning projects and studies over the past 30 years. The Town will continue to work with our neighbouring local governments in Mosman Park and Fremantle, to push for the best outcome for that area.

The Town continued its work with the Shire of Peppermint Grove to produce a precinct plan for Cottesloe Village, to develop a long-term strategic vision, and associated planning tools, to guide the Village's redevelopment over time.

Environment

The Town adopted measures and strategies to address environmental concerns. We continued with our tree planting schedule, we were the first western suburbs local government to "Go FOGO!" (Food Organics Garden Organics), we set up strategic frameworks to tackle the impacts of climate change, we signed up to WALGA's Renewable Energy Program and we continued work on our Coastal Hazard Risk Management and Adaption Plan.

Integrated planning framework

In April Council endorsed a desk-top review of the current Corporate Business Plan (CBP) and budgeting for community engagement to develop a new Strategic Community Plan (SCP) in 2023. The SCP is intended to reflect the community's 10-year vision, aspirations and objectives for Cottesloe, which will then inform the development of a new CBP in 2023.

Thanks

I would like to extend thanks to the Town's CEO and staff, as well as my fellow Elected Members, for the hard work they do on behalf of the Cottesloe community. Thanks are also due to the community members who volunteer their time on the Town's Committees and Working Groups. We are fortunate to have a highly engaged community and I would like to thank all residents and ratepayers for your enthusiasm and interest in Cottesloe.

Lorraine Young
Mayor



Aboriginal artist and Wadjuk man Justin Martin paints a mural on the back of the tennis wall at Jasper Green Reserve

CEO'S REPORT



I AM PLEASED TO PROVIDE AN UPDATE ON PROGRESS MADE TOWARDS ACHIEVING COUNCIL'S STATED STRATEGIC OBJECTIVES AS OUTLINED IN THE TOWN OF COTTESLOE CORPORATE BUSINESS PLAN.

PRIORITY AREA 1

- Protect and enhance the wellbeing of residents and visitors

Over the past 12 months considerable progress has been accomplished towards achieving these objectives with some of the major achievements being;

- The protected swimming enclosure was re-installed at Cottesloe Main Beach in October 2021;
- A new playground at Dutch Inn was constructed and completed, with a grand opening in November 2021;

- The Town was awarded a commendation at the Planning Institute Australia 2021 Awards for Planning Excellence, in the category of Climate Change & Resilience for the Principal Shared Path – pathway greening and community activation elements;
- Development of a concept plan for an upgraded East Cottesloe playground;
- Council approved John Black Dune Park as the preferred location for a skate facility in Cottesloe at the September 2021 Council Meeting, following community consultation. Skate park design workshops were held in December 2021 and a landscape concept plan for John Black Dune Park was developed in partnership with Cottesloe Coastcare and Perth NRM;
- A design concept and construction tender for a new Anderson Pavilion at Harvey Field was progressed;
- Repair and upgrade works were completed on the foreshore (near the children's playground) where damage occurred from a winter storm. This included construction of a drainage system and new paving and landscaping;
- Four new ACROD bays were installed on Marine Parade in south Cottesloe, in the four carparks; and
- Continued support for *Sculpture by the Sea*.

PRIORITY AREA 2

- Achieving connectivity between east and west Cottesloe

- The Town has continued its discussions with Main Roads WA and the Public Transport Authority (PTA) with the aim of improving vehicle and pedestrian access over the railway line.
- The Town consulted with the community on a shared path concept for Eric Street, as part of the adopted Cottesloe Long Term Cycle Network (LTCN). A detail design was developed and approved by Council in June 2022;
- The State Government is progressing

the design for the Congdon Street Bridge Replacement project and construction is subject to funding;

- The PTA's Route Utilisation Strategy (RUS), estimates patronage on the rail network will approximately double by 2031. To determine what future investment is needed to meet access demands in a safe and efficient way, the PTA is undertaking a Station Access Improvement Program. The Town has liaised with the PTA at key stages of this project and the Station Access Strategy has now been completed; and
- The Town has had discussions with Metronet, who have undertaken a review of level crossing removal options. The detail design has been completed and will be implemented when funding becomes available.

PRIORITY AREA 3

- Enhancing beach access and the foreshore

- Secured two Spectur shark warning systems from the Department of Fisheries, installed at the Cove in south Cottesloe and at north Cottesloe beach;
- A successful *Sculpture by the Sea* held on the foreshore for the 18th consecutive year;
- Beach Access Path Upgrade program continued with an upgrade of path S4 in south Cottesloe;
- Ongoing dune restoration by Cottesloe Coastcare; and
- Engagement with State and Federal Government and Agencies to lobby for funding for the Foreshore Masterplan.

PRIORITY AREA 4

- Managing development

The Town of Cottesloe is responsible for the control and management of development and land uses in the Town in the accordance with the current Local Planning Scheme No.3.

The following projects continued as a priority in the 2021/22 financial year and beyond:

- Review of the Town of Cottesloe Local Planning Strategy, which will ultimately inform a new Local Planning Scheme.

Community workshops to assist the Town in the review of its Local Planning Strategy were held in November 2019 and a Discussion Paper on the review was released for public comment. A report on the submissions received has been considered and noted by Council and will help inform the review. The Town has engaged consultants to prepare the review including a comprehensive analysis of issues and opportunities relating to housing, transport, commercial and economic development, recreation and public spaces and various other matters specified in the Local Planning Strategy Guidelines issued by the Western Australian Planning Commission (WAPC);

- Preparation of the Cottesloe Village Precinct Structure Plan for the Cottesloe Activity Centre, which was triggered by a proposed amendment to the Local Planning Scheme No.3 in 2019.

The Scheme Amendment sought an increase in building height of up to 10 storeys (35 metres), and to facilitate changes to setbacks and plot ratio controls and other land use, access and built form considerations. As the area of the Cottesloe Activity Centre spanned both the Town of Cottesloe and the Shire of Peppermint Grove it was decided to undertake the project as a joint venture. This included entering into a Memorandum of Understanding and establishing a Steering Group to provide direction on the project. A Draft Cottesloe Village Precinct Plan was prepared and released for public comment in November 2019. Council has considered and noted the submissions received and these will assist in the further development of the Precinct Plan. In July 2021, the Town of Cottesloe resolved not to initiate the Scheme Amendment and in May 2022, the Minister for Planning, pursuant to section 76 of the Planning and Development Act 2005, issued an order to the Town of Cottesloe to initiate the Scheme Amendment. Although a decision on the Scheme Amendment is pending, preparation of the Precinct Structure Plan is progressing;

- A State Government led Western Suburbs Working Group was established to enable Councils to provide advice to the Western Australian Planning Commission in respect to the preparation of strategic plans for

the Stirling Highway corridor and the development of Activity Centres in the Stirling Highway and Fremantle railway line corridors.

Other key outcomes in 2021/22 include:

- The Town has been directly involved in a number of State Development Assessment Unit (SDAU) applications including; 120 and 122 Marine Parade, and 140 Marine Parade (Ocean Beach Hotel);
- The number of Development Applications approved in 2021/22 was 165, with a value of \$249,333;
- The number of Building Permits issued in 2021/22 was 224;
- There were four Joint Development Assessment Panel applications made in 2021/22;
- There were four State Development Assessment Unit applications referred to the Town for assessment; and
- 112 swimming pool were inspected, meeting the Town's statutory requirements for 2021/22.

PRIORITY AREA 5

- Providing sustainable infrastructure and community amenities

Council has prepared a Ten Year Financial Plan and is currently preparing an Asset Management Plan. These are designed to ensure that the assets of Council are both replaced and maintained at optimum times to preserve their useful life. When considering the acquisition of a new asset these plans assist to inform Council of whether their capital and maintenance costs are financially viable in the long term. Some of the major infrastructure projects undertaken in 2021-22 include:

- Upgrade of the footpath network;
- Continuation of the road resurfacing program;
- Annual Street Tree Winter Planting program completed; and
- 400 tube stock planted along the Principal Shared Path in Cottesloe.

PRIORITY AREA 6

- Providing open and accountable local governance

Some of the major activities undertaken within this Priority Area include:

- Developed Customer Service Charter for the Town;
- Ongoing review of the Policies of Council;
- Ongoing review of the Town's Local Laws;
- Increased use of social media and email to communicate with electors; and
- Ongoing monthly e-newsletter sent to subscribers on the Residents and Ratepayers database.

The Town will need to undertake a full review of the Strategic Community Plan (and associated plans) during the 2022-23 financial year. This is a good time for the review, with solid progress having been achieved against the overall objectives listed.

I would like to congratulate Lorraine Young who became the newly appointed Mayor (previously Deputy Mayor and in the position of Acting Mayor for a number of months prior) following the Local Government Ordinary Election in October 2021. Congratulations also to newly elected Councillors Brad Wylynko (East Ward) and Chilla Bulbeck (South Ward), and returning Councillors Melissa Harkins (Central Ward) and Helen Sadler (North Ward). I would also like to thank outgoing Councillor Michael Tucak, all Elected Members and the Town's dedicated staff for their efforts in achieving our goals in 2021-22.

Matthew Scott
Chief Executive Officer



Plastic Free July Beach Clean Up



Mayor Young and Councillor Barrett get ready for FOGO

SUSTAINABILITY IN COTTESLOE

THE TOWN OF COTTESLOE CONTINUED TO RUN A NUMBER OF SUCCESSFUL SUSTAINABILITY AND NATURAL AREAS PROJECTS THROUGHOUT THE YEAR. THE TOWN RECOGNISES THE IMPORTANCE OF PROACTIVE PROGRAMS AND ENCOURAGING COMMUNITY PARTICIPATION AND IS PLEASED TO REPORT ON A NUMBER OF SIGNIFICANT ACHIEVEMENTS IN SUSTAINABILITY.

The Town received a Waterwise Greening Scheme grant from the Water Corporation for several initiatives including the Native Waterwise Verge Rebate Scheme, the Native Plant Subsidy Scheme and planting waterwise street trees to increase urban canopy. The Town also received an Urban Canopy Grant through WALGA and 100 (35 litre) native trees were planted along the Principal Shared Path to create shade and habitat.

Coastal dune revegetation works were carried out at the two decommissioned beach access paths. 780 native tube stock were planted and erosion matting was installed to stabilise the slopes. Weed control continued over summer and spring and aims at eradicating exotic species from the natural areas. This is in line with the Town's long term goal to restore ecological biodiversity on the dunes by planting native species to create habitat corridors for native animals.

Cottesloe Coastcare continued their valuable work and planted 4,500 native seedlings across several sites including 2,200 seedlings between North Cottesloe Surf Life Saving Club and Grant Street and 1,500 seedlings on the dunes between Salvado and Pearse Streets. Both of these sites received Coastwest grants. Infill planting has occurred in south Cottesloe and at Grant Marine Park and Cottesloe Native Garden. Coastcare and

Perth NRM also hosted a school planting event on the Principal Shared Path to create shade and habitat with 400 seedlings planted.

The Town has now completed eight years of consecutive coastal monitoring with a Coastal Adaptation and Protection (CAP) grant received from the Department of Transport. The monitoring program aims to gain knowledge of the patterns in beach changes along its coastline and potentially identify longer-term trends in erosion and/or accretion. This will provide a greater understanding of coastal processes along the Cottesloe coastline, allowing the Town to develop plans for the future and enhancing the Town's capacity to make informed and sustainable decisions regarding coastal management planning. As a part of this program, a free community presentation was held to communicate these findings and share the work carried out by the Town.

The Town of Cottesloe received partial funding from the Department of Planning, Lands and Heritage to assist in preparing its first ever Coastal Hazard Risk Management and Adaptation Plan (CHRMAP). This is a two year project that began in April 2022. Initial coastal values consultation has been carried out and will contribute to the prioritisation of assets and the identification of potential adaptation and risk treatment options proposed in the final CHRMAP.

Other successful projects include;

- The Cott Cat shuttle bus helped transport visitors between Cottesloe train station and the beach during *Sculpture by the Sea* in March. Public transport reduces the number of cars on the road, alleviates parking congestion and is a sustainable form of transport;
- The annual WESROC Native Plant Subsidy Scheme offered to residents in May was a sell-out, with all of the 2,200 plants allocated to Cottesloe purchased. This scheme promotes and encourages residents to grow native waterwise gardens. Many residents have also converted lawn verges to native waterwise gardens under the Town's waterwise verge rebate scheme;
- Street tree verge infill planting continued with another 150 trees planted on verges in Cottesloe; and
- Community volunteers participated in the Plastic Free July Beach Clean Up and morning tea event hosted by the Town, North Cottesloe SLSC, Keep Australia Beautiful and Western Metropolitan Regional Council with many plastic litter items removed from the beach.

STATUTORY REPORTS

DISABILITY ACCESS AND INCLUSION PLAN

The Disabilities Services Act 1993 requires that the Town of Cottesloe include in its annual report progress on the implementation of its Disability Access and Inclusion Plan. Council adopted its 2018 – 2023 Plan in April 2018 and a copy is available at the Town's administration office and on the Town's website.

The Town has a Universal Access and Inclusion Community Reference Group to assist with the implementation of the Plan and a mid-term review was completed in June 2021 to ensure it remains relevant to the community. The following access improvement initiatives were undertaken in the past year:

- In partnership with Down Syndrome WA and Status Disability Employment Services, an Administration Officer with the Town successfully completed a Certificate II in Customer Engagement;
- Completion of Deafblind Awareness training by the Community Development Officer;
- Development of a mobility map of the Cottesloe Civic and Administration Centre to assist community access;
- Installation and upgrades of ACROD parking bays on Marine Parade in south Cottesloe, in the four carparks;
- Participation in the State wide ACROD Parking Campaign "This Bay is Someone's Day" to decrease the misuse of ACROD Parking bays;
- Membership of the Companion Card program allowing free entry to Council events for carer's of those with a disability;
- Requirement of events with more than 500 patrons to have a Disability Access and Inclusion Plan, for example *Sculpture by the Sea*;
- Expansion of the Universal Access and Inclusion Community Reference Group

to include Wearne Cottesloe and NDIS partner Mission Australia;

- Disability access and inclusion services, information and events promoted through the Town's Facebook page, community contacts list, e-newsletter and onscreen at the customer service area at the Town's administration office.

PAYMENTS MADE TO EMPLOYEES

Regulation 19B of the Local Government (Administration) Regulation 1996 requires the Town of Cottesloe to include the following in its Annual Report:

- The number of employees of the Town entitled to an annual salary of \$130,000 or more; and
- The number of those employees with an annual salary entitlement that falls within cash bands of \$10,000 over \$130,000.

The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000 is;

| \$ Band | Number of Employees |
|------------------------|---------------------|
| \$200,000 to \$209,999 | 1 |
| \$150,000 to \$159,999 | 1 |

Please note the figures shown represent the cash component of any salary package.

The remuneration paid or provided to the CEO during the financial year was \$208,519.

The number of Council and Committee Meetings attended by each council member during the financial year is as follows:

| | Council | Committee |
|--|---------|-----------|
| Mayor Phil Angers (resigned 2 August 21) | 0 | 0 |
| Mayor Lorraine Young | 13 | 1 |
| Cr Helen Sadler | 14 | 0 |
| Cr Melissa Harkins | 14 | 3 |
| Cr Caroline Harben | 10 | 0 |
| Cr Paul MacFarlane | 12 | 6 |
| Cr Kirsty Barrett | 11 | 4 |
| Cr Craig Masarei | 14 | 4 |
| Cr Brad Wylynko (elected October 21) | 5 | 2 |
| Cr Chilla Bulbeck (elected October 21) | 9 | 2 |
| Cr Michael Tucak (term ended October 21) | 4 | 0 |

REGISTER OF COMPLAINTS

Section 5.121 of the *Local Government Act 1995* requires the Complaints Officer for the Town of Cottesloe to maintain a register of complaints which records all complaints that result in action under section 5.110(6)(b) or (c) of the Act.

The register of complaints is to include, for each recorded complaint;

- the name of the council member about whom the complaint is made;
- the name of the person who makes the complaint;
- a description of the minor breach that the standards panel finds has occurred; and
- details of the action taken under section 5.110(6)(b) or (c).

For the purposes of section 5.115(2) of the *Local Government Act 1995* it is advised that no complaints were made to the Town of Cottesloe during the financial year under review.

RECORDS MANAGEMENT

The Town of Cottesloe, as a local government, is required under the State Records Act 2000 to provide an annual report on its recordkeeping practices.

COMMITMENT TO RECORDS MANAGEMENT

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

RECORDKEEPING PLAN

The purpose of the Recordkeeping Plan (RKP) is to set out the matters about which records are to be created by the Town of Cottesloe and how the Town is to retain its records. The RKP is to provide an accurate reflection of the record keeping program within the organisation including information regarding the organisation's record keeping systems, disposal arrangements, policies, procedures and practises. The RKP is the primary means of providing evidence of compliance with the State Records Act 2000 and the implementation of best practice record keeping within the organisation.

The Town commenced the eight year review process of its Local Laws in 2019/20. All Local Laws will be reviewed over the next few years. Commencing with the Town's Standing Orders Local Law, this project will remain ongoing until completed.

The Town's Standing Orders Local Law was updated to a Local Government (Meetings Procedure) Local Law and was gazetted on 9 March 2021.

The objectives of the Town of Cottesloe RKP are to ensure the following:

- Compliance with Section 28 of the State Records Act 2000;
- Recordkeeping within the Local Government is moving towards compliance with State Records Commission Standards and Records Management Standard AS ISO 15489;
- Processes are in place to facilitate the complete and accurate record of business transactions and decisions;
- Recorded information can be retrieved quickly, accurately and cheaply when required; and
- Protection and preservation of the Local Government's records.

The Town's Recordkeeping Plan was updated in December 2021.

LOCAL LAWS

The Town commenced the eight year review process of its Local Laws in 2019/20. All Local Laws will be reviewed over the next few years. Commencing with the Town's Standing Orders Local Law, this project will remain ongoing until completed.

The Town's Standing Orders Local Law was updated to a Local Government (Meetings Procedure) Local Law and was gazetted on 9 March 2021.

INTEGRATED PLANNING AND REPORTING FRAMEWORK





STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN

AN INTEGRATED PLANNING AND REPORTING FRAMEWORK (IPRF) WAS IMPLEMENTED IN 2011 BY THE STATE GOVERNMENT, TOGETHER WITH ASSOCIATED GUIDELINES FOR LOCAL GOVERNMENTS, AND INCLUSIVE OF ASSET MANAGEMENT AND LONG TERM FINANCIAL PLANNING.

All local governments are required to produce a Plan for the Future under S5.56 (1) of the Local Government Act 1995. Regulations have been made under S5.56 (2) of the Act to outline the minimum requirements to achieve this.

There are three major parties to the development of a Strategic Community Plan:

1. The community – participates in a community planning process to determine major vision or intended big picture directions and also participates in regular reviews of those directions.
2. The Council – signs off the Strategic Community Plan resulting from the community planning process, the four year reviews updating that plan, the Corporate Business Plan and the annual budget.
3. The local government administration – supports delivery of the Strategic Community Plan through regular reviews, annual budgets and corporate business planning.

To satisfy the requirement of the IPRF at least two plans are needed: The minimum requirement to meet the intent of the plan for the future is the development of:

- A Strategic Community Plan; and
- A Corporate Business Plan.

The key principle of the planning process is to provide both the future aspirations for the local government and a path to achieve them. Specific strategies address issues such as community safety or disability plans and place or local area plans. Strategic outcomes are supported by the identification and planning of all financial, human resource, asset and infrastructure requirements and income opportunities over the longer term.

The framework does not require a single methodology to be applied by local governments and is intended to guide local governments to a successful integrated strategic planning process, which, at its most simple, would deliver the following outcomes:

- a long term Strategic Community Plan that clearly links the community's aspirations with the Council's vision and long term strategy;
- a Corporate Business Plan that integrates resourcing plans and specific Council plans with the Strategic Community Plan; and
- a clearly stated vision for the future viability of the local government area.

Council has adopted the required Plans and has established a schedule to ensure they are reviewed regularly, in accordance with legislation.

These reviews will be advertised and residents will be consulted on any possible changes. The Plans are available to view on the Town's website.

The Town commenced the review process of its Corporate Business Plan in June 2020 with two workshops held in May and June 2020. The updated Corporate Business Plan was ultimately adopted by Council on 27 October 2020 and covers the period 2020 to 2024. Quarterly reports on the progress of the Corporate Business Plan are undertaken.

In the 2022/23 financial year the Strategic Community Plan will be reviewed. In 2022/23 the Town will also be finalising the following Plans:

- Asset Management Plan
- Long Term Financial Plan
- Business Continuity Plan

These plans will inform the 2022/23 Strategic Planning and Budget Process.

Priority Area 1 – COMMUNITY - Protect and Enhance the Well Being of Residents and Visitors

1.1 Help families flourish and connect in Cottesloe.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|------------------------------------|--|------------------|-------|---|
| a | Implement the Town's adopted Playground Strategy | Engineering | That the Strategy be progressively implemented as budget allocations are made by Council | Very High | | Currently progressing the concept design for East Cottesloe Playground. Works at Dutch Inn Playground completed. |
| b | Upgrade existing play spaces to build creative and diverse play environments for all children | Engineering | That playgrounds are progressively upgraded in accordance with the Playground Strategy | Very High | | Dutch Inn Playground is completed and open. East Cottesloe Playground Concept scope approved by Council and detail design in progress |
| c | Develop a Food Truck Policy | Compliance and Regulatory Services | That a Policy be prepared and submitted for Council's consideration | Moderate | | No action to date however an application is currently being assessed for a coffee van to trade in the car park of Dutch Inn as part of the Park Run event – this will be monitored to see if successful/not and if any feedback is received from businesses. |
| d | Review the Town's Events Policy to ensure that Youth events remain a focus in the Policy | Corporate | That the Policy be reviewed and any changes identified recommended to Council | High | | Events Policy updated December 2020. Completed. |
| e | Complete Dutch Inn Playground Upgrade | Engineering | That the works be completed | Very High | | Dutch Inn Playground completed. |
| f | Complete East Cottesloe Playground Upgrade | Engineering | That the works be completed | Very High | | East Cottesloe Playground concept scope approved by Council. Detail design in progress. |
| g | Investigate and Consider implementation of Skating facilities into Town Public Open Space Infrastructure | Engineering | Allocation of funds to carry out investigation | Very High | | Skatepark and landscaping concept approved by Council. Grant funding application for both components submitted (State NRM and Lotterywest). |
| h | Review the adequacy of Public Toilets within the district | Engineering | Review outcome included in future Capital Works Program | Moderate | | Feedback received from the Foreshore Public Toilet consultation in regards to other areas within Cottesloe requiring public toilets being compiled. Public toilet considered by FPAC, location at Car Park 2 determined. Need for future public toilets to be determined as part of needs analysis for Scheme Review. |

1.2 Continue to improve Community Engagement.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|-------------------------|---|------------------|-------|--|
| a | Review Community Engagement activities to ensure that effective messaging and feedback results | Executive | Community feedback on specific and general communication initiatives is received | Very High | | Internal review has occurred, implementing lessons learnt. Customer Service survey completed. Suggestions from survey being implemented were practicable |
| b | Review and improve on the social media presence for the Town of Cottesloe | Executive | Statistical analysis of visitation, including increases or decreases in volume and type of visitation | Very High | | Facebook Pages are being updated regularly. Snap, Send Solve has been rolled out. Continue messaging of major new services, such as FOGO. |
| c | Monitor, review and improve the Town's webpage as deemed necessary | Executive | Webpage contains information no older than 12 months unless of historical interest or ongoing content | High | | Customer Service Survey Completed. Website to be revamped in 22/23. |
| d | Develop a Reconciliation Action Plan (RAP) in consultation with representatives from the Aboriginal community | Corporate | That the Plan be developed and implemented | High | | Several RAP working group meetings held. Plan is in draft form. NAIDOC week events held. |

1.3 Continue to improve access and inclusion of aged persons and those with disabilities.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|-------------------------|---|------------------|-------|---|
| a | Review the Disability Access and Inclusion Plan | Corporate | Council adopts reviewed plan | Moderate | | Underway and is reviewed at each meeting of the DAIP. |
| b | Implement initiatives adopted and funded by Council contained in the Disability Access and Inclusion Plan | Corporate | That initiatives such as Beach access, ACDRO Parking Bays and access to information in user friendly formats are undertaken in accordance with budget allocations | High | | A number of ACROD bays have been completed. Beach matting is still being reviewed as to its suitability. Website add on now included multi language options. Four (4) additional ACROD bays installed at various south Cottesloe carparks. Option for beach access under investigation. |
| c | Retain an interest in preserving aged services to the Cottesloe region | Executive | That service provided such as Wearne and Shine remain available and accessible to senior members of the community | High | | Shine services regularly promoted through the Town's Facebook page and newsletter. Both Shine and Wearne are members of the Town's Universal Access and Inclusion Community Reference Group. |

1.4 Develop and implement Event controls to regulate public events in Cottesloe including the supporting and promoting of approved events.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|------------------------------------|--|------------------|-------|---|
| a | Review documentation relating to events management in respect of events that the Town hosts | Corporate | That the documentation be reviewed and updated if required | Moderate | | Complete. |
| b | Review documentation relating to events conducted by third parties including compliance and contract management arrangements | Corporate | That the documentation be reviewed and updated if required | Moderate | | New Booking software is approved and being implemented. Regular Compliance checks occurring for external events. New Events Coordinator commenced. |
| c | Carry out a community noise survey for all event spaces | Compliance and Regulatory Services | That the survey be undertaken and results used to adjust and event matters if required | Moderate | | No action to date |
| d | Continue support for the Sculpture by the Sea event inclusive of entering into an Agreement for the conduct of the event for the coming 8 years | Corporate | That the Agreement be finalised and observed allowing for responsibilities to be known and the event to proceed smoothly | High | | Council resolved to enter into long term funding agreement, the new agreement has been executed. Sculpture by the Sea event for 2022 occurred without incident, organisers believed success, despite Covid 19 restrictions. |

1.5 Develop and implement a strategy for the deployment of Electronic Surveillance Equipment (CCTV) within Cottesloe.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|------------------------------------|--|------------------|-------|---|
| a | Create a CCTV Policy that deals with footage control | Compliance and Regulatory Services | That the Policy be developed and submitted for Council's consideration | Moderate | | Currently being reviewed internally. Potential funding opportunity to assist review. Coordinator of Ranger Services has just been appointed and will be working on this project |
| b | Review CCTV Strategy including Replacement Program, technologies used and cost/benefits of the initiative | Compliance and Regulatory Services | That the Strategy be reviewed and any actions identified be undertaken in accordance with existing or new budget allocations | Moderate | | No action to date – dependent on above Coordinator of Ranger Services has just been appointed and will be working on this project |

Priority Area 2 – INFRASTRUCTURE – Achieving Connectivity between East and West Cottesloe

2.1 Implement the Foreshore Redevelopment Plan.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|--------------------------|--|------------------|-------|---|
| a | As part of the Foreshore Masterplan develop concepts and designs for Carpark 2 | Engineering | Detailed designs and concepts are completed and submitted to Council | Flagship | | Currently in discussions with State and Federal Government representatives regarding concept and funding |
| b | Source funding for implementation of the Foreshore Masterplan | Engineering | External funding confirmed | Flagship | | Formal meetings with: <ul style="list-style-type: none"> • Deputy Premier • Minister for Planning • Minister for Lands • Federal Member (prior/post election) • Federal Election Candidates • Various relevant Associations (UDIA, Tourism Australia, TWA, AHA) • Letters of support received • Seeking meeting with State Premier. |
| c | Implement/ Construct Foreshore Masterplan projects as budgets and funding permits, inclusive of the redevelopment of Carparks 1 and 2 | Engineering | Project completed inclusive of the various components which comprise it | Flagship | | Dependent on funding – no action to date |
| d | Develop an integrated transport strategy | Executive | That the Strategy be developed and submitted to Council | Flagship | | Subject to internal review, seeking advice regarding Main Roads future plans. All supporting strategies i.e. LTCN, parking strategy have been drafted. |
| e | Ensure integration is achieved with the various private developments of Marine Parade and the Foreshore Masterplan | Development/ Engineering | That compatible outcomes are achieved in the design and implementation of the various developments in the main Beach precinct of Cottesloe | Flagship | | Various SDAU and JDAP applications under consideration. Proposal for potential redevelopment of Indiana site under consideration. |

2.2 Implement renewal projects for public open space in Cottesloe.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|---|--|------------------|-------|---|
| a | Replace Anderson Pavilion | Engineering | That the current building be replaced with a more modern fit for purpose facility | Flagship | | Council has awarded the design and construction contract for the works. Works to commence March'22. <ul style="list-style-type: none"> • Demolition completed. • Pad Laid. • Managing significant price variation issue. • Updated Council and stakeholders on various issues. |
| b | Work with the Rugby and the Seaview Golf Club in determining their future direction in so far as infrastructure provision is concerned | Compliance and Regulatory Services/ Engineering and Corporate | That the clubs be consulted and involved in decisions that impact their operations to their satisfaction | Very High | | Ongoing meetings with stakeholder groups regarding recreation precinct plan. Rugby club upgrades works determined and included in 22/23 Budget. Review of Golf Clubhouse building completed. Meeting organised with Golf Club on various matters. Harvey Fields Recreation Plan Community Consultation completed and being reported to Council. |
| c | Finalise Recreation Precinct Masterplan | Engineering | That the Plan be finalised and adopted by Council | High | | Harvey Field Recreation Precinct Masterplan presented to Council. Council has approved the following: <ul style="list-style-type: none"> • Teebox relocation design and for this to return to Council; • Playground upgrade concept development; and • Construction of 2 ACROD bays adjacent to the Anderson Pavilion Further investigation on the proposed parking upgrade along Jarrad, Broome and Pearse Street (requested by Council). |
| d | Implement the Recreation Precinct Masterplan | Engineering | That the Plan be implemented in stages as budgets and funding enable | Moderate | | Implementation plan to be developed based on community consultation and feedback. |

2.3 Lobby the State Government for infrastructure improvements to major State assets within the Cottesloe town site area.

Strategies and Enabling Documents

- Lobbying actions to be ongoing annually until achieved

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|-------------------------|--|------------------|-------|--|
| a | Lobby and advocate for the development of a Strategic Plan for railway crossings within the western suburbs | Executive | That advocacy continues and that a positive outcome eventuates | Moderate | | Council resolved to join State Govt's Western Suburbs Working Group, who's goal is the develop a strategic plan for major transport routes, including rail line. Requested meeting with Main Roads/ Transport Minister to update Town on potential bridges/road works associated with Railway line. Further discussions with neighbouring LGs. Little progress from State Government working group |
| b | Lobby the State Government for improvements to the Eric Street bridge, to ease traffic congestion while improving pedestrian access and safety | Executive | That lobby efforts are successful resulting in improvements to the bridge infrastructure | Moderate | | Working with Main Roads to develop an acceptable design, so it can be included in State Budget. Trying to organise meeting with Main Roads to brief Council. Main Roads focus on Condong Street Bridge. |
| c | Lobby the State Government for improvements to the Jarred Street crossing, including the provision of grade separation | Executive | That the State Government commits to the project | Moderate | | Advised by Main Roads this is not a State Priority until current rail bridges are resolved. No further action, other potential discussion via Precinct Plan. |
| d | Lobby the State Government to identify and implement the best connectivity option for the Fremantle rail line through Cottesloe | Executive | Works occur to improve east/west connectivity in the Cottesloe town site area | Moderate | | Council resolved to join State Govt's Western Suburbs Working Group, who's goal is the develop a strategic plan for major transport routes, including rail line. Arranging meetings with Main Roads to brief Council. No further action from State Government to date, other than Swanbourne Precinct Masterplan survey released. |

2.4 Develop an 'Integrated Transport Strategy' that includes cycling, park and ride, public transport and parking management strategies to meet the needs of pedestrians, cyclists and other non-vehicular traffic.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|-------------------------|--|------------------|-------|--|
| a | Pending the outcome of Eric Street bridge work options, work with State agencies to develop a costed safe design that relocates school parking and drop off point from Eric Street to Railway Street | Engineering | Safe design accepted by Council | High | | Project has been deferred till Main Roads provides a briefing to Council on the Eric Street Bridge Upgrade Concept. |
| b | Source funding from State Government for implementation of identified works | Engineering | That funding is provided | High | | Subject to above |
| c | Construct the design in accordance with the specifications | Engineering | That the works be completed on time and on budget | High | | Subject to above |
| d | Complete Eric Street cycleway from Marine Parade to Curtin Avenue | Engineering | Cycleway is built on time and within budget | High | | Funding secured. Design resolved by Council. |
| e | Implement the adopted priorities contained within the Town of Cottesloe Long Term Cycle Network Strategy | Engineering | That the Town's Long Term Cycle Network Strategy is progressively completed in accordance with adopted budgets | Moderate | | Active Transport Group has provided advice on the long term cycle network delivery. An implementation strategy to be developed. Eric Street Shared Path detail design complete and constructed in 2022/2023. |
| f | Lobby for funds to implement the Foreshore PSP | Engineering | Foreshore PSP funded and constructed | Very High | | Tied with Foreshore design and funding opportunities. |

Priority Area 3 – ENVIRONMENT – Enhancing Beach Access and the Foreshore

3.1 Implement policies that protect existing trees and that actively seek to increase the tree canopy in Cottesloe.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|--|---|------------------|-------|---|
| a | Develop a Green Infrastructure Management Plan for the Town | Engineering | That the Plan is developed and submitted for Council's consideration | Very High | | In progress. |
| b | Implement the Green Infrastructure Plan following adoption by Council | Engineering | Plantings are carried out in accordance with the adopted Plan | Very High | | Subject to above |
| c | The Town implements an annual program of planting additional trees in public reserves it controls | Engineering | Additional plantings are carried out under the tree plan | Very High | | 2022 winter planting is in progress. |
| d | Encroachments on verges, in particular those detrimental to trees, be addressed as part of a removal or permit system to protect both the trees and reduce any potential liability to the Town | Compliance and Regulatory Services and Engineering | That a Strategy be developed and then implemented to address the many encroachments that are known to exist | High | | Council has approved a verge play equipment management protocol for implementation. Street Tree Policy review adopted by Council. |

3.2 Continue to improve access to beach facilities.

Strategies and Enabling Documents

- Disability Access and Inclusion Plan
- Asset Management Plan
- Long Term Financial Plan

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|-------------------------|--|------------------|-------|--|
| a | Develop a Beach Access Paths Priority Plan including rationalisation of existing access ways | Engineering | That the plan be developed and submitted for Council's consideration | Very High | | Beach access path rationalisation physically complete. An implementation strategy is being finalised. |
| b | Implement the Beach Access Paths Priority Plan | Engineering | That the Plan be implemented in accordance with Council's direction and budget allocations | Very High | | As per above. Budget allocation for upgrades are included in 22/23 Budget. |
| c | Replace public ablutions at Cottesloe Main Beach (Indiana) in conjunction with the redevelopment of Indiana | Engineering | Facility opened for public use | Very High | | Council resolve to require public toilets with any redevelopment of Indiana's. Preferred site identified at No2 Carpark. |
| d | Provide universal access to all facilities at Cottesloe Beach | Engineering | Universal access provided to upgraded facilities as part of both private and public Foreshore developments | High | | Universal Access included in Foreshore redevelopment plan. Universal access projects to the south of the Indiana Teahouse were completed in 2019 and 2020. |

3.3 Improve dune conservation outside of the Central Foreshore Zone (implement Natural Area Management Plan).

Strategies and Enabling Documents

- Natural Area Management Plan]

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|-------------------------|--|------------------|-------|---|
| a | Prioritise and cost projects for inclusion in the Natural Asset Management Plan (NAMP) | Engineering | Asset Management Plan and Long Term Financial Plan updated to include priorities and projects from Natural Areas Management Plan | High | | NAMP is being reviewed and updated |
| b | Implement projects contained in the NAMP | Engineering | That the projects are successfully completed | High | | Subject to above |
| c | Implement Natural Asset Management Plan projects per adopted plan and budget allocations | Engineering | That adopted projects are completed on time and within budget | High | | Allocation for natural areas planting included in 22/23 Budget. |
| d | Cost and support Coast Care plan initiatives with the Coastal Dune Management | Engineering | Annual program of maintenance, inspecting and updating set in place and reported to Council | High | | New MOU with NRM completed and executed. Natural Area Alliance Meeting comprising of Town, NRM and CoastCare held. Annual Allocation to CoastCare and Perth NRM considered as part of 22/23 Budget deliberations. |



Priority Area 4 – DEVELOPMENT – Managing Development

4.1 Implement the Cottesloe Precinct Improvement Plan.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|-----------------------------|--|------------------|-------|--|
| a | Develop in conjunction with PTA and DoP a Structure Plan for the Railway lands in Cottesloe | Development | That a Structure Plan be developed and submitted to Council for consideration | High | | No action to date |
| b | Complete the Cottesloe Town Centre Precinct Plan including the consideration of infill to identified areas | Engineering | That the plan be finalised and submitted to Council for adoption | Flagship | | New MOU adopted by Council Regular steering group meetings occurring. Current timeframes are on target for completion. |
| c | Implement those initiatives contained in the Precinct Plan as per Council's budget allocations | Engineering | That works be undertaken on time and within budget | Flagship | | Subject to above |
| d | Consult with the Public Transport Authority, Main Roads WA and relevant State agencies to redevelop the train station interface with the Town Centre | Executive | A design for the redevelopment of the train station/town centre interface is developed | Very High | | Initial discussions ongoing as part of overall railway corridor upgrade development. Subject to progress of Precinct Plan |
| e | Establish an Interagency Project Group to consider the interface between Cottesloe Train station and Forrest Street | Development/ Engineering | That the group be established and operational | Very High | | Council resolved to join State Govt's Western Suburbs Working Group, who's goal is the develop a strategic plan for major transport routes, including rail line. Trying to create similar working group with just SoPG to target this area. Western Suburbs Working Group yet to meet. No meeting has be progressed to date. Metronet has also established a working group for Swanbourne train station however; a meeting has not yet occurred. |



Cottesloe Beach clean up event - sifting for microplastics

4.2 Oversee the proper, orderly Planning of sites within the community recognising Heritage, Height controls and neighbour considerations.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|-------------------------|---|------------------|-------|---|
| a | Review the Cottesloe Local Heritage List as and when required | Development | That the review be undertaken and the document updated as required | Moderate | | Officers have started to review the Town's Heritage list. Received grant to undertake heritage review as part of Scheme review. |
| b | Facilitate the Community History Program as adopted in the 2021/22 Town Budget | Corporate | That work on the Community History project be commenced and continued | Moderate | | Ongoing. |
| c | Develop a Short Stay Policy to guide Development based on direction provided by the State Government to ensure consistency in application across the State | Development | That a Policy be developed and then enforced | Very High | | Council made submission regarding draft state policy. Awaiting update on State Policy. |

Priority Area 5 – ECONOMIC SUSTAINABILITY - Providing Sustainable Infrastructure and Community Amenities

5.1 Maximise income from non-rates sources.

Strategies and Enabling Documents

- Long Term Financial Plan
- Asset Management Plan
- 5 Year Works Program

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|-------------------------|---|------------------|-------|--|
| a | Develop a list of projects that would be capable of attracting grants and develop grant applications accordingly | Corporate | Grant income | Flagship | | Current focus on funding existing projects, however this is subject to budget bids each year. Major projects include Foreshore, Skatepark and Recreation Precinct. |
| b | Actively pursue Federal and State Government funding opportunities as well as sponsorship or private investment arrangements for key projects | Executive | Number of grants submitted and the rate of success measured by funding achieved | Flagship | | Ongoing for various projects. |
| c | Actively pursue the highest return for leases held by the Town and research other investment opportunities | Corporate | Leases reviewed and amended when they are presented for renewal | High | | All leases reviewed as they expire. EOI issued for Barchetta lease, awaiting Council's determination. Seeking valuation for golf course as part of lease negotiations. |
| d | Annually review all investments in order to maximise returns received | Corporate | Rate of return on investments is improved | High | | Period record low interest rates, difficult to maximise returns without exposing Council to higher risks. Investing as per current Council policy. |
| e | Maximise the obtaining of Government stimulus funding as a result of COVID 19 | Corporate | Continue to access funds where possible | Flagship | | Stimulus funding received, based on length of road network. No new funding available at this time. |
| f | Explore economic development opportunities to maximise economic sustainability | Executive | That opportunities are realised as and when they present | Flagship | | Focus on funding flagship projects. Monthly meeting with ProCott. |

5.2 Shared services with neighbouring Councils.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|------------------------------------|---|------------------|-------|--|
| a | Continue to explore partnerships with other local governments | Executive | That discussions are held and projects developed if justified | High | | Continue to work the ToMP and SoPG with Library. Partnership with other local governments re WHS implemented. Discussing regional approach to RAP. |
| b | Continue to monitor and explore shared services such as Library, Depot, Rangers, EHOs for efficiencies and effective service delivery | Executive | Adjustments to service provision is undertaken if necessary | Very High | | Ongoing. |
| c | Remain involved and abreast of Emergency Management by continued participation in the Regional Local Emergency Management Committee as well as continuing collaboration with LEMC, WMRC and WESROC | Compliance and Regulatory Services | Involvement and meeting attendance occurs, risk management planning, local recovery plans | Moderate | | Ongoing involvement with LEMC and DEMC. CEO to become new chair in 21/22. 3 LEMC meetings hosted by the Town. Emergency exercise planned for July. |
| d | Continue to participate in Waste Management programs with neighbouring councils including the shared Waste Management facility at Shenton Park being the main source of waste disposal and recycling | Compliance and Regulatory Services | That Waste Management Service remain at a high standard throughout the town | High | | Ongoing involvement with WMRC. Waste Plan endorsed by State Govt. |

5.3 Develop and implement long term planning strategies per the Integrated Planning and Reporting requirements.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|------------------------------------|--|------------------|-------|--|
| a | Review and update annually the Long Term Financial Plan (LTFP) | Corporate | Annual review of LTFP undertaken | Moderate | | Initial LTFP presented March 2022. To be completed following adoption of 2022/23 Budget. |
| b | Develop and implement the Public Health Plan for the Town of Cottesloe | Compliance and Regulatory Services | That the plan is operational and effective | Moderate | | Consultant to be engaged to assist. Discussions with neighbouring LGS on possible share service approach. |
| c | Complete the Asset Management Plan for the Town of Cottesloe | Engineering | Asset Management Plan presented to Council for endorsement | Moderate | | Initial Asset Management Plan presented to Council in December. To be updated as per LTFP and represented to Council. |
| d | Review Workforce Plan and redevelop strategies contained therein | Executive | That the plan be reviewed and updated | High | | Implemented as part of 22/23 budget workshops. EBA progressed to Vote, but unsuccessful. Renegotiations in progress. |
| e | Review the Corporate Business Plan on an annual basis per legislative requirements | Corporate | That the review be undertaken and the plan updated each year | Very High | | Reviewed Corporate Business Plan adopted by Council in March 2022. |
| f | Review the Strategic Community Plan once every 2 years (Desktop) with a full review and reprint once every 4 years in accordance with Departmental best practice guidelines | Corporate | That the reviews be undertaken and completed satisfactorily | Very High | | Scheduled for 2022/23. |
| g | Retain connections with local, regional and State/Federal Tourism strategies that may impact the community | Executive | Ensure the Town's Tourism interests are represented and promoted | High | | Working with Destination Perth, TWA & Tourism Australia to promote foreshore project. Received letter of support from AHA. |

5.4 Manage assets that have a realisable value.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|------------------------------------|---|------------------|-------|---|
| a | Identify and categorise freehold and Reserve land assets held by the town in view of developing a strategy for their future use | Development | Inventory presented to Council with recommendations on action | High | | Currently an ad hoc process, subject to external proposals |
| b | Identify sites where the Town would be able to invest by either purchasing unallocated Crown Land or approaching the State with joint development projects | Executive | Appropriate acquisitions made or joint ventures entered into | Moderate | | Very preliminary discussions with State Government on options for Carpark no.2. |
| c | Town Leases are set up to generate income and minimise expenses | Corporate | Ensure leases are administered with a view to maximising returns | Moderate | | Ongoing review in progress as leases expire. |
| d | Continue to evaluate the Right of Way Strategy in terms of sealing, determining ownership and exploring land transfer options | Engineering | That opportunities continue to be assessed and implemented as deemed necessary | Moderate | | Completed |
| e | Implement the new Parking system including utilising available new technologies | Compliance and Regulatory Services | That the new system be implemented and infringement measurements be recorded as an assessment basis | Flagship | | Completed, expansion of system budgeted for 22/23. |

Priority Area 6 – GOVERNANCE – Providing Open and Accountable Local Governance

6.1 Implement technologies to enhance collaborative decision making, communication and service delivery.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|-------------------------|---|------------------|-------|---|
| a | Review the effectiveness of the Customer Relationship Management (CRM) system | Corporate | Customer Relationship Management system in place and providing relevant reporting data if justified | High | | Customer Service survey completed. Main issues identified is the Website (being addressed) and email/written correspondence. |
| b | Undertake a review of the current core operating systems to implement improvements | Executive | A full review of the core operating systems areas complete and a prioritised list of improvements presented | High | | Council approved to replace existing ERP system. Project underway. |
| c | Develop and implement an Information Technology Plan including Data Recovery and Replacement programs | Corporate | That the Plan be developed and implemented | High | | Outdated IT equipment replaced. Servers removed and cloud environment installed. New ERP system project commenced. Replacement Program being finalised. |
| d | Business Continuity Plan - Benchmark with other local government internal service provision for effectiveness | Corporate | That the benchmarking be undertaken | High | | Part of overall IT systems review currently being undertaken including Replacement Program and contingency plan for loss of system. |
| e | Develop a Customer Service Charter for the Town | Corporate | That the Charter be developed and implemented | Very High | | Implemented. |

6.2 Ongoing review and updating of various Council Policies, Local Laws and Delegations.

Strategies and Enabling Documents

- Strategic Community Plan
- Corporate Business Plan

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|-------------------------|--|------------------|-------|---|
| a | Continually review the Policies of Council to ensure they are up to date, relevant and have application to the current circumstances | Corporate | That the Policies of Council are reviewed and do not fall into the category of non relevance | Very High | | Ongoing and various policies have been reviewed and considered by Council. |
| b | Ensure that where relevant, Council's final consideration of major issues follows appropriate community consultation | Executive | Appropriate consultation undertaken | Moderate | | Ongoing, all community consultation reported to Council. |
| c | Review the Town's Local Laws on a regular basis and in accordance with legislative requirements | Corporate | Regular reviews provided to Council for consideration | High | | Ongoing, new Standing Orders Local Law reviewed and adopted by Council. Parking and Dogs Local Laws presently being reviewed. |
| d | Review Council Delegations in place at least annually and in accordance with legislative requirements | Corporate | Annual reviews provided to Council for consideration | High | | Completed May 2022. |

6.3 Continue to deliver high quality governance, administration, resource management and professional development.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|---|-------------------------|--|------------------|-------|--|
| a | Support the ongoing provision of training for staff, membership of relevant associations and study leave pursuant to Council Policy for relevant professional development | Executive | Highly skilled and supported staff available to guide and advise Council | Moderate | | Ongoing |
| b | Prepare and Implement a customised elected member training and development program | Executive | Increased confidence in decision making skills and procedural awareness of elected members | Moderate | | Providing training opportunities to Elected Members. |
| c | Undertake a cost analysis of significant decisions made that vary or amend projects | Executive | Increased awareness of the cost of making decisions that alter the current state of projects | Moderate | | Ongoing, dependent on scale of variation. Significant variations presented to Council for consideration – Dutch Inn Playground |
| d | Ensure Council elections undertaken by the Electoral Commissioner proceed with assistance and cooperation from the Town | Corporate | The Bi-annual elections are conducted without issue | Moderate | | Elections held 16 October 2021. |

6.4 Enhance the Town's ability to embrace and manage change.

Strategies and Enabling Documents

| | Actions | Responsible Directorate | Success Indicator | Service Priority | 21/22 | Actions |
|---|--|-------------------------|--|------------------|-------|--|
| a | Ensure Processes in place to educate community on impending changes | Executive | Relevant information on any change issue is freely available to residents and ratepayers | Moderate | | Ongoing, learning from previous exercises. |
| b | Project pages on the Town's website are updated regularly | Executive | Relevant information on any change issue is freely available to residents and ratepayers | Moderate | | Ongoing and its undertaken. |
| c | Regularly review administration structure and service delivery models to ensure they are as up to date and fit for the intended outcomes and purpose | Executive | Administration Structure and services offered are modern and meet the needs of the community | Moderate | | Minor restructure implemented. Ranger Services currently under review – Coordinator of Rangers and Compliance appointed, with the Compliance Officer now reporting to the Coordinator (as opposed to the Director). Draft Workforce plan currently under review. Staff requesting additional resources to support increased workloads. Staff satisfaction Survey completed. |

Major Projects Funding Actions

| Project | Actions |
|--|--|
| Foreshore Redevelopment & Car Park No.2 | 18 January 2022 – Meeting with Tourism WA to discuss funding 28 January 2022 – Meeting with Deputy Premier Roger Cook Chief of Staff 18 February 2022 – Meeting with Dr Katrina Stratton MP on various issues including Foreshore Redevelopment. 21 February 2022 – Meeting with Minister for Lands and Local Government, John Carey regarding Foreshore Redevelopment and reclassification for Car Park no.2 1 March 2022 – Meeting with Minister for Planning regarding Foreshore Redevelopment Design. 14 March 2022 – Celia Hammond Listing Post Meeting regarding Foreshore Redevelopment 18 March 2022 – Meeting with Sculpture by the Sea regarding Foreshore Redevelopment Design. 12 April 2022 – Meeting with Federal candidate Yannick Spencer regarding Foreshore and other TOC projects. 12 April 2022 – Meeting with Federal candidate, Kate Chaney regarding Foreshore and other TOC projects. 20 April 2022 – Meeting with Deputy Premier regarding Funding opportunities fro Foreshore Redevelopment 28 April 2022 – Celia Hammond MP announces \$7m commitment to Foreshore should the coalition be related. 29 April 2022 – Letter sent to State Premier requesting meeting to discuss funding for Foreshore Redevelopment. 21 May 2022 – Federal Election, change in Government. June 2022 – Follow up to inquiry with Premier regarding request to meet, Premier overseas. |
| Skate Park | 4 December 2021 – Community Workshops held on Concept Design February 2022 – Council adopted preferred concept design March 2022 – Meetings with Perth NRM and Cottesloe CoastCare to develop revegation plan April 2022 – Council adopts John Black Dune Park Masterplan. 9 May 2022 – State NRM grant submitted for Revegetation component. 19 May 2022 – Business Case/funding application meeting with consultant June 2022 – Council briefed on proposed LotteryWest application main points, application to be submitted early July. |
| Anderson Pavilion | October 2021 – Contract Awarded and prestart meetings November 2021 – December 2021 – Detailed Design progressed. March/April 2022 – Existing Pavilion demolished, Building Permit Issued June/July 2022 – Contract Variation requested due to increase in construction material prices, under review |
| Dutch Inn Playground | 27 November 2021 – Playground formally opened. |

FINANCIAL REPORT

FOR THE YEAR ENDED
30TH JUNE 2022

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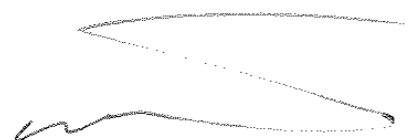
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**TOWN OF COTTESLOE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Town of Cottesloe for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Town of Cottesloe at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 5th day of April 2023



Chief Executive Officer

William Matthew Scott

Name of Chief Executive Officer

**TOWN OF COTTESLOE
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022**

| NOTE | 2022 Actual | 2022 Budget | 2021 Actual |
|---|---------------------|---------------------|---------------------|
| | \$ | \$ | \$ |
| Revenue | | | |
| Rates | 11,344,384 | 11,277,445 | 10,875,226 |
| Operating grants, subsidies and contributions | 615,404 | 303,458 | 346,975 |
| Fees and charges | 3,107,449 | 2,204,350 | 2,422,833 |
| Interest earnings | 119,682 | 137,995 | 136,573 |
| Other revenue | 212,445 | 125,980 | 254,617 |
| | 15,399,364 | 14,049,228 | 14,036,224 |
| Expenses | | | |
| Employee costs | (5,612,687) | (5,572,747) | (5,278,211) |
| Materials and contracts | (5,675,000) | (6,399,748) | (5,110,884) |
| Utility charges | (330,981) | (357,220) | (346,937) |
| Depreciation | (2,892,830) | (2,442,097) | (2,743,636) |
| Finance costs | (226,250) | (232,046) | (250,180) |
| Insurance | (190,707) | (195,772) | (172,309) |
| Other expenditure | (457,170) | (418,060) | (465,072) |
| | (15,385,625) | (15,617,690) | (14,367,229) |
| | 13,739 | (1,568,462) | (331,005) |
| Capital grants, subsidies and contributions | 736,996 | 1,754,321 | 380,291 |
| Profit on asset disposals | 28,412 | 0 | 6,418 |
| Loss on asset disposals | (255,690) | 0 | 0 |
| Fair value adjustments to financial assets at fair value through profit or loss | 5,995 | 0 | 3,879 |
| Share of net profit of associates accounted for using the equity method | (51,857) | 0 | (70,162) |
| Loss on revaluation of Streetscape | 0 | 0 | 0 |
| | 463,856 | 1,754,321 | 320,426 |
| Net result for the period | 477,595 | 185,859 | (10,579) |
| Other comprehensive income for the period | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | |
| Changes in asset revaluation surplus | 32,443,705 | 0 | (20,481,658) |
| Total other comprehensive income for the period | 32,443,705 | 0 | (20,481,658) |
| Total comprehensive income for the period | 32,921,300 | 185,859 | (20,492,237) |

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

TOWN OF COTTESLOE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

| | NOTE | 2022 \$ | 2021 \$ |
|--------------------------------------|-------|--------------------|--------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 13,959,471 | 11,485,299 |
| Trade and other receivables | 5 | 528,885 | 620,318 |
| Other financial assets | 4(a) | 64,906 | 62,141 |
| Inventories | 6 | 9,180 | 9,560 |
| Other assets | 7 | 72,348 | 37,373 |
| TOTAL CURRENT ASSETS | | 14,634,790 | 12,214,691 |
| NON-CURRENT ASSETS | | | |
| Trade and other receivables | 5 | 222,012 | 301,177 |
| Other financial assets | 4(b) | 328,297 | 387,207 |
| Investment in associate | 19(a) | 531,778 | 583,635 |
| Property, plant and equipment | 8 | 61,870,055 | 62,606,095 |
| Infrastructure | 9 | 71,598,109 | 38,966,860 |
| Right-of-use assets | 11(a) | 1,177,429 | 1,249,999 |
| TOTAL NON-CURRENT ASSETS | | 135,727,680 | 104,094,973 |
| TOTAL ASSETS | | 150,362,470 | 116,309,664 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 12 | 3,368,226 | 1,988,606 |
| Lease liabilities | 11(b) | 56,751 | 58,211 |
| Borrowings | 13 | 350,347 | 329,882 |
| Employee related provisions | 14 | 1,203,286 | 1,062,510 |
| TOTAL CURRENT LIABILITIES | | 4,978,610 | 3,439,209 |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | 11(b) | 1,188,423 | 1,246,805 |
| Borrowings | 13 | 2,460,557 | 2,810,904 |
| Employee related provisions | 14 | 196,257 | 195,423 |
| TOTAL NON-CURRENT LIABILITIES | | 3,845,237 | 4,253,132 |
| TOTAL LIABILITIES | | 8,823,847 | 7,692,341 |
| NET ASSETS | | 141,538,623 | 108,617,323 |
| EQUITY | | | |
| Retained surplus | | 29,236,044 | 28,434,028 |
| Reserve accounts | 26 | 8,267,063 | 8,591,484 |
| Revaluation surplus | 15 | 104,035,516 | 71,591,811 |
| TOTAL EQUITY | | 141,538,623 | 108,617,323 |

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

TOWN OF COTTESLOE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

| | NOTE | RETAINED SURPLUS \$ | RESERVE ACCOUNTS \$ | REVALUATION SURPLUS \$ | TOTAL EQUITY \$ |
|--|------|---------------------------|---------------------------|------------------------------|-----------------------|
| Balance as at 1 July 2020 | | | | | |
| | | 27,948,844 | 9,087,247 | 92,073,469 | 129,109,560 |
| Comprehensive income for the period | | | | | |
| Net result for the period | | (10,579) | 0 | 0 | (10,579) |
| Other comprehensive income for the period | 15 | 0 | 0 | (20,481,658) | (20,481,658) |
| Total comprehensive income for the period | | (10,579) | 0 | (20,481,658) | (20,492,237) |
| Transfers from reserves | | | | | |
| Transfers to reserves | 26 | 3,387,752 | (3,387,752) | 0 | 0 |
| | 26 | (2,891,989) | 2,891,989 | 0 | 0 |
| Balance as at 30 June 2021 | | 28,434,028 | 8,591,484 | 71,591,811 | 108,617,323 |
| Comprehensive income for the period | | | | | |
| Net result for the period | | 477,595 | 0 | 0 | 477,595 |
| Other comprehensive income for the period | 15 | 0 | 0 | 32,443,705 | 32,443,705 |
| Total comprehensive income for the period | | 477,595 | 0 | 32,443,705 | 32,921,300 |
| Transfers from reserves | | | | | |
| Transfers to reserves | 26 | 821,836 | (821,836) | 0 | 0 |
| | 26 | (497,415) | 497,415 | 0 | 0 |
| Balance as at 30 June 2022 | | 29,236,044 | 8,267,063 | 104,035,516 | 141,538,623 |

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

TOWN OF COTTESLOE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

| NOTE | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|--|----------------------|----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Rates | 11,465,976 | 11,277,445 | 10,849,664 |
| Operating grants, subsidies and contributions | 642,703 | 303,458 | 384,126 |
| Fees and charges | 3,114,732 | 2,204,350 | 2,391,214 |
| Interest received | 119,682 | 137,995 | 143,632 |
| Goods and services tax received | 0 | 800,000 | 799,305 |
| Other revenue | 212,445 | 125,980 | 251,624 |
| | <u>15,555,538</u> | <u>14,849,228</u> | <u>14,819,565</u> |
| Payments | | | |
| Employee costs | (5,413,243) | (5,572,747) | (5,103,645) |
| Materials and contracts | (4,414,642) | (6,325,907) | (5,326,041) |
| Utility charges | (330,981) | (357,220) | (364,987) |
| Finance costs | (226,250) | (232,046) | (255,072) |
| Insurance paid | (190,707) | (195,772) | (172,309) |
| Goods and services tax paid | 40,877 | (800,000) | (764,398) |
| Other expenditure | (456,792) | (418,060) | (479,112) |
| | <u>(10,991,738)</u> | <u>(13,901,752)</u> | <u>(12,465,564)</u> |
| Net cash provided by (used in) operating activities | 16(b) 4,563,800 | 947,476 | 2,354,001 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for purchase of property, plant & equipment | 8(a) (595,668) | (1,705,162) | (619,699) |
| Payments for construction of infrastructure | 9(a) (2,031,578) | (2,887,557) | (2,778,439) |
| Non-operating grants, subsidies and contributions | 736,996 | 1,754,321 | 380,291 |
| Proceeds from financial assets at amortised cost - self supporting loans | 62,140 | 66,618 | 59,513 |
| Proceeds from sale of property, plant & equipment | 10(c) 128,206 | 140,000 | 28,918 |
| Net cash provided by (used in) investing activities | (1,699,904) | (2,631,780) | (2,929,416) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings | 25(a) (329,882) | (329,882) | (310,650) |
| Payments for principal portion of lease liabilities | 25(c) (59,842) | (58,211) | (56,502) |
| Net cash provided by (used in) financing activities | (389,724) | (388,093) | (367,152) |
| Net increase (decrease) in cash held | 2,474,172 | (2,072,397) | (942,567) |
| Cash at beginning of year | 11,485,299 | 11,300,626 | 12,427,866 |
| Cash and cash equivalents at the end of the year | 16(a) 13,959,471 | 9,228,229 | 11,485,299 |

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

TOWN OF COTTESLOE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

| NOTE | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|--|----------------------|----------------------|----------------------|
| NET CURRENT ASSETS - At start of financial year - surplus/(deficit) | 24(b) 1,483,578 | 556,930 | 1,853,753 |
| OPERATING ACTIVITIES | | | |
| Revenue from operating activities (excluding general rate) | | | |
| Rates (excluding general rate) | 23(a) 0 | 0 | 0 |
| Operating grants, subsidies and contributions | 615,404 | 303,458 | 346,975 |
| Fees and charges | 3,107,449 | 2,204,350 | 2,422,833 |
| Service charges | 0 | 0 | 0 |
| Interest earnings | 119,682 | 137,995 | 136,573 |
| Other revenue | 212,445 | 125,980 | 254,617 |
| Profit on asset disposals | 10(c) 28,412 | 0 | 6,418 |
| Fair value adjustments to financial assets at fair value through profit or loss | 5,995 | 0 | 3,879 |
| Fair value adjustments to investment property | 0 | 0 | 0 |
| Share of net profit of associates and joint ventures accounted for using the equity method | (51,857) | 0 | (70,162) |
| | <u>4,037,530</u> | <u>2,771,783</u> | <u>3,101,133</u> |
| Expenditure from operating activities | | | |
| Employee costs | (5,612,687) | (5,572,747) | (5,278,211) |
| Materials and contracts | (5,675,000) | (6,399,748) | (5,110,884) |
| Utility charges | (330,981) | (357,220) | (346,937) |
| Depreciation | (2,892,830) | (2,442,097) | (2,743,636) |
| Finance costs | (226,250) | (232,046) | (250,180) |
| Insurance | (190,707) | (195,772) | (172,309) |
| Other expenditure | (457,172) | (418,060) | (465,072) |
| Loss on asset disposals | 10(c) (255,690) | 0 | 0 |
| Loss on revaluation of non-current assets | 0 | 0 | 0 |
| Reversal of prior year loss on revaluation of assets | 0 | 0 | 0 |
| | <u>(15,641,317)</u> | <u>(15,617,690)</u> | <u>(14,367,229)</u> |
| Non-cash amounts excluded from operating activities | 24(a) 3,237,320 | 2,427,068 | 2,821,500 |
| Amount attributable to operating activities | (8,366,467) | (10,418,839) | (8,444,596) |
| INVESTING ACTIVITIES | | | |
| Non-operating grants, subsidies and contributions | 736,996 | 1,754,321 | 380,291 |
| Proceeds from disposal of assets | 10(c) 128,206 | 140,000 | 28,918 |
| Proceeds from financial assets at amortised cost - self supporting loans | 62,140 | 73,841 | 59,513 |
| Distributions from investments in associates | 0 | 0 | 0 |
| Payments for financial assets at amortised cost - self supporting loans | 0 | 0 | 0 |
| Payments for investments in associates | 0 | 0 | 0 |
| Purchase of property, plant and equipment | 8(a) (595,668) | (1,705,162) | (619,699) |
| Purchase and construction of infrastructure | 9(a) (2,031,582) | (2,887,557) | (2,778,439) |
| Purchase of investment property | 11 0 | 0 | 0 |
| Payments for intangible assets | 11 0 | 0 | 0 |
| | <u>(1,699,908)</u> | <u>(2,624,557)</u> | <u>(2,929,416)</u> |
| Non-cash amounts excluded from investing activities | 24(a) 0 | 0 | 0 |
| Amount attributable to investing activities | (1,699,908) | (2,624,557) | (2,929,416) |
| FINANCING ACTIVITIES | | | |
| Repayment of borrowings | 25(a) (329,882) | (329,882) | (310,650) |
| Proceeds from borrowings | 25(a) 0 | 0 | 0 |
| Payments for principal portion of lease liabilities | 25(c) (59,842) | (58,211) | (56,502) |
| Transfers to reserves (restricted assets) | 26 (497,415) | (240,221) | (2,891,989) |
| Transfers from reserves (restricted assets) | 26 821,836 | 1,837,334 | 3,387,752 |
| Amount attributable to financing activities | (65,303) | 1,209,020 | 128,611 |
| Surplus/(deficit) before imposition of general rates | (8,648,100) | (11,277,445) | (9,391,648) |
| Total amount raised from general rates | 23(a) 11,344,384 | 11,277,445 | 10,875,226 |
| Surplus/(deficit) after imposition of general rates | 24(b) 2,696,284 | 0 | 1,483,578 |

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

| | | |
|--|---------------------------------------|----|
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1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations. The 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 Town to measure any vested improvements at zero cost.

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

The local government reporting entity
All funds through which the Town 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 at Note 27 of the financial report.

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

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

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.
- estimation uncertainties made in relation to lease accounting

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependant 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 |
|---|---|--------------------------------------|--|---|---|
| Rates - general rates | General rates | Over time | Payment dates adopted by council during the year | None | When rates notice is issued |
| Grant contracts with customers | 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 as inputs are shared |
| Grants, subsidies or contributions for the construction of non-financial assets | Construction or acquisition of recognisable non financial assets to be controlled by the local government | 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 |
| Grants, subsidies or contributions with no contractual commitments | General appropriations and contributions with no reciprocal commitment | No obligations | Not applicable | Not applicable | When assets are controlled |
| Fees and charges - licences, registrations, approvals | Building, planning, development and animal management, having the same nature as a licence regardless of naming | Single point in time | Full payment prior to issue | None | On approval of the application |
| Fees and charges - pool inspections | Compliance safety check | Single point in time | Equal proportion based on an equal annual fee | None | Apportioned equally across the four yearly inspection cycle |
| Fees and charges - other inspections | Regulatory food, health and safety | Single point in time | Full payment prior to inspection | None | When the inspection is completed |
| Fees and charges - waste management collections | Kerbside collection service | Over time | Payment on annual basis in advance for domestic and eight weekly in arrears for commercial | None | For domestic, when rates notice is issued, for commercial, output method based on regular eight weekly period proportionate to collection service |
| Fees and charges - waste management entry fees | Waste treatment, recycling and disposal service at disposal site | 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 - property hire and entry | Use of halls and facilities | Single point in time | In full in advance | Refund if event cancelled with conditions | On entry of conclusion of hire |
| Fees and charges for other goods and services | Library fees, reinstatements and private works | Single point in time | Payment in full in advance | None | Output method based on provision of service or completion of works |
| Fees and charges - sale of stock | Sale of stock i.e. history books etc. | Single point in time | Payment in full in advance | Refunds for faulty goods | Output method based on goods |
| Fees and charges - fines | Fines issued for breaches of local laws | Single point in time | Payment in full with defined time | None | When fine notice is issued |
| Fees and charges - commissions | Other commissions i.e. for agency collections | Single point in time | Payment in full on sale | None | Output method based on regular basis |
| Other revenue - reimbursements | Other reimbursements i.e. insurance claims etc. | Single point in time | Payment in arrears for claimable event | None | When claim is agreed |

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

2. REVENUE AND EXPENSES (Continued)

Revenue Recognition

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

For the year ended 30 June 2022

| Nature or type | Contracts with customers | Capital grant/contributions | Statutory Requirements | Other | Total |
|---|--------------------------|-----------------------------|------------------------|------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Rates | 0 | 0 | 11,344,384 | 0 | 11,344,384 |
| Operating grants, subsidies and contributions | 255,729 | 0 | 0 | 359,675 | 615,404 |
| Fees and charges | 139,928 | 0 | 2,050,579 | 916,942 | 3,107,449 |
| Interest earnings | 59,153 | 0 | 51,273 | 9,256 | 119,682 |
| Other revenue | 1,770 | 0 | 0 | 210,675 | 212,445 |
| Non-operating grants, subsidies and contributions | 0 | 736,996 | 0 | 0 | 736,996 |
| Total | 456,580 | 736,996 | 13,446,236 | 1,496,548 | 16,136,360 |

For the year ended 30 June 2021

| Nature or type | Contracts with customers | Capital grant/contributions | Statutory Requirements | Other | Total |
|---|--------------------------|-----------------------------|------------------------|------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Rates | 0 | 0 | 10,875,226 | 0 | 10,875,226 |
| Operating grants, subsidies and contributions | 66,098 | 0 | 0 | 280,877 | 346,975 |
| Fees and charges | 83,289 | 0 | 1,482,214 | 857,330 | 2,422,833 |
| Interest earnings | 66,027 | 0 | 63,469 | 7,077 | 136,573 |
| Other revenue | 2,108 | 0 | 0 | 252,509 | 254,617 |
| Non-operating grants, subsidies and contributions | 0 | 380,291 | 0 | 0 | 380,291 |
| Total | 217,522 | 380,291 | 12,420,909 | 1,397,793 | 14,416,515 |

| Note | 2022 Actual | 2022 Budget | 2021 Actual |
|--|----------------|----------------|----------------|
| Interest earnings | | | |
| Financial assets at amortised cost - self supporting loans | 8,897 | 9,470 | 16,760 |
| Interest on reserve funds | 27,344 | 38,000 | 27,934 |
| Rates instalment and penalty interest (refer Note 23(e)) | 51,273 | 46,695 | 63,469 |
| Other interest earnings | 32,168 | 43,830 | 28,410 |
| | 119,682 | 137,995 | 136,573 |
| (b) Expenses | | | |
| Auditors remuneration | | | |
| - Audit of the Annual Financial Report | 78,364 | 61,289 | 64,000 |
| - Other services | 2,050 | 7,000 | 7,525 |
| | 80,414 | 68,289 | 71,525 |
| Finance costs | | | |
| Borrowings | 25(a) 187,199 | 192,755 | 206,773 |
| Other | 0 | 173 | 2,580 |
| Lease liabilities | 25(c) 39,051 | 39,118 | 40,827 |
| | 226,250 | 232,046 | 250,180 |
| Other expenditure | | | |
| Write down of inventories to net realisable value | 6 380 | 250 | 230 |
| Sundry expenses | 456,790 | 417,810 | 464,842 |
| | 457,170 | 418,060 | 465,072 |

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Term deposits
Total cash and cash equivalents

| Note | 2022 | 2021 |
|-------|------------|------------|
| | \$ | \$ |
| | 7,810,943 | 2,977,542 |
| | 6,148,528 | 8,507,757 |
| 16(a) | 13,959,471 | 11,485,299 |
| | | |
| | 5,692,408 | 2,893,815 |
| 16(a) | 8,267,063 | 8,591,484 |
| | 13,959,471 | 11,485,299 |

Held as
- Unrestricted cash and cash equivalents
- Restricted cash and cash equivalents

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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 financial assets

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

Details of restrictions on financial assets can be found at Note 16.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Self supporting loans receivable

Held as

- Unrestricted other financial assets at amortised cost

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit and loss

Financial assets at amortised cost

Self supporting loans receivable

Financial assets at fair value through profit and loss

Units in Local Government House Trust

| | 2022 | 2021 |
|-------|---------|---------|
| | \$ | \$ |
| | 64,906 | 62,141 |
| | 64,906 | 62,141 |
| | | |
| 24(b) | 64,906 | 62,141 |
| | 64,906 | 62,141 |
| | | |
| | 64,906 | 62,141 |
| | 64,906 | 62,141 |
| | | |
| | 211,591 | 276,497 |
| | 116,706 | 110,710 |
| | 328,297 | 387,207 |
| | | |
| | 211,591 | 276,497 |
| | 211,591 | 276,497 |
| | | |
| | 116,706 | 110,710 |
| | 116,706 | 110,710 |

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 25(a) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 21 (i)) due to the observable market rates.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit and loss

The Town 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 Town has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 20.

5. TRADE AND OTHER RECEIVABLES

| | Note | 2022 \$ | 2021 \$ |
|--|-------|------------|------------|
| Current | | | |
| Rates receivable | | 152,880 | 177,503 |
| Trade and other receivables | | 156,651 | 169,289 |
| GST receivable | | 0 | 40,877 |
| Allowance for credit losses of trade and other receivables | 20(b) | (21,828) | (14,545) |
| Sundry receivables - infringements | | 430,985 | 436,601 |
| Allowance for credit losses of infringements | | (189,803) | (189,407) |
| | | 528,885 | 620,318 |
| Non-current | | | |
| Pensioner's rates and ESL deferred | | 121,972 | 192,488 |
| Receivables for employee related provisions | | 100,040 | 108,689 |
| | | 222,012 | 301,177 |

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

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 20.

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 therefore the Town measures them subsequently at amortised cost using the effective interest rate method.

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

6. INVENTORIES

| | Note | 2022 \$ | 2021 \$ |
|----------------------------|------|------------|------------|
| Current | | | |
| Materials | | 32,029 | 33,355 |
| Provision for Obsolescence | | (22,849) | (23,795) |
| | | 9,180 | 9,560 |

The following movements in inventories occurred during the year:

| | | | |
|---|------|-------|-------|
| Balance at beginning of year | | 9,560 | 9,790 |
| Write down of inventories to net realisable value | 2(b) | (380) | (230) |
| Balance at end of year | | 9,180 | 9,560 |

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

7. OTHER ASSETS

Other assets - current

| | 2022 \$ | 2021 \$ |
|----------------|------------|------------|
| Prepayments | 64,035 | 29,259 |
| Accrued income | 8,313 | 8,114 |
| | 72,348 | 37,373 |

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

| | Note | Land \$ | Buildings (specialised) \$ | Total Buildings & Buildings \$ | Total Land & Buildings \$ | Furniture & equipment \$ | Plant & equipment \$ | Library & equipment \$ | Library Furniture & Plant & equipment \$ | Works in Progress \$ | Total property, plant and equipment \$ |
|--|-------|--------------|----------------------------------|--------------------------------------|---------------------------------|--------------------------------|----------------------------|---------------------------------|--|----------------------------|--|
| Balance at 1 July 2020 | | 54,452,000 | 27,420,861 | 81,872,861 | 512,740 | 900,950 | 120,770 | 0 | 0 | 0 | 83,407,321 |
| Additions | | 0 | 159,075 | 159,075 | 357,468 | 90,287 | 3,552 | 9,317 | 0 | 0 | 619,699 |
| Disposals | | 0 | 0 | 0 | 0 | (22,500) | 0 | 0 | 0 | 0 | (22,500) |
| Revaluation increments / (decrements) transferred to revaluation surplus | | (29,949,000) | 9,588,112 | (20,360,888) | 0 | 0 | (120,770) | 0 | 0 | 0 | (20,481,658) |
| Depreciation | 10(a) | 0 | (631,223) | (631,223) | (73,494) | (212,050) | 0 | 0 | 0 | 0 | (916,767) |
| Balance at 30 June 2021 | | 24,503,000 | 36,536,825 | 61,039,825 | 796,714 | 756,687 | 3,552 | 9,317 | 0 | 0 | 62,606,095 |
| Comprises: | | | | | | | | | | | |
| Gross balance amount at 30 June 2021 | | 24,503,000 | 36,536,825 | 61,039,825 | 1,104,796 | 960,237 | 3,552 | 9,317 | 0 | 0 | 63,117,727 |
| Accumulated depreciation at 30 June 2021 | | 0 | 0 | 0 | (308,082) | (203,550) | 0 | 0 | 0 | 0 | (511,632) |
| Balance at 30 June 2021 | | 24,503,000 | 36,536,825 | 61,039,825 | 796,714 | 756,687 | 3,552 | 9,317 | 0 | 0 | 62,606,095 |
| Additions | | 0 | 18,238 | 18,238 | 92,230 | 238,420 | 0 | 0 | 0 | 246,780 | 595,668 |
| Disposals | | 0 | (253,334) | (253,334) | 0 | (102,150) | 0 | 0 | 0 | 0 | (355,484) |
| Depreciation | 10(a) | 0 | (782,435) | (782,435) | (73,017) | (120,772) | 0 | 0 | 0 | 0 | (976,224) |
| Balance at 30 June 2022 | | 24,503,000 | 35,519,294 | 60,022,294 | 815,927 | 772,185 | 3,552 | 9,317 | 246,780 | 246,780 | 61,870,055 |
| Comprises: | | | | | | | | | | | |
| Gross balance amount at 30 June 2022 | | 24,503,000 | 36,295,062 | 60,798,062 | 1,197,026 | 1,065,357 | 3,552 | 9,317 | 246,780 | 246,780 | 63,320,094 |
| Accumulated depreciation at 30 June 2022 | | 0 | (775,768) | (775,768) | (381,099) | (293,172) | 0 | 0 | 0 | 0 | (1,450,039) |
| Balance at 30 June 2022 | | 24,503,000 | 35,519,294 | 60,022,294 | 815,927 | 772,185 | 3,552 | 9,317 | 246,780 | 246,780 | 61,870,055 |

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

| (i) Fair Value | Asset Class | Fair Value Hierarchy | Valuation Technique | Basis of Valuation | Date of Last Valuation | Inputs Used |
|-------------------------|-------------|----------------------|--|-----------------------|------------------------|---|
| Land and buildings | | | | | | |
| Land | | 3 | Market approach using recent observable market data for similar items | Independent valuation | June 2021 | Price per hectare |
| Buildings (specialised) | | 3 | Improvements to land valued using cost approach using depreciated replacement cost | Independent valuation | June 2021 | Improvements to land using construction costs and current condition (Level 3), residual values and remaining useful life assessments (Level 3) inputs |

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

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

(ii) Cost

Furniture and equipment

| | | | | |
|---|---|-----------------------|-----------|---|
| 3 | Market approach using recent observable market data for similar items | Independent valuation | June 2020 | Make, size, year of manufacture and condition |
|---|---|-----------------------|-----------|---|

Plant and equipment

| | | | | |
|---|---|-----------------------|-----------|---|
| 3 | Market approach using recent observable market data for similar items | Independent valuation | June 2020 | Make, size, year of manufacture and condition |
|---|---|-----------------------|-----------|---|

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

9. INFRASTRUCTURE

(a) Movements in Balances

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

| | Note | Roads | Carparks | Footpaths | Drainage | Parks | Miscellaneous | Rights of way | Streetscape | Irrigation | Works in Progress | Total Infrastructure |
|--|-------|--------------|-------------|-------------|-------------|-------------|---------------|---------------|-------------|------------|-------------------|----------------------|
| Balance at 1 July 2020 | | 14,068,834 | 1,070,545 | 5,236,061 | 4,958,199 | 2,803,289 | 7,561,558 | 967,674 | 1,106,530 | 170,027 | 0 | 37,942,717 |
| Additions | | 747,092 | 36,263 | 42,496 | 34,670 | 99,882 | 1,347,775 | 71,725 | 375,436 | 23,100 | 0 | 2,778,439 |
| Depreciation | | (807,077) | (84,753) | (191,590) | (81,624) | (88,711) | (368,271) | (55,760) | (67,120) | (9,390) | 0 | (1,754,296) |
| Balance at 30 June 2021 | 10(a) | 14,008,849 | 1,022,055 | 5,086,967 | 4,911,245 | 2,814,460 | 8,541,062 | 983,639 | 1,414,846 | 183,737 | 0 | 38,966,860 |
| Gross balance at 30 June 2021 | | 29,231,738 | 2,974,687 | 9,743,966 | 7,540,732 | 3,325,723 | 13,455,562 | 1,973,848 | 1,821,418 | 235,613 | 0 | 70,303,287 |
| Accumulated depreciation at 30 June 2021 | | (15,222,889) | (1,952,632) | (4,656,999) | (2,629,487) | (511,263) | (4,914,500) | (990,209) | (406,572) | (51,876) | 0 | (31,336,427) |
| Balance at 30 June 2021 | | 14,008,849 | 1,022,055 | 5,086,967 | 4,911,245 | 2,814,460 | 8,541,062 | 983,639 | 1,414,846 | 183,737 | 0 | 38,966,860 |
| Comprises: | | | | | | | | | | | | |
| Additions | | 377,026 | 0 | 17,509 | 729,054 | 397,807 | 36,918 | 0 | 283,788 | 0 | 189,480 | 2,031,582 |
| Revaluation increments / (decrements) transferred to revaluation surplus | | 21,114,384 | 2,676,620 | 518,309 | 3,946,116 | 2,225,965 | 744,414 | 1,200,001 | 0 | 17,894 | 0 | 32,443,703 |
| Revaluation (loss) / reversals transferred to profit or loss | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation | | (826,643) | (85,731) | (191,591) | (82,026) | (91,000) | (417,904) | (57,874) | (80,871) | (10,396) | 0 | (1,844,036) |
| Balance at 30 June 2022 | 10(a) | 34,673,616 | 3,612,944 | 5,431,194 | 9,504,389 | 5,347,232 | 8,904,490 | 2,125,766 | 1,617,763 | 191,235 | 189,480 | 71,598,109 |
| Comprises: | | | | | | | | | | | | |
| Gross balance at 30 June 2022 | | 47,200,131 | 6,236,888 | 8,410,589 | 12,773,111 | 6,869,461 | 14,177,293 | 3,460,390 | 2,061,708 | 235,613 | 189,480 | 101,614,664 |
| Accumulated depreciation at 30 June 2022 | | (12,526,515) | (2,623,944) | (2,979,395) | (3,268,722) | (1,522,229) | (5,272,803) | (1,354,624) | (426,051) | (62,272) | 0 | (30,016,555) |
| Balance at 30 June 2022 | | 34,673,616 | 3,612,944 | 5,431,194 | 9,504,389 | 5,347,232 | 8,904,490 | 2,125,766 | 1,635,657 | 173,341 | 189,480 | 71,598,109 |

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

| Asset Class | Fair Value Hierarchy | Valuation Technique | Basis of Valuation | Date of Last Valuation | Inputs Used |
|-------------------------|----------------------|--|-----------------------|------------------------|--|
| (i) Fair Value Roads | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2022 | Construction costs and current condition, values and remaining useful life assessment inputs |
| Car parks | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2022 | Construction costs and current condition, values and remaining useful life assessment inputs |
| Footpaths | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2022 | Construction costs and current condition, values and remaining useful life assessment inputs |
| Drainage | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2022 | Construction costs and current condition, values and remaining useful life assessment inputs |
| Parks | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2022 | Construction costs and current condition, values and remaining useful life assessment inputs |
| Miscellaneous | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2022 | Construction costs and current condition, values and remaining useful life assessment inputs |
| Rights of way | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2022 | Construction costs and current condition, values and remaining useful life assessment inputs |
| Streetscape | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2022 | Construction costs and current condition, values and remaining useful life assessment inputs |
| Irrigation | 3 | Cost approach using depreciated replacement cost | Independent valuation | June 2018 | Construction costs and current condition, values and remaining useful life assessment inputs |

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.

10. FIXED ASSETS

(a) Depreciation

| | Note | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|---|-------|-------------------|-------------------|-------------------|
| Buildings (specialised) | 8(a) | 782,435 | 559,065 | 631,223 |
| Furniture & equipment | 8(a) | 73,017 | 68,716 | 73,494 |
| Plant & equipment | 8(a) | 120,772 | 101,745 | 212,050 |
| Roads | 9(a) | 826,643 | 801,784 | 807,077 |
| Car parks | 9(a) | 85,731 | 82,752 | 84,753 |
| Footpaths | 9(a) | 191,591 | 192,240 | 191,590 |
| Drainage | 9(a) | 82,026 | 81,588 | 81,624 |
| Parks | 9(a) | 91,000 | 92,757 | 88,711 |
| Miscellaneous | 9(a) | 417,904 | 287,908 | 368,271 |
| Rights of way | 9(a) | 57,874 | 54,944 | 55,760 |
| Streetscape | 9(a) | 80,871 | 36,604 | 67,120 |
| Irrigation | 9(a) | 10,396 | 9,185 | 9,390 |
| Right-of-use assets - buildings | 11(a) | 64,533 | 64,533 | 59,531 |
| Right-of-use assets - plant and equipment | 11(a) | 8,037 | 8,276 | 13,042 |
| | | 2,892,830 | 2,442,097 | 2,743,636 |

Depreciation rates

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

| Asset Class | Useful life |
|--------------------------------------|------------------------------|
| Buildings | 33 to 159 years |
| Furniture and equipment | 2 to 15 years |
| Plant and equipment | 2 to 10 years |
| - Roads - Formation/Subgrade | Not depreciated |
| - Roads - Pavement | 60 to 100 years |
| - Roads - Seal | 20 to 35 years |
| - Roads - Kerbing | 60 to 80 years |
| - Right of Ways - Formation/Subgrade | Not depreciated |
| - Right of Ways - Pavement | 60 to 100 years |
| - Right of Ways - Seal | 20 to 35 years |
| - Right of Ways - Kerbing | 60 to 80 years |
| - Car Parks - Formation/Subgrade | Not depreciated |
| - Car Parks - Pavement | 60 to 100 years |
| - Car Parks - Seal | 20 to 35 years |
| - Car Parks - Kerbing | 60 to 80 years |
| - Drainage | 80 to 100 years |
| - Footpaths | 20 to 60 years |
| - Lighting and Electrical | 20 years |
| - Parks & Ovals | 10 to 40 years |
| - Streetscapes | 15 to 25 years |
| - Miscellaneous | 25 to 60 years |
| - Irrigation | 20 to 100 years |
| Right of use - plant and equipment | Based on the remaining lease |

(b) Fully Depreciated Assets in Use

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

| | 2022 \$ | 2021 \$ |
|-----------------------|------------|------------|
| Furniture & equipment | 103,799 | 103,799 |
| Miscellaneous | 642,850 | 642,850 |
| | 746,649 | 746,649 |

10. FIXED ASSETS (Continued)

(c) Disposals of assets

| | 2022 | | 2022 | | 2022 | | 2022 | | 2021 | | 2021 | |
|-------------------------|------------|---------|----------|-----------|----------|-----------|----------|--------|----------|--------|----------|--------|
| | Actual | Actual | Budget | Budget | Actual | Actual | Budget | Budget | Actual | Actual | Actual | Actual |
| Net Book Value | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss |
| Buildings (specialised) | \$ 253,334 | 0 | 0 | 0 | 0 | (253,334) | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant & equipment | 102,150 | 128,206 | 28,412 | (2,356) | 140,000 | 0 | 140,000 | 0 | 22,500 | 28,918 | 28,918 | 0 |
| | 355,484 | 128,206 | 28,412 | (255,690) | 140,000 | 0 | 140,000 | 0 | 22,500 | 28,918 | 28,918 | 0 |

| | 2022 | | 2022 | | 2022 | | 2022 | | 2021 | | 2021 | |
|-------------------------|------------|---------|----------|-----------|----------|--------|----------|--------|----------|--------|----------|--------|
| | Actual | Actual | Budget | Budget | Actual | Actual | Budget | Budget | Actual | Actual | Actual | Actual |
| Net Book Value | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss |
| Buildings (specialised) | \$ 253,334 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant & equipment | 102,150 | 128,206 | 28,412 | (2,356) | 140,000 | 0 | 140,000 | 0 | 22,500 | 28,918 | 28,918 | 0 |
| | 355,484 | 128,206 | 28,412 | (255,690) | 140,000 | 0 | 140,000 | 0 | 22,500 | 28,918 | 28,918 | 0 |

The following assets were disposed of during the year.

| | 2022 | | 2022 | | 2022 | | 2022 | | 2021 | | 2021 | |
|------------------------------------|------------|---------|----------|---------|----------|-----------|----------|--------|----------|--------|----------|--------|
| | Actual | Actual | Budget | Budget | Actual | Actual | Budget | Budget | Actual | Actual | Actual | Actual |
| Net Book Value | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss | Proceeds | Loss |
| Buildings - specialised | | | | | | | | | | | | |
| Recreation and culture | | | | | | | | | | | | |
| Anderson Pavillion | \$ 253,334 | 0 | 0 | 0 | 0 | (253,334) | 0 | 0 | 0 | 0 | 0 | 0 |
| | 253,334 | 0 | 0 | 0 | 0 | (253,334) | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant and Equipment | | | | | | | | | | | | |
| Community amenities | | | | | | | | | | | | |
| Maxda CX-5 Wagon | 17,100 | 27,553 | 10,453 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Economic services | | | | | | | | | | | | |
| Ford Mondeo Hatchback | 15,300 | 14,294 | 0 | (1,006) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other property and services | | | | | | | | | | | | |
| Isuzu D-Max | 15,750 | 19,905 | 4,155 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Isuzu D-Max | 15,300 | 17,859 | 2,559 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Isuzu D-Max | 15,750 | 16,950 | 1,200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Toyota Kluger | 21,600 | 31,645 | 10,045 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Roscco Trademate | 1,350 | 0 | 0 | (1,350) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 102,150 | 128,206 | 28,412 | (2,356) | 140,000 | 0 | 140,000 | 0 | 22,500 | 28,918 | 28,918 | 0 |

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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

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

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

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

Revaluation

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

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

Revaluation (continued)

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

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.

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

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

Depreciation 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:

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

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held 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 and in Note 10(a).

11. LEASES

(a) Right-of-Use Assets

| Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year. | Note | Right-of-use assets - buildings | Right-of-use assets - plant and equipment | Right-of-use assets Total |
|--|-------|---------------------------------|---|---------------------------|
| | | \$ | \$ | \$ |
| Balance at 1 July 2020 | | 1,297,724 | 24,848 | 1,322,572 |
| Depreciation | | (59,531) | (13,042) | (72,573) |
| Balance at 30 June 2021 | | 1,238,193 | 11,806 | 1,249,999 |
| Depreciation | 10(a) | (64,533) | (8,037) | (72,570) |
| Balance at 30 June 2022 | | 1,173,660 | 3,769 | 1,177,429 |

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

| | | 2022 Actual | 2021 Actual |
|---|-------|------------------|------------------|
| | | \$ | \$ |
| Depreciation on right-of-use assets | 10(a) | (72,570) | (72,573) |
| Interest expense on lease liabilities | 25(c) | (39,051) | (40,827) |
| Short-term lease payments recognised as expense | | (59,842) | (56,502) |
| Total amount recognised in the statement of comprehensive income | | (171,463) | (169,902) |

Total cash outflow from leases (98,893) (97,329)

(b) Lease Liabilities

| | | | |
|-------------|-------|-----------|-----------|
| Current | | 56,751 | 58,211 |
| Non-current | 25(c) | 1,188,423 | 1,246,805 |
| | | 1,245,174 | 1,305,016 |

Secured liabilities and assets pledged as security

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.

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Town 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 Town uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a 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.

Details of individual lease liabilities required by regulations are provided at Note 25(c).

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 at zero cost (i.e. not included in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

12. TRADE AND OTHER PAYABLES

Current

| | 2022 | 2021 |
|---|------------------|------------------|
| | \$ | \$ |
| Sundry creditors | 1,987,875 | 825,600 |
| Prepaid rates | 126,741 | 100,288 |
| Accrued salaries and wages | 145,549 | 106,130 |
| ATO liabilities | 18,415 | 0 |
| Bonds and deposits held | 694,317 | 613,334 |
| Trade and other payables to related parties | 0 | 44,632 |
| Accrued interest | 50,654 | 56,209 |
| Income in advance | 344,675 | 242,413 |
| | 3,368,226 | 1,988,606 |

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Town 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 the fair value of the 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 Town prior to the end of the financial year that are unpaid and arise when the Town 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 usually 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 Town recognises revenue for the prepaid rates that have not been refunded.

13. BORROWINGS

| | Note | 2022 | | | 2021 | | |
|---------------------------------|-------|---------|-------------|-----------|---------|-------------|-----------|
| | | Current | Non-current | Total | Current | Non-current | Total |
| Secured | | \$ | \$ | \$ | \$ | \$ | \$ |
| Debentures | | 350,347 | 2,460,557 | 2,810,904 | 329,882 | 2,810,904 | 3,140,786 |
| Total secured borrowings | 25(a) | 350,347 | 2,460,557 | 2,810,904 | 329,882 | 2,810,904 | 3,140,786 |

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Town of Cottesloe. Other loans relate to transferred receivables. Refer to Note 5.

The Town of Cottesloe has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 years.

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 20.

Details of individual borrowings required by regulations are provided at Note 25(a).

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions
Employee benefit provisions

Annual Leave
Long Service Leave

Non-current provisions

Long Service Leave

| | 2022 | 2021 |
|--------------------|-----------|-----------|
| | \$ | \$ |
| Annual Leave | 784,936 | 715,541 |
| Long Service Leave | 418,350 | 346,969 |
| | 1,203,286 | 1,062,510 |
| Long Service Leave | 196,257 | 195,423 |
| | 196,257 | 195,423 |
| | 1,399,543 | 1,257,933 |

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:

Amounts are expected to be settled on the following basis:

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

| Note | 2022 | 2021 |
|------|-----------|-----------|
| | \$ | \$ |
| | 1,203,286 | 1,062,510 |
| | 196,257 | 195,423 |
| | 1,399,543 | 1,257,933 |

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

| | | |
|---|---------|---------|
| 5 | 100,040 | 108,689 |
|---|---------|---------|

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The Town's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

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

Other long-term employee benefits

Long-term employee benefits provisions 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 Town's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Town 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.

15. REVALUATION SURPLUS

| | 2022 Opening Balance | 2022 Revaluation Increment | 2022 Revaluation (Decrement) | Total Movement on Revaluation | 2022 Closing Balance | 2021 Opening Balance | 2021 Revaluation Increment | 2021 Revaluation (Decrement) | Total Movement on Revaluation | 2021 Closing Balance |
|--|----------------------------|----------------------------------|------------------------------------|-------------------------------------|----------------------------|----------------------------|----------------------------------|------------------------------------|-------------------------------------|----------------------------|
| Revaluation surplus - Land - freehold land | 24,362,297 | 0 | 0 | 0 | 24,362,297 | 54,311,297 | - | (29,949,000) | (29,949,000) | 24,362,297 |
| Revaluation surplus - Buildings (specialised) | 23,814,016 | 0 | 0 | 0 | 23,814,016 | 14,225,904 | 9,588,112 | - | 9,588,112 | 23,814,016 |
| Revaluation surplus - Furniture & equipment | 33,695 | 0 | 0 | 0 | 33,695 | 33,695 | - | - | - | 33,695 |
| Revaluation surplus - Plant & equipment | 129,886 | 0 | 0 | 0 | 129,886 | 129,886 | - | - | - | 129,886 |
| Revaluation surplus - Library Furniture & equipment | 3,226 | 0 | 0 | 0 | 3,226 | 123,996 | (120,770) | - | (120,770) | 3,226 |
| Revaluation surplus - Buildings - specialised - WMRC | 7,897 | 0 | 0 | 0 | 7,897 | 7,897 | - | - | - | 7,897 |
| Revaluation surplus - Roads | 10,613,747 | 21,114,386 | 0 | 21,114,386 | 31,728,133 | 10,613,747 | - | - | - | 10,613,747 |
| Revaluation surplus - Car parks | 687,094 | 2,676,620 | 0 | 2,676,620 | 3,363,714 | 687,094 | - | - | - | 687,094 |
| Revaluation surplus - Footpaths | 3,288,925 | 518,309 | 0 | 518,309 | 3,807,234 | 3,288,925 | - | - | - | 3,288,925 |
| Revaluation surplus - Drainage | 1,828,088 | 3,946,116 | 0 | 3,946,116 | 5,774,204 | 1,828,088 | - | - | - | 1,828,088 |
| Revaluation surplus - Parks | 1,780,282 | 2,225,965 | 0 | 2,225,965 | 4,006,247 | 1,780,282 | - | - | - | 1,780,282 |
| Revaluation surplus - Miscellaneous | 4,556,047 | 744,414 | 0 | 744,414 | 5,300,461 | 4,556,047 | - | - | - | 4,556,047 |
| Revaluation surplus - Rights of way | 454,061 | 1,200,001 | 0 | 1,200,001 | 1,654,062 | 454,061 | - | - | - | 454,061 |
| Revaluation surplus - Infrastructure - roads - WMRC | 32,550 | 32,443,705 | 0 | 32,443,705 | 104,035,516 | 32,550 | - | - | - | 32,550 |
| | 71,591,811 | 32,443,705 | 0 | 32,443,705 | 104,035,516 | 92,073,469 | 9,588,112 | (30,069,770) | (20,481,658) | 71,591,811 |

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

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

| | Note | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|--|------|----------------------|----------------------|----------------------|
| Cash and cash equivalents | 3 | 13,959,471 | 9,228,229 | 11,485,299 |
| 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: | | | | |
| - Cash and cash equivalents | 3 | 8,267,063 | 7,159,081 | 8,591,484 |
| | | 8,267,063 | 7,159,081 | 8,591,484 |
| The restricted financial assets are a result of the following specific purposes to which the assets may be used: | | | | |
| Restricted reserve accounts | 26 | 8,267,063 | 7,159,081 | 8,591,484 |
| Total restricted financial assets | | 8,267,063 | 7,159,081 | 8,591,484 |
| (b) Reconciliation of Net Result to Net Cash Provided By Operating Activities | | | | |
| Net result | | 477,595 | 185,859 | (10,579) |
| Non-cash items: | | | | |
| Adjustments to fair value of financial assets at fair value through profit and loss | | (5,995) | 0 | (3,879) |
| Depreciation/amortisation | | 2,892,830 | 2,442,097 | 2,743,636 |
| (Profit)/loss on sale of asset | | 227,278 | 0 | (6,418) |
| Share of profits of associates | | 51,857 | 0 | 70,162 |
| Changes in assets and liabilities: | | | | |
| (Increase)/decrease in trade and other receivables | | 164,586 | 0 | 23,867 |
| (Increase)/decrease in other assets | | (34,975) | 0 | 72,553 |
| (Increase)/decrease in inventories | | 380 | 0 | 230 |
| Increase/(decrease) in trade and other payables | | 1,385,630 | 73,841 | (357,447) |
| Increase/(decrease) in employee related provisions | | 141,610 | 0 | 202,167 |
| Non-operating grants, subsidies and contributions | | (736,996) | (1,754,321) | (380,291) |
| Net cash provided by/(used in) operating activities | | 4,563,800 | 947,476 | 2,354,001 |
| (c) Undrawn Borrowing Facilities | | | | |
| Credit Standby Arrangements | | | | |
| Bank overdraft limit | | 250,000 | | 250,000 |
| Bank overdraft at balance date | | 0 | | 0 |
| Credit card limit | | 10,000 | | 10,000 |
| Credit card balance at balance date | | (2,516) | | (706) |
| Total amount of credit unused | | 257,484 | | 259,294 |
| Loan facilities | | | | |
| Loan facilities - current | | 350,347 | | 329,882 |
| Loan facilities - non-current | | 2,460,557 | | 2,810,904 |
| Total facilities in use at balance date | | 2,810,904 | | 3,140,786 |
| Unused loan facilities at balance date | | 0 | | 0 |

17. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Cr Lorraine Young

(Deputy Mayor until 16 October 2021)

| Note | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|-----------------------------------|-------------------|-------------------|-------------------|
| Mayor's annual allowance | 25,034 | 25,034 | 0 |
| Deputy Mayor's annual allowance | 617 | 0 | 6,875 |
| Meeting attendance fees | 23,238 | 21,848 | 15,500 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,600 | 1,600 | 1,600 |
| | 50,489 | 49,982 | 23,975 |

Cr Phil Angers

(Resigned 2 August 2021)

| | | | |
|-----------------------------------|-------|-------|--------|
| Mayor's annual allowance | 2,466 | 2,466 | 27,500 |
| Meeting attendance fees | 2,152 | 2,152 | 24,000 |
| Annual allowance for ICT expenses | 143 | 0 | 1,600 |
| Travel and accommodation expenses | 0 | 0 | 0 |
| | 4,761 | 4,618 | 53,100 |

Cr Helen Sadler

| | | | |
|-----------------------------------|--------|--------|--------|
| Deputy Mayor's annual allowance | 4,820 | 6,785 | 0 |
| Meeting attendance fees | 15,500 | 15,500 | 15,500 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,600 | 1,600 | 1,600 |
| | 21,920 | 25,385 | 17,100 |

Cr Caroline Harben

| | | | |
|-----------------------------------|--------|--------|--------|
| Meeting attendance fees | 15,500 | 15,500 | 15,500 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,600 | 1,600 | 1,600 |
| | 17,100 | 18,600 | 17,100 |

Cr Chilla Bulbeck

| | | | |
|-----------------------------------|--------|--------|---|
| Meeting attendance fees | 10,951 | 15,500 | 0 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,130 | 1,600 | 0 |
| | 12,081 | 18,600 | 0 |

Cr Paul MacFarlane

| | | | |
|-----------------------------------|--------|--------|--------|
| Meeting attendance fees | 15,500 | 15,500 | 15,500 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,600 | 1,600 | 1,600 |
| | 17,100 | 18,600 | 17,100 |

Cr Melissa Harkins

| | | | |
|-----------------------------------|--------|--------|--------|
| Meeting attendance fees | 15,500 | 15,500 | 15,500 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,600 | 1,600 | 1,600 |
| | 17,100 | 18,600 | 17,100 |

Cr Craig Masarei

| | | | |
|-----------------------------------|--------|--------|--------|
| Meeting attendance fees | 15,500 | 15,500 | 15,500 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,600 | 1,600 | 1,600 |
| | 17,100 | 18,600 | 17,100 |

Cr Kristy Barrett

| | | | |
|-----------------------------------|--------|--------|--------|
| Meeting attendance fees | 15,500 | 15,500 | 15,500 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,600 | 1,600 | 1,600 |
| | 17,100 | 18,600 | 17,100 |

17. RELATED PARTY TRANSACTIONS (Continued)

(a) Elected Member Remuneration

Cr Brad Wylynko

| Note | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|-----------------------------------|-------------------|-------------------|-------------------|
| Meeting attendance fees | 10,951 | 10,951 | 0 |
| Other expenses | 0 | 1,500 | 0 |
| Annual allowance for ICT expenses | 1,130 | 1,130 | 0 |
| | 12,081 | 13,581 | 0 |

Cr Michael Tucak

(Term expired 16 October 2021)

| | | | |
|-----------------------------------|---------|---------|---------|
| Meeting attendance fees | 4,549 | 4,549 | 15,500 |
| Annual allowance for ICT expenses | 470 | 470 | 1,600 |
| | 5,019 | 5,019 | 17,100 |
| | 191,851 | 210,185 | 196,775 |

Fees, expenses and allowances to be paid or reimbursed to elected council members.

| | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|-----------------------------------|-------------------|-------------------|-------------------|
| Mayor's annual allowance | 27,500 | 27,500 | 27,500 |
| Deputy Mayor's annual allowance | 5,437 | 6,785 | 6,875 |
| Meeting attendance fees | 144,841 | 148,000 | 148,000 |
| Other expenses | 0 | 13,500 | 0 |
| Annual allowance for ICT expenses | 14,073 | 14,400 | 14,400 |
| Travel and accommodation expenses | 0 | 0 | 0 |
| | 191,851 | 210,185 | 196,775 |

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Town during the year are as follows:

| | 2022 Actual \$ | 2021 Actual \$ |
|-------------------------------------|-------------------|-------------------|
| Short-term employee benefits | 1,222,707 | 1,196,912 |
| Post-employment benefits | 140,576 | 139,370 |
| Employee - other long-term benefits | 26,350 | 25,639 |
| Employee - termination benefits | 0 | 8,659 |
| Council member costs | 191,851 | 196,775 |
| | 1,581,484 | 1,567,355 |

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Town'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 (Note: may or may not be applicable in any given year).

Council member costs

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

17. RELATED PARTY TRANSACTIONS (Continued)

(c) Related Parties

The Town'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 council member, are considered key management personnel.

ii. Other Related Parties

An associate person of KMP was employed by the Town under normal employment terms and conditions.

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Town.

iii. Entities subject to significant influence by the Town

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

18. JOINT ARRANGEMENTS

Share of joint operations

The Town has a 42.23 per cent interest in the Grove Library, which is involved in the provision of library services for the ratepayers of the Town of Cottesloe, Town of Mosman Park and the Shire of Peppermint Grove. The voting rights of the Town is 33.33 per cent. The principal place of business of the Grove Library is 1 Leake Street, Peppermint Grove, WA 6011.

The Town's interests in the Grove Library are accounted for as a joint operation using the proportional consolidation method in the financial statements. Summarised financial information of the joint operation, based on its IFRS financial statements as of 30 June 2022 and the year then ended, and adjusted for the Town's proportional interest (42.23%) is set out below:

| | 2022 Actual \$ | 2021 Actual \$ |
|---|----------------------|----------------------|
| Statement of Financial Position | | |
| Current assets | 0 | 0 |
| Non current assets | 2,553,611 | 2,588,900 |
| Total assets | 2,553,611 | 2,588,900 |
| Current liabilities | 94,127 | 105,675 |
| Non current liabilities | 2,671 | 2,369 |
| Total liabilities | 96,798 | 108,044 |
| Net assets | 2,456,813 | 2,480,856 |
| Statement of Comprehensive Income | | |
| Other revenue | 19,927 | 16,057 |
| Other expenditure | (539,476) | (539,503) |
| Profit/(loss) for the period | (519,549) | (523,446) |
| Other Comprehensive Income | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | |
| Changes in asset revaluation surplus | 0 | (2,999,366) |
| | 0 | (2,999,366) |
| Total comprehensive income for the period | (519,549) | (3,522,812) |

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Town has joint control with another party to the joint arrangement. All parties to joint arrangements have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Town's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.

19. INVESTMENT IN ASSOCIATES

(a) Investment in associate

Set out in the table below are the associates of the Town. 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 | | 2022 | 2021 |
|--|-------------------------|--------|----------------|----------------|
| | 2022 | 2021 | Actual | Actual |
| Western Metropolitan Regional Council Waste Transfer Station | 17.94% | 17.94% | \$ 531,778 | \$ 583,635 |
| Total equity-accounted investments | | | 531,778 | 583,635 |

(b) Share of Investment in Western Metropolitan Regional Council Waste Transfer Station

The Town of Cottesloe, together with the Town of Claremont, the Town of Mosman Park, the Shire of Peppermint Grove and the City of Subiaco have an interest in the WMRC waste transfer station. The Council was formed to provide for the efficient treatment and/or disposal of waste. A waste transfer station was constructed from funds provided from constituent councils. The voting power held by the Town of Cottesloe is 20% and the Town's share of net assets is 17.94%.

Western Metropolitan Regional Council is involved in waste management for the ratepayers of the Town of Cottesloe, Town of Claremont, Town of Mosman Park, the Shire of Peppermint Grove and the City of Subiaco. The voting power held by the Town is 20%. The principal place of business of the Western Metropolitan Regional Council is Suite 2/317 Churchill Avenue, Subiaco, WA 6008.

Summarised financial information of the equity accounted venture based on its IFRS financial statements as of 30 June 2022 and the year then ended, and reconciliation with the carrying amount of the investment in the statement of financial position, are set out below:

| | 2022 | 2021 |
|---|------------------|------------------|
| | Actual | Actual |
| Summarised statement of comprehensive income | \$ | \$ |
| Revenue | 6,429,949 | 5,553,447 |
| Interest income | 3,074 | 7,687 |
| Interest expense | (1,110) | (967) |
| Depreciation | (240,761) | (220,833) |
| Profit/(loss) from continuing operations | (289,058) | (391,090) |
| Profit/(loss) from discontinued operations | 0 | 0 |
| Profit/(loss) for the period | (289,058) | (391,090) |
| Other comprehensive income | 0 | 0 |
| Total comprehensive income for the period | (289,058) | (391,090) |
| Summarised statement of financial position | | |
| Cash and cash equivalents | 1,432,958 | 1,074,089 |
| Trade and other receivables | 396,499 | 429,125 |
| Other current assets | 18,650 | 0 |
| Total current assets | 1,848,107 | 1,503,214 |
| Non-current assets | 2,492,672 | 2,492,769 |
| Total assets | 4,340,779 | 3,995,983 |
| Current financial liabilities | 1,100,462 | 482,199 |
| Other current liabilities | 200,060 | 212,538 |
| Total current liabilities | 1,300,522 | 694,737 |
| Non-current financial liabilities | 27,287 | 0 |
| Other non-current liabilities | 48,765 | 47,983 |
| Total non-current liabilities | 76,052 | 47,983 |
| Total liabilities | 1,376,574 | 742,720 |
| Net assets | 2,964,205 | 3,253,263 |

19. INVESTMENT IN ASSOCIATES (Continued)

Reconciliation to carrying amounts

| | | |
|----------------------------------|-----------|-----------|
| Opening net assets 1 July | 3,253,263 | 3,644,353 |
| Changes in members contributions | 0 | 0 |
| Profit/(Loss) for the period | (289,058) | (391,090) |
| Other comprehensive income | 0 | 0 |
| Closing net assets 1 July | 2,964,205 | 3,253,263 |

Carrying amount at 1 July

| | | |
|--|----------|----------|
| - Share of associates net profit/(loss) for the period | 583,635 | 653,797 |
| - Share of associates other comprehensive income arising during the period | (51,857) | (70,162) |
| | 0 | 0 |

Carrying amount at 30 June (Refer to Note 19.(a))

| 2022 | 2021 |
|-----------|-----------|
| Actual | Actual |
| \$ | \$ |
| 3,253,263 | 3,644,353 |
| 0 | 0 |
| (289,058) | (391,090) |
| 0 | 0 |
| 2,964,205 | 3,253,263 |
| 583,635 | 653,797 |
| (51,857) | (70,162) |
| 0 | 0 |
| 531,778 | 583,635 |

SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the Town has the power to participate in the financial and 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 Town's share of net assets of the associate. In addition, the Town's share of the profit or loss of the associate is included in the Town's profit or loss.

20. FINANCIAL RISK MANAGEMENT

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

| Risk | Exposure arising from | Measurement | Management |
|-------------------------------------|---|-----------------------------------|--|
| Market risk - interest rates | 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 Town 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 Town's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Town 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 Town 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, term deposits, and Treasury bonds 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 |
|---------------------------|--------------------------------|------------------|---------------------|------------------------|----------------------|
| | % | \$ | \$ | \$ | \$ |
| 2022 | | | | | |
| Cash and cash equivalents | 0.33% | 13,959,471 | 2,126,716 | 11,831,455 | 1,300 |
| 2021 | | | | | |
| Cash and cash equivalents | 0.13% | 11,485,299 | 8,507,757 | 2,976,242 | 1,300 |

Sensitivity

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

| | 2022 | 2021 |
|--|---------|--------|
| | \$ | \$ |
| Impact of a 1% movement in interest rates on profit and loss and equity* | 118,315 | 29,762 |

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Town manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Town does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 25(a).

20. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

Credit risk on rates and annual charges is minimised by the ability of the Town to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Town is 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 Town applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2022 and 30 June 2021 for rates receivable was determined as follows:

| | More than 30 days past due | More than 90 days past due | More than 1 year past due | More than 5 year past due | Total |
|-----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|--------|
| 30 June 2022 | | | | | |
| Trade and other receivables | | | | | |
| Expected credit loss | 10.00% | 50.00% | 90.00% | 100.00% | |
| Gross carrying amount | 0 | 7,808 | 44,417 | 0 | 52,225 |
| Loss allowance | 781 | 21,047 | 0 | 0 | 21,828 |
| 30 June 2021 | | | | | |
| Trade and other receivables | | | | | |
| Expected credit loss | 10.00% | 50.00% | 90.00% | 100.00% | |
| Gross carrying amount | 17,763 | 20,140 | 2,900 | 0 | 40,803 |
| Loss allowance | 1,495 | 12,839 | 211 | 0 | 14,545 |

Trade 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 Town, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contract Assets

The Town's contract assets represent work completed, which have not been invoiced at year end. This is due to the Town not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Town 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 Town has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

20. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Town 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 16(c).

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

| | Due within 1 year | Due between 1 & 5 years | Due after 5 years | Total contractual cash flows | Carrying values |
|--------------------------|-------------------|-------------------------|-------------------|------------------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| 2022 | | | | | |
| Trade and other payables | 3,368,226 | 0 | 0 | 3,368,226 | 3,368,226 |
| Borrowings | 522,637 | 2,559,331 | 669,824 | 3,751,792 | 2,810,904 |
| Lease liabilities | 56,751 | 370,768 | 1,196,539 | 1,624,058 | 1,245,174 |
| | <u>3,947,614</u> | <u>2,930,099</u> | <u>1,866,363</u> | <u>8,744,076</u> | <u>7,424,304</u> |
| 2021 | | | | | |
| Trade and other payables | 1,988,606 | 0 | 0 | 1,988,606 | 1,988,606 |
| Borrowings | 522,637 | 1,992,231 | 1,562,923 | 4,077,791 | 3,140,786 |
| Lease liabilities | 97,329 | 365,080 | 1,250,668 | 1,713,077 | 1,305,016 |
| | <u>2,608,572</u> | <u>2,357,311</u> | <u>2,813,591</u> | <u>7,779,474</u> | <u>6,434,408</u> |

21. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Town's operational cycle. In the case of liabilities where the Town 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 Town'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 Town applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

Fair value is the price that the Town 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 earnings

Interest income 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.

Valuation techniques

The Town 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 Town 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 Town 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 Town's cash generating non-specialise assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

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

k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

New accounting standards for application in future years

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

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-7 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

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

22. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Town operations as disclosed in this financial report encompass the following service orientated functions and activities.

| Objective | Description |
|--|--|
| Governance To provide a decision making process for the efficient allocation of scarce resources. | Includes the activities of members of council and administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services. |
| General purpose funding To collect revenue to allow for the provision of services. | Rates, general purpose government grants and interest revenue. |
| Law, order, public safety To provide services to help a safer and environmentally conscious community. | Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services. |
| Health To provide an operational framework of environmental and community health. | Inspection of food outlets and their control, noise control and waste disposal compliance. |
| Education and welfare To provide services to disadvantaged persons, the elderly, children and youth. | Maintenance of senior citizen centre and community care programs. |
| Community amenities To provide services required by the community. | Rubbish collection services, operation of rubbish disposal sites, litter control, protection of the environment and administration of the town planning scheme. |
| Recreation and culture To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community. | Maintenance of public halls, civic centres, beaches and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities. |
| Transport To provide safe, effective and efficient transport services to the community. | Construction and maintenance of roads, footpaths, cycle ways, parking facilities and traffic control. Maintenance of street trees, street lighting etc. |
| Economic services To help promote the Town and its economic wellbeing. | Tourism and area promotion, Building control. |
| Other property and services To monitor and control the Town's overheads and operating accounts. | Engineering operating costs, plant repair and operation costs. |

22. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

Income excluding grants, subsidies and contributions

| |
|-----------------------------|
| Governance |
| General purpose funding |
| Law, order, public safety |
| Health |
| Education and welfare |
| Housing |
| Community amenities |
| Recreation and culture |
| Transport |
| Economic services |
| Other property and services |

Grants, subsidies and contributions

| |
|-----------------------------|
| Governance |
| General purpose funding |
| Law, order, public safety |
| Health |
| Education and welfare |
| Housing |
| Community amenities |
| Recreation and culture |
| Transport |
| Economic services |
| Other property and services |

Total Income

Expenses

| |
|-----------------------------|
| Governance |
| General purpose funding |
| Law, order, public safety |
| Health |
| Education and welfare |
| Housing |
| Community amenities |
| Recreation and culture |
| Transport |
| Economic services |
| Other property and services |

Total expenses

Net result for the period

| | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|---|----------------------|----------------------|----------------------|
| Income excluding grants, subsidies and contributions | | | |
| Governance | 25,097 | 4,500 | 35,078 |
| General purpose funding | 11,502,875 | 11,440,745 | 11,040,759 |
| Law, order, public safety | 48,098 | 40,050 | 55,086 |
| Health | 127,375 | 72,900 | 112,569 |
| Education and welfare | 41,634 | 32,900 | 52,371 |
| Housing | 0 | 0 | 0 |
| Community amenities | 652,195 | 564,100 | 601,763 |
| Recreation and culture | 499,094 | 393,675 | 481,917 |
| Transport | 1,662,925 | 1,008,000 | 1,070,531 |
| Economic services | 170,457 | 187,800 | 242,800 |
| Other property and services | 36,760 | 1,100 | 6,672 |
| | 14,766,510 | 13,745,770 | 13,699,546 |
| Grants, subsidies and contributions | | | |
| Governance | 0 | 0 | 585 |
| General purpose funding | 358,632 | 125,566 | 280,143 |
| Law, order, public safety | 0 | 30,000 | 0 |
| Health | 0 | 20,000 | 0 |
| Education and welfare | 0 | 0 | 0 |
| Housing | 0 | 0 | 0 |
| Community amenities | 36,735 | 0 | 408 |
| Recreation and culture | 359,214 | 1,128,963 | 35,731 |
| Transport | 597,819 | 753,250 | 410,399 |
| Economic services | 0 | 0 | 0 |
| Other property and services | 0 | 0 | 0 |
| | 1,352,400 | 2,057,779 | 727,266 |
| Total Income | 16,118,910 | 15,803,549 | 14,426,812 |
| Expenses | | | |
| Governance | (933,334) | (941,159) | (780,339) |
| General purpose funding | (343,031) | (345,970) | (342,043) |
| Law, order, public safety | (414,574) | (476,487) | (373,351) |
| Health | (279,501) | (282,269) | (269,235) |
| Education and welfare | (350,878) | (311,577) | (332,259) |
| Housing | 0 | 0 | 0 |
| Community amenities | (4,061,077) | (4,005,297) | (3,604,850) |
| Recreation and culture | (4,976,121) | (4,891,048) | (4,393,544) |
| Transport | (3,767,075) | (3,849,082) | (3,685,773) |
| Economic services | (515,724) | (507,737) | (655,997) |
| Other property and services | 0 | (7,064) | 0 |
| Total expenses | (15,641,315) | (15,617,690) | (14,437,391) |
| Net result for the period | 477,595 | 185,859 | (10,579) |

22. FUNCTION AND ACTIVITY (Continued)

(c) Fees and Charges

| | 2022 Actual | 2022 Budget | 2021 Actual |
|---------------------------|------------------|------------------|------------------|
| Governance | 0 | 0 | 0 |
| General purpose funding | 53,866 | 41,500 | 47,528 |
| Law, order, public safety | 28,169 | 27,950 | 40,775 |
| Health | 117,823 | 81,600 | 100,987 |
| Education and welfare | 24,497 | 23,600 | 23,511 |
| Housing | 0 | 0 | 0 |
| Community amenities | 657,730 | 503,300 | 597,429 |
| Recreation and culture | 428,508 | 364,300 | 385,930 |
| Transport | 1,627,647 | 975,000 | 997,306 |
| Economic services | 169,209 | 187,100 | 229,367 |
| Total | 3,107,449 | 2,204,350 | 2,422,833 |

(d) Total Assets

| | 2022 | 2021 |
|-----------------------------|--------------------|--------------------|
| Governance | 1,403,066 | 1,379,799 |
| General purpose funding | 279,810 | 399,250 |
| Law, order, public safety | 171,902 | 7,143 |
| Health | 11,739 | 21,450 |
| Education and welfare | 15,102,171 | 15,864,723 |
| Community amenities | 2,519,059 | 2,389,479 |
| Recreation and culture | 49,794,276 | 47,329,467 |
| Transport | 69,986,886 | 40,352,877 |
| Economic services | 24,218 | 18,137 |
| Other property and services | 4,892,132 | 5,054,477 |
| Unallocated | 6,177,211 | 3,492,862 |
| Total | 150,362,470 | 116,309,664 |

TOWN OF COTTESLOE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

23. RATING INFORMATION

(a) General Rates

| RATE TYPE Rate Description | Number of Properties | 2021/22 Actual Rateable Value* | | 2021/22 Actual Rate Revenue | | 2021/22 Budget Interim Rate | | 2021/22 Budget Back Rate | | 2021/22 Budget Total Revenue | | 2020/21 Actual Total Revenue | |
|--|----------------------------|---|-------------------|--------------------------------------|------------|--------------------------------------|----------|-----------------------------------|----------|---------------------------------------|-------------------|---------------------------------------|----|
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Differential general rate or general rate | | | | | | | | | | | | | |
| Gross rental valuations | | | | | | | | | | | | | |
| GRV - Residential Improved (RI) | 3,236 | 129,796,743 | 9,215,699 | 30,105 | 2,628 | 0 | 0 | 0 | 0 | 9,179,714 | 8,869,132 | 8,869,132 | |
| GRV - Residential Vacant (RV) | 79 | 3,441,820 | 244,373 | 15,366 | 4,515 | 0 | 0 | 0 | 0 | 254,831 | 229,554 | 229,554 | |
| GRV - Commercial Improved (CI) | 65 | 7,959,186 | 565,110 | 0 | 0 | 0 | 0 | 0 | 0 | 566,678 | 544,941 | 544,941 | |
| GRV - Commercial Vacant (CV) | 2 | 120,500 | 8,556 | 0 | 0 | 0 | 0 | 0 | 0 | 8,556 | 9,173 | 9,173 | |
| GRV - Commercial Town (CT) | 119 | 10,651,931 | 876,473 | (1,068) | (1,031) | 0 | 0 | 0 | 0 | 876,473 | 1,922 | 1,922 | |
| GRV - Industrial | 1 | 28,020 | 1,989 | 0 | 0 | 0 | 0 | 0 | 0 | 1,989 | 845,581 | 845,581 | |
| Sub-Total | 3,502 | 151,988,200 | 10,912,200 | 44,403 | 856 | 0 | 0 | 0 | 0 | 10,888,241 | 10,500,302 | 10,500,302 | |
| Minimum payment | | | | | | | | | | | | | |
| Gross rental valuations | | | | | | | | | | | | | |
| GRV - Residential Improved (RI) | 292 | 4,316,000 | 350,984 | 0 | 0 | 0 | 0 | 0 | 0 | 353,388 | 347,139 | 347,139 | |
| GRV - Residential Vacant (RV) | 4 | 1,170 | 4,808 | 0 | 0 | 0 | 0 | 0 | 0 | 4,808 | 4,644 | 4,644 | |
| GRV - Commercial Improved (CI) | 11 | 133,224 | 13,222 | 0 | 0 | 0 | 0 | 0 | 0 | 13,222 | 12,771 | 12,771 | |
| GRV - Commercial Vacant (CV) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| GRV - Commercial Town (CT) | 19 | 253,171 | 22,838 | 0 | 0 | 0 | 0 | 0 | 0 | 22,838 | 22,059 | 22,059 | |
| GRV - Industrial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Sub-Total | 326 | 4,703,565 | 391,852 | 0 | 0 | 0 | 0 | 0 | 0 | 394,256 | 386,613 | 386,613 | |
| Total | 3,828 | 156,701,765 | 11,304,052 | 44,403 | 856 | 0 | 0 | 0 | 0 | 11,282,497 | 10,886,915 | 10,886,915 | |
| Discounts on general rates (Refer note 23(d)) | | | | | | | | | | | (4,761) | (4,761) | |
| Concessions on general rates (Refer note 23(d)) | | | | | | | | | | | (6,928) | (6,928) | |
| Total amount raised from general rates | | | | | | | | | | | 11,277,445 | 10,875,226 | |

* Rateable value is based on the value of properties at the time the rate is raised.

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. RATING INFORMATION (Continued)

(b) Specified Area Rate

No specified area rates were imposed by the Town during the year ended 30 June 2022.

(c) Service Charges

No service charges were imposed by the Town during the year ended 30 June 2022.

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

Rates Discounts

| Rate or Fee Discount Granted | Type | Discount % | 2022 Actual | 2022 Budget | 2021 Actual | Circumstances in which Discount is Granted |
|------------------------------|------|------------|-------------|-------------|-------------|--|
| General Rates | Rate | 80.00% | \$ 4,927 | \$ 5,052 | \$ 4,761 | As part of a lease agreement |
| Waivers or Concessions | | | 4,927 | 5,052 | 4,761 | |

Rate or Fee and Charge to which the Waiver or Concession is Granted

| Type | Waiver/Concession | 2022 Actual | 2022 Budget | 2021 Actual |
|---------------|-------------------|-------------|-------------|-------------|
| General rates | Concession | \$ 0 | \$ 0 | \$ 6,928 |
| | | 0 | 0 | 6,928 |

Total discounts/concessions (Note 23)

| | | |
|-------------|-------------|-------------|
| 2022 Actual | 2022 Budget | 2021 Actual |
| \$ 4,927 | \$ 5,052 | \$ 11,689 |

Rate or Fee and Charge to which the Waiver or Concession is Granted
Circumstances in which the Waiver or Concession is Granted and to whom it was available
Owner applied for waiver as part of consideration of forfeit of right of way ownership
Certain events, community groups and committees requiring venue hire

Objects of the Waiver or Concession

Part of the Town's strategy
As listed in the Town's policy
Council considers support of these groups necessary for the overall benefit of the community

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

| Instalment Options | Date Due | Instalment Plan | Instalment Plan | Unpaid Rates |
|---------------------|------------|-----------------|-----------------|---------------|
| | | Admin Charge | Interest Rate | Interest Rate |
| | | \$ | % | % |
| Option One | | | | |
| Single full payment | 28/09/2021 | | | 7.00% |
| Option Two | | | | |
| First instalment | 28/09/2021 | 8.00 | 5.50% | 7.00% |
| Second instalment | 26/11/2021 | 8.00 | 5.50% | 7.00% |
| Third instalment | 21/01/2022 | 8.00 | 5.50% | 7.00% |
| Fourth instalment | 22/03/2022 | 8.00 | 5.50% | 7.00% |

| | 2022 Actual | 2022 Budget | 2021 Actual |
|-----------------------------|-------------|-------------|-------------|
| | \$ | \$ | \$ |
| Interest on unpaid rates | 15,610 | 11,695 | 22,718 |
| Interest on instalment plan | 35,663 | 35,000 | 40,751 |
| Charges on instalment plan | 19,416 | 21,500 | 10,308 |
| | 70,689 | 68,195 | 73,777 |

24. RATE SETTING STATEMENT INFORMATION

| | | 2021/22 (30 June 2022) Carried Forward | 2021/22 Budget (30 June 2022) Carried Forward | 2020/21 (30 June 2021) Carried Forward |
|--|-------|--|--|--|
| (a) Non-cash amounts excluded from operating activities | | \$ | \$ | \$ |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> . | | | | |
| Adjustments to operating activities | | | | |
| Less: Profit on asset disposals | 10(c) | (28,412) | 0 | (6,418) |
| Less: Fair value adjustments to financial assets at fair value through profit and loss | | (5,995) | 0 | (3,879) |
| Less: Share of net profit of associates and joint ventures accounted for using the equity method | | 51,857 | 0 | 70,162 |
| Add: Loss on disposal of assets | 10(c) | 255,690 | 0 | 0 |
| Add: Loss on revaluation of fixed assets | 9(a) | 0 | 0 | 0 |
| Add: Depreciation | 10(a) | 2,892,830 | 2,442,097 | 2,743,636 |
| Movement in other payables (non-current) | | 0 | 0 | (6,785) |
| Non-cash movements in non-current assets and liabilities: | | | | |
| Pensioner deferred rates | | 70,516 | 0 | (6,879) |
| Employee benefit provisions | | 834 | (15,029) | 31,663 |
| Non-cash amounts excluded from operating activities | | 3,237,320 | 2,427,068 | 2,821,500 |
| (b) Surplus/(deficit) after imposition of general rates | | | | |
| The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates. | | | | |
| Adjustments to net current assets | | | | |
| Less: Reserve accounts | 26 | (8,267,063) | (7,159,081) | (8,591,484) |
| Less: Financial assets at amortised cost - self supporting loans - Other liabilities | 4(a) | (64,906) | (64,906) | (62,141) |
| | | 0 | (515,943) | 0 |
| Add: Current liabilities not expected to be cleared at end of year | | | | |
| - Current portion of borrowings | 13 | 350,347 | 196,646 | 329,882 |
| - Current portion of lease liabilities | 11(b) | 56,751 | 58,210 | 58,211 |
| - Employee benefit provisions | | 964,975 | 0 | 973,628 |
| Total adjustments to net current assets | | (6,959,896) | (7,485,074) | (7,291,904) |
| Net current assets used in the Rate Setting Statement | | | | |
| Total current assets | | 14,634,790 | 10,006,763 | 12,214,691 |
| Less: Total current liabilities | | (4,978,610) | (2,521,689) | (3,439,209) |
| Less: Total adjustments to net current assets | | (6,959,896) | (7,485,074) | (7,291,904) |
| Net current assets used in the Rate Setting Statement | | 2,696,284 | 0 | 1,483,578 |

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

| Purpose | Note | Actual | | | Budget | | |
|-----------------------------|------|--------------------------|--------------------------|---------------------------|--------------------------|--------------------------|---------------------------|
| | | Principal at 1 July 2020 | New Loans During 2020-21 | Principal at 30 June 2021 | Principal at 1 July 2021 | New Loans During 2021-22 | Principal at 30 June 2022 |
| Loan 107 | | 3,127,127 | 0 | 2,880,200 | 2,880,199 | 0 | 2,616,935 |
| Total | | 3,127,127 | 0 | 2,880,200 | 2,880,199 | 0 | 2,616,935 |
| Self Supporting Loans | | | | | | | |
| Loan 105 | | 122,006 | 0 | 89,773 | 89,774 | 0 | 55,505 |
| Loan 108 | | 202,303 | 0 | 170,813 | 170,813 | 0 | 138,464 |
| Total Self Supporting Loans | | 324,309 | 0 | 260,586 | 260,587 | 0 | 193,969 |
| Total Borrowings | 13 | 3,451,436 | 0 | 3,140,786 | 3,140,786 | 0 | 2,810,904 |

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

Borrowing Interest Repayments

| Purpose | Note | Function and activity | Loan Number | Institution | Interest Rate | Actual for year ending 30 June 2022 | Budget for year ending 30 June 2022 | Actual for year ending 30 June 2021 |
|---|------|------------------------|-------------|-------------|---------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Loan 107 | | Recreation and culture | 107 | WATC | 6.51% | (178,302) | (183,285) | (194,948) |
| Total | | | | | | (178,302) | (183,285) | (194,948) |
| Self Supporting Loans Interest Repayments | | | | | | | | |
| Loan 105 | | Recreation and culture | 105 | WATC | 6.22% | (4,558) | (5,059) | (6,624) |
| Loan 108 | | Recreation and culture | 108 | WATC | 2.71% | (4,339) | (4,411) | (5,201) |
| Total Self Supporting Loans Interest Repayments | | | | | | (8,897) | (9,470) | (11,825) |
| Total Interest Repayments | 2(b) | | | | | (187,199) | (192,755) | (206,773) |

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

25. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2021/22

No new borrowing arrangements were entered into during the year ended 30 June 2022.

(c) Lease Liabilities

| Purpose | Actual | | | Budget | | |
|--------------------------------|--------------------------|---------------------------|---------------------------|--------------------------|---------------------------|---------------------------|
| | Principal at 1 July 2021 | New Leases During 2021-22 | Principal at 30 June 2022 | Principal at 1 July 2021 | New Leases During 2021-22 | Principal at 30 June 2022 |
| Folding machine | 9,879 | 0 | 5,540 | 5,540 | 0 | 1,118 |
| Telephone system | 15,168 | 0 | 11,571 | 11,571 | 0 | 7,902 |
| Depot land and buildings | 1,336,471 | 0 | 1,287,905 | 1,287,906 | 0 | 1,237,786 |
| Total Lease Liabilities | 1,361,518 | 0 | 1,305,016 | 1,305,017 | 0 | 1,246,806 |

Lease Interest Repayments

| Purpose | Note | Function and activity | Lease Number | Institution | Interest Rate | Actual for year ending 30 June 2022 | | Budget for year ending 30 June 2022 | |
|----------------------------------|------|-----------------------------|--------------|---------------------|---------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | | | | | | Actual for year ending 30 June 2022 | Budget for year ending 30 June 2022 | Actual for year ending 30 June 2021 | Budget for year ending 30 June 2021 |
| Folding machine | | Governance | | Neopost Finance | 1.90% | (70) | (66) | (149) | |
| Telephone system | | Governance | | Telstra | 2.00% | (196) | (196) | (266) | |
| Depot land and buildings | | Other property and services | | Town of Mosman Park | 3.20% | (38,785) | (38,856) | (40,410) | |
| Total Interest Repayments | 2(b) | | | | | (39,051) | (39,118) | (40,827) | |

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

26. RESERVE ACCOUNTS

Restricted by legislation/agreement

| (a) Reserves cash backed - Cash in lieu of parking reserve | 2022 Actual | | 2022 Budget | | 2021 Actual | | 2021 Budget | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Opening Balance | Closing Balance | Opening Balance | Closing Balance | Opening Balance | Closing Balance | Opening Balance | Closing Balance |
| | 11,752 | 0 | 11,752 | 0 | 11,702 | 0 | 11,752 | 0 |
| | 11,752 | 0 | 11,752 | 0 | 11,702 | 0 | 11,752 | 0 |

Restricted by council

| (b) Reserves cash backed - Leave Reserve | 2022 Actual | | 2022 Budget | | 2021 Actual | | 2021 Budget | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Opening Balance | Closing Balance | Opening Balance | Closing Balance | Opening Balance | Closing Balance | Opening Balance | Closing Balance |
| (c) Reserves cash backed - Civic centre reserve | 299,541 | 242,534 | 299,447 | 242,200 | 309,126 | 1,387 | 309,126 | 1,387 |
| (d) Reserves cash backed - Waste management reserve | 271,174 | 272,046 | 249,340 | 249,963 | 369,028 | 1,629 | 369,028 | 1,629 |
| (e) Reserves cash backed - Property reserve | 198,948 | 0 | 198,873 | 0 | 629,855 | 2,709 | 629,855 | 2,709 |
| (f) Reserves cash backed - Infrastructure reserve | 1,434,965 | 1,317,548 | 1,425,517 | 1,425,517 | 390,574 | 1,133,031 | 390,574 | 1,133,031 |
| (g) Reserves cash backed - Legal reserve | 388,334 | 449,220 | 358,454 | 368,833 | 556,717 | 2,451 | 556,717 | 2,451 |
| (h) Reserves cash backed - Parking facilities reserve | 149,740 | 150,221 | 149,694 | 150,068 | 171,620 | 18,120 | 171,620 | 18,120 |
| (i) Reserves cash backed - Library reserve | 0 | 0 | 0 | 0 | 158,171 | 2,895 | 158,171 | 2,895 |
| (j) Reserves cash backed - Sustainability reserve | 190,902 | 191,516 | 190,845 | 191,322 | 170,286 | 20,616 | 170,286 | 20,616 |
| (k) Reserves cash backed - Foreshore redevelopment reserve | 0 | 0 | 0 | 0 | 166,936 | 704 | 166,936 | 704 |
| (l) Reserves cash backed - Right of way reserve | 3,389,686 | 2,868,671 | 3,721,030 | 3,130,094 | 4,956,140 | 636,467 | 4,956,140 | 636,467 |
| (m) Reserves cash backed - Sculpture and artworks reserve | 195,368 | 246,035 | 125,309 | 155,622 | 184,496 | 872 | 184,496 | 872 |
| (n) Reserves cash backed - Green infrastructure and sustainab | 118,225 | 118,605 | 118,189 | 118,485 | 109,094 | 9,131 | 109,094 | 9,131 |
| (o) Reserves cash backed - Active transport reserve | 189,853 | 190,463 | 189,798 | 190,272 | 112,669 | 77,184 | 112,669 | 77,184 |
| (p) Reserves cash backed - Information technology reserve | 514,861 | 516,516 | 514,711 | 515,998 | 357,235 | 157,626 | 357,235 | 157,626 |
| (q) Reserves cash backed - Recreation precinct reserve | 692,972 | 695,200 | 667,776 | 669,445 | 291,557 | 401,415 | 291,557 | 401,415 |
| (r) Reserves cash backed - Shark barrier reserve | 9,556 | 9,587 | 0 | 0 | 22,041 | 95 | 22,041 | 95 |
| (s) Reserves cash backed - Public open space reserve | 135,500 | 135,936 | 135,460 | 135,799 | 110,000 | 25,500 | 110,000 | 25,500 |
| | 400,107 | 651,587 | 400,000 | 401,000 | 0 | 400,107 | 0 | 400,107 |
| | 8,579,732 | 8,255,273 | 8,744,443 | 7,147,301 | 9,075,545 | 2,891,939 | 9,075,545 | 2,891,939 |
| | 8,591,484 | 8,267,063 | 8,756,194 | 7,159,081 | 9,087,247 | 2,891,989 | 9,087,247 | 2,891,989 |

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash 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:

26. RESERVE ACCOUNTS (Continued)

| Name of Reserve | Anticipated date of use | Purpose of the reserve |
|--|-------------------------|--|
| (a) Reserves cash backed - Cash in lieu of parking reserve | One year | The purpose of this reserve is, in accordance with the Council's Town Planning Scheme, to set aside funds from developers for the development of parking facilities. |
| (b) Reserves cash backed - Leave Reserve | Five years | To partially cash back the accumulated employee leave liability and to fund the payment of accumulated leave entitlements for Town of Cottesloe staff. |
| (c) Reserves cash backed - Civic centre reserve | Ten years | To fund the cost of improvement, renovations and extensions to the buildings that make up Cottesloe Civic Centre. |
| (d) Reserves cash backed - Waste management reserve | Ten years | To fund the improvement, replacement and expansion of waste management plant, equipment, facilities and services within the suburb of Cottesloe. |
| (e) Reserves cash backed - Property reserve | Ten to twenty years | To contribute towards future property construction/renewal within the Town of Cottesloe. |
| (f) Reserves cash backed - Infrastructure reserve | Ten to twenty years | To contribute towards ongoing future infrastructure construction/renewal within the suburb of Cottesloe which includes the following categories of infrastructure, roads, drainage, footpaths, parks and ovals, irrigation, streetscapes and miscellaneous infrastructure. |
| (g) Reserves cash backed - Legal reserve | Five years | To contribute towards unanticipated legal expenses incurred by the Town of Cottesloe. |
| (h) Reserves cash backed - Parking facilities reserve | Ten years | To fund improvements to parking facilities within the suburb of Cottesloe. |
| (i) Reserves cash backed - Library reserve | Ten to twenty years | To be used for the upgrade and/or replacement of Library facilities. |
| (j) Reserves cash backed - Sustainability reserve | Ten years | To fund new or enhance existing sustainability initiatives within the suburb of Cottesloe. |
| (k) Reserves cash backed - Foreshore redevelopment reserve (formerly the depot funds reserve) | One to two years | To be used to fund the development of the Cottesloe foreshore. |
| (l) Reserves cash backed - Right of way reserve | Ten years | To be used to fund the improvement of right of ways within the suburb of Cottesloe. |
| (m) Reserves cash backed - Sculpture and artworks reserve | One year | To be used for the acquisition of new and restoration of existing sculptures and artworks within the suburb of Cottesloe. |
| (n) Reserves cash backed - Green infrastructure and sustainability initiatives reserve (formerly the green infrastructure reserve) | Ten to twenty years | To be used for the purpose of developing, commencing and implementing the Green Infrastructure Management Strategy within the suburb of Cottesloe and to fund new or enhance existing sustainability initiatives within the suburb of Cottesloe. |
| (o) Reserves cash backed - Active transport reserve | Ten to twenty years | To be used for the purpose of developing and maintaining active transport infrastructure within the suburb of Cottesloe. |
| (p) Reserves cash backed - Information technology reserve | Ten to twenty years | To be used for the purpose of developing and renewing information technology assets within the suburb of Cottesloe, including replacement of the parking system and core business system. |
| (q) Reserves cash backed - Recreation precinct reserve | One year | To be used for the purpose of developing and implementing improvements to the Town's recreation precincts. |
| (r) Reserves cash backed - Shark barrier reserve | Five to ten years | To develop and replace the shark barrier within the suburb of Cottesloe. |
| (s) Reserves cash backed - Public open space reserve | One year | To be used to fund the enhancement of existing, and creation of new, public open space within the suburb of Cottesloe to cater for the needs of all ages and abilities of the Town's youth. |

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

27. TRUST FUNDS

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

| | 1 July 2021 | Amounts Received | Amounts Paid | 30 June 2022 |
|-----------------------------------|-------------|------------------|--------------|--------------|
| | \$ | \$ | \$ | \$ |
| Cash in lieu of public open space | 674,180 | 2,242 | (4,819) | 671,603 |
| | 674,180 | 2,242 | (4,819) | 671,603 |



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Town of Cottesloe

To the Councillors of the Town of Cottesloe

Opinion

I have audited the financial report of the Town of Cottesloe (Town) which comprises:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

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 Town for the year ended 30 June 2022 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section 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 2022, 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.

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 of the Town is responsible for:

- 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 Town'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 Town.

The Council is responsible for overseeing the Town'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 control 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 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Town of Cottesloe

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Town of Cottesloe for the year ended 30 June 2022 included in the annual report on the Town's website. The Town's management is responsible for the integrity of the Town's website. This audit does not provide assurance on the integrity of the Town'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 Town to confirm the information contained in the website version.

Grant Robison
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
6 April 2023

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