

City of Rockingham

Annual Report

2019/2020





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About Us

The City of Rockingham respectfully acknowledges the traditional owners and custodians of the land on which Rockingham stands today, the Nyoongar people. The City pays its respects to their elders past, present and emerging.

Located 40 km south of the Perth CBD, the City of Rockingham is known as the place where the coast comes to life and is one of the fastest growing local governments in the south metropolitan area.

Covering approximately 262 km² with 37 km of stunning coastline, the City is home to about 135,000 residents. Neighbouring local governments include the City of Mandurah in the south, City of Kwinana in the north, and Shire of Serpentine-Jarrahdale in the east.

Before the arrival of European settlers in the 1800s, the Nyoongar people inhabited the area that the City now covers for thousands of years. The area was coined "Rockingham" after the ship Rockingham ran aground off the region's coast in 1830 during stormy weather.

Settlements in the region were established in the mid-1800s as families took up land and began farming, with the Rockingham Road Board later constituted in 1897. In 1961 the area continued its growth by becoming the Shire of Rockingham, before finally attaining City status in 1988.

With continued growth, the City's population is forecast to climb towards the 200,000 mark over the next 10 years making it one of the largest local government areas in Western Australia.

Our Values



Recognition



Ethics



Service



Mayor's Report

Welcome to the City of Rockingham's Annual Report.

This report details the progress made by the City in the 2019/2020 financial year against the actions that have been set out in the Strategic Community Plan 2019 – 2029.

2019/2020 was a busy year marked by the completion of a number of exciting projects, the development of important strategies, and of course, a year that will be forever marked by the impact of COVID-19.



Barry Sammels City of Rockingham Mayor

2019/2020 Budget

The City of Rockingham is one of the fastest growing local governments in Western Australia, with approximately 135,000 residents calling the City home. As a rapidly growing community, there is significant demand placed upon the City to deliver new infrastructure projects while simultaneously renewing existing assets such as roads and parks. To meet this demand, a 3.6% rate increase for residential properties was included in the 2019/2020 budget.

A New Council

Local Government elections were held in October 2019 and it was a pleasure to welcome new councillors Craig Buchanan, Lorna Buchan, Rae Cottam, Sally Davies and Hayley Edwards to Council. The City also congratulates Cr Joy Stewart on her re-election.

The elections marked the beginning of new ward boundaries across the City of Rockingham. Council is now represented by 11 councillors across three wards. Six councillors represent the Rockingham/Safety Bay Ward, three represent Baldivis Ward, and two represent Comet Bay Ward in the City's southern suburbs.

I would like to thank my fellow councillors for their support in re-electing me as Mayor, along with Cr Deb Hamblin, who was re-elected as Deputy Mayor. We are proud to continue to serve the community and are as determined as ever to ensure Rockingham fulfils its potential as the place where the coast comes to life.

I would also like to express the City's appreciation to departing councillors Andy Burns, Chris Elliott, Lee Downham and Katherine Summers for their valued contribution to the community.

Major Projects Take Shape

2019/2020 was marked by the completion of the \$15.75 million Rockingham Beach Foreshore Revitalisation (RBFR).

The RBFR was a major enhancement to the City's premier coastal destination and comprised three main areas.

1 Railway Terrace, which is now a pedestrian friendly shopping and eat street.

2 The Beach Plaza, which will become a new heart for Rockingham with a range of recreational, cultural and heritage attractions.

3 The new look Boardwalk, with timber terraces and some 'young at heart' attractions connecting to the beach.

While one foreshore project was completed, the foundations for the future of another stretch of the City's stunning coastline were developed. The Safety Bay Shoalwater Foreshore Master Plan was adopted by Council in 2019/2020 and will play an integral part in guiding the changes to the foreshore as funding becomes available.

Important steps were also made on the Baldivis District Sporting Complex project throughout the year, with the tender for civil works on the project awarded in December 2019. Earthworks, roadworks and revegetation works were later carried out and these efforts will lay the foundations for the project to fully take shape in the years to come.

Facing the Challenges of COVID-19

Never in my experience as a Councillor or Mayor has Council and the City faced challenges like the ones posed by COVID-19. Not only did the pandemic present major health issues for the wider community, it has also presented unprecedented economic problems that require a collaborative approach from all tiers of government.

Council was quick to recognise the various health and financial issues posed by COVID-19, and throughout this report you will be able to learn about the extensive actions, strategies and decisions that have been made to tackle the issue.

We are under no illusions that the recovery process will be a long journey, but by working closely with the relevant stakeholders across the community, both Council and the City will play a positive and productive role in Rockingham's recovery.

In closing, I would like to thank my fellow councillors, both past and present, as well as all City of Rockingham staff for their efforts throughout 2019/2020.

CEO's Report

In 2019/2020 the City of Rockingham focused on continuing to achieve the aspirations outlined in the Strategic Community Plan 2019-2029.

A number of exciting new strategies were developed, while significant progress was made on major community infrastructure projects. In a year unlike any other, the City also dealt with the unprecedented challenges posed by COVID-19.



Michael Parker City of Rockingham CEO



Foreshore Comes to Life

Construction on the Rockingham Beach Foreshore Revitalisation (RBFR) was officially completed in early 2019/2020, with the \$15.75 million project representing a major accomplishment for the City. From planning to construction and completion, the project was the culmination of nearly a decade's worth of work across various departments at the City. I commend the teams involved for helping deliver an award winning world-class foreshore precinct that the community can enjoy for many years to come.



Economic Development Strategy

Here at the City we are focused on helping to foster a diverse, vibrant, resilient and balanced local economy that facilitates job growth and sustainable economic development. The adoption of the City's Economic Development Strategy 2020 – 2025 by Council in March 2020 gives us a clear direction in how we'll move forward over the next five years. The City looks forward to working closely with the business community to achieve the targets outlined in the strategy.

As part of the City's Tourist Destination Strategy, the Rediscover Rockingham tourism campaign was also well received. The campaign is aimed at attracting people to the area's premium ecotourism and aquatic adventures, where nature and marine wildlife can be experienced just a short drive from the City.

Advocacy

Throughout 2019/2020 extensive advocacy efforts were made to a number of key stakeholders at both a state and federal government level. These efforts successfully resulted in the City securing funding for a number of key infrastructure projects including:



\$1 million from the State Government to assist with construction of the district pavilion with floodlighting at the Baldivis District Sporting Complex.



\$985,000 from Lotterywest for the refurbishment of the Rockingham Youth Centre.



\$400,000 worth of grants from the State's WA Bike Network Grants program for the upgrading/construction of a 3.4 km shared path along Ennis Avenue in Rockingham.

Advocacy for prompt measures in line with the COVID-19 recovery stimulus is ongoing.

COVID-19

As highlighted in the dedicated COVID-19 section of this report, the global pandemic presented issues that the City has never experienced before. The nature of these issues, their impact and the speed with which they affected the City's operations and services were a significant challenge that required an informed, measured and decisive approach from both Council and the Executive. The establishment of a Business Continuity Team was a critical part of the City's response.

Based on State Government, Australian Government and WA Department of Health advice, the City took the necessary steps to protect community members and staff. The City is acutely aware of the challenges that lie ahead with respect to COVID-19, and plans to combat the issue have and will continue to be developed as needed.

It is particularly noteworthy that the City's essential services continued to operate during the lockdown period. While some programs needed to be suspended, others were adapted to continue servicing the community. I would like to acknowledge and commend staff for their willingness to adapt during this period.

Additional communication with the community during the COVID-19 pandemic has been important and our residents have responded well to the restrictions and changing environment we all faced.

Recognition

The City prides itself on delivering outstanding service to the community. In September 2019 it was pleasing to see the hard work of the City's Ranger Services recognised as the best in the state, winning the Rangers Team of the Year Award for Western Australia, from the WA Rangers Association. The award is presented to one local government team based on "excellence of service provided to the community".

In late 2019 it was a pleasure to see the City receive recognition for outstanding coastal management practices at the Western Australian Natural Resource Management and Coastal Conference. The conference saw the City win the 2019 WA Coastal Award in the Excellence - Local Government category, for its work on the Coastal Hazard Risk Management and Adaptation Plan.

Following on from the completion of construction on the RBFR, the City was also delighted to receive two engineering awards at the 2020 Institute of Public Works Engineers Australasia WA Awards. The project won first place in the Best Public Works Project Greater Than \$5 Million (Metro) Category, as well as the G.K Watters Award as the 'Best of the Best' for 2020.

The City was also recognised by Local Government Insurance Scheme (LGIS) for attaining the Diligence in Safety Award criteria for tier three certification in the 3 Steps to Safety program.

Acknowledgments

In closing I would like to thank both Council and the City's Executive for their leadership and commitment in 2019/2020.

I would also like to acknowledge the hard work, professionalism and outstanding level of service provided to the community by all City staff.

Strategic Community Plan 2019 - 2029

Local governments are required to conduct a full review of their strategic community plan every four years, as outlined in the Local Government Act 1995.

In 2018 the City of Rockingham hosted a number of “Planning for the Future” workshops as well as conducting surveys to get feedback from residents regarding their aspirations and vision for the City over the next 10 – 20 years.

The participants analysed the progress made by the City on its previous Strategic Community Plan, and used this as a basis for developing a new set of Aspirations. City staff did not get involved in these discussions and the outcomes were driven entirely by the community.

Suggestions developed by residents in the workshops and surveys were later taken to a workshop with the City’s Councillors, where priority areas for further development were identified.

A representative from each workshop attended this session to ensure the views from the residents were represented. This engagement process later resulted in the development of the City’s draft Community Vision, Aspirations and Strategic Objectives.

Following a month long public consultation period, the draft was approved by Council in September 2018.

The Strategic Community Plan 2019 – 2029 officially became a live document underpinning all of the City’s actions from 1 January 2019.

Our Aspirations



Aspiration 1:

Actively Pursue Tourism and Economic Development

- Coastal destination
- Investment attraction
- Marketing and promotion
- Attractions and events
- Infrastructure investment – local, regional and state
- Business development
- MICE (meetings, incentives, conferences and events)



Aspiration 3:

Plan for Future Generations

- Infrastructure planning
- Responsive planning and control of land use
- Climate change adaptation
- Sustainable waste solutions
- Alternative energy applications
- Preservation and management of bushland and coastal reserves
- Liveable suburbs



Aspiration 2:

Grow and Nurture Community Connectedness and Wellbeing

- Youth development and involvement
- Accessibility
- Aboriginal heritage and inclusion
- Community engagement
- Community capacity building
- Community safety and support
- Services and facilities



Aspiration 4:

Deliver Quality Leadership and Business Expertise

- Effective governance
- Revenue sources
- Leadership in sustainability
- Strategic and sustainable financial planning
- Management of current assets
- Benchmarking and optimising performance
- Key stakeholder partnerships



Our Community's Vision for the Future

During the creation of the Strategic Community Plan, Council and the community developed a vision to guide the City into the future.



Be home to a welcoming and inclusive community that understands, represents and preserves its unique sense of purpose and place



Be recognised and admired as a contemporary and vibrant destination, renowned for its natural beauty and world class coastal and marine environments



Offer a safe, relaxed and friendly tourism lifestyle, underpinned by a diverse range of community facilities, services and cultural activities all linked with a first class public transport system



Prosper from investment that generates employment opportunities, created by a diverse and robust economic base including retail, services, tourism, education, defence, horticulture and light and heavy industrial activities



Continue to reduce our carbon footprint and the generation of waste



Manage and use our land and marine environments in a manner that preserves them and recognises that the climate is changing.

Performance Highlights Against Community Plan

In 2019/2020 the City worked to deliver on the objectives outlined in the Strategic Community Plan 2019 – 2029. A number of plans and strategies were implemented to deliver on each of the four aspirations.

The items that follow are a snapshot of the accomplishments that have been achieved in these areas.





Actively Pursue Tourism and Economic Development

Known widely as the place where the coast comes to life, the City of Rockingham took important steps in 2019/2020 to capitalise on this and continue to fulfil the Strategic Community Plan aspiration of actively pursuing tourism and economic development.

In March 2020, Council formally adopted the Economic Development Strategy 2020 - 2025. The strategy reflects the City's ongoing commitment to addressing the needs of the local business community, attracting new and diverse investment and delivering increased economic and social benefits to the community.

During 2019/2020 the City moved to make it easier for all businesses in the community to access information on tenders and quotes by moving to advertise all quotes and tenders above \$80,000 through the City's online portal, Rock Port.

Where possible and in line with the relevant purchasing policies, the City actively began sourcing quotes from local business and suppliers, for quotes under the \$80,000 threshold. It also began to provide additional weighting to local suppliers in tender assessments.

The City, in partnership with the South West Group, was delighted to welcome four Western Australian Trade Commissioners to Rockingham in June 2020 for a tour to explore potential economic development opportunities. Represented by Mayor Barry Sammels, the City gave the WA Trade Commissioners to India, China, Indonesia and Japan a tour of the Rockingham Industry Zone and Foreshore precinct. The group was provided with a

briefing on a range of development opportunities across the City, including tourism, general and heavy industry, defence, as well as the City Centre, Waterfront and Smart Village precincts.

The City continued to deliver on the strategic priorities outlined in the Tourist Destination Strategy, with the launch of its stylish new brand Rediscover Rockingham in November 2019. The brand was promoted across Western Australia through various mediums including billboards, key tourism websites, social media campaigns, radio advertising and on the popular television tourism program Destination WA.

The City also recognised that attracting and retaining iconic events such as the Rockingham Beach Cup can play an important role in boosting tourism for Rockingham. As a result, \$154,000 of funding was allocated to support the Rotary Club of Palm Beach in organising the event. \$36,000 of this came from the City's Community Grants Program, while Council resolved to allocate a further \$118,000. In its first run back since the Rockingham Beach Foreshore Revitalisation was completed, the event was a major success with 16,000 attendees and a total of \$1.3 million injected into the local economy.





Grow and Nurture Community Connectedness and Wellbeing

In 2019/2020 the City of Rockingham continued to be an inclusive, welcoming and vibrant community committed to maintaining its unique sense of place and purpose.

Castaways, the City's premier arts and culture event, returned in October 2019 following a hiatus while construction on the Rockingham Beach Foreshore Revitalisation took place. The return of Castaways was welcomed by the community, with thousands attending exhibitions at the Rockingham Beach Foreshore, Churchill Park and the Rockingham Arts Centre.

The completion of the foreshore revitalisation and return of Castaways was capped off with a two-day Foreshore Celebration.

The City's annual Summer Series of free, family-friendly, smoke-free and alcohol-free events entertained the community from October 2019 to March 2020. Events including the Christmas Festival, New Year's Eve Celebration, Australia Day Fireworks and Romance on the Green were popular, with the Summer Series calendar ending earlier than intended in March 2020 due to COVID-19.

During 2019/2020 the City continued to implement the actions outlined in its Disability Access and Inclusion Plan (DAIP) 2016-2019.

The DAIP is a legislative requirement under the Western Australian Disability Services Act 1993 and it outlines the actions the City will implement to ensure it is an accessible and inclusive place to live and that people with disability and their families can participate in community life. The City also commenced a full review of the DAIP, with a view to developing a new plan for a five year period beyond 2020.

The City's Community Grants Program (CGP) continued to support the capacity of community groups in 2019/2020 with more than 200 applicants from various not-for-profit organisations and associations receiving funding from the City.

Financial support for the community was also provided through the City's Low Income Subsidy Scheme. Three subsidy schemes were available to eligible residents on low-income pensioner or concession cards to feel safer, more secure and connected. Subsidies included the Safety Subsidy, Home Modification or Assistive Equipment Subsidy and the Information Technology Subsidy.

Plan for Future Generations

The City is committed to ensuring it plans comprehensively for future generations of residents who will call Rockingham home.

In 2019/2020 the City completed the \$15.75 million Rockingham Beach Foreshore Revitalisation, a key project in shaping the future of the City's premier tourism precinct. The project comprised three main areas - Railway Terrace, now a pedestrian friendly shopping and eat street, the Beach Plaza, which will become a new heart for Rockingham with a range of recreational, cultural and heritage attractions, and the new-look Boardwalk, with timber terraces and some 'young at heart' attractions connecting to the beach.

Significant progress was made in the development of the Baldivis District Sporting Complex (BDSC) project. In December 2019 the tender for civil works on the project was awarded, with site works beginning in early 2020. Major environmental works and roadworks surrounding the BDSC were also carried out.

The new Port Kennedy Skate Park was opened in August 2019, with a celebration held to mark completion of construction. In what is an exciting first for the City, the new skate park has been designed to include bowl, street and plaza skate elements. In addition, the skate park also has supporting infrastructure that includes a basketball half-court, shelters, drink fountain, toilets, bike racks and parking.

As a City with 37 km of stunning coastline, the potential impact of climate change and sea level rise poses several issues for the City in the future. In September 2019 Council moved to address this by endorsing the City's Coastal Hazard Risk Management and Adaptation Plan (CHRMAP). The City was pleased to be recognised for its outstanding coastal management practices in this space when it won the 2019 WA Coastal Awards for Excellence – Local Government Category at the WA Natural Resource Management and Coastal Conference.

The City of Rockingham is rich with heritage and in 2019/2020 Council adopted the Heritage Strategy 2020 – 2025. The strategy is a first for the City and shapes the City's approach to management, conservation and promotion of heritage. In developing the strategy, the City focused on the connected nature of both Aboriginal and European heritage, as well as the stunning natural landscape throughout the region.

The City also developed the Safety Bay Shoalwater Foreshore Master Plan in 2019/2020. The Master Plan provides a broad vision to guide changes to the foreshore and will be implemented over coming years as funding is secured. At the February 2020 Council meeting, the Shoalwater Reserve Activity Node was selected to be the first stage of works in the Master Plan.

Construction on the Baldivis District Sporting Complex site began in 2019/2020.





In an emergency dial 000
and quote the information below

Rockingham Beach

RO36

Address: Beach access opposite the Railway Tce and
Rockingham Beach Rd Intersection
Suburb: Rockingham
Nearest Intersection: Railway Tce and
Rockingham Beach Rd



Help keep everyone safe.
Report shark sightings
to Water Police on 9442 8600.
SHARKSMART.COM.AU

Deliver Quality Leadership and Business Expertise

In 2019/2020 the City of Rockingham continued to focus on delivering quality leadership and business expertise. It did this through the implementation of effective governance, sound financial management, engaging with key stakeholders and with the wider community.

Local government elections were held in October 2019 and the City welcomed five new elected members: Lorna Buchan, Craig Buchanan, Rae Cottam, Sally Davies and Hayley Edwards. Cr Joy Stewart was re-elected. All six of these councillors were elected to four year terms.

The elections marked the beginning of new ward boundaries for councillor representation within the City. Six councillors now represent the Rockingham/Safety Bay Ward, three represent Baldivis Ward and two represent Comet Bay Ward. Cr Barry Sammels was re-elected Mayor and Cr Deb Hamblin was re-elected Deputy Mayor by the new Council.

A 3.6% rate increase for residential properties was included in the 2019/2020 budget. This was done to ensure the City could continue to appropriately meet the demands of a fast growing community that requires significant infrastructure and asset renewal.

The City continued to engage with stakeholders across all levels of government. Through these efforts, the City was able to secure a \$1 million grant from the Department of Local Government's Sport and Cultural Industries' Community Sporting and Facilities Fund to assist with the construction of the district pavilion with floodlighting at the Baldivis District Sporting Complex.

A \$985,000 grant was secured from Lotterywest to assist with the refurbishment of the new Rockingham Youth Centre, and the City was also successful in securing \$400,000 worth of grants from the State Government's WA Bike Network Grants program for the upgrading/construction of a 3.4 km shared path along Ennis Avenue in Rockingham.

In 2019/2020 the Department of Planning, Lands and Heritage (DPLH) continued to carry out its planning investigation into future land uses at Cape Peron, and during this process the City continued to advocate to the Department on behalf of the community. When the future use is determined, the City wishes to see Cape Peron Reserve be transferred to Class A to recognise its high level of value to the community. DPLH is conducting the process at the direction of the Minister for Planning, and any recommendations from this process will ultimately be considered by the Minister.

Civic duties continued to be carried out by the City, with citizenship conferred on hundreds of new Australians during regular citizenship ceremonies throughout the year. The largest ceremony each year takes place on Australia Day.

The City maintained its commitment to engaging with the community in 2019/2020. Both City staff and councillors liaised with residents on a number of issues through various City Advisory Committees, workshops, the City's website, surveys, social media, direct mail and the City's online portal Rock Port.

Advocacy efforts for key infrastructure projects continued in 2019/2020, as the City lobbied both State and federal government stakeholders for funding assistance.

COVID-19

During 2019/2020 the City of Rockingham, like many other local governments, was significantly impacted by COVID-19. The global pandemic presented a number of challenges for the City and began to affect services and operations in March 2020. The City's Executive team was quick to recognise the threat posed by COVID-19 and activated the City's Business Continuity Plan.

The plans, initiatives and actions developed in response to COVID-19 were aligned with, and in some cases in addition to, the state-of-emergency risk mitigation directives issued by the State Government.

Restrictions imposed by both the Australian Government and the State Government to limit the spread of COVID-19 had a major impact on the delivery of various services and City operations. From March 2020 all of the City's community and leisure facilities, as well as libraries, playgrounds and parks, were required to close. To limit in-person interactions, the City's customer service desk at the Administration Building on Civic Boulevard was also closed temporarily. The closure to the City's community and leisure facilities had implications for the City's casual workforce.

All advisory and occasional committees ceased, as did in-person Councillor Engagement Sessions. To comply with social distancing rules, public attendance at the Planning and Engineering Services, and Corporate and Community Development Committee meetings was not permitted. The April and May Council meetings were also closed, taking place via the Zoom online platform. Council meetings reopened to the public in June, albeit with limited numbers due to social distancing and in line with the State Government's COVID-19 Roadmap to recovery.

At the direction of the Minister for Local Government in March 2020, all non-urgent items on Council meeting agendas were deferred to a later date to allow Council to focus on the most pressing and timely issues. This continued until the June 2020 meeting when Council resolved to return to normal governance arrangements. The City utilised multiple platforms of communication to keep the community and stakeholders informed during this time. These included regular updates on the City's website, social media channels, a radio advertising campaign, media releases, newspaper advertisements and regular email updates issued through Rock Port. Mayor Barry Sammels and Chief Executive Officer Michael Parker also provided video updates for the community.

In May 2020 the City used its Local Emergency Management Arrangements to establish a formal recovery committee comprising federal, state and local government representatives, along with delegates from local not-for-profit organisations. This group was known as the City of Rockingham Local Recovery Coordination Group (LRCG) and it was formed to provide support to the State Government's COVID-19 WA Recovery Plan.

Two sub-committees were then established by the LRCG:



COVID-19 Economic Wellbeing Committee Sub-Committee



COVID-19 Social Wellbeing Sub-Committee

These sub-committees will play an important role in guiding the Rockingham recovery effort. The pandemic continued beyond the 2019/2020 financial year and the challenges were expected to be complex and long-lasting. The following information outlines some of the measures that were taken by the City to address these challenges.

Relief and support for ratepayers through robust fiscal management

- At the March 2020 Council meeting, Council resolved not to increase rates, fees and charges for the 2020/2021 financial year.
- A prudent 2020/2021 budget was prepared and adopted by Council in June 2020.
- To mitigate the impact of the State Government's statutory revaluation of properties, Council resolved to provide concessions to ratepayers with property rated GRV-Residential who would have paid more in rates in 2020/2021 than the previous year.

Assistance to the business community

- The City wrote off commercial rent for commercial tenants in the City who had been directly impacted by COVID-19.
- In recognition of the importance of alfresco dining to recovery, all businesses with an approved outdoor dining area on City land were given a three-month credit on alfresco dining fees.
- In partnership with Business Foundations, the City offered a free Business Emergency Advice Program and Business Rebound Program to local operators.
- The City moved to ensure all quotes and tenders above \$80,000 were available to local businesses through the City's online portal, Rock Port.
- Modifications were made to the City's Procurement Policy to support local businesses by seeking quotes from local operators wherever possible. The City also sought to provide additional weighting to local suppliers in tender assessments.
- The City partnered with Destination Perth to launch a tourism campaign that focused on telling the stories of the people behind the businesses that adapted to the challenges posed by COVID-19.

Maintaining important infrastructure projects

- Where practical and possible, the City continued to focus on delivering major infrastructure projects that could stimulate the local economy including:
 1. The Baldivis District Sporting Complex
 2. Koorana Reserve Upgrade Master Plan
 3. Preparing for the refurbishment of the new Rockingham Youth Centre
 4. Aqua Jetty Outdoor 50m and 25m pools refurbishments and general upgrades to the facility (this project was brought forward during the COVID-19 enforced lockdowns).

Supporting the most vulnerable

- Access to funding through the City's Community Grants Program was simplified to assist not-for-profit organisations dealing with the impacts of COVID-19. In March 2020, Council increased to \$15,000 the maximum grant amount the CEO could approve for eligible not-for-profit entities providing services, provisions or assistance to those affected by the impacts of COVID-19.
- The City's Autumn Centre began offering affordable takeaway meals for the community, with an average of 100 meals per day dispatched during the early stages of COVID-19. The centre also provided a low risk environment for seniors to get the annual influenza vaccine as well as a no-contact podiatry service.

- Click and collect services were implemented at the City's libraries to give community members the opportunity to borrow items in a COVID-19 safe manner.
- Subsidies available through the City's Subsidy Scheme were increased from \$100 to \$150 to assist the community.
- All sporting and community groups were advised of the financial support available to them.

As restrictions were eased by the State Government towards the end of 2019/2020, the City commenced a phased reopening of its facilities. During this time the Department of Local Government, Sport and Cultural Industries, and Local Government Professionals WA, began conducting a state-wide study into community resilience. The City encouraged residents to get involved.

The study gave the Department and Local Government Professionals WA the opportunity to understand how the community had coped with the impacts of COVID-19, and where local governments could prioritise their response efforts. Results from the survey placed the City's COVID-19 response in the good-to-excellent category with a score of 78 (compared to the state average of 68).

Once completed, the study was expected to give the Department and Local Government Professionals WA the opportunity to understand how the community had coped with the impacts of COVID-19, and where local governments could prioritise their response efforts.

Results from the survey were released in early 2020/2021.

2020 - COVID-19 Timeline

●	25 JAN	First recorded case of COVID-19 in Australia.
●	27 FEB	Australian Prime Minister Scott Morrison declares COVID-19 a pandemic.
●	11 MAR	World Health Organisation officially declares COVID-19 a pandemic.
●	16 MAR	City of Rockingham cancels all events.
●	23 MAR	All City community and leisure facilities close.
●	30 MAR	City parks, playgrounds and skate parks are closed.
●	29 APR	Activities such as picnics and barbecues at City parks permitted with 10 person limit.
●	18 MAY	Dog parks, sporting clubrooms and fields, as well as the City's customer service centre at the Administration Building reopen in line with Phase 2 of COVID-19 WA Roadmap.
●	25 MAY	Libraries and Autumn Centre reopen with limited patrons and services.
●	8 JUN	In line with Phase 3 of the COVID-19 WA Roadmap, the Aqua Jetty, Rockingham Aquatic Centre, Mike Barnett Sports Complex and community halls/centres begin to reopen.
●	27 JUN	Phase 4 begins. Libraries resume normal programming and events, majority of Aqua Jetty amenities return, all other City services begin operating on a business as usual basis.



Our Council

The City of Rockingham comprises three wards, represented by 11 councillors and a Council elected Mayor and Deputy Mayor.

LEGEND

- Rockingham / Safety Bay Ward
- Baldivis Ward
- Comet Bay Ward
- Suburb Boundaries

ROCKINGHAM / SAFETY BAY WARD 6 COUNCILLORS



COMET BAY WARD 2 COUNCILLORS

SECRET
HARBOUR

GOLDEN
BAY

SINGLETON

KARNUP

KERALUP

BALDIVIS WARD 3 COUNCILLORS

BALDIVIS

Councillor Profiles

Rockingham / Safety Bay Ward



MAYOR BARRY SAMMELS

Phone: 9592 2344

Email: barry.sammels@rockingham.wa.gov.au

Barry is passionate about developing the local community. His mission is to work in partnership with the people of Rockingham to create an inclusive community in a leading city with a relaxed coastal lifestyle.

Barry understands the needs of the local community, having been a local business owner and resident of the Rockingham area for 37 years, Mayor of the City for 17 years and a Councillor for 23 years. He chairs a number of committees which focus on strategy, community safety and major projects in the area. He is committed to building stronger partnerships with State and federal Government.



DEPUTY MAYOR DEB HAMBLIN

Phone: 0404 895 046

Email: cr.hamblin@rockingham.wa.gov.au

Deb holds a Bachelor of Arts, and a Graduate Diploma in Library and Information Studies. Now in her fourth term as Councillor, she has a passion for expanding educational opportunities and promoting the value of literacy and education in our community.

Deb has been a Rockingham resident for more than 30 years. Deb is a Commissioner on the Western Australian Grants Commission, a board member on the Cockburn Sound Management Committee and a Governing Council board member for South Metropolitan TAFE.

During her time on Council she has been an active contributor to a number of committees including Community Development, Planning and Engineering, City Safe and Global Friendship Committee. She enjoys her role in assisting local residents and working towards an even better Rockingham community.



CR JOY STEWART

Phone: 9592 4948, 0421 021 711
Email: cr.stewart@rockingham.wa.gov.au

Joy has always been an active member of the community, being involved with many different organisations and sporting groups over 48 years of living in Rockingham. She was Commodore of The Cruising Yacht Club from 2003-2005 and was elected as a Rockingham Ward Councillor in 2007, and soon became the first person in Australia to receive a Diploma in Local Government.

She prioritises her role in decision-making and likes being a voice for less fortunate members of the community, such as the elderly and people living with disability. She serves as a Council representative on several Committees including the Heritage Reference Group, Coastal Facilities Advisory Committee, CEO Recruitment, and Chair of the Senior Advisory, and Corporate and Community Development committees. Outside of Council committees Joy is on the PCYC Advisory Council, the RAAD (Rockingham Alliance Against Depression) Committee, is a patron of the Rockingham Museum, bingo caller for the Rockingham Navy Club as well as being a community member of four school boards.

Joy's long time vision has always been to see Cape Peron as an 'A' Class Reserve (Coastal Park).



CR RAE COTTAM

Phone: 0455 190 138
Email: cr.cottam@rockingham.wa.gov.au

My name is Rae and I am your local 34yo home grown Councillor born in Cooloongup, place of the children, I love fishing and spending time at the beach or out bush.

I am a Wangkatha woman and have lived in Rockingham all my life attending East Waikiki PS and Rockingham SHS.

One of my earliest memories is teaching a local homeless man to read and write when I was only four. Since then I have taught locally through Youth Programs, Adult Education, Parenting Programs and even the City's Intergenerational Award Winning 'Gone Fishing' Program.

I have been nurturing and growing my political and leadership skills with OXFAM's Straight Talk Program whilst listening to locals for a long time now. My dream since year 7 in 1998 was to see the Aboriginal Flag and Torres Strait Islander Flags flying everyday at Council. Now in 2020 it is a reality. I am absolutely honoured to be elected as your voice at the table and to be working with Councillors who are ready for change and history in the making.

I am the youngest female to be elected at the Council and only Aboriginal Person to be elected. I am deeply invested in Community and Sustainable Development. I would like to thank my constituents and look forward to working with and hearing from you over the next three years.

Councillor Profiles

Rockingham / Safety Bay Ward



CR LEIGH LILEY

Phone: 9593 8362

Email: cr.liley@rockingham.wa.gov.au

Rockingham has been Leigh's home for 50 years. Leigh is very aware of social and economic challenges our families face, and brings understanding and compassion to her role as a Safety Bay Ward Councillor. The needs and lifestyle of our community, the responsible management of our unique coastal environment and the advancement of a sustainable and affordable economic future for all residents is foremost in Leigh's thinking.

Leigh is opposed to the industrial degradation of Cockburn Sound, to excessive clearing of our unique bush land, and the location of heavy, noxious industry on our doorstep to the detriment of our lifestyle, health, businesses, and tourism potential.

As well as being Council's representative on various committees including Corporate and Community Development, Sports Advisory; SWCDEF Inc. Management Committee; and Community Grants Program, Leigh has advocated on the behalf of residents when issues have challenged the best interests of the community, and has positively influenced decision making ensuring residents have access to quality services, recreational facilities, key infrastructure and programs.

Leigh remains committed to ensuring the community's long term aspirations reflected in the City's strategic plans are as important now as the day she became a Councillor.



CR CRAIG BUCHANAN

Phone: 0427 931 745

Email: cr.buchanan@rockingham.wa.gov.au

Originally from Scotland, Craig emigrated to Australia in 2003, and moved to Rockingham in 2012.

He has enjoyed gainful employment as (in no particular order), a civil servant, a naval reservist, a barman, a bouncer, a university accommodation manager, a political speechwriter, and once, for the space of 36 hours in the middle of a particularly harsh winter, a burglar-alarm salesman on the streets of Dundee.

Now 48, he is married to Claire, a local teacher. With the kids having flown the coop, his home life is now governed by two cats (indoor, de-sexed, and fully registered, thank you very much for asking). The cats effectively own the house; Craig and Claire just pay the bills. An avid reader, Craig is a regular book reviewer for The Big Issue Australia, and an occasional columnist for The Spectator, and New Matilda, amongst others. A fan of the benefits of life-long education, he recently graduated with a PhD from UWA.

Craig sits on the City's Corporate and Community Development Committee, and it's Community Grants Program Committee. He chairs the City's Australia Day Awards Selection Panel, and sits on the Cultural Developments and Arts Advisory Committee. In October 2019, he was appointed as the Council's representative on the State Government's Cape Peron Planning Investigation Area Working Group.

Comet Bay Ward



CR MARK JONES

Phone: 0410 844 880

Email: cr.jones@rockingham.wa.gov.au

For over 20 years Mark and his family have enjoyed being deeply connected with the Rockingham community and they have lived in Port Kennedy for the past 14 years. Raising four children in this beautiful place, he has a strong desire to protect and improve the elements that make Rockingham so great. Mark and his family love getting out to enjoy our spectacular beaches and parks and he has been actively involved with many sporting organisations and community groups. He has also enjoyed working as a town planner for over 15 years in Local Government and the Rottnest Island Authority.

Mark is the Executive Minister at Warnbro Community Church and Chairperson of the Seaside Camp for Children at Cape Peron. He is passionate about sustainable development and fostering partnerships to provide needed services and programs to the community. Mark serves as a Council representative on several Committees, including, Chairperson of Peron Naturaliste Partnership (a group with nine local governments from Rockingham to Busselton), WA representative on the Australian Coastal Councils Association Committee, Chairperson of the Planning and Engineering Services Committee, Chairperson of the Disability Access and Inclusion Advisory Committee, member of the City Safe Advisory Community, member of the Rockingham Lakes Regional Park Community Advisory Committee and a delegate on the South Metropolitan Zone of the WA Local Government Association.



CR LORNA BUCHAN

Phone: 0420 596 453

Email: cr.buchan@rockingham.wa.gov.au

Lorna lives with her husband and four children in Secret Harbour. She loves the surf beach and golf course which reminds her of where she grew up in St Andrews, Scotland. She graduated from the University of Dundee with a professional qualification as a Chartered Accountant. She sits on the Planning and Engineering, Governance, Audit, and Coastal Facilities Committees.

Joining Council in October 2019 Lorna is keen to bring her skills and expertise in finance to the table with good financial management and effective and efficient spending top of her agenda. Lorna feels the financial pressures experienced by struggling families and is keen to see budgets set at an affordable level. She has already contributed to Council transparency by bringing a successful motion to Council for audio recording of meetings.

Lorna is community minded and is assisting residents associations and youth groups with advancing their goals and objectives. Her top priorities are encouraging jobs and economic development opportunities, community involvement and participation in decision making and ensuring that vulnerable and disadvantaged groups are supported. Personally, she is passionate about making Rockingham a tourist destination and would like to advocate for eco-tourism at Cape Peron with a visitors' centre, walking trails, cycleways and attracting a tourist caravan park to the area.

Councillor Profiles

Baldivis Ward



CR MATTHEW WHITFIELD

Phone: 0405 637 894

Email: cr.whitfield@rockingham.wa.gov.au

Matt is proud of the City's handling of the COVID crisis and proud of the residents who calmly and respectfully went about their lives during the crisis. When first elected (seven years ago) Matt set about advocating heavily for the Baldivis District Sporting Complex and is delighted to see those works progressing.

Matt continued to work hard internally, also by sitting on not-for-profits, school and community boards where he positively contributed to great outcomes. Matt was one of the first to push for a genuine rates freeze and was delighted to have the support of Council to assist residents in this way. Matt has continued to seek out common sense outcomes and achieve cost saving measures by constantly challenging policies and strategies to get the best outcome possible for the community. Matt has pushed for live streaming of Council meetings for five years so he was delighted to see firm plans being implemented.

Matt continues to push for the City to embrace technology use as well as championing for more information being released in the public domain and more residents to be involved in the democratic process. Councillors are here to serve you, to challenge where necessary and to hold the administration to account and Matt continues to do exactly that.



CR HAYLEY EDWARDS

Phone: 0427 719 528

Email: cr.edwards@rockingham.wa.gov.au

Business owner, mother, advocate for mental health with a professional background in the medical field as an airforce medic, additionally, a qualified paramedic.

Carrying out an interest in making our local community a better one to live, work and visit, I was elected as Councillor in October 2019. Over the past 12 months this multifaceted role has been challenging, extremely rewarding, and enriching. I have been lucky enough to be involved in many community grass roots initiatives this past year and met so many humble, inspiring people in our City; it's the people that make Rockingham the best place to live!

I am a Council representative on the following Committees: Planning and Engineering Services Committee, Sports Advisory Committee, South Metropolitan Zone Committee, Community Grants Program Committee, CEO Performance Review Committee, most recently, Rockingham Tourism.

I successfully completed all recommended Council Member Essentials training through WALGA, and decided to extend my knowledge of local government by pursuing the Diploma of Local Government; additionally a Masters of Leadership.

My focus for the coming year is to focus on progressive outcomes-based ideologies, gain further knowledge of LG organisational complexities, enhance community engagement; additionally, be a highly effective Council member of a strategically focused well governed City. If you have any queries or need assistance, please feel free to contact me at any time.

**CR SALLY DAVIES**

Phone: 9528 0333

Email: cr.davies@rockingham.wa.gov.au

I've been part of the Rockingham community for 28 years. I love it here, have raised my children here, and worked locally until very recently. My husband and I also ran a successful small business locally for nearly 13 years.

I've been a high school teacher of English and History for 21 years, and absolutely love my 'day job'. Because of my investment in education I am passionate about youth issues and employment opportunities. I work in an Education Department school but spent many happy years in Independent schools and have done a lot of contract work for the state and federal Education Authorities.

Australia's volunteer culture is one of the many things I love about this country. I've engaged in many voluntary positions, currently being Vice President of the History Teachers' Association of WA, and I chair a curriculum committee for the State Curriculum and Standards Authority, though my volunteer positions have also included work with Political parties, Rotary International, and, like most parents, a lot of sporting clubs and music bands while my own children were younger.

While it may sound ingenuous, the truth is that I became a Councillor because I wanted the opportunity to give back the community that I call home, the community that has made me feel welcome and that has given me so much. I believe in a fair go, in building community ties, and seeing our wonderful home flourish. I am a team player and thrive in group environments, so working with the Council in conjunction with the committed staff of the City of Rockingham is proving to be an absolute pleasure.



Organisational Structure

The City of Rockingham Administration comprises six directorates.



General Management Services



Corporate Services



Engineering and Parks Services



Community Development



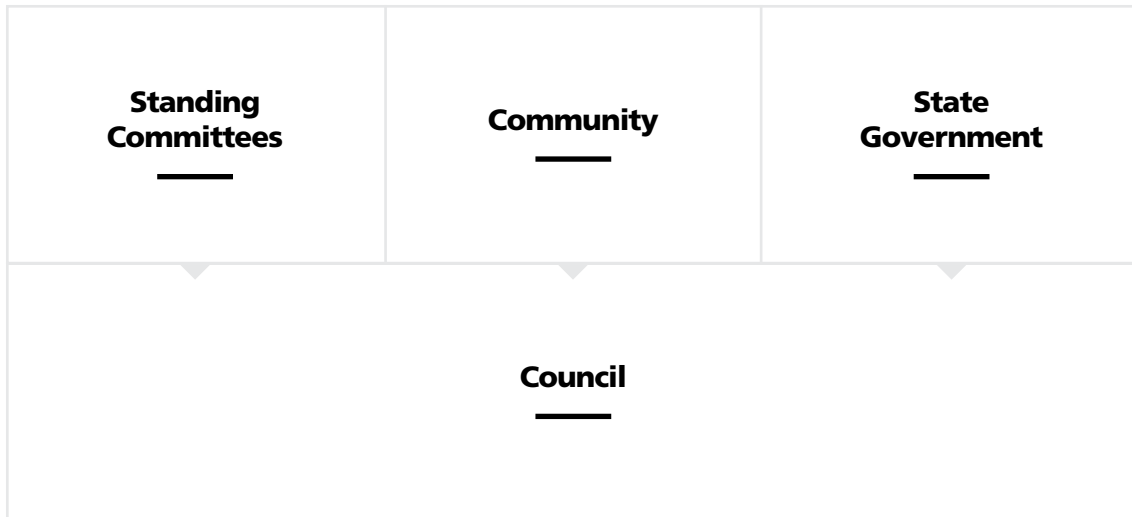
Planning and Development Services




Legal Services and General Counsel

Each directorate in the City is led by a director who reports to the Chief Executive Officer (CEO). The CEO is also responsible for the General Management Services directorate.

The CEO is directly accountable to the Council elected by City of Rockingham residents.



Chief Executive Officer



Michael Parker
 CEO and Director
 General Management Services

Executive Management Team



Sam Assaad
Director
Engineering and
Parks Services



Bob Jeans
Director
Planning and
Development Services



John Pearson
Director
Corporate Services



Michael Holland
Director
Community
Development



Peter Doherty
Director
Legal Services and
General Counsel



Michael Parker

Chief Executive Officer

Bachelor of Economics (UWA), Municipal Clerks Certificate of Qualification, Fellow Local Government Professionals Australia WA, 2012 Local Government Managers Australia WA Medal, 2016 WALGA Local Government Distinguished Officer Award.

Key Responsibilities

- Strategic Leadership
- General Management
- Internal Audit
- Strategy, Marketing and Communication
- Governance and Councillor Support
- Human Resource Development
- Organisational Development

Michael joined the City of Rockingham in August 2018 and has worked for five Western Australian Local Governments since 1988.

He is a former State President of Local Government Managers Australia WA and has spent the past 25 years as CEO at three different councils.



Bob Jeans

Director Planning and Development Services

Bachelor of Arts (Urban and Regional Studies), Fellow of Australian Institute of Management (FAIM), Member Planning Institute of Australia.

Key Responsibilities

- Strategic Planning and Environment
- Statutory Planning
- Building Services
- Environmental Health Services
- Ranger Services
- Emergency Services
- Rockingham Strategic Metropolitan Centre

Bob has 44 years of experience in the local government sector and has been the Director of Planning and Development Services since 2003. Bob has extensive experience in senior local government administration and town planning. Areas of particular interest include urban design, public spaces, town centre and 'main street' planning.



Sam Assaad

Director Engineering and Parks Services

Bachelor Engineering (Civil), Diploma Project Management, Member Institute of Public Works (WA).

Key Focus

- Lead the Engineering and Parks Services Division to work with the community, achieving the best possible outcomes for all stakeholders.
- Provide strong direction and feedback to the Executive in relation to strategic engineering and parks services issues and trends that affect the Rockingham community.
- Develop the leadership capabilities and legislative understanding of all staff members in engineering and parks services that supports community outcomes

Key Responsibilities

- Asset Management Services
- Fleet Management Services
- Traffic Management and Road Safety Services
- Road, Civil and Coastal Engineering and Management Services
- Building and Facility Management Services
- Streetscape, Parks and Playground Management Services
- Project Planning
- Infrastructure Project Delivery
- Civil Maintenance, Renewal and Operations
- Parks Maintenance, Renewal and Operations
- Environmental Maintenance and Operations
- Building Maintenance, Renewal and Operations

Sam has worked in private industry, federal government and local government in NSW, Victoria and Western Australia. For more than 20 years he has dedicated his career to the local government industry.

Sam has experience in delivering major civil, building, coastal and parks projects, managing maintenance and services contracts and leading engineering and parks operations and services. Sam has spent 15 years developing and embedding asset management principles in local government practices.

Sam joined the City in 2017 and looks forward to building and developing his area of responsibility to deliver excellent outcomes for the Rockingham community.



Michael Holland

Director Community Development

Bachelor Social Science (Leisure Science), Post Graduate Community Development, Advanced Diploma Management, Diploma Project Management.

Key Responsibilities

Lead the Community Development Division to work with the community to achieve the best possible outcomes for both the City and community through the following departments:

- Community Capacity Building
- Library Services
- Community and Leisure Facilities
- Economic Development and Tourism
- Community Safety and Support Services
- Community Infrastructure Planning

Michael has lived in Rockingham his whole life and has worked in both local government and the private sector. For more than 20 years he has dedicated his career to the community development industry. Michael is passionate about both his job and his community and considers himself very fortunate to work with and be part of his local community.



John Pearson

Director Corporate Services

Master of Accounting, Bachelor of Commerce.

Key Responsibilities

- Financial Services
- Procurement
- Property Services
- Customer and Corporate Support
- Waste Services
- Information Systems

John has worked at the City of Rockingham since 2008. Prior to this appointment he was the Chief Executive Officer for the Shire of Derby/West Kimberley in Western Australia's north. John has over 15 years of executive management experience in local government and is responsible for corporate operations in the City of Rockingham.



Peter Doherty

Director Legal Services and General Counsel

Bachelor of Jurisprudence (Honours), Bachelor of Laws (Honours), Mediator, Member Law Society of Western Australia, Law Council of Australia and the Association of Corporate Counsel.

Key Responsibilities

As the City's in-house lawyer, the General Counsel is responsible for providing independent legal advice to the City on all matters including:

- The City's operational functions; and
- Litigious and potentially litigious matters

As a Director and member of the Executive, the Director of Legal Services, Peter:

- Participates in strategic decision making of the Executive
- Maintains an oversight of the City's operational local government systems; and
- Develops and implements training for staff and Councillors on relevant legal topics and issues

Peter is the City's second Director of Legal Services and General Counsel.

Peter has worked in private legal practice for more than 35 years. Until 2006 he was a partner of a top-tier national law firm which specialised in local government law. During 2006 he commenced practice as a barrister at Francis Burt Chambers, where he remained until he joined the City. Peter is a former legal member of the Local Government Standards Panel and a former chairman of the Law Council of Australia's Business Law Section and a deputy-chairman of its Competition and Consumer Law Committee.

Compliance

Disability Access and Inclusion

In line with the requirements of the Western Australian Disability Services Act 1993, the City has a Disability Access and Inclusion Plan (DAIP), which outlines the actions the City will implement to further the principles and objectives of the Act. The DAIP for the period 2016–2019 was endorsed by Council in June 2016 following a comprehensive review process. In line with the requirements of the Act, the progress achieved under the DAIP is reported annually to the Department of Communities.

For the period 2016-2019, the City also developed a Disability Access and Inclusion Strategy (DAIS) which identifies broad strategic aspirations regarding disability access and inclusion for the Rockingham community.

The DAIS outlines the key actions to be implemented to achieve the vision of “an inclusive community that enables people with disability to fulfil their potential as equal citizens”. The DAIS was also endorsed by Council in June 2016.

A process is currently underway to conduct a full review of the DAIP and to develop a new plan for the City to implement for a five year period beyond 2020. It is anticipated that the new DAIP will be finalised and endorsed in early 2021.





Disability Access and Inclusion

In 2019/2020 the City continued implementing the actions outlined in the DAIP and the DAIS for the period 2016-2019. Progress achieved during the year includes:

- Establishment of a partnership with the City of Mandurah and the City of Kwinana to co-facilitate the Mandurah, Kwinana and Rockingham Access and Inclusion Network. The network comprises service providers and other stakeholders working in the disability sector in the region bounded by the three local government areas. The network provides regular opportunities for members to share information, build networks and establish collaborative partnerships.
- Ongoing bi-monthly meetings of the Disability Access and Inclusion Advisory Committee. This Advisory Committee represents the community by providing advice and support to Council to address City controlled disability access and inclusion issues.
- Ongoing provision of programs at the City's Libraries that are designed to be inclusive and accessible to the whole community. While the goal is to make all programs accessible and inclusive there are a small number of programs that have been introduced in recent years that are targeted towards people with a disability, their families and carers:
 - Connect and Create Space at Rockingham Central Library provides an area of the library for customers to use for activities, providing basic items such as colouring books, pens, pencils, puzzles and games.
 - 'Switch toys' purchased for the Rockingham Toy Library have proven to be very popular and additional purchases have been made in the past year.
 - LEGO Club at Mary Davies Library and Community Centre is popular with carers and families of people living with a disability as it is an interactive, friendly, safe space for people to engage with others and be creative to their own ability level.
 - STEAM (science, technology, engineering art and maths) Lab sessions at libraries continue to incorporate sensory awareness and a structure to cater to the needs of children with disability.
- Provision of Celebrate Ability, an annual community event that celebrates and acknowledges International Day of People with Disability. Approximately 500 people attended this event in 2019.
- Ongoing improvements are made to enhance the accessibility of events provided by the City, incorporating measures such as:
 - Increasing the number of events where Auslan interpretation is provided.
 - Providing free mobility scooters and wheelchairs at the Seniors and Carers Expo.
 - Installing 80m of beach access matting to enhance access to the Castaways. Sculpture Awards Exhibition and engaging DADAA (Disability in the Arts, Disadvantage in the Arts) to provide tactile tours at the event.
 - Providing intentional quiet and low sensory spaces at large community events such as the Rockingham Foreshore Celebration.
- Delivery of programs for people living with dementia and their carers, including the twice-monthly walking group; RAD Walkers – Rockingham Alzheimer's and Dementia Walking Group. The City also continued to raise awareness about dementia through several workshops for City staff, volunteers and community members.
- Providing support for users of mobility scooters and gophers by participating in the RECHARGE program. There are now 10 charging stations available across the City for users to safely and securely recharge while out and about in the community.

-
- Ongoing promotion of beach access equipment that is available through the City. 120m of access matting is installed on Rockingham beaches annually from October to April, and beach walkers and three different models of beach wheelchairs are available to the community to loan free of charge.
 - The City has undertaken extensive work to understand and address the accessibility of its infrastructure and spaces. The Access Audit Program has identified recommendations across 42 City-owned and managed sites, and the following progress has been made:
 - Selection of 10 sites for which improvements will take priority initially. Opportunities to address recommendations at other sites will also be sought and optimised.
 - Allocation of a project officer to oversee the process of prioritising and implementing recommendations in line with operational budgets and future business planning.
 - Completion of a number of maintenance and renewal tasks.
 - Establishment of a mechanism to enable ongoing tracking and reporting of progress.
 - Continuing to introduce and build inclusive elements into new and replacement reserve infrastructure such as playgrounds, barbecue facilities and pathways for access into and within reserves.
 - Implementation of a range of actions to enhance accessibility at the revitalised Rockingham Foreshore, as well as at City owned and leased facilities.
 - The design scope for the Baldivis District Sporting Complex and Koorana Reserve redevelopment included a requirement for an access consultant to form part of the design team and provide an access report that is used to complete the detailed design for these facilities.
 - The new City website (launched in early September 2019) includes elements which improve accessibility. The website has been designed in accordance with the World Wide Web Consortium's internationally recognised Web Content Accessibility Guidelines 2.1, and aims to conform to Level AA of these guidelines.
 - Delivery of two business engagement events focused on increasing awareness and knowledge relating to employment of people with disability.
 - Development of a draft Equal Opportunity Management Plan 2020-23, which sets recruitment targets for employing people with a disability and sets out a number of strategies to promote the City as an employer of choice to people with a disability. Consultation for the draft plan is currently underway and will be finalised before the end of 2020.
 - Ongoing work with Disability Employment Services to identify and support employment and traineeship opportunities for people with disability.
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Record Keeping

In line with Section 19 of the State Records Act 2000, local governments are required to have a Record Keeping Plan that is approved by the State Records Commission (SRC). The plan applies to employees, elected members and contractors.

The Record Keeping Plan is the primary means of providing evidence of compliance with the Act and the implementation of best practice record keeping in the organisation. In line with Section 17 of the Act, the City and staff are legally required to comply with the actions listed in the plan.

The City is committed to the management of records in accordance with legislative requirements and best practice. The City's revised Record Keeping Plan was approved for a five-year period by the State Records Commission on 7 December 2018. The next review is due in 2023.

The City is committed to continuous improvement. It continues to provide online record keeping awareness training to new employees and refresher training for all employees every two years. The interactive course outlines the recordkeeping roles and responsibilities of all employees at the City of Rockingham. Participants must undertake and pass a short assessment at the completion of the course. Regular orientation sessions are held for new employees to provide an overview of their record keeping responsibilities. A records management handbook has also been developed to further assist employees meet their record keeping responsibilities. Furthermore, regular training for employees is provided in the City's Electronic Document Records Management System.

During 2019/2020 the City's back scanning program continued for its 10th year. In excess of 76,000 building licences have been converted into digital format, which equates to over 42,000 property records being stored electronically.

Executive Remuneration (as at 30 June 2020)

The City's executive remuneration is assessed against skills, qualifications, experience and the responsibilities of the position. The figures below represent a cash base salary but do not include vehicle allowances, non-monetary benefits such as professional memberships or superannuation of up to 14.5%.

Salary Range	No. of Executives
120,001 – 130,000	1
130,001 – 140,000	3
140,001 – 150,000	3
150,001 – 160,000	5
160,001 – 170,000	8
170,001 – 180,000	1
180,001 – 190,000	0
190,001 – 200,000	0
200,001 – 210,000	0
210,001 – 220,000	1
220,001 – 230,000	2
230,000 – 240,000	0
240,001 – 250,000	0
250,001 – 260,000	1
260,001 – 270,000	1
270,001 – 280,000	1
280,001 – 290,000	0
290,001 – 300,000	0



Record of Meeting Attendance by Councillors

2019-2020 Record of meeting attendance by Councillors

	Cr Sammels	Cr Hamblin	Cr Whitfield	Cr Stewart	Cr Liley	Cr Jones
Council	12/12	12/12	11/12	11/12	12/12	12/12
Special Council	1/1	1/1	1/1	1/1	1/1	1/1
Annual Electors	1/1	1/1	1/1	1/1	1/1	1/1
Planning and Engineering Services Committee	3/3	12/12	9/9	1 x Deputy		12/12
Corporate and Community Development Committee				11/12	12/12	3/3 1 x Deputy
Audit Committee	4/4	4/4	3/3		1/1	
Australia Day Awards Selection Panel						
Bush Fire Advisory Committee						
CEO Performance Review Committee	2/2	2/2			0/2	
Christmas Festival Occasional Committee				1/1		1/1
City Safe Advisory Committee	8/8	6/8				4/4
Coastal Facilities Advisory Committee				2/2	1/1	
Community Grants Program Committee	4/4				4/4	
Cultural Development and the Arts Advisory Committee						
Customer Service Review Committee	1/1		1/1			
Disability Access and Inclusion Advisory Committee				2/2		3/3
Global Friendship Committee	4/4	4/4				
Governance Review Committee			No meetings held			
Heritage Reference Group						
RoadWise Advisory Committee			1/1			
Rockingham Education and Training Advisory Committee		1/1				
Seniors Advisory Committee				3/4		
Sports Advisory Committee					1/3	1/1

Crs Buchan, Cottam, Davies, Edwards and Buchanan – 21 October 2019 onwards
 Crs Burns, Downham, Elliott and Summers – until 21 October 2019
 Red denotes that the Councillor deputised at that meeting

Cr Buchan	Cr Cottam	Cr Davies	Cr Edwards	Cr Buchanan	Cr Burns	Cr Downham	Cr Elliott	Cr Summers
9/9	8/9	9/9	8/9	9/9	3/3	0/3	3/3	3/3
1/1	1/1	1/1	1/1	1/1				
1/1	1/1	1/1	1/1	1/1				
9/9			8/9				3/3	3/3
1 x Deputy	8/9	9/9		8/9	3/3	0/3		
3/3							1/1	
		1/1		1/1				
	2/2				1/1			
							2/2	
0/1								
					4/4			
1/2						0/1		
	1 x Deputy		2/2	0/2	2/2		2/2	
				1/2				2/2
	1/1							
	1/1							
	1/2				2/2			
			No meetings held					
	1/1							
					2/2			
		2/2		1/2				1/1
	1/2				2/2			
			2/2					

Freedom of Information and Public Interest Disclosure

As a public authority the City has an obligation to provide certain information under the provisions of the Freedom of Information Act 1992 (FOI) and the Public Interest Disclosures Act 2003. During the 2019/2020 year, 28 requests were received for information under FOI and no public interest disclosures were received.

Freedom of Information Statistics 2007/2008 to 2019/2020

Financial Years	FOI Applications	Transfers	Completed	Withdrawn	Not yet completed	Internal Review Applications
2019/2020	28	0	22	5	1	0
2018/2019	31	0	30	3	3	1
2017/2018	15	0	16	0	3	1
2016/2017	17	1	14	1	4	0
2015/2016	13	0	12	0	1	2
2014/2015	14	0	16	0	0	0
2013/2014	9	0	9	1	2	2
2012/2013	9	0	7	0	2	1
2011/2012	14	0	11	0	3	0
2010/2011	8	0	7	1	1	1
2009/2010	11	0	8	2	1	0
2008/2009	5	0	4	0	1	1
2007/2008	5	0	5	0	0	0

Local Law Review

Every eight years the City reviews the City's local laws. In 2019/2020 the City of Rockingham Repeal Local Law 2020 was adopted. This local law repealed the Bush Fire Control and Bush Fire Brigades Local Law 2001.

We note that there are still several local laws under review, some due to legislative changes and others need further review, these are:

- Fencing Local Law 2000.
- Health Local Law 1996.
- Signs, Hoardings and Bill Posting By-law 1960.
- Standing Orders Local Law 2001.

Register of Delegated Authority

To provide a timely and effective response to customer requests, Council may delegate some routine decision-making authority to the Chief Executive Officer and other City employees. A Register of Delegated Authority is reviewed annually by the Governance and Councillor Support team and is subsequently adopted by Council. The latest review was adopted at the 27 August 2019 Council meeting.

Australian Citizenship Ceremonies

The Governance and Councillor Support team coordinates the Australian Citizenship Ceremonies on behalf of the Department of Immigration and Citizenship. A total of 1286 people became Australian citizens this year. Unfortunately, five public ceremonies had to be cancelled due to COVID-19 between April 2020 and June 2020.



Risk Management

Risk management is an integral part of the City's decision making process. The Council Policy – Risk Management defines the fundamental principles that establish and maintain an integrated risk management system across all strategic and operational functions of the City. Underpinning this policy is compulsory risk training.

The City fulfils its requirement under Regulation 17 of the Local Government (Audit) Regulations 1996 by conducting regular reviews of its Risk Management Framework to ensure continuous improvement and meet industry best practice.

Register of Complaints and Minor Breaches

Section 5.53(hb) of the Local Government Act 1995 specifies that the annual report is to contain details of entries made in the register of complaints regarding Council members during the financial year in review. No complaints were recorded in the register during the period under review.







Priorities for the Future

In the coming year the City will continue to work towards achieving its visions for the future. Some of the key projects and events to take place in 2020/2021 include:



Conduct a minor review of the City's Strategic Community Plan 2019-2029.



Develop a Coastal Facilities Strategy to guide the provision of the City's Coastal infrastructure and management activities over the next four years.



Commence work on the Shoalwater Foreshore Activity Node as the first project outlined in the Safety Bay Shoalwater Foreshore Master Plan.



Complete construction on the new Rockingham Youth Centre.



Finish major refurbishments at the Aqua Jetty, including works on the outdoor 50 m and indoor 25 m pools.



Start construction for upgrades to Koorana Reserve as part of the Koorana Reserve Master Plan.



Open the new Cooloongup Skate Park at Alf Powell Reserve.



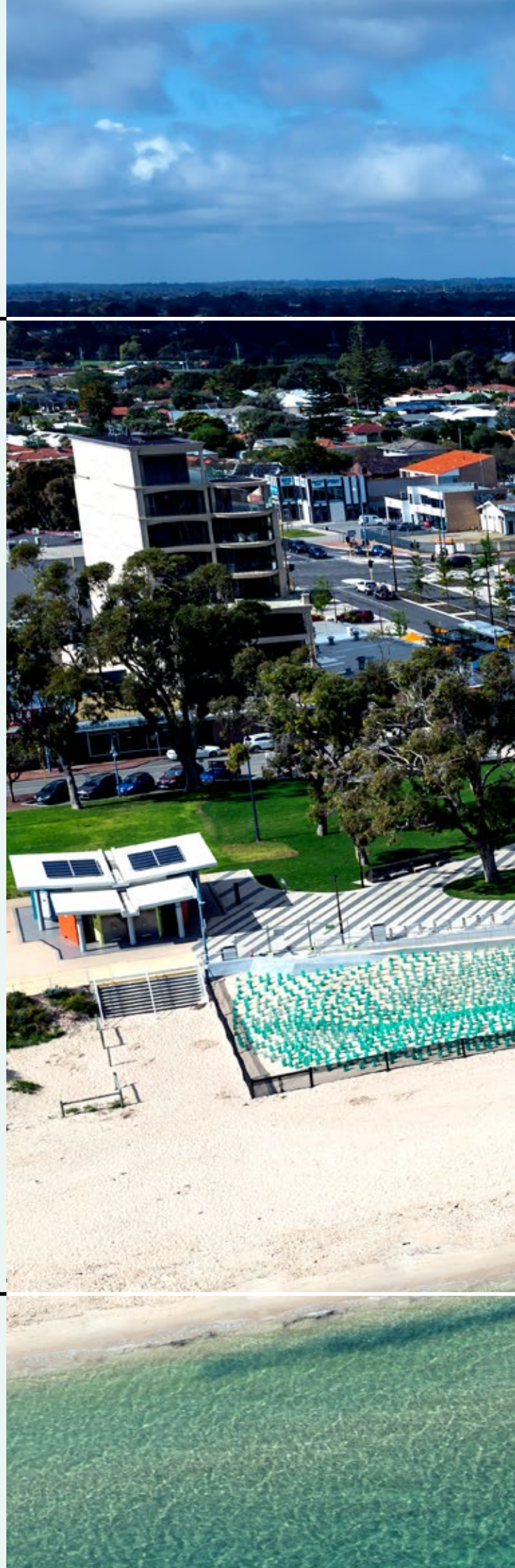
Continue construction on the Baldivis District Sporting Complex (district pavilion, landscaping and associated roadworks).

Financial Report

For the year ended 30 June 2020

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Principal place of business:
Civic Boulevard
Rockingham WA 6168





Statement by Chief Executive Officer

For the year ended 30 June 2020

**CITY OF ROCKINGHAM
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Rockingham for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the City of Rockingham at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 20th day of NOVEMBER 2020



Chief Executive Officer
Michael Parker

Statement of Comprehensive Income by Nature or Type

For the year ended 30 June 2020

	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Rates	31(a)	91,549,962	92,097,430	90,786,393
Operating grants, subsidies and contributions	2(a)	8,416,764	9,369,026	12,247,981
Fees and charges	2(a)	39,522,758	43,344,677	41,817,240
Interest earnings	2(a)	3,392,725	4,397,325	4,238,313
Other revenue	2(a)	4,298,149	12,152,855	3,567,512
		147,180,358	161,361,313	152,657,439
Expenses				
Employee costs		(58,039,696)	(61,192,346)	(57,297,276)
Materials and contracts		(39,324,888)	(46,169,086)	(35,530,325)
Utility charges		(6,015,624)	(6,585,931)	(6,315,305)
Depreciation on non-current assets	14(b)	(40,210,485)	(36,633,111)	(38,144,756)
Interest expenses	2(b)	(700,430)	(688,318)	(755,105)
Insurance expenses		(1,169,609)	(1,228,105)	(1,132,292)
Other expenditure		(9,637,216)	(22,014,467)	(9,868,547)
		(155,097,948)	(174,511,364)	(149,043,606)
		(7,917,590)	(13,150,051)	3,613,833
Non-operating grants, subsidies and contributions	2(a)	26,605,960	3,474,333	19,119,224
Profit on asset disposals	14(a)	308,965	1,463,528	132,622
(Loss) on asset disposals	14(a)	(982,412)	(215,433)	(1,117,166)
Impairment Loss	14(c)	(1,579,010)	0	(757,684)
Fair value adjustments to financial assets at fair value through profit or loss	5(b)	2,017	0	122,620
Share of net profit or loss of associates accounted for using the equity method	26	(5,964)	0	80,829
		24,349,556	4,722,428	17,580,445
Net result from discontinued operations	8	122,460	(182,651)	259,673
Net result for the period		16,554,426	(8,610,274)	21,453,951
Other comprehensive income				
Changes in asset revaluation surplus	13	0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		16,554,426	(8,610,274)	21,453,951

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

Statement of Comprehensive Income by Program

For the year ended 30 June 2020

	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue	2(a)			
Governance		2,686,207	322,501	975,079
General purpose funding		100,639,698	102,088,755	100,638,195
Law, order, public safety		2,254,523	1,842,681	2,227,194
Health		266,980	238,650	395,804
Education and welfare		459,345	930,890	471,278
Housing		404,238	352,405	476,946
Community amenities		31,280,607	42,516,760	32,224,629
Recreation and culture		6,314,988	9,848,555	12,593,765
Transport		280,697	1,152,088	561,910
Economic services		725,702	1,527,136	584,737
Other property and services		1,867,373	540,892	1,507,902
		147,180,358	161,361,313	152,657,439
Expenses	2(b)			
Governance		(5,007,610)	(5,116,907)	(1,691,930)
General purpose funding		(1,128,350)	(1,124,500)	(697,753)
Law, order, public safety		(7,866,429)	(8,588,335)	(8,127,699)
Health		(2,272,932)	(2,381,017)	(2,170,080)
Education and welfare		(6,276,310)	(7,597,098)	(6,663,212)
Housing		(654,695)	(43,541)	(579,097)
Community amenities		(35,292,191)	(47,833,410)	(34,480,570)
Recreation and culture		(54,336,102)	(55,345,790)	(52,383,181)
Transport		(37,022,363)	(40,070,108)	(36,213,908)
Economic services		(2,742,569)	(3,321,028)	(2,442,230)
Other property and services		(1,797,967)	(2,401,312)	(2,838,841)
		(154,397,518)	(173,823,046)	(148,288,501)

	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Finance costs	2(b)			
Law, order, public safety		(36,470)	(36,595)	(39,361)
Housing		0	0	(150)
Recreation and culture		(663,960)	(651,723)	(711,746)
Economic services		0	0	(3,848)
		(700,430)	(688,318)	(755,105)
		(7,917,590)	(13,150,051)	3,613,833
Non-operating grants, subsidies and contributions	2(a)	26,605,960	3,474,333	19,119,224
Profit on disposal of assets	14(a)	308,965	1,463,528	132,622
(Loss) on disposal of assets	14(a)	(982,412)	(215,433)	(1,117,166)
Impairment Loss	14(c)	(1,579,010)		(757,684)
Fair value adjustments to financial assets at fair value through profit or loss	5(b)	2,017	0	122,620
Share of net profit or loss of associates accounted for using the equity method	26	(5,964)	0	80,829
		24,349,556	4,722,428	17,580,445
Net result from discontinued operations	8	122,460	(182,651)	259,673
Net result for the period		16,554,426	(8,610,274)	21,453,951
Other comprehensive income				
Changes in asset revaluation surplus	13	0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		16,554,426	(8,610,274)	21,453,951

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

Statement of Financial Position

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Current assets			
Cash and cash equivalents	3	9,456,787	19,380,833
Trade and other receivables	6	10,966,701	13,281,837
Other financial assets	5(a)	85,207,513	78,129,414
Inventories	7	241,131	190,597
Assets held for sale - Bert England Lodge	8	12,960,250	0
Total current assets		118,832,382	110,982,681
Non-current assets			
Trade and other receivables	6	1,941,665	1,751,833
Other financial assets at amortised costs	5(b)	31,083	38,839
Financial assets at fair value through profit and loss	5(b)	124,637	122,620
Property, plant and equipment	9	289,677,125	291,855,313
Infrastructure	10	1,822,395,891	1,811,310,523
Intangible assets	11	7,875,492	8,455,667
Right of use assets	12(a)	831,864	0
Total non-current assets		2,122,877,757	2,113,534,795
Total assets		2,241,710,139	2,224,517,476

	Note	2020 \$	2019 \$
Current liabilities			
Trade and other payables	16	21,213,542	13,863,238
Contract liabilities	17	818,692	0
Lease liabilities	19(a)	226,872	0
Borrowings	18(a)	1,146,109	1,070,955
Employee related provisions	20	9,584,749	9,336,809
Liabilities held for sale - Bert England Lodge	8	5,252,333	0
Total current liabilities		38,242,297	24,271,002
Non-current liabilities			
Lease liabilities	19(a)	604,992	0
Borrowings	18(a)	7,844,901	8,991,010
Employee related provisions	20	1,501,064	1,761,248
Other provisions	21	9,604,647	9,255,303
Total non-current liabilities		19,555,604	20,007,561
Total liabilities		57,797,901	44,278,563
Net assets		2,183,912,238	2,180,238,913
Equity			
Retained surplus		438,741,378	438,038,222
Reserves - cash backed	4	48,647,351	45,677,182
Revaluation surplus	13	1,696,523,509	1,696,523,509
Total equity		2,183,912,238	2,180,238,913

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

Statement of Changes in Equity

For the year ended 30 June 2020

	Note	Retained surplus \$	Reserves cash backed \$	Revaluation surplus \$	Total equity \$
Balance as at 1 July 2018		419,242,431	43,019,022	1,696,523,509	2,158,784,962
Total equity at the beginning of the financial year		419,242,431	43,019,022	1,696,523,509	2,158,784,962
Comprehensive income					
Net result for the period		21,453,951	0	0	21,453,951
Other comprehensive income		0	0	0	0
Total comprehensive income		21,453,951	0	0	21,453,951
Transfers from/to reserves	4	(2,658,160)	2,658,160	0	0
Balance as at 30 June 2019		438,038,222	45,677,182	1,696,523,509	2,180,238,913
Effects of change in accounting policies	36(d)	(12,881,101)	0	0	(12,881,101)
Restated total equity at 1 July 2019		425,157,121	45,677,182	1,696,523,509	2,167,357,812
Comprehensive income					
Net result for the period		16,554,426	0	0	16,554,426
Other comprehensive income		0	0	0	0
Total comprehensive income		16,554,426	0	0	16,554,426
Transfers from reserves	4	1,728,589	(1,728,589)	0	0
Transfers to reserves	4	(4,698,758)	4,698,758	0	0
Balance as at 30 June 2020		438,741,378	48,647,351	1,696,523,509	2,183,912,238

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



Statement of Cash Flows

For the year ended 30 June 2020

	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Cash flows from operating activities				
Receipts				
Rates		92,129,705	91,926,791	89,546,259
Operating grants, subsidies and contributions		3,090,640	9,547,305	12,862,055
Fees and charges		40,076,723	43,344,677	41,817,240
Interest received		3,392,725	4,397,325	4,238,313
Goods and services tax received		5,738,248	5,938,048	5,328,422
Other revenue		5,813,685	11,970,204	3,835,242
		150,241,726	167,124,350	157,627,531
Payments				
Employee costs		(57,272,211)	(59,865,673)	(56,509,796)
Materials and contracts		(33,812,894)	(50,260,647)	(43,363,457)
Utility charges		(6,015,624)	(6,675,115)	(6,402,989)
Interest expenses		(700,430)	(699,395)	(755,105)
Insurance paid		(1,169,609)	(1,233,542)	(1,137,184)
Goods and services tax paid		(5,795,363)	(5,932,048)	(5,424,913)
Other expenditure		(4,384,879)	(18,811,958)	(7,145,310)
		(109,151,010)	(143,478,378)	(120,738,754)
Net cash provided by operating activities	22	41,090,716	23,645,972	36,888,777

	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Cash flows from investing activities				
Payments for purchase of property, plant and equipment		(13,148,846)	(33,077,333)	(9,510,975)
Payments for construction of infrastructure		(21,226,750)	(47,979,807)	(26,381,830)
Non-operating grants, subsidies and contributions		971,100	3,474,333	4,902,664
Proceeds from sale of property, plant and equipment		1,589,842	2,102,173	698,943
Net proceeds/(payments) on financial assets at amortised cost - term deposits		(10,012,789)	0	(1,050,352)
Net cash (used in) investment activities		(41,827,443)	(75,480,634)	(31,341,550)
Cash flows from financing activities				
Repayment of borrowings		(1,070,955)	(1,070,955)	(1,556,415)
Payments for principal portion of lease liabilities		(207,966)	0	0
Proceeds from new borrowings		0	17,700,000	0
Proceeds from self supporting loans		7,307	7,307	6,885
Net cash (used in) financing activities		(1,271,614)	16,636,352	(1,549,530)
Net increase (decrease) in cash held		(2,008,341)	(35,198,310)	3,997,697
Reclassification of trust fund to restricted cash		0	0	1,995,662
Cash at beginning of year		19,380,833	92,249,709	13,387,474
Cash and cash equivalents at the end of the year	22	17,372,492	57,051,399	19,380,833
Cash and cash equivalent		9,456,787	57,051,399	19,380,833
Cash classified as held for sale		7,915,705	0	0
Cash and cash equivalents at the end of the year		17,372,492	57,051,399	19,380,833

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

Rate Setting Statement

For the year ended 30 June 2020

	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating activities				
Net current assets at start of financial year - surplus/(deficit)	32 (b)	49,801,766	38,429,538	42,773,583
		49,801,766	38,429,538	42,773,583
Revenue from operating activities (excluding rates)				
Governance		2,690,578	327,831	977,287
General purpose funding		9,089,736	9,991,325	9,851,802
Law, order, public safety		2,254,523	1,914,066	2,296,791
Health		267,711	240,722	395,804
Education and welfare		508,389	941,401	472,397
Housing		404,238	352,405	476,946
Community amenities		32,123,353	42,582,476	32,982,561
Recreation and culture		20,814,576	10,617,973	17,134,949
Transport		11,576,848	3,901,421	14,327,137
Economic services		733,993	1,540,092	791,738
Other property and services		2,083,393	1,792,032	1,618,929
		82,547,338	74,201,744	81,326,341
Expenditure from operating activities				
Governance		(5,040,030)	(5,116,907)	(1,692,650)
General purpose funding		(1,128,350)	(1,124,500)	(697,753)
Law, order, public safety		(7,942,340)	(8,634,608)	(9,071,225)
Health		(2,272,932)	(2,381,017)	(2,173,173)
Education and welfare		(6,324,310)	(7,597,098)	(6,687,382)
Housing		(654,695)	(43,541)	(579,247)
Community amenities		(35,893,701)	(48,036,850)	(34,554,275)
Recreation and culture		(56,209,155)	(55,997,513)	(53,830,678)
Transport		(37,522,396)	(40,070,108)	(36,347,154)
Economic services		(2,748,533)	(3,321,028)	(2,446,078)
Other property and services		(1,928,892)	(2,403,627)	(2,838,839)
		(157,665,334)	(174,726,797)	(150,918,454)
Net result from discontinued operations		122,460	(182,651)	259,673
Non-cash amounts excluded from operating activities	32(a)	19,509,648	35,790,795	24,975,781
Amount attributable to operating activities		(5,684,123)	(26,487,371)	(1,583,076)

	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Investing activities				
Proceeds from disposal of assets	14(a)	1,589,842	2,102,173	698,943
Purchase of property, plant and equipment		(13,148,846)	(33,077,333)	(9,510,974)
Purchase and construction of infrastructure		(21,226,750)	(47,979,807)	(26,381,830)
Amount attributable to investing activities		(32,785,754)	(78,954,967)	(35,193,861)
Financing activities				
Repayment of borrowings	18(b)	(1,070,955)	(1,070,955)	(1,556,415)
Proceeds from borrowings	18(c)	0	17,700,000	0
Payments for principal portion of lease liabilities	19(b)	(207,966)	0	0
Proceeds from self supporting loans	18(b)	7,307	7,307	6,885
Transfers to reserves (restricted assets)	4	(4,698,758)	(4,444,050)	(3,420,750)
Transfers from reserves (restricted assets)	4	1,728,589	5,209,725	762,590
Amount attributable to financing activities		(4,241,783)	17,402,027	(4,207,690)
Surplus/(deficit) before imposition of general rates		(42,711,660)	(88,040,311)	(40,984,627)
Total amount raised from general rates	31(a)	91,549,962	92,097,430	90,786,393
Surplus/(deficit) after imposition of general rates	32(b)	48,838,303	4,057,119	49,801,766

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

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

1. Basis Of Preparation and Significant Accounting Policies

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

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

Amendments to local government (Financial management) regulations 1996

The *Local Government (Financial Management) Regulations 1996 (FM regs)* take precedence over Australian Accounting Standards. Prior to 1 July 2019, Regulation (Reg) 16 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the City. This was not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

From 1 July 2019, the City has applied AASB 16 *Leases* which requires leases to be included by lessees in the balance sheet. Also, the FM regs have been amended to specify that vested land is a right of use (ROU) asset to be measured at cost. All ROU assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the balance sheet) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

New accounting standards for application in future years

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*

AASB 1059 *Service Concession Arrangements: Grantors* is not expected to impact the financial report.

Specific impacts of AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*, have not been identified.

Critical accounting estimates

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

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

The local government reporting entity

All funds through which the City controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 35 to these financial statements.

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature. Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Revenue recognised for each of these categories is dependent on its source and associated terms and condition as detailed in Note 2.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Revenue is recognised based on the timing of the provision of the service or completion of works in accordance with AASB 15.

Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

Cash and cash equivalents

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

Restricted assets

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

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

1. Basis Of Preparation and Significant Accounting Policies (continued)

The local government reporting entity (continued)

Other financial assets at amortised cost

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

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

Amortised cost is the amount at which financial assets are measured and consist of initial recognition amount, subsequent recognition of interest income and expense using the effective interest method, repayments and credit losses.

Financial assets at fair value through profit and loss

The City classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the City has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 33(b).

Trade and other receivables

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

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 33(b).

Classification and subsequent measurement

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

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

Inventories

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

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

Land held for resale

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

Other current assets

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

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale in its present condition with a sale being highly probable. Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

Fixed assets

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

Recognition and measurement

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

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair values, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. Individual assets that are land, buildings, infrastructure and investment properties 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. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the City.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least once every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the City. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, investment properties and vested improvements to be shown at fair value. Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

1. Basis Of Preparation and Significant Accounting Policies (continued)

Australian accounting standards - inconsistency

Land under control prior to 1 July 2019

In accordance with the then *Local Government (Financial Management) Regulation 16(a)(ii)*, the City was previously required to include as an asset (by 30 June 2013), vested Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

Land under roads prior to 1 July 2019

In Western Australia, most 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 is in accordance with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above the then *Local Government (Financial Management) Regulation 16(a)(i)* prohibited local government 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 City.

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as ROU assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the City to measure the vested improvements as part of the related ROU assets at zero cost.

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

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

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

Depreciation rates

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

Asset Class	Useful Life
Property Plant and Equipment	
Land Infrastructure	5 to 40 years
Buildings	20 to 50 years
Furniture and Equipment	3 to 10 years
Plant and Equipment	4 to 10 years
Miscellaneous Assets	50 to 80 years
Infrastructure	
Infrastructure - Roads	10 to 100 years
Footpaths and Drainage	
Other Infrastructure	10 to 80 years
Amortisation rates	
Computer software	4 to 5 years
Landfill assets	28 years

Depreciation on revaluation

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the financial statement note.

Leases

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

At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. Lease payments includes all outgoing payments on a monthly basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

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

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

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

1. Basis Of Preparation and Significant Accounting Policies (continued)

Australian accounting standards - inconsistency (continued)

Leases (continued)

ROU assets are measured at cost. This means that all ROU assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the balance sheet). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Computer software

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

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

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

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

Landfill assets and provision

Accounting for landfills give rise to specific accounting issues for site improvements and rehabilitation provision:

- Accounting for site improvements:
The establishment of a landfill facility will result in the acquisition/construction of a range of site improvements that are necessary for the appropriate functioning and control of the facility. This includes cost incurred directly in relation to the construction of individual landfill cells.

Upon commencement of a landfill these assets are to be recognised in accordance with the City's asset recognition policy. Assets are to be depreciated over the life of the asset to the City, or the life of the landfill site, whichever is the shorter.

- Accounting for rehabilitation costs:
The City is obligated to rehabilitate the site and continue to monitor and provide aftercare for up to 30 years after the closure of the site. The costs associated with post closure monitoring and aftercare are to be included in the calculation of the rehabilitation provision.

Trade and other payables

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

Prepaid rates

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

Contract Liabilities

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

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

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

Risk

Information regarding exposure to risk can be found at Note 33.

Employee benefits*Short-term employee benefits*

- Provision is made for the City's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.
- The City's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

- The City's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.
- Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.
- The City's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the City does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

1. Basis Of Preparation and Significant Accounting Policies (continued)

Australian accounting standards - inconsistency (continued)

Provisions

Provisions are recognised when the City 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.

Interests 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 arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

Joint 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.

Investment in associates

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

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the City's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the City and the associate are eliminated to the extent of the City's interest in the associate. When the City's share of losses in an associate equals or exceeds its interest in the associate, the City discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the City will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period at the point when rate notices are issued.

Goods and services tax (GST)

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

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

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

Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operational cycle. In the case of liabilities where the City does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the City's intentions to release for sale.

Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian dollars.

Comparative figures

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

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

Budget comparative figures

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

Superannuation

The City contributes to a number of superannuation funds on behalf of employees. All funds to which the City contributes are defined contribution plans.

Fair value of assets and liabilities

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

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

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

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

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

1. Basis Of Preparation and Significant Accounting Policies (continued)

Australian accounting standards - inconsistency (continued)

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

- *Level 1*
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- *Level 2*
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*
Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2.

If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The City selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the City are consistent with one or more of the following valuation approaches:

- *Market approach*
Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*
Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*
Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the City gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Impairment of assets

In accordance with Australian Accounting Standards the City'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 an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

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

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

Activities/programs

City operations as disclosed in these financial statements encompass the following service orientated activities/programs.

Program name and objectives	Activities
Governance	Members of Council, Executive Services, Information Technology, Human Resources, Records, Legal Services and Finance.
General purpose funding	All Rates Revenue and Penalties, General Purpose Grant, Pensioners Deferred Rates Grant, Investment Revenue and Emergency Services Levy.
Law, order, public safety	Fire Emergency Services, Animal Control/Ranger General and Other Law, Order and Public Safety.
Health	Maternal and Infant Health, Preventative Services (Immunisation), Inspections and Pest Control.
Education and welfare	Care of Families and Children, Aged and Disabled Senior Citizens and Other Welfare.
Housing	Administration and operations of housing programs other than those for the benefit of council staff. These included housing for aged persons.
Community amenities	Sanitations Household Refuse, Sanitation Other, Protection of Environment and Town Planning and Regional Development.
Recreation and culture	Swimming Areas and Beaches, Other Recreation and Sport, Libraries and Other Culture.
Transport	Construction and Maintenance of Streets, Roads and Bridges.
Economic services	Economic Development and Area Promotion, Building Control and Other Economic Services.
Other property and services	Other Property and Services, Public Works Overheads and Unclassified.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

2. Revenue and expenses

Revenue recognition policy

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/ Refunds/ Warranties
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None
Other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None

Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Cash received	On receipt of funds	Not applicable	When assets are controlled
Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a four year cycle
Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

2. Revenue and expenses (continued)

Revenue recognition policy (continued)

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/ Refunds/ Warranties
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within seven days
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None

Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

2. Revenue and expenses (continued)

	2020 Actual \$	2020 Budget \$	2019 Actual \$
(a) Grant revenue			
Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:			
Operating grants, subsidies and contributions			
Governance	6,494	33,300	6,650
General purpose funding	4,845,589	4,710,000	4,956,124
Law, order, public safety	577,270	455,196	534,861
Health	6,246	7,390	5,420
Education and welfare	172,492	716,400	209,951
Housing	630	0	270
Community amenities	31,116	133,516	501,733
Recreation and culture	261,265	2,110,136	4,397,207
Transport	18,026	942,088	459,634
Economic services	3,305	0	2,097
Other property and services	299,131	261,000	1,174,034
	6,221,564	9,369,026	12,247,981
Non-operating grants, subsidies and contributions			
Law, order, public safety	0	0	69,597
Community amenities	819,947	0	750,018
Recreation and culture	14,489,862	725,000	4,534,382
Transport	11,296,151	2,749,333	13,765,227
	26,605,960	3,474,333	19,119,224
Total grants, subsidies and contributions	32,827,524	12,843,359	31,367,205

	2020 Actual \$	2020 Budget \$	2019 Actual \$
(a) Grant revenue (continued)			
Fees and charges			
Governance	203,133	228,924	236,643
General purpose funding	290,530	497,000	302,997
Law, order, public safety	1,638,723	1,348,318	1,645,533
Health	259,690	229,344	314,861
Education and welfare	267,845	190,112	240,983
Housing	399,931	419,927	476,676
Community amenities	30,128,842	31,657,898	30,815,532
Recreation and culture	5,410,254	7,080,546	6,876,986
Transport	204,889	200,000	74,119
Economic services	718,921	1,492,608	696,331
Other property and services	0	0	136,579
	39,522,758	43,344,677	41,817,240

Contracts with customers and transfers for recognisable non-financial assets

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the City was recognised during the year for the following nature or types of goods or services:

Grants, subsidies and contribution	34,202,777	0	0
	34,202,777	0	0

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the City is comprised of:

Other revenue from contracts with customers recognised during the year	34,202,777	0	0
	34,202,777	0	0

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

Contract liabilities from contracts with customers	818,692	0	0
	818,692	0	0

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met. Consideration from contracts with customers is included in the transaction price.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

2. Revenue and expenses (continued)

	2020 Actual \$	2020 Budget \$	2019 Actual \$
(a) Grant revenue (continued)			
Revenue from statutory requirements			
Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:			
General rates	91,549,962	0	0
	91,549,962	0	0
Assets and services acquired below fair value			
Grants, subsidies and contributions	819,947	0	0
	819,947	0	0
Significant revenue			
Other revenue			
Reimbursements and recoveries	1,756,838	1,211,729	1,674,930
Other	2,541,312	10,941,126	1,892,582
	4,298,149	12,152,855	3,567,512
Interest earnings			
Interest on reserve funds	869,366	3,354,325	1,188,544
Rates instalment and penalty interest (refer Note 31(c))	1,233,123	970,000	1,215,543
Other interest earnings	1,290,236	73,000	1,834,226
	3,392,725	4,397,325	4,238,313

	2020 Actual \$	2020 Budget \$	2019 Actual \$
(b) Expenses			
Significant expense			
Depreciation	40,210,485	36,633,111	38,144,756
Operating expense - Millar Road Landfill Facility - Landfill Levy	6,953,353	7,250,000	7,843,637
	47,163,838	43,883,111	45,988,393
Auditors remuneration			
Audit of the Annual Financial Report	118,817	91,000	98,160
	118,817	91,000	98,160
Interest expenses (finance costs)			
Borrowings	680,569	688,318	754,956
Finance Charges Bert England Lodge	0	0	149
Lease liabilities	19,861	0	0
	700,430	688,318	755,105

COVID-19 Pandemic impact on Revenue and Expenses of the City

The COVID-19 pandemic impacted the City of Rockingham from March 2020. A Business Continuity Team was implemented to provide support to the Executive Leadership team in planning for the response to the pandemic.

In accordance with the restrictions from the Australian Government and State Government, all City of Rockingham leisure and community facilities and libraries closed on Monday 23 March 2020 with most facilities reopening, with restrictions, by the end of May 2020. The financial impact on the City was primarily due to the loss of operating revenue from fees and charges, with only a minor impact on operating expenditure as a result of these closures. During this period the City maintained essential and other services to the community by adopting different operating arrangements as required.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

3. Cash and cash equivalents

	Note	2020 \$	2019 \$
Unrestricted		7,651,698	13,870,281
Restricted		1,805,089	5,510,552
Total cash and cash equivalents		9,456,787	19,380,833
Term Deposit (More than three months) - Unrestricted		33,169,801	27,653,021
Term Deposit (More than three months) - Restricted		52,029,957	50,469,086
Term Deposit - Total		85,199,758	78,122,107
Total Cash and Cash Equivalent and Term Deposits		94,656,545	97,502,940
Comprises:			
Unrestricted cash and Term Deposits		40,821,499	41,523,302
Restricted cash and Term Deposits		53,835,046	55,979,638
		94,656,545	97,502,940

	Note	2020 \$	2019 \$
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Reserve accounts			
Town Planning Scheme Review	4	453,434	444,824
Public Car Park Reserve - Cash in Lieu Contributions	4	2,382,305	2,337,069
Waste and Landfill Preservation	4	18,169,203	15,845,711
CLAG - Peel Mosquito Control	4	24,450	23,986
Administration and Community Building	4	1,137,202	1,115,608
City Centre Carpark Reserve - Cash in Lieu	4	262,628	257,641
City Centre Development	4	2,774,346	2,721,665
Workers Compensation	4	784,649	769,750
Anstey Park Shared Costs	4	1,264,941	1,240,922
Legal Fees	4	987,244	968,498
Strategic Master Planning	4	687,854	674,793
Active Aging Development	4	192,736	189,077
Bert England Lodge Capital Works	4	3,463,052	2,197,293
Capital Works	4	4,920,843	4,827,404
Employee Leave	4	6,066,265	5,951,075
Developer Contributions Scheme	4	4,333,162	5,325,548
Challenger Court	4	214,378	210,308
Life Long Learning	4	528,659	576,010
Total Reserves	4	48,647,351	45,677,182
Bond Liabilities - Municipal bonds	16	1,805,089	1,995,662
Bert England Lodge Bonds		0	3,514,890
Unspent grants, subsidies and contributions		3,382,606	4,791,904
Total Reserves and Restricted Funds		53,835,046	55,979,638

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

4. Reserves - cash backed

	2020 Actual Opening Balance \$	2020 Actual Transfer to \$	2020 Actual Transfer (from) \$	2020 Actual Closing Balance \$
Town Planning Scheme Review	444,824	8,610	0	453,434
Public Car Park Reserve - Cash in Lieu Contributions	2,337,069	45,236	0	2,382,305
Waste and Landfill Preservation	15,845,711	2,323,492	0	18,169,203
CLAG - Peel Mosquito Control	23,986	464	0	24,450
Administration and Community Building	1,115,608	21,594	0	1,137,202
City Centre Carpark Reserve - Cash in Lieu	257,641	4,987	0	262,628
City Centre Development	2,721,665	52,681	0	2,774,346
Workers Compensation	769,750	14,899	0	784,649
Anstey Park Shared Costs	1,240,922	24,019	0	1,264,941
Legal Fees	968,498	18,746	0	987,244
Strategic Master Planning	674,793	13,061	0	687,854
Active Aging Development	189,077	3,660	0	192,737
Bert England Lodge Capital Works	2,197,293	1,265,758	0	3,463,051
Capital Works	4,827,404	93,439	0	4,920,843
Employee Leave	5,951,075	115,189	0	6,066,264
Developer Contributions Scheme	5,325,548	677,703	(1,670,089)	4,333,162
Challenger Court	210,308	4,071	0	214,379
Life Long Learning	576,010	11,149	(58,500)	528,659
	45,677,182	4,698,758	(1,728,589)	48,647,404

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

Name of Reserve	Purpose of the reserve
Town Planning Scheme Review	To be used to fund preparation of new and/or existing Town Planning Schemes.
Public Car Park Reserve - Cash in Lieu Contributions	To be used to fund provision of Public Car Parking Facilities where developers have been unable to provide sufficient space.
Waste and Landfill Preservation	To be used to fund expenditure associated with providing a refuse disposal service.
CLAG - Peel Mosquito Control	To be used to fund the controlling of mosquitos through the Peel Mosquito Management Group.
Administration and Community Building	To be used to fund capital expenditure administration and community building.
City Centre Carpark Reserve - Cash in Lieu	To be used to fund costs associated with provisions of public infrastructure.
City Centre Development	To be used to fund development of the City Centre.

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

2020 Budget Opening Balance \$	2020 Budget Transfer to \$	2020 Budget Transfer (from) \$	2020 Budget Closing Balance \$	2019 Actual Opening Balance \$	2019 Actual Transfer to \$	2019 Actual Transfer (from) \$	2019 Actual Closing Balance \$
451,166	18,065	0	469,231	433,824	11,000	0	444,824
2,076,217	83,130	0	2,159,347	1,996,410	340,659	0	2,337,069
16,071,635	643,496	0	16,715,131	15,453,862	391,849	0	15,845,711
24,328	974	0	25,302	23,393	593	0	23,986
1,131,492	33,304	(600,000)	564,796	1,088,020	27,588	0	1,115,608
268,698	10,758	0	279,456	251,270	6,371	0	257,641
2,064,846	82,532	0	2,147,378	2,658,565	63,100	0	2,721,665
1,311,792	44,822	0	1,356,614	1,268,762	27,294	(526,306)	769,750
1,257,107	61,870	0	1,318,977	1,209,249	37,967	(6,294)	1,240,922
982,307	39,331	0	1,021,638	944,548	23,950	0	968,498
684,414	27,403	0	711,817	658,106	16,687	0	674,793
191,772	7,678	0	199,450	184,401	4,676	0	189,077
2,228,622	89,232	0	2,317,854	2,142,956	54,337	0	2,197,293
9,592,695	287,118	(2,020,000)	7,859,813	4,708,027	119,377	0	4,827,404
6,035,924	241,294	0	6,277,218	5,803,911	147,164	0	5,951,075
1,236,879	2,736,025	(2,589,725)	1,383,179	3,198,030	2,127,518	0	5,325,548
213,306	8,541	0	221,847	205,107	5,201	0	210,308
434,809	28,477	0	463,286	790,581	15,419	(229,990)	576,010
46,258,009	4,444,050	(5,209,725)	45,492,334	43,019,022	3,420,750	(762,590)	45,677,182

Name of Reserve	Purpose of the reserve
Workers Compensation	To be used to meet expenditure associated with workers compensation premiums.
Anstey Park Shared Costs	To be used to receive developers funds in advance to meet future project costs.
Legal Fees	To be used to meet future expenditure incurred by Council on legal fees.
Strategic Master Planning	To be used to meet strategic planning expenses associated with the growth of the City.
Active Aging Development	To be used to meet expenses of Active Aging Programmes and Initiatives.
Bert England Lodge Capital Works	To be used to meet future capital expenditure at Bert England Lodge.
Capital Works	To be used to fund capital works.
Employee Leave	To be used to fund Employee Leave Liabilities.
Developer Contributions Scheme	To be used to fund Capital Works and Administration of Scheme.
Challenger Court	To meet future capital expenditure.
Life Long Learning	To increase tertiary education opportunities for Rockingham residents as per the City's Learning City Strategy.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

5. Other financial assets

	2020 \$	2019 \$
(a) Current assets		
Financial assets at amortised cost	85,207,513	78,129,414
	85,207,513	78,129,414
Other financial assets at amortised cost		
Term deposits	85,199,758	78,122,107
Self supporting loans	7,755	7,307
	85,207,513	78,129,414
(b) Non-current assets		
Financial assets at amortised cost	31,083	38,839
Financial assets at fair value through profit and loss	124,637	122,620
	155,720	161,459
Financial assets at amortised cost		
Financial assets at amortised cost- self supporting loans	31,083	38,839
	31,083	38,839

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 18(b) as self supporting loans.

Financial assets at fair value through profit and loss

Unlisted equity investments

Financial assets at fair value through profit and loss - WALGA Housing Trust	124,637	122,620
	124,637	122,620

The movement in the financial assets at fair value through profit and loss of \$2,017 and has been recognised in statement of comprehensive income.

6. Trade receivables

	2020 \$	2019 \$
Current		
Rates Outstanding	5,972,325	6,219,460
Sundry debtors	4,931,636	6,043,193
GST receivable	728,501	671,386
Sundry debtors - Bert England Lodge	0	987,523
	11,632,462	13,921,562
Less: Allowance for impairment of receivables	(665,761)	(639,725)
	10,966,701	13,281,837
Non-current		
Pensioner's rates and ESL - Deferred	1,941,665	1,751,833
	1,941,665	1,751,833

7. Inventories

	2020 \$	2019 \$
Current		
Fuel and materials	241,131	190,597
	241,131	190,597

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

8. Discontinued operation - Bert England Lodge

The City has commenced the process of disposing of Lot 57 on Diagram 77101 (111) Woodbridge Drive, Coooloongup (Bert England Lodge, consisting of the facility, land and business) to an aged care provider. Included is the transfer of the 44 Bert England Lodge aged care places to the successful aged care provider conditional on Federal Government Secretary of Health approval. At this stage it is expected that this sale will conclude within the next 12 months.

	2020 \$	2019 \$
Operating statement		
The results of the discontinued operations, which have been included in the net results for the year were as follows:		
Revenue	3,433,420	3,431,030
Expenses	(3,310,960)	(3,171,357)
Net result from discontinued operations	122,460	259,673

Assets and liabilities

The major classes of assets and liabilities comprising operations classified as held for sale are as follows:

Current Assets

Cash and advances	7,915,705	0
Debtors	1,393,076	0
Inventories	7,438	0
Property Plant and Equipment	3,644,031	0

Current liabilities

Sundry Creditors	(5,252,333)	0
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Net Current Assets Held For Sale

7,707,917 **0**

During the year, Bert England Lodge had:

- cash outflows from operating activities of \$370,661 (2019: cash inflows of \$1,714,213)
- cash outflows from investing activities of \$63,799 (2019: NIL)
- no cashflows relating to financing activities (2019: NIL)



Notes to and forming part of the Financial Report

For the year ended 30 June 2020

9. Property, plant and equipment

	Land - freehold land \$	Land Infrastructure \$	Buildings \$
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(a) Movements in Carrying Amounts

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

Balance at 1 July 2018	94,463,919	8,659,776	171,958,447
Additions	820,000	2,896,507	7,345,256
(Disposals)	(4,150)	0	(1,016,572)
Impairment (losses) / reversals	0	0	(59,090)
Depreciation (expense)	0	(1,030,249)	(6,039,869)
Transfers	0	11,332	0
Carrying amount at 30 June 2019	95,279,769	10,537,366	172,188,172

Comprises:

Gross carrying amount at 30 June 2019	95,279,769	14,454,185	184,859,751
Accumulated depreciation at 30 June 2019	0	(3,916,820)	(12,612,489)
Accumulated impairment loss at 30 June 2019	0	0	(59,090)
Carrying amount at 30 June 2019	95,279,769	10,537,365	172,188,172
Additions	0	599,987	4,441,156
(Disposals)	0	0	(310,652)
Impairment (losses) / reversals	0	0	(180,897)
Depreciation (expense)	0	(1,301,370)	(6,085,571)
Assets held for sale - Bert England Lodge	(300,000)	0	(3,344,031)
Transfers	(534,700)	0	534,700
Carrying amount at 30 June 2020	94,445,069	9,835,982	167,242,877

Comprises:

Gross carrying amount at 30 June 2020	94,445,069	15,054,172	186,154,575
Accumulated depreciation at 30 June 2020	0	(5,218,190)	(18,671,711)
Accumulated impairment loss at 30 June 2020	0	0	(239,987)
Carrying amount at 30 June 2020	94,445,069	9,835,982	167,242,877

Total land and buildings \$	Furniture and equipment \$	Plant and equipment \$	Miscellaneous Assets \$	Total property, plant and equipment \$
275,082,142	1,987,273	12,645,785	652,821	290,368,021
11,061,763	210,693	2,608,310	32,240	13,913,006
(1,020,722)	(193,649)	(739,948)	(93,545)	(2,047,864)
(59,090)	0	0	0	(59,090)
(7,070,118)	(354,691)	(2,890,940)	(12,420)	(10,328,169)
11,332	(1,923)	0	0	9,409
278,005,307	1,647,703	11,623,207	579,096	291,855,313
294,593,705	3,108,972	19,153,048	589,447	317,445,172
(16,529,309)	(1,461,269)	(7,529,841)	(10,351)	(25,530,770)
(59,090)	0	0	0	(59,090)
278,005,306	1,647,703	11,623,207	579,096	291,855,312
5,041,143	1,353,124	7,887,714	68,390	14,350,371
(310,652)	(13,730)	(1,938,907)	0	(2,263,289)
(180,897)	0	0	0	(180,897)
(7,386,941)	(344,783)	(2,696,735)	(11,882)	(10,440,341)
(3,644,031)	0	0	0	(3,644,031)
0	0	0	0	0
271,523,928	2,642,314	14,875,279	635,604	289,677,125
295,653,816	4,428,040	22,528,930	657,838	323,268,624
(23,889,901)	(1,785,726)	(7,653,651)	(22,234)	(33,351,512)
(239,987)	0	0	0	(239,987)
271,523,928	2,642,314	14,875,279	635,604	289,677,125

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

9. Property, plant and equipment

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(b) Fair Value Measurements					
Land					
Independent valuation 2017	2	Market approach using recent observable market data for similar properties	Independent valuers	June 2017	Purchase costs and residual values
Land Infrastructure					
Independent valuation 2018	3	Cost Approach. Current replacement cost calculating depreciated value	Independent valuers	July 2018	Unit rates obtained by using cost guides and through the prices supplied by the City of Rockingham. Useful life estimated using condition, known age and estimated age
Buildings					
Management valuation 2017	2	Market approach using recent observable market data for similar properties	Management valuation	June 2017	Purchase costs and residual values
Independent valuation 2017	2	Market approach using recent observable market data for similar properties	Independent valuers	June 2017	Purchase costs and residual values
Furniture and equipment					
Management valuation 2016	2	Market approach using recent observable market data for similar properties	Management valuation	June 2016	Purchase costs and current condition
Independent valuation 2016	3	Market approach using recent observable market data for similar properties	Independent valuers	June 2016	Residual values and remaining useful life assessments

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(b) Fair Value Measurements					
Plant and equipment					
Independent valuation 2016	2	Market approach using recent observable market data for similar properties	Independent valuers	June 2016	Purchase costs and current condition
Miscellaneous Assets					
Independent valuation 2018	2	Market approach using recent observable market data for similar properties	Independent valuers	June 2018	Market price for comparable public artworks by the same artist. Comparative market analysis for subjective and objective adjustments includes reputation of the artist and a condition of the artwork, highest realistic price from a major art gallery, organisation, individual in Australia that has similar like subject, medium, mannerism and condition, size and age. (not including cost approach)

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

All buildings are identified as non-specialised.

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

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

10. Infrastructure

	Infrastructure - Roads, Footpaths and drainage \$	Other infrastructure \$	Total Infrastructure \$
(a) Movements in Carrying Amounts			

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

Balance at 1 July 2018	1,686,356,370	116,855,917	1,803,212,340
Additions	21,050,272	15,063,736	36,114,008
(Disposals)	0	(43,907)	(43,907)
Impairment (losses) / reversals	(38,417)	(660,177)	(698,594)
Depreciation (expense)	(20,406,551)	(6,857,311)	(27,263,862)
Transfers	0	(9,409)	(9,409)
Carrying amount at 30 June 2019	1,686,961,674	124,348,849	1,811,310,576

Comprises:

Gross carrying amount at 30 June 2019	1,707,406,642	131,942,660	1,839,349,302
Accumulated depreciation at 30 June 2019	(20,406,551)	(6,933,634)	(27,340,185)
Accumulated impairment loss at 30 June 2019	(38,417)	(660,177)	(698,594)
Carrying amount at 30 June 2019	1,686,961,674	124,348,849	1,811,310,523

Additions	19,503,382	21,991,074	41,494,456
Impairment (losses) / reversals	(487,726)	(910,387)	(1,398,113)
Depreciation (expense)	(20,801,173)	(8,209,802)	(29,010,975)
Carrying amount at 30 June 2020	1,685,176,157	137,219,734	1,822,395,891

Comprises:

Gross carrying amount at 30 June 2020	1,726,910,023	153,933,736	1,880,843,759
Accumulated depreciation at 30 June 2020	(41,207,722)	(15,143,438)	(56,351,160)
Accumulated impairment loss at 30 June 2020	(526,144)	(1,570,564)	(2,096,708)
Carrying amount at 30 June 2020	1,685,176,157	137,219,734	1,822,395,891

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(b) Fair Value Measurements					
Infrastructure - Roads					
Management valuation 2018	3	Cost Approach - Depreciated replacement cost	Management valuation	30 June 2018	Current condition and remaining useful life assessments.
Footpaths and Crossovers					
Management valuation 2018	3	Cost Approach - Depreciated replacement cost	Management valuation	30 June 2018	Inspections are carried out by City's Asset Inspector as per IPWEA guidelines under grading system. All boardwalks inspections were carried out by an external consultant under similar guidelines. Quantity, condition and unit rates data are highly reliable.
Drainage					
Management valuation 2018	3	Cost Approach - Depreciated replacement cost	Management valuation	30 June 2018	All the pits and pipes condition assessments were carried out by an external consultant where quantity and condition data are uncertain.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

10. Infrastructure (continued)

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(b) Fair Value Measurements (continued)					
Infrastructure - Other					
Management valuation 2018	2	Cost Approach - Depreciated replacement cost	Management valuation	30 June 2018	Unit rates are derived from the City's Tender rates.
Independent valuation 2018	2	1) Market price for comparable artworks by the same artist 2) Cost approach - Replacement/ Reproduction method	Independent valuers	30 June 2018	Market price for comparable public artworks by the same artist and comparative market analysis for subjective and objective adjustments includes reputation of the artist and a condition of the artwork. In cases where market price is not available: Cost approach used on a judgement made on methodology 'reproduction method' or 'replacement method'.
Management valuation 2018	3	Cost Approach - Depreciated replacement cost	Management valuation	30 June 2018	All inspections were carried out by the City Asset Management Officers as per IPWEA grading system and WALGA guidelines for asphalt and binder condition quantity, condition and cost data are reliable.

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

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 2 and 3 inputs.

11. Intangible assets

	2020 \$	2019 \$
(a) Landfill Assets		
Non-current		
Intangible Assets	7,240,101	7,508,253
Less: Amortisation expense	(268,152)	(268,152)
Carrying amount at 30 June 2020	6,971,949	7,240,101
(b) Computer Software		
Non-current		
Intangible Assets	1,215,566	1,500,139
Less: Amortisation expense	(312,023)	(284,573)
Carrying amount at 30 June 2020	903,543	1,215,566
Total Intangible Assets	7,875,492	8,455,667

12. Leases

	2020 \$	2019 \$
(a) Right of Use Assets		
Movement in the carrying amounts of each class of right of use asset between the beginning and the end of the current financial year.		
Right of use assets - buildings		
Carrying amount at 30 June 2019	0	0
Recognised on initial application of AASB 16	1,039,830	0
Restated total equity at the beginning of the financial year	1,039,830	0
Additions	0	0
Depreciation (expense)	(207,966)	0
Carrying amount at 30 June 2020	831,864	0
(b) Cash outflow from leases		
Interest expense on lease liabilities	19,861	0
Lease principal expense	207,966	0
Total cash outflow from leases	227,827	0

The right of use assets relates to library lease which is for five years term from Murdoch University, the Lessor. There is no provision under the lease for purchase of assets at the end of lease term. This lease asset is un-secured.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

13. Revaluation surplus

	2020 Opening Balance \$	2020 Revaluation Increment \$	2020 Revaluation (Decrement) \$	Total Movement on Revaluation \$
Revaluation surplus - Land and Land Infrastructure	63,707,098	0	0	0
Revaluation surplus - Buildings	85,343,086	0	0	0
Revaluation surplus - Furniture and equipment	3,554,563	0	0	0
Revaluation surplus - Plant and equipment	2,311,533	0	0	0
Revaluation surplus - Miscellaneous Assets	160,428	0	0	0
Revaluation surplus - Infrastructure - Roads, Footpaths and drainage	1,491,971,187	0	0	0
Revaluation surplus - Other infrastructure	49,475,614	0	0	0
	1,696,523,509	0	0	0

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

14. Fixed assets

	2020 Actual Net Book Value \$	2020 Actual Sale Proceeds \$	2020 Actual Profit \$	2020 Actual Loss \$	2020 Budget Net Book Value \$
(a) Disposals of Assets					
Buildings	310,652	0	0	(310,652)	0
Furniture and equipment	13,730	0	0	(13,730)	0
Plant and equipment	1,938,907	1,589,842	308,965	(658,030)	854,078
Other infrastructure	0	0	0	0	0
	2,263,289	1,589,842	308,965	(982,412)	854,078

2020 Closing Balance \$	2019 Opening Balance \$	2019 Revaluation Increment \$	2019 Revaluation (Decrement) \$	Total Movement on Revaluation \$	2019 Closing Balance \$
63,707,098	63,707,098	0	0	0	63,707,098
85,343,086	85,343,086	0	0	0	85,343,086
3,554,563	3,554,563	0	0	0	3,554,563
2,311,533	2,311,533	0	0	0	2,311,533
160,428	160,428	0	0	0	160,428
1,491,971,187	1,491,971,187	0	0	0	1,491,971,187
49,475,614	49,475,614	0	0	0	49,475,614
1,696,523,509	1,696,523,509	0	0	0	1,696,523,509

2020 Budget Sale Proceeds \$	2020 Budget Profit \$	2020 Budget Loss \$	2019 Actual Net Book Value \$	2019 Actual Sale Proceeds \$	2019 Actual Profit \$	2019 Actual Loss \$
0	0	0	1,002,610	12,000	1,578	(992,188)
0	0	0	3,970	0	0	(3,970)
2,102,173	1,463,528	(215,433)	667,033	686,943	131,044	(111,133)
0	0	0	9,875	0	0	(9,875)
2,102,173	1,463,528	(215,433)	1,683,488	698,943	132,622	(1,117,166)

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

14. Fixed assets (continued)

	2020 Actual Net Book Value \$	2020 Actual Sale Proceeds \$	2020 Actual Profit \$	2020 Actual Loss \$
(a) Disposals of Assets (continued)				
The following assets were disposed of during the year				
Plant and Equipment				
Governance				
Mobile Plant and Equipment	22,858	27,229	4,371	0
Computer Equipment	12,765	0	0	(12,765)
Law, order, public safety				
Mobile Plant and Equipment	157,254	138,965	0	(18,289)
Plant and Machinery and Equipment	20,955	0	0	(20,955)
Computer Equipment	197	0	0	(197)
Health				
Mobile Plant and Equipment	5,725	6,456	731	0
Education and welfare				
Mobile Plant Equipment	3,398	60,733	49,044	0
Community amenities				
Mobile Plant and Equipment	30,928	53,727	22,799	0
Plant and Machinery and Equipment	1,119,280	529,064	0	(590,217)
Recreation and culture				
Mobile Plant and Equipment	9,938	14,406	4,468	0
Plant and Machinery and Equipment	6,163	11,421	5,258	0
Buildings	310,652	0	0	(310,652)
Furniture	353	0	0	(353)
Economic services				
Mobile Plant and Equipment	23,044	23,044	8,291	0
Other property and services				
Mobile Plant and Equipment	260,304	474,306	214,003	0
Plant Machinery and Equipment	279,061	250,491	0	(28,570)
Computer Equipment	414	0	0	(414)
	2,263,289	1,589,842	308,965	(982,412)

	2020 Actual \$	2020 Budget \$	2019 Actual \$
(b) Depreciation			
Buildings	6,085,571	5,990,456	6,039,869
Land Infrastructure	1,301,370	799,757	1,298,401
Furniture and Equipment	344,783	331,390	354,691
Plant and Equipment	2,696,735	2,914,140	2,890,940
Miscellaneous Assets	11,882	12,144	12,420
Infrastructure - Roads, Footpaths and Drainage	20,801,173	19,955,345	20,406,551
Other Infrastructure	8,209,802	5,902,842	6,857,311
Intangible Asset	580,175	500,000	284,573
Right of use assets	207,966	227,037	0
	40,239,457	36,633,111	38,144,756
Assets held for sale - Bert England Lodge	(28,972)	0	0
	40,210,485	36,633,111	38,144,756

	2020 Actual \$	2019 Actual \$
(c) Impairment of Assets		
Buildings	180,898	59,089
Drainage	20,424	23,023
Footpaths and Crossovers	246,820	13,776
Miscellaneous Infrastructure	129,231	100,465
Parks Reserves and Foreshore	781,156	559,712
Roads	220,481	1,619
	1,579,010	757,684

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

15. Investment property

The City does not have any investment property for further development purposes as at 30 June 2020.
(30 June 2019 - NIL)

16. Trade and other payables

	2020 \$	2019 \$
Current		
Sundry creditors	8,012,230	5,874,472
Rates received in advance	3,545,722	0
Accrued salaries and wages	1,082,648	652,263
Bonds Liabilities	1,805,089	1,995,662
Accrued interest on long term liabilities	52,386	60,134
Bert England Lodge Liabilities	0	5,280,707
Capital grants liabilities	6,715,467	0
	21,213,542	13,863,238

Capital grants liabilities comprises of developer contribution \$4,333,162 and cash in lieu of parking \$2,382,306.

17. Contract liabilities

	2020 \$	2019 \$
Current		
Contract liabilities from contracts with customers		
Unspent grants, contributions and reimbursements	818,692	0
	818,692	0

18. Information on borrowings

	2020 \$	2019 \$
(a) Borrowings		
Current	1,146,109	1,070,955
Non-current	7,844,901	8,991,010
	8,991,010	10,061,965

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

18. Information on borrowings (continued)

	Institution	Actual Principal 1 July 2019 \$	30 June 2020 Actual Principal repayments \$	30 June 2020 Actual Interest repayments \$	30 June 2020 Actual Principal outstanding \$	Budget Principal 1 July 2019 \$
(b) Repayments - Borrowings						
Particulars						
Law, order, public safety						
Loan No. 263- Dog Pound	WATC*	501,906	40,906	35,065	461,000	501,906
Recreation and culture						
Loan No. 242 - Rockingham Bowling Club	WATC	41,296	15,742	1,718	25,554	41,296
Loan No. 244J - Warnbro Recreation Centre	WATC	432,276	112,920	25,957	319,356	432,276
Loan No. 245 (1) - Waterfront Village	WATC	214,218	30,721	6,711	183,497	214,218
Loan No. 245 (2) - Waterfront Village	WATC	216,194	30,860	8,575	185,334	216,194
Loan No. 245 (3) - Waterfront Village	WATC	218,606	31,026	10,017	187,580	218,606
Loan No. 245 (4) - Waterfront Village	WATC	214,771	30,760	10,279	184,011	214,771
Loan No. 252 (1) - Larkhill Development	WATC	214,218	30,721	6,711	183,497	214,218
Loan No. 252 (2) - Larkhill Development	WATC	324,292	46,290	12,862	278,002	324,292
Loan No. 252 (3) - Larkhill Development	WATC	218,607	31,026	10,017	187,581	218,607
Loan No. 264 (1) - Larkhill Regional Sporting Complex	WATC	429,535	61,520	20,558	368,015	429,535
Loan No. 270B - Larkhill Development	WATC	248,677	29,194	15,277	219,483	248,677
Loan No. 274 - Larkhill Development	WATC	1,408,462	137,339	90,212	1,271,123	1,408,462
Loan No. 275 - Larkhill Development	WATC	1,568,460	127,830	109,577	1,440,630	1,568,460
Loan No.276 - Larkhill Development	WATC	3,764,303	306,795	262,984	3,457,508	3,764,303
Loan - Baldivis District Sporting Complex Stage 1	WATC	0	0	0	0	0
Loan - Koorana Reserve		0	0	0	0	0
Economic services						
Loan No. 280 - Shoalwater Underground Power Project	WATC	(2)	(2)	0	0	0
		10,015,819	1,063,648	626,521	8,952,224	10,015,821
Self Supporting Loans						
Recreation and culture						
Loan No. 212 (1) - R'ham Entertainers	WATC	46,146	7,307	1,662	38,839	46,146
		46,146	7,307	1,662	38,839	46,146
		10,061,965	1,070,955	628,183	8,991,063	10,061,967
Loan Interest Accrued (included in current liabilities)				52,386	52,386	
Total loan repayments including accrued interest		10,061,965	1,070,955	680,569	9,043,449	10,061,967

* WA Treasury Corporation

30 June 2020 Budget New Loans \$	30 June 2020 Budget Principal repayments \$	30 June 2020 Budget Interest repayments \$	30 June 2020 Budget Principal outstanding \$	Actual Principal 1 July 2018 \$	30 June 2019 Actual Principal repayments \$	30 June 2019 Actual Interest repayments \$	30 June 2019 Actual Principal outstanding \$
0	40,906	36,595	461,000	539,930	38,024	37,830	501,906
0	15,742	2,358	0	56,077	14,781	2,435	41,296
0	112,920	28,358	319,356	537,576	105,300	32,885	432,276
0	30,721	12,192	183,497	243,204	28,986	7,705	214,218
0	30,860	12,683	185,334	245,260	29,066	9,817	216,194
0	31,026	13,291	187,580	247,766	29,160	11,447	218,606
0	30,760	12,328	184,011	243,779	29,008	11,754	214,771
0	30,721	12,192	183,497	243,204	28,986	7,705	214,218
0	46,290	19,024	278,002	367,891	43,599	14,725	324,292
0	31,026	13,291	187,581	247,767	29,160	11,447	218,607
0	61,520	24,656	368,015	487,551	58,016	23,508	429,535
0	29,194	15,407	219,483	276,094	27,417	17,040	248,677
0	137,339	94,442	1,271,123	1,536,831	128,369	98,797	1,408,462
0	127,830	114,359	1,440,630	1,687,285	118,825	118,219	1,568,460
0	306,793	274,463	3,457,510	4,049,484	285,181	283,727	3,764,303
14,000,000	0	0	14,000,000	0	0	0	0
3,700,000	0	0	3,700,000	0	0	0	0
0	0	0	0	555,650	555,652	3,848	(2)
17,700,000	1,063,648	685,639	26,626,619	11,565,349	1,549,530	692,889	10,015,819
0	7,307	2,679	38,839	53,031	6,885	1,933	46,146
0	7,307	2,679	38,839	53,031	6,885	1,933	46,146
17,700,000	1,070,955	688,318	26,665,458	11,618,380	1,556,415	694,822	10,061,965
						60,134	60,134
17,700,000	1,070,955	688,318	26,665,458	11,618,380	1,556,415	754,956	10,122,099

Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

18. Information on borrowings (continued)

	2020 \$	2019 \$
(c) New Borrowings - 2019/20		

There were no new borrowings during the year 2020. (2019 - NIL)

(d) Unspent Borrowings		
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There are no unspent borrowings as at 30 June 2020. (30 June 2019 - NIL)

19. Lease liabilities

	2020 \$	2019 \$
(a) Lease Liabilities		
Current	226,872	0
Non-current	604,992	0
	831,864	0

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual Lease Principal 1 July 2019 \$	30 June 2020 Actual New Leases \$
(b) Movements in Carrying Amounts						
Recreation and culture						
Rockingham Library Lease		Murdoch University	2.00%	55 months	1,039,830	0
					1,039,830	0

	2020 \$	2019 \$
(e) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit	250,000	250,000
Credit card limit	500,000	500,000
Credit card balance at reporting date	(121,082)	(147,452)
Total amount of credit unused	628,918	602,548

30 June 2020 Actual Lease Principal Repayments \$	30 June 2020 Actual Lease Principal Outstanding \$	30 June 2020 Actual Lease Interest Repayments \$	Actual Lease Principal 1 July 2018 \$	30 June 2019 Actual New Loans \$	30 June 2019 Actual Lease Principal Repayments \$	30 June 2019 Actual Lease Principal Outstanding \$	30 June 2019 Actual Lease Interest Repayments \$
207,966	831,864	19,861	0	0	0	0	0
207,966	831,864	19,861	0	0	0	0	0

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

20. Employee related provisions

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Provision for Sick Leave	Total \$
Opening balance at 1 July 2019				
Current provisions	4,424,353	3,279,268	1,633,188	9,336,809
Non-current provisions	0	1,761,248	0	1,761,248
	4,424,353	5,040,516	1,633,188	11,098,057
Additional provision	46,991	(14,612)	(44,623)	32,379
Balance at 30 June 2020	4,471,344	5,025,904	1,588,565	11,130,436
Comprises				
Current	4,471,344	3,524,840	1,588,565	9,584,749
Non-current	0	1,501,064	0	1,501,064
	4,471,344	5,025,904	1,588,565	11,085,813

	2020 \$	2019 \$
Amounts are expected to be settled on the following basis:		
Less than 12 months after the reporting date	9,584,749	9,336,809
More than 12 months from reporting date	1,501,064	1,761,248
	11,085,813	11,098,057

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees.

Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

21. Other provisions

	Provision for Millar Road Facility \$	Total \$
Opening balance at 1 July 2019		
Non-current provisions	9,255,303	9,255,303
	9,255,303	9,255,303
Additional provision	349,344	349,344
Balance at 30 June 2020	9,604,647	9,604,647
Comprises		
Non-current	9,604,647	9,604,647
	9,604,647	9,604,647

The Millar Road Landfill Facility was granted approval under the Environmental Protection Act 1986 on 1 July 1992 subject to conditions that the City is responsible for construction, operation, decommissioning and post-closure management of the site until such time as the waste has fully degraded, to the satisfaction of the Environmental Protection Authority. The Provision for Rehabilitation has been calculated based on an anticipated operational life of 30 years with a 30 year post-closure management period. The expected requirements for the final decommissioning and post-closure management plan are based on current regulatory and industry experience.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

22. Notes to the statement of cash flows

	2020 Actual \$	2020 Budget \$	2019 Actual \$
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Reconciliation of Cash

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

Cash and cash equivalents	17,372,492	57,051,399	19,380,833
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Reconciliation of Net Cash Provided by Operating Activities to Net Result

Net result	16,554,426	(8,610,274)	21,453,951
Less: Non Cash Contribution	(21,469,231)	0	(14,216,560)

Non-cash flows in Net result:

Adjustments to fair value of financial assets at fair value through profit and loss	(2,017)	0	(122,620)
Depreciation on non-current assets	40,239,457	36,633,111	38,144,756
(Profit)/loss on sale of asset	673,447	(1,248,095)	984,544
Loss on Impairment	1,579,010	0	757,684
Reversal of capitalisation of assets (Threshold)	0	0	408,283
Share of profits of associates and joint ventures	5,964	0	(80,829)

Changes in assets and liabilities:

(Increase)/decrease in receivables	(10,942,020)	2,088,640	(2,004,870)
(Increase)/decrease in inventories	(50,538)	(110,459)	(14,930)
Increase/(decrease) in payables	18,483,155	(78,397)	(2,459,970)
Increase/(decrease) in provisions	337,100	405,779	(1,057,998)
Increase/(decrease) in contract liabilities	818,692	0	0

Grant contributions for the development of assets	(5,136,729)	(5,434,333)	(4,902,664)
Net cash from operating activities	41,090,716	23,645,972	36,888,777

23. Total assets classified by function and activity

	2020 \$	2019 \$
Governance	23,518,747	23,792,100
Law, order, public safety	7,599,110	7,766,629
Health	1,399,630	1,394,926
Education and welfare	26,087,689	26,304,682
Housing	12,779,805	12,990,315
Community amenities	32,041,121	31,336,873
Recreation and culture	280,639,468	260,978,599
Transport	1,683,794,630	1,688,930,771
Economic services	4,877,082	3,137,387
Other property and services	36,740,775	36,425,010
Unallocated	132,232,082	131,460,184
	2,241,710,139	2,224,517,476

24. Contingent liabilities

The City of Rockingham has no contingent liabilities as at 30 June 2020. (30 June 2019 - NIL)

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

25. Commitments

	2020 \$	2019 \$
Capital Expenditure Commitments		
Contracted for:		
Capital expenditure projects		
Road Construction	1,902,644	1,215,864
Building Land and Fixed Equipment	2,724,666	634,366
Reserve and Infrastructure	1,454,918	4,232,375
Plant, Machinery and Equipment - Various	1,784,081	2,857,339
Computer	93,185	7,906
Footpath and Crossovers	381,965	891,080
Miscellaneous Infrastructure	562,834	662,999
Plant and Equipment purchases		
Total	8,904,293	10,501,929
Lease commitments		
Library Lease	0	1,139,134
Total	0	1,139,134
Comprises of:		
Payable:		
- Not later than one year	8,904,293	10,750,468
- After one year	0	890,595
Total	8,904,293	11,641,063

26. Joint venture arrangements

The City is a member participant in a project for the South West Group with the Cities of Cockburn, Fremantle, Kwinana, Melville and Town of East Fremantle. The purpose of the joint arrangement is to facilitate and promote economic and community development of the South West Metropolitan Region. The City's share in the net assets of the South West Group was:

	2020 \$	2019 \$
Amount of Interest	74,865	80,829
Cost/Project Sharing Ratio	23.86%	23.86%

The interest amount consist of unspent monies at end of year. The movement of the interest value during the year is \$5,964 which has been recognised in statement of comprehensive income.

27. Investment in associates

The City has no investment in associates.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

28. Related party transactions

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Elected Members Remuneration			
The following fees, expenses and allowances were paid to council members and/or the Mayor.			
Meeting Fees	344,537	340,000	324,450
Mayor/President's allowance	87,550	90,000	92,472
Deputy Mayor/President's allowance	21,888	24,000	16,416
Travelling expenses	14,180	26,000	17,184
Telecommunications allowance	37,371	36,750	35,000
Members incidental expenses	1,171	0	3,728
	506,696	516,750	489,250

	2020 Actual \$	2019 Actual \$
Key Management Personnel (KMP) Compensation Disclosure		
The total of remuneration paid to KMP of the City during the year are as follows:		
Short-term employee benefits	6,643,438	6,100,636
Post-employment benefits	770,456	718,160
Other long-term benefits	134,696	134,541
Termination benefits	72,632	102,691
	7,621,221	7,056,028

Short-term employee benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP.

	2020 Actual \$	2019 Actual \$
Transactions with related parties		
Transactions between related parties and the City are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.		
The following transactions occurred with related parties:		
Sale of goods and services	0	9,935
Purchase of goods and services	2,395,054	2,166,315
Short term employee benefits -other related parties	0	0
Joint venture entities:		
Distributions received from joint venture entities	0	0
Amounts outstanding from related parties:		
Trade and other receivables	0	0
Loans to associated entities	0	0
Loans to key management personnel	0	0
Amounts payable to related parties:		
Trade and other payables	0	0
Loans from associated entities	0	0

Related Parties

The City's main related parties are as follows:

- i. *Key management personnel*
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.
- ii. *Other Related Parties*
The associate person of KMP was employed by the City under normal employment terms and conditions.
- iii. *Entities subject to significant influence by the City*
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.
- iv. *Joint venture entities accounted for under the proportionate consolidation method*
The City has an interest in the South West Group. The City's share in the net assets of the group is disclosed in Note 26.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

29. Major land transactions

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Current year transactions			
Other revenue			
Sale proceeds	0	0	0
Other expenditure			
Cost of goods sold	0	0	0
	0	0	0

30. Trading undertakings and major trading undertakings

The Millar Road Landfill Facility based at Lot 2170 Millar Road West in Baldivis and provides an essential waste disposal service and makes significant ongoing financial contributions to the City. The City has a separate trading undertaking for the Millar Road Landfill Facility.

	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
Operating			
Operating Revenue			
Landfill Operations	15,084,508	16,689,846	16,973,904
Transfer Station	3,717,476	3,360,000	3,277,708
Recycling Operations	603,131	395,000	394,341
	19,405,115	20,444,846	20,645,953
Operating Expenditure			
Landfill Operations	(13,757,511)	(13,573,089)	(13,893,878)
Transfer Station	(1,723,664)	(1,364,729)	(1,744,316)
Recycling Operations	(501,529)	(206,483)	(611,241)
	(15,982,704)	(15,144,301)	(16,249,435)
Net Operating Result	3,422,411	5,300,545	4,396,518
Non Operating			
Non Operating Revenue			
Landfill Operations	302,114	0	54,498
	302,114	0	54,498
Non Operating Expenditure			
Landfill Operations	(4,184,469)	(2,250,000)	(3,411,126)
	(4,184,469)	(2,250,000)	(3,411,126)
Net Capital Movement	(3,882,355)	(2,250,000)	(3,356,628)
Net Overall Result	(459,944)	3,050,545	1,039,890

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

31. Rating information

Differential general rate / general rate	Rate in Cents	Number of Properties	2019/20 Actual Rateable Value \$	2019/20 Actual Rate Revenue \$
(a) Rates				
Gross rental valuations				
Residential	7.2620	33,737	670,860,282	48,717,884
Non Residential	8.5860	1,301	201,426,686	17,294,496
Unimproved valuations				
Unimproved properties	0.1025	156	356,700,000	365,618
Sub-Total		35,194	1,228,986,968	66,377,997
Minimum payment				
Minimum \$				
Gross rental valuations				
Residential	1,200	20,156	274,300,159	24,187,200
Non Residential	1,200	277	2,346,828	332,400
Unimproved valuations				
Unimproved properties	625	134	53,603,292	83,750
Sub-Total		20,567	330,250,279	24,603,350
		55,761	1,559,237,247	90,981,347
Written off (Note 31(b))				
Total amount raised from general rate				
Ex-gratia rates				
Rates received in advance				
Totals				

	2019/20 Actual Interim Rates \$	2019/20 Actual Total Revenue \$	2019/20 Budget Rate Revenue \$	2019/20 Budget Interim Rate \$	2019/20 Budget Total Revenue \$	2018/19 Actual Total Revenue \$
	403,034	49,120,917	48,567,490	720,000	49,287,490	46,712,855
	172,964	17,467,460	17,243,416	565,500	17,808,916	16,797,524
	(2,032)	363,586	365,874	0	365,874	370,647
	573,966	66,951,963	66,176,780	1,285,500	67,462,280	63,881,026
	0	24,187,200	24,181,200	0	24,181,200	23,308,224
	0	332,400	367,200	0	367,200	356,664
	0	83,750	83,750	5,000	88,750	83,160
	0	24,603,350	24,632,150	5,000	24,637,150	23,748,048
	573,966	91,555,313	90,808,930	1,290,500	92,099,430	87,629,074
		(5,351)			(2,000)	(14,744)
		91,549,962			92,097,430	87,614,330
		0			0	148,779
		0			0	3,023,284
		91,549,962			92,097,430	90,786,393

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

31. Rating information (continued)

Rate or Fee	2020 Actual \$	2020 Budget \$	2019 Actual \$
(b) Discounts, Incentives, Concessions and Write-offs			
Discount Granted or Write offs:			
Rates written off	5,351	2,000	14,744
	5,351	2,000	14,744

Incentives:

The National Australia Bank provides 10 prizes of \$500, which are drawn on a random basis by computer generation of ratepayers who have paid their rates and service charges in full (including arrears) by the due date for payments of rates.

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
(c) Interest Charges and Instalments				
		3.50	5.50	10.00

Option One

Single full payment	16-Aug-19
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Option Two

First instalment	16-Aug-19
Second instalment	16-Dec-19

Option Three

First instalment	16-Aug-19
Second instalment	16-Oct-19
Third instalment	16-Dec-19
Fourth instalment	17-Feb-20

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates	644,436	500,000	665,669
Interest on instalment plan	588,687	470,000	549,874
Charges on instalment plan	146,748	43,000	154,511
Pensioner Deferred Rate interest	34,698	30,000	42,530
	1,414,570	1,043,000	1,412,584

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

32. Rate setting statement information

	Note	2019/20 (30 June 2020 Carried Forward) \$	2019/20 (1 July 2019 Brought Forward) \$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	14(a)	(308,965)	(132,622)
Less: Fair value adjustments to financial assets at fair value through profit and loss	5(b)	(2,017)	(122,620)
Add: Share of net profit or loss of associates and joint ventures accounted for using the equity method	26	5,964	(80,829)
Less: Movement in pensioner deferred rates (non-current)	6	(189,832)	(403,793)
Less: Movement in employee benefit provisions (non-current)	20	(260,184)	(148,768)
Add: Movement in employee benefit provisions (current)	20	247,940	397,816
Add: Movement in provision for rehabilitation (non-current)	21	349,344	(1,307,046)
Less: Purchase/Construction of Non Cash Assets		(22,509,061)	(14,216,560)
Less: Movement in other provisions and accruals		(624,420)	562,314
Add: Loss on disposal of assets	14(a)	982,412	1,117,166
Add: Impairment of Assets	14(c)	1,579,010	757,684
Add: Reversal of capitalisation of assets (Threshold)		0	408,283
Add: Depreciation on non-current assets	14(b)	40,239,457	38,144,756
Non cash amounts excluded from operating activities		19,509,648	24,975,781

	Note	2019/20 (30 June 2020 Carried Forward) \$	2019/20 (1 July 2019 Brought Forward) \$
(b) Surplus/(deficit) after imposition of general rates			

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

Adjustments to net current assets

Less: Reserves - cash backed	4	(48,647,351)	(45,677,182)
Less: Financial assets at amortised cost - self supporting loans	5(a)	(7,755)	(7,307)
Add: Borrowings	18(a)	1,146,109	1,070,955
Add: Provision for annual leave	20	4,471,344	4,424,353
Add: Provision for long service leave	20	3,524,840	3,279,268
Add: Capital grant liabilities	16	6,715,467	0
Add: Current portion of contract liability	17	818,692	0
Add: Current portion of lease liabilities	19(a)	226,872	0
Total adjustments to net current assets		(31,751,782)	(36,909,913)

Net current assets used in the Rate Setting Statement

Total current assets	118,832,382	110,982,681
Less: Total current liabilities	(38,242,297)	(24,271,002)
Less: Total adjustments to net current assets	(31,751,782)	(36,909,913)
Net current assets used in the Rate Setting Statement	48,838,303	49,801,766

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

33. Financial risk management

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

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

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council has approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk**Cash and cash equivalents**

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk. The City is not utilising any short term overdraft facility.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2020					
Cash and cash equivalents	0.5	9,456,787	0	7,487,000	1,969,787
Financial assets at amortised cost - term deposits	1.17	85,199,758	85,199,758	0	0
2019					
Cash and cash equivalents	0.5	19,380,833	3,000,000	14,375,825	2,005,008
Financial assets at amortised cost	2.39	78,122,107	78,122,107	0	0

Sensitivity

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

	2020 \$	2019 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	946,565	975,029

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 18(b).

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

33. Financial risk management (continued)

(b) Credit risk

Trade Receivables

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

Credit risk on rates and annual charges is minimised by the ability of the City to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The City is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

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

The City applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

The loss allowance as at 30 June 2020 and 1 July 2019 was determined as follows for rates receivable. No expected credit loss was forecast on 1 July 2019. As on 30 June 2020 except one property, no credit loss was forecasted for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

	Total \$
30 June 2020	
Rates receivable	7,913,990
Expected credit loss	0
Gross carrying amount	7,913,990
Loss allowance	(62,345)
30 June 2019	
Rates receivable	7,971,293
Expected credit loss	0
Gross carrying amount	7,971,293
Loss allowance	0

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for sundry receivables.

	Current \$	More than 30 days past due \$	More than 60 days past due \$	More than 90 days past due \$	Total \$
30 June 2020					
Sundry Receivables					
Gross Receivables	2,735,559	441,755	199,651	1,554,672	4,931,636
ECL	5,929	3,782	1,978	106,304	(117,993)
Time factor Loss	0	2,015	1,363	38,719	(42,098)
Allowance	0	0	0	0	(443,325)
30 June 2019					
Sundry Receivables					
Gross Receivables	3,933,569	186,908	125,000	1,797,716	6,043,193
ECL	2,332	888	784	77,692	(81,696)
Time factor Loss	0	820	700	37,917	(39,437)
Allowance	0	0	0	0	(518,592)

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

33. Financial risk management (continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 18(e).

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

	Due within 1 year \$	Due between 1 and 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2020					
Payables	16,889,835	4,323,707	0	21,213,542	21,213,542
Borrowings	1,146,109	5,978,522	1,866,379	8,991,010	11,190,476
Contract liabilities	818,692	0	0	818,692	818,692
Lease liabilities	226,872	604,992	0	831,864	831,864
	19,081,508	10,907,221	1,866,379	31,855,108	34,054,574
2019					
Payables	13,863,238	0	0	13,863,238	13,863,238
Borrowings	1,070,955	4,657,451	4,333,559	10,061,965	12,463,249
	14,934,193	4,657,451	4,333,559	23,925,203	26,326,487

34. Events occurring after the end of the reporting period

No significant events occurred after the end of the reporting period, which may adversely affect the financial position of City of Rockingham.

35. Trust funds

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

	1 July 2019 \$	Amounts Received \$	Amounts Paid \$	30 June 2020 \$
Cash in Lieu POS Contributions	1,567,775	24,666	(758,722)	833,719
Lease Agreement Bond Deposit	15,000	0	0	15,000
	1,582,775	24,666	(758,722)	848,719

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

36. Initial application of Australian accounting standards

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

(a) AASB 15: Revenue from Contracts with Customers

The City adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the City adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):

	Note	AASB 118 carrying amount 30 June 2019 \$	Reclassification \$	AASB 15 carrying amount 01 July 2019 \$
Contract liabilities - current				
Unspent grants, contributions and reimbursements		0	2,195,200	2,195,200
Adjustment to retained surplus from adoption of AASB 15	36(d)	0	(2,195,200)	(2,195,200)

The contract liabilities relate to grants transactions with performance obligations received in advance for which revenue is recognised over time as the performance obligations are met.

(b) AASB 1058: Income For Not-For-Profit Entities

The City adopted AASB 1058 Income for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the City adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods was not restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB 1058 as compared to AASB 118: Revenue and AASB 1004:

Contributions before the change:

		AASB 118 and AASB 1004 carrying amount 30 June 2019	Reclassification	AASB 1058 carrying amount 01 July 2019
	Note	\$	\$	\$
Trade and other payables				
Rates paid in advance		0	3,023,284	3,023,284
Developer contributions		0	5,325,548	5,325,548
Cash in lieu of parking		0	2,337,069	2,337,069
Adjustment to retained surplus from adoption of AASB 1058	36(d)	0	10,685,901	10,685,901

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore, the rates received in advance gave rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates were recognised as a financial asset and a related amount recognised as a financial liability and no income recognised by the City. When the taxable event occurred, the financial liability was extinguished and the City recognised income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the City to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

36. Initial application of Australian accounting standards (continued)

(c) AASB 16: Leases

The City adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the City has applied this standard to its leases using the modified retrospective basis, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the City will not restate comparatives for prior reporting periods.

	Note	2020 \$
Operating lease commitments at 30 June 2019 applying AAS 117		1,139,134
Lease liability recognised as 1 July 2019 discounted using the City's incremental borrowing rate of 2%	19(b)	1,039,830
Lease liability - current		226,872
Lease liability - non-current		812,958
Right-of-use assets recognised at 1 July 2019		1,039,830

In applying AASB 16 for the first time, the City will use the following practical expedient permitted by the standard. The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(d) Impact of New Accounting Standards on Retained Surplus

The impact on the City's retained surplus due to the adoption of AASB 15, AASB 1058 and AASB 16 as at 1 July 2019 was as follows:

	Note	Adjustments \$	2019 \$
Retained surplus - 30 June 2019			438,038,222
Adjustment to retained surplus from adoption of AASB 15	36(a)	(2,195,200)	
Adjustment to retained surplus from adoption of AASB 16	36(c)	0	
Adjustment to retained surplus from adoption of AASB 1058	36(b)	(10,685,901)	(12,881,101)
Retained surplus - 1 July 2019			425,157,121

37. Financial ratios

No significant events occurred after the end of the reporting period, which may adversely affect the financial position of City of Rockingham.

	2020 Actual	2019 Actual	2018 Actual
Current ratio	1.70	2.27	2.27
Asset consumption ratio	0.96	0.87	0.90
Asset renewal funding ratio	0.99	0.98	0.92
Asset sustainability ratio	1.41	1.30	0.59
Debt service cover ratio	18.18	18.32	7.77
Operating surplus ratio	(0.07)	0.02	(0.32)
Own source revenue coverage ratio	0.89	0.94	0.68

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$

Notes to and forming part of the Financial Report

For the year ended 30 June 2020

38. Aged care reporting note

This note discloses the revenue, expenditure, assets and liabilities of Bert England Lodge in accordance with paragraph 63-1 (1)m of the Aged Care Act 1997.

The City has commenced the process of disposing of aged care facility and it is expected that this sale will conclude within the next 12 months.

	2020 \$	2019 \$
Revenue		
Other Revenue	3,433,420	3,431,031
Operating Expenditure		
Other Expenses	(40,661)	(27,266)
Building Maintenance	(3,502)	(1,316)
Operating Expenses	(7,931)	(8,860)
Salaries	(12,169)	(10,153)
Utility Charges	(92,579)	(87,684)
Contractor Expense	(2,342,057)	(2,114,078)
Consultancy Costs	(265,855)	(268,583)
Minor Capital Expenditure	(26,518)	(37,576)
Property Expense	(206,869)	(210,069)
Food Expense	(153,896)	(159,364)
Training Costs	(522)	(3,697)
Stationery	(5,673)	(7,110)
Transport	(2,324)	(495)
Residential Care Expense	(110,878)	(99,132)
Interest Expenses	(10,555)	(4,105)
Total Operating Expenditure	(3,281,989)	(3,039,488)

	2020 \$	2019 \$
Non Cash Expenditure		
Depreciation - Building and Fixed Equip	(28,877)	(122,430)
Depreciation - Furniture and Equip	(94)	(1,404)
Profit/Loss on Sale of Assets	0	(8,036)
Total Non Cash Expenditure	(28,971)	(131,870)
Operating Result	122,460	259,673
Assets		
Total Assets	12,960,250	12,866,162
Liabilities		
Total Liabilities	5,252,333	5,280,705
Net Assets	7,707,917	7,585,457
Equity		
Accumulated Surplus	7,585,457	7,325,784
Current Year Surplus	122,460	259,673
	7,707,917	7,585,457

Revenues and expenses are those directly attributable to Bert England Lodge and include any joint revenue and expenses where a reasonable basis of allocation exists. Assets include all assets used by Bert England Lodge and consist principally of cash, receivables and inventory. Bert England lodge liabilities consist principally of payables and provisions.

Independent Auditor's Report

For the year ended 30 June 2020



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the City of Rockingham

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the City of Rockingham which comprises the Statement of Financial Position as at 30 June 2020, 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 Rate 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 Rockingham:

- (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 2020 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 annual 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 Matters – Basis of Accounting

I draw attention to the matters below. My opinion is not modified in respect of these matters:

I draw attention to Note 1 to the annual financial report, which describes the basis for accounting. The annual financial report has been prepared for the purpose of fulfilling the City's financial reporting responsibilities under the Act. Regulation 17A of the Local Government (Financial Management) Regulations 1996 (Regulations), requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 *Leases* which would have required the entity to measure the vested improvements also at zero cost.

I draw attention to Note 1 to the annual financial report, which describes the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the City's financial reporting responsibilities under the Act. In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

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 the annual financial report that is free from material misstatement, whether due to fraud or error.

In preparing the annual 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 annual 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 annual financial report.

A further description of my responsibilities for the audit of the annual financial report is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This includes the identification and assessment of the risk of material misstatement due to fraud arising from management override of controls. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (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.

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 Rockingham for the year ended 30 June 2020 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 annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual 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 annual financial report to confirm the information contained in this website version of the annual financial report.



CAROLINE SPENCER
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
23 November 2020

