

# City of Belmont ANNUAL REPORT 2017-2018



# HISTORY OF BELMONT



The municipality of Belmont was established in 1898 as the Belmont Road Board. In 1907, the name was changed to Belmont Park Road Board and remained unchanged until 1961 when it became the Shire of Belmont. In 1979, the present administration building was opened in Faulkner Park and the municipality became the City of Belmont.

The municipality was called Belmont after Belmont Farm, which had been established in the area in 1830 by Captain F. Byrne. The farm of 2,000 acres was later acquired by John Hardey who had already established Grove Farm, also 2,000 acres, on the banks of the Swan River nearby. John Hardey and his son Robert were destined to own almost the entire Belmont area.

In 1848, Hardey allowed the first race meeting to be held on Grove Farm. Although race meetings had been held at other venues around Perth, a site on Hardey's farm soon became Perth's permanent racecourse and the horse racing industry grew up around it.

Robert Hardey later built a mansion on Grove Farm in 1880 which he called 'Belmont House'. In 1889, he leased the house to J. Handron-Smith, a horse racing owner, who later became secretary of the West Australian Turf Club and went on to become the first elected Chairman of the Belmont Road Board.

The early settlers in Belmont found the land to be of poor quality for cropping and swampy in many parts. Needless to say, many of the Chinese migrants who came with the Gold Rush in the 1890's found the swampy areas excellent for some of Perth's first market gardens.

In 1911, the population of Belmont was 1,088. Today, the City of Belmont is a thriving municipality of over 40,000 residents with extensive parklands and some outstanding facilities such as the Ascot Racecourse and surrounding residential stables precinct, the picturesque marina at Ascot Waters, the inspired Adachi Park which both offer spectacular views of the iconic Swan River, the Belmont Oasis Leisure Centre and Belmont Forum Shopping Centre.

Belmont is a mix of residential, commercial, and light industrial properties and includes within its boundaries, the Perth Domestic and International Airports. The City is made up of the localities of Ascot, Redcliffe, Belmont, Cloverdale, Kewdale, Rivervale and as of October 2013 is divided into three wards, namely East, West and South. With an area of 40 square kilometres, the City of Belmont is in close proximity to air, rail and major road arteries and lies only six kilometres from the centre of Perth.



# CONTENTS

City of Belmont Councillors	2
Mayor's Report	4
Chief Executive Officer's Report	5
Executive Committee Report	6
Standing Committee (Audit and Risk) Report	7
Standing Committee (Environmental) Report	8
Standing Committee (Community Vision) Report	12
Disability Access and Inclusion Plan Progress to Date	13
Record Keeping Report	16
Plan for the Future	17
Executive Responsibilities	26
Councillor Attendance at Council and Committee Meetings	27
Councillor Professional Development	28
Financial Reports	29
Belmont in Brief	94

# City of Belmont Councillors

(as at 30 June 2018)

## EAST WARD



**Cr Phil MARKS**  
MAYOR

4/12 Tanunda Drive, Rivervale 6103  
PHONE  
9277 4919  
MOBILE  
0417 998 229  
EMAIL  
CrMarks@belmont.wa.gov.au



**Cr Margie BASS**

77 Keymer Street, Belmont 6104  
PHONE  
9277 9504  
MOBILE  
0423 768 760  
EMAIL  
CrBass@belmont.wa.gov.au



**Cr Bernie RYAN**

44 Lyall Street, Redcliffe 6104  
MOBILE  
0418 941 328  
EMAIL  
CrRyan@belmont.wa.gov.au

## SOUTH WARD



**Cr Janet POWELL**

62 Treave Street, Cloverdale 6105  
PHONE  
9277 3915  
MOBILE  
0407 277 391  
EMAIL  
CrPowell@belmont.wa.gov.au



**Cr Steve WOLFF**

244 Surrey Road, Kewdale 6105  
MOBILE  
0401 822 553  
EMAIL  
CrWolff@belmont.wa.gov.au



**Cr Jenny DAVIS**

382 Belmont Avenue, Kewdale 6105  
PHONE  
9478 1352  
MOBILE  
0413 579 390  
EMAIL  
CrDavis@belmont.wa.gov.au

## WEST WARD



**Cr Robert ROSSI JP**  
DEPUTY MAYOR

9 Wheatley Street, Kewdale 6105  
MOBILE  
0408 693 584  
EMAIL  
CrRossi@belmont.wa.gov.au



**Cr George SEKULLA JP**

PO Box 1010, Cloverdale 6985  
MOBILE  
0431 963 660  
EMAIL  
CrSekulla@belmont.wa.gov.au



**Cr Lauren CAYOUN**

29 Surrey Road, Rivervale 6103  
PHONE  
9361 0719  
MOBILE  
0416 380 633  
EMAIL  
CrCayoun@belmont.wa.gov.au

# City of Belmont Committees

## EXECUTIVE COMMITTEE

- Cr Phil Marks – Mayor\*
- Cr Robert Rossi JP – Deputy Mayor\*\*
- Cr George Sekulla JP – Presiding Member – Standing Committee (Audit and Risk)
- Cr Steve Wolff – Presiding Member Standing Committee (Environmental)
- Cr Janet Powell – Presiding Member Standing Committee (Community Vision)

## STANDING COMMITTEE

### Audit and Risk

- Cr Phil Marks – Mayor (Ex Officio)
- Cr Margie Bass\*\*
- Cr Jenny Davis
- Cr George Sekulla JP\*
- Mr Ron Back – Independent Member

### Environmental

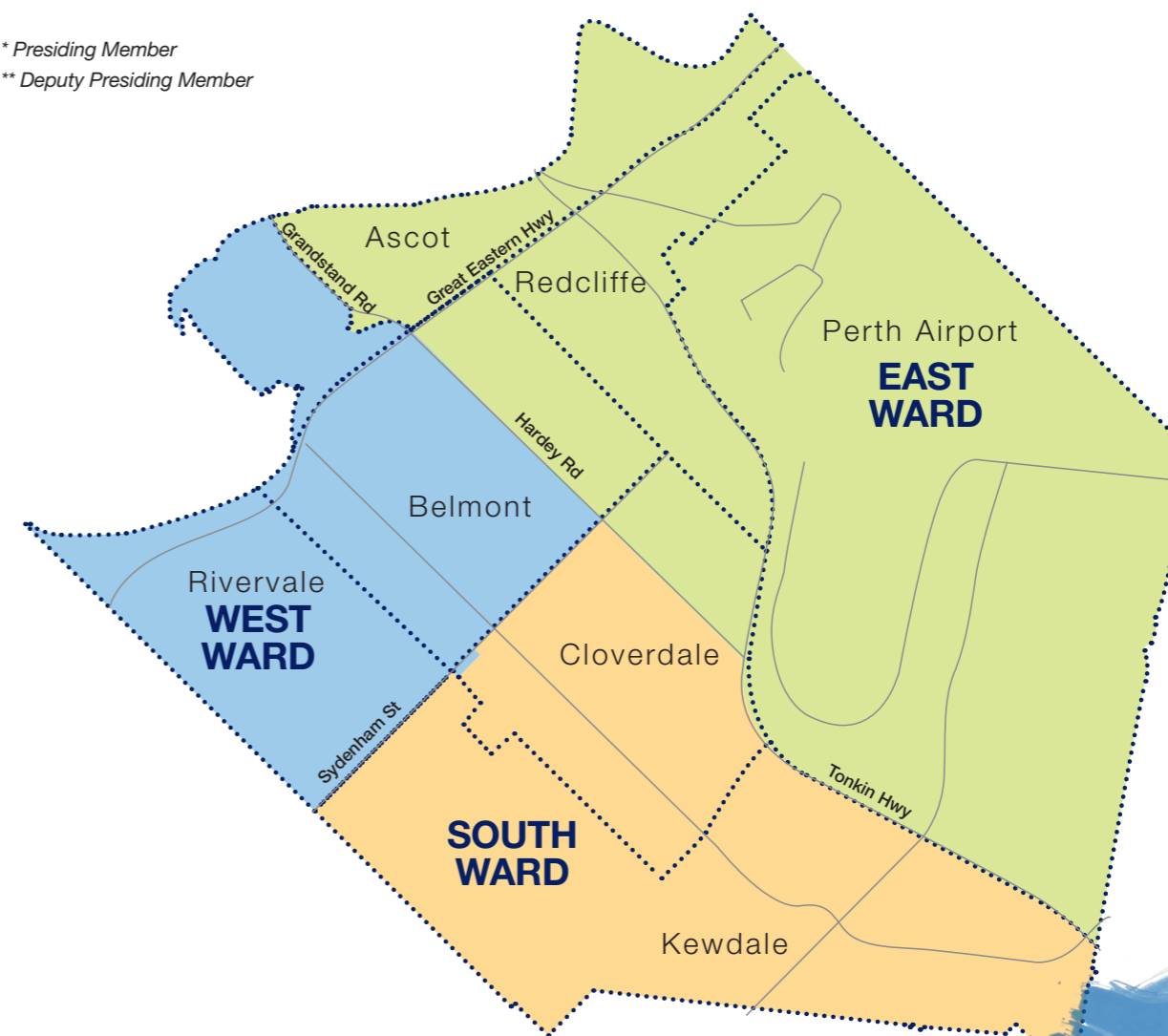
- Cr Phil Marks – Mayor (Ex Officio)
- Cr Bernie Ryan\*\*
- Cr Steve Wolff\*
- Cr Lauren Cayoun

### Community Vision

- Cr Phil Marks – Mayor (Ex Officio)
- Cr Bernie Ryan
- Cr Janet Powell\*
- Cr Robert Rossi JP\*\*

\* Presiding Member

\*\* Deputy Presiding Member





## Mayor's Report

**It is with pleasure that I present the City of Belmont's 2017-2018 Annual Report.**

This past year we have been laying the foundations for an exciting future of our City – all with the focus on providing the best for our community.

Our City is constantly evolving. The future will see changes that will put the City of Belmont on the map as the progressive and vibrant City we all know it is. Through all of this we will continue to identify and create opportunities for everyone.

The City is proud of its achievements over the past 12 months and the quality of services and facilities it has on offer.

The City has consolidated its position as one of the State's most progressive and sustainable local government authorities and confirms its outstanding track record of financial management.

We are proud of our strong financial management that saw us once again implement one of the lowest rate rises in the metropolitan area for the current financial year.

I would like to express my appreciation and thanks to all residents and businesses for playing a significant role by assisting the City to achieve our goals this year.

Over the past year our much awaited multi-purpose Community Centre has emerged from a sand pit to its current level.

The Community Centre represents a major investment on the part of the City of Belmont to facilitate the delivery of community services, which is being generously supported with significant grants from the Federal Government and Lotterywest.

As a community hub, the completed Community Centre will allow for the co-location of the library and digital hub and recording studio; museum, Senior Citizens Centre, offices for not-for-profit service providers, cafe and crèche.

This centre will be a great asset for the Belmont community, as well as being a significant landmark building due to its unique architectural style.

The 2018 Community Perceptions Scorecard showed that the City achieved an overall performance index score of 74 as a place to live, up four points, and 70 as a governing organisation – 13 points above the average score for councils in Western Australia.

The City of Belmont also set industry standards in six community and five business service areas.

We see enormous value in obtaining feedback from the community as it provides guidance towards the strategic focus for the years ahead. The survey identified priorities the community would like to see addressed.

As a result of this constructive feedback, the City is already formulating an action plan to address safety and security concerns raised with new and innovative ways, including establishing partnerships with relevant organisations of mutual interest.

The City of Belmont continues to have a strong focus on the business environment.

Work continues on the Belmont Business Park Transport Infrastructure project - this \$12 Million Transport Infrastructure Upgrade is partly funded by the Federal Government through its National Stronger Regions Fund.

While recognising the significance of the City's planning and development initiatives, we have not lost sight of our environment and liveability responsibilities.

The City recognises the importance of working with the community to create an environment where all residents can participate in community life to maximise their full potential and feel valued as equal and involved citizens.

Our residents are the experts of their community and as such we continue to strive to work with the community to utilise the strengths, knowledge and skills that are abundant across our diverse City. The City works collaboratively across a broad range of community groups, events and projects and it is this collaboration that enables the City to reach our strategic goals.

We have a lot of work ahead of us with many projects evolving - our City is changing.

Our challenge is to achieve a balance between protecting and enhancing the Belmont we know and value, as well as embracing the future City of Belmont – City of Opportunity.

Cr Phil Marks  
Mayor



## Chief Executive Officer's Report

**It is with pleasure I present my Report for the 2017-2018 year – my first as Chief Executive Officer of the City of Belmont.**

It has been a satisfying year to review and I commend the Council and our staff for their commitment and professionalism as it has enabled us to again finish the year in a strong, sustainable financial position.

I am proud to report that the City continues to deliver excellent services and projects to the City of Belmont community.

Together with Council, the City has remained strongly focussed on community needs.

During 2017-2018 we have seen strong foundations laid on projects including new infrastructure in Development Area 6 through the Forrestfield Airport Link project along with the associated new Redcliffe Station; the entry of a major new retailer in the City with the construction of the new Perth DFO, and the continuing development of The Springs in Rivervale.

These projects continue to gain momentum and anticipation for both business and residents.

The City recognises that it is at the heart of one of the most significant logistics hub for the region and State. Over the past year we have continued to work with our neighbouring local governments, and the freight / logistics industry, to ensure that we continue to support and grow this vital component of the State's economy.

Progress has also continued on the delivery of one of the City's major projects – the Community Centre. Several milestones were achieved over the past year for this much-awaited centre with construction now well underway.

Our commitment in the area of fostering a safe and inclusive community was recognised when the City of Belmont was awarded with a prestigious Gold Annual Achievement Award in the first annual Local Government Participation Awards Program from Neighbourhood Watch.

The City of Belmont also reached another major milestone achieving certification to three Australian and International Standards of Quality, Safety and Environment. Achieving this recognition means that our community can feel reassured that their City is performing at an international and national standard of excellence.

Community wellbeing and enhancing the quality of life for our residents is important. The City is committed to ensuring it offers great places and spaces for the community to enjoy.

The City prides itself in providing a wide range of free events for our community to enjoy. A comprehensive program of events were held during the year attracting a large numbers of residents which included Harmonise Cultural Festival, Autumn River Festival and Kidz Fest, along with some new events that captured the community's imagination, such as Big Light Out as part of the Let's Celebrate Festival.

In addition, a wide range of community development initiatives were again made available to residents including wellbeing activities, promoting active, nutritious, creative lifestyle classes and CountUSin, a program designed to increase awareness and access to health and wellbeing information.

Community safety and crime prevention remain priorities with the City continuing its commitment to upgrading and enhancing its Closed Circuit TV (CCTV) program for both residents and businesses.

The City's 376 CCTV camera network enables us to regularly provide footage to the Police to help identify offenders who have committed offences. The City's partnership with WA Police remains strong. Working with the City, the Police know where to focus their efforts and what type of offending to target.

Continuing our commitment to a sustainable environment to pass on to the next generation, the City has continued its comprehensive program of work on riverside foreshore projects at various locations, as well as the further enhancement of local parks.

I have been be impressed by the dedication of Councillors and staff who together on a daily basis commit themselves to ensuring the best outcomes for our community.

None of our achievements would be realised without the hard work of Councillors and staff working towards a shared vision.

I am confident the City will continue to work with its community and stakeholders to ensure Belmont remains the City of Opportunity.

John Christie  
Chief Executive Officer



## Executive Committee Report

The Executive Committee is responsible for making recommendations to Council on Chief Executive Officer (CEO) appointments, contract reviews / renewals, performance and remuneration reviews and assessments and the processing of complaints against the CEO, Councillors and the Mayor as prescribed in Council's Complaints Management Procedure.

During 2017-2018 the Executive Committee met on three occasions, twice in July 2017 to conduct the outgoing Chief Executive Officer's 2016-2017 performance review and to consider the Selection panel's preferred applicants for the position of Chief Executive Officer and once in April 2018 to conduct the first interim review of the new Chief Executive Officer's 2017-2018 performance plan.

The Committee was not required to meet about any complaints against the Chief Executive Officer, Mayor or Councillors.

I would like to thank the members of the Committee including Cr Rossi (Deputy Presiding Member), Cr Powell, Cr Sekulla and Cr Wolff as well as the Chief Executive Officer and staff for their assistance during the year and the support I have received as Presiding Member.

Report By

Cr Phil Marks  
Presiding Member  
Executive Committee

The Committee is convened in accordance with Part 5 Division 2 of the *Local Government Act 1995* and consequently Standing Orders will apply.



## Standing Committee (Audit and Risk) Report

In the year under review the Standing Committee (Audit and Risk) met four times.

The purpose of the Committee is to assist the Council to discharge its responsibilities with regard to exercising due care and diligence in relation to the reporting of financial information, the application of accounting policies, and the management of the financial affairs of the City in accordance with the provisions of the *Local Government Act 1995* and associated Regulations including an assessment of the management of risk.

The Committee provides guidance and assistance to the City of Belmont in carrying out its functions in relation to audits carried out under Part 7 of the *Local Government Act 1995*.

Following the ordinary local government election held in October 2017, a special meeting of the Standing Committee (Audit and Risk) was held to elect the Presiding and Deputy Presiding Members.

The Committee considered the City's audited Annual Financial Report to 30 June 2017 and recommended its adoption by Council prior to the Annual Meeting of Electors.

The Committee received the 2017 Compliance Audit Return and considered the outcomes of the

Interim 2018 Audit undertaken by Grant Thornton as contracted by the Office of the Auditor General (due to changes made to the Local Government (Audit) Regulations 1996 in June 2018).

The Committee considered and endorsed the various systems and procedures that demonstrate compliance with Regulation 17 of the *Local Government (Audit) Regulations 1996*. The Committee recommendation was subsequently endorsed by Council.

I would like to thank the members of the Committee including Cr Bass (Deputy Presiding Member), Cr Marks, Cr Davis and Mr Ron Back, as well as the Director Corporate and Governance and staff for their assistance during the year and for the support I have received as Presiding Member.

Report By

Cr George Sekulla, JP  
Presiding Member  
Standing Committee (Audit and Risk)

The Committee is convened in accordance with Part 5 Division 2 of the *Local Government Act 1995* and consequently Standing Orders will apply.





## Standing Committee (Environmental) Report

In the year under review the Standing Committee (Environmental) met five times.

Cr Steve Wolff is the Presiding Member and Cr Bernie Ryan is the Deputy Presiding Member. Other members are Cr Phil Marks (Ex Officio) and Cr Lauren Cayoun.

Significant achievements for the 2017-2018 period included:

- Successful transition of the City's Environmental Management System to the ISO 14001: 2015 Standard.
- Continued recognition as a Waterwise Council.
- Involvement in Eastern Metropolitan Regional Council (EMRC) projects including 'Understanding and Managing Flood Risk in Perth's Eastern Region', Healthy Wildlife Healthy Lives and Bush Skills 4 Youth.
- Participation in the Light Industry Program Reference Group; an information and support forum for local government officers involved in light industry regulation, with inaugural meeting held in May 2018.
- Completion of the following 'new actions' from the City of Belmont Environment and Sustainability Strategy 2016-2021:
  - o Advocate for regional investigation of Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development by EMRC, and consider relevance to transition of the City's EMS to the ISO 14001: 2015 standard.
  - o Transition the City's EMS to the ISO 14001: 2015 standard, with certification achieved following 2018 external audit.
  - o Obtain 'as constructed' digital designs for stormwater drainage upon completion of the Tonkin Highway upgrade, and incorporate into the City's Intramaps system.
  - o Revise the City's Process Map for 'Obtaining Approval for Ground Disturbing Works at Aboriginal Heritage Sites', based on the Noongar Standard Heritage Agreement.
  - o Revise the City's Process Map for 'Clearing of native vegetation' to include referrals under the *Environmental Protection and Biodiversity Conservation Act 1999*.



## 'OUR TREES' – URBAN FOREST STRATEGY

During 2017-2018 the City planted approximately 1,072 advanced trees in streetscapes and public open spaces in an effort to increase canopy cover and add to the liveability and health of the City. Around 80% of the proposed street trees for 2017-2018 were accepted by property owners, who will gain benefits associated with a reduction in the urban heat island effect and cooler, healthier environments, as the trees mature and canopy cover increases.

The City would like to extend a thank you to all those who have agreed for a street tree to be planted on their verge and invite others to do the same next year. This simple task helps to enhance the natural environment and adds to the urban liveability of the City of Belmont for future generations to come.

There were also some focused planting programs during 2017-2018, including streetscape enhancement works within the Belmont Business Park made possible through the Australian Government's National Stronger Regions Fund. This enabled the City to plant 353 new street trees, almost doubling the number of street trees within Belmont Business Park; adding to its appeal as a growing and inviting economic hub.

## COMMUNITY AWARENESS, ENGAGEMENT AND BEHAVIOUR CHANGE

The City hosted a range of volunteer environmental activities and events, including Grab a Gladi, Bush Skills 4 Youth planting days, fauna night stalks / frog walks, Healthy Wildlife Healthy Lives activities and seminars on gardening, native bees and Plastic Free July. Community volunteers contributed 54 hours at environmental weeding events, with several groups organising clean up days of local natural areas and Green Army contributing towards foreshore stabilisation.

Two local businesses were recognised through the 2017 City of Belmont Environmental Achievers Program for Business; Belmont Forum and Paull and Warner Accident

Repair Centre Belmont. Their achievements were promoted through Case Studies Information Sheets and the City's newsletters.

The 2017 Environmental Achievers Program for Business Recognition Event featured presentations from Food Rescue and Forum Enviro on their ORCA Food Waste Digester and Total Green Recycling on Electronic Waste, Secure Data Destruction and Office Waste Recycling Initiatives.

As part of the Business Environmental Assessment Project, 129 assessments and 39 premises visits were conducted aimed at improving environmental practices and minimising risk of pollution incidence. Participation in the Department of Biodiversity, Conservation and Attractions and Department of Water and Environmental Regulation's Light Industry Risk Assessment Project continued.

The City continued participation in Switch your thinking, with local residents and businesses eligible for a range of programs, initiatives and offers to inspire sustainable action. To find out more visit [www.switchyourthinking.com](http://www.switchyourthinking.com).

## NATURAL ENVIRONMENT AND BIODIVERSITY

A total of 2,115 local native seedlings and 450 sedge strips were planted at Signal Hill bushland, Cracknell Park, P.H. Dod Reserve, the Swan River foreshore in Rivervale and Ascot and Tomato Lake. Foreshore stabilisation and restoration was implemented at Ascot Racecourse foreshore (21 linear metres 2017), Ascot foreshore (45 linear metres), and Rivervale foreshore (20 linear metres).

In 2018 a prototype Floating Wetland was installed as a trial at Tomato Lake, consisting of a foam platform planted with sedges (tubestock). The roots of the sedges penetrate through to the water, to aid in nutrient stripping of the lake in situations where water depth does not permit direct planting. If the trial is successful, the City will look at implementing more Floating Wetlands at Tomato Lake and possibly other sites over the 2019 period. A recent inspection has shown that the sedges are responding well.

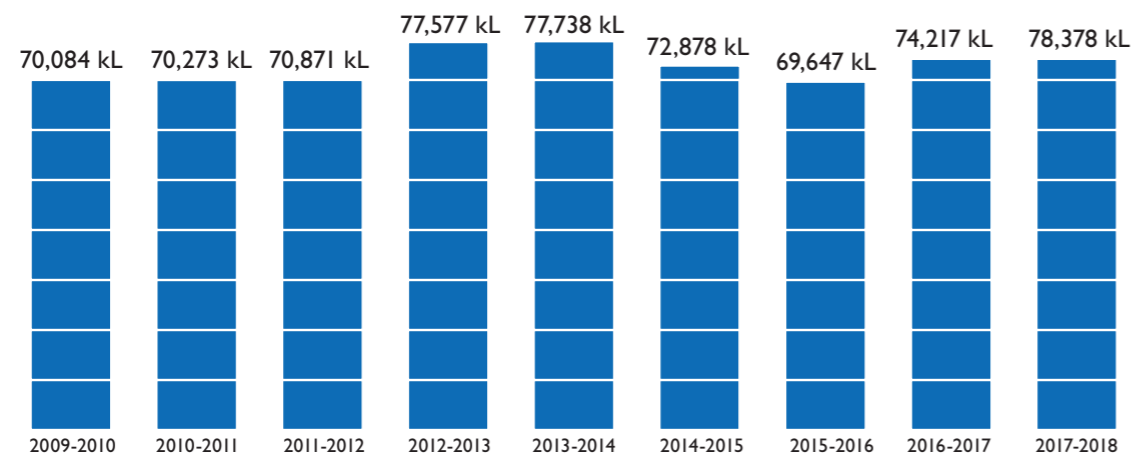


Figure 1: Corporate scheme water consumption 2009-2010 to 2017-2018

## WATER EFFICIENCY

In 2017-2018, the City achieved its goal of managing groundwater abstraction within its Department of Water and Environmental Regulation licensed allocation, through regular monitoring of groundwater consumption against annual and monthly water budgets. New hydrozoned irrigation systems installed at Copley Park (Stage 2), Rosedale Gardens, Norlin Park, Noble Park and Invercloy Park enable the City to irrigate these sites with optimal efficiency and to continue providing quality public open spaces. Scheme water efficiency upgrades were completed as part of the Miles Park Club Rooms and Belmont Park Tennis Club kitchen renovations, with upgrades to higher WELS rated fixtures.

The City's Corporate scheme water goal is to maintain water consumption to within 10% of 2014-2015 levels (72,878 kL). Based on the most recent data that has been verified by the Water Corporation, the City consumed 78,378 kL in 2017-2018 (Figure 1). Therefore total scheme water consumption has increased by 8% since 2014-2015 and is tracking within acceptable limits.

In 2017-2018, City of Belmont residents consumed a total of 3,505,781 kilolitres which is on average 85 kilolitres per person and is significantly lower than the Perth average of 145 kL, and comfortably meeting the City's goal of remaining at or below 125 kilolitres per capita.

## ENERGY MANAGEMENT AND CARBON

Electricity use at the City's top five consuming sites in 2017-2018 was reviewed (Table 1), with an overall reduction of 6% in comparison to 2016-2017. Electricity use at Garvey Park increased in 2017-2018 and this site is now within the top five consuming sites, taking the place of Gerry Archer Athletics Track.

As per the City's commitment to minimise its carbon footprint, 25% renewable energy or equivalent in 'Gold standard' carbon offsets will be purchased for the City's contestable electricity consuming sites (those consuming >50,000 units per year). Emissions associated with the City's passenger vehicle fleet will be fully offset.

Table 1: Electricity use (kWh) for top five consuming sites in 2017-2018 and comparison to previous years.

Site	2015-2016	2016-2017	2017-2018	Difference	Percentage change
Civic Centre, Library and Senior Citizens Centre	1,133,800	1,080,188	1,027,581	-52,607	-5%
Operations Centre	197,456	192,349	210,417	18,068	9%
Youth and Family Services	152,480	149,441	92,399	-57,042	-38%
Centenary Park (Daly and Elmsfield)	55,512	59,881	68,600	8,719	15%
Garvey Park	-	-	43,137	-	-
Gerry Archer Athletics Track	44,101	44,644	-	-	-
<b>TOTAL</b>	<b>1,583,349</b>	<b>1,526,503</b>	<b>1,442,134</b>	<b>-84,369</b>	<b>-6%</b>

The City's progress towards energy management and carbon goals for 2020-2021 is shown in the table below.

Table 2: Progress towards energy and carbon goals for 2020-2021

Goal	2017-2018 Progress
Maintain annual energy consumption per full time equivalent at the Operations Centre to within 10% of 2015-2016 levels until 2021	An 8% increase was observed (from 3048 to 3299 kWh/ FTE)
Reduce the average 'CO2 tailpipe emissions rating' of the City's light vehicle fleet between 2016 and 2021	A reduction of 1g of CO2/km was observed (from 188 to 187)
Reduce annual electricity consumption at Harman Park Community Centre by 10%, from 2014-2015 levels by 2020-21	A 32% or 6084 kWh reduction was observed (from 18,972 to 12,888 kWh)

Energy efficiency upgrades implemented included interior LED lighting retrofits at the Civic Centre and Rivervale Community Centre as well as LED replacement of the Ascot Waters Riverwalk bollards (Stage 2).

The City continued to promote sustainable transport methods as an alternative to private motor vehicle use via the City's TravelSmart Program. This program aims to

support, encourage and empower community members to make a behaviour change. Examples include support to schools by way of bike education and road safety, holding public transport tours for community groups, hosting bike education and familiarisation programs for residents and the provision of facilities such as free bike parking and bike checks at City events.

## WASTE REDUCTION

The City's progress towards waste reduction goals is shown in the table below.

Table 3: Progress towards waste reduction goals

Goal	2017-2018 Progress
Reduce the percentage of recyclable material and quantity (by weight and volume) of single use plastics in the Civic Centre general waste (landfill) at the time of the annual audit in comparison to previous results	<b>Recyclable material (2017 vs 2016 audit):</b> Reduction by volume from 58.3% to 26% of material disposed of as general waste. Reduction by weight from 58.4% to 19.4%. <b>Soft plastics (first measured in 2017 audit):</b> 3.29kg / 290L
Minimise sheets of paper printed annually (calendar year) for Councillor communications below 2016 figures.	Approximately 8697 sheets printed per Councillor in 2016 vs 2895 sheets per Councillor in 2017 (67% reduction)

## CONCLUSION

In conclusion, I would like to thank the contribution of my fellow members of the Standing Committee (Environmental), Councillors, volunteers, stakeholders and City of Belmont staff for their efforts in implementing the Environment and Sustainability Strategy 2016-2021 and successful transition of the City's Environmental Management System to the ISO 14001: 2015 Standard.

In the year ahead the City looks forward to development of new Supporting Documents for the Local Planning Strategy (relating to Public Open Space, Streetscapes, Environment and Sustainability), finalisation and release of the Urban Forest Policy and Canopy Plan, and continued construction of the 5 Star Green Star rated Faulkner Community Centre.

While focusing on City operations, the City will continue to work proactively with businesses and the community to promote and encourage involvement in environmental programs, sustainable behaviour change and minimise the risk of pollution incidence.

Report By  
Cr Steve Wolff  
Presiding Member  
Standing Committee (Environmental)

The Committee is convened in accordance with Part 5 Division 2 of the Local Government Act 1995 and consequently Standing Orders will apply.



## Standing Committee (Community Vision) Report

There were three meetings of the Standing Committee (Community Vision) during the 2017-2018 financial year.

Cr Janet Powell is the Presiding Member. Other members are Cr Robert Rossi JP (Deputy Presiding Member), Cr Phil Marks, Mayor (Ex Officio), and Cr Bernie Ryan.

The purpose of the Committee is to examine, consider and make recommendations to Council on matters of strategic importance to the City of Belmont community and to monitor the progress of the Council's Strategic Community Plan 2016-2036. The Committee also assesses and discusses the demographic and social changes occurring in the community in order that emerging needs are addressed.

The Committee has provided valued input and advice on the following:

- Community Development and Community Placemaking Overview.
- Activate Belmont Group.
- New Community Building – End User Working Group Projects.
- Library and Heritage Survey.
- Placemaking Update.

- Library and Heritage Update.
- 2017 Community Service Awards.
- Sister City Delegation, January 2018 – Adachi, Japan.
- Community Contribution Fund Round 13.
- Community Contribution Fund Round 14.
- 2017-2018 Memorandum of Understanding agreements.

I would like to thank the Committee members for their interest and contribution in serving this Standing Committee and to acknowledge the staff of the Division whose professionalism and passion assist in enriching the lives of those who live and work in the City of Belmont.

Report by

Cr Janet Powell  
Presiding Member  
Community Vision Committee

The Committee is convened in accordance with Part 5 Division 2 of the *Local Government Act 1995* and consequently Standing Orders will apply.

## Disability Access and Inclusion Plan Progress To Date

The City of Belmont (the City) continued to demonstrate its commitment to providing accessible and inclusive facilities and services to ensure all residents have the opportunity to participate and contribute within the community. This financial year has seen the completion of the City's Disability Access and Inclusion Plan 2012-2017 (DAIP). A new plan has been developed and in addition to reviewing achievements and considering current best practice; incorporates feedback from community members, service providers, staff and the broader community. The new Access and Inclusion Plan 2018-2021 (AIP) was endorsed by Council on 28 February 2018 and subsequently submitted to the Department of Communities as required under the Disability Services Act 1993 (amended 2004).

The City's Disability Access and Inclusion Focus Group (DAIFG) has continued with its commitment to partnering with the City providing guidance and recommendations to effectively implement the DAIP across Belmont. The City acknowledges the efforts of the DAIFG members and staff with the continued implementation and review of the DAIP, and would like to thank them for their ongoing contribution, participation and support. A number of new members have joined the group over this reporting period.

A summary of achievements during the 2017-2018 financial year are highlighted below:

### Outcome 1:

**People with disabilities have the same opportunities as other people to access services of, and any events organised by the City of Belmont.**

1. The City has participated in the "Connect with me: building a sustainable co-design network of people with disability" project, implemented by People with Disabilities WA (PWDWA). The City requested support in reviewing the accessibility aspects of City events through attendance at the 2018 Harmony Week event and post-event feedback. The City's Accessible and Inclusive Event Checklist was reviewed and

comments provided as part of this project. Recommendations have been incorporated into planning processes for upcoming events.

2. The City's Events Strategy is under development and will include enhanced access and inclusion as key considerations for future event planning.
3. Contractors and agents are advised of the City's Access and Inclusion Plan and their obligations in relation to access and inclusion. A review of this process has been undertaken with the recommendation for an accessible checklist to be provided to contractors organising events on behalf of the City.
4. A total of 36 residents have benefited from the City's gofer service which provides additional bin collection support to those who are unable to take their bins in and/or out.

### Outcome 2:

**People with disabilities have the same opportunities as other people to access the buildings and facilities of the City of Belmont.**

1. Installation of a path surrounding Forster Park has been finalised to allow wheelchair access.
2. Extension to path at Garvey Park has been completed providing wheelchair users ease of access to the barbecue and picnic shelter area.
3. New playground at Selby Park includes basket swing and accessible shade shelter.
4. Wilson Park playground has been adapted to allow wheelchair access.
5. Accessible water fountains have been installed at Tomato Lake and Wilson Park.
6. The City has committed to all City facilities and open spaces undergoing experiential audits which involves people living with disability visiting sites and providing recommendations for improvements as and when required.





During this reporting period, the following experiential audits have been undertaken:

- Youth Disability Advocacy Network assessed the Rivervale Community Centre and the Base@Belmont (Youth Centre).
  - Visability WA and Ben Sgherza assessed Tomato Lake.
  - Alzheimer's WA assessed the City's library and Customer Service area in relation to an enabling environment for people living with dementia.
  - People with Disability WA (PWDWA) assessed the City's Customer Service area.
7. As a result of these visits a number of actions have been implemented, including:
- Modifications to time delays on doors and changes to lighting of accessible toilet in the Civic Centre.
  - Repairs to pathways outside the City's library.
  - Installation of wheel stops at Belmont Oasis Leisure Centre carpark to ensure clear pathways for wheelchair users.
  - The design of a Parklet to be installed within the City has given consideration to accessibility ensuring wheelchair access.
8. The City has budgeted for engaging an access and inclusion consultant to support the layout design of the City's new Community Centre, currently under construction.

### Outcome 3:

**People with disabilities receive information from the City of Belmont in a format that will enable them to access the information as readily as other people access it.**

1. The City's Style Guide is under review and includes guidelines on creating accessible promotional materials and information. Promotional material for upcoming community events has been modified to incorporate 'accessible information' guidelines.
2. The City has developed an 'e-newsletter' to provide an alternative communication method for community members to receive information on the City's programs, events and activities.
3. As part of the PWDWA co-design project, a review of the City's communication methods was undertaken. Feedback was provided on the City's draft event access checklist and a review of the City's communication methods was completed.
4. A total of 13 staff and two volunteers attended an 'Accessible Information' workshop facilitated by Visability WA.
5. Organisation wide communication to all staff requesting matt lamination to be used to ensure enhanced readability of documentation.

### Outcome 4:

**People with disabilities receive the same level and quality of service from the staff of the City of Belmont as other people receive from the City.**

1. The City of Belmont offers a range of workshops and training sessions to the City's staff on an annual basis. These are available to new and existing staff to ensure a high level of customer service to all customers. During the reporting period:
  - A total of 23 staff participated in Disability Awareness training.
  - A total of 20 staff participated in Dementia Awareness training.
  - A total of 18 staff participated in Inclusive Events training.

### Outcome 5:

**People with disabilities have the same opportunities as other people to make complaints to the City of Belmont.**

1. A modification has been made to the City's Request Management System to allow internal users to indicate whether a complaint or request for service is related to access and inclusion. This change has been included in the relevant Work Instruction available to all staff and has been communicated to all staff via the City's internal newsletter - Team Brief.
2. A recent review of the City's Customer Service Charter including complaints has resulted in changes to the format of relevant materials to improve accessibility.

### Outcome 6:

**People with disabilities have the same opportunities as other people to participate in any public consultation by the City of Belmont.**

1. Public consultation undertaken during the reporting period to support the development of the Access and Inclusion Plan and the Age-Friendly Belmont Plan provided a range of formats including: online survey, focus groups and community forums which were held at a range of locations. Locations included community centres, Senior Citizens Centre, Harman Park Community Centre (Home and Community Care service) as well as the City's Civic Centre.

### Outcome 7:

**People with disabilities have the same opportunities as other people to obtain and maintain employment with the City of Belmont.**

1. The City's employment practices are reviewed annually and are fully compliant with the Equal Opportunity Act 1984.
2. A reporting template has been developed to ensure relevant data is collected in relation to opportunities and support provided to people with disability seeking employment at the City of Belmont.

### Outcome 8:

**Raise awareness in the broader community on Access and Inclusion in the City of Belmont.**

1. Inclusive and Connected Clubs Workshop offered to community groups and sporting clubs on 6 June 2018. A total of 13 participants attended representing eight (8) local groups and clubs.



# Record Keeping Report

The City is committed to a systematic approach to its management of corporate records in accordance with legislative requirements. Records are a core information resource in the City of Belmont and sound record keeping practices contribute to the overall efficiency and effectiveness of the organisation.

As a Local Government Authority, the City of Belmont is required under the *State Records Act 2000* to provide an annual report, as outlined in the Recordkeeping Plan. The City's Recordkeeping Plan was first approved by the State Records Commission in March 2005 and is comprehensively reviewed every five years. The current plan RKP 2016 was approved in August 2016.

## RECORD KEEPING SYSTEM

Overall, the City's record keeping system is effective. It enables the organisation to capture records and manage them through processes using workflows and other functionalities of the system, as well as providing a high level of customer service both internally and externally to the City's stakeholders. The effectiveness of the system is constantly being assessed to ensure continuous improvement and organisational requirements are being met.

The City's electronic document and records management system, ECM has undergone continuous review in order to reach and maintain an optimum working level, with refinements being undertaken through user and system requirements.

## TRAINING AND DEVELOPMENT

The City has a responsibility under the *State Records Act 2000* to ensure all staff are aware of their recordkeeping obligations.

The City informs new employees of their recordkeeping role and responsibilities as part of the Corporate Induction Information Session. Individual Records, Freedom of Information Awareness and System Introduction Training is provided to new employees as part of the induction process.

Group training sessions for the City's Electronic Document and Record Management System, ECM is conducted monthly and is complemented by recordkeeping work instructions and guidelines.

## FREEDOM OF INFORMATION

The City of Belmont will if possible provide access to documents held by the City outside the *Freedom of Information Act 1992* process, however if we are unable to supply this information by less formal means, a Freedom of Information request can be made through our Records Section.

In accordance with the *Freedom of Information Act 1992* the City publishes a Freedom of Information Statement on the City's website. The statement outlines the City's functions, the kind of documents held by the City, how those documents can be accessed and details the process of applying for information under the *Freedom of Information Act 1992*.

A total of six Freedom of Information applications were received in the 2017-2018 financial year. No applications relating to the amendment of personal information were received.

# Plan for the Future

## Strategic Community Plan 2016-2036 and Corporate Business Plan 2018-2022

## VISION STATEMENT

*The City of Belmont will be home to a diverse and harmonious community, thriving from the opportunities of our unique, riverside City.*

The City of Belmont's Strategic Community Plan underwent its first full review in October 2015. Following significant community consultation, the City's Strategic Community Plan 2016-2036 was adopted in December 2015. The City's Corporate Business Plan underwent a minor review during 2017-2018 and the amended Corporate Business Plan 2018-2022 was adopted in February 2018.

When combined, the Strategic Community Plan 2016-2036 and the Corporate Business Plan 2018-2022 create the City of Belmont's Plan for the Future.

## ORGANISATIONAL VALUES

*In everything we do, we will keep to a set of values that guide our attitudes and behaviours. They are:*

### TEAMWORK

People building relationships to work together to achieve common goals

### LEADERSHIP

To focus and inspire people to achieve

### INTEGRITY

To act in an honest, professional, open and accountable manner

### INNOVATION

To create new, innovative and alternative ways of working

### PEOPLE FOCUS

To work safely. To communicate and consult in order to understand people's needs

## KEY RESULT AREAS

To be successful overall, outcomes must be achieved for:

- the resident community (Social Belmont)
- the City's business community (Business Belmont)
- the natural environment (Natural Belmont)
- the man-made physical structure and layout of the City (Built Belmont).

These four areas of achievement make up the Key Result Areas (KRAs) of the Strategic Community Plan 2016-2036 – as shown in the model below.

Each of the KRAs interacts with the others.

The centre point of the diagram is the fifth KRA, Business Excellence. Business Excellence is the process utilised to deliver the integrated results of all KRAs in a consistent and efficient manner. It provides the methodology for excellent customer service and organisational improvement on a continual basis.

For instance, enhancement in the built environment must serve the residential and business communities, and support green environment objectives. A strategy in any one area often delivers results in other areas.



## SOCIAL BELMONT OVERVIEW

**Objective 1:** The City will take a key leadership role to ensure access to services and facilities and developing collaborative partnerships that enable greater accessibility for a changing community.

**Strategy:** Adopt a collaborative approach through the development of partnerships with service providers, to ensure maximum benefit for community groups and individuals.

### Key Actions:

- Ongoing implementation and review of Community Infrastructure Plan.
- Oversee effective contract management of the Independent Living Units in partnership with Southern Cross Care (WA) Inc.
- Operational activities which support predominately this Community Development strategy.
- Effective delivery of Belmont Sister City Program.
- Implementation of Volunteer Program Strategy.
- Facilitate review of the City's aged and community care portfolio in relation to state and federal government transition processes.

**Strategy:** Identify and assist those in need by connecting them with appropriate internal or external service providers.

### Key Actions:

- Implementation and ongoing review of Youth Strategic Plan 2018 and Beyond.
- In partnership with early years providers, support the facilitation and delivery of early year's initiatives to the local community.
- Operational activities which support predominately this 'Identifying those in need' strategy.

**Strategy:** Provide leisure, recreation, arts and lifestyle programs and resources to address existing and future community needs.

### Key Actions:

- Deploy the Library and Heritage Plan 2018-2020.
- Deploy the Leisure, Art and Lifestyle Plan 2014-2018.
- Operational activities which support predominately this Leisure and Recreation strategy.

**Strategy:** Provide art and cultural opportunities as a means of community engagement and inclusion.

### Key Actions:

- Review of Multicultural Action Plan 2016-2018 and development and implementation of Multicultural Action Plan 2018 and beyond.
- Develop a Public Art Master Plan 2018-2021.
- Develop and implement an annual calendar of activities to engage the community in the arts.
- Continue to promote and celebrate Aboriginal art, with a focus on NAIDOC week, and other avenues.

- Implementation and ongoing review of Youth Strategic Plan 2018 and Beyond.
- Operational activities which support predominately this 'Art and Cultural' strategy.

**Objective 2:** Develop community capacity and self-reliance.

**Strategy:** Adopt a multi-generational approach (from seniors to younger generations), to identify and address community needs, to maximise individual and collective potential to live and thrive together.

### Key Actions:

- Ongoing implementation and review of Moving Forward, the City of Belmont Youth Strategic Plan 2018 and Beyond.
- Operational activities which support predominately this Youth strategy.

**Strategy:** Assist clubs and community groups to be viable and active.

### Key Actions:

- Deployment of the Leisure, Art and Lifestyle Plan 2015-2018 to ensure the City continues to deliver programs and services in the areas of healthy lifestyle, leisure and arts.
- Promote funding opportunities to the community groups and provide them with guidance in the Community Contribution Fund grant application process.
- Assist new and existing local sporting clubs to be sustainable.
- Operational activities which support predominately this 'Community Groups' strategy.

**Strategy:** Identify and address the needs of people from culturally diverse backgrounds to maximise individual and collective potential to live and thrive together.

### Key Actions:

- Review of Multicultural Action Plan 2016-2018 and development and implementation of the Multicultural Action Plan 2018 and beyond.
- Operational activities which support predominately this culturally diverse engagement strategy.

**Strategy:** A 'whole of community' inclusive approach is adopted emphasising the intrinsic value of committing time and resources to relationship building amongst the City and the community.

### Key Actions:

- Ongoing implementation and review of the City of Belmont Disability Access and Inclusion Plan 2018-2021.
- Ongoing implementation and review of the City of Belmont Age Friendly Communities Plan 2017-2021.
- Operational activities which support predominately this 'whole of community' strategy.

**Strategy:** Identify and address the needs of Aboriginal people to maximise individual and collective potential to live and thrive together.

### Key Actions:

- Ongoing implementation and review of the City of Belmont Reconciliation Action Plan.
- Engage with Aboriginal community to capture valuable local history knowledge of the City.
- Operational activities which support predominately this 'Aboriginal and Torres-Strait Islander Engagement' strategy.

**Strategy:** Promote and deliver resources and opportunities for the community to engage in lifelong learning.

### Key Actions:

- Ensure the library continues to be an environment that explores and encourages learning opportunities.
- Operational activities which support predominately this 'lifelong learning' strategy.

**Objective 3:** Encourage a high standard of community health and wellbeing.

**Strategy:** Continue to provide and enhance waste management services to the community.

### Key Actions:

- Educate community on waste to energy initiatives e.g. Resource recovery plan, waste to energy or composting.
- Liaise with Waste Service Provider and EMRC to implement new waste strategies that improve services, provide value for money and are consistent with environmental requirements.
- Operational activities which support predominately this Waste Management Strategy.

**Strategy:** Provide environmental health services that raise public health standards within the City.

### Key Actions:

- Work with the Department of Housing to reduce concentrations of social housing and seek the implementation of models for affordable housing.
- Implement Environmental Health Plan 2018-2021.
- Develop new Public Health Plan as per requirements of Public Health Act 2016.
- Operational activities which support predominately this Public Health strategy.

**Strategy:** Identify and support initiatives that promote healthier and more active lifestyles.

### Key Actions:

- Work in partnership with health and wellbeing service providers to increase the awareness of the positive health impacts associated with physical activity, healthy eating and safe alcohol consumption.
- Operational activities which support predominately this Healthier Lifestyle strategy.

**Objective 4:** Create a city that leads to feelings of wellbeing, security and safety.

**Strategy:** The City will continue to design and implement programs which enhance safety, security and wellbeing in the community.

### Key Actions:

- Increase emergency management awareness in the community.
- Implement Community Safety and Crime Prevention Plan 2018-2021.
- Work with Community Safety and Crime Prevention to promote existing and new business safety programs.
- Continue to develop and enhance ongoing sustainable partnerships with service providers and other key local stakeholders to address the needs of the local community.
- Operational activities which support predominately this Security strategy.



**Strategy:** Activate public spaces as a means to improving community spirit and sense of belonging.

**Key Actions:**

- Identify opportunities and spaces within the City that can encourage place activation and community participation.
- Operational activities which support predominately this Community Spirit strategy.

**Objective 5:** Ensure that the cultural and historical significance of the City is identified and captured.

**Strategy:** Recognise all aspects of historical significance within the City.

**Key Actions:**

- Deploy the Library and Heritage Plan 2018-2020 to ensure the City's rich and diverse history is promoted and preserved for future generations.
- Encourage the community to share their local history knowledge and ensure the information is captured and recorded for the benefit of future generations.
- Operational activities which support predominately this 'Historical Significance' strategy.

## BUSINESS BELMONT OVERVIEW

**Objective 1:** Maximise Business Development Opportunities.

**Strategy:** Attract and support high quality business development and the sustainable use of land in Belmont, including Perth Airport Pty Ltd, by providing information and assistance to businesses seeking to establish operations in the City.

**Key Actions:**

- Develop and implement branding strategies for Belmont Business Park, Golden Gateway and Redcliffe West.
- Encourage industrial / commercial sector growth through effective rating practices.
- Demonstrate the City's support for home based business through regular distribution of information on City policy, changes or developments in the regulatory environment, support mechanisms available within Belmont etc.

- Facilitate business investment by advising, supporting and promoting Belmont as a place of business.
- Operational activities which support predominately this 'attract and support' strategy.

**Strategy:** Enhance the relationship and interaction with existing business entities within the City.

**Key Actions:**

- Promote the use of the Opportunity Card for Business to Business transactions.
- E-distribution of the Belmont Business Talk newsletter, increased targeted communication to business.
- Maintain ongoing liaison with appropriate business advocacy, support and representative organisations.
- Operational activities which support predominately this 'business relationship' strategy.

**Strategy:** Promote development opportunities through effective land asset management.

**Key Actions:**

- Operational activities which support predominately this 'land asset management' strategy.

- Acquire strategic commercial sites to facilitate investment.
- Development and distribution of information packs to assist and facilitate investment in appropriate areas.

**Strategy:** In partnership with Perth Airport Pty Ltd, support the business development of the airport.

**Key Actions:**

- Explore the provision of direct services to business premises within the airport precinct.
- Facilitate quality transport linkages to the airport and between the airport and the City. Direct bus route from Airport West train station to Town Centre.
- Coordinated cross government lobbying and development strategies.
- Operational activities which support predominately this 'Perth Airport' strategy.

**Objective 2:** Maximise the regional benefits to the City.

**Strategy:** Support the Eastern Metropolitan Regional Council's (EMRC) development of a range of regional plans to attract businesses, investment and tourism and employment opportunities.

**Key Actions:**

- Contribute towards development of a coordinated foreshore trails network through involvement in the Swan Canning Marine Park Trails Master Plan.
- Operational activities which support predominately this 'EMRC support' strategy.

**Strategy:** Continue to engage neighbouring local governments on issues of common interest.

**Key Actions:**

- Develop collaborative marketing and media to promote the positive perception that the different business areas within the City are working together rather than against each other.
- Active involvement with relevant Eastern Metropolitan Regional Council (EMRC) committees and officers including involvement in working groups for lobbying federal and state government.
- Regular liaison with appropriate officers / elected members of surrounding local governments on issues of common interest.
- Operational activities which support predominately this 'engage neighbouring local governments' strategy.

**Objective 3:** Achieve and maintain an image of Belmont as an ideal location for business growth and opportunities.

**Strategy:** Promote the City of Belmont through various promotional and informative materials, facilitated networks and media to make it clear that the City is a great place to do business.

**Key Actions:**

- Implement the City's Marketing Plan.
- The City will host regular briefing events, targeting specific strategies, initiatives or opportunities, for local business, developers and other actual or potential stakeholders.
- Implement the City's Communication Strategy.
- Operational activities which support predominately this promotional strategy.

## NATURAL BELMONT OVERVIEW

**Objective 1:** Protect and enhance our natural environment.

**Strategy:** Ensure the City has policies and practices that safeguard and enhance the natural environment.

**Key Actions:**

- Develop a Canopy Plan to support the City's Urban Forest Strategy.
- Maintain ISO14001 - 2015 (Environmental Management Systems) accreditation.
- Undertake staged implementation of the Environment and Sustainability Strategy 2016-2021.
- Manage and review "Environmental" risks associated with Council operations.
- Conduct annual review of the City of Belmont's Environmental and Sustainability Policy and Strategy.
- Operational activities which support predominately this environmental safeguarding strategy.

**Strategy:** Develop quality public open space in accordance with community needs.

**Key Actions:**

- Develop a Public Open Space Development Strategy that recognises the diminishing availability of natural resources, increasing population density and the changing expectations of the community.
- Operational activities which support predominately this Public Open Space Development Strategy.



**Strategy:** Protect and enhance the Swan River foreshore respecting its environmental values, social benefits and cultural significance in guiding land use, civic design and development.

**Key Actions:**

- Undertake an annual foreshore condition assessment to determine progression of erosion and identify priority areas for future stabilisation and environmental restoration activities.
- Advocate for funding opportunities for the effective management of erosion along the Swan River foreshore.
- Implement the Belmont Foreshore Precinct Plan.
- Operational activities which support predominately this Foreshore strategy.

**Objective 2:** Enhance the City's environmental sustainability through the efficient use of natural resources and minimise the City's carbon footprint.

**Strategy:** Manage energy use and waste generation and implement renewable energy to minimise the City's carbon footprint.

**Key Actions:**

- Participate in Planet Footprint and implement relevant actions of the Environment and Sustainability Strategy.
- Implement renewable energy or energy efficiency projects based on value of energy fund.
- Operational activities which support predominately this 'Energy Use' strategy .
- Develop a Waste Minimisation Plan for the Faulkner Civic Precinct (including Civic Centre, Ruth Faulkner Public Library, Functions Centre and new Community Centre).

**Strategy:** Manage water use with a view to minimising consumption.

**Key Actions:**

- Meet requirements for annual Waterwise Council Program re-endorsement.
- Participate in Planet Footprint, utilise irrigation management software and implement relevant actions of the Environment and Sustainability Strategy.
- Operational activities which support predominately this water use strategy.

**Objective 3:** Ensure future resilience to a changing climate.

**Strategy:** Plan for the predicted impacts of a changing climate to 'future proof' City operations.

**Key Actions:**

- Participate in Eastern Metropolitan Regional Council's (EMRC) 'understanding and managing flood risk in Perth's Eastern Region' project.
- Manage and review 'climate change' risks to Council operations.
- Operational activities which support predominately this 'future-proofing' strategy.

## BUILT BELMONT OVERVIEW

**Objective 1:** Achieve a planned City that is safe and meets the needs of the community.

**Strategy:** Encourage a wide choice and consistent implementation of development approaches.

**Key Actions:**

- Facilitate completion of preparation of Structure Plans for Development Area 8.



- Preparation of Structure Plans for Development Area 6.
- Facilitate the preparation of Structure Plans for Development Areas 4 and 5.
- Landowners within the Town Centre are to be encouraged to progressively upgrade and redevelop commercial and support facilities.
- The City will manage an ongoing program of awards and grants for innovative approaches to business practice, products or developments.
- The City will support and where appropriate, lead shopping centre owners in activities that they feel have the potential to support the growth of their businesses.
- Implement Local Planning Scheme No. 15.
- Facilitate the development of a Corridor Plan for Great Eastern Highway.
- Operational activities which support predominately this 'development approach' Strategy.

**Strategy:** Engage with identified local governments on working toward an agreement on the feasibility of standardisation of Local Planning Schemes (LPS) to assist the community and developers.

**Key Actions:**

- Engage with identified local governments on working towards an agreement on the feasibility of standardisation of local government planning processes and approaches to assist the community and developers.

- Operational activities which support predominately this 'LPS standardisation' Strategy.

**Objective 2:** Maintain public infrastructure in accordance with sound asset management practices.

**Strategy:** Manage the City's infrastructure and other assets to ensure that an appropriate level of service is provided to the community.

**Key Actions:**

- Undertake detailed data and condition surveys to meet the requirements of the Asset Management Strategy.
- Explore state, federal and private investment in public infrastructure by seeking external funding sources.
- Enhance and raise standards of asset management tools.
- Maintain assets in accordance with Asset Management Strategy and associated Plans.
- Continue to promote an asset management culture across the organisation.
- Submit funding applications to Office of Energy for underground power projects subject to favourable state government funding options.
- Update Asset Management Plans biennially for all classes of assets covered by the Asset Management Strategy.

- Develop a Master Plan for the Belmont Oasis Leisure Centre to guide the redevelopment of the City's primary leisure and aquatic centre for the community now and into the future.
- Progress the construction and reporting requirements for the Civic Precinct Community Centre.
- Progress the development of the Faulkner Precinct Master Plan through a Hydrology, Flora and Fauna Study. Review future uses of the existing library building.
- Operational activities which support predominately this 'infrastructure management' strategy.

**Objective 3:** Provide a safe, efficient and well maintained transport network.

**Strategy:** Encourage a broad range of transport alternatives and provide adequate management of traffic density, parking, congestion and safety of the transport network, in and surrounding the City of Belmont.

**Key Actions:**

- Monitor relevance of current road network to suit future needs.
- Implement Belmont on the Move.
- Review priorities outlined in the City's Local Bike Plan and update schedule of works for implementation.
- Implement the TravelSmart Plan 2017-2021.
- Develop the City's Sustainable Transport Plan 2018-2023.

- Investigate aged housing opportunities on the City's land (Beverley Road) with a view to rationalisation of the City's current Independent Living Unit aged housing options.
- Prepare Local Development Plan for the Ascot Kilns site.
- Prepared Local Structure Plan for the Golden Gateway precinct.
- Operational activities which support predominately this 'transport alternatives' strategy.

## BUSINESS EXCELLENCE OVERVIEW

**Objective 1:** Achieve excellence in the management and operation of the local government.

**Strategy:** Ensure Council is engaged at a strategic level to enable effective decision making.

### Key Actions:

- Ensure a process that engages Council in regular reviews of the Activity and Outcome for the Strategic Community Plan and Corporate Business Plan.
- Communicate the details of the Strategic Community Plan to the community to encourage understanding and obtain feedback from the community.
- Operational activities which support predominately this 'council engagement' strategy.

**Strategy:** Ensure matters relating to the Belmont Trust property are resolved in conjunction with the Trustees.

### Key Actions:

- Development of a Trust Strategic Plan.
- Operational activities which support predominately this 'Belmont Trust' strategy.

**Strategy:** Maintain a healthy and safe working environment.

### Key Actions:

- Maintain compliance with AS4801.
- Maintain effective safety and risk management systems in accordance with the Occupational Safety and Health Management Plan and Risk Management Strategy requirements.
- Implement the staff Wellness program.
- Implement the Safety Management Plan in accordance with planned timeframes and parameters.
- Operational activities which support predominately this safety strategy.

**Strategy:** Ensure community requirements drive internal policies and processes.

### Key Actions:

- Conduct a half yearly organisational update, in person, to assist in developing / fostering a culture that we are here to care and protect the community. Be proud of Belmont.
- Provide and maintain electronic interactive services which enable community engagement.
- Provide interactive open and useful community consultations in accordance with Communication Strategy and Consultation and Engagement Strategy.
- Operational activities which support predominately this 'community requirements' strategy.

**Strategy:** Ensure decision making is supported by effective information and knowledge management.

### Key Actions:

- Apply the principles of the Data, Information and Knowledge Management Strategy.
- Operational activities which support predominately this 'decision making' strategy.

**Strategy:** Ensure information systems and technology support knowledge management in order to meet community and organisational requirements.

### Key Actions:

- Manage information and technology to meet the requirements of the City's Information Technology Disaster Recovery Plan and Business Continuity Plan.
- Maintain the enterprise content and knowledge management systems.
- Maintain a dynamic Information and Communication Technology infrastructure.
- Maintain remote network access using mobile devices.
- Coordinate and administer the core business applications.
- Operational activities which support predominately this 'IT systems' strategy.

**Objective 2:** Apply sound and sustainable business management principles.

**Strategy:** Ensure competitive and sustainable financial performance through effective modelling, financial management and reporting practices which underpin capacity building.

### Key Actions:

- Monitor and ensure the ongoing use of the Project Management and Evaluation processes for projects which meet the required criteria.



- Continued enhancement of Long Term Financial Model that meets the Department of Local Government and Communities' specifications and identifies future income requirements.

**Strategy:** Operate the City's land and facilities portfolio as an efficient investment.

### Key Actions:

- Implement the City's Land Asset Management Plan.
- The City will continue to be receptive to opportunities for the co-location of appropriate commercial activities in public facilities.
- Operational activities which support predominately this 'land and facilities portfolio' strategy.

**Strategy:** Maintain the City's business management systems.

### Key Actions:

- Conduct regular Business Improvement Meetings.
- Operational activities which support predominately this 'BMS' strategy.

**Objective 3:** Maximise organisational effectiveness and reputation as an organisation, employer and a community.

**Strategy:** Ensure that the organisation's capacity and capability meets strategic, customer and operational needs.

### Key Actions:

- Review and update the Customer Focus Strategy.
- Review the Workforce Plan.
- Manage the City's operations in a manner consistent with the Leadership Strategy.
- Grow the capacity of the City by sourcing alternative funding support.
- Implement the Workplace Equity and Diversity Plan.
- Continue to pursue an integrated planning approach to its maximum potential.
- Implement the Training Strategy.
- Identify grants, funding and partnerships to support the financial sustainability of the organisation where appropriate.
- Operational activities which support predominately this 'capability meets needs' strategy.

**Strategy:** Establish and support effective staff retention and attraction practices and policies to enable capacity, capability and knowledge to be maintained.

### Key Actions:

- Review and implement City's Attraction and Retention Strategy.
- Implement HR Action Plan in accordance with Plan timeframe and parameters.
- Operational activities which support predominately this 'staff retention and attraction' strategy.

**Strategy:** Promote the City as the 'City of Opportunity'.

### Key Actions:

- Implement the City's Marketing Plan.
- Operational activities which support predominately this promotional strategy.

**Strategy:** Ensure effective communication and consultation with the community and other stakeholders.

### Key Actions:

- Implement the Communication Strategy and Consultation and Engagement Strategy.
- Implement Stakeholder Management Plan.
- Operational activities which support predominately this communication strategy.

# Executive Responsibilities

(as at 30 June 2018)



**John Christie**

**Chief Executive Officer**

- Overall responsibility for the management of Council's affairs
- Human Resources



**Juliette Hammah**

**Director – Community and Statutory Services**

- Building and Information Services
- Community Development
- Planning Services
- Health and Community Safety
- Community Place Making



**Robin Garrett**

**Director – Corporate and Governance**

- Business Continuity and Risk Management
- Governance
- Finance
- Information Technology
- Marketing and Communications
- Property and Economic Development



**Ric Lutey**

**Director – Technical Services**

- Works
- Parks and Environment
- Design and Assets
- Infrastructure Development
- City Projects

## DEPARTMENT MANAGERS

**Manager – Information Technology**

Rohit Das

**Manager – Health and Community Safety**

Kevin Davidson

**Human Resources Manager**

Anne-marie Forte

**Manager – Marketing and Communications**

Lisa Bradley

**Manager – Planning Services**

Wilmot Loh

**Manager – Property and Economic Development**

Jay Hardison

**Manager – Finance**

Stuart Monks

**Manager – Governance**

Jim Olynyk

**Manager – Building Services**

James Pol

**Manager – Design and Assets**

Jim Polinelli

**Manager – Community Development**

Lisa Dobrin

**Manager – Works**

Steve Morrison

**Manager – Parks and Environment**

Warren Stephens

**Manager Infrastructure Development**

Murray Ralph

**Manager – Community Place Making**

Natasha Griggs

**Manager – City Projects**

Victor Popescu

# Councillor Attendance at Council and Committee Meetings

(1 July 2017 – 30 June 2018)

	Ordinary Council Meeting	Special Council Meeting	Annual / Special Electors' Meeting	Agenda Briefing Forum	Information Forum / Special Information Forum
No. of Meetings	11	5	1	11	14
Cr Marks	11	5	1	10	14
Cr Rossi	10	5	0	11	14
Cr Bass	9	5	1	6	11
Cr Cayoun	10	4	1	10	10
Cr Davis*	8	2	0	8	9
Cr Powell	11	5	1	11	14
Cr Ryan	11	5	1	11	14
Cr Sekulla*	8	2	0	7	10
Cr Wolff	10	5	1	11	14
Cr Gardner**	3	2	0	3	3
Cr Hitt**	3	3	0	3	4

	Environmental Committee		Audit & Risk Committee		Community Vision Committee		Executive Committee	
No. of Meetings	5		4		4		3	
Cr Marks	5	M	4	M	4	M	3	M
Cr Rossi	4	O	3	P/O	4	M	3	M
Cr Bass			4	M				
Cr Cayoun	4 of 4	M	1 of 1				2	M
Cr Davis*	1		3 of 3	M				
Cr Powell				O	4	M	3	M
Cr Ryan	5	M			4	M		M
Cr Sekulla*			3 of 3	M			1	M
Cr Wolff	5	M					3	M
Cr Gardner**			1 of 1	M				
Cr Hitt**	1 of 1	M						

M Committee Member  
 P Committee Member Proxy  
 O Observer

\* Councillors elected in October 2017  
 \*\* Councillors retired in October 2017

# Councillor Professional Development

Council Policy BEXB11B provides all councillors with an allocation of \$5,000 per year for their four year terms to cover professional development costs. This allocation can be utilised at any point during their term, provided that total professional development costs do not exceed \$20,000 over the four year term of office.

Councillor	Term	Balance 1/07/2018	Conference	Training	Total	Balance 1/07/2018
Cr Bass	Oct 2015–Oct 2019	20,000	50	0	50	19,950
Cr Cayoun*	Oct 2017–Oct 2021	20,000	0	0	0	20,000
Cr Davis	Oct 2017–Oct 2021	20,000	1,668	2,610	4,278	15,722
Cr Gardner	Oct 2013–Oct 2017	20,000	0	0	0	0
Cr Hitt	Oct 2013–Oct 2017	20,000	0	0	0	0
Cr Marks	Oct 2015–Oct 2019	18,608	811	0	811	17,797
Cr Powell*	Oct 2017–Oct 2021	20,000	1,618	0	1,618	18,382
Cr Rossi	Oct 2015–Oct 2019	18,384	0	0	0	18,384
Cr Ryan*	Oct 2017–Oct 2021	20,000	1,691	0	1,691	18,309
Cr Sekulla	Oct 2017–Oct 2021	20,000	1,618	7,235	8,853	11,147
Cr Wolff	Oct 2015–Oct 2019	20,000	1,800	0	1,800	18,200
<b>Total</b>		<b>216,992</b>	<b>9,256</b>	<b>9,845</b>	<b>19,101</b>	<b>157,891</b>

\*Re-elected to Office October 2017, allocation of \$20,000 recommenced from this date.



# FINANCIAL REPORTS





# INDEX

Independent Audit Report	31
Statement by Chief Executive Officer	34
Statement of Profit or Loss and Other Comprehensive Income by Program	35
Statement of Profit or Loss and Other Comprehensive Income by Nature and Type	36
Statement of Financial Position	37
Statement of Changes In Equity	38
Statement of Cash Flows	39
Rates Setting Statement	40
Notes To and Forming Part Of the Annual Financial Report	41



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

#### To the Council of the City of Belmont

#### Report on the Audit of the Financial Report

##### **Opinion**

I have audited the annual financial report of the City of Belmont which comprises the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rates Setting Statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

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

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

##### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the City in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Emphasis of Matter – Basis of Accounting**

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

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

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

In preparing the financial report, the CEO is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State government has made decisions affecting the continued existence of the City.

The Council is responsible for overseeing the City's financial reporting process.

**Auditor's Responsibility for the Audit of the Financial Report**

The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

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

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

**Report on Other Legal and Regulatory Requirements**

- (i) All required information and explanations were obtained by me.
- (ii) All audit procedures were satisfactorily completed.
- (iii) In my opinion, the asset consumption ratio and the asset renewal funding ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

**Other Matter**

The financial report of the City for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on that financial report. The financial ratios for 2017 and 2016 in Note 27 of the audited financial report were included in the supplementary information and/or audited financial report for those years.

**Matters Relating to the Electronic Publication of the Audited Financial Report**

This auditor's report relates to the annual financial report of the City of Belmont for the year ended 30 June 2018 included on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



SANDRA LABUSCHAGNE  
ACTING DEPUTY AUDITOR GENERAL  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
31 October 2018

**CITY OF BELMONT**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**SCHEDULE 2**

**Form 1 [Reg. 51]**

**Local Government Act 1995**

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

**STATEMENT BY CEO**

The attached financial report of the City of Belmont being the annual financial report and supporting notes and other information for the year ended 30 June 2018 are in my opinion properly drawn up to present fairly the financial position of the City of Belmont at 30 June 2018 and the results of the operations for the financial year then ended in accordance with *Australian Accounting Standards* and comply with the provision of the *Local Government Act 1995* and the regulations under that Act.

Signed on the 31<sup>st</sup> day of October 2018



**John Christie**  
**Chief Executive Officer**

**CITY OF BELMONT**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME BY PROGRAM**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 Actual \$	2017 Actual \$	2018 Budget \$
<b>REVENUE</b>				
Governance		402,984	404,916	405,959
General purpose funding		51,007,319	50,064,493	50,223,524
Law, order & public safety		349,499	327,698	311,420
Health		241,727	243,004	196,000
Education & welfare		2,140,139	2,017,980	1,991,031
Housing		445,720	463,370	200,000
Community amenities		6,421,968	6,150,563	6,658,830
Recreation & culture		579,332	658,419	529,786
Transport		683,867	932,749	377,766
Economic services		423,802	449,642	475,800
Other property & services		298,225	245,767	121,750
		<b>62,994,582</b>	<b>61,958,601</b>	<b>61,491,866</b>
<b>EXPENSES</b>				
Governance		8,828,431	8,383,032	8,652,881
General purpose funding		3,313,266	3,411,610	3,340,102
Law, order & public safety		3,181,155	3,177,345	3,378,179
Health		1,090,854	980,595	1,160,248
Education & welfare		4,474,003	4,487,612	4,556,543
Housing		529,299	705,309	419,957
Community amenities		8,469,504	7,991,658	8,892,209
Recreation & culture		13,722,285	13,842,949	14,953,984
Transport		8,958,015	9,503,631	9,210,470
Economic services		2,751,315	2,720,395	2,565,858
Other property & services		3,055,796	3,180,562	3,105,205
		<b>58,373,923</b>	<b>58,384,698</b>	<b>60,235,635</b>
<b>FINANCE COSTS</b>				
Recreation & culture		112,281	4,368	361,678
Other property & services		30,637	40,985	31,872
Law, order & public safety		124,055	56,879	53,594
		<b>266,973</b>	<b>102,232</b>	<b>447,144</b>
<b>NET RESULT FROM OPERATING ACTIVITIES</b>				
		<b>4,353,686</b>	<b>3,471,671</b>	<b>809,087</b>
<b>NON-OPERATING ACTIVITIES</b>				
Gain/(loss) on disposal of assets	13	(2,068,731)	(285,730)	274,350
Non-operating grants, subsidies and contributions	29	3,984,468	4,449,239	6,042,354
General purpose funding				
Fair value adjustments to assets through profit or loss	14	380,000	Nil	Nil
Change in equity - joint venture	7	1,391,692	1,139,332	Nil
		<b>8,041,115</b>	<b>8,774,512</b>	<b>7,125,791</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	18	7,370,499	10,327,601	Nil
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>				
		<b>7,370,499</b>	<b>10,327,601</b>	<b>Nil</b>
<b>TOTAL COMPREHENSIVE INCOME</b>				
		<b>15,411,614</b>	<b>19,102,113</b>	<b>7,125,791</b>

Notes to and forming part of the accounts are included on pages 11 to 62.

## CITY OF BELMONT

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME BY NATURE AND TYPE

FOR THE YEAR ENDED 30 JUNE 2018

		2018	2017	Budget
		\$	\$	\$
<b>REVENUE</b>				
Rates: general	3(c)	47,333,956	46,013,840	47,102,316
Operating grants, subsidies & contributions	29	4,156,750	4,442,768	2,944,665
Fees & charges	28	9,006,598	9,019,896	9,215,554
Interest earnings	4	1,954,021	1,707,573	1,813,239
Other revenue	31	543,257	774,524	416,092
		<b>62,994,582</b>	<b>61,958,601</b>	<b>61,491,866</b>
<b>EXPENSES</b>				
Employee costs		23,251,282	23,140,327	25,187,734
Materials & contracts		21,533,358	21,722,605	21,727,290
Utility charges		1,116,976	1,160,070	1,274,590
Depreciation	3(a)	8,298,957	8,532,735	8,609,626
Interest expenses / finance costs		266,973	102,232	447,144
Insurance expenses		523,210	546,294	564,998
Other expenses		3,650,140	3,282,667	2,871,397
		<b>58,640,896</b>	<b>58,486,930</b>	<b>60,682,779</b>
<b>NET RESULT FROM OPERATING ACTIVITIES</b>		<b>4,353,686</b>	<b>3,471,671</b>	<b>809,087</b>
<b>NON-OPERATING ACTIVITIES</b>				
Profit on asset disposals		78,333	95,721	274,350
Loss on disposal of assets		(2,147,064)	(381,451)	Nil
Total profit/(loss) on disposal of assets	13	(2,068,731)	(285,730)	274,350
Non-operating grants, subsidies and contributions	29	3,984,468	4,449,239	6,042,354
Fair value adjustments to assets through profit or loss	14	380,000	Nil	Nil
Change in equity - joint venture	7	1,391,692	1,139,332	Nil
<b>NET RESULT</b>		<b>8,041,115</b>	<b>8,774,512</b>	<b>7,125,791</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	18	7,370,499	10,327,601	Nil
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>7,370,499</b>	<b>10,327,601</b>	<b>Nil</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>15,411,614</b>	<b>19,102,113</b>	<b>7,125,791</b>

Notes to and forming part of the accounts are included on pages 11 to 62.

## CITY OF BELMONT

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	Note	2018	2017	Budget
		\$	\$	\$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	4	7,203,892	3,974,715	4,650,823
Trade and other receivables	5	3,683,023	7,141,540	3,083,146
Inventories	6	215,205	219,311	245,300
Other Financial Assets	4	49,624,906	48,843,410	51,738,325
<b>TOTAL CURRENT ASSETS</b>		<b>60,727,026</b>	<b>60,178,976</b>	<b>59,717,594</b>
<b>NON-CURRENT ASSETS</b>				
Trade and other receivables	5	374,155	1,212,297	1,115,000
Other Financial Assets	4	21,496,137	Nil	Nil
Interest in Joint Venture	7	21,286,872	19,990,184	18,683,217
Property, plant & equipment	14	285,733,268	288,566,642	293,405,099
Infrastructure	15	264,275,763	254,624,436	274,987,251
Leases	10	Nil	Nil	Nil
<b>TOTAL NON-CURRENT ASSETS</b>		<b>593,166,195</b>	<b>564,393,559</b>	<b>588,190,567</b>
<b>TOTAL ASSETS</b>		<b>653,893,221</b>	<b>624,572,535</b>	<b>647,908,161</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	9(a)	4,601,888	4,895,035	5,982,250
Provisions	9(b)	5,447,748	5,464,668	5,823,302
Borrowings	8	794,822	255,572	763,518
Other liabilities	11(a)	862,193	778,279	133,838
<b>TOTAL CURRENT LIABILITIES</b>		<b>11,706,651</b>	<b>11,393,554</b>	<b>12,702,908</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings	8	14,662,381	1,191,329	15,179,744
Provisions	9(c)	651,331	530,854	632,321
Other liabilities	11(b)	53,486	49,040	53,754
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>15,367,198</b>	<b>1,771,223</b>	<b>15,865,819</b>
<b>TOTAL LIABILITIES</b>		<b>27,073,849</b>	<b>13,164,777</b>	<b>28,568,727</b>
<b>NET ASSETS</b>		<b>626,819,372</b>	<b>611,407,758</b>	<b>619,339,434</b>
<b>EQUITY</b>				
Reserves	17	54,016,812	45,880,202	49,508,314
Revaluation surplus	18	402,427,692	395,057,193	394,889,558
Retained earnings		170,374,868	170,470,363	174,941,562
<b>TOTAL EQUITY</b>		<b>626,819,372</b>	<b>611,407,758</b>	<b>619,339,434</b>

Notes to and forming part of the accounts are included on pages 11 to 62.

## CITY OF BELMONT

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$	Budget \$
<b>RESERVES - INVESTMENT / CASH BACKED</b>				
Balance at 1 July		45,880,202	40,697,357	49,345,744
Amount transferred from accumulated surplus		8,136,610	5,182,845	162,570
Balance at 30 June	17	54,016,812	45,880,202	49,508,314
<b>REVALUATION SURPLUS</b>				
Balance at 1 July		395,057,193	384,729,592	394,889,558
Revaluation adjustments of property, plant, equipment & infrastructure		7,370,499	10,327,601	Nil
Balance at 30 June	18	402,427,692	395,057,193	394,889,558
<b>TOTAL RESERVES</b>		<b>456,444,504</b>	<b>440,937,395</b>	<b>444,397,872</b>
<b>RETAINED EARNINGS</b>				
Balance at 1 July		170,470,363	166,878,696	167,978,341
Net result		8,041,115	8,774,512	7,125,791
Net transfers to cash reserves		(8,136,610)	(5,182,845)	(162,570)
Balance at 30 June		170,374,868	170,470,363	174,941,562
<b>TOTAL EQUITY</b>		<b>626,819,372</b>	<b>611,407,758</b>	<b>619,339,434</b>

Notes to and forming part of the accounts are included on pages 11 to 62.

## CITY OF BELMONT

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 Actual \$	2017 Actual \$	2018 Budget \$
<b>Cash flows from operating activities</b>				
Payments				
Employee costs		(23,614,820)	(22,420,772)	(24,908,309)
Materials & contracts		(21,529,252)	(21,732,185)	(21,673,451)
Insurance expenses		(523,210)	(546,294)	(564,998)
Utilities		(1,116,976)	(1,160,070)	(1,274,590)
Interest		(165,149)	(106,263)	(447,144)
Goods & services tax		(2,437,826)	(3,091,921)	Nil
Other expenses		(3,045,379)	(2,411,969)	(2,855,256)
Receipts				
Rates		47,226,557	46,021,694	47,102,316
Operating grants, subsidies & contributions		4,156,750	4,442,768	2,896,302
Fees & charges		8,856,847	8,614,829	9,203,463
Interest income		1,921,655	1,675,207	1,813,239
Goods & services tax		1,966,683	2,984,029	Nil
Other revenue		543,257	774,524	416,092
<b>Net cash from operating activities</b>	20	<b>12,239,137</b>	<b>13,043,577</b>	<b>9,707,664</b>
<b>Cash flows used in investing activities</b>				
Receipts of non-operating grants & contributions		3,984,468	4,449,239	6,042,354
Proceeds from sale of investments		91,555,267	72,420,294	89,871,681
Payments for investments		(113,832,900)	(77,251,686)	(85,850,816)
Purchase of property, plant, equipment & infrastructure		(13,384,961)	(13,977,318)	(35,336,765)
Proceeds from sale of property, plant, equipment & infrastructure		7,822,096	1,039,608	1,391,436
<b>Net cash used in investing activities</b>		<b>(23,856,030)</b>	<b>(13,319,863)</b>	<b>(23,882,110)</b>
<b>Cash flows from/(used in) financing activities</b>				
Repayments of borrowings		(1,091,522)	(299,800)	(486,201)
Proceeds from borrowings		15,000,000	Nil	15,000,000
Self supporting loan principal receipt		937,592	80,014	94,204
Advances to community groups		Nil	(44,610)	Nil
<b>Net cash from/(used in) financing activities</b>		<b>14,846,070</b>	<b>(264,395)</b>	<b>14,608,003</b>
Net increase/(decrease) in cash held		3,229,177	(540,681)	433,557
Cash held at the beginning of the reporting period		3,974,715	4,515,396	4,217,267
<b>Cash &amp; cash equivalents held at the end of the reporting period</b>	19	<b>7,203,892</b>	<b>3,974,715</b>	<b>4,650,823</b>

Notes to and forming part of the accounts are included on pages 11 to 62.

## CITY OF BELMONT

RATES SETTING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2018

	2018 Actual \$	2017 Actual \$	2018 Budget \$
<b>INCOME STATEMENT</b>			
<b>Operating Expenses</b>			
Employee costs	23,251,282	23,140,327	25,187,734
Materials & contracts	21,533,358	21,722,605	21,727,290
Utility charges	1,116,976	1,160,070	1,274,590
Depreciation	8,298,957	8,532,735	8,609,626
Loss on disposal of assets	2,147,064	381,451	Nil
Interest expenses / finance costs	266,973	102,232	447,144
Insurance expenses	523,210	546,294	564,998
Other expenses	3,650,140	3,282,667	2,871,397
	<b>60,787,960</b>	<b>58,868,381</b>	<b>60,682,779</b>
<b>Operating Revenue (excluding rates)</b>			
Operating grants, subsidies & contributions	4,156,750	4,442,768	2,944,665
Profit on asset disposals	78,333	95,721	274,350
Fees & charges	9,006,598	9,019,896	9,215,554
Interest earnings	1,954,021	1,707,573	1,813,239
Other revenue	543,257	774,524	416,092
	<b>15,738,959</b>	<b>16,040,482</b>	<b>14,663,900</b>
<b>Net Result excluding rates</b>	<b>(45,049,001)</b>	<b>(42,827,899)</b>	<b>(46,018,879)</b>
<b>Adjustment for non cash items</b>			
Depreciation	8,298,957	8,532,735	8,609,626
Employee provisions	(99,564)	86,260	79,425
Adjustment for non-current rates debtors	(10,799)	29,276	Nil
(Profit)/loss on sale of assets	2,068,731	285,730	(274,350)
<b>Funds demand from operations</b>	<b>(34,791,676)</b>	<b>(33,893,898)</b>	<b>(37,604,178)</b>
<b>Capital items</b>			
Capital Grants & Contributions	3,984,468	4,449,239	6,042,354
Acquisition of property plant, equipment & infrastructure	(13,384,961)	(13,977,318)	(35,383,685)
Proceeds from sale of assets	4,044,823	4,816,883	1,391,436
Loan principal repayments	(1,091,522)	(299,800)	(486,201)
Proceeds from borrowings	15,000,000	Nil	15,000,000
Self supporting loan principal receipt	937,592	80,014	94,204
Advances to community groups	Nil	(50,000)	Nil
Repayments of advances to community groups	Nil	5,390	Nil
Transfer to reserve	17 (9,789,870)	(8,085,055)	(3,128,618)
Transfer from reserve	17 1,653,260	2,902,209	2,966,049
Add Opening balance	25 5,468,507	3,507,003	4,506,324
Less Closing balance	(19,364,577)	(5,468,507)	(500,000)
<b>Amount to be made up from rates</b>	<b>3(c) (47,333,956)</b>	<b>(46,013,840)</b>	<b>(47,102,316)</b>

Notes to and forming part of the accounts are included on pages 11 to 62.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

## FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant policies which have been adopted in the preparation of these financial statements are:

a) **Basis of Preparation**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards, *Local Government Act 1995* and accompanying regulations. Accounting policies which have been adopted in the preparation of the financial report have been consistently applied unless stated otherwise.

The report has also been prepared on an accrual basis under the convention of historical cost accounting as modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**Critical Accounting**

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

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of 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**

The financial statements forming part of this report have been prepared on the basis of 3 funds (Municipal, Reserve and Trust Funds). For the purposes of reporting the Municipal authority as a single unit, all transactions and balances in respect to these Funds have been consolidated. Certain monies held in the Trust Fund have been excluded from the consolidated financial statements, but a separate statement of those monies appears at Note 11 to the Financial Report. Included within the financial statements are those transactions that relate to the Belmont Trust that are further explained in note 12.

c) **Goods and Services Tax**

Revenues, Expenses and Assets are recognised net of the amount of Goods and Services Tax (GST), except:

- Where the amount of GST incurred is not recoverable from the taxation office, it is recognised as part of the acquisition of an asset or as part of an item of expense; or
- for receivables or payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation office is included as part of the receivables or payables. Cashflows are included in the Statement of Cash Flows on a gross basis. The GST component arising from investing and financing activities is classified as operating cashflows.

d) **Cash and Cash**

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****e) Trade and Other**

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that 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. Those receivables expected to be paid in 12 months of the end of the reporting period are classified as current and all other receivables classified as non-current.

**f) Inventories**

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

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

**g) Interest in Joint Arrangements**

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The City's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements

**h) Land Held for Resale**

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the Statement of Profit or Loss and Other Comprehensive Income 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 Council's intention.

**i) Property, Plant, Equipment and Infrastructure Assets**

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

**Initial Recognition**

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

**Land Under Control**

In accordance with *Local Government (Financial Management) Regulation 16(a)(ii)*, Council is required to include as an asset, Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of state or regional significance. No such Crown Land is operated by Council.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****i) Property, Plant, Equipment and Infrastructure Assets (continued)****Revaluation**

As per *Local Government (Financial Management) Regulation 17A (4)* a local government must revalue an asset of the local government-

- a) whenever the local government is of the opinion that the fair value of the asset is likely to be materially different from its carrying amount; and
- b) in any event, within a period of at least 3 years but no more than 5 years after the day on which the asset was last valued or revalued.

When performing a revaluation, Council uses a mix of both independent and management valuations. Where appropriate, revalued assets are carried at their fair value being the price that would be received to sell the asset, in an orderly transaction between market participants at the measurement date (Level 1 inputs in the fair value hierarchy).

For land and buildings, fair value will be determined based on the nature of the asset class. For land and non-specialised buildings, fair value will be determined on the basis of observable open market values of similar assets, adjusted for conditions and comparability at their highest and best use (Level 2 inputs in the fair value hierarchy).

With regards to specialised buildings, fair value will be determined having regard for current replacement cost and both observable and unobservable costs. These include construction costs based on recent contract prices, current condition (observable Level 2 inputs in the fair value hierarchy), residual values and remaining useful life assessments (unobservable Level 3 inputs in the fair value hierarchy).

For infrastructure and other asset classes, fair value is determined to be the current replacement cost of an asset (Level 2 inputs in the fair value hierarchy) less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset (Level 3 inputs in the fair value hierarchy).

Increases in the carrying amount arising on revaluation of asset classes are credited as a revaluation surplus in equity. Decreases that offset previous increases of the same asset class are recognised against the revaluation surplus directly in equity. All other decreases are recognised as a loss.

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

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**I. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****i) Property, Plant, Equipment and Infrastructure Assets (continued)**

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 materially from that determined using fair value at reporting date.

In addition, the amendments to the Financial Management Regulations mandating the use of Fair Value imposes a further minimum 3 year revaluation requirement. As a minimum, all assets carried at a revalued amount, will be revalued at least every 3 years.

Given the estimated impact of revaluation adjustments on Comprehensive Income cannot be reliably measured at the time of budget adoption, no adjustments are budgeted. As the adjustments are non-cash transactions they have no impact on the rate setting budget.

**Transitional Arrangements**

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, Council will be utilising both methods across differing asset classes. Those assets carried at cost will be carried in accordance with the policy detailed in the Initial Recognition section as detailed above. Those assets carried at fair value will be carried in accordance with the Revaluation Methodology section as detailed above.

**Land Under Roads**

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

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset. Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail. Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

**Depreciation of Property, Plant, Equipment and Infrastructure**

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.

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

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**I. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****i) Property, Plant, Equipment and Infrastructure Assets (continued)**

Buildings - Floor	40 - 150 years
Buildings - Envelope	40 - 150 years
Buildings - Fit-out	30 - 100 years
Buildings - Roof	40 - 150 years
Buildings - Other	10 - 80 years
Furniture & Equipment -	3 - 7 years
Furniture & Equipment -	50 years
Plant - Motor Vehicles	5 years
Plant - Other	3 - 15 years
Roads/Carparks -	Not depreciated
Roads/Carparks - Paving	40 - 150 years
Roads/Carparks - Kerbing	40 years
Roads/Carparks -	20 years
Infrastructure - Footpaths	20 - 50 years
Infrastructure - Drainage	77 - 100 years
Infrastructure - Parks and	10 - 50 years
Infrastructure - Turf on	Not depreciated

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held as ready for use. New infrastructure assets have been recorded in this financial report and have been capitalised as at 1 January on a network basis.

**Capitalisation Threshold**

The capitalisation thresholds for infrastructure assets and all other fixed assets is \$5,000.

**j) Intangible Assets****Easements**

The Council has determined that under AASB 138, easements are valued on an historical cost basis, because it is unlikely that an active market in easements exists to allow for fair value measurement. Due to acquisition of easements at nil values and the inability to reliably measure the fair value of easements, no easements have been included in the financial report.

No other assets have been classified as intangible.

**k) Investments and Other Financial Assets****Classification**

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

**(i) Financial assets at fair value through profit and 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.



## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****k) Investments and Other Financial Assets (continued)***(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*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that 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*

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, fixed or determinable payments and management intends to hold them for the medium to long term.

**Recognition and Derecognition**

Regular purchases and sales of financial assets are recognised on trade-date; the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the Statement of Profit or Loss and Other Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the Statement of Profit or Loss and Other Comprehensive Income as gains and losses from investment securities.

**Subsequent Measurement**

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the Statement of Profit or Loss and Other Comprehensive Income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the Statement of Profit or Loss and Other Comprehensive Income as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****k) Investments and Other Financial Assets (continued)**  
**Impairment**

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in the Statement of Profit or Loss and Other Comprehensive Income. Impairment losses recognised in the Statement of Profit or Loss and Other Comprehensive Income on equity instruments classified as available-for-sale are not reversed through the Statement of Profit or Loss and Other Comprehensive Income.

**Estimation of Fair Value**

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 based on quoted market prices at the Statement of Financial Position date.

The fair value of financial instruments that are not traded in an active market 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. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

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 Council for similar financial instruments.

**l) Impairment**

In accordance with Australian Accounting Standards Council's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

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

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****m) 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.

**n) 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:

**(i) Annual Leave**

Annual leave is not expected to be settled wholly within 12 months after the date of the reporting period and is therefore considered to be 'other long term employee benefits'. The annual leave liability is recognised and measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period.

The provision for annual leave is classified as a current liability as Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

**(ii) Long Service Leave**

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. 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 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.

**o) Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**p) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the City, are classified as finance leases. Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**q) Other Liabilities**

Bonds and deposits have been reviewed and Council has determined that there is sufficient control over these to legitimately hold them in the Municipal Fund.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****r) Provisions**

Provisions are recognised when Council has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**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.

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 in Note 4. 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) Superannuation**

Council contributes to the Local Government Superannuation Scheme, the Occupational Superannuation Fund, and other Choice Funds which are selected by employees. All funds are defined contribution schemes.

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.

**u) Rounding of Figures**

All figures shown in this Annual Financial Report, other than a rate in the dollar, are rounded to the nearest dollar.

**v) Comparatives**

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

When Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in the financial statements that have a material effect on the Statement of Financial Position, an additional Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

**w) Budget Comparative**

Unless otherwise stated, the budget comparatives figure shown in this Annual Financial Report relate to the original budget estimate for the relevant item or disclosure.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont.)****x) Adoption of New and Revised Accounting Standards**

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

Whilst many reflected consequential changes associated with the amendment of existing standards, the only new standard with material application is as follows:

(i) AASB 2016-7 (Applicable to reporting periods commencing on or after 1 January 2017) Amendments to Accounting Standards - Deferral of AASB 15 for Non-for-Profit Entities

**y) New Accounting Standards and Interpretations**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by Council for the annual reporting period ending 30 June 2018.

Council's assessment of these new standards and interpretations is set out below:

	<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	01-Dec-14	01-Jan-18	Nil - The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
(ii)	AASB 16 Leases	01-Feb-16	01-Jan-19	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted.  Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges.  Currently this does not have any impact on the Council's financial statements.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

(iii)	AASB 15 Revenue from Contracts with Customers	01-Dec-14	01-Jan-18	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.  The effect of this Standard will depend upon the nature of future transactions the Council has with those third parties it has dealings with. It may or may not be significant.
(iv)	AASB 2014-5 AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	01-Dec-16	01-Jan-19	These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are: -Assets received below fair value; -Transfers received to acquire or construct non-financial assets; -Grants received; -Prepaid rates; -Leases entered into at below market rates; and -Volunteer services. Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Council's operations.

(\*) Applicable to reporting periods commencing on or after the given date.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**2. DEBTS WRITTEN OFF**

Debts totalling \$0 were written off during the reporting period to 30 June 2018.

**3. OPERATING REVENUES AND EXPENSES**a) **Depreciation expense by program**

	2018	2017
	\$	\$
Governance	446,299	533,562
General Purpose Funding	13,005	5,180
Law, order & public safety	210,614	204,111
Health	64,932	71,375
Education & welfare	125,322	126,939
Housing	87,520	87,937
Community amenities	26,829	30,573
Recreation & culture	2,055,709	1,859,231
Transport	4,940,665	5,289,328
Economic services	215,348	219,728
Other property & services	112,713	104,770
	<u>8,298,957</u>	<u>8,532,735</u>

b) **Statement of Objective**

The City of Belmont is dedicated to effectively and efficiently promote growth, safeguard the health, safety and convenience, and economic and general welfare of the community of the City of Belmont.

**GENERAL PURPOSE FUNDING**

Includes the cost of collecting rates income and all general purpose funding e.g. Grants Commission Funding.

**GOVERNANCE**

All costs associated with the elected members of Council, together with all costs associated with the general governance of the district. Includes all costs generated by the full allocation of administration costs in accordance with the principles of Activity Based Costing.

**LAW, ORDER AND PUBLIC SAFETY**

The control and prevention of fire. Administration of all matters relating to the control of animals, mainly dogs and all general law, order and public safety matters administered by Council's Rangers.

**HEALTH**

The administration of maternal and infant health through child health clinics. The administration of preventative services such as: Immunisation, Meat Inspections, Inspection of food premises and Pest Control.

**EDUCATION AND WELFARE**

The provision of children services, the care of the aged and disabled through Aged and Disabled Services, Senior Citizen Centres and Meals on Wheels. The provision of some pre-school education facilities, but not the delivery of education.

**HOUSING**

The provision of Aged Housing Facilities throughout the district.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**3. OPERATING REVENUES AND EXPENSES (Cont.)****COMMUNITY AMENITIES**

Includes sanitation (household refuse); stormwater drainage; town and regional planning and development; the provision of rest rooms and protection of the environment.

**RECREATION AND CULTURE**

The provision of facilities and support of organisations concerned with leisure time activities and sport. The provision and maintenance of a public library. The provision of a cultural centre and a historical museum.

**TRANSPORT**

Construction and maintenance of streets, roads, footpaths, cycleways and Council Depot. The control of street parking and the control of traffic management of local streets.

**ECONOMIC SERVICES**

The management of local tourism and area promotion. The provision of building approvals and control. Any other economic services.

**OTHER PROPERTY AND SERVICES**

Private works, public work overheads, plant operations. A summary of salaries and wages total costs and any other miscellaneous activities that cannot otherwise be classified in the above.

c) **Rating Information****Minimum Rates**

The minimum payments for 2017/18 have again been set to ensure the minimum level of service required is adequately funded. Minimum payments serve other key purposes in relation to encouraging owners of vacant land to develop the site for whichever purpose it is zoned. This process further complements the State Government initiative of promoting urban infill and arresting the urban sprawl that burdens the State's ability to provide Infrastructure Assets.

The following rates in the dollar applied to each property in the differential rate categories where a minimum rate was not applied. For additional details refer to the Statement of General Purpose Funding.

	Rate in \$	Minimum \$	Total Properties
RESIDENTIAL	0.0516480	815	17,908
COMMERCIAL	0.0607280	960	1,099
INDUSTRIAL	0.0608930	980	461

**Differential Rating**

The *Local Government Act 1995* empowers a council to impose different rates in the dollar for different land zonings and different rates for improved or vacant land within a zoning. This power is provided to help local authorities with particular rating difficulties and to achieve better rating equity between different land use zonings.

For the purposes of this rating system, a land zone is a Town Planning Scheme Zone made under the *Planning and Development Act 2005* or a Zone made under Council's Planning By-laws.

Council may also apply an existing zone rate to land which is lawfully used for a non conforming use in another zone. In such cases, Council must formally declare that the land be categorised in that zone for the purpose of imposing the more appropriate rate. Within zones, land which is either improved or vacant may be rated differently. It should be noted that where, during the rating year, land is rezoned, the Council cannot issue an amended rate notice reflecting that change.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**3. OPERATING REVENUES AND EXPENSES (Cont.)**c) **Rating Information (cont.)****Residential Rate**

The Residential Rate forms the basis of the differential rates relativities. The relativities are in place to provide Council with the flexibility to address any shifts from one rating category to another that it considers is too severe and should be phased in, or to recognise a differing level of service required by a particular rating category.

The residential rating category is also deemed to have the least capacity to pay. However, Council is committed to increasing the Residential Rate base through its City of Opportunity Marketing Strategy. This has resulted in considerable growth that is broadening the base and in turn, evenly distributing the overheads of maintaining the infrastructure of the City. There are continuing positive signs of redevelopment that have resulted in healthy growth that should continue into the foreseeable future.

**Commercial Rate**

Many of the reasons stated for the Industrial Rate apply to the Commercial Rate, however to a lesser degree. Certainly the location to the airports and rail terminal attract business and therefore more traffic to Belmont, however the vehicle traffic would be generally lighter and therefore not as great an impact on Council's road network.

**Industrial Rate**

Council has identified that the location of both the airports and the rail freight terminal has encouraged industry to locate within the City of Belmont. The result of this is large volumes of heavy vehicle traffic movements within the City and therefore an accelerated deterioration of roads.

Greater expenditure of Council's revenues is also required on services such as Health, Building and Town Planning.

The minimum payment is considered reasonable given the industrial properties will generally be serviced by and have access to a reasonable standard of infrastructure provided by the Council. It should also be seen as an incentive to develop any vacant lots that are zoned industrial.

**Specified Area Rates**

There were no specified area rates for the current reporting period.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**3. OPERATING REVENUES AND EXPENSES (Cont.)**c) **Rating Information (cont.)****Discounts and Incentive Schemes**

The City of Belmont offers a 5% discount on rates paid in full by 18 September 2017 (35 days after issue of notice) or in the case of pensioners if the appropriate percentage of rates levied is paid by 18 September 2017. Payment must include any arrears and does not apply to the separate Rubbish Charge.

The total cost of the 5% discount to the City for 2017/18 is \$1,548,116 (Budget \$1,446,848, Prior Year \$1,424,558).

The City of Belmont also offers incentive prizes for ratepayers to pay by 18 September 2017. Ratepayers are only eligible if they pay their rates in full (including arrears and rubbish charge) by 18 September 2017. In the case of Pensioners the appropriate percentage of rates levied together with the Annual Rubbish Charge.

Winners are determined by computer random selection from records containing City of Belmont ratepayers who have paid their rates by the due date.

The City provided a number of incentive prizes which were donated by various organisations. The City incurred no direct cost in the provision of these prizes.

**Instalments and Interest****Late Payment of Rates**

- 11% penalty interest rate for overdue rates.
- \$113,721 (Budget \$93,000, Prior Year \$103,991)

**Instalment Options**

4 instalments

- 18 September 2017
- 20 November 2017
- 22 January 2018
- 23 March 2018

**Cost of 4 Instalment Program**

- 5.5% instalment interest rate
- \$20.00 administration fee

**2 Instalments**

- 18 September 2017
- 22 January 2018

**Cost of 2 Instalment Program**

- \$20 administration fee

**Income for Instalment Program**

- Instalment Interest \$135,874 (Budget \$135,000, Prior Year \$128,342)
- Administration Fee \$120,350 (Budget \$115,000, Prior Year \$113,770)

**Interim and Back Rates**

Interim and back rates levied during 2017/18 totalled \$1,058,015 and were comprised as follows:-

	2018		2017	
	Actual	Back	Interim	Back
	\$	\$	\$	\$
Residential	406,289	41,747	519,744	41,747
Commercial	642,153	(4,569)	8,540	(4,569)
Industrial	(27,368)	(238)	(44,277)	(238)
	<b>1,021,075</b>	<b>36,940</b>	484,007	36,940

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**3. OPERATING REVENUES AND EXPENSES (Cont.)**

## c) Rating Information (cont.)

	2018 Actual \$	2018 Valuations \$	2017 Actual \$	2018 Budget \$
<b>General Rate</b>				
<b>Residential</b>				
13,402 assessments				
GRV rate in \$: 0.051648	15,055,848	291,508,800	13,326,257	15,037,962
- Interims and back rates	448,036		561,491	467,861
<b>Commercial</b>				
921 assessments				
GRV Rate in \$: 0.060728	8,491,726	139,832,141	8,384,665	8,540,753
- Interims and back rates	637,584		3,971	87,126
<b>Industrial</b>				
453 assessments				
GRV rate in \$: 0.060893	8,216,323	134,930,508	8,130,536	8,216,174
- Interims and back rates	(27,606)		(44,515)	82,240
<b>Minimum Rate</b>				
<b>Residential</b>				
GRV number of assessments 4,506 at \$815 each	3,672,390	63,938,300	4,438,400	3,676,465
<b>Commercial</b>				
GRV number of assessments 178 at \$960 each	170,880	1,407,880	172,935	171,840
<b>Industrial</b>				
GRV number of assessments 8 at \$980 each	7,840	87,219	7,720	7,840
<b>Payments in Lieu of Rates</b>	10,660,932		11,032,381	10,814,055
<b>Total General Rates Levied</b>	<b>47,333,956</b>	<b>631,704,848</b>	<b>46,013,840</b>	<b>47,102,316</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**4. CASH ASSETS**

The following restrictions have been imposed by regulations or other external requirements.

	Note	2018 \$	2017 \$	Budget \$
Administration Building Reserve		221,312	215,358	205,416
Aged Accommodation - Homeswest Reserve		751,751	728,377	597,302
Aged Persons Housing Reserve		1,343,125	1,497,347	1,193,872
Aged Services Reserve		1,128,140	1,097,791	1,165,229
Ascot Waters Marina Maint. and Redev. Reserve		958,966	933,169	847,265
Belmont District Band Reserve		35,481	31,607	35,420
Belmont Oasis Refurbishment Reserve		3,881,697	3,777,273	3,875,482
Belmont Trust Reserve		1,636,968	1,604,836	1,412,058
Building Maintenance Reserve		5,230,744	5,304,839	5,241,159
Development Contributions Reserve		Nil	Nil	Nil
District Valuation Reserve		123,605	42,432	150,139
Election Expenses Reserve		87,271	148,333	81,932
Environment Reserve		26,500	Nil	Nil
Faulkner Park Ret. Vill. Owner Maint. Reserve		423,122	351,490	423,122
Faulkner Park Ret. Vill. Buy Back Reserve		2,169,765	1,980,604	2,276,278
Foreshore Development Reserve		Nil	Nil	Nil
History Reserve		224,408	188,205	202,223
Information Technology Reserve		1,344,782	1,011,810	1,037,763
Land Acquisition Reserve		9,535,146	6,248,556	9,617,269
Long Service Leave Reserve - Funded Programs		90,936	94,034	73,438
Long Service Leave Reserve - Salaries		1,656,974	1,820,987	1,840,416
Long Service Leave Reserve - Wages		441,406	494,335	404,870
Miscellaneous Entitlements Reserve		893,561	990,320	1,079,656
Parks Development Reserve		278,070	228,634	Nil
Plant Replacement Reserve		909,585	505,718	400,459
Property Development Reserve		16,799,981	13,280,612	13,872,347
Public Art Reserve		189,645	135,888	139,356
Ruth Faulkner Library Reserve		43,061	41,902	42,977
Streetscapes Reserve		461,348	302,972	460,762
Urban Forest Strategy Reserve		108,945	106,014	108,733
Waste Management Reserve		1,631,589	1,365,192	1,331,069
Workers Compensation/Insurance Reserve		1,388,931	1,351,566	1,392,303
		<b>54,016,812</b>	<b>45,880,202</b>	<b>49,508,314</b>
Loan monies unspent		12,494,375	Nil	Nil
Grant funds unspent as at 30 June	37	1,356,966	742,777	Nil
<b>Total restricted funds</b>		<b>67,868,152</b>	<b>46,622,979</b>	<b>49,508,314</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

<b>4. CASH ASSETS (Cont.)</b>			
	2018	2017	Budget
	\$	\$	\$
<b>Cash and cash equivalents</b>			
Cash at bank and on hand	7,203,892	3,974,715	4,650,823
	<u>7,203,892</u>	<u>3,974,715</u>	<u>4,650,823</u>
<b>Financial Assets at Fair Value</b>			
Managed funds	Nil	Nil	Nil
Deposits (>3 months)	49,624,906	48,843,410	51,738,325
Deposits (>12 months)	21,496,137	Nil	Nil
	<u>71,121,043</u>	<u>48,843,410</u>	<u>51,738,325</u>
Restricted	67,868,152	46,658,571	49,508,314
Unrestricted	10,456,783	6,159,554	6,880,834
	<u>78,324,935</u>	<u>52,818,125</u>	<u>56,389,148</u>
<b>Investment and interest earnings</b>			
Interest on other financial assets	1,838,610	1,576,513	
Net return on other financial assets	<u>1,838,610</u>	<u>1,576,513</u>	
Interest on cash and short term deposits	115,411	131,060	
Total return	<u>1,954,021</u>	<u>1,707,573</u>	
Investment income by municipal fund	687,919	560,683	550,000
Investment income on reserve funds	1,266,102	1,146,890	1,263,239
Total Return	<u>1,954,021</u>	<u>1,707,573</u>	<u>1,813,239</u>
<b>Control Over Contributions</b>			
1) Grants which were recognised as revenues during the year but have yet to be applied in that manner at the reporting date.	1,356,966	742,777	
Grants for the year ending 30 June 2018 are predominantly road grant.			
2) Grants which were recognised as revenue in a previous year but have yet to be applied in that manner at the reporting date.	Nil	Nil	
3) Grants which were recognised as revenue in a previous year and were expended in the current year in that manner specified by the grantor.	742,777	159,099	

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

<b>5. TRADE AND OTHER RECEIVABLES</b>			
	Note	2018	2017
		\$	\$
<b>Current</b>			
Rates		1,005,537	908,937
Trade debtors		964,777	571,464
Other accrued income		1,404,659	5,031,997
Prepayments		308,050	544,937
Self-Supporting loan	35	Nil	84,204
		<u>3,683,023</u>	<u>7,141,540</u>
<b>Non-current</b>			
Pensioner deferred rates		329,545	314,300
Loan (community group)		44,610	897,997
		<u>374,155</u>	<u>1,212,297</u>
<b>6. INVENTORIES</b>			
		2018	2017
		\$	\$
Stores inventory		215,205	219,311
		<u>215,205</u>	<u>219,311</u>
<b>7. INTEREST IN JOINT VENTURES</b>			
The City is a participant in the Eastern Metropolitan Regional Council (EMRC). The City's interest in the joint venture calculated by the EMRC as at 30 June 2018 is 11.35% representing its share of net assets of \$21,132,204. The City is also a unit holder in the Local Government House Trust holding 10 units with a total value of \$154,668. There are 620 units in total. The City's share of net assets of both entities is \$21,286,872. The City's interest in the assets and liabilities of both entities is as follows:			
		2018	2017
		\$	\$
Interest in Joint Ventures as at 30 June		21,286,872	19,990,184
Represented by Share of Joint Ventures :			
<u>EMRC:</u>			
Revenue		39,351,664	36,840,260
Net Result		11,436,556	8,791,160
Comprehensive Income		11,120,418	11,393,795
<u>Financial Position:</u>			
Current Assets		100,898,163	94,577,311
Non-Current Assets		93,952,114	93,297,025
Total Assets		<u>194,850,277</u>	<u>187,874,336</u>
Current Liabilities		5,146,182	5,284,917
Non-Current Liabilities		3,573,905	7,579,647
Total Liabilities		<u>8,720,087</u>	<u>12,864,564</u>
Net Assets		<u>186,130,190</u>	<u>175,009,772</u>
Change in equity		1,237,024	1,139,332
Revaluation Surplus Movement		(95,004)	167,635

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**7. INTEREST IN JOINT VENTURES (Cont.)**

	2018	2017
	\$	\$

Local Government House Trust (LGHT)

The City has for the first time capitalised its share of 10 units amounting to \$154,668 based on the Trust's most current audited Financial Statements.

The total change in equity recognised for the year ended 30 June 2018 for both entities is \$1,391,692.

The City also holds a minor interest in jointly controlled assets (land and buildings) with the Housing Authority for aged accommodation purposes. Included in Property, Plant and Equipment the total value of the City's share of jointly controlled assets at 30 June 2018 is \$2,518,489 (2017: \$2,495,071).

**8. BORROWINGS**

Council currently has the following principal outstanding on loans borrowed for various capital works and land acquisition purposes.

	2018	2017	Budget
	\$	\$	\$
<b>Current</b>			
Interest on loans accrued	119,261	17,437	
Loan liability	675,561	238,135	763,518
	<u>794,822</u>	<u>255,572</u>	<u>763,518</u>
<b>Non-Current</b>			
Loan liability	14,662,381	1,191,329	15,179,744
	<u>15,457,203</u>	<u>1,446,901</u>	<u>15,943,262</u>
<b>Total Borrowings</b>			
	<u>15,457,203</u>	<u>1,446,901</u>	<u>15,943,262</u>
Loans raised during year (note 35)	15,000,000	Nil	15,000,000
	<u>15,000,000</u>	<u>Nil</u>	<u>15,000,000</u>
Unspent balance of borrowings	12,494,375	Nil	Nil
	<u>12,494,375</u>	<u>Nil</u>	<u>Nil</u>

All borrowings made by Council are secured over the general funds of the City of Belmont.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**9. PAYABLES & PROVISIONS**

	2018	2017
	\$	\$
<b>(a) Trade and other payables (Current)</b>		
Creditors	4,204,043	4,217,566
Salaries and wages accrued	397,845	677,469
	<u>4,601,888</u>	<u>4,895,035</u>
<b>(b) Provisions (Current)</b>		
Provision for annual leave	2,334,754	2,342,869
Provision for long service leave	2,189,316	2,409,356
Other leave provisions	182,960	159,195
Other provisions	740,718	553,248
	<u>5,447,748</u>	<u>5,464,668</u>

Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018	2017
	\$	\$
Within 12 months of the end of the reporting period	1,904,090	1,853,129
More than 12 months after the end of the reporting period	430,665	489,741
	<u>2,334,754</u>	<u>2,342,869</u>

Long service leave liabilities due or payable have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018	2017
	\$	\$
Within 12 months of the end of the reporting period	438,432	633,162
More than 12 months after the end of the reporting period	1,750,884	1,776,194
	<u>2,189,316</u>	<u>2,409,356</u>

**(c) Provisions (Non-current)**

Provision for long service leave	651,331	530,854
	<u>651,331</u>	<u>530,854</u>



## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**10. CAPITAL AND LEASING LEASE COMMITMENTS**

As at 30 June, Council had the following operating lease commitments expenditure outstanding.

**Operating lease payable details**

	2018	2017
	\$	\$
Not longer than 1 year	84,402	62,620
Longer than 1 year and not longer than 2 years	67,825	16,756
Longer than 2 years and not longer than 5 years	55,024	222
Longer than 5 years	Nil	Nil
	<u>207,251</u>	<u>79,598</u>

Operating lease expenditure relates to the leasing of cardio vascular gym equipment that is used in the Belmont Oasis. The implied interest rate and average lease life are 0.99% and 1.58 years respectively.

As at 30 June Council had the following operating lease commitments for which Council was the lessor.

**Operating lease receivable details**

	2018	2017
	\$	\$
Not longer than 1 year	335,608	272,475
Longer than 1 year and not longer than 2 years	287,266	240,660
Longer than 2 years and not longer than 5 years	236,310	336,489
Longer than 5 years	26,813	53,035
	<u>885,997</u>	<u>902,658</u>

Operating lease revenue is payable from tenants in commercial property owned by City of Belmont. Leases have an average lease term of 2.3 years and an implicit interest rate based on CPI.

**Capital Works Contract Commitments**

As at 30 June, the City had the following contracted capital works commitments outstanding.

	2018	2017
	\$	\$
Not longer than 1 year	32,867,090	1,479,710
Longer than 1 year and not longer than 2 years	5,225,928	Nil
Longer than 2 years and not longer than 5 years		Nil
Longer than 5 years	Nil	Nil
	<u>38,093,018</u>	<u>1,479,710</u>

Significant increase relates to the construction contract of the new community centre.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**11. OTHER LIABILITIES**

(a) Other Liabilities (Current)	Note	2018	2017
		\$	\$
Total deposits held		1,566,705	1,463,218
Less trust funds (not under Council control)		(1,466,577)	(1,352,190)
Income received in advance		762,065	667,251
		<u>862,193</u>	<u>778,279</u>

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

	2018	2017
	\$	\$
Unclaimed/Surplus Cash	700	730
BCITF Levy	20,261	12,627
Building Services Levy	52,586	11,661
Department of Planning Fees	196	155
Cash In Lieu Of Public Open Space	1,240,134	1,207,318
Cash In Lieu Of Carparking	59,700	59,700
Cash In Lieu Of Public Art	93,000	60,000
	<u>1,466,577</u>	<u>1,352,190</u>

**(b) Other Liabilities (Non-Current)**

Creditors	53,486	49,040
	<u>53,486</u>	<u>49,040</u>

**Summary of Total Deposits Held**

(a) BCITF Levy	2018	2017
Opening balance	12,627	18,053
Receipts	500,539	490,134
Payments/Transfers	(492,905)	(495,560)
Balance at 30 June	<u>20,261</u>	<u>12,627</u>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**11. OTHER LIABILITIES (Cont.)**

<b>(b) BSL Levy</b>		
Opening balance	11,661	15,302
Receipts	378,932	381,329
Payments/Transfers	(338,007)	(384,970)
Balance at 30 June	52,586	11,661
<b>(c) Cash In Lieu Of Public Open Space</b>		
Opening balance	1,207,318	1,174,633
Receipts	32,816	32,685
Payments/Transfers	Nil	Nil
Balance at 30 June	1,240,134	1,207,318
<b>(d) Footpath Deposits - Specific</b>		
Opening balance	20,850	91,345
Receipts	Nil	Nil
Payments/Transfers	(8,800)	(70,495)
Balance at 30 June	12,050	20,850
<b>(e) General Deposits</b>		
Opening balance	9,173	9,309
Receipts	400	100
Payments/Transfers	(300)	(236)
Balance at 30 June	9,273	9,173
<b>(f) Hall Hire Liquor Deposits</b>		
Opening balance	57,040	52,642
Receipts	143,315	155,349
Payments/Transfers	(144,265)	(150,951)
Balance at 30 June	56,090	57,040
<b>(g) Library Temporary Membership</b>		
Opening balance	45	120
Receipts	Nil	Nil
Payments/Transfers	Nil	(75)
Balance at 30 June	45	45
<b>(h) Performance Bonds</b>		
Opening balance	22,000	22,000
Receipts	Nil	Nil
Payments/Transfers	Nil	Nil
Balance at 30 June	22,000	22,000
<b>(i) Unclaimed Monies</b>		
Opening balance	730	730
Receipts	Nil	Nil
Payments/Transfers	(30)	Nil
Balance at 30 June	700	730

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**11. OTHER LIABILITIES (Cont.)**

<b>(j) Sundry Deposits</b>		
Opening balance	35	35
Receipts	Nil	Nil
Payments/Transfers	Nil	Nil
Balance at 30 June	35	35
<b>(k) Cash in Lieu of Carparking</b>		
Opening balance	59,700	59,700
Receipts	Nil	Nil
Payments/Transfers	Nil	Nil
Balance at 30 June	59,700	59,700
<b>(l) Rates in Suspense</b>		
Opening balance	1,885	1,885
Receipts	Nil	Nil
Payments/Transfers	(1,251)	Nil
Balance at 30 June	634	1,885
<b>(m) Geac Strategic Directions</b>		
Opening balance	Nil	315
Receipts	Nil	Nil
Payments/Transfers	Nil	(315)
Balance at 30 June	Nil	Nil
<b>(n) Department of Planning Fees</b>		
Opening balance	155	Nil
Receipts	32,014	22,041
Payments/Transfers	(31,973)	(21,886)
Balance at 30 June	196	155
<b>(o) Cash in Lieu of Public Art</b>		
Opening balance	60,000	60,000
Receipts	33,000	Nil
Payments/Transfers	Nil	Nil
Balance at 30 June	93,000	60,000
<b>Total funds held</b>	<b>1,566,705</b>	<b>1,463,218</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**12. BELMONT TRUST**

The City of Belmont is a trustee for lot 49 Great Eastern Highway and lot 5 Stoneham Street held in Ascot. The effect of the Trust Deed is that the City holds the trust property (land) for the charitable purpose of public recreation and enjoyment for the people that reside in the City of Belmont.

The Belmont Trust is not a separate legal entity and it cannot own property in its own name. Instead the land is held by the City as the sole trustee. The Trust's assets, liabilities, income and expenditure are consolidated in the City's own financial statements. However to ensure that any financial benefits generated by the Trust are managed in accordance with the Trust Deed, assets, liabilities, income and expenditure will be separately recorded.

During the year ending 30 June 2018 the Belmont Trust incurred expenditure of \$9,960 to maintain the land and fund legal services while interest income of \$42,092 was earned. Net funds were transferred to the Belmont Trust Reserve which had a balance of \$1,636,968 at the end of the financial year.

As at the reporting date the Trust land is recognised as a Non-Current Asset at a fair value of \$35.25 million.

**13. GAIN/(LOSS) ON DISPOSAL OF ASSETS**

(I) ASSET DISPOSALS	2018	2017	Budget
	\$	\$	\$
<b>Land</b>			
Net book value of disposals	3,146,000	4,100,000	30,450
Proceeds on disposal	3,150,000	3,777,273	304,500
Profit/(loss) on disposal	4,000	(322,727)	274,050
<b>Buildings</b>			
Net book value of disposals	1,858,843	Nil	Nil
Proceeds on disposal	Nil	Nil	Nil
Profit/(loss) on disposal	(1,858,843)	Nil	Nil
<b>Furniture, fixtures and equipment</b>			
Net book value of disposals	108,001	121	Nil
Proceeds on disposal	Nil	Nil	300
Profit/(loss) on disposal	(108,001)	(121)	300
<b>Plant and machinery</b>			
Net book value of disposals	888,357	1,002,489	1,086,636
Proceeds on disposal	894,822	1,039,607	1,086,636
Profit/(loss) on disposal	6,465	37,117	Nil
<b>Reserve Improvements</b>			
Net book value of disposals	112,352	Nil	Nil
Proceeds on disposal	Nil	Nil	Nil
Profit/(loss) on disposal	(112,352)	Nil	Nil
<b>Net profit/(loss)</b>	<b>(2,068,731)</b>	<b>(285,730)</b>	<b>274,350</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**13. GAIN/(LOSS) ON DISPOSAL OF ASSETS (Cont.)**

	2018	2017	Budget
	\$	\$	\$
<b>Gain/(Loss) by Program/Function</b>			
Governance	(22,504)	8,026	274,350
General purpose funding	(2,078)	(327,657)	Nil
Law, order & public safety	(10,247)	(5,007)	Nil
Health	8,523	7,474	Nil
Education & welfare	(1,880,521)	(3,379)	Nil
Housing	Nil	Nil	Nil
Community amenities	5,017	9,974	Nil
Recreation & culture	(198,816)	4,461	Nil
Transport	16,684	18,523	Nil
Economic services	2,933	2,389	Nil
Other property & services	12,278	(535)	Nil
	<b>(2,068,731)</b>	<b>(285,730)</b>	<b>274,350</b>

For the year ended 30 June 2018, the City changed its accounting policy in regards to the capitalisation of Property, Plant and Equipment assets (PPE). The capitalisation threshold was changed from \$2,000 to \$5,000, which is consistent with the City's capitalisation threshold for Infrastructure assets.

The net impact on the Statement of Comprehensive income for 2017-18 is an additional net expense of \$117,099 being an additional Loss on Disposal of Assets of \$127,358 and an offsetting reduction in Depreciation of \$10,259. The Net Result and Total Comprehensive Income for 2017-18 will also be reduced by \$117,099.

The net impact on the Statement of Financial Position at 30 June 2018 is a reduction in Property, plant and equipment, Total Assets and Net Assets of \$117,099.

**14. PROPERTY, PLANT AND EQUIPMENT**

	2018	2017
	\$	\$
<b>Land (Freehold) at:</b>		
Independent valuation (level 2)	182,902,000	186,048,000
* Additions after valuation	400,000	Nil
	<b>183,302,000</b>	<b>186,048,000</b>
* Land was acquired for \$20,000 with a fair value of \$400,000 (\$380,000 increase).		
<b>Buildings at:</b>		
Independent valuation (level 3)	101,815,337	104,168,723
Additions after valuation	2,376,073	1,482,804
Less: accumulated depreciation	(12,775,298)	(11,818,001)
	<b>91,416,114</b>	<b>93,833,526</b>
<b>Furniture &amp; equipment at:</b>		
Management valuation (level 3)	5,203,482	7,342,337
Additions after valuation	2,157,838	1,841,208
Less: accumulated depreciation	(6,564,735)	(7,994,199)
	<b>796,586</b>	<b>1,189,346</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**14. PROPERTY, PLANT AND EQUIPMENT (Cont.)**

	2018	2017
	\$	\$
<b>Plant and machinery at:</b>		
Management valuation (level 3)	2,814,585	4,327,854
Additions after valuation	6,307,466	4,781,977
Less: accumulated depreciation	(3,601,080)	(3,496,438)
	<u>5,520,972</u>	<u>5,613,393</u>
<b>Work in Progress - Cost</b>	4,697,596	1,882,377
<b>Total Property, plant and equipment</b>	<u>285,733,268</u>	<u>288,566,642</u>

**Land**

The Council's land (freehold) was revalued as at 1 July 2016 by independent valuers.

Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes which is restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

**Buildings**

Councils buildings including other structures were revalued as at 1 July 2016 using the cost approach by independent valuers. This required estimating 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 metres could be supported from market evidence (level 3) other inputs (such as 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 been using level 3 valuation inputs.

**Furniture and Equipment & Plant and Machinery**

Council's Furniture and Equipment and Plant and Machinery were revalued at 30 June 2016 by management having regard for their current replacement cost, condition assessment (level 2 inputs), residual values and estimated useful life (level 3 inputs). Given the significance of the level 3 inputs into the overall fair value measurement, the assets are deemed to have been valued using level 3 inputs although level 2 inputs were also used.

The revaluation resulted in neither an increase or decrease in the net value of the respective asset classes. Consequently no adjustment was recognised in either the net result or other comprehensive income in the Statement of Profit or Loss and Other Comprehensive Income.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**14. PROPERTY, PLANT AND EQUIPMENT (Cont.)**

	2018	2017
	\$	\$
<b>Movements in Carrying Amounts</b>		
<b>(a) Land</b>		
Opening Balance	186,048,000	190,458,000
Additions	400,000	Nil
Disposals (at cost/valuation)	(3,146,000)	(4,100,000)
Net revaluations	Nil	(310,000)
Closing Balance	<u>183,302,000</u>	<u>186,048,000</u>
<b>Movements in Carrying Amounts</b>		
	2018	2017
	\$	\$
<b>(b) Buildings</b>		
Opening Balance	93,833,526	83,304,942
Additions	757,121	1,380,341
Transfers from work in progress	136,149	102,463
Disposals (at cost/valuation)	(2,353,385)	Nil
Disposals (accum. depreciation)	494,542	Nil
Net revaluations	Nil	10,469,966
Depreciation expense	(1,451,838)	(1,424,186)
Closing Balance	<u>91,416,114</u>	<u>93,833,526</u>
<b>(c) Furniture and equipment</b>		
Opening Balance	1,189,346	1,147,299
Additions	316,630	785,458
Disposals (at cost/valuation)	(2,138,855)	(27,089)
Disposals (accum. depreciation)	2,030,853	26,968
Depreciation expense	(601,389)	(743,291)
Closing Balance	<u>796,586</u>	<u>1,189,346</u>
<b>(d) Plant and machinery</b>		
Opening Balance	5,613,393	5,264,384
Additions	1,525,489	2,057,860
Disposals (at cost/valuation)	(1,513,269)	(1,818,709)
Disposals (accum. depreciation)	624,912	816,220
Depreciation expense	(729,553)	(706,362)
Closing Balance	<u>5,520,972</u>	<u>5,613,393</u>
<b>(e) Work in progress</b>		
Other Improvements	9,431	Nil
Building construction - general	4,688,165	1,882,377
<b>Total non current work in progress</b>	<u>4,697,596</u>	<u>1,882,377</u>
<b>Total Property, plant and equipment</b>	<u>285,733,268</u>	<u>288,566,642</u>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**15. INFRASTRUCTURE**

	2018	2017
	\$	\$
<b>Reserves improvements</b>		
Independent valuation (level 3)	21,604,000	16,767,000
Additions after valuation	1,088,073	4,409,524
Less: accumulated depreciation	(10,208,753)	(9,232,674)
	<u>12,483,320</u>	<u>11,943,851</u>
<b>Road network - infrastructure at:</b>		
Independent valuation (level 3)	187,626,132	183,907,001
Additions after valuation	5,485,581.4	9,210,756
Less: accumulated depreciation	(43,766,396)	(57,102,299)
	<u>149,345,317</u>	<u>136,015,458</u>
<b>Footpath network - infrastructure at:</b>		
Management valuation (level 3)	21,174,019	23,833,760
Additions after valuation	536,126	1,095,823
Less: accumulated depreciation	(9,817,347)	(11,832,089)
	<u>11,892,798</u>	<u>13,097,493</u>
<b>Drainage network - infrastructure at:</b>		
Management valuation (level 3)	86,684,610	87,889,459
Additions after valuation	673,507	1,224,780
Less: accumulated depreciation	(24,943,034)	(22,964,390)
	<u>62,415,083</u>	<u>66,149,849</u>
<b>Parks and gardens - turf at:</b>		
Management valuation (level 3)	22,826,376	22,768,769
Additions after valuation	Nil	14,674
	<u>22,826,376</u>	<u>22,783,443</u>
<b>Carparks at:</b>		
Management valuation (level 3)	6,099,488	5,632,426
Less: accumulated depreciation	(1,668,095)	(1,848,493)
	<u>4,431,393</u>	<u>3,783,933</u>
<b>Work in progress</b>		
Cost	881,475	850,410
	<u>881,475</u>	<u>850,410</u>
<b>Total Infrastructure</b>	<u>264,275,763</u>	<u>254,624,436</u>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**15. INFRASTRUCTURE (Cont.)****Roads, Footpaths, Drainage, Carparks, Reserves and Parks and Gardens**

Councils roads, footpaths, drains and carparks were revalued as at 1 July 2017 by management. An independent asset management consultant also reviewed the road valuation and had previously reviewed the valuation inputs for all other respective asset types that were again used with the exception of unit rates that were updated.

Councils Reserve Improvements were revalued as at 1 July 2017 using the cost approach by independent valuers. Council Parks and Gardens - Turf was revalued as at 30 June 2018 using the cost approach by management.

The valuations required estimating the replacement cost for each asset type by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While unit rates based on area could be supported from market evidence (level 2) other inputs (such as 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 been using level 3 valuation inputs.

	2018	2017
	\$	\$
<b>Movements in Carrying Amounts</b>		
<b>(a) Reserves improvements</b>		
Opening Balance	11,943,851	10,754,158
Additions	905,717	2,013,183
Transfers from work in progress	182,356	72,044
Disposals (at cost/valuation)	(484,500)	Nil
Disposals (accum. depreciation)	372,148	Nil
Net revaluations	653,198	Nil
Depreciation expense	(1,089,450)	(895,533)
Closing Balance	<u>12,483,320</u>	<u>11,943,851</u>
<b>(b) Road network - infrastructure</b>		
Opening Balance	136,015,457	134,111,791
Additions	4,824,946	3,983,318
Transfers from work in progress	660,635	1,064,802
Net revaluations	10,753,553	Nil
Depreciation expense	(2,909,274)	(3,144,454)
Closing Balance	<u>149,345,317</u>	<u>136,015,458</u>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**15. INFRASTRUCTURE (Cont.)**

	2018	2017
	\$	\$
<b>(c) Footpath network - infrastructure</b>		
Opening Balance	13,097,493	12,974,346
Additions	536,126	584,498
Transfers from work in progress	Nil	108,925
Net revaluations	(1,246,909)	Nil
Depreciation expense	(493,912)	(570,276)
Closing Balance	<u>11,892,798</u>	<u>13,097,493</u>
<b>(d) Drainage network - infrastructure</b>		
Opening Balance	66,149,849	66,665,676
Additions	666,088	439,828
Transfers from work in progress	7,419	Nil
Net revaluations	(3,480,486)	Nil
Depreciation expense	(927,787)	(955,655)
Closing Balance	<u>62,415,083</u>	<u>66,149,849</u>
<b>(e) Parks and gardens - Turf</b>		
Opening Balance	22,783,443	22,783,443
Net revaluations	42,933	Nil
Closing Balance	<u>22,826,376</u>	<u>22,783,443</u>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**15. INFRASTRUCTURE (Cont.)**

	2018	2017
	\$	\$
<b>(f) Carparks</b>		
Opening Balance	3,783,933	3,876,868
Net revaluations	743,214	Nil
Depreciation expense	(95,754)	(92,935)
Closing Balance	<u>4,431,393</u>	<u>3,783,933</u>
<b>(g) Work in progress</b>		
<b>Non Current</b>		
Road construction	517,127	660,635
Footpath construction	45,106	Nil
Drainage construction	2,644	7,419
Reserves improvements	316,599	182,356
<b>Total non current work in progress</b>	<u>881,475</u>	<u>850,410</u>
<b>TOTAL INFRASTRUCTURE</b>	<u>264,275,763</u>	<u>254,624,436</u>

**16. TOTAL ASSETS**

## TOTAL ASSETS CLASSIFIED BY FUNCTION/ACTIVITY

	2018	2017
	\$	\$
General purpose funding	6,158,026	192,972,830
Governance	175,826,664	4,375,902
Law, order & public safety	861,388	1,764,653
Health	3,722,427	3,354,014
Education & welfare	5,281,418	7,414,230
Housing	6,212,333	4,393,506
Community amenities	5,834,226	2,849,262
Recreation & culture	71,099,094	67,374,627
Transport	245,540,348	236,570,720
Economic services	17,498,434	15,619,016
Other property & services	38,138,198	35,710,690
Finance & borrowing	99,884	89,370
Other - unallocated	77,620,780	52,083,714
	<u>653,893,221</u>	<u>624,572,535</u>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**17. RESERVES - CASH/INVESTMENT BACKED****Reserve Account Descriptions**

## ADMINISTRATION BUILDING RESERVE

Established for the refurbishment of Council's administration building.

## AGED ACCOMMODATION - HOMESWEST RESERVE

Established to provide for the long term maintenance of Gabriel Gardens and Orana aged housing units.

## AGED PERSONS HOUSING RESERVE

Used to manage the surplus/deficit position and capital improvements of Council's aged housing centres.

## AGED SERVICES RESERVE

Established to fund the provision of aged services within the City of Belmont.

## ASCOT WATERS MARINA MAINTENANCE AND REDEVELOPMENT RESERVE

Established to provide for the ongoing maintenance and future redevelopment needs of the marina at Ascot Waters.

## BELMONT DISTRICT BAND RESERVE

Established to provide funds for the replacement and acquisition of instruments for the Belmont District Band.

## BELMONT OASIS REFURBISHMENT RESERVE

Established to provide funds for the future refurbishment of the Belmont Oasis Leisure Centre.

## BELMONT TRUST RESERVE

Established to fund costs in relation to the Belmont Trust land.

## BUILDING MAINTENANCE RESERVE

Established to provide funds for the refurbishment and maintenance of Council's Buildings.

## DEVELOPMENT CONTRIBUTION RESERVE

Established to collect and distribute development contribution funds to Landcorp in regards to the Springs Development.

## DISTRICT VALUATION RESERVE

As the valuation of the district takes place every three years, a reserve was established to spread the costs of the revaluation over the three years.

## ELECTION EXPENSES RESERVE

Established to spread the cost of postal voting over two years as elections are only held every two years.

## ENVIRONMENT RESERVE

Established to fund environmental programs.

## FAULKNER PARK RETIREMENT VILLAGE BUY BACK RESERVE

Established to fund the future buy back of the Faulkner Park Retirement Village from existing residents.

## FAULKNER PARK RETIREMENT VILLAGE OWNER MAINTENANCE RESERVE

Established to provide for the future major maintenance and refurbishment requirements at the Faulkner Park Retirement Village.

## FORESHORE DEVELOPMENT RESERVE

Established to fund Swan River foreshore development as required.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**17. RESERVES - CASH/INVESTMENT BACKED (Cont.)**

## HISTORY RESERVE

Provision for the future costs associated with the acquisition, recording, preservation and display of articles and information associated with the history of the City of Belmont.

## INFORMATION TECHNOLOGY RESERVE

Established for the replacement of Council's core business hardware and software requirements.

## LAND ACQUISITION RESERVE

Established for the acquisition and/or redevelopment of land and buildings and receives the proceeds of any land or building sales.

## LONG SERVICE LEAVE RESERVE - FUNDED PROGRAMS

Established to part fund the long service leave liability of Council's community services HACC funded programs.

## LONG SERVICE LEAVE RESERVE - SALARIES

Established to part fund the long service leave liability of Council's salaried staff.

## LONG SERVICE LEAVE RESERVE - WAGES

Established to part fund the long service leave liability of Council's wages staff.

## MISCELLANEOUS ENTITLEMENTS RESERVE

Established to provide funding for unforeseen expenditures relating to staff and entitlements.

## PARKS DEVELOPMENT RESERVE

Established to provide for future development of the City's Parks including playgrounds and irrigation.

## PLANT REPLACEMENT RESERVE

Used to fund the replacement of Council's heavy plant. Funds the shortfall between income generated through plant operation recoveries and replacement costs.

## PROPERTY DEVELOPMENT RESERVE

Established to fund any Council property development.

## PUBLIC ART RESERVE

Established to fund future acquisitions of public art for display in the City of Belmont.

## RUTH FAULKNER LIBRARY RESERVE

Established for capital improvements to Council's library.

## STREETSCAPES RESERVE

Established to fund shopping centre revitalisation and streetscape enhancements.

## URBAN FOREST STRATEGY RESERVE

Established to fund the management and retention of the urban forest.

## WASTE MANAGEMENT RESERVE

Established to fund waste management initiatives and activities.

## WORKERS COMPENSATION/INSURANCE RESERVE

Established to fund self insurance expenses and major fluctuations in insurance premiums.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**17. RESERVES - CASH/INVESTMENT BACKED (Cont.)**

## Reserve Balances

	2018 \$	2017 \$	Budget \$
<b>(a) Administration Building Reserve</b>			
Opening balance	215,358	340,715	200,211
Transfer from accumulated surplus	5,954	9,616	5,205
Transfer to accumulated surplus	Nil	(134,973)	Nil
	<b>221,312</b>	<b>215,358</b>	<b>205,416</b>
<b>(b) Aged Accommodation - Homeswest Reserve</b>			
Opening balance	728,377	666,950	634,203
Transfer from accumulated surplus	23,375	61,427	16,489
Transfer to accumulated surplus	Nil	Nil	(53,390)
	<b>751,751</b>	<b>728,377</b>	<b>597,302</b>
<b>(c) Aged Persons Housing Reserve</b>			
Opening balance	1,497,347	1,610,210	1,355,363
Transfer from accumulated surplus	41,395	95,840	35,239
Transfer to accumulated surplus	(195,617)	(208,703)	(196,730)
	<b>1,343,125</b>	<b>1,497,347</b>	<b>1,193,872</b>
<b>(d) Aged Services Reserve</b>			
Opening balance	1,097,791	1,104,905	1,135,701
Transfer from accumulated surplus	30,349	31,184	29,528
Transfer to accumulated surplus	Nil	(38,298)	Nil
	<b>1,128,140</b>	<b>1,097,791</b>	<b>1,165,229</b>
<b>(e) Ascot Waters Marina Maintenance &amp; Redevelopment Reserve</b>			
Opening balance	933,169	909,234	874,527
Transfer from accumulated surplus	25,798	25,661	22,738
Transfer to accumulated surplus	Nil	(1,727)	(50,000)
	<b>958,966</b>	<b>933,169</b>	<b>847,265</b>
<b>(f) Belmont District Band Reserve</b>			
Opening balance	31,607	27,822	31,598
Transfer from accumulated surplus	3,874	3,785	3,822
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>35,481</b>	<b>31,607</b>	<b>35,420</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**17. RESERVES - CASH/INVESTMENT BACKED (Cont.)**

	2018 \$	2017 \$	Budget \$
<b>(g) Belmont Oasis Refurbishment Reserve Reserve</b>			
Opening balance	3,777,273	Nil	3,777,273
Transfer from accumulated surplus	104,424	3,777,273	98,209
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>3,881,697</b>	<b>3,777,273</b>	<b>3,875,482</b>
<b>(g) Belmont Trust Reserve</b>			
Opening balance	1,604,836	1,575,016	1,531,295
Transfer from accumulated surplus	42,092	41,921	39,814
Transfer to accumulated surplus	(9,960)	(12,101)	(159,052)
	<b>1,636,968</b>	<b>1,604,836</b>	<b>1,412,058</b>
<b>(h) Building Maintenance Reserve</b>			
Opening balance	5,304,839	5,189,882	5,330,225
Transfer from accumulated surplus	146,654	146,475	135,934
Transfer to accumulated surplus	(220,750)	(31,517)	(225,000)
	<b>5,230,744</b>	<b>5,304,839</b>	<b>5,241,159</b>
<b>(i) Development Contribution Reserve</b>			
Opening balance	Nil	Nil	Nil
Transfer from accumulated surplus	Nil	Nil	305,000
Transfer to accumulated surplus	Nil	Nil	(305,000)
	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(j) District Valuation Reserve</b>			
Opening balance	42,432	212,431	68,362
Transfer from accumulated surplus	81,173	85,995	81,777
Transfer to accumulated surplus	Nil	(255,994)	Nil
	<b>123,605</b>	<b>42,432</b>	<b>150,139</b>
<b>(k) Election Expenses Reserve</b>			
Opening balance	148,333	144,262	148,082
Transfer from accumulated surplus	24,101	4,072	23,850
Transfer to accumulated surplus	(85,163)	Nil	(90,000)
	<b>87,271</b>	<b>148,333</b>	<b>81,932</b>
<b>(l) Environment Reserve</b>			
Opening balance	Nil	Nil	Nil
Transfer from accumulated surplus	26,500	Nil	Nil
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>26,500</b>	<b>Nil</b>	<b>Nil</b>
<b>(m) Faulkner Park Ret. Vill. Owner Maint. Reserve</b>			
Opening balance	351,490	341,842	380,998
Transfer from accumulated surplus	71,632	9,648	42,124
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>423,122</b>	<b>351,490</b>	<b>423,122</b>



## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**17. RESERVES - CASH/INVESTMENT BACKED (Cont.)**

	2018 \$	2017 \$	Budget \$
<b>(n) Faulkner Park Retirement Vill. Buy-Back Reserve</b>			
Opening balance	1,980,604	1,926,239	2,134,731
Transfer from accumulated surplus	189,160	54,365	141,547
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>2,169,765</b>	<b>1,980,604</b>	<b>2,276,278</b>
<b>(o) Foreshore Development Reserve</b>			
Opening balance	Nil	Nil	Nil
Transfer from accumulated surplus	Nil	Nil	Nil
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(p) History Reserve</b>			
Opening balance	188,205	121,285	187,352
Transfer from accumulated surplus	36,203	66,920	14,871
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>224,408</b>	<b>188,205</b>	<b>202,223</b>
<b>(q) Information Technology Reserve</b>			
Opening balance	1,011,810	984,038	1,011,465
Transfer from accumulated surplus	332,972	27,773	26,298
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>1,344,782</b>	<b>1,011,810</b>	<b>1,037,763</b>
<b>(r) Land Acquisition Reserve</b>			
Opening balance	6,248,556	6,112,408	9,436,545
Transfer from accumulated surplus	3,286,590	172,512	235,224
Transfer to accumulated surplus	Nil	(36,364)	(54,500)
	<b>9,535,146</b>	<b>6,248,556</b>	<b>9,617,269</b>
<b>(s) Long Service Leave Reserve - Funded Programs</b>			
Opening balance	94,034	65,669	71,577
Transfer from accumulated surplus	23,450	32,799	1,861
Transfer to accumulated surplus	(26,548)	(4,434)	Nil
	<b>90,936</b>	<b>94,034</b>	<b>73,438</b>
<b>(t) Long Service Leave Reserve - Salaries</b>			
Opening balance	1,820,987	1,839,289	1,756,677
Transfer from accumulated surplus	315,262	383,135	400,079
Transfer to accumulated surplus	(479,275)	(401,437)	(316,340)
	<b>1,656,974</b>	<b>1,820,987</b>	<b>1,840,416</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**17. RESERVES - CASH/INVESTMENT BACKED (Cont.)**

	2018 \$	2017 \$	Budget \$
<b>(u) Long Service Leave Reserve - wages</b>			
Opening balance	494,335	470,137	436,412
Transfer from accumulated surplus	74,410	142,142	61,347
Transfer to accumulated surplus	(127,339)	(117,944)	(92,889)
	<b>441,406</b>	<b>494,335</b>	<b>404,870</b>
<b>(v) Miscellaneous Entitlements Reserve</b>			
Opening balance	990,320	1,540,755	1,452,809
Transfer from accumulated surplus	127,378	43,485	138,649
Transfer to accumulated surplus	(224,136)	(593,921)	(511,802)
	<b>893,561</b>	<b>990,320</b>	<b>1,079,656</b>
<b>(w) Parks Development Reserve</b>			
Opening balance	228,634	699,502	200,000
Transfer from accumulated surplus	196,321	144,742	3,250
Transfer to accumulated surplus	(146,885)	(615,610)	(203,250)
	<b>278,070</b>	<b>228,634</b>	<b>Nil</b>
<b>(x) Plant Replacement Reserve</b>			
Opening balance	505,718	481,598	522,262
Transfer from accumulated surplus	541,452	407,734	586,293
Transfer to accumulated surplus	(137,585)	(383,614)	(708,096)
	<b>909,585</b>	<b>505,718</b>	<b>400,459</b>
<b>(y) Property Development Reserve</b>			
Opening balance	13,280,612	11,112,782	13,277,141
Transfer from accumulated surplus	3,519,369	2,167,830	595,206
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>16,799,981</b>	<b>13,280,612</b>	<b>13,872,347</b>
<b>(z) Public Art Reserve</b>			
Opening balance	135,888	180,786	135,825
Transfer from accumulated surplus	53,757	5,102	3,531
Transfer to accumulated surplus	Nil	(50,000)	Nil
	<b>189,645</b>	<b>135,888</b>	<b>139,356</b>
<b>(aa) Ruth Faulkner Library Reserve</b>			
Opening balance	41,902	40,752	41,888
Transfer from accumulated surplus	1,158	1,150	1,089
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>43,061</b>	<b>41,902</b>	<b>42,977</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

<b>17. RESERVES - CASH/INVESTMENT BACKED (Cont.)</b>			
	2018	2017	Budget
	\$	\$	\$
<b>(ab) Streetscapes Reserve</b>			
Opening balance	302,972	294,656	452,887
Transfer from accumulated surplus	158,376	8,316	7,875
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>461,348</b>	<b>302,972</b>	<b>460,762</b>
<b>(ac) Urban Forest Strategy Reserve</b>			
Opening balance	106,014	103,104	105,978
Transfer from accumulated surplus	2,931	2,910	2,755
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>108,945</b>	<b>106,014</b>	<b>108,733</b>
<b>(ad) Waste Management Reserve</b>			
Opening balance	1,365,192	1,271,475	1,297,338
Transfer from accumulated surplus	266,397	93,717	33,731
Transfer to accumulated surplus	Nil	Nil	Nil
	<b>1,631,589</b>	<b>1,365,192</b>	<b>1,331,069</b>
<b>(ae) Workers Compensation/Insurance Reserve</b>			
Opening balance	1,351,566	1,329,612	1,357,020
Transfer from accumulated surplus	37,365	37,526	35,283
Transfer to accumulated surplus	Nil	(15,572)	Nil
	<b>1,388,931</b>	<b>1,351,566</b>	<b>1,392,303</b>
<b>Total Movement</b>	<b>8,136,610</b>	<b>5,182,845</b>	<b>162,570</b>
<b>TOTAL CASH RESERVES</b>	<b>54,016,812</b>	<b>45,880,202</b>	<b>49,508,314</b>

**18. REVALUATION SURPLUS**

Revaluation Surpluses have arisen on revaluation of the following classes of non-current assets:

	2018	2017
	\$	\$
<b>(a) Land</b>		
Opening balance	186,374,188	186,684,188
Impairment/Revaluation Movement	Nil	(310,000)
	<b>186,374,188</b>	<b>186,374,188</b>
<b>(b) Buildings</b>		
Opening balance	65,490,390	55,020,424
Revaluation Movement	Nil	10,469,966
	<b>65,490,390</b>	<b>65,490,390</b>
<b>(c) Road network - infrastructure</b>		
Opening balance	61,100,475	61,100,475
Revaluation Movement	10,753,553	Nil
	<b>71,854,029</b>	<b>61,100,475</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

<b>18. REVALUATION SURPLUS (cont.)</b>		
	2018	2017
	\$	\$
<b>(d) Footpath network - infrastructure</b>		
Opening balance	9,202,865	9,202,865
Revaluation Movement	(1,246,909)	Nil
	<b>7,955,956</b>	<b>9,202,865</b>
<b>(e) Drainage network - infrastructure</b>		
Opening balance	49,827,405	49,827,405
Revaluation Movement	(3,480,486)	Nil
	<b>46,346,919</b>	<b>49,827,405</b>
<b>(f) Parks and gardens - infrastructure</b>		
Opening balance	16,116,967	16,116,967
Revaluation Movement	696,130	Nil
	<b>16,813,098</b>	<b>16,116,967</b>
<b>(g) Carparks</b>		
Opening balance	2,126,630	2,126,630
Revaluation Movement	743,214	Nil
	<b>2,869,844</b>	<b>2,126,630</b>
<b>(h) Eastern Metropolitan Regional Council</b>		
Opening balance	4,818,271	4,650,637
Revaluation Movement	(95,004)	167,635
	<b>4,723,267</b>	<b>4,818,271</b>
<b>Total Revaluation Surplus</b>	<b>395,057,192</b>	<b>384,729,591</b>
Opening balance	7,370,499	10,327,601
Revaluation Movement		
	<b>402,427,692</b>	<b>395,057,193</b>

**19. NOTES TO THE STATEMENT OF CASH FLOWS****Reconciliation of cash**

For the purposes of the Statement of Cash Flows, the City considers cash to include cash on hand, in banks and short-term deposits with an original maturity of three months or less that are readily convertible to cash. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2018	2017	Budget
	\$	\$	\$
Cash at bank	7,198,642	3,970,615	4,646,523
Cash on hand	5,250	4,100	4,300
Bank overdraft	Nil	Nil	Nil
	<b>7,203,892</b>	<b>3,974,715</b>	<b>4,650,823</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**20. RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES**

Reconciliation of net cash used in operating activities to net result.

	2018	2017
	\$	\$
Change in net result	8,041,115	8,774,512
Add/(less) non cash items:		
Depreciation	8,298,957	8,532,735
(Profit)/loss on disposal of assets	2,068,731	285,730
Initial recognition of land	Nil	Nil
Fair value adjustments to assets	(380,000)	Nil
Change in equity - joint venture	(1,391,692)	(1,139,332)
	<u>16,637,111</u>	<u>16,453,645</u>
Changes in operating assets and liabilities:		
* (Increase)/decrease in receivables	(418,206)	(595,555)
(Increase)/decrease in stores inventory	4,106	(9,580)
(Increase)/decrease in interest payable	101,824	4,031
Increase/(decrease) in creditors & provisions	(189,590)	1,707,199
Increase/(decrease) in other current liabilities	88,360	(66,924)
Non-Operating grants, subsidies and contributions	(3,984,468)	(4,449,239)
Net cash from operating activities	<u>12,239,137</u>	<u>13,043,577</u>

\* Excludes non-operating receivables

**21. CREDIT STANDBY ARRANGEMENTS**

The City of Belmont endeavours to maintain its Municipal bank accounts with sufficient funds to ensure that they do not go into overdraft, however, the City has an overdraft facility of:

	2018	2017
	\$	\$
Bank overdraft limit	200,000	200,000
Bank overdraft used at balance date	Nil	Nil
Credit Card limit	60,000	60,000
Credit Card used at balance date	Nil	Nil
Total Amount of credit unused at balance date	<u>260,000</u>	<u>260,000</u>

**22. TRADING UNDERTAKINGS**

In accordance with Regulation 45 of the Local Government (Financial Management) Regulations 1996, there are no Trading Undertakings conducted in the financial year ended 30 June 2018.

**23. MAJOR LAND TRANSACTIONS**

In accordance with Regulation 46 of the Local Government (Financial Management) Regulations 1996, there was one Major Land Transactions conducted in the financial year ended 30 June 2018. Information can be found in note 36.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**24. FINANCIAL RISK MANAGEMENT**

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of 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 the Finance Department under policies approved by Council.

Council held the following financial instruments at balance date:

	Carrying Value 2018	Fair Value 2018
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	7,203,892	7,203,892
Other Financial Assets (Investments)	71,121,043	71,121,043
Receivables	4,057,178	4,057,178
	<u>82,382,113</u>	<u>82,382,113</u>
<b>Financial Liabilities</b>		
Payables	4,601,888	4,601,888
Borrowings	15,457,203	11,091,789
	<u>20,059,091</u>	<u>15,693,677</u>

	Carrying Value 2017	Fair Value 2017
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	3,974,715	3,974,715
Other Financial Assets (Investments)	48,843,440	48,843,410
Receivables	8,353,837	8,174,398
	<u>61,171,962</u>	<u>60,992,523</u>
<b>Financial Liabilities</b>		
Payables	4,895,035	4,895,035
Borrowings	1,446,901	1,228,388
	<u>6,341,936</u>	<u>6,123,423</u>

Fair value is determined as follows:

Cash and Cash Equivalents, Other Financial Assets, Receivables, Payables - estimated to the carrying value which approximates net market value.

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

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**24. FINANCIAL RISK MANAGEMENT (cont.)****Cash and Cash Equivalents / Other Financial Assets (Investments)**

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. Investments must also comply with statutory and policy requirements. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to an annual review. Monthly Investment Reports are provided to the Council on a quarterly basis setting out the make-up and performance of the portfolio.

Cash and investments are also subject to interest rate risk – the risk that movements in interest rates could affect returns.

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

Council manages these risks by applying counterparty limits and maintaining credit quality (i.e. credit ratings) in line with Council's Investment Policy. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

Council no longer holds managed fund investments so the investment portfolio is not subject price risk.

**Impact of a 1% movement in interest rates on cash and investments:**

	2018	2017
	\$	\$
Equity	743,082	630,003
Statement of Comprehensive Income	743,082	630,003

**Receivables**

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

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment. The amount of rates and annual charges outstanding as at the balance date reflects a collection ratio of 97.92%.

The level of outstanding receivables is monitored against benchmarks for acceptable collection performance. Council makes suitable provision for doubtful receivables as required and carries out credit checks on significant non-rate debtors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**24. FINANCIAL RISK MANAGEMENT (cont.)**

The profile of the Council's credit risk at balance date was:

Percentage of Other Receivables	2018	2017
- Current	95.01%	93.63%
- Overdue (in excess of 90 days)	4.99%	6.37%

**Payables**

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

The contractual undiscounted cash flows of Council's payables and borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year \$	Due between 1 and 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
<b>2018</b>					
Payables	4,601,888	Nil	Nil	4,601,888	4,601,888
Borrowings	1,375,858	4,873,580	16,885,681	23,135,119	15,457,203
	<u>5,977,746</u>	<u>4,873,580</u>	<u>16,885,681</u>	<u>27,737,007</u>	<u>20,059,091</u>
<b>2017</b>					
Payables	4,895,035	Nil	Nil	4,895,035	4,895,035
Borrowings	331,481	891,295	526,414	1,749,190	1,446,901
	<u>5,226,516</u>	<u>891,295</u>	<u>526,414</u>	<u>6,644,225</u>	<u>6,341,936</u>



## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**28. INFORMATION ON FEES & CHARGES**

Fees and charges received for the 2017/18 financial year are listed below by Program.

	2018	2017	Budget
	\$	\$	\$
Governance	14,177	8,997	6,800
General purpose funding	911,996	918,647	913,783
Law, order & public safety	264,183	245,609	218,500
Health	223,612	219,978	179,500
Education & Welfare	187,320	150,119	147,000
Housing	231,069	463,370	200,000
Community amenities	6,353,701	6,142,922	6,655,830
Recreation & culture	337,143	353,692	361,041
Transport	Nil	Nil	Nil
Economic services	422,497	446,405	474,600
Other property & services	60,899	70,157	58,500
	<b>9,006,598</b>	<b>9,019,896</b>	<b>9,215,554</b>

**29. GRANTS REVENUE BY PROGRAM**

	2018	2017	Budget
	\$	\$	\$
<b>Non-Operating Grants and Contributions</b>			
Governance	Nil	Nil	200,000
General purpose funding	126,964	52,367	47,399
Law, order & public safety	16,479	20,000	Nil
Health	Nil	Nil	Nil
Education & welfare	102,792	168,382	Nil
Housing	Nil	Nil	Nil
Community amenities	467,918	Nil	305,000
Recreation & culture	166,136	937,204	Nil
Transport	2,614,425	2,927,438	5,483,955
Economic services	489,754	311,887	6,000
Other property & services	Nil	31,960	Nil
	<b>3,984,468</b>	<b>4,449,239</b>	<b>6,042,354</b>
<b>Operating Grants and Contributions</b>			
Governance	103,603	109,178	125,000
General purpose funding	835,425	1,253,804	420,000
Law, order & public safety	78,657	74,874	86,920
Health	Nil	Nil	Nil
Education & welfare	1,915,584	1,839,574	1,815,629
Housing	214,651	Nil	Nil
Community amenities	Nil	Nil	500
Recreation & culture	168,256	193,406	88,100
Transport	683,476	929,917	377,766
Economic services	Nil	Nil	Nil
Other property & services	157,097	42,015	30,750
	<b>4,156,750</b>	<b>4,442,768</b>	<b>2,944,665</b>

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**30. EMPLOYEES NUMBERS**

	2018	2017
	No.	No.
Total number of full time equivalent employees at balance date.	240.40	240.33

**31. OTHER REVENUE**

Other Income comprises:	2018	2017
	\$	\$
Reimbursements	502,679	524,034
Miscellaneous/Other	40,578	250,490
	<b>543,257</b>	<b>774,524</b>

**32. CONTINGENT LIABILITIES**

There were no contingent liabilities as at 30 June 2018.

**33. EVENTS AFTER THE REPORTING DATE**

No events after the reporting date were identified by management that would affect the operations of Council or the results of Council significantly.

**34. RELATED PARTY TRANSACTIONS****Key Management Personnel (KMP) Compensation Disclosure**

The total remuneration paid to KMP, excluding the Elected Members remuneration, during the year are as follows:

	2018	2017
	\$	\$
Short-term employee benefits	711,929	665,880
Post-employee benefits	112,696	118,505
Other long-term benefits	357,145	354,374
Termination benefits	112,244	244,900
	<b>1,294,014</b>	<b>1,430,750</b>

**Short-term employee benefits**

These amounts include salaries awarded to KMP except for details in respect of fees and benefits paid to elected members which may be found below.

**Post-employment benefits**

These amounts are the current years estimated cost of providing for KMP's superannuation contributions made during the year.

**Other long-term benefits**

These amounts represent accrued annual and long service leave benefits.

**Termination benefits**

These amounts represent termination benefits paid to or provided for KMP.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**34. RELATED PARTY TRANSACTIONS (Cont.)****Elected Members Remuneration**

Fees, expenses and allowances paid to elected members in accordance with the provisions of the *Local Government Act 1995* are as follows:

	2018	2017	Budget
	\$	\$	\$
<b>Mayor</b>			
Local Government Allowance	88,864	88,864	88,864
Annual Meeting Attendance Fees	47,045	47,045	47,045
Information & Communications Allowance	3,500	3,500	3,500
Expense Allowance	Nil	Nil	Nil
	<b>139,409</b>	<b>139,409</b>	<b>139,409</b>
<b>Deputy Mayor</b>			
Local Government Allowance	22,216	22,216	22,216
Annual Meeting Attendance Fees	31,364	31,364	31,364
Information & Communications Allowance	3,500	3,500	3,500
Expense Allowance	Nil	Nil	Nil
	<b>57,080</b>	<b>57,080</b>	<b>57,080</b>
<b>Other Councillors</b>			
Annual Meeting Attendance Fees	211,537	188,184	219,549
Information & Communications Allowance	24,481	24,500	24,500
Expense Allowance	Nil	Nil	3,500
	<b>236,018</b>	<b>212,684</b>	<b>247,549</b>
	<b>432,507</b>	<b>409,173</b>	<b>444,038</b>

**Related Parties**

Council's main related parties are as follows:

1. *Key Management Personnel* - Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member. Also included are close family members of KMP and entities controlled by any KMP or their close family members.

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

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**34. RELATED PARTY TRANSACTIONS (Cont.)****Transactions with related parties**

Normal citizen transactions that have been identified as not requiring disclosure includes rates, rate refunds, hall hire fees and other common fees and charges.

Related party transactions listed below are on normal commercial terms and conditions.

	2018	2017
	\$	\$
<b>Joint Venture Entities:</b>		
Payments made to the EMRC for waste	2,285,938	2,182,894
Balances outstanding to the EMRC at	103,147	171,488
Grant income for the Avon Descent event.	20,000	20,000

There have been no transactions with the Local Government House Trust.

**Other Entities:**

Payments made to Belmont Retirement	158,000	54,000
Balances outstanding to the BRVBM at	Nil	Nil
Income received by Council from the BRVBM	375,221	266,860
Balances owing to Council from the BRVBM at balance date.	Nil	Nil

Council of Belmont has two elected members and the CEO on the Board of the Belmont Villages Board of Management (BRVBM). As Council is represented by three of the seven Board members this would illustrate significant influence although it is not an investee/investor relationship and Council cannot benefit financially from this arrangement. Council makes a contribution to the ongoing management of the Board and receives a percentage of sales income from unit sales within the Faulkner Park Retirement Village that is placed into specific reserves.

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**35. BORROWING DETAILS**CITY OF BELMONT - LOAN REPAYMENT SCHEDULE  
FOR THE YEAR ENDED 30 JUNE 2018

Particulars	Issue Date	Original Principal	Interest Rate	Mat Date	Opening Liability	Principal Paid	Budget 2017/18	Interest Incurred	Budget 2017/18	Accrued Interest	Closing Liability
<b>OTHER PROPERTY &amp; SERVICES</b>											
Loan No. 181 Waterway Crescent	30/06/10	1,350,000	6.28	05/20	491,872	153,930	153,930	30,637	31,872	4,262	342,204
<b>LAW, ORDER AND PUBLIC SAFETY</b>											
Loan No. 182 SES Building *	28/09/11	1,325,000	5.17	05/26	955,028	937,592	84,204	124,055	58,275	2,718	2,718
<b>NEW LOANS</b>											
<b>RECREATION AND CULTURE</b>											
Loan 183 New Community Centre	01/05/18	15,000,000	4.51	05/38	0	0	248,067	112,280	361,678	112,280	15,112,280
		<b>17,675,000</b>			<b>1,446,901</b>	<b>1,091,522</b>	<b>486,201</b>	<b>266,973</b>	<b>451,825</b>	<b>119,261</b>	<b>15,457,203</b>

\* Self-supporting loan, wholly reimbursed by FESA.

The Western Australian Treasury Corporation is the lender of all loans and no loans have been refinanced.

Interest includes the Government Guarantee Fee.

**36. MAJOR LAND TRANSACTIONS**

The 2017-2018 financial year includes one Major Land Transaction being a new Community Centre which includes a dedicated area for a Café with the intention to commercially lease the Café. The Café component of the Community Centre is approximately 2.5% (293m<sup>2</sup>) of the total floor area, being 11612 m<sup>2</sup>. Even though the Café is incidental to the primary purpose of the Centre it is considered commercial in nature and as such necessitates compliance to section 3.59 "Commercial Enterprises by local government" of the Act.

**New Community Centre**

A contract for the construction of the New Community Centre was awarded during 2017-2018 with construction expected to be finalised during 2019-2020. The following table provides the funding sources, estimated costs and future budgets for the construction.

	2017-2018 Actual	2018-2019 Budget	2019-2020 Estimate	Total
Grants	483,754	6,372,562	6,656,322	13,512,638
\$15M Loan (as used)	2,880,099	12,119,901		15,000,000
* Reserves	0	9,210,884	(1,430,394)	7,780,490
Municipal Funds	0	1,445,903		1,445,903
Total Funding	3,363,853	29,149,250	5,225,928	37,739,031
Annual Construction Cost	3,363,853	29,149,250	5,225,928	37,739,031

\* Due to the timing of the grant income Reserves in 2019-2020 are expected to be partially reimbursed.

Other known costs associated with the New Community centre includes professional fees for consulting and project management services that are supported by Municipal Funds:

	2017-2018 Actual	2018-2019 Budget	2019-2020 Estimate	Total
Consulting/Architectural Services/Other	320,389	234,050	226,000	780,439

## CITY OF BELMONT

## NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

**SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED 30 JUNE 2018**

The number of employees of the Council, in bands of \$10,000, entitled to an annual salary of \$100,000 or more is as follows:

Salary range \$	2018 No.	2017 No.
100,000 - 109,999	2	3
110,000 - 119,999	7	4
120,000 - 129,999	1	2
130,000 - 139,999	2	3
140,000 - 149,999	3	1
150,000 - 159,999	Nil	4
160,000 - 169,999	5	7
170,000 - 179,999	4	Nil
180,000 - 189,999	1	Nil
190,000 - 199,999	Nil	Nil
200,000 - 209,999	1	3
210,000 - 219,999	1	Nil
220,000 - 229,999	Nil	Nil
230,000 - 239,999	1	Nil
240,000 - 249,999	Nil	Nil
250,000 - 259,999	Nil	Nil
260,000 - 269,999	Nil	Nil
270,000 - 279,999	Nil	Nil
280,000 - 289,999	Nil	1



# BELMONT IN BRIEF

<b>ADDRESS</b>	215 Wright Street, Cloverdale WA 6105
<b>POSTAL ADDRESS</b>	Locked Bag 379, Cloverdale WA 6985
<b>PHONE NUMBER</b>	(08) 9477 7222
<b>FACSIMILE NUMBER</b>	(08) 9478 1473
<b>E-MAIL ADDRESS</b>	belmont@belmont.wa.gov.au
<b>WEB PAGE ADDRESS</b>	www.belmont.wa.gov.au
<b>AREA IN SQUARE KILOMETRES</b>	40
<b>AREA OF PARKS AND GARDENS</b>	309 hectares administered by City of Belmont and 58 hectares at Ascot Racecourse
<b>DISTANCE FROM PERTH</b>	6 kilometres
<b>LENGTH OF ROADS</b>	234 kilometres
<b>POPULATION</b>	41,519 approximately
<b>OPERATING REVENUE</b>	\$62,994,582
<b>OPERATING EXPENDITURE</b>	\$58,640,896
<b>NUMBER OF ELECTORS</b>	23,778 electors
<b>NUMBER OF RATE ASSESSMENTS</b>	19,468
<b>NUMBER OF DWELLINGS</b>	18,455
<b>SUBURBS AND LOCALITIES</b>	Ascot, Belmont, Cloverdale, Kewdale, Redcliffe, Rivervale
<b>NUMBER OF LIBRARIES</b>	One - Ruth Faulkner Public Library
<b>NUMBER OF CHILD HEALTH CENTRES</b>	Two
<b>NUMBER OF SENIOR CITIZENS FACILITIES</b>	Three





**The colourful 'City of Opportunity' logo symbolises the enthusiasm the Council feels about the City and its future. It is not the mark of a corporate body, but is symbolic of an opportunistic journey which the community of Belmont has embarked upon.**

The logo is painted in an informal style because it belongs to the community. The bright colours, dominated by blue, suggest joy and expectation and the City's close proximity to the Swan River. The joyful figure strides confidently forward to embrace the opportunities the City is offering symbolised by the sun, moon and star; the traditional artistic representatives of promise and opportunity. The star in the figure's eye indicates that these opportunities will enter the lives of all who reach for them.

The arc that encloses the logo and gives it its own 'space', is an upward sloping curve that represents the growth the City has experienced in recent years, as well as the growth that is still to come. The curve is expressed as three coloured lines, which mirror the three strands of Living Belmont, Business Belmont and Green Belmont, reflecting the 'triple bottom line' that delivers social and environmental benefits as well as economic performance in every endeavour.

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