



# City of Bayswater

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

---

**A Quality Lifestyle in a Sustainable Environment**



City of **Bayswater**

# City of Bayswater

## General Purpose Financial Statements for the year ended 30 June 2016

<b>Contents</b>	<b>Page</b>
<b>1. Understanding Council's Financial Statements</b>	2
<b>2. Statement by Chief Executive Officer</b>	3
<b>3. Primary Financial Statements:</b>	
- Statement of Comprehensive Income (by Nature or Type)	4
- Statement of Comprehensive Income (by Program)	5
- Statement of Financial Position	7
- Statement of Changes in Equity	8
- Statement of Cash Flows	9
- Rate Setting Statement	10
<b>4. Notes to the Financial Statements</b>	12
<b>5. Independent Auditor's Report</b>	75

---

### Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for City of Bayswater.
  - (ii) All figures presented in these financial statements are presented in Australian Currency.
  - (iii) These financial statements were authorised for issue by the Council on 11/11/16. Council has the power to amend and reissue the financial statements.
-

## City of Bayswater

### General Purpose Financial Statements for the year ended 30 June 2016

## Understanding Council's Financial Statements

---

### Introduction

Each year, individual Local Governments across Western Australia are required to present a set of audited Financial Statements to their Council and Community in accordance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

### About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer as (i) presenting fairly the Council's financial results for the year and complying with (ii) Australian Accounting Standards and the *Local Government Act 1995*.

### What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2016.

The format of the Financial Statements is standard across all Western Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the Western Australian Local Government Accounting Manual.

The Financial Statements incorporate 6 "primary" financial statements:

#### **1. A Statement of Comprehensive Income -** (by Nature or Type)

A summary of Council's financial performance for the year, listing all income & expenses by their "nature or type". This allows users of the financial statements to identify a break up of operating revenues and expenses for the year.

#### **2. A Statement of Comprehensive Income -** (by Program)

A summary of Council's financial performance for the year, listing all income & expenses by "program". This allows users of the financial statements to identify the cost relating to each Council Program and whether or not these costs were recovered from Program revenues.

#### **3. A Statement of Financial Position**

A 30 June snapshot of Council's financial position listing its assets & liabilities.

#### **4. A Statement of Changes in Equity**

The overall change for the year (in dollars) of Council's "net wealth".

#### **5. A Statement of Cash Flows**

Indicates where Council's cash came from and where it was spent across operating, investing & financing activities.

#### **6. A Rate Setting Statement**

A Statement showing the amount of rates budgeted to be raised during the year to fund the Council's proposed Programs (and any budget surplus/deficit from prior years).

### About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 6 Primary Financial Statements.

### About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In Western Australia, the Auditor provides an audit report that provides an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

### Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Department of Local Government, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1995* the Financial Statements must be made available at the office of the Council.

## City of Bayswater

### General Purpose Financial Statements for the year ended 30 June 2016

*Local Government Act 1995*

*Local Government (Financial Management) Regulations 1996*

### Statement by Chief Executive Officer

The attached financial report of the City of Bayswater being the annual financial report and supporting notes and other information for the financial year ended 30 June 2016 are in my opinion properly drawn up to present fairly the financial position of the City of Bayswater at 30 June 2016 and the results of the operations for the financial year then ended in accordance with the *Australian Accounting Standards* and comply with the provisions of the *Local Government Act 1995* and the regulations under that Act.

Signed on the Eleventh day of

November

2016



Carissa Bywater CPA

**ACTING CHIEF EXECUTIVE OFFICER**

## City of Bayswater

Statement of Comprehensive Income (by Nature or Type)  
for the year ended 30 June 2016

\$	Notes	2016 Actual	2016 Budget	2015 Actual
<b>Revenue</b>				
Rates	24(a)	39,545,895	39,398,696	37,737,017
Operating Grants, Subsidies & Contributions	28	14,440,462	13,357,973	14,960,224
Fees & Charges	27	20,848,009	20,465,384	20,493,548
Interest Earnings	2(a)	2,599,587	2,424,778	2,697,473
Other Revenue		707,029	548,350	509,149
		<u>78,140,983</u>	<u>76,195,181</u>	<u>76,397,411</u>
<b>Expenses</b>				
Employee Costs	31	(30,514,431)	(31,458,667)	(29,623,362)
Materials & Contracts		(29,528,037)	(28,282,665)	(28,746,520)
Utilities		(3,602,397)	(3,666,554)	(3,490,418)
Depreciation & Amortisation	2(a)	(10,434,757)	(8,719,000)	(10,143,709)
Interest Expenses	2(a)	(3,308)	(6,449)	(6,515)
Insurance		(740,411)	(782,904)	(795,308)
		<u>(74,823,341)</u>	<u>(72,916,239)</u>	<u>(72,805,832)</u>
<b>Operating Result from Continuing Operations</b>		<u>3,317,642</u>	<u>3,278,942</u>	<u>3,591,579</u>
Non-Operating Grants, Subsidies & Contributions	28	2,101,034	1,973,378	1,664,024
Fair Value Adjustments to financial assets at fair value through profit and loss	2(a)	(8,561,184)	-	(964,905)
Net Share of Interests in Controlled Entities, Associated Entities & Joint Ventures	17	2,770,033	-	2,819,482
Profit on Asset Disposals	21	490,071	-	221,054
Loss on Asset Disposal	21	(407,810)	(186,017)	(204,359)
		<u>(3,607,856)</u>	<u>1,787,361</u>	<u>3,535,296</u>
<b>Net Result - Surplus (Deficit)</b>		<u>(290,214)</u>	<u>5,066,303</u>	<u>7,126,875</u>
<b>Other Comprehensive Income</b>				
Changes on revaluation of non-current assets	13	4,058,901	-	(3,966,108)
<b>Total Other Comprehensive Income</b>		<u>4,058,901</u>	<u>-</u>	<u>(3,966,108)</u>
<b>Total Comprehensive Income</b>		<u>3,768,687</u>	<u>5,066,303</u>	<u>3,160,767</u>

## City of Bayswater

Statement of Comprehensive Income (by Program)  
for the year ended 30 June 2016

\$	Notes	2016 Actual	2016 Budget	2015 Actual
<b>Revenue</b>				
General Purpose Funding		43,141,441	43,848,175	42,938,186
Law, Order, Public Safety		314,892	299,000	358,505
Health		307,266	175,550	212,515
Education & Welfare		12,369,967	10,778,705	10,925,619
Housing		103,525	102,949	103,860
Community Amenities		11,362,954	11,341,929	11,914,585
Recreation & Culture		7,827,486	7,667,707	7,806,519
Transport		1,474,130	1,083,969	1,196,491
Economic Services		569,283	636,200	679,306
Other Property & Services		670,039	260,997	261,826
		<u>78,140,983</u>	<u>76,195,181</u>	<u>76,397,410</u>
<b>Expenses (excl. Finance Costs)</b>				
Governance		(3,878,133)	(5,396,765)	(5,668,156)
General Purpose Funding		(743,426)	(767,938)	(703,580)
Law, Order, Public Safety		(2,633,658)	(2,437,297)	(2,240,286)
Health		(1,552,122)	(1,579,846)	(2,180,358)
Education & Welfare		(12,529,934)	(11,857,104)	(11,145,497)
Housing		(140,761)	(127,636)	(116,554)
Community Amenities		(12,570,747)	(12,287,092)	(11,526,746)
Recreation & Culture		(28,272,475)	(27,316,948)	(27,074,691)
Transport		(8,316,950)	(7,610,956)	(7,964,905)
Economic Services		(1,518,786)	(1,411,257)	(1,665,020)
Other Property & Services		(2,663,041)	(2,116,951)	(2,513,523)
		<u>(74,820,033)</u>	<u>(72,909,790)</u>	<u>(72,799,316)</u>
<b>Finance Costs</b>				
	2(a)			
Recreation & Culture		(3,308)	(6,449)	(6,515)
		<u>(3,308)</u>	<u>(6,449)</u>	<u>(6,515)</u>
<b>Operating Result from Continuing Operations</b>		<u>3,317,642</u>	<u>3,278,942</u>	<u>3,591,579</u>
<b>Non-Operating Grants, Subsidies, Contributions</b>				
Law, Order, Public Safety		12,740	-	287,910
Education & Welfare		16,593	-	96,702
Community Amenities		(22,356)	-	200,228
Recreation & Culture		119,281	112,500	421
Transport		1,974,776	1,860,878	1,078,763
	28	<u>2,101,034</u>	<u>1,973,378</u>	<u>1,664,024</u>

## City of Bayswater

Statement of Comprehensive Income (by Program) (continued)  
for the year ended 30 June 2016

\$	Notes	2016 Actual	2016 Budget	2015 Actual
<b>Profit/(Loss) on Disposal of Assets</b>				
Governance		(37,303)	(23,173)	-
Law, Order, Public Safety		(9,522)	(21,793)	(3,872)
Health		(8,485)	(10,294)	(21,070)
Education & Welfare		(19,504)	(15,805)	(8,582)
Community Amenities		490,071	-	221,054
Recreation & Culture		(70,153)	(908)	(33,125)
Economic Services		(11,138)	(23,125)	(35,088)
Other Property & Services		(251,706)	(90,919)	(102,623)
	21	<u>82,261</u>	<u>(186,017)</u>	<u>16,695</u>
<b>Other Income</b>				
Fair Value Adjustments to Financial Assets at Fair Value through Profit & Loss	2(a)	(8,561,184)	-	(964,905)
Net Share of Interests in Controlled Entities, Associated Entities & Joint Ventures	17	<u>2,770,033</u>	-	<u>2,819,482</u>
		<u>(5,791,151)</u>	-	<u>1,854,577</u>
<b>Net Result - Surplus (Deficit)</b>		<u>(290,214)</u>	<u>5,066,303</u>	<u>7,126,875</u>
<b>Other Comprehensive Income</b>				
Changes on revaluation of non-current assets	13	4,058,901	-	(3,966,108)
<b>Total Comprehensive Income</b>		<u>3,768,687</u>	<u>5,066,303</u>	<u>3,160,767</u>

## City of Bayswater

## Statement of Financial Position

as at 30 June 2016

\$	Notes	2016 Actual	2015 Actual
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	3	64,327,720	57,382,054
Trade and Other Receivables	5	3,780,902	4,822,310
Inventories	6	112,780	101,625
Other	4	190,627	193,852
<b>Total Current Assets</b>		<b>68,412,029</b>	<b>62,499,841</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables	5	740,840	756,598
Property, Plant and Equipment	7	500,015,152	499,902,274
Infrastructure	8	189,045,852	191,997,300
Controlled Entities, Associated Entities & Interests in Joint Ventures	17	32,024,949	29,254,916
<b>Total Non-Current Assets</b>		<b>721,826,793</b>	<b>721,911,088</b>
<b>TOTAL ASSETS</b>	19	<b>790,238,822</b>	<b>784,410,929</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	9	30,798,692	28,447,905
Borrowings	10	10,825	50,959
Provisions	11	5,202,856	5,377,341
<b>Total Current Liabilities</b>		<b>36,012,373</b>	<b>33,876,205</b>
<b>Non-Current Liabilities</b>			
Trade and Other Payables	9	11,900	11,900
Borrowings	10	25,882	36,707
Provisions	11	499,552	565,689
<b>Total Non-Current Liabilities</b>		<b>537,334</b>	<b>614,296</b>
<b>TOTAL LIABILITIES</b>		<b>36,549,707</b>	<b>34,490,501</b>
<b>Net Assets</b>		<b>753,689,115</b>	<b>749,920,428</b>
<b>EQUITY</b>			
Retained Surplus		210,541,165	212,097,565
Reserves - Cash/Investment Backed	12	42,200,344	40,934,158
Reserves - Asset Revaluation	13	500,947,606	496,888,705
<b>Total Equity</b>		<b>753,689,115</b>	<b>749,920,428</b>



## City of Bayswater

Statement of Changes in Equity  
for the year ended 30 June 2016

\$	Notes	Retained Surplus	Reserves Cash / Investment Backed	Asset Revaluation Reserve	Total Equity
Balance as at 1 July 2014		209,453,810	39,117,120	498,188,731	<b>746,759,661</b>
Prior Period Adjustment - Joint Venture EMRC		(2,666,082)	-	2,666,082	-
<b>Restated Balance</b>		<b>206,787,728</b>	<b>39,117,120</b>	<b>500,854,813</b>	<b>746,759,661</b>
Net Result		7,126,875	-	-	<b>7,126,875</b>
Total OCI / Asset Revaluation	13	-	-	(3,966,108)	<b>(3,966,108)</b>
Reserve Transfers	12	(1,817,038)	1,817,038	-	-
<b>Balance as at 30 June 2015</b>		<b>212,097,565</b>	<b>40,934,158</b>	<b>496,888,705</b>	<b>749,920,428</b>
Net Result		(290,214)	-	-	<b>(290,214)</b>
Total OCI / Asset Revaluation	13	-	-	4,058,901	<b>4,058,901</b>
Reserve Transfers	12	(1,266,186)	1,266,186	-	-
<b>Balance as at 30 June 2016</b>		<b>210,541,165</b>	<b>42,200,344</b>	<b>500,947,606</b>	<b>753,689,115</b>

## City of Bayswater

## Statement of Cash Flows

for the year ended 30 June 2016

\$	Notes	2016 Actual	2016 Budget	2015 Actual
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
Rates		39,445,086	39,278,696	37,642,903
Operating Grants, Subsidies and Contributions		14,440,462	12,671,864	14,960,224
Fees and Charges		20,848,009	19,515,384	20,493,548
Interest Earnings		2,599,587	2,425,128	2,697,472
Goods and Services Tax		2,094,167	3,250,000	3,874,242
Other Revenue		1,925,682	548,350	1,580,959
		<u>81,352,993</u>	<u>77,689,422</u>	<u>81,249,348</u>
<b>Payments:</b>				
Employee Costs		(30,582,772)	(32,308,667)	(29,628,926)
Materials and Contracts		(27,356,880)	(28,863,015)	(27,744,856)
Utilities		(3,602,397)	(3,666,554)	(3,490,418)
Insurance		(740,411)	(782,904)	(795,308)
Interest		(3,890)	(6,449)	(7,282)
Goods and Services Tax		(2,205,804)	-	(3,964,902)
		<u>(64,492,153)</u>	<u>(65,627,589)</u>	<u>(65,631,692)</u>
<b>Net Cash provided (or used in) Operating Activities</b>	14(b)	<u>16,860,840</u>	<u>12,061,833</u>	<u>15,617,657</u>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
Non-Operating Grants, Subsidies and Contributions	28	2,101,034	2,659,487	1,664,024
Proceeds from Sale of Assets	21	1,623,673	533,700	938,797
<b>Payments:</b>				
Payments for Purchase of Property, Plant & Equipment	20	(5,661,710)	(7,466,018)	(3,776,815)
Payments for Construction of Infrastructure	20	(7,978,172)	(9,796,935)	(10,463,989)
		<u>(9,915,174)</u>	<u>(14,069,766)</u>	<u>(11,637,983)</u>
<b>Net Cash provided (or used in) Investing Activities</b>		<u>(9,915,174)</u>	<u>(14,069,766)</u>	<u>(11,637,983)</u>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts:</b>				
Proceeds from Self Supporting Loans	23(a)	50,959	50,928	70,166
<b>Payments:</b>				
Repayment of Debentures	23(a)	(50,959)	(50,928)	(70,166)
		<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Cash provided (or used in) Financing Activities</b>		<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		6,945,666	(2,007,933)	3,979,674
Cash at the beginning of the year	3	57,382,054	53,125,447	53,402,380
		<u>57,382,054</u>	<u>53,125,447</u>	<u>53,402,380</u>
<b>Cash &amp; Cash Equivalents - End of the Year</b>	14(a)	<u>64,327,720</u>	<u>51,117,514</u>	<u>57,382,054</u>

## City of Bayswater

### Rate Setting Statement (by Program) for the year ended 30 June 2016

\$	Notes	2016 Actual	2016 Budget	2015 Actual
<b>Revenue</b>				
General Purpose Funding (Excl Rates)		3,595,546	4,619,979	5,399,429
Law, Order, Public Safety		305,370	277,207	354,633
Health		298,781	165,256	191,445
Education and Welfare		12,350,463	10,762,900	10,917,037
Housing		103,525	102,949	103,860
Community Amenities		11,853,025	11,341,929	12,135,639
Recreation and Culture		7,757,333	8,081,196	7,773,395
Transport		1,474,130	669,569	1,196,491
Economic Services		558,145	613,075	644,217
Other Property and Services		381,029	(23,592)	(39,061)
		<u>38,677,346</u>	<u>36,610,468</u>	<u>38,677,085</u>
<b>Expenses</b>				
Governance		(3,878,133)	(5,396,765)	(5,668,156)
General Purpose Funding		(743,426)	(767,938)	(703,580)
Law, Order, Public Safety		(2,633,658)	(2,437,297)	(2,240,286)
Health		(1,552,122)	(1,579,846)	(2,180,358)
Education and Welfare		(12,529,934)	(11,857,104)	(11,145,497)
Housing		(140,761)	(127,636)	(116,554)
Community Amenities		(12,570,746)	(12,287,092)	(11,526,746)
Recreation and Culture		(28,275,784)	(27,323,397)	(27,081,206)
Transport		(8,316,950)	(7,610,956)	(7,964,905)
Economic Services		(1,518,786)	(1,411,257)	(1,665,020)
Other Property and Services		(2,663,042)	(2,116,951)	(2,513,521)
		<u>(74,823,342)</u>	<u>(72,916,239)</u>	<u>(72,805,829)</u>
<b>Net Result Excluding Rates</b>		<u>(36,145,995)</u>	<u>(36,305,771)</u>	<u>(34,128,744)</u>
<b>Adjustment for Cash Budget Requirements:</b>				
<b>Non-Cash Expenditure &amp; Revenue</b>				
(Profit)/Loss on Asset Disposal	21	(82,261)	372,034	(16,695)
Movement in Non-Current Deferred Pensioner Rates		(17,742)	-	(15,446)
Movement in Non-Current Employee Benefit Provisions		(66,137)	(24,500)	748,987
Depreciation & Amortisation on Assets	2(a)	10,434,757	8,719,000	10,143,709
Movement of Non-Current Debtors & Inventories		22,674	-	(95,869)
Employee Entitlements Movement		157,178	-	-
Current Self Supporting Loan Debtors Adjustment		-	-	(70,015)
Aged Persons Liability Adjustment		(949,188)	-	(7,344,425)
<b>Net Non-Cash Expenditure &amp; Revenue</b>		<u>9,499,281</u>	<u>9,066,534</u>	<u>3,350,246</u>

## City of Bayswater

Rate Setting Statement (by Program) (continued)  
for the year ended 30 June 2016

\$	Notes	2016 Actual	2016 Budget	2015 Actual
<b>Capital Expenditure</b>				
Purchase Land and Buildings	20	(2,745,346)	(4,123,920)	(1,410,183)
Purchase Plant and Equipment	20	(1,648,786)	(1,833,000)	(1,788,192)
Purchase Furniture and Equipment	20	(1,267,578)	(1,509,278)	(578,439)
Infrastructure Assets	20	(7,978,172)	(9,796,755)	(10,463,992)
Repayment of Debentures	23(a)	(50,958)	(50,958)	(70,166)
<b>Net Capital Expenditure</b>		<u>(13,690,839)</u>	<u>(17,313,911)</u>	<u>(14,310,972)</u>
<b>Capital Revenue</b>				
Proceeds from Disposal of Assets	21	1,623,672	533,700	938,797
Self-Supporting Loan Principal Income	23(a)	50,958	50,958	70,166
Grants & Contributions Applied for Asset Development		2,101,034	1,973,378	1,664,024
<b>Net Capital Revenue</b>		<u>3,775,664</u>	<u>2,558,036</u>	<u>2,672,987</u>
<b>Transfers</b>				
Transfers to Reserves (Restricted Assets)	12	(3,939,018)	(1,048,810)	(5,882,829)
Transfers from Reserves (Restricted Assets)	12	2,672,832	1,164,119	4,065,791
<b>Net Transfers</b>		<u>(1,266,186)</u>	<u>115,309</u>	<u>(1,817,038)</u>
Surplus/(Deficit) July 1 B/Fwd	24(b)	3,865,858	5,664,180	10,362,362
Surplus/(Deficit) June 30 C/Fwd	24(b)	5,583,678	2,997,056	3,865,858
<b>Amount Raised from Rates</b>	24(a)	<u>(39,545,895)</u>	<u>(39,212,679)</u>	<u>(37,737,017)</u>

# City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

### Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Significant Accounting Policies	13
2	Revenues and Expenses	21
3	Cash and Cash Equivalents	27
4	Other Current Assets	28
5	Trade and Other Receivables	28
6	Inventories	28
7	Property, Plant and Equipment	29
8	Infrastructure	31
9	Trade and Other Payables	33
10	Long Term Borrowings	33
11	Provisions	34
12	Reserves - Cash/Investment Backed	35
13	Reserves - Asset Revaluation	44
14	Notes to the Statement of Cash Flows	46
15	Contingent Liabilities and Contingent Assets	46 n/a
16	Capital and Leasing Commitments	47
17	Subsidiaries, Joint Arrangements & Associates	47
18	Trust Funds	49
19	Total Assets by Function and Activity	50
20	Acquisition of Assets	50
21	Disposal of Assets	52
22	Financial Ratios	53
23	Information on Borrowings	55
24	Rating Information	56
25	Discounts, Incentives, Concessions and Write-offs	58
26	Interest Charges and Installments	58
27	Fees and Charges	59
28	Grants, Subsidies and Contributions	59
29	Employee Numbers	60
30	Councillor Remuneration	60
31	Employee Costs	60
32	Financial Risk Management	61
33	Fair Value Measurements	65
34	Segment Reporting	72
35	Events occurring after the Reporting Period	73
 <b>Additional Disclosures</b>		
36	Council Information & Contact Details	75

## City of Bayswater

### Notes to the Financial Statements for the year ended 30 June 2016

#### Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Basis of preparation

The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other authoritative pronouncements of the Australian Standards Board, *Local Government Act 1995* and accompanying regulations. The report has also been prepared on the accrual basis under the convention of historical cost accounting modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

##### Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. 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 this experience and other factors combine to form the basis of making judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

##### (b) The Local Government Reporting Entity

(1) All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 18 to this financial report\

(2) Discontinued Operation - Bayswater Child Care Assoc (inc)

On the 17<sup>th</sup> September 2015 the constitution of the Bayswater Child Care Assoc (Inc) was amended to the extent that the City of Bayswater no longer held a controlling interest over the operations of the Association. All assets and liabilities of the Bayswater Child Care Assoc (Inc) have been excluded from these statements.

##### (c) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Statement of Financial Position are stated inclusive of applicable GST.

##### (d) Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and on hand and short-term deposits with an original maturity of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the Statement of Financial Position.

##### (e) Trade and Other Receivables

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

##### (f) Inventories

##### (i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on

## City of Bayswater

### Notes to the Financial Statements for the year ended 30 June 2016

#### Note 1. Summary of Significant Accounting Policies (continued)

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

#### (ii) Land Held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred. Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale. Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

#### (g) Fixed Assets

##### Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed includes the cost of all materials, direct labour and variable and fixed overheads.

##### Revaluation

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future economic benefits of the asset.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ significantly from that determined using fair value at reporting date.

##### Land under Roads

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

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

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

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

#### (h) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 1. Summary of Significant Accounting Policies (continued)

from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

##### Capitalisation Threshold:

Plant & Equipment	\$2,000
Computer Equipment	\$2,000
Furniture & Equipment	\$2,000
Building Improvements	\$2,000
Land & Buildings	No Limit

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Plant	5 to 15 years
Furniture & Equipment	4 to 10 years
Buildings	30 to 50 years
Computer Equipment	3 years
Work Equipment	5 to 15 years
Toys	3 years
Fleet Vehicles	3 years
Roads	50 years
Footpaths	
- Concrete	50 years
- Asphalt	25 years
Drains	100 years
Reserves	
- Passive Reserves	100 years
- Medians	50 years
- Civic Gardens	30 years
- Verges	30 years
- Active Reserves	20 years
Street Furniture	
- Crash Barriers	10 years
- Bus Shelters	20 years
- Seats	10 years
- Parking Signs	5 years
- Street Name Plates	10 years

The assets residual value and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the

Statement of Comprehensive Income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

#### (i) Financial Instruments

##### Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Council becomes a part to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

##### Classification and Subsequent Measurement

Financial instruments are subsequently measured at amortised cost using the effective interest rate method or cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount is which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- less any reduction for impairment.

The effective interest method used is to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums of discounts) through the expected life (or when this cannot be reliably predicted, the contractual term of



## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 1. Summary of Significant Accounting Policies (continued)

the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

##### (i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

##### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

##### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

##### (iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial

Position date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

##### (v) Financial Liabilities

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

##### Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses recognised in the Statement of Comprehensive Income.

##### (j) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

##### (k) Provisions

Provisions are recognised when the Council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and

## City of Bayswater

### Notes to the Financial Statements for the year ended 30 June 2016

#### Note 1. Summary of Significant Accounting Policies (continued)

the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

#### (l) Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

#### (m) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are tested annually for impairment. Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with *AASB 136 Impairment of Assets* and appropriate adjustments made. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised in the Statement of Comprehensive Income.

For non-cash generating assets of the Council such as roads, drains, public buildings and the like, value in use is represented by the asset's written down replacement cost.

#### (n) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

#### (o) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid of the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date. Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

#### (p) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

#### **Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the

## City of Bayswater

### Notes to the Financial Statements for the year ended 30 June 2016

#### Note 1. Summary of Significant Accounting Policies (continued)

Council has a present obligation to pay resulting from employee's services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

##### **Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows.

Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

##### **(q) Superannuation**

The Council contributes to a number of Superannuation Funds on behalf of their employees. Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

##### **(r) Joint Venture**

The municipality's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the Statement of Financial Position and Statement of Comprehensive Income. Information about the joint venture is set out in Note 17.

##### **(s) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from

rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed at Note 2(d). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

##### **(t) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operation cycle. In the case of liabilities where the Council 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 even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on the Council's intentions to release for sale.

##### **(u) Rounding Off Figures**

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest [dollar] OR [thousand dollars].

##### **(v) Comparative Figures**

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

When the Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest period will be disclosed.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 1. Summary of Significant Accounting Policies (continued)

##### (w) 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.

##### (x) Non-Current Assets (or Disposal Groups) “Held for Sale” & Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets “held for sale”, an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets “held for sale” are not depreciated or amortised while they are classified as “held for sale”.

Non-current assets classified as “held for sale” are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of Council that has been disposed of or is classified as “held for sale” and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

##### (y) Intangible Assets

Council has not classified any assets as Intangible.

##### (z) New Accounting Standards and Interpretations for Application in Future Periods

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

The City of Bayswater has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective with the exception of AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities*. Generally Council applies standards and interpretations in accordance with their respective commencement dates. The retrospective application of AASB 2015-7 has exempted Council from the disclosure of quantitative information and sensitivity analysis for some valuations categorised within Level 3 of the fair value hierarchy.

At the date of authorisation of the financial report, AASB 9 *Financial Instruments* and AASB 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* are the only new accounting standards with a future application date that are expected to have a material impact on Council's financial statements.

From 1 July 2016 AASB 124 *Related Party Disclosures* will apply to Council, which means that Council will disclose more information about related parties and transactions with those related parties.

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2018 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 1. Summary of Significant Accounting Policies (continued)

---

able to be measured at amortised cost where very specific conditions are met.

As a result, Council will be required to measure its financial assets at fair value. There will be no financial impact on the consolidated financial statements.

Council is still reviewing the way that revenue is measured and recognised to identify whether AASB 15 Revenue from Contracts with Customers will have a material impact. To date no impact has been identified.

AASB 15 is effective from 1 January 2018 and will replace AASB 118 Revenue, AASB 111 Construction Contracts and a number of Interpretations. It contains a comprehensive and robust framework for the recognition, measurement and disclosure of revenue from contracts with customers.

Other amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

The amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

##### **(aa) Comparative Figures**

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

##### **(ab) Disclaimer**

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 2. Operating Revenues and Expenses

\$	Notes	2016 Actual	2016 Budget	2015 Actual
<b>(a) Net Result</b>				
The Result includes:				
<b>(i) Charging as an Expense:</b>				
<b>Significant Expense</b>				
The significant expense relates to the reduction in the fair value of the Council's infrastructure through profit and loss.				
		8,561,184	-	964,905
<b>Auditors Remuneration</b>				
- Audit		27,141	48,600	35,141
- Other Services		1,100	-	1,100
<b>Bad &amp; Doubtful Debts</b>				
Rates		5,052	-	4,662
General Debtors		2,124	-	7,799
<b>Depreciation &amp; Amortisation</b>				
<i>Property, Plant &amp; Equipment</i>				
	7(b)			
- Buildings		3,487,796	3,065,000	3,659,432
- Furniture & Equipment		367,231	100,000	293,053
- Fleet		369,945	465,000	445,485
- Computer Equipment		390,809	300,000	254,321
- Plant		398,224	400,000	293,503
<i>Infrastructure</i>				
	8(b)			
- Roads		2,867,620	2,513,000	2,875,580
- Drainage		316,623	310,000	315,445
- Footpaths		512,060	465,000	496,980
- Parks & Gardens		1,337,649	1,100,000	1,110,680
- Other Infrastructure		386,800	1,000	399,230
		<u>10,434,757</u>	<u>8,719,000</u>	<u>10,143,709</u>
<b>Interest Expenses (Finance Costs)</b>				
Debentures	23(a)	3,308	6,449	6,515
		<u>3,308</u>	<u>6,449</u>	<u>6,515</u>

# City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

### Note 2. Operating Revenues and Expenses (continued)

\$	Notes	2016 Actual	2016 Budget	2015 Actual
<b>(ii) Crediting as Revenue:</b>				
<b>Significant Revenue (through Profit &amp; Loss)</b>				
Changes in Non-Current Assets Revaluation		4,058,901	-	(3,966,108)
Initial Recognition WALGA - Unit Housing Trust		-	-	178,885
Increase in Equity Joint Venture		2,770,033	-	2,640,597
		<u>6,828,934</u>	<u>-</u>	<u>(1,146,626)</u>
<b>Interest Earnings</b>				
Investments - Reserve Funds		1,142,642	986,755	1,293,983
Investments - Other Funds		1,036,007	1,438,023	1,009,227
Other Interest Revenue	26	420,938	379,000	394,263
		<u>2,599,587</u>	<u>2,803,778</u>	<u>2,697,473</u>

### (b). Statement of Objectives, Reporting Programs and Nature or Type

City of Bayswater is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

#### REPORTING PROGRAM DESCRIPTIONS

Council operations that are disclosed encompass the following service orientated activities/programs:

##### GOVERNANCE

Objective: To provide a decision making process for the efficient allocation of scarce resources.

Activities: Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

##### GENERAL PURPOSE FUNDING

Objective: To collect revenue to allow for the provision of services.

Activities: Rates, general purpose government grants, and interest revenue.

##### LAW, ORDER, PUBLIC SAFETY

Objective: To provide services to help ensure a safer and environmentally conscious community.

Activities: Supervision and enforcement of various local laws relating to fire prevention, animal control and protection of the environment and other aspects of public safety including emergency services.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 2. Operating Revenues and Expenses (continued)

---

\$

---

##### (b). Statement of Objectives, Reporting Programs and Nature or Type (continued)

###### **HEALTH**

Objective: To provide services to achieve community and environmental health

Activities: Maternal and infant health facilities, immunisation, inspection of food outlets, noise control and pest control services.

###### **EDUCATION AND WELFARE**

Objective: To provide services to children, youth, the elderly and disadvantaged persons

Activities: Pre-school and other education services, child minding facilities, playgroups, senior citizens' centres, meals on wheels and home care services.

###### **HOUSING**

Objective: To provide and maintain housing and elderly residents' housing.

Activities: Provision and maintenance of housing and elderly residents' housing.

###### **COMMUNITY AMENITIES**

Objective: To provide services required by the community.

Activities: Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, and public conveniences.

###### **RECREATION AND CULTURE**

Objective: To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.

Activities: Maintenance of public halls, civic centre, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, and other cultural facilities.

###### **TRANSPORT**

Objective: To provide safe, effective and efficient transport services to the community.

Activities: Construction (if not capitalised) and maintenance of roads, streets, footpaths, depots, cycleways, parking facilities and traffic control and cleaning of streets and maintenance of street trees, street lighting etc.



## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 2. Operating Revenues and Expenses (continued)

---

\$

---

##### (b). Statement of Objectives, Reporting Programs and Nature or Type (continued)

###### **ECONOMIC SERVICES**

Objective: To help promote the City and its economic wellbeing.

Activities: Tourism and area promotion. Provision of services including weed control, vermin control and standpipes. Building control.

###### **OTHER PROPERTY & SERVICES**

Objective: To monitor and control council's overheads operating accounts.

Activities: Private works operation, plant repair and operation costs and engineering operation costs.

##### (c) Nature or Type Classifications

City of Bayswater is required by the Australian Accounting Standards to disclose revenue and expenditure according to its nature or type classification. The following nature or function descriptions are also required by State Government regulations.

###### **REVENUE**

###### **Rates**

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Excludes administration fees, interest on instalments, interest on arrears, service charges and waste and sewerage rates.

###### **Operating Grants, Subsidies and Contributions**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

###### **Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

###### **Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

###### **Fees and Charges**

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

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 2. Operating Revenues and Expenses (continued)

---

\$

---

##### (c) Nature or Type Classifications (continued)

###### **Service Charges**

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations identifies the charges which can be raised. These are television and radio rebroadcasting, underground electricity, property surveillance and security and water services. Excludes rubbish removal and charges for the provision of waste services.

###### **Interest Earnings**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

###### **Other Revenue**

Other revenue, which cannot be classified under the above headings, includes dividends, discounts, rebates, etc.

#### **EXPENDITURE**

###### **Employee Costs**

All costs associated with the employment of persons such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefits tax etc.

###### **Material and Contracts**

All expenditure on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

###### **Utilities (Gas, Electricity, Water, etc.)**

Expenditures made to respective agencies for the provision of power, gas or water. Excludes expenditure incurred for the re-instatement of road works on behalf of these agencies.

###### **Depreciation & Amortisation on Non-Current Assets**

Depreciation and amortisation expense raised on all classes of assets.

###### **Loss on Asset Disposal**

Loss on the disposal of fixed assets.

###### **Interest Expenses**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and re-financing expenses.

###### **Insurance**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

###### **Other Expenditure**

Statutory fees, taxes, provision of bad debts. Donations and subsidies made to community groups.

## City of Bayswater

Notes to the Financial Statements  
for the year ended 30 June 2016

## Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance <sup>1</sup> 30-Jun-15	Received <sup>2</sup> 2016	Expended <sup>3</sup> 2016	Closing Balance 30-Jun-16
\$							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions</b>							
<b>Grant/Subsidy/Contribution</b>							
<b>Governance</b>							
Dept Parks & Wildlife - Eric Singleton Bird Sanctuary	-	-	-	-	10,000	(2,858)	<b>7,142</b>
Crossover Contributions	280,498	107,758	-	<b>388,256</b>	-	(25,158)	<b>363,098</b>
Eric Strauss Centre	222,110	-	-	<b>222,110</b>	-	(222,110)	-
Swan River Trust - Water Quality Monitoring	1,228	-	(1,228)	-	-	-	-
Dept Parks & Wildlife - Water Quality Improvements	-	-	-	-	6,000	(573)	<b>5,427</b>
Perth Region NRM - Swan Canning Rivers , Baigup Wetlands	-	-	-	-	27,140	-	<b>27,140</b>
Recreational Grants - Sports for All	27,085	60,000	(57,855)	<b>29,230</b>	-	(29,230)	-
Swan River Trust - Eric Singleton Bird Sanctuary	927,918	175,000	(1,102,918)	-	-	-	-
Swan River Trust - Weld Square Living Stream	28,443	25,000	(53,443)	-	-	-	-
Swan River Trust - Foreshore Stabilisation	-	78,963	-	<b>78,963</b>	-	-	<b>78,963</b>
Grant/Contribution/Subsidy - Various	184,348	5,507	(34,930)	<b>154,925</b>	4,664	(36,158)	<b>123,431</b>
Dept of Sport & Recreation - Morley Noranda Recreation Club	200,000	400,000	(64,697)	<b>535,303</b>	-	(535,303)	-
Department of Sport & Recreation - Lightning Park	176,353	200,000	(359,582)	<b>16,771</b>	-	(16,771)	-
Safer Streets Programme - CCTV	-	270,000	-	<b>270,000</b>	-	(270,000)	-
Main Roads - Road Grants	22,085	-	(22,085)	-	173,334	-	<b>173,334</b>
Bassendean Water Quality Monitoring	-	5,910	-	<b>5,910</b>	-	(5,910)	-
State Emergency - Evacuation Exercise	-	-	-	-	6,700	(4,885)	<b>1,815</b>
WA Police - Graffiti Grant	-	-	-	-	15,976	-	<b>15,976</b>
<b>Total Unspent Grants, Subsidies &amp; Contributions</b>	<b>2,070,068</b>	<b>1,328,138</b>	<b>(1,696,738)</b>	<b>1,701,468</b>	<b>243,814</b>	<b>(1,148,956)</b>	<b>796,326</b>

**Notes:**

- (1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous period.
- (2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.
- (4) - Grants received but not expected to be fully expended in the next financial year.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 3. Cash and Cash Equivalents

\$	Notes	2016 Actual	2015 Actual
Cash - Unrestricted		21,331,050	14,746,428
Cash - Restricted		42,996,670	42,635,626
<b>Total Cash and Cash Equivalents</b>	14(a)	<u><u>64,327,720</u></u>	<u><u>57,382,054</u></u>
 <b>The following restrictions have been imposed by regulations or other externally imposed requirements:</b>			
City Buildings & Amenities	12	1,944,064	1,956,305
Bore & Reticulation	12	609,331	784,897
Building Furniture & Equipment	12	619,503	602,483
Major Capital Works	12	4,213,698	5,236,357
Plant & Works Equipment	12	186,714	181,584
Workers Compensation	12	477,008	463,903
Long Service Leave & Entitlements	12	1,286,149	1,128,971
Bayswater Waves Aquatic Centre	12	471,226	534,732
The RISE	12	550,956	535,819
Maylands Waterland	12	55,096	53,582
Aged Persons Homes - General Reserves	12	15,875,689	14,834,551
Aged Persons Homes - Prudential Requirements	12	2,417,402	2,349,800
Civic Centre	12	550,956	535,819
Roads & Drainage	12	474,134	534,564
Footpath/Cycleway	12	550,956	535,819
Playground & Parks	12	1,571,156	1,187,235
Golf Courses	12	1,098,314	1,068,139
Street Scapes	12	651,750	528,752
Information Technology	12	75,474	-
Eric Singleton Bird Sanctuary	12	1,101,913	1,071,639
Les Hansman Centre Development	12	4,660,643	4,288,911
Senior Citizens Building	12	330,574	321,492
Morley City Centre	12	550,956	535,819
Landfill Restoration	12	550,956	535,819
Sustainable Environment	12	550,956	535,819
Morley Sport & Recreation Centre	12	550,956	535,819
Community Housing	12	31,520	30,654
General Waste Management	12	25,577	24,874
River Restoration	12	166,717	-
<b>Total Reserves</b>		<u><u>42,200,344</u></u>	<u><u>40,934,158</u></u>
Unspent Grants	2(d)	<u>796,326</u>	<u>1,701,468</u>
<b>Total Restricted Cash</b>		<u><u>42,996,670</u></u>	<u><u>42,635,626</u></u>

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 4. Other Current Assets

\$	Notes	2016 Actual	2015 Actual
Prepayments		<u>190,627</u>	<u>193,852</u>

#### Note 5. Trade & Other Receivables

##### Current

Rates		747,548	664,481
Government Grants		623,560	1,301,912
GST Net Position		403,503	291,866
Home Care		19,968	18,891
Infringements		257,025	222,567
Private Works		6,320	7,949
Recreation		49,258	54,534
Reimbursements/Contributions		1,462,528	2,006,742
Rentals/Leases		80,751	38,866
Self Supporting Loan Debtors		10,825	50,959
Other		119,615	163,543
<b>Total Current Trade &amp; Other Receivables</b>		<u><u>3,780,902</u></u>	<u><u>4,822,310</u></u>

##### Non-Current

Rates Outstanding - Pensioners		614,813	597,071
Self Supporting Loan Debtors		25,881	36,707
Other		100,146	122,820
<b>Total Non-Current Trade &amp; Other Receivables</b>		<u><u>740,840</u></u>	<u><u>756,598</u></u>

#### Note 6. Inventories

##### Current

Fuel and Materials		112,780	101,625
<b>Total Current Inventories</b>		<u><u>112,780</u></u>	<u><u>101,625</u></u>

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 7a. Property, Plant and Equipment

\$	Notes	2016 Actual	2015 Actual
Land - Independent Valuation - Independent Valuation 2014		303,246,397	303,246,397
Impairment Increment/Other		5,256,000	
Less Disposals		<u>(560,000)</u>	-
		307,942,397	303,246,397
Land Under Control - Independent Valuation 2016		15,860,000	15,860,000
Revaluation Decrement		<u>(5,450,000)</u>	-
		10,410,000	15,860,000
Buildings - Independent Valuation 2014		208,684,624	207,289,916
Additions after Valuation		2,745,346	1,410,183
Less Disposals		(49,918)	-
Less Accumulated Depreciation		<u>(40,263,291)</u>	<u>(36,790,970)</u>
		171,116,761	171,909,129
Furniture & Equipment - Management Valuation 2016		1,357,052	1,699,184
Additions after Valuation		373,703	484,115
Revaluation Increment		1,219,636	-
Less Accumulated Depreciation		<u>(127,650)</u>	<u>(586,666)</u>
		2,822,741	1,596,633
Fleet - Management Valuation 2016		2,819,968	3,146,319
Additions after Valuation		970,751	1,984,374
Disposals		(560,014)	(1,182,487)
Revaluation Decrement		(180,306)	-
Less Accumulated Depreciation		(57,511)	(815,804)
Transfers		<u>76,303</u>	-
		3,069,191	3,132,402
Computer Equipment - Management Valuation 2016		553,718	597,854
Additions after Valuation		893,875	622,951
Revaluation Increment		782	-
Less Accumulated Depreciation		<u>(151,670)</u>	<u>(427,948)</u>
		1,296,706	792,857
Plant - Management Valuation 2016		3,072,397	3,322,407
Additions after Valuation		678,035	1,557,848
Disposals		(371,480)	(549,295)
Revaluation Increments		160,473	-
Less Accumulated Depreciation		(105,765)	(966,104)
Transfers		<u>(76,303)</u>	-
		3,357,357	3,364,856
<b>Total Property, Plant &amp; Equipment</b>	7(b)	<u><u>500,015,152</u></u>	<u><u>499,902,274</u></u>

## City of Bayswater

Notes to the Financial Statements  
for the year ended 30 June 2016

## Note 7b. Property, Plant and Equipment (continued)

## Movements in Carrying Amounts

	Notes	Land - Independent Valuation	Land Under Control	Buildings	Furniture & Equipment	Fleet	Computer Equipment	Plant	Total
\$									
Balance as at 1 July 2015		303,246,397	15,860,000	171,909,129	1,596,633	3,132,402	792,857	3,364,856	499,902,274
Additions									
- Renewal	20	-	-	2,745,346	373,703	970,751	893,875	678,035	5,661,710
Disposals	21	(560,000)	-	(49,918)	-	(560,014)	-	(371,480)	(1,541,411)
Revaluation - Increments	13	5,256,000	-	-	1,219,636	-	782	160,473	6,636,890
Revaluation - (Decrements)	13	-	-	-	-	(180,306)	-	-	(180,306)
Impairment - (Decrements)		-	(5,450,000)	-	-	-	-	-	(5,450,000)
Depreciation	2(a)	-	-	(3,487,796)	(367,231)	(369,945)	(390,809)	(398,224)	(5,014,005)
Transfers		-	-	-	-	76,303	-	(76,303)	-
<b>Property, Plant &amp; Equipment at 30 June 2016</b>		<b>307,942,397</b>	<b>10,410,000</b>	<b>171,116,761</b>	<b>2,822,741</b>	<b>3,069,191</b>	<b>1,296,704</b>	<b>3,357,357</b>	<b>500,015,152</b>

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 8a. Infrastructure

\$	Notes	2016 Actual	2015 Actual
Roads - Management Valuation 2016		98,270,770	100,654,170
Drainage - Management Valuation 2016		39,184,284	39,225,337
Footpaths - Management Valuation 2016		27,315,850	26,798,130
Parks & Gardens - Management Valuation 2016		20,332,118	18,505,813
Other Infrastructure - Management Valuation 2016		3,942,830	6,813,850
<b>Total Infrastructure</b>	8(b)	<u><u>189,045,852</u></u>	<u><u>191,997,300</u></u>



## City of Bayswater

Notes to the Financial Statements  
for the year ended 30 June 2016

## Note 8b. Infrastructure (continued)

## Movements in Carrying Amounts

		Roads	Drainage	Footpaths	Parks & Gardens	Street Furniture	Other Infrastructure	Total
\$	Notes							
Balance as at 1 July 2015		100,654,170	39,225,337	26,798,130	18,505,813	-	6,813,850	191,997,300
Additions								
- Renewal	20	2,816,701	327,712	422,025	3,350,588	-	1,061,145	7,978,172
Revaluation - Increments	13	-	-	607,755	-	-	-	607,755
Revaluation - (Decrements)	13	(2,332,481)	(52,142)	-	-	-	(620,815)	(3,005,438)
Impairment - (Losses)		-	-	-	(3,111,184)	-	-	(3,111,184)
Depreciation (Expense)	2(a)	(2,867,620)	(316,623)	(512,060)	(1,337,649)	-	(386,800)	(5,420,752)
Transfers		-	-	-	2,924,550	-	(2,924,550)	-
<b>Infrastructure at 30 June 2016</b>		<b>98,270,770</b>	<b>39,184,284</b>	<b>27,315,850</b>	<b>20,332,118</b>	<b>-</b>	<b>3,942,830</b>	<b>189,045,852</b>

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 9. Trade and Other Payables

\$	2016 Actual	2015 Actual
<b>Current</b>		
Sundry Creditors	4,837,020	4,855,809
Accrued Interest on Debentures	438	1,019
Accrued Salaries and Wages	789,199	620,143
Refundable Contributions <sup>1</sup>	25,172,035	22,965,491
Other	-	5,443
<b>Total Current Trade and Other Payables</b>	<b><u>30,798,692</u></b>	<b><u>28,447,905</u></b>
<b>Non-Current</b>		
Creditors and Accruals	11,900	11,900
<b>Total Non-Current Trade and Other Payables</b>	<b><u>11,900</u></b>	<b><u>11,900</u></b>

<sup>1</sup> The City of Bayswater Aged Persons Homes holds \$25,172,035 in refundable contributions (\$10,639,445 in Accommodation Bonds/Refundable Accommodation Deposits and \$14,532,590 in Independent Living Unit entry contributions). These contributions have been classified as current liabilities as the provider does not have the right to defer settlement. However the expected settlement of the liability is expected to be greater than twelve months.

Accommodation bonds are charged for admittance in accordance with current State and Federal Government regulations. These fees can vary according to each individual's financial status and, in accordance with current policy embodying the relevant regulations, varying amounts are deducted for "Retention" over a period of 5 years

#### Note 10. Borrowings

\$	Notes	2016 Actual	2015 Actual
<b>Current</b>			
- Debentures	23(a)	10,825	50,959
<b>Total Current Borrowings</b>		<b><u>10,825</u></b>	<b><u>50,959</u></b>
<b>Non-Current</b>			
- Debentures	23(a)	25,882	36,707
<b>Total Non-Current Borrowings</b>		<b><u>25,882</u></b>	<b><u>36,707</u></b>

Additional detail on borrowings is provided in Note 23.

## City of Bayswater

Notes to the Financial Statements  
for the year ended 30 June 2016

## Note 11. Provisions

\$	2016 Actual	2015 Actual
<b>Current</b>		
Annual Leave	2,817,396	2,772,350
Long Service Leave	2,385,460	2,604,991
<b>Total Current Provisions</b>	<b><u>5,202,856</u></b>	<b><u>5,377,341</u></b>
<b>Non-Current</b>		
Long Service Leave	499,552	565,689
<b>Total Non-Current Provisions</b>	<b><u>499,552</u></b>	<b><u>565,689</u></b>

## Movements in Provisions

Class of Provision	2015		2016			
	Opening Balance as at 1/7/15	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/16
Annual Leave	2,772,350	2,326,348	(2,284,413)	3,111	-	<b>2,817,396</b>
Long Service Leave	3,170,680	390,968	(745,341)	68,705	-	<b>2,885,012</b>
<b>TOTAL</b>	<b><u>5,943,030</u></b>	<b><u>2,717,316</u></b>	<b><u>(3,029,754)</u></b>	<b><u>71,816</u></b>	<b><u>-</u></b>	<b><u>5,702,409</u></b>

Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 12. Reserves - Cash/Investment Backed

\$	2016 Actual	2016 Budget	2015 Actual
<b>(a). City Buildings &amp; Amenities</b>			
Opening Balance	1,956,305	1,950,957	1,555,109
Amount Set Aside / Transfer to Reserve / Interest	54,576	45,000	444,379
Amount Used / Transfer from Reserve	<u>(66,817)</u>	<u>(62,000)</u>	<u>(43,183)</u>
	<u>1,944,064</u>	<u>1,933,957</u>	<u>1,956,305</u>
<b>(b). Bore &amp; Reticulation</b>			
Opening Balance	784,897	787,325	1,091,141
Amount Set Aside / Transfer to Reserve / Interest	18,484	16,120	277,572
Amount Used / Transfer from Reserve	<u>(194,050)</u>	<u>(250,000)</u>	<u>(583,816)</u>
	<u>609,331</u>	<u>553,445</u>	<u>784,897</u>
<b>(c). Building Furniture &amp; Equipment</b>			
Opening Balance	602,483	603,273	582,863
Amount Set Aside / Transfer to Reserve / Interest	17,020	18,100	19,620
	<u>619,503</u>	<u>621,373</u>	<u>602,483</u>
<b>(d). Major Capital Works</b>			
Opening Balance	5,236,357	5,835,488	5,727,595
Amount Set Aside / Transfer to Reserve / Interest	131,454	90,000	1,464,872
Amount Used / Transfer from Reserve	<u>(1,154,113)</u>	<u>(673,268)</u>	<u>(1,956,110)</u>
	<u>4,213,698</u>	<u>5,252,220</u>	<u>5,236,357</u>
<b>(e). Plant &amp; Works Equipment</b>			
Opening Balance	181,584	182,857	466,532
Amount Set Aside / Transfer to Reserve / Interest	5,130	5,485	15,052
Amount Used / Transfer from Reserve	<u>-</u>	<u>-</u>	<u>(300,000)</u>
	<u>186,714</u>	<u>188,342</u>	<u>181,584</u>
<b>(f). Workers Compensation</b>			
Opening Balance	463,903	463,637	432,284
Amount Set Aside / Transfer to Reserve / Interest	13,105	6,410	263,766
Amount Used / Transfer from Reserve	<u>-</u>	<u>-</u>	<u>(232,147)</u>
	<u>477,008</u>	<u>470,047</u>	<u>463,903</u>

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 12. Reserves - Cash/Investment Backed (continued)

\$	2016 Actual	2016 Budget	2015 Actual
<b>(g). Long Service Leave &amp; Entitlements</b>			
Opening Balance	1,128,971	1,333,744	1,115,144
Amount Set Aside / Transfer to Reserve / Interest	157,178	152,400	233,827
Amount Used / Transfer from Reserve	-	-	(220,000)
	<u>1,286,149</u>	<u>1,486,144</u>	<u>1,128,971</u>
<b>(h). Bayswater Waves Aquatic Centre</b>			
Opening Balance	534,732	536,520	518,370
Amount Set Aside / Transfer to Reserve / Interest	14,473	13,700	17,447
Amount Used / Transfer from Reserve	(77,979)	(80,000)	(1,085)
	<u>471,226</u>	<u>470,220</u>	<u>534,732</u>
<b>(i). The RISE</b>			
Opening Balance	535,819	536,520	518,370
Amount Set Aside / Transfer to Reserve / Interest	15,137	16,100	17,449
	<u>550,956</u>	<u>552,620</u>	<u>535,819</u>
<b>(j). Maylands Waterland</b>			
Opening Balance	53,582	53,637	51,837
Amount Set Aside / Transfer to Reserve / Interest	1,514	1,610	1,745
	<u>55,096</u>	<u>55,247</u>	<u>53,582</u>
<b>(k). Aged Persons Homes - General Reserves</b>			
Opening Balance	14,834,551	15,446,432	13,307,735
Amount Set Aside / Transfer to Reserve / Interest	1,807,922	489,109	1,526,816
Amount Used / Transfer from Reserve	(766,784)	-	-
	<u>15,875,689</u>	<u>15,935,541</u>	<u>14,834,551</u>
<b>(l). Aged Persons Homes - Prudential Requirements</b>			
Opening Balance	2,349,800	2,349,800	2,392,299
Amount Set Aside / Transfer to Reserve / Interest	67,602	-	-
Amount Used / Transfer from Reserve	-	-	(42,499)
	<u>2,417,402</u>	<u>2,349,800</u>	<u>2,349,800</u>

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 12. Reserves - Cash/Investment Backed (continued)

\$	2016 Actual	2016 Budget	2015 Actual
<b>(m). Aged Persons Homes - Employee Entitlements</b>			
Opening Balance	-	-	144,396
Amount Used / Transfer from Reserve	-	-	(144,396)
	-	-	-
<b>(n). Civic Centre</b>			
Opening Balance	535,819	536,520	518,370
Amount Set Aside / Transfer to Reserve / Interest	15,137	16,100	17,449
	550,956	552,620	535,819
<b>(o). Roads &amp; Drainage</b>			
Opening Balance	534,564	716,326	518,370
Amount Set Aside / Transfer to Reserve / Interest	13,653	10,035	17,444
Amount Used / Transfer from Reserve	(74,083)	(200,000)	(1,250)
	474,134	526,361	534,564
<b>(p). Footpath/Cycleway</b>			
Opening Balance	535,819	536,520	518,370
Amount Set Aside / Transfer to Reserve / Interest	15,137	16,100	17,449
	550,956	552,620	535,819
<b>(q). Playground &amp; Parks</b>			
Opening Balance	1,187,235	1,186,520	518,370
Amount Set Aside / Transfer to Reserve / Interest	533,921	16,100	668,865
Amount Used / Transfer from Reserve	(150,000)	(150,000)	-
	1,571,156	1,052,620	1,187,235
<b>(r). Golf Courses</b>			
Opening Balance	1,068,139	1,021,740	1,036,740
Amount Set Aside / Transfer to Reserve / Interest	30,175	30,655	34,848
Amount Used / Transfer from Reserve	-	-	(3,449)
	1,098,314	1,052,395	1,068,139

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 12. Reserves - Cash/Investment Backed (continued)

\$	2016 Actual	2016 Budget	2015 Actual
<b>(s). Street Scapes</b>			
Opening Balance	528,752	536,520	518,370
Amount Set Aside / Transfer to Reserve / Interest	312,004	10,095	17,428
Amount Used / Transfer from Reserve	(189,006)	(199,505)	(7,046)
	<u>651,750</u>	<u>347,110</u>	<u>528,752</u>
<b>(t). Information Technology</b>			
Opening Balance	-	(37,081)	518,370
Amount Set Aside / Transfer to Reserve / Interest	75,474	114,355	12,440
Amount Used / Transfer from Reserve	-	-	(530,810)
	<u>75,474</u>	<u>77,274</u>	<u>-</u>
<b>(u). Eric Singleton Bird Sanctuary</b>			
Opening Balance	1,071,639	1,072,740	1,036,740
Amount Set Aside / Transfer to Reserve / Interest	30,274	32,200	34,899
	<u>1,101,913</u>	<u>1,104,940</u>	<u>1,071,639</u>
<b>(v). Les Hansman Centre Development</b>			
Opening Balance	4,288,911	4,538,039	3,628,588
Amount Set Aside / Transfer to Reserve / Interest	371,732	362,555	660,323
	<u>4,660,643</u>	<u>4,900,594</u>	<u>4,288,911</u>
<b>(w). Senior Citizens Building</b>			
Opening Balance	321,492	321,522	311,022
Amount Set Aside / Transfer to Reserve / Interest	9,082	9,645	10,470
	<u>330,574</u>	<u>331,167</u>	<u>321,492</u>
<b>(x). Morley City Centre</b>			
Opening Balance	535,819	535,870	518,370
Amount Set Aside / Transfer to Reserve / Interest	15,137	16,100	17,449
	<u>550,956</u>	<u>551,970</u>	<u>535,819</u>

## City of Bayswater

Notes to the Financial Statements  
for the year ended 30 June 2016

## Note 12. Reserves - Cash/Investment Backed (continued)

\$	2016 Actual	2016 Budget	2015 Actual
<b>(y). Landfill Restoration</b>			
Opening Balance	535,819	535,870	518,370
Amount Set Aside / Transfer to Reserve / Interest	15,137	16,100	17,449
Amount Used / Transfer from Reserve	-	(38,455)	-
	<u>550,956</u>	<u>513,515</u>	<u>535,819</u>
<b>(z). Sustainable Environment</b>			
Opening Balance	535,819	535,870	518,370
Amount Set Aside / Transfer to Reserve / Interest	15,137	16,100	17,449
	<u>550,956</u>	<u>551,970</u>	<u>535,819</u>
<b>(aa). Morley Sport &amp; Recreation Centre</b>			
Opening Balance	535,819	535,870	518,370
Amount Set Aside / Transfer to Reserve / Interest	15,137	16,100	17,449
	<u>550,956</u>	<u>551,970</u>	<u>535,819</u>
<b>(ab). Community Housing</b>			
Opening Balance	30,654	29,140	16,655
Amount Set Aside / Transfer to Reserve / Interest	866	900	13,999
	<u>31,520</u>	<u>30,040</u>	<u>30,654</u>
<b>(ac). General Waste Management</b>			
Opening Balance	24,874	24,820	-
Amount Set Aside / Transfer to Reserve / Interest	703	745	24,874
	<u>25,577</u>	<u>25,565</u>	<u>24,874</u>
<b>(ad). River Restoration</b>			
Opening Balance	-	-	-
Amount Set Aside / Transfer to Reserve / Interest	166,717	-	-
	<u>166,717</u>	<u>-</u>	<u>-</u>
<b>Total Reserves</b>	<u><u>42,200,344</u></u>	<u><u>42,591,687</u></u>	<u><u>40,934,158</u></u>



## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 12. Reserves - Cash/Investment Backed (continued)

\$	2016 Actual	2016 Budget	2015 Actual
<b>Summary of Reserve Transfers</b>			
<b>Transfers to Reserves</b>			
City Buildings & Amenities	54,576	45,000	444,379
Bore & Reticulation	18,484	16,120	277,572
Building Furniture & Equipment	17,020	18,100	19,620
Major Capital Works	131,454	90,000	1,464,872
Plant & Works Equipment	5,130	5,485	15,052
Workers Compensation	13,105	6,410	263,766
Long Service Leave & Entitlements	157,178	152,400	233,827
Bayswater Waves Aquatic Centre	14,473	13,700	17,447
The RISE	15,137	16,100	17,449
Maylands Waterland	1,514	1,610	1,745
Aged Persons Homes - General Reserves	1,807,922	489,109	1,526,816
Aged Persons Homes - Prudential Requirements	67,602	-	-
Civic Centre	15,137	16,100	17,449
Roads & Drainage	13,653	10,035	17,444
Footpath/Cycleway	15,137	16,100	17,449
Playground & Parks	533,921	16,100	668,865
Golf Courses	30,175	30,655	34,848
Street Scapes	312,004	10,095	17,428
Information Technology	75,474	114,355	12,440
Eric Singleton Bird Sanctuary	30,274	32,200	34,899
Les Hansman Centre Development	371,732	362,555	660,323
Senior Citizens Building	9,082	9,645	10,470
Morley City Centre	15,137	16,100	17,449
Landfill Restoration	15,137	16,100	17,449
Sustainable Environment	15,137	16,100	17,449
Morley Sport & Recreation Centre	15,137	16,100	17,449
Community Housing	866	900	13,999
General Waste Management	703	745	24,874
River Restoration	166,717	-	-
<b>Total Transfers to Reserves</b>	<b>3,939,018</b>	<b>1,537,919</b>	<b>5,882,829</b>

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 12. Reserves - Cash/Investment Backed (continued)

\$	2016 Actual	2016 Budget	2015 Actual
<b>Summary of Reserve Transfers (continued)</b>			
<b>Transfers from Reserves</b>			
City Buildings & Amenities	(66,817)	(62,000)	(43,183)
Bore & Reticulation	(194,050)	(250,000)	(583,816)
Major Capital Works	(1,154,113)	(673,268)	(1,956,110)
Plant & Works Equipment	-	-	(300,000)
Workers Compensation	-	-	(232,147)
Long Service Leave & Entitlements	-	-	(220,000)
Bayswater Waves Aquatic Centre	(77,979)	(80,000)	(1,085)
Aged Persons Homes - General Reserves	(766,784)	-	-
Aged Persons Homes - Prudential Requirements	-	-	(42,499)
Aged Persons Homes - Employee Entitlements	-	-	(144,396)
Roads & Drainage	(74,083)	(200,000)	(1,250)
Playground & Parks	(150,000)	(150,000)	-
Golf Courses	-	-	(3,449)
Street Scapes	(189,006)	(199,505)	(7,046)
Information Technology	-	-	(530,810)
Landfill Restoration	-	(38,455)	-
<b>Total Transfers from Reserves</b>	<b>(2,672,832)</b>	<b>(1,653,228)</b>	<b>(4,065,791)</b>
<b>Total Net Transfer to/(from) Reserves</b>	<b>1,266,186</b>	<b>(115,309)</b>	<b>1,817,038</b>

All of the cash backed reserve accounts are supported by money held in financial institutions and match the amounts shown as restricted cash in Note 3 and 4 to this financial report.

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

#### City Buildings & Amenities

For the purpose of preserving and renewing Council's buildings.

#### Bore & Reticulation

For the installation of new bores and reticulation, and the replacement of old bore and reticulation systems, due to wear and tear.

#### Building Furniture & Equipment

To provide a cash backed reserve for the purpose of furniture & equipment required in Council's buildings.

#### Major Capital Works

To finance the cost of major capital works programs as approved by Council.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 12. Reserves - Cash/Investment Backed (continued)

---

\$

---

##### **Plant & Works Equipment**

To fund the cost of acquiring plant & equipment needed to provide for the day-to-day operational requirements of the City.

##### **Workers Compensation**

To finance Workers' Compensation costs in excess of premium deposits, using the burning cost method (as per Council's Workers Compensation Policy).

##### **Long Service Leave & Entitlements**

To provide for the payment to employees of Long Service Leave and other approved entitlements.

##### **Bayswater Waves Aquatic Centre**

To fund asset management requirements of the Bayswater Waves Aquatic Centre.

##### **The RISE**

To fund asset managements requirements of the RISE.

##### **Maylands Waterland**

To fund asset management requirements of the Maylands Waterland facility.

##### **Aged Persons Homes - General Reserves**

This reserve restricts funds held for the Independent Living Units and Residential Care Facilities owned and controlled by the City. These funds are managed in accordance with the relevant statutory requirements and policies.

##### **Aged Persons Homes - Prudential Requirements**

To provide a cash backed prudential reserve to meet the accommodation obligations for Residential Care Facilities and Independent Living Units.

##### **Aged Persons Homes - Employee Entitlements**

To provide restricted funds to meet the City's contractual obligations for Residential Care Facilities and Independent Living Unit activities.

##### **Civic Centre**

To make provision for the asset management needs of the Civic Centre

##### **Roads & Drainage**

To set aside funds for the asset management requirements of the City's road and drainage infrastructure.

##### **Footpath/Cycleway**

To set aside funds for the asset management requirements of the City's footpath and cycleways infrastructure.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 12. Reserves - Cash/Investment Backed (continued)

---

\$

---

##### **Playground & Parks**

To set aside funds for the asset management requirements of the City's playground and parks infrastructure.

##### **Golf Courses**

To set aside funds for the asset management requirements of the City's golf courses.

##### **Street Scapes**

To provided for the renewal of urban streetscapes.

##### **Information Technology**

To provided for the maintenance of the City's information technology requirements including general computer replacements for elected members and employees

##### **Eric Singleton Bird Sanctuary**

To set aside funds for the asset management requirements of the Eric Singleton Bird Sanctuary.

##### **Les Hansman Centre Development**

To set aside funds for the redevelopment of the Les Hansman Community Centre.

##### **Senior Citizens Building**

To set aside funds for the asset management requirements of the City's senior citizens centres.

##### **Morley City Centre**

To provided funds for the future development of the Morley City Centre.

##### **Landfill Restoration**

To provide funding for the review and any restoration requirements of the Swan River Foreshore.

##### **Sustainable Environment**

To provide funding for strategic environmental projects such as foreshore rehabilitation and the Eric Singleton Bird Sanctuary

##### **Morley Sport & Recreation Centre**

To set aside funds for the asset management requirements of the Morley Sport & Recreation Centre.

##### **Community Housing**

To set aside funds for the asset management requirements of Community Housing.

##### **General Waste Management**

To set aside funds for the future development of Waste Management.

##### **River Restoration**

To set aside funds for the restoration of the river.

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 13. Reserves - Asset Revaluation

\$	Notes	2016 Actual	2015 Actual
Asset revaluation reserves have arisen on revaluation of the following classes of assets:			
<b>(a). Land - Independent Valuation</b>			
Opening Balance		298,895,614	298,895,614
Revaluation Increment	7(b)	5,256,000	-
		<u>304,151,614</u>	<u>298,895,614</u>
<b>(b). Buildings</b>			
Opening Balance		105,331,423	105,331,423
		<u>105,331,423</u>	<u>105,331,423</u>
<b>(c). Furniture &amp; Equipment</b>			
Opening Balance		-	-
Revaluation Increment	7(b)	1,219,636	-
		<u>1,219,636</u>	<u>-</u>
<b>(d). Computer Equipment</b>			
Opening Balance		171,025	171,025
Revaluation Increment	7(b)	782	-
		<u>171,807</u>	<u>171,025</u>
<b>(e). Fleet/Plant</b>			
Opening Balance		95,196	95,196
Revaluation Increment	7(b)	(19,833)	-
		<u>75,363</u>	<u>95,196</u>
<b>(f). Roads</b>			
Opening Balance		46,577,984	49,725,504
Revaluation Decrement	8(b)	(2,332,481)	(3,147,520)
		<u>44,245,503</u>	<u>46,577,984</u>

## City of Bayswater

Notes to the Financial Statements  
for the year ended 30 June 2016

## Note 13. Reserves - Asset Revaluation

\$	Notes	2016 Actual	2015 Actual
<b>(g). Drainage</b>			
Opening Balance		15,335,993	15,878,061
Revaluation Decrement	8(b)	<u>(52,142)</u>	<u>(542,068)</u>
		<b><u>15,283,852</u></b>	<b><u>15,335,993</u></b>
<b>(h). Footpaths</b>			
Opening Balance		18,017,576	17,271,463
Revaluation Increment	8(b)	<u>607,755</u>	<u>746,113</u>
		<b><u>18,625,330</u></b>	<b><u>18,017,576</u></b>
<b>(i). Other Infrastructure</b>			
Opening Balance		4,538,346	4,456,661
Revaluation Increment	8(b)	-	81,685
Revaluation Decrement	8(b)	<u>(620,815)</u>	<u>-</u>
		<b><u>3,917,531</u></b>	<b><u>4,538,346</u></b>
<b>(j). E.M.R.C</b>			
Opening Balance		5,259,465	5,259,465
Revaluation Increment		<u>2,666,082</u>	<u>-</u>
		<b><u>7,925,547</u></b>	<b><u>5,259,465</u></b>
<b>Total Asset Revaluation Reserves</b>		<b><u><u>500,947,606</u></u></b>	<b><u><u>494,222,623</u></u></b>

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 14. Notes to the Statement of Cash flows

\$	Notes	2016 Actual	2016 Budget	2015 Actual
----	-------	----------------	----------------	----------------

##### (a). Reconciliation of Cash

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

Cash and Cash Equivalents	3	<u>64,327,720</u>	<u>51,117,514</u>	<u>57,382,054</u>
---------------------------	---	-------------------	-------------------	-------------------

##### (b). Reconciliation of Net Cash Provided By Operating Activities to Net Result

Net Result		3,768,687	5,066,303	3,160,767
Depreciation		10,434,757	8,719,000	10,143,709
Write Down (Up) in Fair Value of Investments		8,561,184	-	964,905
(Profit)/Loss on Sale of Assets		(82,261)	186,017	(16,695)
Joint Ventures movement		(2,770,033)	-	(2,819,483)
Other Non Cash Movements - Infrastructure Revaluation		(4,058,901)	-	3,966,109
Decrease/(Increase) in Receivables		1,006,206	-	887,036
Decrease/(Increase) in Inventories		(11,155)	-	(9,071)
Decrease/(Increase) in Other Current Assets		3,225	-	(76,885)
Increase/(Decrease) in Payables & Accruals		2,351,368	750,000	1,351,161
Increase/(Decrease) in Accrued Interest Payable		(581)	-	(767)
Increase/(Decrease) in Employee Leave Entitlements		(240,622)	-	(269,104)
Grants/Contributions for the Development of Assets		(2,101,034)	(2,659,487)	(1,664,024)
<b>Net Cash from Operating Activities</b>		<u>16,860,840</u>	<u>12,061,833</u>	<u>15,617,658</u>

#### Note 15. Contingent Liabilities

Nil

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 16. Capital and Leasing Commitments

\$	2016 Actual	2015 Actual
<b>(a). Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
<b>Payable:</b>		
- not later than one year	-	-
- later than one year but not later than five years	250,687	-
- later than five years	-	-
<b>Total Operating Lease Commitments</b>	<b>250,687</b>	<b>-</b>
<b>(b). Capital Expenditure Commitments</b>		
<b>Contracted for:</b>		
Building Construction & Improvements	-	1,598,029
Recreation Development	208,334	249,018
Road/Footpath Development	941,146	288,115
Parks/Environment Development	496,100	1,789,873
Other Capital Expenditure Commitments	-	350,086
<b>Total Capital Expenditure Commitments</b>	<b>1,645,580</b>	<b>4,275,121</b>
<b>Payable:</b>		
- not later than one year	1,645,580	4,275,121
- later than one year but not later than five years	-	-
- later than five years	-	-
<b>Total Capital Expenditure Commitments</b>	<b>1,645,580</b>	<b>4,275,121</b>



## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 17. Subsidiaries, Joint Arrangements & Associates

---

\$

---

Council's objectives can and in some cases are best met through the use of separate entities & operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils, Bodies and other Outside Organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards.

The City of Bayswater is in joint venture with:

##### **(a) Homeswest - Community Housing Project**

Ten (10) Houses.

- Stage 1 No 2 Haddrill Street (4 Units)
- Stage 2 No 20 Francis Street (6 Units)

The City has a 25% interest in the project. Operating costs are funded by the City from rental received on the houses. Excess income over expenditure is retained as a restricted cash item for future community housing projects.

##### **(b) City of Swan - Altone Park - a community, sporting and recreational facility**

The financial statements reflect the City of Bayswater's interest in the joint development with the City of Swan for the development of a community recreation and sporting facility at Altone Park.

The City of Bayswater has the following interest in the assets and liabilities of the venture.

- Pavilion - 50%
- Recreation Centre - 50%
- Library - 33%

Operating costs are shared on the basis of each interest.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 17. Subsidiaries, Joint Arrangements & Associates (continued)

\$

The City's share of the assets and liabilities to each venture are recorded in the statement of financial position under the following classifications:

\$	2016 Actual	2015 Actual
Buildings		
- Community Housing Project	1,343,412	1,355,562

#### (c) Eastern Metropolitan Regional Council

The City of Bayswater is a participant in the Eastern Metropolitan Regional Council (EMRC).

Comprising six member councils it is primarily concerned with refuse, environmental and safety services.

	2016	%	2015
<b>City of Bayswater</b>	<b>31,846,064</b>	<b>19.46%</b>	<b>29,076,031</b>
Town of Bassendean	7,275,989	4.45%	6,702,763
Shire of Mundaring	18,082,646	11.05%	16,479,545
City of Swan	60,239,185	36.82%	53,502,350
Shire of Kalamunda	27,488,876	16.80%	24,996,679
City of Belmont	18,683,217	11.42%	16,858,963
	<u><b>163,615,977</b></u>	<u><b>100%</b></u>	<u><b>147,616,331</b></u>

	2016 Council Actual	2015 Council Actual
--	---------------------------	---------------------------

The City's interest in the assets and liabilities of the EMRC is as follows:

Current Assets	17,617,832	15,466,205
Non-Current Assets	17,083,265	16,054,138
<b>Total Assets</b>	<b>34,701,097</b>	<b>31,520,343</b>
Current Liabilities	1,413,332	1,054,953
Non Current Liabilities	1,441,701	1,389,359
<b>Total Liabilities</b>	<b>2,855,033</b>	<b>2,444,312</b>
<b>Net Assets</b>	<b>31,846,064</b>	<b>29,076,031</b>

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 17. Subsidiaries, Joint Arrangements & Associates (continued)

\$

##### (d) WALGA Local Government Housing Trust

The City of Bayswater retains an equity interest in the Western Australian Local Government Association (WALGA) as a consequence of a contribution towards the cost of purchasing Local Government House.

The total funds retained in the Local Government House Trust towards the cost of the WALGA building amounted to \$582,000 over 620 unit allocations. The City of Bayswater has for the first time capitalised its share of 10 Units amounting to \$178,885 based on the Trust's 2014 financial statements.

	Council's Share of Net Income		Council's Share of Net Assets	
	Actual 2016	Actual 2015	Actual 2016	Actual 2015
WALGA - Unit Housing Trust	-	178,885	178,885	178,885
EMRC	2,770,033	2,640,597	31,846,064	29,076,031
<b>Total</b>	<b>2,770,033</b>	<b>2,819,482</b>	<b>32,024,949</b>	<b>29,254,916</b>

#### Note 18. Trust Funds

	Balance 1-Jul-15	Amounts Received	Amounts Paid	Balance 30-Jun-16
Cash in Lieu of POS	3,696,707	530,325	(926,037)	3,300,995
Town Planning Bonds/Other	512,140	311,104	(67,000)	756,244
BRB/BCITF	47,458	670,926	(644,967)	73,417
Crossover/Verge Bonds	576,726	291,870	(336,724)	531,872
Unclaimed Monies	41,410	12,577	-	53,987
Other	406,829	277,267	(244,212)	439,884
	<b>5,281,270</b>	<b>2,094,069</b>	<b>(2,218,940)</b>	<b>5,156,399</b>

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 19. Total Assets Classified by Function and Activity

\$	2016 Actual	2015 Actual
Governance / Administration	1,104,080	850,019
Law, Order, Public Safety	3,130,872	2,807,902
Health	971,473	1,025,095
Education & Welfare	53,583,473	54,386,028
Housing	1,518,757	1,523,315
Community Amenities	308,497,672	319,680,717
Recreation & Culture	131,484,358	134,320,354
Transport	168,713,734	170,584,959
Economic Services	337,960	347,619
Other Property & Services	16,777,011	6,552,447
Unallocated	32,765,790	92,332,474
	<b><u>718,885,180</u></b>	<b><u>784,410,929</u></b>

## Note 20. Acquisition of Assets

\$	2016 Actual	2015 Budget
<b><u>By Program</u></b>		
<b>Governance</b>		
Building	86,970	588,985
Computer Equipment	418,854	-
Fleet	121,008	-
<b>Law, Order, Public Safety</b>		
Building	99,906	473,322
Computer Equipment	457,276	-
Fleet	91,927	-
<b>Health</b>		
Building	2,709	3,000
Fleet	57,115	-
<b>Education &amp; Welfare</b>		
Building	194,080	1,145,730
Furniture & Equipment	45,164	-
Fleet	82,473	-
<b>Housing</b>		
Building	13,192	-
<b>Recreation &amp; Culture</b>		
Building	2,342,493	7,295,278
Fleet	48,700	-
Furniture & Equipment	318,862	-
Infrastructure	3,350,588	-
<b>Transport</b>		
Infrastructure	4,627,584	5,588,561

(continued on next page)

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 20. Acquisition of Assets (continued)

\$	2016 Actual	2016 Budget
<b>Economic Services</b>		
Building	5,996	-
Fleet	130,643	-
<b>Other Property &amp; Services</b>		
Computer Equipment	17,745	2,168,077
Plant	899,626	-
Fleet	217,294	-
Furniture & Equipment	9,677	-
	<u><b>13,639,882</b></u>	<u><b>17,262,953</b></u>
<b>By Class</b>		
<i>Property, Plant &amp; Equipment</i>	7(b)	
- Buildings	2,745,346	4,123,920
- Furniture & Equipment	373,703	1,509,278
- Computer Equipment	893,875	-
- Fleet	970,751	-
- Plant	678,035	1,833,000
<i>Infrastructure</i>	8(b)	
- Roads	2,816,701	4,424,066
- Drainage	327,712	260,000
- Footpaths	422,025	554,000
- Parks & Gardens	3,350,588	3,968,689
- Other Infrastructure	1,061,145	590,000
	<u><b>13,639,882</b></u>	<u><b>17,262,953</b></u>

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 21. Disposal of Assets

\$	Notes	Net Book Value		Sale Price		Profit/(Loss)	
		Actual	Budget	Actual	Budget	Actual	Budget

The following assets were disposed of during the year.

**By Asset Class**

<i>Property, Plant &amp; Equipment</i>	7(b)						
Land - Independent Valuation		560,000	-	1,050,071	-	490,071	-
Buildings		49,918	-	-	-	(49,918)	-
Fleet		560,014	558,559	424,557	425,000	(135,457)	(133,559)
Plant		371,480	161,158	149,045	108,700	(222,435)	(52,458)

**By Program**

<i>Property, Plant &amp; Equipment</i>							
Governance		116,657	99,173	79,353	76,000	(37,303)	(23,173)
Law, Order, Public Safety		59,161	58,793	49,639	37,000	(9,522)	(21,793)
Health		48,669	30,294	40,185	20,000	(8,485)	(10,294)
Education & Welfare		54,416	-	34,912	-	(19,504)	-
Community Amenities		560,000	55,805	1,050,071	40,000	490,071	(15,805)
Recreation & Culture		88,292	18,908	18,139	18,000	(70,153)	(908)
Economic Services		106,873	104,125	95,734	81,000	(11,139)	(23,125)
Other Property & Services		507,343	352,619	255,640	261,700	(251,704)	(90,919)
<b>Total</b>		<b>1,541,411</b>	<b>719,717</b>	<b>1,623,673</b>	<b>533,700</b>	<b>82,261</b>	<b>(186,017)</b>

\$	2016	2016	2015
	Actual	Budget	Actual

**Summary**

Profit on Asset Disposals	490,071	-	221,054
Loss on Asset Disposals	(407,810)	(372,034)	(204,359)
<b>Net Profit/(Loss) on Disposal of Assets</b>	<b>82,261</b>	<b>(372,034)</b>	<b>16,695</b>

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 22. Financial Ratios

\$	Amounts 2016	Indicator 2016	Target	Prior Periods 2015      2014	
<i>Liquidity Ratio</i>					
<b>1. Current Ratio</b> <sup>(1)</sup>					
Current Assets less Restricted Current Assets	25,415,359	<b>1.55</b>	> 1.00 : 1	1.28	1.17
Current Liabilities less Liabilities Associated with Restricted Assets	16,433,133				
<i>Debt Ratio</i>					
<b>2. Debt Service Cover Ratio</b> <sup>(2)</sup>					
Operating Surplus before Interest and Depreciation Exp	8,046,817	<b>148.28 : 1</b>	> 2.00 : 1	203.61	213.84
Principal and Interest Repayments	54,266				
<i>Coverage Ratio</i>					
<b>3. Own Source Revenue Coverage Ratio</b> <sup>(3)</sup>					
Own Source Operating Revenue	64,190,591	<b>76.61%</b>	> 40%	84.45%	82.60%
Operating Expense	83,792,335				
<i>Financial Performance Ratio</i>					
<b>4. Operating Surplus Ratio</b> <sup>(4)</sup>					
Operating Revenue less Operating Expense	(2,931,248)	<b>-3.72%</b>	> 1%	8.86%	12.99%
Own Source Operating Revenue	64,190,591				
<i>Asset Management Ratios</i>					
<b>5. Asset Consumption Ratio</b> <sup>(5)</sup>					
Depreciated Replacement Cost of Depreciable Assets	370,708,607	<b>68.11%</b>	> 50%	68.70%	70.86%
Current Replacement Cost of Depreciable Assets	544,299				
***					
*** These ratios have been amended to reflect the interpretation and clarification of definitions in the Financial Management Regulations.					
<b>6. Asset Sustainability Ratio</b> <sup>(6)</sup>					
Capital Renewal and Replacement Expenditure	13,639,881	<b>130.72%</b>	90-110%	140.39%	122.26%
Depreciation Expense	10,434,757				
<b>7. Asset Renewal Funding Ratio</b> <sup>(7)</sup>					
NPV of Planned Capital Renewals over 10 years	627,019,000	<b>84.30%</b>	75-95%	82.23%	86.47%
NPV of Required Capital Expenditure over 10 years	743,833,586				

## Notes

(1) This is a modified commercial ratio designed to focus on the liquidity position of the Council that has arisen from past year's transactions.

(2) This ratio is the measurement of Council's ability to repay its debt including lease payments.

(3) This ratio is the measurement of Council's ability to cover its costs through its own revenue efforts.

(4) This ratio is a measure of Council's ability to cover its operational costs and have revenues available for capital funding or other purposes.

(5) This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.

(6) This ratio indicates whether Council is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.

(7) This ratio is a measure of the ability of Council to fund its projected asset renewal / replacements in the future.

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 23. Information on Borrowings

\$	Borrowing Institution	Interest Rate %	Principal 1-Jul-15	New Loans	Principal Repayments		Principal 30-Jun-16		Interest Repayments		
					Actual	Budget	Actual	Budget	Actual	Budget	
<b>(a). Debenture Repayments</b>											
<b>Recreation &amp; Culture</b>											
- 191 Buildings	*	WATC	Variable	21,509	-	16,930	16,930	4,579	4,579	637	2,000
- 222 Morley/Noranda Rec. Club Inc	*	WATC	7.15%	6,976	-	2,381	2,381	4,595	4,595	394	435
- 219 Northern Suburbs Hebrew	*	WATC	5.63%	8,149	-	8,149	8,150	-	(1)	126	231
- 218 Bayswater Bowling	*	WATC	5.93%	19,556	-	19,556	19,556	-	-	269	436
- 217 Windmills Club	*	WATC	5.55%	485	-	485	485	-	-	5	7
- 214 Gibney Reserve Clubrooms	*	WATC	6.55%	30,991	-	3,458	3,457	27,534	27,534	1,878	1,946
				<b>87,666</b>	<b>-</b>	<b>50,958</b>	<b>50,959</b>	<b>36,708</b>	<b>36,707</b>	<b>3,308</b>	<b>5,055</b>

Funding of Borrowings All loan repayments were funded by general purpose income.

1 Self-Supporting Loan \* Those loans denoted with "\*" are subject of a repayment agreement that secured the reimbursement from a community organisation of all costs associated with the loan.

2 WATC = WA Treasury Corporation



## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 24(a). Rating Information (2015/16 Financial Year)

	Notes	Rate in \$	Number of Properties	Rateable Value	Rate Revenue	Interim Rates	Back Rates	Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue
<b>Rate Type</b>												
<b>General Rate</b>												
Residential - General		0.04955	22,532	510,582,580	25,299,380	473,065	-	25,772,445	25,301,719	250,000	-	25,551,719
Commercial		0.04955	587	115,990,647	5,747,337	(200,019)	-	5,547,318	5,475,318	45,000	-	5,520,318
Industrial		0.04955	908	74,121,482	3,672,720	(57,587)	-	3,615,132	3,670,159	50,000	-	3,720,159
<b>Sub-Total</b>			<b>24,027</b>	<b>700,694,709</b>	<b>34,719,437</b>	<b>215,459</b>	<b>-</b>	<b>34,934,895</b>	<b>34,447,196</b>	<b>345,000</b>	<b>-</b>	<b>34,792,196</b>
<b>Minimum Rates</b>												
			<b>Minimum</b>									
Residential			5,700	78,330,810	4,531,500	-	-	4,531,500	4,531,500	-	-	4,531,500
Comm/Industrial			100	1,213,543	79,500	-	-	79,500	79,500	-	-	79,500
<b>Sub-Total</b>			<b>5,800</b>	<b>79,544,353</b>	<b>4,611,000</b>	<b>-</b>	<b>-</b>	<b>4,611,000</b>	<b>4,611,000</b>	<b>-</b>	<b>-</b>	<b>4,611,000</b>
								39,545,895				39,403,196
Rates Written Off	25							-				(4,500)
<b>Totals</b>								<b>39,545,895</b>				<b>39,398,696</b>

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 24(b). Surplus/(Deficit) B/Fwd and C/Fwd

\$	Notes	2016 Carried Fwd Actual	2015 Brought Fwd Actual
<b>Current Assets</b>			
Cash - Unrestricted	3	21,331,050	14,746,428
Cash - Restricted Reserves	3	42,200,344	40,934,158
Cash - Restricted Unspent Grants	2(d)	796,326	1,701,468
Rates - Current	5	747,548	664,481
Sundry Debtors	5	2,629,851	3,865,963
GST Receivable	5	403,503	291,866
- Fuel and Materials	6	112,780	101,625
		<b>68,412,029</b>	<b>62,499,841</b>
<b>Current Liabilities</b>			
Sundry Creditors	9	4,837,020	4,855,809
Accrued Interest on Debentures	9	438	1,019
Accrued Salaries and Wages	9	789,199	620,143
Other Current Trade and Other Payables	9	25,172,035	22,970,934
Current Employee Benefits Provision	11	5,202,856	5,377,341
Current Loan Liability	10	10,825	50,959
		<b>36,012,373</b>	<b>33,876,205</b>
		<b>32,399,656</b>	<b>28,623,636</b>
<b>Net Current Assets</b>			
<b>Less:</b>			
Reserves - Restricted Cash	3	(42,200,344)	(40,934,158)
Current Loan Liability	10	-	50,959
Self Supporting Loan Principal Repayments	10	-	(50,959)
Cash Backed Employee Provisions	12	1,286,149	1,128,971
Aged Persons Homes - Restricted		14,098,217	15,047,410
		<b>5,583,678</b>	<b>3,865,859</b>

(1) Restricted Grants & Contributions that are not expected to be spent in the next 12 months.

## City of Bayswater

### Notes to the Financial Statements for the year ended 30 June 2016

#### Note 25. Discounts, Incentives, Concessions & Write-offs (2015/16 Financial Year)

---

\$

---

##### (a) Discounts

Nil

---

\$	Notes	Total Cost / Value
<b>(b). Write-Offs</b>		
Rate Assessment	2(a)	5,052
General Debtors	2(a)	2,124
		<u><b>2,124</b></u>

#### Note 26. Interest Charges and Instalments (2015/16 Financial Year)

---

\$	Interest Rate %	Admin. Charge	Actual Revenue	Budgeted Revenue
Interest on Unpaid Rates	11.00%		140,739	120,000
Interest on Instalments Plan	5.50%		154,988	141,000
Charges on Instalment Plan		\$5.00	125,211	118,000
			<u><b>420,938</b></u>	<u><b>379,000</b></u>

Ratepayers had the option of paying rates in 4 instalments, due on 19 August 2015, 19 October 2015, 21 December 2015 and 22 February 2016.

## City of Bayswater

### Notes to the Financial Statements for the year ended 30 June 2016

#### Note 27. Fees & Charges

\$	2016 Actual	2016 Budget	2015 Actual
Governance	130,717	-	159,449
General Purpose Funding	41,954	276,780	18,335
Law, Order, Public Safety	244,967	239,000	292,982
Health	238,777	141,550	156,104
Education and Welfare	970,949	647,212	900,883
Housing	98,816	102,949	100,345
Community Amenities	10,680,586	10,582,429	10,321,159
Recreation and Culture	7,417,625	7,466,204	7,477,646
Transport	431,706	367,560	385,206
Economic Services	564,618	636,200	673,798
Other Property and Services	27,293	5,500	7,640
	<u><b>20,848,009</b></u>	<u><b>20,465,384</b></u>	<u><b>20,493,548</b></u>

#### Note 28. Grants, Subsidies & Contributions

\$	2016 Actual	2015 Actual
----	----------------	----------------

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

##### (a). By Nature & Type

Operating Grants and Subsidies	11,344,754	12,340,234
Contributions	3,095,708	2,619,990
Non-Operating Grants, Subsidies and Contributions	2,101,034	1,664,024
	<u><b>16,541,497</b></u>	<u><b>16,624,248</b></u>

##### (b). By Program

General Purpose Funding	1,205,905	3,044,803
Law, Order, Public Safety	82,666	353,433
Health	68,489	56,411
Education & Welfare	10,211,684	8,893,402
Housing	4,709	3,514
Community Amenities	660,013	1,793,655
Recreation & Culture	529,142	329,293
Transport	3,017,200	1,890,048
Economic Services	4,639	5,504
Other Property & Services	757,051	254,185
	<u><b>16,541,497</b></u>	<u><b>16,624,248</b></u>

## City of Bayswater

### Notes to the Financial Statements for the year ended 30 June 2016

#### Note 29. Employee Numbers

\$	2016 Actual	2015 Actual	2014 Actual
The number of full-time equivalent employees at balance date	337	347	330

#### Note 30. Councillor Remuneration

\$	2016 Actual	2016 Budget	2015 Actual
The following fees, expenses and allowances were paid to council members and/or the mayor.			
Meeting Fees	355,350	355,350	355,350
Mayor's Allowance	87,550	87,550	87,550
Deputy Mayor's Allowance	21,888	21,888	21,888
Other Allowances	46,390	44,950	38,765
	<b>511,178</b>	<b>509,738</b>	<b>503,553</b>

#### Note 31. Employee Costs

\$	2016 Actual	2016 Budget	2015 Actual
Wages and Salaries	26,934,984	27,515,030	26,047,355
Superannuation	3,145,139	3,065,006	2,900,844
Workers' Compensation Insurance	542,598	475,081	775,126
Conferences/Training	287,256	403,550	276,535
<b>Total Employee Costs</b>	<b>30,909,976</b>	<b>31,458,667</b>	<b>29,999,860</b>
less: Capitalised Costs	(395,545)	-	(376,498)
	<b>30,514,431</b>	<b>31,458,667</b>	<b>29,623,362</b>

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 32. Financial Risk Management

\$

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

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

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

The City held the following financial instruments at balance date.

	Notes	Carrying Value		Fair Value	
		2016	2015	2016	2015
<b>Financial Assets</b>					
Cash and Cash Equivalents	3	64,327,720	57,382,054	64,327,720	57,382,055
Receivables (Current & Non-Current)	5	4,521,742	5,578,908	4,521,742	5,578,908
Investment in Joint Venture		33,189,476	29,254,916	33,189,476	29,254,916
		<u>102,229,565</u>	<u>92,409,730</u>	<u>102,038,938</u>	<u>92,215,879</u>
<b>Financial Liabilities</b>					
Payables (Current & Non-Current)	9	5,589,950	5,494,315	5,589,950	5,494,315
Borrowings (Current & Non-Current)	10	36,707	87,665	33,476	81,906
Refundable Contributions		25,172,035	22,965,491	25,172,035	22,965,491
		<u>30,798,692</u>	<u>28,547,471</u>	<u>30,795,461</u>	<u>28,541,712</u>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates market value.
- **Borrowings & Held to Maturity Investments** - estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles.
- Financial Assets classified (i) "**at fair value through profit & loss**" or (ii) **Available for Sale** - based on quoted market prices at the reporting date or independent valuation.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 32. Financial Risk Management (continued)

\$

##### (a). Cash & Cash Equivalents, Financial assets "at Fair Value through the Profit & Loss", "Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance Section manages the Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the relevant legislation. The policy is regularly reviewed by Council and an Investment Report is tabled before Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees in accordance with investment restrictions prescribed in the Local Government (*Financial Management*) Regulations 1996.

Council also seeks advice from independent advisers before placing any funds in Cash Equivalents & Investments.

	30-Jun-16	30-Jun-15
<b>Impact of a 1% <sup>(1)</sup> movement in interest rates on cash and investments</b>		
Equity	643,277	573,820
Statement of Comprehensive Income	643,277	573,820

#### Notes:

1. Sensitivity percentages based on management's expectations of future possible market movements. (Price movements calculated on investments subject to fair value adjustments. Interest rate movements calculated on cash, cash equivalents and managed funds.)

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 32. Financial Risk Management (continued)

---

\$

---

##### (b). Receivables

Council's major receivables comprise **(i)** Rates & Annual charges and **(ii)** User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

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

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	30-Jun-16	30-Jun-15
	%	%
<b>Percentage of Rates and Annual Charges</b>		
Current	49.00%	48.17%
Overdue	51.00%	51.83%
<b>Percentage of Other Receivables</b>		
Current	92.36%	92.46%
Overdue	7.64%	7.54%



## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 32. Financial Risk Management (continued)

\$

##### (c). Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can be extended & overdraft facilities drawn upon in extenuating circumstances.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying Values
<b>2016</b>					
Payables	5,638,557	-	-	5,638,557	5,638,557
Borrowings	10,825	19,447	6,435	36,707	33,476
Refundable Contributions	-	-	-	25,172,035	25,172,035
	<b>5,649,382</b>	<b>19,447</b>	<b>6,435</b>	<b>30,847,299</b>	<b>30,844,068</b>
<b>2015</b>					
Payables	5,494,315	-	-	5,494,315	5,494,315
Borrowings	58,027	40,541	6,755	105,323	87,666
Refundable Contributions	-	-	-	22,965,491	22,965,491
	<b>5,552,342</b>	<b>40,541</b>	<b>6,755</b>	<b>28,565,129</b>	<b>28,547,472</b>

<sup>1</sup> The City of Bayswater Aged Persons Homes holds \$25,172,035 in refundable contributions (Accommodation Bonds). These contributions have been classified as current liabilities as the provider does not have the right to defer settlement. However the expected settlement of the liability is expected to be greater than twelve months.

Accommodation bonds are charged for admittance in accordance with current State and Federal Government regulations. These fees can vary according to each individual's financial status and, in accordance with current policy embodying the relevant regulations, varying amounts are deducted for "Retention" over a period of 5 years.

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk by borrowing long term and fixing the interest rate on a basis that is most suitable for the circumstance. Council officers regularly review interest rate movements to determine if it would be advantageous to refinance or renegotiate part, or all of the loan portfolio.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 32. Financial Risk Management (continued)

---

\$

---

The following interest rates were applicable to the Council's Borrowings at balance date:

	30-Jun-16		30-Jun-15	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Bank Loans - Fixed	6.62%	33,476	4.72%	87,666
		<u>33,476</u>		<u>87,666</u>

**Notes:**

1. The interest rate risk applicable to Variable Rate Bank Loan is not considered significant.

#### Note 33. Fair Value Measurements

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, Property, Plant and Equipment
- Investment Property
- Financial Assets & Liabilities

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 33. Fair Value Measurements (continued)

\$

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values:

	Fair Value Measurement using:			Total
	Level 1	Level 2	Level 3	
	Quoted prices in active mkts	Significant observable inputs	Significant unobservable inputs	
<b>2016</b>				
<b>Property, Plant &amp; Equipment</b>				
Land	-	307,942,397	-	307,942,397
Land - Under Control	-	10,410,000	-	10,410,000
Buildings	-	17,244,186	153,872,575	171,116,761
Furniture & Equipment	-	2,822,741	-	2,822,741
Fleet	-	3,069,191	-	3,069,191
Computer Equipment	-	-	1,296,704	1,296,704
Plant	-	3,357,357	-	3,357,357
<b>Total Property, Plant &amp; Equipment</b>	<b>-</b>	<b>344,845,872</b>	<b>155,169,279</b>	<b>500,015,151</b>
<b>Infrastructure</b>				
Roads	-	-	98,270,770	98,270,770
Drainage	-	-	39,184,284	39,184,284
Footpaths	-	-	27,315,850	27,315,850
Parks & Gardens	-	-	20,332,118	20,332,118
Other	-	-	3,942,830	3,942,830
<b>Total Infrastructure</b>	<b>-</b>	<b>-</b>	<b>189,045,852</b>	<b>189,045,852</b>
<b>2015</b>				
<b>Property, Plant &amp; Equipment</b>				
Land	-	303,246,397	-	303,246,397
Land - Under Control	-	15,860,000	-	15,860,000
Buildings	-	18,036,554	153,872,575	171,909,129
Furniture & Equipment	-	1,596,633	-	1,596,633
Fleet	-	3,132,402	-	3,132,402
Computer Equipment	-	-	792,857	792,857
Plant	-	3,364,857	-	3,364,857
<b>Total Property, Plant &amp; Equipment</b>	<b>-</b>	<b>345,236,843</b>	<b>154,665,432</b>	<b>499,902,275</b>
<b>Infrastructure</b>				
Roads	-	-	100,654,170	100,654,170
Drainage	-	-	39,225,337	39,225,337
Footpaths	-	-	26,798,130	26,798,130
Parks & Gardens	-	-	18,505,813	18,505,813
Other	-	-	6,813,850	6,813,850
<b>Total Infrastructure</b>	<b>-</b>	<b>-</b>	<b>191,997,300</b>	<b>191,997,300</b>

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 33. Fair Value Measurements (continued)

---

\$

---

##### (2) Transfers between Level 1 & Level 2 Fair Value Hierarchies

During the year, there were no transfers between Level 1 and Level 2 Fair Value hierarchies for recurring fair value measurements.

##### (3) Valuation techniques used to derive Level 2 and Level 3 Fair Values

###### (1) Recurring Value Methods

*The following methods are used to determine the fair value measurements.*

*The City's Land and Buildings were revalued in 2014 by APV Valuers & Asset Management.*

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (ie. Level 1 inputs) Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

##### Property, Plant & Equipment

###### Land

Level 2 valuation inputs were used to value land held in freehold title as well as land used for special purpose which is restricted under current zoning rules.

The valuation of freehold (saleable) land has been carried out using the market approach and they have been assessed on the basis of the estimated amount which each interest in each property being valued might reasonably be expected to realise in an exchange between market participants given highest and best use.

The most significant inputs into this valuation approach are price per square metre.

The valuation of restricted or otherwise non-saleable land has been valued using the cost approach.

##### Specific Considerations

**Contaminated Sites** - Several sites valued are deemed to be potentially contaminated by activities carried out by council. These valuations represent the current replacement cost of the land the council would need to acquire "non-contaminated" land and as such any instances or possibilities of contamination have been disregarded.

**Zonings** - A number of parcels of land have been given zonings that relate to public open space, conservation areas and specific locality zonings. These zonings are not representative of surrounding land use. The high level of development restrictions would not be considered normal in an open market situation.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 33. Fair Value Measurements (continued)

---

\$

---

##### **(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)**

Valuation has been based on the highest and best use of the land. In an open market situation these properties would be zoned similarly to surrounding land uses.

It should be noted that there is no evidence of sales within specific zoned areas.

Sale prices under comparable land sites in close proximity are adjusted for key attributes such as property size.

The most significant inputs into this valuation approach are price per square metre.

##### **Buildings**

###### Level 2 Valuation Inputs

These were used to determine the fair value of a range of properties. This included the bulk of residential and commercial properties.

The residential properties fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation were price per metre.

###### Level 3 Valuation Inputs

Specialised buildings were valued using professionally qualified Registered Valuers. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metre could be supported by market evidence (Level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having level 3 valuation inputs.

##### **Plant & Equipment**

Plant and Equipment fair values were determined by independent valuers as at 30 June 2016.

Subsequent to the 2016 council's revalued assets are reviewed to ensure that the carrying amount does not differ significantly from that determined using fair value at reporting date.

Level 2 valuation inputs have been applied having regard to the condition and useful life of the asset class except for computer equipment which has been valued at Level 3.

---

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 33. Fair Value Measurements (continued)

---

\$

---

##### (3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

###### Infrastructure

All council infrastructure assets were fair valued using a depreciated replacement cost valuation technique. This method used assets current replacement cost less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The gross cost of replacing the full service potential of the asset was established then adjusted to take into account the expired service potential of the asset.

The current replacement cost was measured by referencing the lowest cost at which the asset could be obtained in the normal course of business.

The total cost values have been calculated using work code unit costs based on current tender and general market rates.

All council infrastructure has been valued at fair value utilizing in house professional Asset Management staff.

Level 3 valuation inputs have been applied to all asset categories.

###### Infrastructure Categories

###### Roads

The road asset comprises seal, Pavement and Kerbing components.

The City of Bayswater's sealed road length is 351.4 Km and does not include MRWA controlled roads.

Valuation methodology comprises

- (1) Current replacement cost to replace the entire network :  $\text{Current Replacement Cost} = \text{Unit Cost} \times \text{Quantity}$
- (2) Depreciated Cost is the value the asset has deteriorate :  $\text{Valuation Depreciation Rate (Critical Life)}$   
 $= (100/\text{Critical Life (Years)} \% \text{ Per Annum})$

Critical Life - The lowest calculated life of longevity in years between "Conditioned Assessed Life and Design Assessed Life (Annual Revaluation)."

###### Footpaths

The footpath network comprises

- Concrete Paths
- Brick Paved Paths
- Asphalt Paths
- Slab Paths

The City of Bayswater's footpath length is 317.2 Km.

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 33. Fair Value Measurements (continued)

\$

#### (3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Valuation methodology comprises

- (1) Current replacement cost to replace the entire network : Current Replacement Cost = Unit Cost X Quantity
- (2) Depreciated Cost is the value the asset has deteriorate : Valuation Depreciation Rate (Critical Life)  
= (100/Critical Life (Years) % Per Annum

Critical Life - The lowest calculated life of longevity in years between "Conditioned Assessed Life and Design Assessed Life (Annual Revaluation)

#### Drainage

The drainage network comprises Pits, Covers and Pipes

The City of Bayswater's length of pipes is 209.7KM

Valuation methodology comprises

- (1) Current replacement cost to replace the entire network : Current Replacement Cost = Unit Cost X Quantity
- (2) Depreciated Cost is the value the asset has deteriorate : Valuation Depreciation Rate (Critical Life)  
= (100/Critical Life (Years) % Per Annum

Critical Life - The lowest calculated life of longevity in years between "Conditioned Assessed Life and Design Assessed Life (Annual Revaluation)

#### Parks/Reserves/Car Parking

Valuation methodology comprises

- (1) Current replacement cost to replace the entire network : Current Replacement Cost = Unit Cost X Quantity
- (2) Depreciated Cost is the value the asset has deteriorate : Valuation Depreciation Rate (Critical Life)  
= (100/Critical Life (Years) % Per Annum

Critical Life - The lowest calculated life of longevity in years between "Conditioned Assessed Life and Design Assessed Life (Annual Revaluation)

#### Miscellaneous Infrastructure

The components split out to establish fair value for this category comprise the following

- Bus Shelters
- Public Litter Bins
- Lighting
- Entry Statements
- Signage Poles
- Street Signs and Parking Signs

## City of Bayswater

### Notes to the Financial Statements

for the year ended 30 June 2016

#### Note 33. Fair Value Measurements (continued)

\$

#### (3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Valuation methodology comprises

(1) Current replacement cost to replace the entire network : Current Replacement Cost = Unit Cost X Quantity

(2) Depreciated Cost is the value the asset has deteriorate : Valuation Depreciation Rate (Critical Life)

= (100/Critical Life (Years) % Per Annum

Critical Life - The lowest calculated life of longevity in years between "Conditioned Assessed Life and Design Assessed Life (Annual Revaluation)

#### (4). Fair Value Sensitivity to Unobservable Inputs

Relationship between asset consumption rating scale and the level of consumed service potential.

\$	Sensitivity to Unobservable Market Inputs		Amount of Potential Impact	
	Lower %	Upper %	Lower \$	Upper \$
<b>Property, Plant &amp; Equipment</b>				
Buildings	5.00	5.00	(7,693,630)	7,693,630
<b>Total Property, Plant &amp; Equipment</b>			<b>(7,693,630)</b>	<b>7,693,630</b>
<b>Infrastructure</b>				
Roads	10.00	10.00	(9,827,077)	9,827,077
Drainage	10.00	10.00	(3,918,428)	3,918,428
Footpaths	10.00	10.00	(2,731,585)	2,731,585
Parks & Gardens	10.00	10.00	(2,033,211)	2,033,211
Other	10.00	10.00	(394,283)	394,283
<b>Total Infrastructure</b>			<b>(18,904,584)</b>	<b>18,904,584</b>



## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 34. Segment Reporting

\$	Residential Aged Care 2016	Independent Living Units 2016	Other Segments 2016	Total 2016
In accordance with the Aged Care Act 1997 and the Residential Care Subsidy Principles provided under this Act, Council provides the following segment reporting relating to Residential Aged Care in relation to its services conducted at the City of Bayswater Aged Persons' Homes.				
<b>Current Year Information for City of Bayswater</b>				
<b>Segment Expenses</b>				
Employee Costs	(224,976)	(14,495)	(30,274,960)	(30,514,431)
Materials & Contracts	(7,355,670)	(285,564)	(21,886,803)	(29,528,037)
Utilities	-	-	(3,602,397)	(3,602,397)
Depreciation & Amortisation	(233,121)	(628,952)	(9,572,684)	(10,434,757)
Interest Expenses	-	-	(3,308)	(3,308)
Insurance	-	-	(740,411)	(740,411)
	<b>(7,813,767)</b>	<b>(929,011)</b>	<b>(66,080,563)</b>	<b>(74,823,341)</b>
<b>Segment Revenues</b>				
Rate	-	-	39,545,895	39,545,895
Fees & Charges	1,592,567	545,379	18,710,063	20,848,009
- Accommodation Charges	329,163			
- Bond Retentions	82,857			
- Other Operating Revenue	1,181,547			
Operating Grants, Subsidiaries & Contributions	7,229,244	-	7,211,218	14,440,462
Interest Earnings	303,710	453,021	1,842,856	2,599,587
Other Revenue	-	-	707,029	707,029
	<b>9,125,521</b>	<b>998,400</b>	<b>68,017,061</b>	<b>78,140,982</b>
<b>Non-Operating Revenue</b>				
Non-Operating Grants, Subsidiaries & Contributions	-	-	2,101,034	2,101,034
Fair Value Adjustments to Financial Assets at Fair Value through Profit and Loss	43,317	5,040	(8,609,541)	(8,561,184)
Net Share of Interests in Controlled Entities, Associated Entities and Joint Ventures	-	-	2,770,033	2,770,033
Profit on Asset Disposals	-	-	490,071	490,071
Loss on Asset Disposals	-	-	(407,810)	(407,810)
	<b>43,317</b>	<b>5,040</b>	<b>(3,656,213)</b>	<b>(3,607,856)</b>
	<b>1,355,071</b>	<b>74,429</b>	<b>(1,719,715)</b>	<b>(290,215)</b>
<b>Segment Result</b>				
<b>Segment Assets</b>				
Current Assets	13,107,535	16,386,679	38,917,815	68,412,029
Non-Current Assets	13,837,590	41,547,736	666,441,467	721,826,793
	<b>26,945,125</b>	<b>57,934,415</b>	<b>705,359,282</b>	<b>790,238,822</b>
<b>Segment Liabilities</b>				
Current Liabilities	(10,682,341)	(14,628,899)	(10,701,133)	(36,012,373)
- Refundable Accommodation Bonds (10,639,445)				
Operating Grants, Subsidiaries & Contributions	-	-	(537,334)	(537,334)
	<b>(10,682,341)</b>	<b>(14,628,899)</b>	<b>(11,238,467)</b>	<b>(36,549,707)</b>
	<b>16,262,784</b>	<b>43,305,516</b>	<b>694,120,815</b>	<b>753,689,115</b>
<b>Net Assets for Segment</b>				
<b>Acquisition of Property, Plant and Equipment</b>				
	<b>45,164</b>	<b>140,117</b>	<b>13,454,601</b>	<b>13,639,882</b>

## City of Bayswater

## Notes to the Financial Statements

for the year ended 30 June 2016

## Note 34. Segment Reporting (continued)

\$	Residential Aged Care 2016	Independent Living Units 2016	Other Segments 2016	Total 2016
<b>Prior Year Information for City of Bayswater</b>				
<b>Segment Expenses</b>				
Employee Costs	(234,911)	-	(29,388,451)	(29,623,362)
Materials & Contracts	(6,038,244)	(209,222)	(22,499,054)	(28,746,520)
Utilities	-	-	(3,490,418)	(3,490,418)
Depreciation & Amortisation	(225,492)	(626,298)	(9,291,919)	(10,143,709)
Interest Expenses	-	-	(6,515)	(6,515)
Insurance	-	-	(795,308)	(795,308)
	<b>(6,498,647)</b>	<b>(835,520)</b>	<b>(65,471,665)</b>	<b>(72,805,832)</b>
<b>Segment Revenues</b>				
Rate	-	-	37,737,017	37,737,017
Fees & Charges	1,514,491	494,392	18,484,665	20,493,548
- Accommodation Charges	135,194			
- Bond Retentions	134,539			
- Other Operating Revenue	1,244,758			
Operating Grants, Subsidiaries & Contributions	6,015,726	-	8,944,498	14,960,224
Interest Earnings	328,343	472,756	1,896,374	2,697,473
Other Revenue	-	-	509,149	509,149
	<b>7,858,560</b>	<b>967,148</b>	<b>67,571,703</b>	<b>76,397,411</b>
<b>Non-Operating Revenue</b>				
Non-Operating Grants, Subsidiaries & Contributions	-	-	1,664,024	1,664,024
Fair Value Adjustments to Financial Assets at Fair Value through Profit and Loss	-	-	(964,905)	(964,905)
Net Share of Interests in Controlled Entities, Associated Entities and Joint Ventures	-	-	2,819,482	2,819,482
Profit on Asset Disposals	-	-	221,054	221,054
Loss on Asset Disposals	-	-	(204,359)	(204,359)
	<b>-</b>	<b>-</b>	<b>3,535,296</b>	<b>3,535,296</b>
<b>Segment Result</b>	<b>1,359,913</b>	<b>131,628</b>	<b>5,635,334</b>	<b>7,126,875</b>
<b>Segment Assets</b>				
Current Assets	12,047,924	13,106,137	37,345,780	62,499,841
Non-Current Assets	13,843,720	42,170,041	665,897,327	721,911,088
	<b>25,891,644</b>	<b>55,276,178</b>	<b>703,243,107</b>	<b>784,410,929</b>
<b>Segment Liabilities</b>				
Current Liabilities	(8,881,136)	(14,147,884)	(10,847,185)	(33,876,205)
- Refundable Accommodation Bonds (10,639,445)				
Operating Grants, Subsidiaries & Contributions	-	-	(614,296)	(614,296)
	<b>(8,881,136)</b>	<b>(14,147,884)</b>	<b>(11,461,481)</b>	<b>(34,490,501)</b>
<b>Net Assets for Segment</b>	<b>17,010,508</b>	<b>41,128,294</b>	<b>691,781,626</b>	<b>749,920,428</b>
<b>Acquisition of Property, Plant and Equipment</b>	<b>97,183</b>	<b>74,001</b>	<b>14,357,503</b>	<b>14,528,687</b>

## Note 35. Events occurring after the Reporting Period

Council is unaware of any material or significant "non-adjusting events" that should be disclosed.

## City of Bayswater

### Notes to the Financial Statements for the year ended 30 June 2016

#### Note 36. Council Information & Contact Details

---

##### **Principal Place of Business:**

61 Broun Avenue  
Morley WA 6062

##### **Contact Details**

##### **Mailing Address:**

PO Box 467  
Morley WA 6943

##### **Opening Hours:**

8.30am-4.30pm (Monday to Friday)

**Telephone:** 08 9272 0622

**Facsimile:** 08 9272 0665

**Internet:** [www.bayswater.wa.gov.au](http://www.bayswater.wa.gov.au)

**Email:** [mail@bayswater.wa.gov.au](mailto:mail@bayswater.wa.gov.au)

##### **AUDITORS**

Grant Thornton  
Level 1, 10 Kings Park Rd  
West Perth 6005

##### **Other Information**

**ABN:** 61-054-003-131

**NAPS:** 1705

##### **Elected Members**

##### **MAYOR**

Councillor Barry McKenna

##### **COUNCILLORS**

Councillor Stephanie Coates (Deputy Mayor)

Councillor Sally Palmer

Councillor Brent Fleeton

Councillor Chris Cornish

Councillor Catherine Ehrhardt

Councillor Alan Radford

Councillor Michelle Sutherland

Councillor John Rifici

Councillor Terry Kenyon, JP

Councillor Dan Bull

## **INDEPENDENT AUDITOR'S REPORT TO THE RATEPAYERS OF THE CITY OF BAYSWATER**

### **Report on the Financial Report**

We have audited the accompanying financial report of the City of Bayswater, which comprises the statement of financial position as at 30 June 2016, and the statement of comprehensive income by nature, the statement of comprehensive income by program, statement of changes in equity, and statement of cash flows for the year ended 30 June 2016, a summary of significant accounting policies and other explanatory notes, and the statement by the Chief Executive Officer's.

### **Council responsibility for the financial report**

The Council of the City of Bayswater is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995 Part 6. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting

Grant Thornton Audit Pty Ltd ACN 130 913 594  
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995 Part 6 and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the City of Bayswater's financial position and of their performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

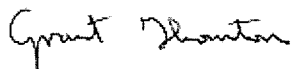
### **Auditor's opinion on the financial report**

In our opinion, the financial report of the City of Bayswater:

- (i) presents fairly of the City of Bayswater's financial position as at 30 June 2016 and of its performance and cash flows for the year then ended;
- (ii) complies with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (iii) are prepared in accordance with the requirements of the Local Government Act 1995 Part 6 (as amended) and Regulations under that Act.

### **Statutory Compliance**

I did not, during the course of my audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996 as they apply to financial statements.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



P W Warr  
Partner – Audit & Assurance

Perth, 11 November 2016