



Town of Cottesloe



# Cottesloe

# ANNUAL

# REPORT

## 2024





## 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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# OUR ELECTED MEMBERS

## 2023/2024



Mayor Lorraine Young



Cr Helen Sadler – Deputy Mayor



Cr Melissa Harkins



Cr Chilla Bulbeck



Cr Brad Wylynko



Cr Jeffrey Irvine



Cr Katy Mason



Cr Sonja Heath



Cr Michael Thomas



# MAYOR'S MESSAGE



I AM PLEASED TO PRESENT THE TOWN'S 2023/2024 ANNUAL REPORT. DURING THIS PERIOD, IN ADDITION TO THE ONGOING OPERATIONS OF THE TOWN, WE HAVE FOCUSED ON COMPLETING MAJOR PROJECTS AND PLANNING FOR THE FUTURE.

## Facilities and recreational amenity

The East Cottesloe playground was completed and opened in October 2023, providing amenity for families in and around East Cottesloe. The new Anderson Pavilion was formally opened in April 2024, providing modern facilities for our senior and junior footballers (including an increasing number of girls and women playing the game). The facilities also provide public toilets for all users of the playing fields. The Cottesloe Skate Park at John Black Dune Park was opened in June 2024 and was an immediate success with local families.

The shark barrier at central Cottesloe was installed in October and provided a wonderful summer of peace-of-mind swimming for locals and visitors. It was removed in April after the school holiday break and is due for replacement for the 2024/2025 summer. The Town has lobbied the State for funding for the full replacement cost and we are optimistic that funding will be provided to allow a new barrier to be commissioned and installed for future years.

Following a rigorous tender process the tender to operate a restaurant at 149 Marine Parade was awarded to the Kailis Group, for a restaurant with a focus on healthy eating and sustainability. The Kailis Group will be investing considerable funds into improving the building, which will provide increased amenity at this important site. The new restaurant is scheduled to open later in 2024, in time for summer.

The very popular *Sculpture by the Sea*, Cottesloe exhibition returned in early 2024. The Town continues to support this popular annual event, with funding, in-kind support and a warm and enthusiastic welcome.

Council considered the Tattarang group's redevelopment proposal for the Indiana site and resolved to not support it. Instead, Council endorsed a set of parameters for a redevelopment and has encouraged the proponent to consider a redevelopment within those parameters, for community consultation.

The Town continued to lobby the State government for funding and support for the Foreshore Masterplan and continued work with State government agencies to progress the matter. The concept has received in-principle support and we are working on translating that into funding and assistance.

Council resolved in-principle support for a new 10-year lease of the Sea View Golf course and Clubhouse, to the Sea View Golf Club, when the current lease expires in mid-2026. We committed to pursuing redevelopment options for the Clubhouse, to meet the needs of the Club while delivering increased amenity to the broader community and a potential income stream to the Town. The redevelopment concept is to be included as a term in the revised lease. We also considered the appropriate response to safety risks posed by the current course layout and continued to engage with the Club in relation to these matters.

## Planning

The Town made significant progress in the development of a draft Local Planning Strategy (LPS). When formally adopted, the LPS will inform development of a contemporary Local Planning Scheme. The draft LPS was the outcome of extensive community consultation and reflects community feedback particularly regarding where it would support increased density to meet State-government mandated infill targets. The project has required considerable internal and external resources. We are required by the State to undertake this work and a finalised Strategy and contemporary Planning Scheme will offer the Town the best chance of resisting pressure for inappropriate development in our district.

## Integrated planning framework

We finalised and adopted a Council Plan to guide projects and priorities over the next 10 years, and a timeframe for deliverables. The Council Plan sets out the community's visions, aspirations and objectives (ascertained from extensive consultation) and Council's priorities for dealing with them. The Council Plan will be reviewed, with further community consultation, every four years.

## Reconciliation

Following on from our initial “Reflect” Reconciliation Action Plan (RAP), Council resolved to develop an “Innovate” RAP. This next level RAP will set out practical actions that will drive the Town’s contribution to reconciliation internally and within our community. The Innovate RAP allows an innovative and aspirational approach, so that we can develop a deeper understanding of the Town’s sphere of influence and establish our best approach to reconciliation with Aboriginal and Torres Strait Islander peoples.

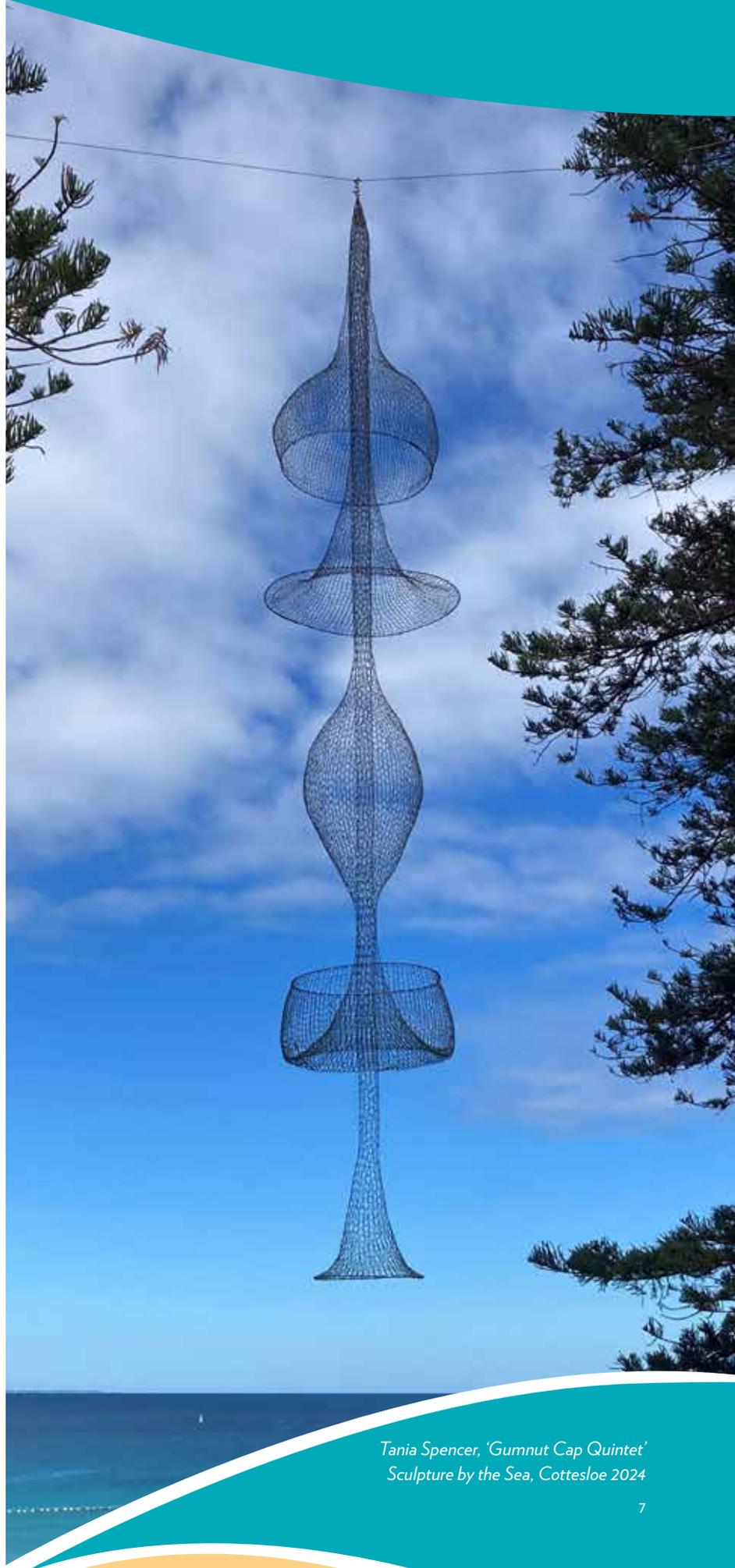
## Environment

Our work on environmental issues continued, with on-going engagement with Perth NRM (Natural Areas Management), a not-for-profit working in the environmental improvement area and Cottesloe Coastcare. This engagement and collaboration has enabled beneficial expansion of the Town’s environmental program including development of our Natural Areas Management Plan, and implementation of the project to rehabilitate the John Black Dune Park following the construction of the Cottesloe Skate Park. Other major planning included the development of a Green Infrastructure Strategy as an overarching document setting out principles for expansion and management of the Town’s green assets, and further work on our Street Tree Masterplan to respond to sustainability issues impacting on our public trees. This planning is essential to ensure that our environmental work is well informed, with measurable targets and reportable outcomes.

## 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 also 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



*Tania Spencer, 'Gumnut Cap Quintet'  
Sculpture by the Sea, Cottesloe 2024*

# 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 COUNCIL PLAN. A REVIEW OF THE STRATEGIC COMMUNITY PLAN 2013-2023 AND THE ASSOCIATED CORPORATE BUSINESS PLAN 2020-2024 WAS UNDERTAKEN DURING THE 2023/2024 FINANCIAL YEAR TO ENABLE THE TOWN TO DEVELOP A COUNCIL PLAN 2023-2033 (INCORPORATING THE STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN). THE COUNCIL PLAN WAS ADOPTED BY COUNCIL AT THE DECEMBER 2023 COUNCIL MEETING.

## OUR COMMUNITY

- Connected, engaged and accessible

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

- The new Eric Street Shared Path, the first step in the implementation of a Long-Term Cycle Network (LTCN) for the Town of Cottesloe was opened in August 2023;
- A new playground was built in East Cottesloe and was officially opened in October 2023;
- The protected swimming enclosure was re-installed at Cottesloe Main Beach in October 2023 and remained in for an extended season including the Easter holidays, being removed in late April 2024;
- A combined Citizenship Ceremony and Awards event was held with the Town of Mosman Park and the Shire of Peppermint Grove in celebration of Australia Day at Mosman Park;
- The new Anderson Pavilion at Harvey Field was built and opened in April 2024;
- A brand new Skate Park for Cottesloe, located at John Black Dune Park was built and opened in June 2024; and
- Continued support for *Sculpture by the Sea*.

## OUR TOWN

- Healthy natural environs and infrastructure meeting the needs of our community

- The Town progressed a number of key plans; the Local Planning Strategy and the Cottesloe Village Precinct Structure Plan;
- The Town 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 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.

## OUR PROSPERITY

- A vibrant and sustainable place to live, visit and enjoy

- A successful *Sculpture by the Sea* held on the foreshore for the 20th consecutive year;
- Ongoing dune restoration by Cottesloe Coastcare; and
- Engagement with State and Federal Government to lobby for funding for the Foreshore Masterplan.

## OUR LEADERSHIP AND GOVERNANCE

- Strategic leadership providing open and accountable governance

- Council adopted a number of key tenders including; Beach access (upgrade to path CT10), beach cleaning, drainage maintenance, road maintenance, street sweeping and life guard services;

- At the September 2023 Council Meeting a lease extension was granted to Seaview Kindergarten for a 10 year period;
- At the April 2024 Council Meeting a lease extension was granted to Cottesloe Rugby Club (for the Clubhouse premises at Harvey Field) for a five year period;
- Council adopted a Greening Infrastructure Plan and endorsed an updated Street Tree Masterplan following community consultation;
- The Town commenced live streaming Council Meetings (with recordings made available on the Town's YouTube channel) in May 2024;
- Council adopted the Western Central Local Emergency Management Arrangement, prepared in conjunction with the Western Central Local Emergency Management Committee and in accordance with the Emergency Management Act 2005;
- A State Government led Western Suburbs Working Group continued, enabling 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;
- Ongoing review of the Policies of Council;
- Ongoing review of the Town's Local Laws;
- Hosted Western Metropolitan Regional Council (WMRC) and Western Australian Local Government Association (WALGA) zone meetings;
- 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.

I would like to thank the Town's Mayor Lorraine Young and Councillors for their time and commitment over the past 12 months. Thank you to outgoing Councillors Kirsty Barrett, Craig Masarei, Paul MacFarlane and Richard Atkins (to October 2023) and welcome to Katy Mason, Sonja Heath, Jeffrey Irvine and Michael Thomas, our new Councillors elected at the Local Government Ordinary Elections held in October 2023. Lastly, thank you to our dedicated staff for their efforts in achieving our goals in 2023/2024.

Matthew Scott  
**Chief Executive Officer**





Beach clean up event at north Cottesloe



Winter street tree planting program

# 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, Cottesloe Coastcare and Emerge Associates worked together to create a natural areas landscaping design for the John Black Dune Park in the areas surrounding the newly constructed Skate Park. The site required the removal of some woody weed trees (Victorian tea tree) before planting native species to create habitats and increase biodiversity of the site. Over 1,400 tube stock were planted at two events, one with North Cottesloe Primary School students and the other with Town staff and Councillors. Restoration works will continue to be carried out in stages over the next two years.

Revegetation along the coastal dune system continued with 4,000 seedlings planted as infill on the dunes along the main beach. Species included 2,000 spinifex to create a “spinifex belt” and provide dune stability as weather patterns become more erratic with increased storm surges. Another 2,000 native plants were planted in verges and roundabouts to increase waterwise gardens and habitats through the Town.

Cottesloe Coastcare continued their valuable work and planted over 5,400 native seedlings across several sites including Grant Street dunes, Grant Marine Park and South Cottesloe between Sydney Street and Vlamingh. They engaged with many corporate and school groups during the course of this work.

The Natural Areas Alliance team made up of representatives from Cottesloe Coastcare, Perth NRM and the Town engaged with Cottesloe Primary school to run an Adopt a Beach program. Students hand weeded, planted and mulched 800 seedlings at two sites.

The natural areas weed control program continues to run seasonally. This aims at eradicating exotic species from natural areas and 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.

The Town received a Coastal Adaptation and Protection (CAP) Grant from the Department of Transport to support long-term coastal monitoring. This project aims to provide a greater understanding of coastal processes and long-term changes along the Town’s coastline. Active monitoring of the coast will assist the Town in detecting immediate changes to the coastal environment and will help identify coastal trends in erosion and/or accretion over longer timeframes. This will enhance the Town’s capacity to manage coastal hazards and provide consideration to long-term coastal management in all aspects of its decision making process, including development options and coastal dune restoration. The Town has undertaken comprehensive monitoring on an annual basis since 2014/2015 through the CAP program.

The Town continued to manage and promote waterwise projects to the community and retains its Gold Waterwise Council status. Waterwise initiatives include the Native Waterwise Verge Rebate Scheme, the Native Plant Subsidy Scheme and planting waterwise street trees to increase urban canopy.

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 Native Plant Subsidy Scheme offered to residents in May was a sell-out with 2,200 plants 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 120 trees planted on verges in Cottesloe during the winter; 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 progress report, implementation of its Disability Access and Inclusion Plan (DAIP). With the expiry of the 2018-2023 DAIP, the Town worked with a consultant to develop a 2023-2028 Plan. Feedback was sought from the community in October/November 2023 and the new DAIP was endorsed by the Town's Universal Access and Inclusion Reference Group (who assist with the implementation of the Plan) in June 2024. The Plan will now go to Council to be adopted.

The following access improvement initiatives were undertaken in the past year up to 30 June 2024:

- Continued to provide AUSLAN interpreter at Council events;
- Continued to make an AUSLAN interpreter available for Universal Access and Inclusion Reference Group;
- Carols by Candlelight 2023 was a wheelchair-friendly event;
- The new Anderson Pavilion at Harvey Field has accessible facilities and toilets for use by all sports players;
- Sculpture by the Sea* included an Access and Inclusion program offering; Tactile Tours, access days with special beach matting for visitors with limited mobility or those using wheelchairs, plus aged care, community and youth programs;
- Beach wheelchairs can be booked on SpacetoCo, allowing users to instantly book and use a beach wheelchair, removing previous wait times;
- Updates to ACROD parking bays in the Town; and
- Updates to the Town's website, including additional options for accessibility.

## 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 |
|------------------------|---------------------|
| \$210,000 to \$219,999 | 1                   |
| \$170,000 to \$179,999 | 1                   |
| \$130,000 to \$139,999 | 3                   |

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 \$211,413.

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

|                          | Council | Committee | Electronic | Working Groups |
|--------------------------|---------|-----------|------------|----------------|
| Cr Lorraine Young        | 13      | 3         | 0          | 4              |
| Cr Helen Sadler          | 12      | 0         | 1          | 5              |
| Cr Melissa Harkins       | 11      | 0         | 0          | 1              |
| Cr Brad Wylynko          | 11      | 0         | 0          | 0              |
| Cr Chilla Bulbeck        | 14      | 0         | 0          | 4              |
| <b>To October 2023</b>   |         |           |            |                |
| Cr Kirsty Barrett        | 4       | 0         | 0          | 1              |
| Cr Craig Masarei         | 1       | 0         | 0          | 0              |
| Cr Paul MacFarlane       | 4       | 1         | 0          | 0              |
| Cr Richard Atkins        | 5       | 0         | 0          | 0              |
| <b>From October 2023</b> |         |           |            |                |
| Cr Katy Mason            | 10      | 0         | 0          | 0              |
| Cr Sonja Heath           | 8       | 3         | 1          | 3              |
| Cr Jeffrey Irvine        | 9       | 3         | 1          | 2              |
| Cr Michael Thomas        | 6       | 0         | 0          | 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 Record Keeping 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 recordkeeping program within the organisation including information regarding the organisation's recordkeeping systems, disposal arrangements, policies, procedures and practices. The RKP is the primary means of providing evidence of compliance with the State Records Act 2000 and the implementation of best practice recordkeeping within the organisation.

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.

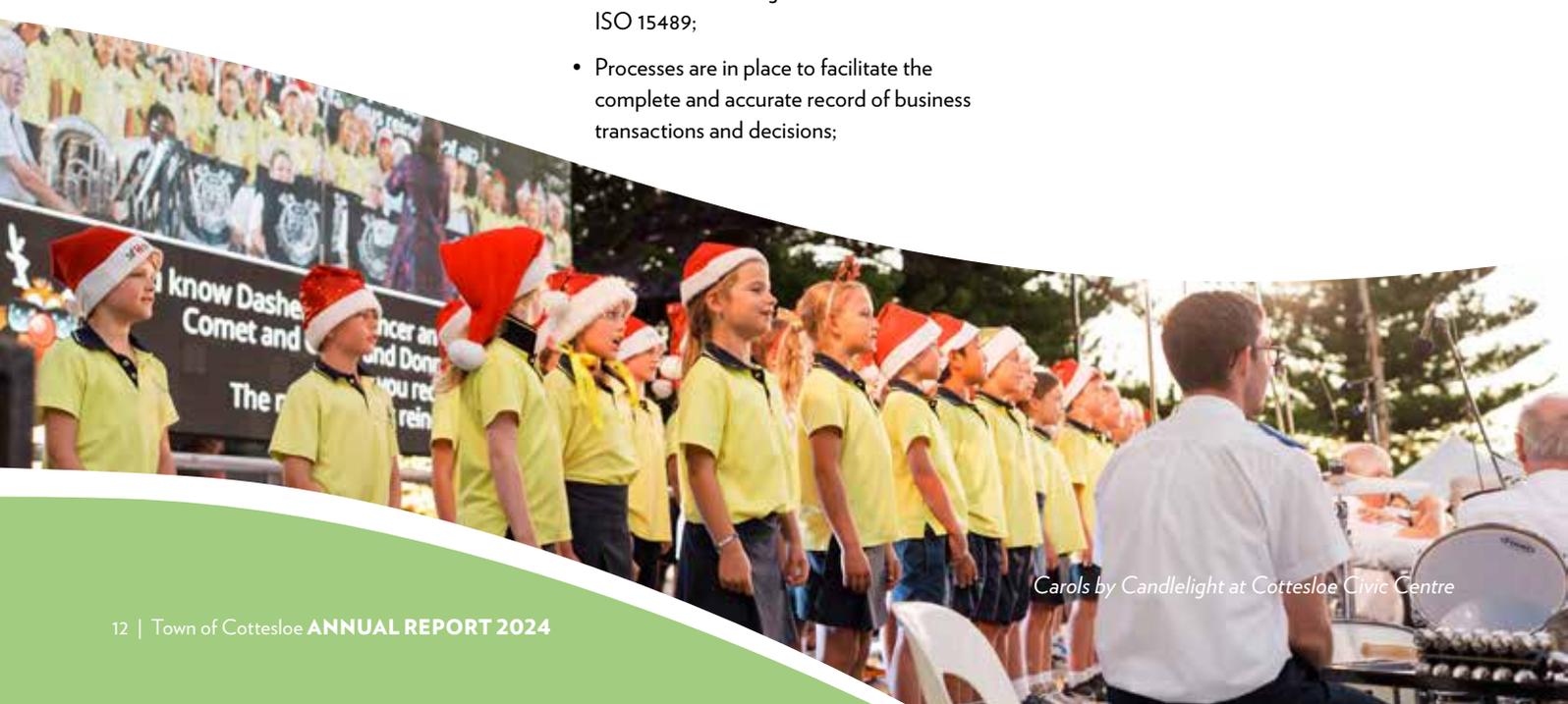
The Town's Recordkeeping Plan was updated in December 2021.

## RECORDKEEPING TRAINING

Recordkeeping training is provided to all new employees as part of their induction training. This includes information regarding recordkeeping responsibilities and the Town's recordkeeping system. Refresher training is provided to employees as required.

## LOCAL LAWS

The Town continues to review its Local Laws. In 2023/24 reviews continued for the Parking and Parking Facilities and Dogs Local Law. The Town also commenced a proposed Waste Local Law 2024.



*Carols by Candlelight at Cottesloe Civic Centre*

# INTEGRATED PLANNING AND REPORTING FRAMEWORK





*Olga Cironis, 'With You in Red'  
Sculpture by the Sea, Cottesloe 2024*

# COUNCIL PLAN

THE LOCAL GOVERNMENT ACT 1995 HAS REQUIRED LOCAL GOVERNMENTS TO PREPARE A 'PLAN FOR THE FUTURE' UNDER SECTION 5.56 SINCE ITS INTRODUCTION, ESSENTIALLY REQUIRING LOCAL GOVERNMENTS TO STRATEGICALLY LOOK AT CURRENT AND FUTURE NEEDS AND DETERMINE HOW THESE WOULD BE PROVIDED.

In June 2023, the Local Government Amendment Act 2023 amended section 5.56 of the Act to change the term 'Plan for the Future' to 'Council Plan'. Regulation 19BA of the Local Government (Administration) Regulations 1996 combines the Strategic Community Plan and the Corporate Business Plan into a new Council Plan.

In relation to the Town of Cottesloe, the Strategic Community Plan which was adopted in 2013, was to expire in 2023. A review of the Strategic Community Plan and associated Corporate Business Plan 2020-2024 was provided for in the 2022/23 Budget. In early 2023, the Town engaged Moore Australia to assist in preparing a Council Plan. The Council

Plan was adopted for community feedback in October 2023 and, following the feedback being noted by Council and the Plan updated, it was adopted by Council at the December 2023 Council Meeting.

The Town of Cottesloe's Council Plan 2023-2033 is an integrated approach for meeting the requirements for strategic community planning and corporate business planning, reflecting strategic alignment and integration. The Council Plan provides the overall strategic direction for the community, Council and others who deliver services and play a part in the community. The plan is intended to be used as a guiding document, not only with respect to the Town's responsibilities, but with respect

to the broader community's responsibilities and those of other agencies, residents and stakeholders.

The Town is grateful to the community for their response and input into the strategic community planning process and the valuable insight into the desired vision for the future of the Town of Cottesloe. The Council Plan will have an annual desktop review and a major review every four years, which will include community consultation.

## OUR COMMUNITY - Connected, engaged and accessible

### Community Feedback

Our community values its relaxed, outdoor lifestyle and the natural environment.

Looking forward, our community wants Cottesloe to be a welcoming place for locals and visitors of all backgrounds, ages and abilities.

Community events and initiatives are welcomed to enhance our vibrant coastal community, with the style and scale of events to suit Cottesloe's character.

### Our Strategies

Our high level strategies to progress these objectives:

1. Supporting an active, healthy and inclusive community culture, our residents enjoy access to a range of social, cultural and recreation activities.
2. Providing accessible and inclusive community spaces and facilities.

| Deliverable  | Timeframe  | Role    | Directorate | Comments  |
|--|------------|---------|-------------|---|
| Encourage health and wellbeing through recreation initiatives          | Short Term | Partner | DCCS        | No action at this point.  |
| Implement the Disability Access and Inclusion Plan                     | Short Term | Deliver | DCCS        | Plan currently being reviewed by Consultant. Meeting 29/4/24.                           |
| Review and update the Town's Public Open Space and Playground Strategy | Short Term | Deliver | DES         | This will commence after Council adopts the Asset Management Strategy (April 2024 OCM). |
| Identify and support opportunities for community participation         | Short Term | Deliver | DCCS        | Ongoing.  |
| Review and implement the Town's Events Policy                          | Short Term | Deliver | DCCS        | Not commenced.  |
| Implement the Reconciliation Action Plan                               | Short Term | Deliver | DCCS        | Second stage of Plan to be developed. First completed.                                  |
| Develop a Public Health Plan   | Short Term | Deliver | DDRS        | Requirements under review.  |
| Develop a Community Youth Inclusion Strategy                           | Short Term | Deliver | DCCS        | Not commenced.  |
| Develop a Community Development Strategy                               | Short Term | Deliver | DCCS        | Not commenced.  |



Cottesloe Skate Park at John Black Dune Park was officially opened in June 2024

## OUR TOWN – Healthy natural environs and infrastructure meeting the needs of our community

### Community Feedback

Sustainability is important to our community. Our urban canopy, natural areas and recreation facilities are a priority for community wellbeing. Our community wants to see Cottesloe’s heritage celebrated and balanced with appropriate planning and development. Looking forward, our community want to see Cottesloe and Swanbourne Villages as thriving accessible community hubs. Our public amenities (including public ablutions) are a priority for our community, to enhance accessibility for everyone.

### Our Strategies

Our high level strategies to progress these objectives:

1. Town infrastructure is well planned, effectively managed and supports our community, whilst protecting and promoting our unique heritage and character.
2. Engage with external stakeholders to create connectivity throughout the Town.
3. Future population growth is planned to enhance community connectivity, economic prosperity as well as the built and natural environment.
4. Work collaboratively to protect, enhance and increase our natural assets and green canopy.

| Deliverable   | Timeframe  | Role    | Directorate | Comments   |
|---|------------|---------|-------------|--|
| Review and implement the Town Planning Scheme                           | Short Term | Deliver | DDRS        | Initial work can commence once Local Planning Strategy has been approved for advertising. Workshop with Council planned to discuss priorities.   |
| Review, update and implement asset management planning                  | Short Term | Deliver | DES         | Develop an asset management strategy that incorporates major strategies, delivery plans for the Council Plan priorities and management process to inform the asset management plan. This is expected to commence after Council adopts the Asset Management Strategy (April 2024 OCM).  |
| Adopt and implement the Cottesloe Village Precinct Structure Plan       | Short Term | Deliver | DDRS        | Consultant engaged to complete final document.   |
| Progress the Foreshore Masterplan, including Carpark 2 re-visioning     | Short Term | Partner | DES         | Develop a staged approach for the Foreshore Redevelopment to continue seeking government contributions and grants to progressively delivery various components over the duration of the Council Plan.<br><br>Develop and implement a Council approved delivery strategy for the Carpark 2 Redevelopment. Element have been appointed for the works and Council will be progressively briefed throughout the strategy implementation process. |
| Review and implement Coastal Hazard Risk Management and Adaptation Plan | Short Term | Deliver | DES         | Work with the CHRMAP Steering Committee and community to finalise the CHRMAP for this to inform the asset management plan. The development of the final chapter is in progress and under internal review.  |

Planting at John Black Dune Park with North Cottesloe Primary School students





| Deliverable   | Timeframe  | Role    | Directorate | Comments   |
|---|------------|---------|-------------|--|
| Implement Green Infrastructure Plan                 | Short Term | Deliver | DES         | Complete the community consultation for Council to adopt the Strategy for implementation. Consultant being engaged for the engagement process.   |
| Develop Recreation Precinct Strategy                | Short Term | Deliver | DES         | Finalise the Recreation Precinct Masterplan.<br>Develop an affordable investment strategy for Council to implement the plan.   |
| Develop Foreshore and Beach Strategy                | Short Term | Deliver | DES         | Consult with Council to understand the priority elements of the adopted Foreshore Redevelopment Masterplan.<br>Update the alternative long term investment strategy to deliver the priorities over 10 years.<br>Continue to lobby other levels of Government for funding in line with the Business Case. |
| Review and update the Integrated Transport Strategy | Short Term | Deliver | DES         | Review all transport related to the operating and management plan to update the strategy.<br>Council adopts strategy to inform the asset management plan.<br>This will commence after Council adopts the Asset Management Strategy (April 2024 OCM).   |

## OUR PROSPERITY – A vibrant and sustainable place to live, visit and enjoy

### Community Feedback

Our community highly values Cottesloe’s relaxed coastal character. It is important to our community that this be retained and that Cottesloe is a place where locals and visitors are welcomed and enjoy the experience.

Thriving connected village hubs are important to our community.

There is clear acknowledgement of Cottesloe as a world-renowned tourism destination - the Cottesloe foreshore and coast need to meet the expectations of locals, as well as visitors from around Australia and internationally.

### Our Strategies

Our high level strategies to progress these objectives:

1. Activating Cottesloe and Swanbourne town centres and increasing their appeal, attracting more local business and visitors.
2. Partner with other stakeholders to create beautiful and diverse locations that celebrate our natural cultural and built heritage.
3. Partner with other stakeholders to promote Cottesloe more widely, attracting visitors seeking a quality coastal experience.

| Deliverable  | Timeframe  | Role     | Directorate | Comments   |
|--|------------|----------|-------------|--|
| Lobby and advocate for increased east-west connectivity          | Short Term | Advocate | DES         | Continue to lobby the State Government to upgrade Congdon Street and Eric Street Bridge Upgrade.   |
| Implement the Cities Power Partnership Commitments               | Short Term | Deliver  | DES         | Develop a sustainability strategy with different informing plans that deliver the CPP outcomes.  |
| Implement the Beach Access Plan                                  | Short Term | Deliver  | DES         | An implementation plan developed for Council’s endorsement for this to then inform the Asset Management and Long Term Financial Plan to guide the development of future budgets. This will commence after Council adopts the Asset Management Strategy (April 2024 OCM). |
| Review and update the Cottesloe Long Term Cycle Network Strategy | Short Term | Deliver  | DES         | An implementation plan developed for Council’s endorsement for this to then inform the Asset Management and Long Term Financial Plan to guide the development of future budgets. This will commence after Council adopts the Asset Management Strategy (April 2024 OCM). |
| Implement Natural Asset Management Plan                          | Short Term | Deliver  | DES         | Council adopts the NAMPs following its public consultation. Projects are implemented in line with the plan. The plan is used to inform the Asset Management and Long Term Financial Plan to guide future budgets.  |



Colourful road mural on the new Eric Street Shared Path



| Deliverable   | Timeframe  | Role     | Directorate | Comments   |
|---|------------|----------|-------------|--|
| Maintain and update the Cottesloe Local Heritage List   | Short Term | Partner  | DDRS        | Initial work can commence once Local Planning Strategy has been approved for advertising.  |
| Advocate for strategic transport infrastructure development, maintenance and improvement  | Ongoing    | Advocate | CEO         | Currently organising a forum with the City of Fremantle, Town of Mosman Park and Shire of Peppermint Grove to discuss Strategic Priorities for the Stirling Highway and Fremantle Railway transport corridors. |
| Implement the adopted Cottesloe Village Precinct Structure Plan   | Short Term | Partner  | DDRS        | Will commence once Cottesloe Village Precinct Structure Plan is completed and endorsed by Council.   |
| Local Planning Strategy and Scheme  | Short Term | Deliver  | DDRS        | Local Planning Strategy awaiting approval for formal advertising. Initial work on Local Planning Scheme will commence once Local Planning Strategy has been approved for advertising.                          |
| Explore partnership opportunities for the delivery of services to our community and visitors  | Short Term | Partner  | CEO         | The Western Suburb Alliance CEO group is actively investigating possible shared partnership of various services.   |
| Develop a Public Space Activation Strategy  | Short Term | Partner  | DES         | This is incorporated within the Public Open Space Strategy review.   |
| Advocate for development and maintenance of community infrastructure, supporting our local community and the large number of visitors | Ongoing    | Advocate | CEO         | Ongoing discussions with State and Federal Government on the infrastructure needs of the community when the opportunity presents itself.   |
| Develop strategies and policies to assist local business become more sustainable  | Medium     | Deliver  | CEO         | No progress on this deliverable at this stage.   |
| Continue collaboration with neighbouring local governments, supporting tourism development  | Ongoing    | Partner  | CEO         | The Town continues to support and attend ProCott Meetings.   |

## OUR LEADERSHIP AND GOVERNANCE – Strategic leadership providing open and accountable governance

### Community Feedback

Community engagement and timely communication is a high priority for our community. Our community values transparent, strategic leadership and forward planning. Our community deserves and requires legislative compliance and financial responsibility.

### Our Strategies

Our high level strategies to progress these objectives:

1. Engage, inform and actively involve our community in Council decision making.
2. Work innovatively and collaboratively with government, industry, business and community to deliver positive outcomes.
3. Deliver open, accountable and transparent governance.

| Deliverable  | Timeframe  | Role     | Directorate | Comments  |
|--|------------|----------|-------------|---|
| Review and implement Council's long term strategic planning  | Medium     | Deliver  | CEO         | Council Plan adopted by Council in December'23. Workshop to be arrange to prioritise deliverables.  |
| Review and implement Council's communication plan / strategy   | Short Term | Deliver  | CEO         | Review of the Town's communication plan will commence in 2024.  |
| Advocate and lobby on behalf of our community  | Short Term | Advocate | CEO         | Ongoing as opportunities occur. Meeting with local State Member to discuss various Local issues.  |
| Provide strategic leadership, deliver financially responsible governance and maintain legislative compliance | Ongoing    | Deliver  | CEO         | Annual Report included in February OCM agenda. Compliance Return and Mid Year Budget Review to be put to Audit and Risk Committee, to be then put to March OCM. |
| Provide regular public communications, updating our community of Council activities                          | Ongoing    | Deliver  | CEO         | Responses to media enquiries, social media posts and monthly newsletter issued.   |



Mayor Lorraine Young officially opened the new Anderson Pavilion at Harvey Field



| Deliverable  | Timeframe  | Role    | Directorate | Comments   |
|--|------------|---------|-------------|--|
| Engage with community on satisfaction with the level of service delivery   | Ongoing    | Partner | CEO         | Service delivery survey completed as part of the development of Council Plan. To be reissued every 2 years as part of Council Plan review.   |
| Use existing and develop new partnerships to improve services and efficiencies for the Town including but not limited to WESROC, Joint Library Agreement | Ongoing    | Partner | CEO         | Working with the Western Suburbs Alliance (formally WESROC) CEO initiative to improve services across the Western Suburbs Local Governments. Current focus is Infrastructure, Procurement, Communications and Human Resources. |
| Review and maintain the implementation of business continuity planning   | Short Term | Deliver | DCCS        | Not commenced. Plan is a year in.  |
| Maintain emergency management partnership and planning   | Ongoing    | Partner | DDRS        | Ongoing membership of the Western Suburbs LEMC, which meets every quarter. Meeting regularly with local emergency services, ie WA Police.  |
| Provide a healthy and safe workplace for our Town employees and council members  | Ongoing    | Deliver | DCCS        | Ongoing. Fire drill held 12/2/24.  |

# FINANCIAL REPORT

FOR THE YEAR ENDED  
30 JUNE 2024



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**TOWN OF COTTESLOE**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

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The Town of Cottesloe conducts the operations of a local government with the following community vision:

*An iconic coastal community with a relaxed lifestyle*

Principal place of business:  
109 Broome Street  
Cottesloe WA 6011

**TOWN OF COTTESLOE  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

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

**STATEMENT BY CEO**

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

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

Signed on the 14th day of February 2025



Chief Executive Officer  
William Matthew Scott



**TOWN OF COTTESLOE  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2024**

|   | NOTE    | 2024<br>Actual<br>\$ | 2024<br>Budget<br>\$ | 2023<br>Actual<br>\$ |
|---|---------|----------------------|----------------------|----------------------|
| <b>Revenue</b>  |         |                      |                      |                      |
| Rates   | 2(a),25 | 12,493,659           | 12,417,290           | 12,019,493           |
| Grants, subsidies and contributions   | 2(a)    | 437,477              | 186,351              | 586,087              |
| Fees and charges  | 2(a)    | 3,302,893            | 3,166,373            | 3,009,564            |
| Interest revenue  | 2(a)    | 694,750              | 623,572              | 549,779              |
| Other revenue   | 2(a)    | 199,083              | 182,987              | 260,568              |
|   |         | <u>17,127,862</u>    | <u>16,576,573</u>    | <u>16,425,491</u>    |
| <b>Expenses</b>   |         |                      |                      |                      |
| Employee costs  | 2(b)    | (7,171,550)          | (7,274,850)          | (6,446,021)          |
| Materials and contracts   |         | (7,364,340)          | (8,681,565)          | (6,872,640)          |
| Utility charges   |         | (300,842)            | (377,714)            | (328,903)            |
| Depreciation  |         | (3,276,437)          | (3,261,295)          | (3,219,500)          |
| Finance costs   |         | (236,815)            | (186,872)            | (208,683)            |
| Insurance   |         | (237,790)            | (246,011)            | (225,845)            |
| Other expenditure   | 2(b)    | (36,620)             | (465,284)            | (627,629)            |
|   |         | <u>(18,624,394)</u>  | <u>(20,493,591)</u>  | <u>(17,929,221)</u>  |
|   |         | <u>(1,496,532)</u>   | <u>(3,917,018)</u>   | <u>(1,503,730)</u>   |
| Capital grants, subsidies and contributions                                     | 2(a)    | 2,138,177            | 2,134,341            | 693,680              |
| Profit on asset disposals   |         | 85,234               | 0                    | 123,661              |
| Loss on asset disposals   |         | (77,617)             | 0                    | (2,085)              |
| Fair value adjustments to financial assets at fair value through profit or loss | 4(b)    | 2,522                | 0                    | 5,529                |
| Share of net profit of associates accounted for using the equity method         | 23(c)   | 31,728               | 0                    | 69,749               |
| Loss on revaluation of Infrastructure - parks and ovals                         | 9(a)    | 0                    | 0                    | (97,542)             |
|   |         | <u>2,180,044</u>     | <u>2,134,341</u>     | <u>792,992</u>       |
| <b>Net result for the period</b>  |         | <b>683,512</b>       | <b>(1,782,677)</b>   | <b>(710,738)</b>     |
| <b>Other comprehensive income for the period</b>                                |         |                      |                      |                      |
| <i>Items that will not be reclassified subsequently to profit or loss</i>       |         |                      |                      |                      |
| Changes in asset revaluation surplus  | 16      | 0                    | 0                    | 9,948,363            |
| <b>Total other comprehensive income for the period</b>                          | 16      | <b>0</b>             | <b>0</b>             | <b>9,948,363</b>     |
| <b>Total comprehensive income for the period</b>                                |         | <b>683,512</b>       | <b>(1,782,677)</b>   | <b>9,237,625</b>     |

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



**TOWN OF COTTESLOE  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

|                                      | NOTE   | 2024               | * Restated<br>2023 | * Restated<br>1 July 2022 |
|--------------------------------------|--------|--------------------|--------------------|---------------------------|
|                                      |        | \$                 | \$                 | \$                        |
| <b>CURRENT ASSETS</b>                |        |                    |                    |                           |
| Cash and cash equivalents            | 3      | 7,733,491          | 6,198,535          | 13,959,471                |
| Trade and other receivables          | 5      | 1,030,357          | 492,145            | 528,885                   |
| Other financial assets               | 4(a)   | 5,453,019          | 7,562,747          | 64,906                    |
| Inventories                          | 6      | 8,960              | 9,120              | 9,180                     |
| Other assets                         | 7      | 451,829            | 398,429            | 72,348                    |
| <b>TOTAL CURRENT ASSETS</b>          |        | <b>14,677,656</b>  | <b>14,660,976</b>  | <b>14,634,790</b>         |
| <b>NON-CURRENT ASSETS</b>            |        |                    |                    |                           |
| Trade and other receivables          | 5      | 181,767            | 206,137            | 222,012                   |
| Other financial assets               | 4(b)   | 197,663            | 266,012            | 328,297                   |
| Investment in associate              | 23(a)  | 633,255            | 601,527            | 531,778                   |
| Property, plant and equipment        | 8      | 74,405,281         | 74,182,487         | 64,389,647                |
| Infrastructure                       | 9      | 69,574,749         | 69,696,576         | 70,413,854                |
| Right-of-use assets                  | 11(a)  | 1,058,845          | 1,125,699          | 1,177,429                 |
| <b>TOTAL NON-CURRENT ASSETS</b>      |        | <b>146,051,560</b> | <b>146,078,438</b> | <b>137,063,017</b>        |
| <b>TOTAL ASSETS</b>                  |        | <b>160,729,216</b> | <b>160,739,414</b> | <b>151,697,807</b>        |
| <b>CURRENT LIABILITIES</b>           |        |                    |                    |                           |
| Trade and other payables             | 12     | 3,161,663          | 3,366,152          | 3,368,226                 |
| Other liabilities                    | 13     | 62,663             | 0                  | 0                         |
| Lease liabilities                    | 11(b)  | 59,583             | 61,069             | 56,751                    |
| Borrowings                           | 14     | 354,119            | 352,460            | 350,347                   |
| Employee related provisions          | 15     | 1,175,792          | 1,323,059          | 1,203,286                 |
| <b>TOTAL CURRENT LIABILITIES</b>     |        | <b>4,813,820</b>   | <b>5,102,740</b>   | <b>4,978,610</b>          |
| <b>NON-CURRENT LIABILITIES</b>       |        |                    |                    |                           |
| Trade and other payables             | 12     | 0                  | 114,500            | 0                         |
| Lease liabilities                    | 11(b)  | 1,076,765          | 1,136,348          | 1,188,423                 |
| Borrowings                           | 14     | 1,753,978          | 2,108,097          | 2,460,557                 |
| Employee related provisions          | 15     | 289,560            | 166,144            | 196,257                   |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |        | <b>3,120,303</b>   | <b>3,525,089</b>   | <b>3,845,237</b>          |
| <b>TOTAL LIABILITIES</b>             |        | <b>7,934,123</b>   | <b>8,627,829</b>   | <b>8,823,847</b>          |
| <b>NET ASSETS</b>                    |        | <b>152,795,093</b> | <b>152,111,585</b> | <b>142,873,960</b>        |
| <b>EQUITY</b>                        |        |                    |                    |                           |
| Retained surplus                     |        | 28,452,594         | 27,324,688         | 28,051,789                |
| Reserve accounts                     | 28     | 7,839,029          | 8,283,426          | 8,267,063                 |
| Revaluation surplus                  | 16, 30 | 116,503,471        | 116,503,471        | 106,555,108               |
| <b>TOTAL EQUITY</b>                  |        | <b>152,795,094</b> | <b>152,111,585</b> | <b>142,873,960</b>        |

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

\* Refer to Note 30 for details



**TOWN OF COTTESLOE  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2024**

|  | NOTE | RETAINED<br>SURPLUS<br>\$ | RESERVE<br>ACCOUNTS<br>\$ | REVALUATION<br>SURPLUS<br>\$ | TOTAL<br>EQUITY<br>\$ |
|--|------|---------------------------|---------------------------|------------------------------|-----------------------|
| <b>Balance as at 1 July 2022</b>                 |      | <b>28,051,789</b>         | <b>8,267,063</b>          | <b>104,035,516</b>           | <b>140,354,368</b>    |
| Correction of error                              | 30   | 0                         | 0                         | 2,519,592                    | 2,519,592             |
| <b>Restated balance at the 1 July 2022</b>       |      | <b>28,051,789</b>         | <b>8,267,063</b>          | <b>106,555,108</b>           | <b>142,873,960</b>    |
| Comprehensive income for the period              |      |                           |                           |                              |                       |
| Net result for the period                        |      | (710,738)                 | 0                         | 0                            | (710,738)             |
| Other comprehensive income for the period        | 16   | 0                         | 0                         | 9,948,363                    | 9,948,363             |
| <b>Total comprehensive income for the period</b> |      | <b>(710,738)</b>          | <b>0</b>                  | <b>9,948,363</b>             | <b>9,237,625</b>      |
| Transfers from reserve accounts                  | 28   | 991,176                   | (991,176)                 | 0                            | 0                     |
| Transfers to reserve accounts                    | 28   | (1,007,539)               | 1,007,539                 | 0                            | 0                     |
| <b>Balance as at 30 June 2023</b>                |      | <b>27,324,688</b>         | <b>8,283,426</b>          | <b>116,503,471</b>           | <b>152,111,585</b>    |
| Correction of error                              |      | (3)                       | 0                         | 0                            | (3)                   |
| <b>Restated balance at 1 July 2023</b>           |      | <b>27,324,685</b>         | <b>8,283,426</b>          | <b>116,503,471</b>           | <b>152,111,582</b>    |
| Comprehensive income for the period              |      |                           |                           |                              |                       |
| Net result for the period                        |      | 683,512                   | 0                         | 0                            | 683,512               |
| <b>Total comprehensive income for the period</b> |      | <b>683,512</b>            | <b>0</b>                  | <b>0</b>                     | <b>683,512</b>        |
| Transfers from reserve accounts                  | 28   | 1,174,952                 | (1,174,952)               | 0                            | 0                     |
| Transfers to reserve accounts                    | 28   | (730,555)                 | 730,555                   | 0                            | 0                     |
| <b>Balance as at 30 June 2024</b>                |      | <b>28,452,594</b>         | <b>7,839,029</b>          | <b>116,503,471</b>           | <b>152,795,094</b>    |

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 2024**

| NOTE   | 2024<br>Actual<br>\$ | 2023<br>Actual<br>\$ |
|--|----------------------|----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                              |                      |                      |
| <b>Receipts</b>  |                      |                      |
| Rates  | 12,502,028           | 11,963,837           |
| Grants, subsidies and contributions                                      | 155,110              | 716,372              |
| Fees and charges   | 3,289,868            | 3,005,231            |
| Interest revenue   | 694,750              | 549,779              |
| Other revenue  | 199,083              | 260,559              |
|  | 16,840,839           | 16,495,778           |
| <b>Payments</b>  |                      |                      |
| Employee costs   | (6,981,809)          | (6,380,925)          |
| Materials and contracts  | (7,977,703)          | (7,084,407)          |
| Utility charges  | (300,842)            | (328,903)            |
| Finance costs  | (236,815)            | (208,683)            |
| Insurance paid   | (237,790)            | (225,845)            |
| Goods and services tax paid  | (136,774)            | 0                    |
| Other expenditure  | (36,460)             | (612,153)            |
|  | (15,908,193)         | (14,840,916)         |
| <b>Net cash provided by operating activities</b>                         | 932,646              | 1,654,862            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                              |                      |                      |
| Payments for financial assets at amortised cost                          | 0                    | (7,494,934)          |
| Payments for financial assets at fair values through profit and loss     | (1,152)              | 0                    |
| Payments for purchase of property, plant & equipment                     | 8(a) (1,450,201)     | (1,071,203)          |
| Payments for construction of infrastructure                              | 9(a) (1,989,968)     | (1,359,930)          |
| Capital grants, subsidies and contributions                              | 2,138,177            | 693,680              |
| Proceeds for financial assets at amortised cost                          | 2,112,787            | 0                    |
| Proceeds from financial assets at amortised cost - self supporting loans | 67,812               | 69,665               |
| Proceeds from sale of property, plant & equipment                        | 143,681              | 169,579              |
| <b>Net cash provided by (used in) investing activities</b>               | 1,021,136            | (8,993,143)          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                              |                      |                      |
| Repayment of borrowings  | 27(a) (352,460)      | (350,347)            |
| Payments for principal portion of lease liabilities                      | 27(b) (66,365)       | (72,308)             |
| <b>Net cash (used in) financing activities</b>                           | (418,825)            | (422,655)            |
| <b>Net increase (decrease) in cash held</b>                              | 1,534,957            | (7,760,936)          |
| Cash at beginning of year  | 6,198,535            | 13,959,471           |
| <b>Cash and cash equivalents at the end of the year</b>                  | 7,733,492            | 6,198,535            |

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

**TOWN OF COTTESLOE  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2024**

|   | NOTE  | 2024<br>Actual<br>\$ | 2024<br>Budget<br>\$ | 2023<br>Actual<br>\$ |
|---|-------|----------------------|----------------------|----------------------|
| <b>OPERATING ACTIVITIES</b>   |       |                      |                      |                      |
| <b>Revenue from operating activities</b>  |       |                      |                      |                      |
| General rates   | 25    | 12,493,659           | 12,417,290           | 12,019,493           |
| Grants, subsidies and contributions   |       | 437,477              | 186,351              | 586,087              |
| Fees and charges  |       | 3,302,893            | 3,166,373            | 3,009,564            |
| Interest revenue  |       | 694,750              | 623,572              | 549,779              |
| Other revenue   |       | 199,083              | 182,987              | 260,568              |
| Profit on asset disposals   |       | 85,234               | 0                    | 123,661              |
| Fair value adjustments to financial assets at fair value through profit or loss | 4(b)  | 2,522                | 0                    | 5,529                |
| Share of net profit of associates accounted for using the equity method         | 23(c) | 31,728               | 0                    | 69,749               |
|   |       | <u>17,247,346</u>    | <u>16,576,573</u>    | <u>16,624,430</u>    |
| <b>Expenditure from operating activities</b>                                    |       |                      |                      |                      |
| Employee costs  |       | (7,171,550)          | (7,274,850)          | (6,446,021)          |
| Materials and contracts   |       | (7,364,340)          | (8,681,565)          | (6,872,640)          |
| Utility charges   |       | (300,842)            | (377,714)            | (328,903)            |
| Depreciation  |       | (3,276,437)          | (3,261,295)          | (3,219,500)          |
| Finance costs   |       | (236,815)            | (186,872)            | (208,683)            |
| Insurance   |       | (237,790)            | (246,011)            | (225,845)            |
| Other expenditure   |       | (36,620)             | (465,284)            | (627,629)            |
| Loss on asset disposals   |       | (77,617)             | 0                    | (2,085)              |
| Loss on revaluation of non-current assets                                       |       | 0                    | 0                    | (97,542)             |
|   |       | <u>(18,702,011)</u>  | <u>(20,493,591)</u>  | <u>(18,028,848)</u>  |
| Non cash amounts excluded from operating activities                             | 26(a) | 3,265,586            | 3,261,295            | 3,200,099            |
| <b>Amount attributable to operating activities</b>                              |       | <u>1,810,921</u>     | <u>(655,723)</u>     | <u>1,795,681</u>     |
| <b>INVESTING ACTIVITIES</b>   |       |                      |                      |                      |
| <b>Inflows from investing activities</b>  |       |                      |                      |                      |
| Capital grants, subsidies and contributions                                     |       | 2,138,177            | 2,134,341            | 693,680              |
| Proceeds from disposal of assets  |       | 143,681              | 149,000              | 169,579              |
| Proceeds from financial assets at amortised cost - self supporting loans        | 27(a) | 67,812               | 67,823               | 69,665               |
|   |       | <u>2,349,670</u>     | <u>2,351,164</u>     | <u>932,924</u>       |
| <b>Outflows from investing activities</b>                                       |       |                      |                      |                      |
| Purchase of property, plant and equipment                                       | 8(a)  | (1,450,201)          | (1,582,210)          | (1,287,221)          |
| Purchase and construction of infrastructure                                     | 9(a)  | (1,989,968)          | (2,845,209)          | (1,549,410)          |
|   |       | <u>(3,440,169)</u>   | <u>(4,427,419)</u>   | <u>(2,836,631)</u>   |
| Non-cash amounts excluded from investing activities                             | 26(b) | 0                    | 0                    | 436,260              |
| <b>Amount attributable to investing activities</b>                              |       | <u>(1,090,499)</u>   | <u>(2,076,255)</u>   | <u>(1,467,447)</u>   |
| <b>FINANCING ACTIVITIES</b>   |       |                      |                      |                      |
| <b>Inflows from financing activities</b>  |       |                      |                      |                      |
| Proceeds from new leases - non cash   | 27(b) | 5,296                | 0                    | 0                    |
| Transfers from reserve accounts   | 28    | 1,174,952            | 1,464,952            | 991,176              |
|   |       | <u>1,180,248</u>     | <u>1,464,952</u>     | <u>991,176</u>       |
| <b>Outflows from financing activities</b>                                       |       |                      |                      |                      |
| Repayment of borrowings   | 27(a) | (352,460)            | (367,075)            | (350,347)            |
| Payments for principal portion of lease liabilities                             | 27(b) | (66,365)             | (61,255)             | (72,308)             |
| Transfers to reserve accounts   | 28    | (730,555)            | (567,224)            | (1,007,539)          |
|   |       | <u>(1,149,380)</u>   | <u>(995,554)</u>     | <u>(1,430,194)</u>   |
| Non-cash amounts excluded from financing activities                             | 26(c) | (5,296)              | 0                    | 0                    |
| <b>Amount attributable to financing activities</b>                              |       | <u>25,572</u>        | <u>469,398</u>       | <u>(439,018)</u>     |
| <b>MOVEMENT IN SURPLUS OR DEFICIT</b>   |       |                      |                      |                      |
| <b>Surplus or deficit at the start of the financial year</b>                    | 26(d) | 2,585,500            | 2,262,580            | 2,696,284            |
| Amount attributable to operating activities                                     |       | 1,810,921            | (655,723)            | 1,795,681            |
| Amount attributable to investing activities                                     |       | (1,090,499)          | (2,076,255)          | (1,467,447)          |
| Amount attributable to financing activities                                     |       | 25,572               | 469,398              | (439,018)            |
| <b>Surplus or deficit after imposition of general rates</b>                     | 26(d) | <u>3,331,494</u>     | <u>0</u>             | <u>2,585,500</u>     |

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

**TOWN OF COTTESLOE  
FOR THE YEAR ENDED 30 JUNE 2024  
INDEX OF NOTES TO THE FINANCIAL REPORT**

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**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**1. BASIS OF PREPARATION**

The financial report of the Town of Cottesloe which is a Class 3 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, 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 except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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 Leases which would have required the Town to measure any vested improvements at zero cost.

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

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

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

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

**Critical accounting estimates and judgements**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that 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 amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

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

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment - note 8
  - Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Measurement of employee benefits provisions - note 15

Fair value hierarchy information can be found in note 24

**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 29 of the financial report.

**Initial application of accounting standards**

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

- AASB 2021-2 Amendments to Australian Accounting Standards - *Disclosure of Accounting Policies or Definition of Accounting Estimates*

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

**New accounting standards for application in future years**

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

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

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

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

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

- AASB 2023-1 Amendments to Australian Accounting Standards - *Supplier Finance Arrangements*

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

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**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:

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

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

**Revenue Recognition**

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

**For the year ended 30 June 2024**

| <b>Nature</b>                               | <b>Contracts with customers</b> | <b>Capital grant/contributions</b> | <b>Statutory Requirements</b> | <b>Other</b>     | <b>Total</b>      |
|---|---------------------------------|------------------------------------|-------------------------------|------------------|-------------------|
|   | <b>\$</b>                       | <b>\$</b>                          | <b>\$</b>                     | <b>\$</b>        | <b>\$</b>         |
| General Rates                               | 0                               | 0                                  | 12,493,659                    | 0                | 12,493,659        |
| Grants, subsidies and contributions         | 117,055                         | 0                                  | 0                             | 320,422          | 437,477           |
| Fees and charges                            | 1,243,184                       | 0                                  | 1,378,084                     | 681,625          | 3,302,893         |
| Interest revenue                            | 625,167                         | 0                                  | 69,583                        | 0                | 694,750           |
| Other revenue                               | 9,120                           | 0                                  | 0                             | 189,963          | 199,083           |
| Capital grants, subsidies and contributions | 0                               | 1,802,787                          | 0                             | 335,390          | 2,138,177         |
| <b>Total</b>                                | <b>1,994,526</b>                | <b>1,802,787</b>                   | <b>13,941,326</b>             | <b>1,527,400</b> | <b>19,266,039</b> |

**For the year ended 30 June 2023**

| <b>Nature</b>                               | <b>Contracts with customers</b> | <b>Capital grant/contributions</b> | <b>Statutory Requirements</b> | <b>Other</b>     | <b>Total</b>      |
|---|---------------------------------|------------------------------------|-------------------------------|------------------|-------------------|
|   | <b>\$</b>                       | <b>\$</b>                          | <b>\$</b>                     | <b>\$</b>        | <b>\$</b>         |
| General Rates                               | 0                               | 0                                  | 12,019,493                    | 0                | 12,019,493        |
| Grants, subsidies and contributions         | 153,759                         | 0                                  | 0                             | 432,328          | 586,087           |
| Fees and charges                            | 857,581                         | 0                                  | 1,324,578                     | 827,405          | 3,009,564         |
| Interest revenue                            | 489,945                         | 0                                  | 59,834                        | 0                | 549,779           |
| Other revenue                               | 15,165                          | 0                                  | 0                             | 245,403          | 260,568           |
| Capital grants, subsidies and contributions | 0                               | 693,680                            | 0                             | 0                | 693,680           |
| <b>Total</b>                                | <b>1,516,450</b>                | <b>693,680</b>                     | <b>13,403,905</b>             | <b>1,505,136</b> | <b>17,119,171</b> |

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

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

**(a) Revenue (Continued)**

| <b>Note</b>  | <b>2024<br/>Actual</b> | <b>2023<br/>Actual</b> |
|--|------------------------|------------------------|
|  | <b>\$</b>              | <b>\$</b>              |
| <b>Interest revenue</b>                                    |                        |                        |
| Financial assets at amortised cost - self supporting loans | 8,305                  | 6,258                  |
| Interest on reserve account                                | 352,377                | 224,541                |
| Trade and other receivables overdue interest               | 78,051                 | 0                      |
| Other interest revenue                                     | 256,017                | 318,980                |
|  | <b>694,750</b>         | <b>549,779</b>         |

The 2024 original budget estimate in relation to:  
Trade and other receivables overdue interest was \$64,450

**Fees and charges relating to rates receivable**

|                            |        |        |
|----------------------------|--------|--------|
| Charges on instalment plan | 21,672 | 18,868 |
|----------------------------|--------|--------|

The 2024 original budget estimate in relation to:  
Charges on instalment plan was \$19,841

**(b) Expenses**

**Auditors remuneration**

|  |                |                |
|--|----------------|----------------|
| - Audit of the Annual Financial Report | 108,350        | 101,175        |
| - Other services – grant acquittals    | 20,270         | 1,430          |
|  | <b>128,620</b> | <b>102,605</b> |

**Employee Costs**

|                        |                  |                  |
|------------------------|------------------|------------------|
| Employee benefit costs | 6,697,187        | 5,997,562        |
| Other employee costs   | 474,363          | 448,459          |
|                        | <b>7,171,550</b> | <b>6,446,021</b> |

**Other expenditure**

|   |               |                |
|---|---------------|----------------|
| Write down of inventories to net realisable value | 6             | 60             |
| Sundry expenses                                   | 36,460        | 627,569        |
|   | <b>36,620</b> | <b>627,629</b> |

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**3. CASH AND CASH EQUIVALENTS**

| Note                                     | 2024             | 2023             |
|--|------------------|------------------|
|  | \$               | \$               |
| Cash at bank and on hand                 | 3,227,089        | 5,410,042        |
| Term deposits                            | 4,506,402        | 788,493          |
| <b>Total cash and cash equivalents</b>   | <b>7,733,491</b> | <b>6,198,535</b> |
| Held as                                  |                  |                  |
| - Unrestricted cash and cash equivalents | 5,213,946        | 5,410,043        |
| - Restricted cash and cash equivalents   | 17 2,519,545     | 788,492          |
|  | <b>7,733,491</b> | <b>6,198,535</b> |

**MATERIAL 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 reserve accounts, 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 and for which no liability has been recognised.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. OTHER FINANCIAL ASSETS**

|  | Note  | 2024<br>\$       | 2023<br>\$       |
|--|-------|------------------|------------------|
| <b>(a) Current assets</b>                                    |       |                  |                  |
| Financial assets at amortised cost                           |       | 5,453,019        | 7,562,747        |
|  |       | <u>5,453,019</u> | <u>7,562,747</u> |
| <b>Other financial assets at amortised cost</b>              |       |                  |                  |
| Self supporting loans receivable                             | 26(d) | 70,872           | 67,813           |
| Term deposits  |       | 5,382,147        | 7,494,934        |
|  |       | <u>5,453,019</u> | <u>7,562,747</u> |
| <b>Held as</b>   |       |                  |                  |
| - Unrestricted other financial assets at amortised cost      |       | 70,872           | 67,813           |
| - Restricted other financial assets at amortised cost        | 17    | 5,382,147        | 7,494,934        |
|  |       | <u>5,453,019</u> | <u>7,562,747</u> |
| <b>(b) Non-current assets</b>                                |       |                  |                  |
| Financial assets at amortised cost                           |       | 72,907           | 143,778          |
| Financial assets at fair value through profit or loss        |       | 124,756          | 122,234          |
|  |       | <u>197,663</u>   | <u>266,012</u>   |
| <b>Financial assets at amortised cost</b>                    |       |                  |                  |
| Self supporting loans receivable                             |       | 223              | 56,490           |
| Term deposits  |       | 72,684           | 87,288           |
|  |       | <u>72,907</u>    | <u>143,778</u>   |
| <b>Financial assets at fair value through profit or loss</b> |       |                  |                  |
| Units in Local Government House Trust - opening balance      |       | 122,234          | 116,705          |
| Movement attributable to fair value increment                |       | 2,522            | 5,529            |
| Units in Local Government House Trust - closing balance      |       | <u>124,756</u>   | <u>122,234</u>   |

**MATERIAL 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 24 (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 or loss**

The Town has elected to classify the following financial assets at fair value through profit or 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 elected to recognise as fair value gains and losses through profit or loss.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**5. TRADE AND OTHER RECEIVABLES**

| Note   | 2024      | 2023      |
|--|-----------|-----------|
|  | \$        | \$        |
| <b>Current</b>                                   |           |           |
| Rates and statutory receivables                  | 267,438   | 216,324   |
| Trade receivables                                | 156,200   | 84,794    |
| Other receivables                                | 451,263   | 460,952   |
| GST receivable                                   | 136,774   | 0         |
| Receivables for employee related provisions      | 47,493    | 41,133    |
| Allowance for credit losses of trade receivables | (4,470)   | (17,495)  |
| Allowance for credit losses of other receivables | (24,341)  | (293,563) |
|  | 1,030,357 | 492,145   |
| <b>Non-current</b>                               |           |           |
| Rates and statutory receivables                  | 104,759   | 136,860   |
| Receivables for employee related provisions      | 77,008    | 69,277    |
|  | 181,767   | 206,137   |

**Disclosure of opening and closing balances related to contracts with customers**

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

| Note  | 30 June<br>2024<br>Actual | 30 June<br>2023<br>Actual | 1 July<br>2022<br>Actual |          |
|---|---------------------------|---------------------------|--------------------------|----------|
|   | \$                        | \$                        | \$                       |          |
| Contract assets   | 7                         | 207,534                   |                          |          |
| Allowance for credit losses of trade receivables                | 5                         | (4,470)                   | (17,495)                 | (21,828) |
| Total trade and other receivables from contracts with customers |                           | 203,064                   | (17,495)                 | (21,828) |

**MATERIAL ACCOUNTING POLICIES**

**Rates and statutory receivables**

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

**Trade receivables**

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

**Other receivables**

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

**Measurement**

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

**Classification and subsequent measurement**

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

Trade and other receivables are held with the objective to collect the contractual cashflows and 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 inflation, any difference between the face value and fair value is considered immaterial.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**6. INVENTORIES**

|  | Note | 2024     | 2023     |
|--|------|----------|----------|
|  |      | \$       | \$       |
| <b>Current</b>   |      |          |          |
| Visitor centre stock   |      | 31,261   | 31,820   |
| Other inventories - Provision for Obsolescence                   |      | (22,301) | (22,700) |
|  |      | 8,960    | 9,120    |
| The following movements in inventories occurred during the year: |      |          |          |
| <b>Balance at beginning of year</b>                              |      | 9,120    | 9,180    |
| Write down of inventories to net realisable value                | 2(b) | (160)    | (60)     |
| <b>Balance at end of year</b>                                    |      | 8,960    | 9,120    |

**MATERIAL ACCOUNTING POLICIES**

**General**

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

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

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**7. OTHER ASSETS**

|                               | <b>2024</b>    | <b>2023</b>    |
|-------------------------------|----------------|----------------|
|                               | <b>\$</b>      | <b>\$</b>      |
| <b>Other assets - current</b> |                |                |
| Prepayments                   | 232,772        | 124,431        |
| Accrued income                | 11,523         | 273,998        |
| Contract assets               | 207,534        | 0              |
|                               | <b>451,829</b> | <b>398,429</b> |

**MATERIAL 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.

**Contract assets**

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

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**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.

|  | Assets not subject to operating lease |                         |                  |                   | Plant and equipment     |                     |                                   | Total property, plant and equipment |
|--|---------------------------------------|-------------------------|------------------|-------------------|-------------------------|---------------------|-----------------------------------|-------------------------------------|
|  | Land                                  | Buildings - specialised | Work in progress | Total Property    | Furniture and equipment | Plant and equipment | Furniture and equipment - Library |                                     |
| <b>Balance at 1 July 2022</b>  | \$ 24,503,000                         | \$ 35,519,294           | \$ 246,780       | \$ 62,788,666     | \$ 815,927              | \$ 772,185          | \$ 12,869                         | \$ 64,389,647                       |
| Correction of error *  | 0                                     | 2,519,592               | 0                | 2,519,592         | 0                       | 0                   | 0                                 | 2,519,592                           |
| <b>Restated balance at 1 July 2022</b>                                   | <b>24,503,000</b>                     | <b>38,038,886</b>       | <b>246,780</b>   | <b>65,308,258</b> | <b>815,927</b>          | <b>772,185</b>      | <b>12,869</b>                     | <b>66,909,239</b>                   |
| Additions  | 0                                     | 976,390                 | 0                | 976,390           | 0                       | 330,315             | 7,444                             | 1,314,149                           |
| Disposals  | 0                                     | 0                       | 0                | 0                 | 0                       | (48,371)            | (9,317)                           | (57,688)                            |
| Revaluation increments / (decrements) transferred to revaluation surplus | 5,415,400                             | 4,557,370               | 0                | 9,972,770         | 0                       | 0                   | 0                                 | 9,972,770                           |
| Depreciation   | 0                                     | (775,852)               | 0                | (775,852)         | (98,870)                | (314,889)           | 0                                 | (1,189,611)                         |
| Transfers  | 0                                     | (1,903,382)             | 1,656,602        | (246,780)         | 0                       | 0                   | 0                                 | (246,780)                           |
| <b>Restated balance at 30 June 2023</b>                                  | <b>29,918,400</b>                     | <b>40,893,412</b>       | <b>1,903,382</b> | <b>72,715,194</b> | <b>717,057</b>          | <b>739,240</b>      | <b>10,996</b>                     | <b>74,182,487</b>                   |
| <b>Comprises:</b>  |                                       |                         |                  |                   |                         |                     |                                   |                                     |
| Gross balance amount at 30 June 2023                                     | 29,918,400                            | 73,689,902              | 1,903,382        | 105,511,684       | 1,197,026               | 1,225,205           | 10,996                            | 107,944,911                         |
| Accumulated depreciation at 30 June 2023                                 | 0                                     | (32,796,490)            | 0                | (32,796,490)      | (479,969)               | (485,965)           | 0                                 | (33,762,424)                        |
| <b>Restated balance at 30 June 2023</b>                                  | <b>29,918,400</b>                     | <b>40,893,412</b>       | <b>1,903,382</b> | <b>72,715,194</b> | <b>717,057</b>          | <b>739,240</b>      | <b>10,996</b>                     | <b>74,182,487</b>                   |
| Additions  | 0                                     | 1,079,625               | 0                | 1,079,625         | 119,913                 | 250,663             | 0                                 | 1,450,201                           |
| Disposals  | 0                                     | 0                       | 0                | 0                 | 0                       | (58,447)            | 0                                 | (58,447)                            |
| Depreciation   | 0                                     | (860,368)               | 0                | (860,368)         | (108,354)               | (200,418)           | 0                                 | (1,169,140)                         |
| Transfers  | 0                                     | 1,903,382               | (1,903,382)      | 0                 | 0                       | 180                 | 0                                 | 180                                 |
| <b>Balance at 30 June 2024</b>   | <b>29,918,400</b>                     | <b>43,016,051</b>       | <b>0</b>         | <b>72,934,451</b> | <b>728,616</b>          | <b>731,218</b>      | <b>10,996</b>                     | <b>74,405,281</b>                   |
| <b>Comprises:</b>  |                                       |                         |                  |                   |                         |                     |                                   |                                     |
| Gross balance amount at 30 June 2024                                     | 29,918,400                            | 76,672,908              | 0                | 106,591,308       | 1,316,939               | 1,297,440           | 10,996                            | 109,216,683                         |
| Accumulated depreciation at 30 June 2024                                 | 0                                     | (33,656,857)            | 0                | (33,656,857)      | (588,323)               | (566,222)           | 0                                 | (34,811,402)                        |
| <b>Balance at 30 June 2024</b>   | <b>29,918,400</b>                     | <b>43,016,051</b>       | <b>0</b>         | <b>72,934,451</b> | <b>728,616</b>          | <b>731,218</b>      | <b>10,996</b>                     | <b>74,405,281</b>                   |

\* Refer to Note 30 for details

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**8. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Carrying Amount Measurements**

| Asset Class  | Fair Value Hierarchy | Valuation Technique  | Basis of Valuation    | Date of Last Valuation | Inputs Used   |
|--|----------------------|--|-----------------------|------------------------|---|
| <b>(i) Fair Value - as determined at the last valuation date</b> |                      |  |                       |                        |   |
| <b>Land and buildings</b>  |                      |  |                       |                        |   |
| Land   | 3                    | Market approach using recent observable market data for similar items              | Independent valuation | June 2023              | Price per hectare   |
| Buildings - specialised  | 3                    | Improvements to land valued using cost approach using depreciated replacement cost | Independent valuation | June 2023              | 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** Disclosed at cost minus accumulated depreciation

**Plant and equipment** Disclosed at cost minus accumulated depreciation

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**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.

|   | Infrastructure -<br>roads | Infrastructure -<br>footpaths | Infrastructure -<br>drainage | Infrastructure -<br>parks and ovals | Infrastructure -<br>work in progress | Infrastructure - car<br>parks | Total Infrastructure |
|---|---------------------------|-------------------------------|------------------------------|-------------------------------------|--------------------------------------|-------------------------------|----------------------|
|   | \$                        | \$                            | \$                           | \$                                  | \$                                   | \$                            | \$                   |
| <b>Balance at 1 July 2022</b>   | 36,799,382                | 5,431,194                     | 9,504,389                    | 14,876,465                          | 189,480                              | 3,612,944                     | 70,413,854           |
| Additions   | 192,477                   | 13,770                        | 46,566                       | 102,428                             | 1,153,432                            | 40,737                        | 1,549,410            |
| Revaluation increments / (decrements) transferred to<br>revaluation surplus | 0                         | 0                             | 0                            | (24,407)                            | 0                                    | 0                             | (24,407)             |
| Revaluation (loss) / reversals transferred to profit or loss                | 0                         | 0                             | 0                            | (97,542)                            | 0                                    | 0                             | (97,542)             |
| Depreciation  | (892,666)                 | (156,442)                     | (137,797)                    | (636,218)                           | 0                                    | (132,136)                     | (1,955,259)          |
| Transfers   | 0                         | 0                             | 0                            | 0                                   | (189,480)                            | 0                             | (189,480)            |
| <b>Balance at 30 June 2023</b>  | <b>36,099,193</b>         | <b>5,288,522</b>              | <b>9,413,158</b>             | <b>14,220,726</b>                   | <b>1,153,432</b>                     | <b>3,521,545</b>              | <b>69,696,576</b>    |
| <b>Comprises:</b>   |                           |                               |                              |                                     |                                      |                               |                      |
| Gross balance at 30 June 2023   | 50,852,999                | 8,424,359                     | 12,819,677                   | 23,171,517                          | 1,153,432                            | 6,277,625                     | 102,699,609          |
| Accumulated depreciation at 30 June 2023                                    | (14,753,806)              | (3,135,837)                   | (3,406,519)                  | (8,950,791)                         | 0                                    | (2,756,080)                   | (33,003,033)         |
| <b>Balance at 30 June 2023</b>  | <b>36,099,193</b>         | <b>5,288,522</b>              | <b>9,413,158</b>             | <b>14,220,726</b>                   | <b>1,153,432</b>                     | <b>3,521,545</b>              | <b>69,696,576</b>    |
| Additions   | 415,781                   | 182,965                       | 51,075                       | 1,327,394                           | 0                                    | 12,753                        | 1,989,968            |
| (Disposals) / (Write Off)   | 0                         | 0                             | 0                            | (77,617)                            | 0                                    | 0                             | (77,617)             |
| Revaluation increments / (decrements) transferred to<br>revaluation surplus | (2)                       | 0                             | 0                            | 2                                   | 0                                    | 0                             | 0                    |
| Depreciation  | (904,464)                 | (183,028)                     | (138,975)                    | (677,134)                           | 0                                    | (130,577)                     | (2,034,178)          |
| Transfers   | 0                         | 935,717                       | 0                            | 149,856                             | (1,085,573)                          | 0                             | 0                    |
| <b>Balance at 30 June 2024</b>  | <b>35,610,508</b>         | <b>6,224,176</b>              | <b>9,325,258</b>             | <b>14,943,227</b>                   | <b>67,859</b>                        | <b>3,403,721</b>              | <b>69,574,749</b>    |
| <b>Comprises:</b>   |                           |                               |                              |                                     |                                      |                               |                      |
| Gross balance at 30 June 2024   | 51,268,778                | 9,543,041                     | 12,870,752                   | 24,571,152                          | 67,859                               | 6,290,379                     | 104,611,961          |
| Accumulated depreciation at 30 June 2024                                    | (15,658,270)              | (3,318,865)                   | (3,545,494)                  | (9,627,925)                         | 0                                    | (2,886,658)                   | (35,037,212)         |
| <b>Balance at 30 June 2024</b>  | <b>35,610,508</b>         | <b>6,224,176</b>              | <b>9,325,258</b>             | <b>14,943,227</b>                   | <b>67,859</b>                        | <b>3,403,721</b>              | <b>69,574,749</b>    |

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**9. INFRASTRUCTURE (Continued)**

(b) Carrying Amount Measurements

| Asset Class<br>Fair Value - as determined at the last valuation date | Fair Value Hierarchy | Valuation Technique                              | Basis of Valuation    | Date of Last Valuation | Inputs Used  |
|--|----------------------|--|-----------------------|------------------------|--|
| <b>Infrastructure - roads</b>  | 3                    | Cost approach using depreciated replacement cost | Independent valuation | June 2022              | Construction costs and current condition, values and remaining useful life assessment inputs |
| <b>Infrastructure - footpaths</b>                                    | 3                    | Cost approach using depreciated replacement cost | Independent valuation | June 2022              | Construction costs and current condition, values and remaining useful life assessment inputs |
| <b>Infrastructure - drainage</b>                                     | 3                    | Cost approach using depreciated replacement cost | Independent valuation | June 2022              | Construction costs and current condition, values and remaining useful life assessment inputs |
| <b>Infrastructure - parks and ovals</b>                              | 3                    | Cost approach using depreciated replacement cost | Independent valuation | June 2022              | Construction costs and current condition, values and remaining useful life assessment inputs |
| <b>Infrastructure - work in progress</b>                             | 3                    | Cost approach using depreciated replacement cost | Independent valuation | June 2022              | Construction costs and current condition, values and remaining useful life assessment inputs |
| <b>Infrastructure - car parks</b>                                    | 3                    | Cost approach using depreciated replacement cost | Independent valuation | June 2022              | 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.

**TOWN OF COTTESLOE  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

| <b>Asset Class</b>                       | <b>Useful life</b>                |
|--|-----------------------------------|
| Buildings                                | 20 to 100 years                   |
| Furniture and equipment                  | 7 to 30 years                     |
| Plant and equipment                      | 4 to 20 years                     |
| Sealed roads and streets                 |                                   |
| formation                                | not depreciated                   |
| pavement                                 | 60 to 100 years                   |
| seal                                     |                                   |
| - bituminous seals                       | 20 years                          |
| - asphalt surfaces                       | 25 years                          |
| Gravel roads                             |                                   |
| formation                                | not depreciated                   |
| pavement                                 | 60 to 100 years                   |
| Footpaths - slab                         | 20 to 60 years                    |
| Sewerage piping                          | 100 years                         |
| Water supply piping and drainage systems | 80 to 100 years                   |
| Parks and ovals                          | 10 to 40 years                    |
| Carparks                                 | 20 to 100 years                   |
| Right-of-use (buildings)                 | Based on the remaining lease term |
| Right-of-use (plant and equipment)       | Based on the remaining lease term |

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**10. FIXED ASSETS (Continued)**

**MATERIAL ACCOUNTING POLICIES**

**Initial recognition**

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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

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

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

**Measurement after recognition**

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

**Reportable Value**

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

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

**Revaluation**

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

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Town to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit 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.

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

**Impairment**

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

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Gains or losses on disposal**

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

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**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 - land and buildings<br>\$ | Right-of-use assets - plant and equipment<br>\$ | Right-of-use assets<br>Total<br>\$ |
|--|------|--|---|------------------------------------|
| <b>Balance at 1 July 2022</b>  |      | 1,178,982                                      | 8,774   | 1,187,756                          |
| Additions  |      | 0  | 12,573  | 12,573                             |
| Depreciation   |      | (67,432)                                       | (7,198)   | (74,630)                           |
| <b>Balance at 30 June 2023</b>   |      | 1,111,550                                      | 14,149  | 1,125,699                          |
| Gross balance amount at 30 June 2023   |      | 1,367,098                                      | 30,976  | 1,398,074                          |
| Accumulated depreciation at 30 June 2023   |      | (255,548)                                      | (16,827)  | (272,375)                          |
| <b>Balance at 30 June 2023</b>   |      | 1,111,550                                      | 14,149  | 1,125,699                          |
| Revaluation (loss) / reversals transferred to profit or loss   |      | 6,265  | 0   | 6,265                              |
| Depreciation   |      | (65,230)                                       | (7,889)   | (73,119)                           |
| <b>Balance at 30 June 2024</b>   |      | 1,052,585                                      | 6,260   | 1,058,845                          |
| Gross balance amount at 30 June 2024   |      | 1,371,782                                      | 30,975  | 1,402,757                          |
| Accumulated depreciation at 30 June 2024   |      | (319,197)                                      | (24,715)  | (343,912)                          |
| <b>Balance at 30 June 2024</b>   |      | 1,052,585                                      | 6,260   | 1,058,845                          |

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

|   | 2024<br>Actual<br>\$ | 2023<br>Actual<br>\$ |
|---|----------------------|----------------------|
| Depreciation on right-of-use assets                                     | (73,119)             | (74,630)             |
| Finance charge on lease liabilities                                     | 27(b) (35,518)       | (37,922)             |
| Short-term lease payments recognised as expense                         | (66,366)             | (72,308)             |
| <b>Total amount recognised in the statement of comprehensive income</b> | (175,003)            | (184,860)            |
| Total cash outflow from leases  | (101,883)            | (110,230)            |
| <b>(b) Lease Liabilities</b>  |                      |                      |
| Current   | 59,583               | 61,069               |
| Non-current   | 1,076,765            | 1,136,348            |
|   | 27(b) 1,136,348      | 1,197,417            |

The Town has two leases relating to plant and equipment. The lease term for one of the leases is 3 years and the other lease is 5 years. The building lease has a term of 21 years. Refer to Note 27(b) for details of lease liabilities.

**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.

**MATERIAL 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 27(b).

**Right-of-use assets - measurement**

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised 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 material accounting policies applying to vested improvements.

**Right-of-use assets - depreciation**

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the 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 depreciated over the useful life of the underlying asset.

**TOWN OF COTTESLOE  
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**12. TRADE AND OTHER PAYABLES**

|                             | 2024      | 2023      |
|-----------------------------|-----------|-----------|
|                             | \$        | \$        |
| <b>Current</b>              |           |           |
| Sundry creditors            | 1,021,095 | 1,373,207 |
| Prepaid rates               | 176,799   | 149,417   |
| Accrued payroll liabilities | 206,169   | 139,044   |
| ATO liabilities             | 0         | 356       |
| Bonds and deposits held     | 939,724   | 734,464   |
| Income received in advance  | 111,825   | 920,540   |
| Accrued expenses            | 631,365   | 49,124    |
| Contract retention          | 74,686    | 0         |
|                             | 3,161,663 | 3,366,152 |
| <b>Non-current</b>          |           |           |
| Bonds and deposits held     | 0         | 114,500   |
|                             | 0         | 114,500   |

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

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the 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 income for the prepaid rates that have not been refunded.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**13. OTHER LIABILITIES**

|  | <b>2024</b>   | <b>2023</b> |
|--|---------------|-------------|
|  | \$            | \$          |
| <b>Current</b>   |               |             |
| Contract liabilities                                     | 62,663        | 0           |
|  | <u>62,663</u> | <u>0</u>    |
| <b>Reconciliation of changes in contract liabilities</b> |               |             |
| Additions  | 62,663        | 0           |
|  | <u>62,663</u> | <u>0</u>    |

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

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

**MATERIAL ACCOUNTING POLICIES**

**Contract liabilities**

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

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**14. BORROWINGS**

|                                 | Note  | 2024    |             |           | 2023    |             |           |
|---------------------------------|-------|---------|-------------|-----------|---------|-------------|-----------|
|                                 |       | Current | Non-current | Total     | Current | Non-current | Total     |
| <b>Secured</b>                  |       | \$      | \$          | \$        | \$      | \$          | \$        |
| Debentures                      |       | 354,119 | 1,753,978   | 2,108,097 | 352,460 | 2,108,097   | 2,460,557 |
| <b>Total secured borrowings</b> | 27(a) | 354,119 | 1,753,978   | 2,108,097 | 352,460 | 2,108,097   | 2,460,557 |

**Secured liabilities and assets pledged as security**

Debentures are secured by a floating charge over the assets of the Town of Cottesloe.

The Town of Cottesloe has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 years.

**MATERIAL ACCOUNTING POLICIES**

**Borrowing costs**

The Town has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

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 24(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Details of individual borrowings required by regulations are provided at Note 27(a).

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**15. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

**Current provisions**

**Employee benefit provisions**

Annual leave

Long service leave

**Total current employee related provisions**

**Non-current provisions**

**Employee benefit provisions**

Long service leave

**Total non-current employee related provisions**

**Total employee related provisions**

|  | <b>2024</b> | <b>2023</b> |
|--|-------------|-------------|
|  | <b>\$</b>   | <b>\$</b>   |
|  | 711,871     | 807,069     |
|  | 463,921     | 515,990     |
|  | 1,175,792   | 1,323,059   |
|  | 1,175,792   | 1,323,059   |
|  | 289,560     | 166,144     |
|  | 289,560     | 166,144     |
|  | 289,560     | 166,144     |
|  | 1,465,352   | 1,489,203   |

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.

**MATERIAL 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.

TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024

16. REVALUATION SURPLUS

|   | 2024<br>Opening<br>Balance | Total<br>Movement on<br>Revaluation | 2024<br>Closing<br>Balance | 2023<br>Opening<br>Balance | Correction<br>of error | * Restated<br>2023<br>Opening<br>Balance | Total<br>Movement on<br>Revaluation | * Restated<br>2023<br>Closing<br>Balance |
|---|----------------------------|-------------------------------------|----------------------------|----------------------------|------------------------|--|-------------------------------------|--|
|   | \$                         | \$                                  | \$                         | \$                         |                        |  | \$                                  | \$                                       |
| Revaluation surplus - Land - freehold land              | 29,777,697                 | 0                                   | 29,777,697                 | 24,362,297                 | 0                      | 24,362,297                               | 5,415,400                           | 29,777,697                               |
| Revaluation surplus - Buildings - non-specialised       | 28,371,386                 | 0                                   | 28,371,386                 | 23,814,016                 | 0                      | 23,814,016                               | 4,557,370                           | 28,371,386                               |
| Revaluation surplus - Buildings - specialised           | 2,527,489                  | 0                                   | 2,527,489                  | 7,897                      | 2,519,592              | 2,527,489                                | 0                                   | 2,527,489                                |
| Revaluation surplus - Furniture and equipment           | 33,695                     | 0                                   | 33,695                     | 33,695                     | 0                      | 33,695                                   | 0                                   | 33,695                                   |
| Revaluation surplus - Plant and equipment               | 129,886                    | 0                                   | 129,886                    | 129,886                    | 0                      | 129,886                                  | 0                                   | 129,886                                  |
| Revaluation surplus - Furniture and equipment - Library | 3,226                      | 0                                   | 3,226                      | 3,226                      | 0                      | 3,226                                    | 0                                   | 3,226                                    |
| Revaluation surplus - Infrastructure - roads            | 31,728,133                 | 0                                   | 31,728,133                 | 31,728,133                 | 0                      | 31,728,133                               | 0                                   | 31,728,133                               |
| Revaluation surplus - Infrastructure - footpaths        | 3,807,234                  | 0                                   | 3,807,234                  | 3,807,234                  | 0                      | 3,807,234                                | 0                                   | 3,807,234                                |
| Revaluation surplus - Infrastructure - drainage         | 5,774,204                  | 0                                   | 5,774,204                  | 5,774,204                  | 0                      | 5,774,204                                | 0                                   | 5,774,204                                |
| Revaluation surplus - Infrastructure - parks and ovals  | 4,006,247                  | 0                                   | 4,006,247                  | 4,006,247                  | 0                      | 4,006,247                                | 0                                   | 4,006,247                                |
| Revaluation surplus - Infrastructure - other            | 5,276,054                  | 0                                   | 5,276,054                  | 5,300,461                  | 0                      | 5,300,461                                | (24,407)                            | 5,276,054                                |
| Revaluation surplus - Infrastructure - waste facilities | 32,550                     | 0                                   | 32,550                     | 32,550                     | 0                      | 32,550                                   | 0                                   | 32,550                                   |
| Revaluation surplus - Infrastructure - car parks        | 3,363,714                  | 0                                   | 3,363,714                  | 3,363,714                  | 0                      | 3,363,714                                | 0                                   | 3,363,714                                |
| Revaluation surplus - Infrastructure - right of way     | 1,654,062                  | 0                                   | 1,654,062                  | 1,654,062                  | 0                      | 1,654,062                                | 0                                   | 1,654,062                                |
| Revaluation surplus - Infrastructure - streetscapes     | 17,894                     | 0                                   | 17,894                     | 17,894                     | 0                      | 17,894                                   | 0                                   | 17,894                                   |
|   | 116,503,471                | 0                                   | 116,503,471                | 104,035,516                | 2,519,592              | 106,555,108                              | 9,948,363                           | 116,503,471                              |

\* Refer to Note 30 for details.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**17. RESTRICTIONS OVER FINANCIAL ASSETS**

|  | Note | 2024<br>Actual<br>\$ | 2023<br>Actual<br>\$ |
|--|------|----------------------|----------------------|
| 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    | 2,519,545            | 788,492              |
| - Financial assets at amortised cost   | 4    | 5,382,147            | 7,494,934            |
|  |      | 7,901,692            | 8,283,426            |
| The restricted financial assets are a result of the following specific purposes to which the assets may be used:   |      |                      |                      |
| Restricted reserve accounts  | 28   | 7,839,029            | 8,283,426            |
| Contract liabilities   | 13   | 62,663               | 0                    |
| <b>Total restricted financial assets</b>   |      | 7,901,692            | 8,283,426            |

**18. UNDRAWN BORROWING FACILITIES AND CREDIT  
STANDBY ARRANGEMENTS**

|  |  |           |           |
|--|--|-----------|-----------|
| Bank overdraft limit                           |  | 250,000   | 250,000   |
| Bank overdraft at balance date                 |  |           |           |
| Credit card limit                              |  | 10,000    | 10,000    |
| Credit card balance at balance date            |  | (2,996)   | (285)     |
| <b>Total amount of credit unused</b>           |  | 257,004   | 259,715   |
| <b>Loan facilities</b>                         |  |           |           |
| Loan facilities - current                      |  | 354,119   | 352,460   |
| Loan facilities - non-current                  |  | 1,753,978 | 2,108,097 |
| <b>Total facilities in use at balance date</b> |  | 2,108,097 | 2,460,557 |
| <b>Unused loan facilities at balance date</b>  |  | NIL       | NIL       |

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**19. CONTINGENT LIABILITIES**

The Town had no contingent liabilities as at 30 June 2024.

**20. CAPITAL COMMITMENTS**

|                                | <b>2024</b> | <b>2023</b> |
|--------------------------------|-------------|-------------|
|                                | \$          | \$          |
| Contracted for:                |             |             |
| - capital expenditure projects | 297,295     | 2,341,678   |
|                                | 297,295     | 2,341,678   |
| Payable:                       |             |             |
| - not later than one year      | 297,295     | 2,341,678   |

Accrued expenses and contract retention for defects related to capital work completed as at 30 June 2024.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**21. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

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

| Note   | 2024<br>Actual<br>\$ | 2024<br>Budget<br>\$ | 2023<br>Actual<br>\$ |
|--|----------------------|----------------------|----------------------|
| Mayor's annual allowance                                     | 28,000               | 28,000               | 28,000               |
| Mayor's meeting attendance fees                              | 24,400               | 24,400               | 24,400               |
| Mayor's annual allowance for ICT expenses                    | 1,600                | 1,600                | 1,600                |
|  | 54,000               | 54,000               | 54,000               |
| Deputy Mayor's annual allowance                              | 7,000                | 7,000                | 7,000                |
| Deputy Mayor's meeting attendance fees                       | 15,750               | 15,750               | 15,750               |
| Deputy Mayor's annual allowance for ICT expenses             | 1,600                | 1,600                | 1,600                |
| Deputy Mayor's travel and accommodation expenses             | 0                    | 0                    | 45                   |
|  | 24,350               | 24,350               | 24,395               |
| All other council member's meeting attendance fees           | 110,250              | 110,250              | 110,250              |
| All other council member's other expenses                    | 14,141               | 0                    | 0                    |
| All other council member's ICT expenses                      | 1,886                | 0                    | 0                    |
| All other council member's annual allowance for ICT expenses | 11,200               | 11,200               | 11,200               |
|  | 137,477              | 121,450              | 121,450              |
| 21(b)  | 215,827              | 199,800              | 199,845              |

**(b) Key Management Personnel (KMP) Compensation**

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

|                                     |           |  |           |
|-------------------------------------|-----------|--|-----------|
| Short-term employee benefits        | 742,435   |  | 733,048   |
| Post-employment benefits            | 98,847    |  | 82,723    |
| Employee - other long-term benefits | 56,740    |  | 15,997    |
| Employee - termination benefits     | 178,114   |  | 0         |
| Council member costs                | 215,827   |  | 199,845   |
| 21(a)                               | 1,291,963 |  | 1,031,613 |

*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.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**21. RELATED PARTY TRANSACTIONS**

**Transactions with related parties**

No transaction exist in relation to related parties during the year.

**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 Town, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b).*

*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*

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

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**22. JOINT ARRANGEMENTS**

**Share of joint operations**

The Town of Cottesloe holds 33.33% of the voting power and has a 42.54% share of the net assets in The Grove Library and Community Centre, which provides library services for the ratepayers of the Town of Cottesloe, the Town of Mosman Park, and the Shire of Peppermint Grove.

The principal place of business for The Grove Library is 1 Leake Street, Peppermint Grove, WA 6011.

The Town's interests in The Grove Library and Community Centre are accounted for as a joint operation using the proportional consolidation method in the financial statements. Below is a summary of the financial information for the joint operation, based on its audited annual financial statements as of 30 June 2024, and adjusted for the Town's proportional interest.

|  | <b>2024<br/>Actual</b> | <b>* Restated<br/>2023<br/>Actual</b> |
|--|------------------------|---------------------------------------|
|  | \$                     | \$                                    |
| <b>Statement of Financial Position</b>           |                        |                                       |
| Non current asset                                | 5,382,376              | 5,353,002                             |
| <b>Total assets</b>                              | <b>5,382,376</b>       | <b>5,353,002</b>                      |
| Current liabilities                              | (86,843)               | (93,924)                              |
| Non current liabilities                          | 0                      | (924)                                 |
| <b>Total liabilities</b>                         | <b>(86,843)</b>        | <b>(94,848)</b>                       |
| Accumulated surplus                              | 5,295,533              | 5,258,154                             |
| <b>Total equity</b>                              | <b>5,295,533</b>       | <b>5,258,154</b>                      |
| <b>Statement of Comprehensive Income</b>         |                        |                                       |
| Other revenue                                    | 21,090                 | 22,847                                |
| Other expense                                    | (623,803)              | (575,484)                             |
| <b>Profit/(loss) for the period</b>              | <b>(602,713)</b>       | <b>(552,637)</b>                      |
| <b>Total comprehensive income for the period</b> | <b>(602,713)</b>       | <b>(552,637)</b>                      |
| <b>Statement of Cash Flows</b>                   |                        |                                       |

**MATERIAL ACCOUNTING POLICIES**

**Joint operations**

A joint operation is a joint arrangement where the Town has joint control with two or more parties to the joint arrangement. All parties to joint arrangement 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.

\* Refer to Note 30 for details.

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**23. INVESTMENT IN ASSOCIATES**

**(a) Investment in associates**

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 |        | 2024           | 2023           |
|--|-------------------------|--------|----------------|----------------|
|  | 2024                    | 2023   | Actual         | Actual         |
|  |                         |        | \$             | \$             |
| Western Metropolitan Regional Council Waste Transfer Station | 17.94%                  | 17.94% | 633,255        | 601,527        |
| <b>Total equity-accounted investments</b>                    |                         |        | <b>633,255</b> | <b>601,527</b> |

**(b) Share of Investment**

The Town of Cottesloe, along with the Town of Claremont, the Town of Mosman Park, the Shire of Peppermint Grove, and the City of Subiaco, has a vested interest in the Western Metropolitan Regional Council (WMRC) waste transfer station. This council was established to ensure the efficient treatment and disposal of waste for local ratepayers and is funded by contributions from the constituent councils.

The Town of Cottesloe holds 20% of the voting power and has a 17.94% share of the net assets.

The principal place of business for the WMRC is Suite 2/317 Churchill Avenue, Subiaco, WA 6008.

Below is a summary of the financial information for the equity-accounted venture based on its audited annual financial statements as of 30 June 2024, along with a reconciliation of the carrying amount of the investment in the statement of financial position.

|   | Note  | 2024<br>Actual   | 2023<br>Actual   |
|---|-------|------------------|------------------|
|   |       | \$               | \$               |
| <b>Summarised statement of comprehensive income</b>     |       |                  |                  |
| Revenue   |       | 9,160,607        | 7,639,295        |
| Interest revenue  |       | 64,357           | 47,360           |
| Finance cost  |       | (3,994)          | (598)            |
| Depreciation  |       | (396,601)        | (241,240)        |
| Profit/(loss) from continuing operations                |       | 230,718          | 388,840          |
| Profit/(loss) for the period                            |       | 230,718          | 388,840          |
| Other comprehensive income                              |       | 19,567           | 0                |
| Total comprehensive income for the period               |       | 250,285          | 388,840          |
| <b>Summarised statement of financial position</b>       |       |                  |                  |
| Cash and cash equivalents                               |       | 1,266,551        | 1,178,811        |
| Other current assets                                    |       | 841,106          | 495,397          |
| Total current assets                                    |       | 2,107,657        | 1,674,208        |
| Non-current assets                                      |       | 2,485,404        | 2,639,803        |
| Total assets  |       | 4,593,061        | 4,314,011        |
| Current financial liabilities                           |       | 807,000          | 769,549          |
| Other current liabilities                               |       | 181,516          | 178,120          |
| Total current liabilities                               |       | 988,516          | 947,669          |
| Non-current financial liabilities                       |       | 36,641           | 7,163            |
| Other non-current liabilities                           |       | 38,051           | 6,184            |
| Total non-current liabilities                           |       | 74,692           | 13,347           |
| Total liabilities                                       |       | 1,063,208        | 961,016          |
| <b>Net assets</b>                                       |       | <b>3,529,853</b> | <b>3,352,995</b> |
| <b>Reconciliation to carrying amounts</b>               |       |                  |                  |
| Opening net assets 1 July                               |       | 3,352,995        | 2,964,205        |
| Profit/(Loss) for the period                            |       | 230,718          | 388,840          |
| Other comprehensive income                              |       | 19,567           | 0                |
| Closing net assets 30 June                              |       | 3,603,280        | 3,353,045        |
| <b>Carrying amount at 1 July</b>                        |       | <b>601,527</b>   | <b>531,778</b>   |
| - Share of associates net profit/(loss) for the period  | 23(c) | 31,728           | 69,749           |
| <b>Carrying amount at 30 June (Refer to Note 23(a))</b> |       | <b>633,255</b>   | <b>601,527</b>   |

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**23. INVESTMENT IN ASSOCIATES (Continued)**

**MATERIAL ACCOUNTING POLICIES**

**Investments in associates**

An associate is an entity over which the Town has significant influence, that is it 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.

**PRIOR YEAR DISCREPANCY AND CORRECTION**

The net asset balances for the year ended 30 June 2023 reported in the Town's financial statements were found to be inconsistent with the audited financial report of the Western Metropolitan Regional Council (WMRC). This discrepancy is believed to have arisen because the 2023 figures were based on the draft financial report of the WMRC, rather than its audited financial statements.

As a result, the closing balance of net assets for the year ended 30 June 2023 did not reconcile with the opening balance for the 2024 financial year. Despite this, the error is considered immaterial in nature, and as such, no restatement of prior period figures has been made. Instead, a prospective correction has been applied to ensure that the 2024 net assets are correctly reflected moving forward.

**(c) Share of associates net profit/(loss) for the period**

Investment in Western Metropolitan Regional Council Waste Transfer Station

| 2024<br>Actual | 2023<br>Actual |
|----------------|----------------|
| \$ 31,728      | \$ 69,749      |
| 31,728         | 69,749         |

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**24. OTHER MATERIAL ACCOUNTING POLICIES**

**a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the 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 report is presented.

**e) Budget comparative figures**

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

**f) Superannuation**

The 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 revenue**

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

**i) Fair value hierarchy**

AASB 13 *Fair Value Measurement* 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 assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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 *Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

**TOWN OF COTTESLOE  
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**25. RATING INFORMATION**

(a) General Rates

| RATE TYPE<br>Rate Description                   | Basis of valuation     | Rate in \$ | Number of Properties | 2023/24                |                     | 2023/24              |                      | 2023/24             |                      | 2023/24              |            | 2022/23 |  |
|---|------------------------|------------|----------------------|------------------------|---------------------|----------------------|----------------------|---------------------|----------------------|----------------------|------------|---------|--|
|   |                        |            |                      | Actual Rateable Value* | Actual Rate Revenue | Actual Interim Rates | Actual Total Revenue | Budget Rate Revenue | Budget Total Revenue | Actual Total Revenue |            |         |  |
| <b>(i) General rates</b>                        |                        |            |                      |                        |                     |                      |                      |                     |                      |                      |            |         |  |
| GRV - Residential Improved (RI)                 | Gross rental valuation | 0.06337    | 3,149                | 161,985,763            | 10,265,037          | 86,636               | 10,351,673           |                     | 10,265,038           | 10,265,038           | 9,831,258  |         |  |
| GRV - Residential Vacant (RV)                   | Gross rental valuation | 0.06337    | 76                   | 4,379,920              | 277,556             | (14,824)             | 262,732              |                     | 277,556              | 277,556              | 260,379    |         |  |
| GRV - Commercial Improved (CI)                  | Gross rental valuation | 0.06337    | 56                   | 7,894,898              | 500,299             | (24,741)             | 475,558              |                     | 500,300              | 500,300              | 587,908    |         |  |
| GRV - Commercial Vacant (CV)                    | Gross rental valuation | 0.06337    | 3                    | 216,500                | 13,720              | 23,452               | 37,172               |                     | 13,720               | 13,720               | 12,831     |         |  |
| GRV - Commercial Town Centre (CT)               | Gross rental valuation | 0.07581    | 95                   | 10,588,574             | 802,720             | 0                    | 802,720              |                     | 802,720              | 802,720              | 920,466    |         |  |
| GRV - Industrial                                | Gross rental valuation | 0.06337    | 1                    | 27,780                 | 1,760               | 0                    | 1,760                |                     | 1,760                | 1,760                | 2,089      |         |  |
| <b>Total general rates</b>                      |                        |            | 3,380                | 185,093,435            | 11,861,092          | 70,523               | 11,931,615           |                     | 11,861,094           | 11,861,094           | 11,614,931 |         |  |
| <b>(ii) Minimum payment</b>                     |                        |            |                      |                        |                     |                      |                      |                     |                      |                      |            |         |  |
| GRV - Residential Improved (RI)                 | Gross rental valuation | 1,312      | 382                  | 6,548,360              | 501,184             | (2,553)              | 498,631              |                     | 501,184              | 501,184              | 368,189    |         |  |
| GRV - Residential Vacant (RV)                   | Gross rental valuation | 1,312      | 4                    | 1,238                  | 5,248               | 537                  | 5,785                |                     | 5,248                | 5,248                | 5,048      |         |  |
| GRV - Commercial Improved (CI)                  | Gross rental valuation | 1,312      | 16                   | 238,600                | 20,992              | 0                    | 20,992               |                     | 20,992               | 20,992               | 13,882     |         |  |
| GRV - Commercial Vacant (CV)                    | Gross rental valuation | 1,312      | 0                    | 0                      | 0                   | 7,965                | 7,965                |                     | 0                    | 0                    | 0          |         |  |
| GRV - Commercial Town Centre (CT)               | Gross rental valuation | 1,328      | 25                   | 352,275                | 33,200              | 0                    | 33,200               |                     | 33,200               | 33,200               | 22,617     |         |  |
| GRV - Industrial                                | Gross rental valuation | 1,312      | 0                    | 0                      | 0                   | 0                    | 0                    |                     | 0                    | 0                    | 0          |         |  |
| <b>Total minimum payments</b>                   |                        |            | 427                  | 7,140,473              | 560,624             | 5,949                | 566,573              |                     | 560,624              | 560,624              | 409,736    |         |  |
| <b>Total general rates and minimum payments</b> |                        |            | 3,807                | 192,233,908            | 12,421,716          | 76,472               | 12,498,188           |                     | 12,421,718           | 12,421,718           | 12,024,667 |         |  |
| Discounts                                       |                        |            |                      |                        |                     |                      | (4,529)              |                     |                      | (4,428)              | (5,174)    |         |  |
| <b>Total Rates</b>                              |                        |            |                      |                        |                     |                      | 12,493,659           |                     |                      | 12,417,290           | 12,019,493 |         |  |
| Rate instalment interest                        |                        |            |                      |                        |                     |                      | 42,973               |                     |                      | 39,000               | 58,422     |         |  |
| Rate overdue interest                           |                        |            |                      |                        |                     |                      | 21,670               |                     |                      | 18,000               | 17,658     |         |  |

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

\*Rateable Value at time of raising of rate.

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**26. DETERMINATION OF SURPLUS OR DEFICIT**

|   | 2023/24<br>(30 June 2024<br>Carried<br>Forward) | 2023/24<br>Budget<br>(30 June 2024<br>Carried<br>Forward) | 2022/23<br>(30 June 2023<br>Carried<br>Forward) |
|---|---|---|---|
| Note  | \$  | \$  | \$  |
| <b>(a) Non-cash amounts excluded from operating activities</b>  |   |   |   |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .   |   |   |   |
| <b>Adjustments to operating activities</b>  |   |   |   |
| Less: Profit on asset disposals   | (85,234)  | 0   | (123,661)                                       |
| Less: Non-cash grants and contributions for assets  | 0   | 0   | (4,995)   |
| Less: Fair value adjustments to financial assets at fair value through profit or loss   | (2,522)   | 0   | (5,529)   |
| Less: Share of net profit of associates and joint ventures accounted for using the equity method  | (31,728)  | 0   | (69,758)  |
| Add: Loss on disposal of assets   | 77,617  | 0   | 2,085   |
| Add: Loss on revaluation of fixed assets  | 9(a) 0  | 0   | 97,542  |
| Add: Prior year adjustment for write-back of depreciation   | 0   | 0   | 317   |
| Add: Receivables for employee related provisions  | (124,501)                                       | 0   | 15,099  |
| Add: Impairment of Plant and Equipment  | 8(a) 0  | 0   | 0   |
| Add: Depreciation   | 10(a) 3,276,437                                 | 3,261,295   | 3,219,500                                       |
| Non-cash movements in non-current assets and liabilities:   |   |   |   |
| Pensioner deferred rates  | 32,101  | 0   | (14,888)  |
| Employee benefit provisions   | 123,416   | 0   | (30,113)  |
| Other provisions  | 0   | 0   | 114,500   |
| <b>Non-cash amounts excluded from operating activities</b>  | <b>3,265,586</b>                                | <b>3,261,295</b>  | <b>3,200,099</b>                                |
| <b>(b) Non-cash amounts excluded from investing activities</b>  |   |   |   |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .   |   |   |   |
| <b>Adjustments to investing activities</b>  |   |   |   |
| Movement in non-current capital expenditure provisions  | 0   | 0   | 436,260   |
| <b>Non-cash amounts excluded from investing activities</b>  | <b>0</b>  | <b>0</b>  | <b>436,260</b>                                  |
| <b>(c) Non-cash amounts excluded from financing activities</b>  |   |   |   |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .   |   |   |   |
| <b>Adjustments to financing activities</b>  |   |   |   |
| Non cash proceeds from new leases   | 27(b) (5,296)                                   | 0   | 0   |
| <b>Non-cash amounts excluded from financing activities</b>  | <b>(5,296)</b>                                  | <b>0</b>  | <b>0</b>  |
| <b>(d) Surplus or deficit after imposition of general rates</b>   |   |   |   |
| The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates. |   |   |   |
| <b>Adjustments to net current assets</b>  |   |   |   |
| Less: Reserve accounts  | 28 (7,839,029)                                  | (7,376,908)   | (8,283,426)                                     |
| Less: Financial assets at amortised cost - self supporting loans  | 4(a) (70,872)                                   | (67,823)  | (67,813)  |
| Less: Financial assets at amortised cost  |   | (344,494)   |   |
| Add: Current liabilities not expected to be cleared at end of year  |   |   |   |
| - Current portion of borrowings   | 14 354,119                                      | 367,075   | 352,460   |
| - Current portion of lease liabilities  | 11(b) 59,583                                    | 61,255  | 61,069  |
| - Employee benefit provisions   | 963,856   | 0   | 964,975   |
| <b>Total adjustments to net current assets</b>  | <b>(6,532,343)</b>                              | <b>(7,360,895)</b>  | <b>(6,972,735)</b>                              |
| <b>Net current assets used in the Statement of Financial Activity</b>   |   |   |   |
| Total current assets  | 14,677,656                                      | 12,485,259  | 14,660,976                                      |
| Less: Total current liabilities   | (4,813,820)                                     | (5,124,364)   | (5,102,740)                                     |
| Less: Total adjustments to net current assets   | (6,532,343)                                     | (7,360,895)   | (6,972,735)                                     |
| <b>Surplus or deficit after imposition of general rates</b>   | <b>3,331,493</b>                                | <b>0</b>  | <b>2,585,500</b>                                |

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**27. BORROWING AND LEASE LIABILITIES**

(a) Borrowings

| Purpose                            | Note | Actual                   |    |                           |           |                                     |           | Budget                    |           |           |           |
|------------------------------------|------|--------------------------|----|---------------------------|-----------|-------------------------------------|-----------|---------------------------|-----------|-----------|-----------|
|                                    |      | Principal at 1 July 2022 |    | Principal at 30 June 2023 |           | Principal Repayments During 2023-24 |           | Principal at 30 June 2024 |           |           |           |
|                                    |      | \$                       | \$ | \$                        | \$        | \$                                  | \$        | \$                        | \$        |           |           |
| JOINT LIBRARY                      |      | 2,616,936                | 0  | 2,336,254                 | 2,336,254 | 0                                   | (299,252) | 2,037,002                 | 2,336,253 | (299,252) | 2,037,001 |
| <b>Total</b>                       |      | 2,616,936                | 0  | 2,336,254                 | 2,336,254 | 0                                   | (299,252) | 2,037,002                 | 2,336,253 | (299,252) | 2,037,001 |
| <b>Self Supporting Loans</b>       |      |                          |    |                           |           |                                     |           |                           |           |           |           |
| SEA VIEW GOLF CLUB                 |      | 55,504                   | 0  | 19,070                    | 19,070    | 0                                   | (19,070)  | 0                         | 19,070    | 0         | 19,070    |
| COTTESLOE TENNIS CLUB              |      | 138,464                  | 0  | 105,233                   | 105,233   | 0                                   | (34,138)  | 71,095                    | 105,234   | (67,823)  | 37,411    |
| <b>Total Self Supporting Loans</b> |      | 193,968                  | 0  | 124,303                   | 124,303   | 0                                   | (53,208)  | 71,095                    | 124,304   | (67,823)  | 56,481    |
| <b>Total Borrowings</b>            | 14   | 2,810,904                | 0  | 2,460,557                 | 2,460,557 | 0                                   | (352,460) | 2,108,097                 | 2,460,557 | (367,075) | 2,093,482 |

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 Finance Cost Payments**

| Purpose  | Loan Number | Institution | Interest Rate | Date final payment is due | Actual for year ending 30 June 2024 | Budget for year ending 30 June 2024 | Actual for year ending 30 June 2023 |
|--|-------------|-------------|---------------|---------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| JOINT LIBRARY  | 107         | WATC        | 6.51%         | 17/09/2029                | \$ (149,126)                        | \$ (147,298)                        | \$ (164,503)                        |
| <b>Total</b>   |             |             |               |                           | (149,126)                           | (147,298)                           | (164,503)                           |
| <b>Self Supporting Loans Finance Cost Payments</b>       |             |             |               |                           |                                     |                                     |                                     |
| SEA VIEW GOLF CLUB                                       | 105         | WATC        | 6.22%         | 6/10/2023                 | (9)                                 | (683)                               | (2,757)                             |
| COTTESLOE TENNIS CLUB                                    | 108         | WATC        | 2.71%         | 1/06/2026                 | (3,173)                             | (3,282)                             | (3,501)                             |
| <b>Total Self Supporting Loans Finance Cost Payments</b> |             |             |               |                           | (3,182)                             | (3,965)                             | (6,258)                             |
| <b>Total Finance Cost Payments</b>                       |             |             |               |                           | (152,308)                           | (151,263)                           | (170,761)                           |

\* WA Treasury Corporation

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**27. BORROWING AND LEASE LIABILITIES (Continued)**

(b) Lease Liabilities

| Purpose                        | Note  | Actual                   |                           |                                     |                           | Budget                   |                           |                           |                           |                 |                  |
|--------------------------------|-------|--------------------------|---------------------------|-------------------------------------|---------------------------|--------------------------|---------------------------|---------------------------|---------------------------|-----------------|------------------|
|                                |       | Principal at 1 July 2022 | New Leases During 2022-23 | Principal Repayments During 2022-23 | Principal at 30 June 2023 | Principal at 1 July 2023 | Repayments During 2023-24 | Principal at 30 June 2024 | Principal at 30 June 2024 |                 |                  |
| Depot                          |       | \$ 1,248,131             | \$ 0                      | \$ (65,131)                         | \$ 1,183,000              | \$ 5,296                 | \$ (58,440)               | \$ 1,129,856              | \$ 1,183,233              | \$ (63,281)     | \$ 1,129,952     |
| Folding Machine (Old)          |       | 1,119                    | 0                         | (1,119)                             | 0                         | 0                        | 0                         | 0                         | (1,118)                   | (4,109)         | (5,227)          |
| Telephone Equipment            |       | 7,902                    | 0                         | (3,742)                             | 4,160                     | 0                        | (3,816)                   | 344                       | 10,257                    | (3,865)         | 6,392            |
| Folding Machine (New)          |       | 0                        | 12,573                    | (2,316)                             | 10,257                    | 0                        | (4,109)                   | 6,148                     | 4,160                     | 0               | 4,160            |
| <b>Total Lease Liabilities</b> | 11(b) | <b>1,257,152</b>         | <b>12,573</b>             | <b>(72,308)</b>                     | <b>1,197,417</b>          | <b>5,296</b>             | <b>(66,365)</b>           | <b>1,136,348</b>          | <b>1,196,532</b>          | <b>(61,255)</b> | <b>1,135,277</b> |

**Lease Finance Cost Payments**

| Purpose                            | Lease Number | Institution      | Interest Rate | Date final payment is due | Actual for year ending 30 June 2023 | Budget for year ending 30 June 2024 | Lease Term |
|------------------------------------|--------------|------------------|---------------|---------------------------|-------------------------------------|-------------------------------------|------------|
| Depot                              | 1            | ToMP             | 3.20%         | 4/08/2040                 | \$ (37,494)                         | \$ (35,832)                         | 21 years   |
| Folding Machine (Old)              | 2            | Quadient Finance | 1.80%         | 30/09/2022                | (3)                                 | 0                                   | 3 years    |
| Telephone Equipment                | 3            | Telstra          | 2.00%         | 19/08/2024                | (123)                               | (48)                                | 5 years    |
| Folding Machine (New)              | 4            | Quadient Finance | 4.60%         | 30/11/2025                | (302)                               | (379)                               | 3 years    |
| <b>Total Finance Cost Payments</b> |              |                  |               |                           | <b>(37,922)</b>                     | <b>(36,259)</b>                     |            |

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**28. RESERVE ACCOUNTS**

|   | 2024 Actual |          | 2024 Actual |             | 2024 Budget |          | 2024 Budget |             | 2023 Actual |           | 2023 Actual |           |
|---|-------------|----------|-------------|-------------|-------------|----------|-------------|-------------|-------------|-----------|-------------|-----------|
|   | Opening     | Transfer | Actual      | Transfer    | Opening     | Transfer | Actual      | Transfer    | Opening     | Actual    | Transfer    | Actual    |
|   | Balance     | to       | Closing     | (from)      | Balance     | (from)   | Closing     | (from)      | Balance     | to        | (from)      | Closing   |
|   | \$          | \$       | \$          | \$          | \$          | \$       | \$          | \$          | \$          | \$        | \$          | \$        |
| <b>Restricted by legislation/agreement</b>                  |             |          |             |             |             |          |             |             |             |           |             |           |
| (a) Payment in lieu of parking plan reserve                 | 12,073      | 541      | 0           | 0           | 12,082      | 400      | 12,482      | 0           | 11,790      | 283       | 0           | 12,073    |
|   | 12,073      | 541      | 0           | 0           | 12,082      | 400      | 12,482      | 0           | 11,790      | 283       | 0           | 12,073    |
| <b>Restricted by council</b>                                |             |          |             |             |             |          |             |             |             |           |             |           |
| (b) Leave reserve   | 199,595     | 8,941    | 0           | 0           | 190,552     | 6,286    | 196,838     | 0           | 242,534     | 7,057     | (49,996)    | 199,595   |
| (c) Property reserve  | 883,795     | 39,590   | 308,015     | (615,370)   | 882,257     | 45,238   | 312,125     | 0           | 1,317,550   | 50,708    | (484,463)   | 883,795   |
| (d) Waste management reserve                                | 204,374     | 9,155    | 213,529     | 0           | 204,537     | 6,758    | 211,295     | 0           | 199,588     | 4,786     | 0           | 204,374   |
| (e) Active transport reserve                                | 211,437     | 23,692   | 235,129     | 0           | 529,324     | 17,489   | 546,813     | 0           | 516,516     | 12,387    | (317,466)   | 211,437   |
| (f) Civic centre reserve                                    | 278,569     | 12,479   | 291,048     | 0           | 278,792     | 9,211    | 288,003     | 0           | 272,045     | 6,524     | 0           | 278,569   |
| (g) Foreshore redevelopment reserve                         | 3,422,661   | 153,318  | 3,575,979   | 0           | 3,413,620   | 112,822  | 3,526,442   | 0           | 2,868,671   | 553,990   | 0           | 3,422,661 |
| Green infrastructure and sustainability initiatives reserve | 195,031     | 8,736    | 203,767     | 0           | 195,186     | 6,449    | 201,635     | 0           | 190,463     | 4,568     | 0           | 195,031   |
| (i) Information technology reserve                          | 825,500     | 36,978   | 396,634     | (465,844)   | 830,892     | 27,474   | 8,784       | (849,562)   | 695,200     | 130,300   | 0           | 825,500   |
| (j) Infrastructure reserve                                  | 558,699     | 289,275  | 754,236     | (93,738)    | 242,875     | 285,755  | 528,630     | 0           | 449,220     | 159,479   | (50,000)    | 558,699   |
| (k) Legal reserve   | 153,824     | 6,891    | 160,715     | 0           | 153,946     | 5,086    | 159,032     | 0           | 150,221     | 3,603     | 0           | 153,824   |
| (l) Library reserve   | 239,107     | 10,711   | 249,818     | 0           | 239,265     | 7,913    | 247,178     | 0           | 191,516     | 47,591    | 0           | 239,107   |
| (m) Public open space reserve                               | 661,861     | 84,877   | 746,738     | 0           | 667,745     | 22,063   | 689,808     | 0           | 651,587     | 10,274    | 0           | 661,861   |
| (n) Recreation precinct reserve                             | 14,641      | 656      | 15,297      | 0           | 9,825       | 325      | 10,150      | 0           | 9,586       | 5,055     | 0           | 14,641    |
| (o) Right of way reserve                                    | 161,614     | 33,040   | 194,654     | 0           | 162,885     | 5,336    | 168,221     | 0           | 246,035     | 4,830     | (89,251)    | 161,614   |
| (p) Sculpture and artworks reserve                          | 121,449     | 5,440    | 126,889     | 0           | 121,546     | 4,016    | 125,562     | 0           | 118,605     | 2,844     | 0           | 121,449   |
| (q) Shark barrier reserve                                   | 139,196     | 6,235    | 145,431     | 0           | 139,307     | 4,603    | 143,910     | 0           | 135,936     | 3,260     | 0           | 139,196   |
|   | 8,271,353   | 730,014  | 7,826,415   | (1,174,952) | 8,262,554   | 566,824  | 7,364,426   | (1,464,952) | 8,255,273   | 1,007,256 | (991,176)   | 8,271,353 |
|   | 8,283,426   | 730,555  | 7,839,029   | (1,174,952) | 8,274,636   | 567,224  | 7,376,908   | (1,464,952) | 8,267,063   | 1,007,539 | (991,176)   | 8,283,426 |

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

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:

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| Name of reserve account   | Purpose of the reserve account   |
|---|--|
| <b>Restricted by legislation/agreement</b>                      |  |
| (a) Payment in lieu of parking plan reserve                     | 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>Restricted by council</b>                                    |  |
| (b) Leave reserve   | To partially cash back the accumulated employee leave liability and to fund the payment of accumulated leave entitlements for Town of Cottesloe staff.   |
| (c) Property reserve  | To contribute towards future property construction/renewal within the Town of Cottesloe.   |
| (d) Waste management reserve                                    | To fund the improvement, replacement and expansion of waste management plant, equipment, facilities and services within the suburb of Cottesloe.   |
| (e) Active transport reserve                                    | To be used for the purpose of developing and maintaining active transport infrastructure within the suburb of Cottesloe.   |
| (f) Civic centre reserve  | To fund the cost of improvement, renovations and extensions to the buildings that make up Cottesloe Civic Centre.  |
| (g) Foreshore redevelopment reserve                             | To be used to fund the development of the Cottesloe foreshore.   |
| (h) Green infrastructure and sustainability initiatives reserve | 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.                           |
| (i) Information technology reserve                              | 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.  |
| (j) Infrastructure reserve                                      | 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. |
| (k) Legal reserve   | To contribute towards unanticipated legal expenses incurred by the Town of Cottesloe.  |
| (l) Library reserve   | To be used for the upgrade and/or replacement of Library facilities.   |
| (m) Public open space reserve                                   | 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.  |
| (n) Recreation precinct reserve                                 | To be used for the purpose of developing and implementing improvements to the Town's recreation precincts.   |
| (o) Right of way reserve  | To be used to fund the improvement of right of ways within the suburb of Cottesloe.  |
| (p) Sculpture and artworks reserve                              | To be used for the acquisition of new and restoration of existing sculptures and artworks within the suburb of Cottesloe.  |
| (q) Shark barrier reserve                                       | To develop and replace the shark barrier within the suburb of Cottesloe.   |

**TOWN OF COTTESLOE  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2024**

**29. 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:

|                                   | <b>1 July 2023</b> | <b>Amounts<br/>Received</b> | <b>Amounts<br/>Paid</b> | <b>30 June 2024</b> |
|-----------------------------------|--------------------|-----------------------------|-------------------------|---------------------|
|                                   | \$                 | \$                          | \$                      | \$                  |
| Cash in lieu of public open space | 679,727            | 30,287                      | (429,841)               | 280,173             |
| Abandoned Vehicles                | 0                  | 872                         | 0                       | 872                 |
|                                   | <u>679,727</u>     | <u>31,159</u>               | <u>(429,841)</u>        | <u>281,045</u>      |

**TOWN OF COTTESLOE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**30. CORRECTION OF ERROR**

A prior year adjustment has been made to correct the building valuation of the Grove Library conducted in 2023. The following components, which serve both the Grove Library and the Shire of Peppermint Grove offices were previously incorrectly excluded and have now been included: the Air Conditioning System, Green Waste Thermal Maze, Gabion Wall, and the Peppermint Grove Child Health Centre.

| <b>Statement of Financial Position<br/>(Extract)</b> | <b>30 June 2023</b> | <b>Increase/<br/>(Decrease)</b> | <b>30 June 2023<br/>(Restated)</b> | <b>1 July 2022</b> | <b>Increase/<br/>(Decrease)</b> | <b>1 July 2022<br/>(Restated)</b> |
|--|---------------------|---------------------------------|------------------------------------|--------------------|---------------------------------|-----------------------------------|
|  | \$                  | \$                              | \$                                 | \$                 | \$                              | \$                                |
| Property, plant and equipment                        | 71,662,895          | 2,519,592                       | 74,182,487                         | 61,870,055         | 2,519,592                       | 64,389,647                        |
| Total non-current assets                             | 143,558,846         | 2,519,592                       | 146,078,438                        | 134,543,425        | 2,519,592                       | 137,063,017                       |
| Total assets   | 158,219,822         | 2,519,592                       | 160,739,414                        | 149,178,215        | 2,519,592                       | 151,697,807                       |
| Net assets   | 149,591,993         | 2,519,592                       | 152,111,585                        | 140,354,368        | 2,519,592                       | 142,873,960                       |
| Revaluation surplus                                  | 113,983,879         | 2,519,592                       | 116,503,471                        | 104,035,516        | 2,519,592                       | 106,555,108                       |
| Total equity   | 149,591,993         | 2,519,592                       | 152,111,585                        | 140,354,368        | 2,519,592                       | 142,873,960                       |



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

2024

Town of Cottesloe

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

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Town for the year ended 30 June 2024 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

#### Basis for opinion

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

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

#### Emphasis of Matter – Restatement of Comparative balances

I draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2023 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

#### Other information

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

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

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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 (CEO) of the Town is responsible for:

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

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

- assessing the 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](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

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

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

### **Matters relating to the electronic publication of the audited financial report**

This auditor's report relates to the financial report of the Town of Cottesloe for the year ended 30 June 2024 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 Robinson  
Assistant Auditor General Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
14 February 2025



Town of Cottesloe