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## **About Us**

The City of Rockingham acknowledges the Traditional Owners and Custodians of this land, the Binjareb and Whadjuk Nyoongar peoples and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal communities and their cultures; and to elders past and present.



The City of Rockingham is known as the place where the coast comes to life and is located approximately 40 km from the Perth CBD.



The City is neighboured by the City of Kwinana in the north, City of Mandurah in the south and the Shire of Serpentine-Jarrahdale in the east.



Before Europeans arrived in the 1800s the area was inhabited by the Nyoongar people 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.



In the mid-1800s families began farming in the region, and the Rockingham Road Board was constituted in 1897.



It became the Shire of Rockingham in 1961 and later attained City status in 1988.



Today, the City of Rockingham is home to a population of around 140,000 people.

# Mayor's **Report**



It is my pleasure to present the 2021/2022 Annual Report for the City of Rockingham. This report highlights progress made by the City over the past financial year against the actions and aspirations set out in the Strategic Community Plan 2019 – 2029.

#### **Council Enters a New Era**

At the October 2021 Local Government Elections I had the privilege of becoming the first popularly elected Mayor in the City. During the elections the City welcomed four new councillors including Cr Caroline Hume and Cr Dawn Jecks in Rockingham/Safety Bay Ward, Cr Robert Schmidt in Comet Bay Ward, and Cr Brett Wormall in Baldivis Ward. Cr Mark Jones and Cr Leigh Liley were also re-elected to represent Rockingham/Safety Bay Ward.

Following the elections, Cr Hayley Edwards from Baldivis Ward was chosen by her peers to represent the City as Deputy Mayor.

As several new faces joined us, we also said farewell to two long-serving members of Council. I commend the contribution of former Mayor Barry Sammels and Cr Joy Stewart, who chose not to contest the elections. Barry served on Council for 24 years, including leading our local government with distinction for 18 years as Mayor. Cr Stewart represented her community for 14 years after being elected in 2007. Thank you Barry and Joy for your contribution to our City during a period of unprecedented growth.

In January 2022 we delivered the first-ever livestream of an ordinary Council meeting and this exciting step will allow more people to observe and become involved in the democratic process of local government.

### 2021/2022 Annual Budget and Business Plan

As our population grows, the 2021/2022 Annual Budget reflected the need for balance between meeting the challenges of funding our growing community's needs for new infrastructure, and easing financial pressure on ratepayers.

The budget incorporated a 1.5% rate increase, which was adopted with the impacts of COVID-19 still being felt by the City and ratepayers alike. In dealing with our continued population growth and delivering services and facilities in a sustainable manner, it is important the City plans appropriately. During 2021/2022 the City Business Plan came before Council twice and was adopted on both occasions, with the most recent occurring in May 2022. The Business Plan provides a 10-year financial overview of the City's operations and provides allocations of financial resources to ensure the key strategic objectives of the City are achieved.

## **Working for the Community**

Council worked collaboratively to deliver several important strategic achievements for the community. These included endorsing the final concept plans for the Baldivis Outdoor Recreation Space and the Aqua Jetty Stage Two project, making recommendations to the Joint Development Assessment Panel on several important planning applications, and approving the allocation of funding to local organisations through the City's Community Grants Program.

### **Planning for our Future**

Guided by the Community Infrastructure Plan, the City forged ahead on several major projects. Work on the main elements of the Baldivis Sports Complex took shape, with the main pavilion and change rooms completed, while all structural steel, walls, windows and the roof cover of the Baldivis Indoor Sports Complex was delivered.

The bulk of works on the \$5 million upgrade and refurbishment at Koorana Reserve in Warnbro were carried out, while the City was also delighted to officially open the new Shoalwater Reserve Activity Node located on Arcadia Drive. This project was the first part of the City's Safety Bay Shoalwater Foreshore Master Plan.

Key marine infrastructure was installed and the City continued to implement its Greening Plan. The City's new Environmental Advisory Committee was also established.

#### **Events**

Despite the logistical challenge of organising community events during COVID-19, the City proudly delivered a packed calendar of events including the Castaways Sculpture Awards, Christmas Festival, fireworks on New Year's Eve and Australia Day, and the Symphony on the Green music spectacular.

The return of the Channel 7 Rockingham Beach Cup (RBC) was supported by Council, which provided \$175,000 of Iconic Event Sponsorship. This funding was used by the Rotary Club of Palm Beach to help deliver the event. The RBC was a major success, with nearly 20,000 people visiting the foreshore and the event injecting \$1.6 million into the local economy.

## **Disability Access and Inclusion**

The City is committed to ensure people with disability have access to City services and can participate fully in community life. To enable this, Council adopted in December 2021 the Disability Access and Inclusion Plan (DAIP) 2022 – 2026. The DAIP will be integral to fulfilling the City's Strategic Community Plan aspiration – Grow and nurture community connectedness and wellbeing.

In closing, I would like to thank all City of Rockingham Council members and staff for their efforts during 2021/2022. In the coming year the City looks forward to building on these achievements as we work together to continue enhancing our reputation as the place where the coast comes to life.

Double:

**Deb Hamblin**City of Rockingham Mayor



# CEO's Report



2021/2022 was another busy period for the City of Rockingham marked by significant progress on a number of major projects, the delivery of several key strategies, and award-winning recognition for several teams.

## **Projects Take Shape**

Major milestones were reached on the City's biggest infrastructure projects with the Baldivis Sports Complex and the upgrades/refurbishment of Koorana Reserve firmly taking shape – both projects will be ready for community use in 2022/2023.

The Aqua Jetty Stage Two is another major project the City is delivering, and in 2021/2022 the final concept plan for the facility was endorsed by Council. In addition to consulting with the wider community on these plans, the City also engaged specifically with community members who have lived experience with disability. Their valuable feedback will be taken on board to ensure the upgraded Aqua Jetty meets the needs of community members for generations to come.

A number of key projects along our coast were delivered over the past year. The Shoalwater Reserve Activity Node was completed early in 2021/2022, while a new granite seawall was constructed at Mersey Point and a new spur groyne was built at the Point Peron boat launching facility. In mid-2021/2022 we also began the refurbishment of the Rockingham Arts Centre.

### **Strategies to Achieve Community Aspirations**

The City's Community Plan Strategies are the roadmap the City follows to ensure we are fulfilling the aspirations of our community.

In 2021/2022 the City's new Strategic Asset Management Plan, Coastal Facilities Strategy and Disability Access and Inclusion Plan were delivered. Community consultation began on the City's Local Planning Strategy, which is a vital strategic document that will guide the growth and development of the City for the next 20 years.

A minor review of the Tourist Destination Strategy was carried out, while the Council Policy – Community Engagement was also adopted.

#### **Advocating for our Community**

The City was delighted to see the Department of Planning, Lands and Heritage determine the majority of Cape Peron would be classified as a "Class A Reserve." This decision recognised Cape Peron's status as a vital environmental community asset.

During 2021/2022 the City advocated to the State Government regarding the construction of a proposed penguin discovery centre on Penguin Island. With the future of the little penguin population declining rapidly in recent years, Council was firmly of the view the proposed new facility should not be constructed on the island.

The City made its stance clear to the State Government, and a decision on the future of the proposal is expected early in 2022/2023.

#### COVID-19

2021/2022 was another year marked by the impact of COVID-19 on the City's operations. As mandates and directions were regularly updated by the State Government, the City was agile in its response to these changes. Details are provided in this Annual Report about how the City continued to deal with COVID-19.

Pleasingly, the City's response to COVID-19 was recognised at the 2021 Resilient Australia Awards, after our COVID-19 Response and Recovery Model was highly commended. I acknowledge and thank all staff for the implementation of the ever-changing requirements and the community for their cooperation and patience in responding to these efforts to keep our community safe while we continued to deliver services where possible.

## **Awards and Recognition**

Throughout 2021/2022 the City received several accolades including:

- Winning the Australasian College of Road Safety's Diamond Road Safety Award Highly Commended Project category for the Road Safety Acton Plan.
- The Safe System Approach Local Road Safety Partnerships Award (Metropolitan), from the Western Australian Local Government Association for the Road Safety Action Plan.
- Silver in the Excellence in Local Government Award for Tourism category at the 2021 Perth Airport WA Tourism Awards.

- Winner in the Contribution by a Public Organisation category at the 2021 Western Australian Heritage Awards.
- Environmental Health Local Government Team of the Year Award at the 2022 Environmental Health Australia WA Conference.
- Rockingham Youth Centre won the Community Facility of the Year Award at the 2022 Parks and Leisure Australia WA Awards of Excellence.

In 2021/2022 the City also said goodbye to Bob Jeans (Director Planning and Development Services), who retired after more than 35 years at the City. Bob made an indelible mark on our organisation and in the WA planning sector, and we thank him for his outstanding service.

In closing, I would like to thank my fellow members of the Executive and all City staff for their stellar work during 2021/2022. The future is bright for our City, and guided by the feedback we have received from the community through our Customer Satisfaction Survey, we look forward to continuing to build on the great progress we have already made in the years that lie ahead.

**Michael Parker**City of Rockingham CEO

## 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.

Participants analysed 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 were not involved in this and the outcomes were driven entirely by community members.

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 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.

Every two years the City conducts a minor review and in July 2020 the City commenced a review of the SCP.

This minor review was informed by key internal stakeholders, community consultation and councillor engagement, and was later approved by Council in October 2020.

The next major review of the SCP will be conducted throughout 2022/2023.

# 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 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 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 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.



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.



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



Continue to reduce our carbon footprint and the generation of waste.



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.



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 2021/2022 the City continued to deliver on the objectives outlined in the Strategic Community Plan 2019 – 2029. A number of strategies and plans were implemented to deliver on each aspiration.

The following items are a snapshot of the accomplishments achieved in these particular areas.

Aspiration One:
Actively Pursue
Tourism and

Aspiration Two:
Grow and Nurture
Community
Connectedness
and Wellbeing

**Aspiration Three:** Plan for Future Generations

**Aspiration Four:**Deliver Quality
Leadership and
Business Expertise



## **Net Promoter Score**

The Net Promoter Score measures the likelihood of recommending the City as a place to live.

23+

(87% of community gave a score of 6+)

81%

Overall performance in services and facilities



## Actively Pursue Tourism and Economic Development

The City's Economic Development Strategy 2020 - 2025 and the Tourist Destination Strategy (105) 2019 - 2024 guide the City's direction with respect to actively pursuing tourism and economic development. This year the City conducted a minor review of the TDS, which was adopted by Couin March 2022 and included two new additional actions. Key highlights from the past year include:

- In July 2021 Council resolved to provide \$175,000 of Iconic Event Sponsorship to the Rotary Club of Palm Beach WA to deliver the 2021 Channel 7 Rockingham Beach Cup. A major tourism and economic success, the event attracted nearly 20,000 people and injected \$1.6 million into the local economy. In June 2022 Council resolved to provide the same funding support so Rotary could deliver the event again in November 2022.
- The City's work in tourism was recognised on a State level, after the City won silver in the Excellence in Local Government Award for Tourism category at the 2021 Perth Airport WA Tourism Awards. The award was recognition of the extensive efforts the City had carried out to promote Rockingham as WA's premium coastal destination.
- The Rockingham Jobs Fair was presented by the City in April 2022, giving hundreds of local job seekers an opportunity to enhance their employment prospects. Approximately 40 stallholders were present from sectors including defence, building and construction, transport/logistics, health, mining and education.

- With approximately \$1 billion in infrastructure projects to be delivered on HMAS Stirling (Fleet Base West) over the next decade, the City continued to support the local business community to obtain work through a series of Defence Ready Business Workshops.
- A Defence Industry Stakeholder
   Symposium was presented by the City
   at HMAS Stirling in June 2022, with local
   stakeholders in Defence and Defence
   Industry participating in a roundtable
   that focused on the future of Defence
   and industry development in the South
   West region. The Symposium provided
   an opportunity to identify, engage and
   maximise strategic opportunities such as
   construction projects, new vessels, and
   crews that will be based on HMAS Stirling
   in future.
- Several seasonal destination marketing tourism campaigns were launched including Rediscover Springtime, Rediscover Summer, Rediscover Romance, Rediscover Natural Beauty, and a Rediscover Rockingham freeway billboard campaign that targeted motorists on both the Kwinana and Mitchell Freeways.



- The City enhanced its marketing opportunities as a destination of choice for business events and conferences, after a new 3D tour of the Gary Holland Community Centre, produced in partnership between the City and Business Events Perth, was published on the Business Events Perth website.
- In partnership with the South West Group, the City welcomed Naresh Sharma (Acting Consul General of India in WA), and Nashid Chowdhury (WA Trade and Investment Commissioner, India Gulf), to explore potential opportunities for economic development. The delegates had the chance to explore opportunities in sectors including Defence industry and manufacturing, property development in the Rockingham Foreshore/Waterfront Village precinct, and the Rockingham Industry Zone.
- Destination Marketing also included development and promotion of the following stories through WA and national TV:
  - Destination WA: Springtime in Rockingham (aired 31 October)
     Aggregated viewing audience 141,000 across Channel 9, WIN9, NBN9, IMPARJA, 9HD, 9LIFE and BVOD 9NOW.

- Destination WA: Shoalwater Islands Marine Park (7 November) 157,000 total views across Channel 9, WIN9, NBN9, IMPARJA, 9HD, and BVOD 9NOW.
- Our State on a Plate (1 May) 138,000 across Channel 9, WIN9, NBN9, IMPARJA, 9HD, 9LIFE and BVOD 9NOW.
- The City's Economic Development and Tourism team, in partnership and supported by the City's Health Services, attracted and approved Beam Scooters to deploy a fleet of 250 e-scooters at 16 parking stations across Rockingham, Shoalwater and Safety Bay.
- In partnership with the Rockingham Kwinana Chamber of Commerce, the City hosted four Key Leaders in Business Breakfasts during the year, with guest speakers from NBN Co, Woodside H2Perth, Defence West and Tony Galati from Spud Shed, providing an insight into local and regional business and development opportunities.

## Grow and Nurture Community Connectedness and Wellbeing

Through a diverse range of community programs and services, the City continued to work towards achieving its Strategic Community Plan aspiration: Grow and nurture community connectedness and wellbeing.

- The 2021 Sports Star Awards celebrated the outstanding efforts of athletes, volunteers and clubs from across the community. Winners from local swimming, soccer, BMX, para-canoe and wheelchair basketball organisations were acknowledged during an awards ceremony held at the Gary Holland Community Centre. This event was the 24<sup>th</sup> time the City had hosted the Sports Star Awards.
- The Seniors and Carers Expo held in October 2021 at Mike Barnett Sports Complex featured nearly 150 stalls and provided seniors with a chance to connect with a range of organisations, community groups, government departments and support services. The expo is a key part of the City's Seniors Strategy and is the biggest annual event the City hosts for older people each year.
- The Rockingham Foreshore and Rockingham Arts Centre came to life for the 2021 Castaways Sculpture Awards, with 88 artworks made from repurposed materials featured. Castaways is the City's signature arts and culture event that celebrates environmental awareness through artistic innovation.

- Several major community events were hosted as part of the City's Summer Series of free-entry, family-friendly, smoke and alcohol-free events. These included Castaways, the City's annual Christmas Festival, New Year's Eve and Australia Day celebrations, and the Symphony on the Green music spectacular.
- Council adopted the City's new Disability Access and Inclusion Plan (DAIP) 2022 – 2026. The DAIP provides the framework for the City to contribute to creating an accessible and inclusive community that ensures people with disability can fully access services and participate in community life.
- The refurbishment of the Rockingham Arts Centre commenced in mid-2021/2022. The project is a key action in the City's Cultural Development and the Arts Strategy and will provide artists and art groups with more opportunities to activate the space and provide programs/events to the community.



- The Rockingham Youth Centre (RYC), located on MacKinnon Street, celebrated its first anniversary in March 2022. Since opening its doors, the RYC has provided young people aged 12 24 with a wealth of opportunities in an environment where they can learn new skills safely. A highlight during 2021/2022 saw the RYC welcome musician Kav Temperley, best known for his work with hit WA rock band Eskimo Joe, to provide a free song writing workshop for local young people.
- birthday in April 2022. Since opening in 1972, the library has experienced significant growth and has been warmly embraced by the community. It is the oldest library in the City, and offers a massive catalogue of books, eBooks, magazines, audio books, DVDs, streaming movies, digital resources and workshops to the community. All growth at the City's libraries is guided by the Library and Information Services Strategy.
- Significant progress was made on the City's Community Safety and Support Services Strategy, with the draft endorsed for the purpose of public comment in May 2022. The objective of the strategy is to outline the City's commitment and priority actions to building a safe, connected and resilient community, and the final strategy was expected to return to Council for approval in early 2022/2023.
- The Council Policy Community
   Engagement was adopted by Council
   in June 2022 and establishes a formal
   Council position on the way stakeholder
   engagement is carried out by the City.
   It outlines to the community the levels of
   engagement they can expect from the City
   through the three approaches of inform,
   consult, and participate.

## Plan for Future Generations

To ensure it plans for future generations, the continued delivery of key services, facilities and new infrastructure is a core focus for the City.

- The key elements of the Baldivis Sports Complex took shape with the main pavilion and change rooms completed, while all structural steel, walls, windows and the roof cover of the Baldivis Indoor Sports Complex was delivered. The final Baldivis Outdoor Recreation Space Concept Plan was also endorsed by Council in June 2022.
- The upgrade and refurbishment of Koorana Reserve in Warnbro progressed significantly. It included a major refurbishment and expansion to the existing clubrooms and two additional hectares of playing space, which includes two new soccer fields for use in winter and one cricket oval in summer. The cricket nets on site have been expanded, reticulation has been upgraded, a new car park has been constructed, and state-of-the-art sports floodlighting has been installed.
- Shoalwater Reserve Activity Node opened to the public. A new shared use path, play activity area, picnic shelter, barbecue facilities, beach access ramp, landscaping and resurfaced car park were delivered. Award-winning artwork from the City's Castaways Sculpture Awards was also featured. The project was the first part of the City's Safety Bay Shoalwater Foreshore Master Plan, which provides a vision for the foreshore over the next 20 30 years.

- The Community Infrastructure Plan (CIP) 2021 was adopted by Council in September 2021. The CIP is reviewed annually and is integral to the planning, development, timing, design and location of infrastructure that will be delivered in the next 10 – 15 years.
- Council adopted the City's new Strategic Asset Management Plan (SAMP). The SAMP will provide high level direction on best practice asset management across the City, and will be integral to managing more than 71,000 City assets that are worth an estimated \$1.2 billion.
- Community consultation began for the development of the City's Local Planning Strategy (LPS). Feedback from workshops and a community survey helped to identify key themes that will be used to shape the LPS.
- The City's new Environmental Advisory Committee (EAC) was established and met for the first time in May 2022. The EAC includes representation from Council, the City, community and the Department of Biodiversity, Conservation and Attractions.

- The future management of boat ramps, jetties, coastal protection infrastructure, coastal management activities and coastal access paths was specifically addressed after the City's Coastal Facilities Strategy was adopted.
- Construction on the Mersey Point Granite Seawall in Shoalwater was completed. The existing limestone sea wall was replaced with a granite seawall that will be crucial to protecting a vulnerable part of the City's coastline. In another important coastal project, the City upgraded the spur groyne and breakwater at the Point Peron Boat Launching Facility throughout 2021/2022.

 The final concept plan for the Aqua Jetty Stage Two project was endorsed in 2021/2022 by Council. Under the plan the facility will be refurbished and expanded to cater for the City's population growth and to improve access and amenity for the community.



## Deliver Quality Leadership and Business Expertise

The City delivers quality leadership and business expertise through strategic and sustainable financial planning, effective governance, fostering positive relationships with key stakeholders and engaging widely with the community.

- In October 2021 Local Government
   Elections were held with the City's
   first ever popularly elected Mayor, Deb
   Hamblin, chosen by electors to represent
   the City as Mayor for the next four years.
   Mayor Hamblin was elected to Council
   alongside Cr Caroline Hume, Cr Dawn
   Jecks, Cr Mark Jones, Cr Robert Schmidt,
   and Cr Brett Wormall.
- Community members are now able to tune into Council meetings from any device after livestreaming was delivered. The first livestream of a Council meeting took place in January 2022 and was an exciting step that allows more people to observe and participate in the democratic process of local government.
- The City advocated extensively to the State Government regarding the plight faced by little penguins on Penguin Island, and for a proposed penguin discovery centre not to be built on the island.
- The City received several awards for outstanding work across a range of areas. Recognition included two awards for the City's Road Safety Action Plan, silver in the Excellence in Local Government Award for Tourism category at the WA Tourism Awards, winning the Contribution by a Public Organisation category at the 2021 Western Australian Heritage Awards, Environmental Health Local Government Team of the Year Award, and the Rockingham Youth Centre won the Community Facility of the Year award at the 2022 Parks and Leisure Australia WA Awards.
- In a move that will significantly enhance aged care services in the community, the City completed the transfer of its Challenger Court retirement village to RAAFA. The transfer was a landmark step that will boost service delivery for current residents and maximise potential future development of the facility and the land surrounding it.
- The City reached an agreement with The Bethanie Group for the sale of residential aged care facility, Bert England Lodge. The City recognised the interests of current and future residents at the facility were best served with an approved aged care provider specialising in this area.



- Leadership in sustainability is a key focus for the City and a significant step was taken by the City to reduce its carbon footprint after it joined the Western Australian Local Government Association's (WALGA) Sustainable Energy Procurement Program.
- The City continued to play its role in fulfilling its civic duties, with citizenship ceremonies delivered regularly throughout 2021/2022. The City's largest citizenship ceremony was hosted on Australia Day, which also coincided with the annual Community Citizen of the Year Awards. Throughout the past year citizenship was conferred on 805 new Australians.



## COVID-19

During 2021/2022 the City of Rockingham continued to manage the impact of the COVID-19 pandemic including the advent of COVID-19 infected employees following the opening of the State's borders.

In February 2022 the City experienced some disruption to services due to a COVID-19 infected person attending and competing at the Mike Barnett Sporting Complex.

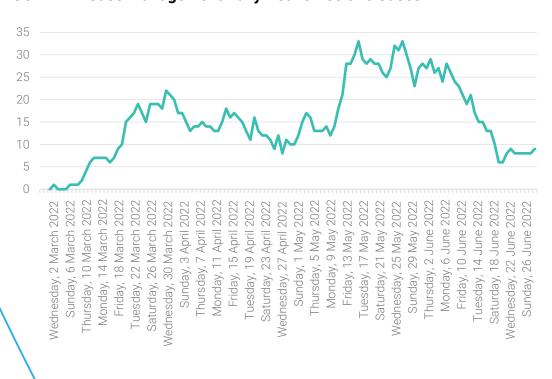
This event led to the first infection of a City employee and subsequently caused the temporary closure of both the Mike Barnett Sports Complex and the Autumn Centre (the latter due to the impact of close contact protocols).

Once the State borders opened in March 2022, the City focused on effectively managing COVID-19 infection among its employees so as to reduce the risk to those people and also to minimise any resulting impact on customers and services.

Additional checks and balances were introduced to ensure that employees did not come to work if they were unwell and that all confirmed cases and close contacts were personally case managed.

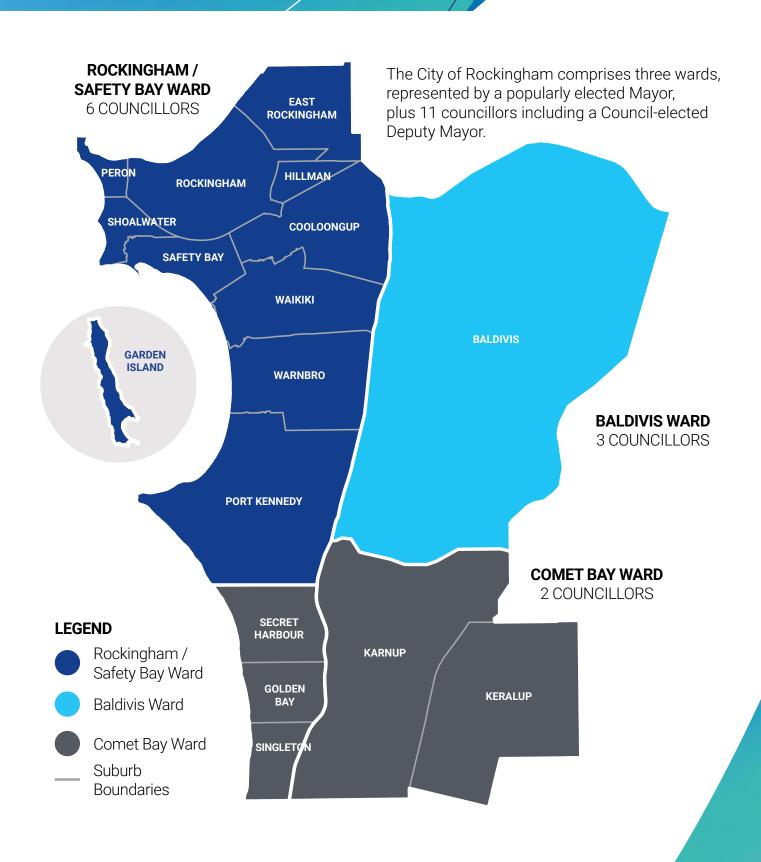
This level of support proved very effective and while the City experienced infection rates in line with the State averages, there was no further disruption to any of the City's services.

## **COVID-19 Case Management Daily Active Positive Cases**





## Our Council





## Council Member Profiles



## Mayor

#### **DEB HAMBLIN**

Phone: 0404 895 046

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

Deb is passionate about the City of Rockingham and was elected in May 2005 as a Councillor, contributing in the role as Deputy Mayor for eight years and was elected by the community as Mayor in 2021.

Her career has focused on education, working for Murdoch University from 1978 to 2016. Currently she is Deputy Chair of South Metropolitan College of TAFE and is on the Board of Rockingham Senior High School.

In her Council role she has been a commissioner on the WA Grants Commission, the Vice Chair of the Library Board of Western Australia, and a member of the Joint Development Assessment Panel.

Deb was recognised at the Local Government Honours Awards in 2017 where she received the Long and Loyal Service Award. She is currently a Deputy State Councillor on WALGA State Council and the City of Rockingham representative on the South Metropolitan Zone.

She is a proud patron of Rockingham Regional Arts and a number of other organisations.

In November 2021 she was made an Honorary Member of the Rotary Club of Palm Beach.

She holds a Bachelor degree from Murdoch University and a post graduate qualification from Curtin University.





## Baldivis Ward

#### **DEPUTY MAYOR HAYLEY EDWARDS**

Phone: 0427 719 528

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

It's an honour to be able to serve our Rockingham community as the Deputy Mayor. This year the focus for me has been on protecting our environment and working with residents, specifically in Baldivis, to ensure our unique rural land identified in our Town Planning Scheme, remains rural. Other key areas of interest for me are our economy and youth, the Rockingham Industrial Zone provides opportunities to stimulate our local economic performance and strengthens career prospects for youth in our City.

Our Reconciliation Action Plan endorsed by Reconciliation Australia, continues to focus on building strong relationships, respect for culture and increasing opportunities to create significant change with our local Aboriginal and Torres Strait Islander people, this is significantly important to me and I know it is for our community moving forward. If you need anything, please don't hesitate to contact me.

#### **CR SALLY DAVIES**

Phone: 9528 0333

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

I've been part of the Rockingham community for nearly 30 years. I love it here, have raised my children here, and, after spending many happy years as a local high school teacher, am committed to serving my community.

I became a Councillor because I wanted the opportunity to give back to 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 a huge pleasure and privilege.



## Baldivis Ward

#### **CR BRETT WORMALL**

Phone: 0400 040 070

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

Brett is an active local resident, dedicated to helping the community thrive. Brett has been living in Rockingham/Baldivis for the past 32 years and his love for the area has never faded.

Elected as a councillor in October 2021, Brett brings his skills and knowledge in infrastructure and financial management to this role. Brett sits on several committees and uses his technical expertise to guide committee decisions in portfolios of Planning and Engineering, Community Support and Services, Environment, Main Roads South Regional Committee and Point Peron Rehabilitation. Brett is highly community focused and has a strong relationship with fellow residents and community groups. He is a member of Baldivis Community Garden and Baldivis Rotary, and he works with community members on the ground to help others and improve local surroundings.

Brett believes it is important that residents get a say with how the City of Rockingham can serve them. He is determined and continually advocates to make sure ratepayers get a bang for their buck.

Brett is always happy to have a discussion with local residents and community members. Please don't hesitate to contact Brett if you would like to share your thoughts and have a discussion.





## Comet Bay Ward

## **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 is a Chartered Accountant and Forensic Auditor. She completed a Diploma in Local Government in August 2021. Lorna is a member on the Planning and Engineering, Governance, Audit, Community Grants 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.

Lorna is community minded and is assisting many groups in the City 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, cycle ways and attracting a tourist caravan park to the area.

#### CR ROBERT SCHMIDT

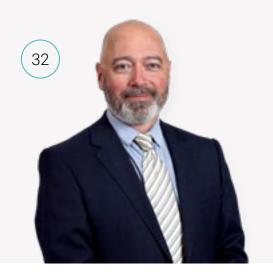
Phone: 0415 420 706

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

Rob originated from regional Western Australia, moved to the City of Rockingham from Kalgoorlie 27 years ago and has been educated, lived, worked and volunteered within the City of Rockingham since 1994.

Now 29, he is employed at a local high school within the City of Rockingham and volunteers at many different organisations as a Volunteer Firefighter at a local fire station, an Executive member of a major sporting club, an AFL umpire, coach/umpire/player of a diamond sports club and is a life member of some of these organisations. While not working and volunteering, he is an avid reader of history and loves the outdoors. He can often be seen hiking a track somewhere in WA.

Rob strongly advocates for the environment, youth, community organisations and the disadvantaged. He is well known for voicing his support to assist them in accomplishing their goals and objectives to assist them and the community as a whole. Since joining the Council in October 2021, Rob has been keen to bring his youthfulness and wealth of experience to better the City and its residents. His top priorities are to encourage more youth engagement, jobs and economic development, and greater protection of the environment.





## Rockingham / Safety Bay Ward

## **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 50, he is married to Claire, a local teacher. With the kids having flown the coop, his home life is now governed by 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 ArtsHub, and an occasional columnist for The Spectator, and New Matilda, amongst others. A fan of the benefits of lifelong education, he graduated with a PhD from UWA in 2019, and in early 2022 was appointed as an Honorary Research Fellow in the UWA School of Humanities.

Craig sits on the City's Corporate and Community Development Committee, and its Community Grants Program Committee. He also chairs the City's Australia Day Awards Selection Panel.

#### **CR RAE COTTAM**

Phone: 0455 190 138

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

My name is Rae and I am your local 36 year old 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 every day at Council. Now 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.





#### **CR CAROLINE HUME**

Phone: 0429 976 440

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

My mother and father brought us here, the lucky country, as young children from Europe. I have been forever grateful to them and Australia for the varied and blessed life Australia has offered us.

It has been my time to give back to the country and community that accepted us so readily. I love communicating with residents and supporting volunteers, groups and committees that are the backbone of our society. Thanks to those who voted and entrusted me with the role of councillor, I will continue to do my best for our residents and region as a whole in a positive and responsible manner.

#### **CR DAWN JECKS**

Phone: 0424 598 656

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

A Safety Bay resident since 1994, Dawn was elected to Council in 2021. She first became active in local politics back in 2007 when she learned of the plan to carve up Point Peron (our local "Kings Park") for a private canal and marina estate development. During the successful Hands Off Point Peron campaign, she honed her strong leadership and advocacy skills which she has put to effective use once again as the leader of the Save Rockingham's Little Penguins campaign strongly advocating for protection of our unique colony of penguins on Penguin Island.

Dawn serves on several committees, including, Planning and Engineering, Coastal Facilities, Seniors Advisory as well as the newly formed Environmental Advisory Committee, which is a new committee she pushed for, prior to her election to Council. She is also Council's representative on the Cockburn Sound Management Council and the Rockingham Lakes Regional Park Advisory Committee.

Since being elected to Council, Dawn has resigned from her paid employment so that she can focus her time on working towards delivering the best possible outcomes for residents. Dawn is looking forward to completing her Diploma in Local Government in August 2023 and putting that additional knowledge to effective use in serving the community she loves.





## Rockingham / Safety 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 16 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 regularly enjoy our amazing 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 25 years in private practice and in local and State Government.

Mark 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 Disability Access and Inclusion Advisory Committee, member of the Planning and Engineering Services Committee and one of the Council representatives on the Metropolitan Outer Joint Development Assessment Panel.

#### **CR LEIGH LILEY**

Phone: 9593 8362

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

Rockingham has been Leigh's home for 55 years. Leigh is very aware of social and economic challenges our families face, and brings understanding and compassion to her role as a Rockingham/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; Audit Committee, Behavioural Complaints 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.



# Organisational **Structure**

The City of Rockingham Administration comprises six directorates.



General Management Services





Planning and Development Services



Corporate Services



**Asset Services** 



Legal Services and General Counsel

Each directorate 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
Asset 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 Clerk's Certificate of Qualification, Fellow Local Government Professionals Australia WA, 2012 Local Government Managers Australia WA Medal, 2016 WALGA Local Government Distinguished Officer Award.

#### **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 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 27 years as CEO at three different councils.

#### **Key Responsibilities**

- Strategic Planning and Environment
- Statutory Planning
- Building Services
- Environmental Health Services
- Rangers Services
- Emergency Services, Development
   Compliance and SmartWatch Service
- Rockingham Strategic Metropolitan Centre.

Bob has more than 45 years of experience in the local government sector and served as 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.

Bob retired during 2021/2022 and the City gratefully acknowledges his extensive contribution.



#### Sam Assaad

#### **Director Asset Services**

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

#### **Key Focus**

- Lead the Asset 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 asset management and infrastructure-related issues and trends that affect the Rockingham community.
- Develop the leadership capabilities and legislative understanding of all staff members in Asset 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
- Environmental, Streetscape, Parks and Playground Management Services
- Project Planning and Infrastructure Project Delivery.
- Civil and Infrastructure 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 New South Wales, Victoria and Western Australia. For 25 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, facility and parks operations and services. Sam has spent 20 years developing and embedding asset management principles in local government practices.

Sam joined the City in 2017 and looks forward to continuing 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.

#### John Pearson

#### **Director Corporate Services**

Master of Accounting, Bachelor of Commerce.

#### **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.

#### **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 20 years of leadership 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), 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 Council members on relevant legal topics and issues.

Peter has worked in private legal practice for more than 40 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.

# Disability Access and Inclusion Report

The City of Rockingham plays a vital role in access and inclusion as it undertakes various responsibilities which impact quality of life for people with disability, their families and carers. These include infrastructure provision, facilities management and the delivery of a wide range of services and programs. People with disability have the same rights as other community members to access the City's services and participate fully in community life, and the City is committed to enabling this.

In line with the Western Australian Disability Services Act 1993 (the Act), 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.

Council endorsed the 2022–2026 DAIP in December 2021, following a comprehensive community consultation and review process.

Some updated inclusions in the 2022-2026 DAIP include:

- Development of guidelines to enhance accessibility at City events.
- Delivery of a Changing Places facility at Rockingham Foreshore.
- Ongoing improvements to improve accessibility at City buildings.
- Attainment of Disability Confident Recruiter Accreditation.

In line with the Act's requirements, DAIP achievements and progress are reported annually to the Department of Communities.





### 2021-2022 outcomes

2022-2026 DAIP actions delivered during 2021/2022 are outlined below.

#### **Services and Events**

- Ongoing accessibility considerations for major City events, such as:
  - Additional ACROD parking.
  - Auslan interpreter on stage to provide interpretation for verbal presentations.
  - Provision of a sensory friendly space/chill-out area.
  - Accessible ramp for stage activities.
  - Accessible viewing area, with accessible matting near the stage.
  - Industry-standard accessible toilets.
  - Information/event marquees placed on paving, level ground, or provision of accessible matting.
  - Stage viewing areas for wheelchairs, walkers, and gophers.
- Ongoing activities to enhance accessibility, such as:
  - Sensory Santa placed in a quiet area, accessed through a booking system which enables individual bookings to help cater for family needs. A digital social story for Sensory Santa will launch in 2022/2023.
  - Accessible toys purchased for the Toy Library.
  - Use of Auslan interpreters for National Simultaneous Storytime.
  - Provision of sensory caves and activity corners at Rockingham Library.
  - Virtual reality headsets free to hire, enables tailored activities for seniors and people with disability at Rockingham Library.
  - Techreate technology reduced session numbers at Rockingham Library to accommodate children with sensory needs.

- Ongoing provision of the Home Modification and Assistive Equipment Subsidy for people aged 60 and over with low income. In 2021/2022, the City approved 425 subsidies of up to \$150 per person. The most popular items subsidised were mobility, walking and vehicle aids.
- Dementia awareness raising initiatives - campaigns, training and workshops for City staff, volunteers and community members.
- Complimentary wheelchairs and walkers at seniors events (E.g. Seniors and Carers Expo).
- Promotion and support of Forget Me Not Café, a monthly social event for people living with dementia and their carers.
- Commissioning dementia-friendly and accessibility audits for significant community events.
- Enhancing the provision of beach accessible items, such as:
  - Three new beach wheelchairs and one walker which are free to loan.
  - Introduction of QR codes to report issues with the beach accessibility items to speed up the process and reduce the amount of information required by community members completing reports.
  - Trial of two new beach matting sites. Subsequently, the City will now add Shoalwater Beach to its six regular sites between October and April.
- Continued provision of The Rockingham Connect Community Transport Service (RCCTS) a door-to-door transport service that picks clients up from their homes to access destinations across the City.

#### Infrastructure

- Ongoing implementation of the 2018
   Access Audit, completed by O'Brien
   Harrop Access. In the 2021/2022 financial
   year, the City completed 74 actions on
   the top 10 priority sites. Most recently,
   accessible play equipment and new
   soft-fall matting were installed connecting
   the play areas at City Park.
- Ongoing upgrades of City-controlled ACROD bays to align with current Australian Standards. Six sites (15 bays) were updated during 2021/2022 and work continues.
- Commencement of the DAIP action for a Changing Places facility at the Rockingham Foreshore. The City obtained a grant of \$150,000 from the Department of Communities.
- Continued accessibility works to improve the Churchill and Bell Park areas at Rockingham Foreshore. The City secured federal funding for the work, which will include accessible barbecues, picnic tables, seating, pathways, drinking fountains, showers, and play equipment.
- Community Infrastructure Grants are available to construct accessibility improvements. For example, Rockingham Tennis Club received a grant to redevelop perimeter fencing to enable wheelchair access to the grounds and court surface.
- Ongoing accessibility enhancements in the City's Council Chambers, including the provision of ramp access to the top level of the Chambers and the introduction of audio loops.

#### **Access to Information**

Continued improvement to how people with disability access City information.
 Version 6.0 of the City's Style Manual changes the default font size for printed City collateral from 11 point to 12 point.
 For collateral aimed at seniors and people with disability, the minimum font size is now 14, and body text must always be a dark corporate colour on a white or light background.

#### **Services**

- Rockingham Youth Centre (RYC) staff participated in training from Youth Disability Advocacy Network (YDAN), which focused on making events inclusive and accessible. RYC staff also received training from Spectrum Space in regards to engaging young people with autism.
- Ben Sgherza, an Independent Disability Consultant who is legally blind, delivered Disability Awareness training to City staff. Feedback indicated greater awareness of disability and ways to address access and inclusion.

#### Consultation

- Continued opportunities for community members with lived experience to consult on projects. For example, Aqua Jetty Stage 2 conceptual and schematic designs.
- Introduction of livestreaming and recording of Council Meetings, available through the City's website and advertised on Rock Port and the City's Facebook posts.
- Ongoing bimonthly 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.

#### **Employment**

 Creation of two customised employment positions within the City for people with disability.

#### **Governance and Advocacy**

- Implementation of the Disability Access and Inclusion Internal Working Group (DAIIWG) to optimise collaboration across departments.
- Ongoing facilitation of the Mandurah, Kwinana and Rockingham Access and Inclusion Network. In 2021 the network expanded to include the City of Cockburn. A monthly email disseminates information about inclusive events and activities across the region. Quarterly meetings provide network and professional development opportunities.
- The City's Community Grants Program continues to support local clubs and organisations to run targeted events and activities for people with disability. Examples include Rocky Bay's inclusive indoor recreation program, Mixed Palette's art workshops and Spinal Life's Accessible Rockingham project.
- Partnerships to enhance community awareness. For example, collaboration with NDIS Local Area Coordinators to deliver free community information sessions on accessing and using the NDIS.
- Engaging with advocates of customised employment to build the capacity of Disability Employment Services and local businesses to engage with customised employment.



## Governance Report

#### **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 record keeping 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 which provides an overview of their Record Keeping responsibilities. A records management handbook has also been developed to further assist employees meet their record keeping responsibilities. Records Management Job specific training was introduced in 2021. During this training attendees receive dedicated records management training specifically related to their department at the City.

During 2021/2022 the City's back scanning program continued for its 12th year.

#### **Executive Remuneration (as at 30 June 2022)**

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	0
130,001 - 140,000	3
140,001 - 150,000	6
150,001 - 160,000	1
160,001 - 170,000	10
170,001 - 180,000	3
180,001 - 190,000	0
190,001 - 200,000	0
200,001 - 210,000	0
210,001 - 220,000	1
220,001 - 230,000	0
230,000 - 240,000	2
240,001 - 250,000	0
250,001 - 260,000	0
260,001 - 270,000	1
270,001 - 280,000	0
280,001 - 290,000	11
290,001 - 300,000	0

#### **National Strategic Plan for Asbestos Awareness and Management**

The City is actively working towards achieving the national targets under the National Strategic Plan (NSP) for Asbestos Awareness and Management 2019-2023. NSP 2019-2023 targets reflect how effective our combined strategic actions under each of the four national priorities will be. Our 2023 targets are:

Target 1: increased awareness of the health risks of asbestos containing materials (ACMs) and where to source information: all tradespersons whose work brings them into contact with ACMs; all workers in workplaces with ACMs; 80 per cent of homeowners and occupiers, 80 per cent of property managers and real estate agents.

The City incorporates a number of strategies to increase awareness for staff and contractors entering City premises including induction and training, signage and quidance materials.

Target 2: all governments have identified and assessed the risks associated with ACMs in publicly owned and controlled buildings, land and infrastructure.

The City has identified and assessed the risk associated with ACMs; and has developed and maintained an active asbestos register that is electronically accessible – detailing the ACMS and the level of controls in place.

Target 3: all jurisdictions have schedules and processes for the prioritised safe removal according to risk of ACMs from public buildings and infrastructure, and safe disposal of that material.

The City has a schedule for phased/prioritised ACM removal. In addition to the schedule, the City has engaged asbestos professional services to remove the ACMs in accordance with the schedule.

Target 4: all regulators are investigating, prosecuting and penalising serious known breaches of asbestos-related laws including illegal waste disposal and importation.

The City has a regulatory role under its public health obligations to investigate, prosecute and penalise known breaches of asbestos-related law, including illegal waste disposal.

#### **Record of Meeting Attendance by Council Members**

2021-2022 Record of meeting attendance by Council Members

	Mayor Hamblin	Cr Liley	Cr Jones	Cr Buchan	Cr Cottam	Cr Davies	
Council	12/12	12/12	12/12	12/12	11/12	12/12	
Special Council	2/2	1/2	2/2	2/2	2/2	2/2	
Annual Electors	1/1	1/1	1/1	1/1	1/1	1/1	
Special Electors	1/1	0/1	1/1	1/1	0/1	0/1	
Planning and Engineering Services Committee	11/12		12/12	11/12	1 x deputised		
Corporate and Community Development Committee		12/12	3 x deputised	2 x deputised	7/12	11/12	
Audit Committee	2/2	1/2		2/2		1 x deputised	
Australia Day Awards Selection Panel						0/1	
Behaviour Complaints Committee	2/2	2/2	2/2	0/2	1/2	2/2	
Bush Fire Advisory Committee					0/1		
CEO Performance Review Committee	3/3		3/3				
Coastal Facilities Advisory Committee				3/3			
Community Grants Program Committee		3/3		1/2			
Community Safety and Support Services Advisory Committee	4/4		3/4				
Cultural Development and the Arts Advisory Committee						2/4	
Customer Service Review Committee							
Disability Access and Inclusion Advisory Committee			5/5				
Environmental Advisory Committee							
Global Friendship Committee	3/3				0/1		
Governance Review Committee							
Heritage Reference Group					2/2		
RoadWise Advisory Committee							
Rockingham Education and Training Advisory Committee	3/3					3/3	
Seniors Advisory Committee					0/2		
Sports Advisory Committee		2/3					

City Safe Advisory Committee now Community Safety and Support Services Advisory Committee

New committee – Environmental Advisory Committee Cr Edwards – Leave of Absence May 2022

E	Cr Edwards	Cr Buchanan	Cr Hume	Cr Jecks	Cr Schmidt	Cr Wormall	Cr Sammels	Cr Stewart
	11/12	12/12	8/8	8/8	8/8	8/8	4/4	4/4
	2/2	2/2	1/1	1/1	1/1	1/1	1/1	1/1
	1/1	1/1	1/1	1/1	1/1	1/1	-	-
	0/1	0/1	1/1	1/1	1/1	1/1	-	-
	10/12		2 x deputised	8/8		8/8		
d	1 x eputised	9/12	8/8		8/8			
	2/2							
		1/1			1 x deputy			
	2/2	2/2					2/2	2/2
					3/3			
	2/3						3/3	
				2/2				1/1
	2/3	2/3					1/1	
	5/5				4/5	5/5	4/4	
		0/2						
No me	etings held							
			3/3					2/2
				1/1		1/1		
			2/2		2/2		1/1	
No me	etings held							
								2/2
						2/2		
								2/2
			4/4	4/4				
	1/1				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 2021/2022, 33 requests were received for information under FOI and no public interest disclosures were received.

#### Freedom of Information Statistics 2007/2008 to 2021/2022

Financial Years	FOI Applications	Transfers	Completed	Withdrawn	Not yet completed	Internal Review Applications
2021/2022	33	0	34	6	2	1
2020/2021	34	1	31	4	3	1
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

#### **Elections**

The 2021 Local Government Elections held on Saturday 16 October 2021 was a significant event for the City, with the community having the opportunity to directly elect the Mayor for the first time. The Mayor will lead the City over the next four years, with its first-ever female Mayor elected. The Deputy Mayor will still be elected by the Council Members every two years.

The City now has one Mayor, and 11 Council Members.

- · Baldivis Ward three Council Members
- Comet Bay Ward two Council Members
- Rockingham/Safety Bay Ward six Council Members

#### **Council Meetings**

The City is now livestreaming and recording Council Meetings which started in January 2022. During COVID-19 restriction times, Council Members were able to zoom into Council Meetings and participate effectively while being livestreamed.

#### **Local Law Review**

In 2021/2022 the City adopted the City of Rockingham Fencing Amendment Local Law 2022 at the 28 June 2022 Council Meeting.

#### **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 28 June 2022 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. In 2021/2022
a total of 10 ceremonies were held with
805 people becoming Australian citizens.
Unfortunately, two ceremonies had
to be cancelled due to COVID-19 and
conferee numbers.

#### **Register of Complaints and Minor Breaches**

Section 5.53 (2) (hb) of the *Local Government Act 1995* specifies that the annual report is to contain details of entries made in the register of complaints during the financial year in review. There were no complaints recorded in the register during the period under review for 2021/2022.

#### **Legislative Compliance**

The State Government's Department of Local Government, Sport and Cultural Industries (DLGSCI) requires each local government to complete an annual audit of its compliance with the Local Government Audit Regulations for the previous calendar year and to submit a return by the end of March. A report on the results of the compliance audit return, together with an Internal Audit Report independently verifying responses on the return, are presented to the Audit Committee, which recommends its adoption to the Council. Two items were noted as noncompliant on the 2021 return and a further opportunity was identified in relation to the update of the Employee Code of Conduct to reflect changes to legislative requirements. Process improvements to reduce the recurrence of the identified non-compliance in future have since been implemented. The City has also revised its Employee Code of Conduct.

Regulation 17 of Local Government Audit Regulations 1996 furthermore places the responsibility on local government CEOs to review the appropriateness and effectiveness of their systems and procedures in relation to risk management, internal controls and legislative compliance at least every three years. Internal Audits assist the CEO in performing independent reviews on each of the three areas in detail at least once every three years, and in addition, perform reviews on key controls on all three areas on an annual basis. Risk management, internal controls and legislative compliance are also considered in each focus audit performed by Internal Audit.

#### **Risk Management**

Risk management is an integral part of the City's decision making process. Council acknowledges that risk management is a fundamental element of good business practice. The Council Policy – Risk Management defines the principles that establish and maintain an integrated risk management system across all strategic and operational functions of the City, including project and event management. This policy is underpinned by organisational awareness and 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.

#### **Internal Controls and Internal Audit**

The City's internal controls are developed to ensure the City's Values and Aspirations are met and that these processes developed are effective, efficient and economical and that they ensure reliable financial reporting, compliance with laws, regulations and policies. Internal controls are regularly reviewed by management to ensure that a sufficient mix of preventative, detective and responsive controls are implemented to lower or mitigate any risks identified.

Our Internal Audit function complies with the Institute of Internal Auditor standards. The objectives of Internal Audit are therefore to:

- Provide independent consideration of risks, controls and processes across the City;
- Promote mechanisms that encourage a culture, which is conscious of risk and control processes; and
- Assist and support the City in its drive for process improvement.

These objectives are achieved by:

- Assisting management by independently evaluating processes in relation to identifying, assessing and managing key operational, financial and compliance risks in an effort to meet the City's Aspirations and Strategic Objectives;
- Assisting management in evaluating the effectiveness of internal control systems and ensuring these systems are aligned with internal and Council policies as well as with associated legislative requirements;
- Recommending improvements, where required, on the efficiency and effectiveness of internal control systems;
- Keeping abreast with any new internal and external audit developments affecting the City's activities; and
- Being responsive to the City's changing needs while striving for continuous improvement.

The City maintains a strategic three-year Internal Audit Plan to direct internal audit resources in an efficient manner and to provide assurance that key risks are being managed effectively. This plan is reviewed and updated annually, or when considered appropriate. The aim is to ensure that internal audit reviews are still aligned with any critical strategic and operational risk identified within the City.

Apart from the focus areas identified in the plan, Internal Audit furthermore performs the following administrative and other functions:

- Assisting in the review of the Audit Committee Terms of Reference;
- Internal Audit Charter;
- Internal Audit Methodology;
- Internal Audit Procedural Manuals;
- Perform ad-hoc reviews as and when required;
- Monitoring and reviewing actions and improvement opportunities to be implemented by management in reports presented to the Audit Committee;
- Perform self-evaluation assessments on performance reviews performed by the OAG on other entities also applicable to the City; and
- Provide outcomes of these reviews and self-evaluation assessments to the CEO and to Council, through the City's established Audit Committee, for their review and noting purposes in an effort to empower Council to make considered and informed decisions within a transparent, accountable, ethical and compliant environment.

# 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 2022/2023 include:



Community sport to begin at the completed Baldivis Sports Complex.



Upgrades and refurbishments at Koorana Reserve in Warnbro to be finished.



Detailed design of the \$27.6 million Aqua Jetty Stage Two project to be completed.



Design work on the \$4.5 million Stan Twight Reserve will be finished by mid-2023.



Conduct a major review of the City's Strategic Community Plan.



Continue to progress the Rockingham Strategic Centre Planning Framework Review





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#### Principal place of business:

Civic Boulevard Rockingham WA 6168



## **Statement by Chief Executive Officer**

For the year ended 30 June 2022.

#### CITY OF ROCKINGHAM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

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

Signed on the

day of November

2022

Chief Executive Officer

Michael Parker

Name of Chief Executive Officer

## **Statement of Comprehensive Income by Nature or Type**

For the year ended 30 June 2022.

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Revenue				
Rates	28(a),2(a)	94,901,057	94,819,400	91,654,021
Operating grants, subsidies and contributions	2(a)	8,110,532	6,236,332	7,884,432
Fees and charges	27(c),2(a)	44,372,202	40,759,123	42,765,941
Interest earnings	2(a)	1,568,189	1,925,000	1,115,753
Other revenue	2(a)	2,545,452	12,427,851	2,588,967
		151,497,432	156,167,706	146,009,114
Expenses		((1 7(0 405)	(64100000)	(50.450.005)
Employee costs		(61,763,495)	(64,133,992)	(59,450,085)
Materials and contracts		(44,128,300)	(52,218,384)	(37,574,607)
Utility charges	10(a)	(6,521,321)	(6,728,513)	(6,064,377)
Depreciation Finance agets	10(a)	(40,652,757)	(44,506,032)	(40,276,020)
Finance costs Insurance	2(b)	(524,300)	(554,632)	(626,686)
	2(h)	(1,341,861)	(1,560,319)	(1,192,804)
Other expenditure	2(b)	(8,736,492) (163,668,526)	(21,744,122) (191,445,994)	(10,267,802) (155,452,381)
		(12,171,094)	(35,278,288)	(9,443,267)
Capital granta subsidies and contributions	2(0)	20 EE0 122	10 602 200	22 701 250
Capital grants, subsidies and contributions Profit on asset disposals	2(a) 10(b)	39,550,122 496,111	19,683,209 2,619,286	22,791,250 172,867
Loss on asset disposals	10(b)	(6,380,061)	(4,387,950)	(495,413)
Fair value adjustments to financial assets at fair	10(0)	,	(4,367,930)	
value through profit or loss		6,995	0	4,525
Impairment loss		0	0	(991,505)
Share of net profit of associates accounted for using the equity method	23	11,519	0	(19,392)
asing the equity method	•	33,684,686	17,914,545	21,462,332
Result from discontinued operations	7	(9,585,464)	(166,914)	(250,662)
Net result for the period	27(b)	11,928,128	(17,530,657)	11,768,403
•		, . = = , . = =	(==,===,===,	, ,
Other comprehensive income for the beriod				
Other comprehensive income for the period  Items that will not be reclassified subsequently to pro	ofit or loss			
Items that will not be reclassified subsequently to pro-	ofit or loss	(926,371,976)	0	0
	18	(926,371,976) <b>(926,371,976)</b>	0	0

### **Statement of Financial Position**

As at 30 June 2022.

6,715,142 <b>1,214,642,160</b>	7,295,317 <b>2,129,427,664</b>
	·
	,
2	623,898
899,304,292	1,831,973,086
306,406,381	287,338,420
150,274	152,015
2,066,069	2,044,928
,	100,100,100
129.388.703	133,109,161
8,697,246	10,522,887
1,143,133	807,418
430,985	210,447
8,735	66,653,718
9,377,272	9,011,298
109,731,332	45,903,393
2022 \$	2021 \$
	\$ 109,731,332 9,377,272 8,735 430,985 1,143,133 8,697,246 129,388,703  2,066,069 150,274 306,406,381 899,304,292

	Note	2022 \$	2021 \$
Current Liabilities			_
Trade and other payables	13	24,205,979	27,240,527
Other liabilities	14	5,555,067	4,456,814
Lease liabilities	11(b)	1	226,872
Borrowings	15	1,222,879	1,217,508
Employee related provisions	16	10,844,245	11,020,845
Liabilities classified as held for sale	7	4,150,835	4,605,726
Total Current Liabilities	·	45,979,006	48,768,292
Non-Current Liabilities			
Lease liabilities	11(b)	1	378,120
Borrowings	15	5,404,514	6,627,393
Employee related provisions	16	1,310,565	1,209,472
Other provisions	17	10,099,984	9,872,907
Total Non-Current Liabilities		16,815,064	18,087,892
Total Liabilities		62,794,070	66,856,184
Net Assets		1,281,236,793	2,195,680,641
Equity			
Retained surplus		472,240,869	457,569,713
Reserve accounts	31	45,844,391	48,587,419
Revaluation surplus	18	763,151,533	1,689,523,509
Total Equity		1,281,236,793	2,195,680,641

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

## **Statement of Changes in Equity**

For the year ended 30 June 2022.

	Note	Retained Surplus \$	Reserve Accounts \$	Revaluation Surplus \$	Total Equity \$
Balance as at 1 July 2020		438,741,378	48,647,351	1,696,523,509	2,183,912,238
Comprehensive income for the period	od				
Net result for the period	_	11,768,403	0	0	11,768,403
Total comprehensive income for the period		11,768,403	0	0	11,768,403
Reclassification		7,000,000	0	(7,000,000)	0
			(		
Transfers from reserves	31	3,351,929	(3,351,929)	0	0
Transfers to reserves	31	(3,291,997)	3,291,997	0	0
Balance as at 30 June 2021	_	457,569,713	48,587,419	1,689,523,509	2,195,680,641
Comprehensive income for the period	od				
Net result for the period		11,928,128	0	0	11,928,128
Other comprehensive income for the period	18	0	0	(926,371,976)	(926,371,976)
Total comprehensive income for the period		11,928,128	0	(926,371,976)	(914,443,848)
Transfers from reserves	31	5,367,169	(5,367,169)	0	0
Transfers to reserves	31	(2,624,141)	2,624,141	0	0
Balance as at 30 June 2022	-	472,240,869	45,844,391	763,151,533	1,281,236,793

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



### **Statement of Cash Flows**

For the year ended 30 June 2022.

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash Flows From Operating Activities			Zunger v	
Receipts				
Rates		95,837,587	94,819,400	93,129,925
Operating grants, subsidies and contributions		8,913,498	6,196,332	10,749,846
Fees and charges		44,583,202	40,759,123	43,783,888
Interest received		1,568,189	1,925,000	1,115,753
Goods and services tax received		(560,328)	40,000	5,172,890
Other revenue		6,717,062	12,427,851	6,578,355
	_	157,059,210	156,167,706	160,530,657
Payments				
Employee costs		(61,654,412)	(63,528,685)	(58,045,597)
Materials and contracts		(52,447,023)	(55,987,334)	(35,998,241)
Utility charges		(6,647,218)	(6,728,513)	(6,156,890)
Finance costs		(532,966)	(554,632)	(634,961)
Insurance paid		(1,354,291)	(1,560,319)	(1,197,786)
Goods and services tax paid		0	0	(5,162,577)
Other expenditure		(9,885,246)	(21,744,122)	(10,706,118)
		(132,521,156)	(150,103,605)	(117,902,170)
Net cash provided by (used in) operating activities	19(b)	24,538,054	6,064,101	42,628,487

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash Flows From Investing Activities				
Payments for purchase of property, plant and equipment	8(a)	(23,179,277)	(55,143,748)	(11,089,295)
Payments for construction of infrastructure		(25,408,920)	(34,115,023)	(27,811,494)
Non-operating grants, subsidies and contributions		20,265,781	19,683,209	11,563,958
Proceeds from financial assets at amortised cost		66,645,487	0	18,554,272
Proceeds from financial assets at amortised cost - self supporting loans		8,230	0	7,754
Proceeds from sale of property, plant and equipment	10(b)	1,954,414	4,213,911	890,317
Net cash provided by (used in) investing activities		40,285,715	(65,361,651)	(7,884,488)
Cash Flows From Financing Activities				
Repayment of borrowings	30(a)	(1,217,508)	(1,217,508)	(1,146,109)
Derecognition of lease liabilities	30(b)	(604,990)	(178,334)	(226,872)
Proceeds from new borrowings	30(a)	0	20,500,000	0
Net cash provided by (used in) financing activities	_	(1,822,498)	19,104,158	(1,372,981)
Net increase (decrease) in cash held		63,001,271	(40,193,392)	33,371,018
Cash at beginning of year		50,743,510	92,630,531	17,372,492
Cash and cash equivalents at the end of the year	19(a)	113,744,781	52,437,139	50,743,510
Cash and cash equivalents	3	109,731,332	47,597,022	45,903,393
Cash classified as held for sale	7	4,013,449	4,840,117	4,840,117
Cash and cash equivalents at the end of the year		113,744,781	52,437,139	50,743,510

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

## **Rate Setting Statement**

For the year ended 30 June 2022.

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Net Current Assets - At start of financial year - surplus/(deficit)	29(a)	52,653,496	34,299,395	48,838,303
Operating Activities				
Revenue from operating activities (excluding ge	eneral rate	)		
Operating grants, subsidies and contributions		8,110,532	6,236,332	7,884,432
Fees and charges		44,372,202	40,759,123	42,765,941
Interest earnings		1,568,189	1,925,000	1,115,753
Other revenue		2,545,452	12,427,851	2,588,967
Profit on asset disposals	10(b)	496,111	2,619,286	172,867
Fair value adjustments to financial assets at fair value through profit or loss		6,995	0	4,525
Share of net profit of associates and joint ventures accounted for using the equity method		11,519	0	(19,392)
	_	57,111,000	63,967,592	54,513,093
Expenditure from operating activities				
Employee costs		(61,763,495)	(64,133,992)	(59,450,085)
Materials and contracts		(44,128,300)	(52,218,384)	(37,574,607)
Utility charges		(6,521,321)	(6,728,513)	(6,064,377)
Depreciation		(40,652,757)	(44,506,032)	(40,276,020)
Finance costs		(524,300)	(554,632)	(626,686)
Insurance		(1,341,861)	(1,560,319)	(1,192,804)
Other expenditure		(8,736,492)	(21,744,122)	(10,267,802)
Loss on asset disposals	10(b)	(6,380,061)	(4,387,950)	(495,413)
Loss on impairment		0	0	(991,505)
	•	(170,048,587)	(195,833,944)	(156,939,299)
Net result from discontinued operations	-	(9,585,464)	(166,914)	(250,662)
Non-cash amounts excluded from operating activities	29(a)	35,582,305	51,638,776	31,362,558
Amount attributable to operating activities		(86,940,746)	(46,095,095)	(71,314,310)

		2022	2022	2021
Investing Activities	Note	Actual \$	Budget \$	Actual \$
Non-operating grants, subsidies		00.550.400	10.600.000	00 704 050
and contributions		39,550,122	19,683,209	22,791,250
Proceeds from disposal of assets	10(b)	1,954,414	4,213,911	890,317
Proceeds from assets held for sale	7	247,426	0	0
Proceeds from financial assets at amortised cost - self supporting loans	30(a)	8,230	0	7,754
Purchase of property, plant and equipment	8(a)	(23,179,279)	(55,143,748)	(11,089,295)
Purchase and construction of infrastructure	9(a)	(44,693,261)	(34,115,023)	(39,038,786)
	_	(26,112,348)	(65,361,651)	(26,438,760)
Non-cash amounts excluded from investing activities	29(a)	17,184,841	0	11,227,292
Amount attributable to investing activities	_	(8,927,507)	(65,361,651)	(15,211,468)
Financing Activities				
Repayment of borrowings	30(a)	(1,217,508)	(1,217,508)	(1,146,109)
Proceeds from borrowings	30(a)	0	20,500,000	0
Derecognition of lease liabilities	30(b)	(604,990)	(178,334)	(226,872)
Transfers to reserves (restricted assets)	31	(2,624,141)	(4,537,886)	(3,291,997)
Transfers from reserves (restricted assets)	31	5,367,169	7,478,200	3,351,929
Transfer of restricted assets - Bert England Lodge		0	(3,602,036)	0
Amount attributable to financing activities		920,530	18,442,436	(1,313,049)
Surplus/(deficit) before imposition of	-	(42,294,227)	(93,014,310)	(39,000,524)
general rates  Total amount raised from general rates	28(a)	94,901,057	94,819,400	91,654,021
Surplus/(deficit) after imposition of	· -		<u>`</u>	<u> </u>
general rates	29(a)	52,606,830	1,805,090	52,653,496

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



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For the year ended 30 June 2022.

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## Notes to and Forming Part of the Financial Report

For the year ended 30 June 2022.

#### 1. Basis of Preparation

The financial report comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The Local Government Act 1995 and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The Local Government (Financial Management) Regulations 1996 specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-ofuse assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

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

# 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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 32 of the financial report.

# **Judgements and estimates**

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

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

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

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



For the year ended 30 June 2022.

# 2. Revenue and Expenses

# (a) Revenue

Contracts with customers

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

	Revenue Category	Nature of goods and services	When obligations typically satisfied
	Rates	General rates	Over time
	Service charges	Charge for specific service	Over time
	Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time
	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
	Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations
	Licences/ registrations/ approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time
	Pool inspections	Compliance safety check	Single point in time
	Other inspections	Regulatory food, health and safety	Single point in time
	Waste management collections	Kerbside collection service	Over time
	Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time
	Property hire and entry	Use of halls and facilities	Single point in time
	Memberships	Gym and pool membership	Over time
	Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time
	Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time
	Commissions	Commissions on licencing and ticket sales	Over time
	Reimbursements	Insurance claims	Single point in time

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

Payment terms	Returns/refunds/ warranties	Timing of revenue recognition
Payment dates adopted by Council during the year	None	When rates notice is issued
Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Not applicable	Not applicable	When assets are controlled
Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Equal proportion based on an equal annually fee	None	After inspection complete based on a four-year cycle
Full payment prior to inspection	None	Revenue recognised after inspection event occurs
Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
In full in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire
Payment in full in advance	Refund for unused portion on application	Output method over 12 months matched to access right
Payment in full in advance	None	Output method based on provision of service or completion of works
In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods
Payment in full on sale	None	When assets are controlled
Payment in arrears for claimable event	None	When claim is agreed

For the year ended 30 June 2022.

# 2. Revenue and Expenses (continued)

# (a) Revenue (continued)

Revenue Recognition

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

	Contracts with	Capital grant/	Statutory		
	customers \$	contributions	requirements \$	Other \$	Total \$
For the year ended 30 June Nature or type	2022				
Rates	0	0	94,901,057	0	94,901,057
Operating grants, subsidies and contributions	1,293,545	6,816,987	0	0	8,110,532
Fees and charges	44,372,202	0	0	0	44,372,202
Interest earnings	647,384	0	920,805	0	1,568,189
Other revenue	0	0	0	2,545,452	2,545,452
Non-operating grants, subsidies and contributions	0	39,550,122	0	0	39,550,122
Total	46,313,131	46,367,109	95,821,862	2,545,452	191,047,554
For the year ended 30 June Nature or type	2021				
Rates	0	0	91,654,021	0	91,654,021
Operating grants, subsidies and contributions	2,756,481	5,127,951	0	0	7,884,432
Fees and charges	42,765,941	0	0	0	42,765,941
Interest earnings	926,585	0	189,168	0	1,115,753
Other revenue	0	0	0	2,588,967	2,588,967
Non-operating grants, subsidies and contributions	0	22,791,250	0	0	22,791,250
Total	46,449,007	27,919,201	91,843,189	2,588,967	168,800,364

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Assets and services acquired below fair value				
Contributed assets		19,284,341	0	11,227,292
		19,284,341	0	11,227,292
Interest earnings				
Financial assets at amortised cost - self supporting loans		1,574	1,755	2,058
Interest on reserve funds		227,917	350,000	364,096
Rates instalment and penalty interest (refer Note 28(c))		954,570	1,080,000	189,168
Other interest earnings		384,128	493,245	560,431
	-	1,568,189	1,925,000	1,115,753

# (b) Expenses

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Auditors remuneration				
Audit services		102,700	122,635	89,278
	_	102,700	122,635	89,278
Finance costs				
Borrowings	30(a)	524,300	532,966	605,020
Lease liabilities	30(b)	0	21,666	21,666
	_	524,300	554,632	626,686
Other expenditure				
Sundry expenses		8,736,492	21,744,122	10,267,802
	_	8,736,492	21,744,122	10,267,802

For the year ended 30 June 2022.

# 3. Cash and Cash Equivalents

	Note	2022 \$	2021 \$
Cash at bank and on hand		109,731,332	38,550,652
Term deposits		0	7,352,741
Total cash and cash equivalents	19(a)	109,731,332	45,903,393
Held as			
- Unrestricted cash and cash equivalents		63,886,941	38,550,652
- Restricted cash and cash equivalents	19(a)	45,844,391	7,352,741
		109,731,332	45,903,393

# **Significant Accounting Policies**

# Cash and cash equivalents

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

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

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

#### Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 19.

# 4. Other Financial Assets

	Note	2022 \$	2021 \$
(a) Current assets			
Financial assets at amortised cost		8,735	66,653,718
		8,735	66,653,718
Other financial assets at amortised cost			
Self supporting loans receivable	29(a)	8,735	8,231
Term deposits - unrestricted		0	18,058,068
Term deposits - restricted		0	48,587,419
		8,735	66,653,718
Held as			
- Unrestricted other financial assets at amortised cost		8,735	18,066,299
- Restricted other financial assets at amortised cost	19(a)	0	48,587,419
		8,735	66,653,718

For the year ended 30 June 2022.

# 4. Other Financial Assets (continued)

	Note	2022 \$	2021 \$
(b) Non-current assets			
Financial assets at amortised cost		14,118	22,853
Financial assets at fair value through profit and loss		136,156	129,162
		150,274	152,015
Financial assets at amortised cost			
Self supporting loans receivable		14,118	22,852
		14,118	22,852
Financial assets at fair value through profit and loss			
Units in Local Government House Trust		136,156	129,162
		136,156	129,162

# **Significant Accounting Policies**

#### 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.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 26 (i)) due to the observable market rates.

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

# Financial assets at fair value through profit and loss

The 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 24.

#### 5. Trade and Other Receivables

	Note	2022 \$	2021 \$
Current			
Rates receivable		4,395,324	5,099,284
Trade and other receivables		4,171,425	3,864,169
GST receivable		1,278,516	718,188
Allowance for credit losses of trade and other receivables	24(b)	(405,648)	(607,998)
Allowance for credit losses of rates receivables	24(b)	(62,345)	(62,345)
		9,377,272	9,011,298
Non-current			
Pensioner's rates and ESL deferred		2,066,069	2,044,928
		2,066,069	2,044,928

# **Significant Accounting Policies**

# Trade and other receivables

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

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

### Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 24.

# Classification and subsequent measurement

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

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

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

For the year ended 30 June 2022.

#### 6. Inventories

	Note	2022 \$	2021 \$
Current		·	·
Fuel and materials		430,985	210,447
		430,985	210,447
The following movements in inventories occurred during the year:			
Balance at beginning of year		210,447	241,131
Net additions to /(issuance of) inventory		220,538	(30,684)

# **Significant Accounting Policies**

Balance at end of year

#### General

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

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



430,985

210,447



For the year ended 30 June 2022.

# 7. Assets Held For Sale and Discontinued Operations

### (a) Operating Statement

The results of the discontinued operations, which have been included in the net results for the year were as follows:

	Note	2022 \$	2021 \$
Revenue		4,585,411	3,989,387
Expenses		(6,356,528)	(4,240,049)
Net gain/(loss) on disposal of discontinued operations		(7,814,347)	0
Net result from discontinued operations		(9,585,464)	(250,662)

### (b) Assets and Liabilities

During the year, the City commenced the disposal of Lot 57 on Diagram 77101 (111) Woodbridge Drive, Cooloongup (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. The sale was completed on 4 August 2022.

The City has also commenced disposal of the following leased properties.

Lot 716 Centaurus Street, Rockingham – Rockingham Park Kindergarten Lot 35 Council Avenue – Rockingham Child Care Centre Lot 393 Hefron Street – Rockingham Youth Station and Youth Health Services Clinic

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

	Note	2022 \$	2021 \$
Cash and cash advances classified as held for sale		4,013,449	4,840,117
Debtors classified as held for sale		89,849	841,396
Property plant and equipment – Bert England Lodge		3,644,032	3,644,032
Lot 716 Centaurus Street, Rockingham – Rockingham Park Kindergarten		212,303	212,303
Lot 35 Council Avenue – Rockingham Child Care Centre		698,020	698,020
Lot 393 Hefron Street – Rockingham Youth Station and Youth Health Services Clinic		0	247,426
Miscellaneous infrastructure - Rockingham Park Kindergarten		39,593	39,593
Total assets - held for sale		8,697,246	10,522,887
Other liabilities held for sale - Bert England Lodge		(4,150,835)	(4,605,726)

# (c) Cash Flows From Discontinued Operations

The cash flows from the discontinued operations were as follows:

	202 Note	22 2021 \$ \$
Net cash from operating activities	(1,167,47	4) (18,468)
Net cash from investing activities	(52,52	4) 0
Net cash from financing activities		0 134,031
	(1,219,99	9) 115,563

# **Significant Accounting Policies**

#### Other current assets

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

#### 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 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.

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value hierarchy set out in Note 26(i).

#### Contract assets

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

Impairment of assets associated with contracts with customers are detailed at Note 2(b).

For the year ended 30 June 2022.

# 8. Property, Plant and Equipment

# (a) Movements in Balances

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

	Note	Land \$	Land infrastructure \$	
Balance at 1 July 2020		94,445,069	9,835,982	
Additions		0	51,478	
Disposals		0	0	
Assets classified as held for sale		(270,000)	0	
Impairment (losses) / reversals		Ó	0	
Depreciation	10(a)	0	(1,301,368)	
Transfers	, ,	0	0	
Balance at 30 June 2021	_	94,175,069	8,586,092	
Comprises:				
Gross balance amount at 30 June 2021		94,175,069	16,758,144	
Accumulated depreciation at 30 June 2021		0	(8,172,052)	
Accumulated impairment loss at 30 June 2021		0	0	
Balance at 30 June 2021		94,175,069	8,586,092	
Additions		0	125,220	
Disposals		(5,000,000)	0	
Revaluation increments / (decrements) transferred to revaluation surplus	18	9,758,763	0	
Depreciation	10(a)	0	(1,301,364)	
Transfers		0	85,252	
Balance at 30 June 2022		98,933,832	7,495,200	
Comprises:				
Gross balance amount at 30 June 2022		98,933,832	16,968,616	
Accumulated depreciation at 30 June 2022		0	(9,473,416)	
Balance at 30 June 2022		98,933,832	7,495,200	

Buildings \$	Total land and buildings \$	Furniture and equipment \$	Plant and equipment \$	Miscellaneous assets \$	Total property, plant and equipment \$
167,242,877	271,523,928	2,642,314	14,875,279	635,604	289,677,125
6,058,039	6,109,517	1,375,816	3,505,087	98,875	11,089,295
0	0	0	(1,212,863)	0	(1,212,863)
(887,750)	(1,157,750)	0	0	0	(1,157,750)
(227,609)	(227,609)	0	0	0	(227,609)
(6,086,020)	(7,387,388)	(597,552)	(2,810,638)	(12,362)	(10,807,940)
(21,838)	(21,838)	0	0	0	(21,838)
166,077,699	268,838,860	3,420,578	14,356,865	722,117	287,338,420
191,050,566	301,983,779	5,803,856	23,216,435	756,717	331,760,787
(24,505,271)	(32,677,323)	(2,383,278)	(8,859,570)	(34,600)	(43,954,771)
(467,596)	(467,596)	0	0	0	(467,596)
166,077,699	268,838,860	3,420,578	14,356,865	722,117	287,338,420
20,350,174	20,475,394	681,542	1,921,893	100,450	23,179,279
(6,613,040)	(11,613,040)	0	(640,432)	0	(12,253,472)
18,778,241	28,537,004	0	0	0	28,537,004
(6,323,147)	(7,624,511)	(599,063)	(2,946,959)	(15,364)	(11,185,897)
(9,208,953)	(9,123,701)	0	(85,252)		(9,208,953)
183,060,974	289,490,006	3,503,057	12,606,115	807,203	306,406,381
213,889,392	329,791,840	6,485,398	24,412,644	857,167	361,547,049
(30,828,418)	(40,301,834)	(2,982,341)	(11,806,529)	(49,964)	(55,140,668)
183,060,974	289,490,006	3,503,057	12,606,115	807,203	306,406,381

For the year ended 30 June 2022.

# 8. Property, Plant and Equipment (continued)

# (b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy			Date of Last Valuation	Inputs Used	
(i) Fair Value						
Land and buildings						
Land	2	Market approach using recent observable market data for similar properties	Independent valuers	June 2022	Purchase costs and residual values	
Land Infrastructure	3	Depreciated replacement cost	Management valuation	July 2018	Unit rates obtained by using cost guides and through the prices supplied by the COR  Useful life estimated using condition, known age and estimated age	
Buildings	2	Market approach using recent observable market data for similar properties	Independent valuers	June 2022	Purchase costs and residual values	

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

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

# 9. Infrastructure

# (a) Movements in Balances

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

	Note	Infrastructure - Roads \$	Infrastructure - Footpaths and Drainage \$	Other Infrastructure \$	Total Infrastructure \$
Balance at 1 July 2020		1,517,431,975	167,744,182	137,219,734	1,822,395,891
Additions*		19,310,287	4,307,370	15,421,129	39,038,786
Impairment (losses) / reversals		(37,159)	(11,722)	(715,015)	(763,896)
Depreciation	10(a)	(17,614,799)	(3,376,429)	(7,688,711)	(28,679,939)
Assets held for sale - various leased properties		0	0	(39,594)	(39,594)
Transfers		0	0	21,838	21,838
Balance at 30 June 2021		1,519,090,304	168,663,401	144,219,381	1,831,973,086
Comprises:					
Gross balance at 30 June 2021		1,571,604,391	178,923,287	169,327,496	1,919,855,174
Accumulated depreciation at 30 June 202	1	(52,254,828)	(9,944,120)	(22,822,537)	(85,021,485)
Accumulated impairment loss at 30 June 2021		(259,259)	(315,766)	(2,285,578)	(2,860,603)
Balance at 30 June 2021		1,519,090,304	168,663,401	144,219,381	1,831,973,086
Additions*		17,157,962	6,420,725	21,114,574	44,693,261
(Disposals)		(1,150,770)	0	(1,624,573)	(2,775,343)
Revaluation increments / (decrements) transferred to revaluation surplus	18	(954,966,696)	0	57,716	(954,908,980)
Depreciation	10(a)	(17,564,236)	(3,401,058)	(7,921,391)	(28,886,685)
Transfers		0	0	9,208,953	9,208,953
Balance at 30 June 2022		562,566,564	171,683,068	165,054,660	899,304,292
Comprises:					
Gross balance at 30 June 2022		632,385,628	638,806,353	195,798,588	1,013,212,462
Accumulated depreciation at 30 June 202	2	(69,819,064)	(73,220,122)	(30,743,928)	(113,908,170)
Balance at 30 June 2022		562,566,564	565,586,231	165,054,660	899,304,292
* Asset additions included additions rec	ceived	at substantially	less than fair va	lue:	
During the year anded 30 June 2021		11 227 202		Λ	11 227 202

During the year ended 30 June 2021	11,227,292	0	11,227,292
During the year ended 30 June 2022	19,284,341	0	19,284,341



For the year ended 30 June 2022.

# 9. Infrastructure (continued)

### (b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - Roads	3	Cost Approach - Depreciated replacement cost	Management valuation	June 2022	Unit rates obtained by using cost guides and through the prices supplied by the COR Useful life estimated using condition, known age and estimated age
Other infrastructure (Footpaths, Drainage, Public Open Space, etc)	3	Cost Approach - Depreciated replacement cost	Management valuation	June 2018	Unit rates obtained by using cost guides and through the prices supplied by the COR
					Useful life estimated using condition, known age and estimated age

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

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

# 10. Fixed Assets

# (a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Land infrastructure	8(a)	1,301,364	1,765,712	1,301,368
Buildings	8(a)	6,323,147	7,046,162	6,086,020
Furniture and equipment	8(a)	599,063	640,239	597,552
Plant and equipment	8(a)	2,946,959	3,129,340	2,810,638
Miscellaneous assets	8(a)	15,364	15,676	12,362
Infrastructure - footpaths and drainage	8(a)	3,401,058	3,965,352	3,376,429
Infrastructure - roads	9(a)	17,564,236	19,800,231	17,614,799
Other infrastructure	9(a)	7,921,391	7,792,295	7,688,711
Right-of-use assets - buildings	11(a)	0	0	207,966
		40,072,582	44,155,007	39,695,845
Amortisation				
Intangible assets - landfill provision	12	268,152		268,152
Intangible assets - computer software	12	312,023	351,025	312,023
		580,175	351,025	580,175
		40,652,757	44,506,032	40,276,020

**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
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 - roads footpaths and drainage	10 to 100 years
Other infrastructure	10 to 80 years
Computer software	4 to 5 years
Landfill assets	28 years



For the year ended 30 June 2022.

# 10. Fixed Assets (continued)

# (b) Disposals of Assets

	2022 Actual Net Book Value \$	2022 Actual Sale Proceeds \$	2022 Actual Profit \$	2022 Actual Loss \$
Land	5,000,000	267,499	267,499	(5,000,000)
Buildings	6,613,040	571,020	577,284	(6,619,304)
Plant and equipment	640,432	1,115,895	511,402	(35,937)
Infrastructure - roads	1,150,770	0	0	(1,150,770)
Other infrastructure	1,624,573	0	0	(1,624,573)
Lease	207,966	0	0	(623,898)
	15,236,781	1,954,414	1,356,185	(15,054,482)
Amounts relating to discontinued operations	0	(1,107,500)	(860,074)	8,674,421
	15,236,781	846,914	496,111	(6,380,061)

The following assets were disposed of during the year.

Function and Activity	2022 Actual Net Book Value \$	2022 Actual Sale Proceeds \$	2022 Actual Profit \$	2022 Actual Loss \$
Governance	578,177	29,905	15,052	(563,324)
Law, order, public safety	68,141	95,294	27,153	0
Health	8,865	26,268	17,403	0
Education and welfare	90,812	0		(90,812)
Housing	8,962,884	0	0	(8,962,884)
Community amenities	465,547	157,944	110,599	(418,202)
Recreation and culture	2,644,290	21,268	914,152	(3,953,104)
Transport	1,038,148	0	0	(1,038,148)
Other property and services	1,379,917	1,623,735	271,826	(28,008)
	15,236,781	1,954,414	1,356,185	(15,054,482)
Amounts reported as results from discontinued operations	0	(1,107,500)	(860,074)	8,674,421
	15,236,781	846,914	496,111	(6,380,061)

2022	2022			2021	2021		
Budget	Budget	2022	2022	Actual	Actual	2021	2021
Net Book	Sale	Budget	Budget	Net Book	Sale	Actual	Actual
Value	<b>Proceeds</b>	Profit	Loss	Value	Proceeds	Profit	Loss
\$	\$	\$	\$	\$	\$	\$	\$
300,000	2,480,000	2,180,000	0	0	0	0	0
3,444,034	134,311	0	(3,309,723)	0	0	0	0
2,238,541	1,599,600	439,286	(1,078,227)	1,212,863	890,317	172,867	(495,413)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
5,982,575	4,213,911	2,619,286	(4,387,950)	1,212,863	890,317	172,867	(495,413)

# **Significant Accounting Policies**

#### **Fixed assets**

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

# Initial recognition and measurement for assets held at cost

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

For the year ended 30 June 2022.

# 10. Fixed Assets (continued)

### **Significant Accounting Policies (continued)**

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

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

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the 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 scheduled revaluation dates of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation date in accordance with the mandatory measurement framework.

#### Revaluation

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

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

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

# **Depreciation**

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

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

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

# Depreciation on revaluation

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

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

#### Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 10(a).

For the year ended 30 June 2022.

#### 11. Leases

# (a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Note	Right-of-use assets - buildings \$	Right-of-use assets Total \$
Balance at 1 July 2020		831,864	831,864
Depreciation		(207,966)	(207,966)
Balance at 30 June 2021	_	623,898	623,898
Derecognition of right-of-use assets		(623,896)	(623,896)
Balance at 30 June 2022	_	2	2

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

	Note	2022 Actual \$	2021 Actual \$
Depreciation on right-of-use assets	10(a)	0	(207,966)
Interest expense on lease liabilities	30(b)	0	(21,666)
Derecognition of right-of-use assets		(623,896)	0
Total amount recognised in the statement of comprehens	sive income	(623,896)	(229,632)
Total cash outflow from leases		(604,990)	(248,538)

# (b) Lease Liabilities

	Note	2022 Actual \$	2021 Actual \$
Current		1	226,872
Non-current		1	378,120
	30(b)	2	604,992

# Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

# **Significant Accounting Policies**

#### Leases

At inception of a contract, the 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. 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.

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

Details of individual lease liabilities required by regulations are provided at Note 30(b).

#### The City as Lessor

Upon entering into each contract as a lessor, the City assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

# Right-of-use assets - valuation measurement

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

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

# Right-of-use assets - depreciation

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

Initial direct costs incurred in entering into an operating lease (e.g. legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the City applies AASB 15 to allocate the consideration under the contract to each component.

For the year ended 30 June 2022.

# 12. Intangible Assets

Intangible assets	Note	2022 Actual \$	2021 Actual \$
Non-current			
Landfill provision		7,240,101	7,240,101
Less: Accumulated amortisation		(804,456)	(536,304)
		6,435,645	6,703,797
Computer software		1,215,566	1,215,566
Less: Accumulated amortisation		(936,069)	(624,046)
		279,497	591,520
		6,715,142	7,295,317
Movements in balances of intangible assets during the financial year are shown as follows:			
Balance at 1 July		7,295,317	7,875,492
Amortisation of landfill provision		(268,152)	(268,152)
Amortisation of computer software	10(a)	(312,023)	(312,023)
Balance at 30 June		6,715,142	7,295,317
Total Intangible Assets		6,715,142	7,295,317

# **Significant Accounting Policies**

### **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**

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 Council's asset recognition policy. Assets are to be depreciated over the life of the asset to council, or the life of the landfill site, whichever is the shorter.



For the year ended 30 June 2022.

# 13. Trade and Other Payables

	2022 \$	2021 \$
Current		
Sundry creditors	10,985,470	12,249,253
Prepaid rates	4,505,559	4,251,848
Accrued payroll liabilities	1,572,487	1,352,599
Bonds and deposits held	2,759,729	2,895,927
Accrued interest in long term liabilities	35,445	44,111
Capital grant liabilities	4,347,289	6,446,789
•	24,205,979	27,240,527

# **Significant Accounting Policies**

#### Financial liabilities

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

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

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

# Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the City's obligations to construct recognisable non-financial assets to identified specifications to be controlled the City which are yet to be satisfied. Capital grant/contribution liabilities are recognised as revenue when the obligations in the contract are satisfied.

Non-current capital grant/contribution liabilities fair values are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 26(i)) due to the unobservable inputs, including own credit risk.

### 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 usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

#### **Prepaid rates**

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

### 14. Other Liabilities

	2022 \$	2021 \$
Contract liabilities		
Contract liabilities	5,555,067	4,456,814
	5,555,067	4,456,814
Reconciliation of changes in contract liabilities		
Opening balance	4,456,814	818,692
Additions	1,098,253	3,638,122
	5,555,067	4,456,814

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

# **Significant Accounting Policies**

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



For the year ended 30 June 2022.

### 15. Borrowings

	Note	2022 Current \$	2022 Non-current \$	2022 Total \$
Secured				
Debentures		1,222,879	5,404,514	6,627,393
Total secured borrowings	30(a)	1,222,879	5,404,514	6,627,393
	Note	2021 Current \$	2021 Non-current \$	2021 Total \$
Secured				
Debentures		1,217,508	6,627,393	7,844,901
Total secured borrowings	30(a)	1,217,508	6,627,393	7,844,901

# Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the City of Rockingham.

### **Significant Accounting Policies**

#### **Borrowing costs**

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 26(i)) due to the unobservable inputs, including own credit risk.

#### Risk

Information regarding exposure to risk can be found at Note 24.

Details of individual borrowings required by regulations are provided at Note 30(a).

# 16. Employee Related Provisions

# **Employee Related Provisions**

	2022 \$	2021 \$
<b>Current provisions</b>		
Employee benefit provisions		
Annual Leave and Sick Leave	5,906,020	6,202,106
Long Service Leave	4,938,225	4,818,739
	10,844,245	11,020,845
Non-current provisions		
Long Service Leave	1,310,565	1,209,472
	1,310,565	1,209,472
	12,154,810	12,230,317

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

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

	2022 \$	2021 \$
Amounts are expected to be settled on the following basis:		
Less than 12 months after the reporting date	6,590,515	5,767,111
More than 12 months from reporting date	5,564,295	6,463,206
	12,154,810	12,230,317



For the year ended 30 June 2022.

# 16. Employee Related Provisions (continued)

# **Significant Accounting Policies**

### **Employee benefits**

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

# Short-term employee benefits

Provision is made for the 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

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The 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.

#### 17. Other Provisions

	Note	Landfill Provision \$	Total \$
Opening balance at 1 July 2021		·	·
Non-current provisions		9,872,907	9,872,907
		9,872,907	9,872,907
Additional provision		227,077	227,077
Balance at 30 June 2022		10,099,984	10,099,984
Comprises			
Non-current		10,099,984	10,099,984
		10,099,984	10,099,984

#### **Landfill Provision**

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 postclosure 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.

#### **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.



For the year ended 30 June 2022.

# 18. Revaluation Surplus

	2022 Opening Balance \$	2022 Revaluation Increment \$	2022 Revaluation (Decrement) \$	
Revaluation surplus - Land	55,823,504	9,758,763	0	
Revaluation surplus - Land infrastructure	883,594	0	0	
Revaluation surplus - Buildings	85,343,086	18,778,241	0	
Revaluation surplus - Furniture and equipment	3,554,563	0	0	
Revaluation surplus - Plant and equipment	2,311,533	0	0	
Revaluation surplus - Miscellaneous assets	160,428	0	0	
Revaluation surplus - Infrastructure - footpaths and drainage	111,874,420	0	0	
Revaluation surplus - Infrastructure - roads	1,380,096,767	0	(954,966,696)	
Revaluation surplus - Other infrastructure	49,475,614	57,716	0	

1,689,523,509 28,594,720 (954,966,696)

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.

The City revalued its land, buildings and road assets for the year ending 30 June 2022 as required by Regulation 17A of the Local Government (Financial Management) Regulations 1996. As a result of revaluation, the fair value of land and buildings increased by \$9,758,763 and \$18,778,241, respectively, and road assets decreased by \$954,966,696.

Following the amendments to the Environmental Protection Regulations 1987, issued in 2018 and the formalised guidelines from the Commissioner of Main Roads Western Australia issued in 2021, materials collected and disposed of from road renewals ("excess site-won materials") are considered uncontaminated fill materials and can be recycled without the need to pay waste levies and other disposal costs. Furthermore, the decision to re-use excess site-won materials in road renewals resulted in a significant reduction in the cost of road construction. Consequently, the unit rates applicable to the current replacement cost calculation of road assets for the year ending 30 June 2022 have been reduced, resulting in a revaluation decrease.

2022 Reclassification \$	Total Movement on Revaluation \$	2022 Closing Balance \$	2021 Opening Balance \$	2021 Revaluation Increment \$	2021 Revaluation (Decrement) \$	2021 Closing Balance \$
1,680,523	11,439,286	67,262,790	62,823,504	0	(7,000,000)	55,823,504
0	0	883,594	883,594	0	0	883,594
0	18,778,241	104,121,327	85,343,086	0	0	85,343,086
(371,617)	(371,617)	3,182,946	3,554,563	0	0	3,554,563
0	0	2,311,533	2,311,533	0	0	2,311,533
371,617	371,617	532,045	160,428	0	0	160,428
0	0	111,874,420	111,874,420	0	0	111,874,420
0	(954,966,696)	425,130,071	1,380,096,767	0	0	1,380,096,767
(1,680,523)	(1,622,807)	47,852,807	49,475,614	0	0	49,475,614
0	(926,371,976)	763,151,533	1,696,523,509	0	(7,000,000)	1,689,523,509

The overall result of the asset revaluation is a net revaluation decrement of \$926,371,976 and recognised as other comprehensive loss in the statement of comprehensive income and a reduction of the revaluation surplus in the statement of changes in equity for the year ending 30 June 2022 under AASB 13, Fair Value Measurement.



For the year ended 30 June 2022.

#### 19. Notes to the Statement Of Cash Flows

### (a) Reconciliation of Cash

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

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	109,731,332	47,597,022	45,903,393
Cash classified as held for sale	7	4,013,449	4,840,117	4,840,117
	_	113.744.781	52,437,139	50.743.510

#### **Restrictions**

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	45,844,391	(3,551,619)	7,352,741
Financial assets at amortised cost	4	0	48,587,419	48,587,419
		45.844.391	45.035.800	55.940.160

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Restricted reserve accounts	31	45,844,391	45,035,800	48,587,419
Unspent grants, subsidies and contributions		0	0	4,456,814
Bond liabilities - municipal bonds		0	1,805,089	2,895,927
Total restricted financial assets		45,844,391	45,035,800	55,940,160

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

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Net result for the period	11,928,128	(17,530,657)	11,768,403
Less non cash contribution	(19,284,341)	0	(11,227,292)
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit and loss	(6,995)	0	(4,525)
Depreciation/amortisation	40,652,757	44,506,032	40,276,020
(Profit)/loss on sale of asset	5,883,950	1,768,664	322,546
(Profit)/loss on sale of asset - discontinued operations	7,814,347		
Share of profits of associates	0	0	19,392
Loss on impairment  Changes in assets and liabilities:	0	0	991,505
(Increase)/decrease in trade and other receivables	(387,115)	0	1,832,747
(Increase)/decrease in other assets	663,258	0	559,119
(Increase)/decrease in inventories	(220,538)	0	30,684
(Increase)/decrease in contract assets		0	(807,418)
Increase/(decrease) in trade and other payables	(3,034,548)	(3,602,036)	6,026,985
Increase/(decrease) in employee related provisions	(75,507)	605,307	1,412,764
Increase/(decrease) in other provisions	(227,814)	0	0
Increase/(decrease) in other liabilities	1,098,253	0	(646,607)
Increase/(decrease) in contract liabilities	0	0	3,638,122
Non-operating grants, subsidies and contributions	(20,265,781)	(19,683,209)	(11,563,958)
Net cash provided by/(used in) operating activities	24,538,054	6,064,101	42,628,487

# (c) Undrawn Borrowing Facilities

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Loan facilities				
Loan facilities - current		1,222,879		1,217,508
Loan facilities - non-current		5,404,514		6,627,393
Total facilities in use at balance date		6,627,393		7,844,901

For the year ended 30 June 2022.

# 20. Contingent Liabilities

The City of Rockingham is a party to a legal proceeding relating to debt recovery for the year ending 30 June 2022. As at the date of this report, the outcome of this matter cannot be estimated reliably.

## 21. Capital Commitments

	2022 \$	2021 \$
Contracted for:		_
Road Construction	1,023,789	2,032,234
Building Land and Fixed Equipment	22,733,461	21,214,395
Reserve and Infrastructure	16,636,995	6,957,832
Plant, Machinery and Equipment - Various	141,470	401,047
Computer and Furniture Equipment	47,218	140,697
Footpath and Crossovers	9,138	127,583
Miscellaneous Infrastructure	444,833	2,958,005
	41,036,904	33,831,793
Payable:		
- not later than one year	41,036,904	33,831,793

# 22. Related Party Transactions

# (a) Elected Member Remuneration

		2022 Actual	2022 Budget	2021 Actual
	Note	Actual \$	\$	\$
Elected member Mayor Deb Hamblin				
Mayor's annual allowance		61,825	87,550	0
Deputy Mayor's annual allowance		6,431	0	21,888
Meeting attendance fees		41,964	46,350	30,900
Annual allowance for ICT expenses		3,500	3,500	3,500
Travel and accommodation expenses		1,614	0	1,258
		115,334	137,400	57,546
<b>Elected member Deputy Mayor Hayley Edwards</b>				
Deputy Mayor's annual allowance		14,901	21,888	0
Meeting attendance fees		30,900	30,900	30,900
Annual allowance for ICT expenses		3,500	3,500	3,500
Travel and accommodation expenses		918	0	1,310
		50,220	56,288	35,710
<b>Elected member Sally Davies</b>				
Meeting attendance fees		30,900	30,900	30,900
Annual allowance for ICT expenses		3,500	3,500	3,500
		34,400	34,400	34,400
<b>Elected member Brett Wormall</b>				
Meeting attendance fees		21,820	21,820	0
Annual allowance for ICT expenses		2,472	2,472	0
Travel and accommodation expenses		1,700	0	0
		25,992	24,292	0
Elected member Lorna Buchan				
Meeting attendance fees		30,900	30,900	30,900
Annual allowance for ICT expenses		3,500	3,500	3,500
Travel and accommodation expenses		2,302	0	2,955
		36,702	34,400	37,355
<b>Elected member Robert Schmidt</b>				
Meeting attendance fees		21,820	21,884	0
Annual allowance for ICT expenses		2,472	2,479	0
Travel and accommodation expenses		1,259	0	0
		25,551	24,363	0



For the year ended 30 June 2022.

# 22. Related Party Transactions (continued)

## (a) Elected Member Remuneration (continued)

		2022	2022 Budget	2021
	Note	Actual \$	Budget \$	Actual \$
Elected member Craig Buchanan		·	·	·
Meeting attendance fees		30,900	30,900	30,900
Annual allowance for ICT expenses		3,500	3,500	3,500
Travel and accommodation expenses		494	0	409
		34,894	34,400	34,809
Elected member Rae Cottam				
Meeting attendance fees		30,900	30,900	30,900
Annual allowance for ICT expenses		3,500	3,500	3,500
Travel and accommodation expenses		494	0	409
		34,894	34,400	34,809
Elected member Mark Jones				
Meeting attendance fees		30,900	30,900	30,900
Other expenses		0	0	205
Annual allowance for ICT expenses		3,500	3,500	3,500
Travel and accommodation expenses		377	0	749
		34,777	34,400	35,354
Elected member Leigh Liley				
Meeting attendance fees		30,900	30,900	30,900
Annual allowance for ICT expenses		3,500	3,500	3,500
		34,400	34,400	34,400
<b>Elected member Caroline Hume</b>				
Meeting attendance fees		22,542	30,900	0
Annual allowance for ICT expenses		1,750	3,500	0
		24,292	34,400	0
Elected member Dawn Jecks				
Meeting attendance fees		22,542	30,900	0
Annual allowance for ICT expenses		1,750	3,500	0
Travel and accommodation expenses	_	438	0	0
		24,731	34,400	0

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Elected member Mayor Barry Sammels (retired 16 October 20</b>	21)		
Mayor's annual allowance	25,725	0	87,550
Meeting attendance fees	13,619	0	46,350
Annual allowance for ICT expenses	1,028	0	3,500
Travel and accommodation expenses	1,041	0	3,481
	41,414	0	140,881
Elected member Joy Stewart (retired 16 October 2021)			
Meeting attendance fees	9,080	0	30,900
Annual allowance for ICT expenses	1,028	0	3,500
Travel and accommodation expenses	167	0	509
	10,275	0	34,909
Elected member Matthew Whitfield (resigned 31 March 2021)	)		
Meeting attendance fees	0	0	23,175
Annual allowance for ICT expenses	0	0	2,625
	0	0	25,800
	529,512	517,543	506,369

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

		2022 Actual	2022 Budget	2021 Actual
	Note	\$	\$	\$
Mayor's annual allowance		87,550	87,550	87,550
Deputy Mayor's annual allowance		21,333	21,888	21,888
Meeting attendance fees		369,687	368,154	347,625
Other expenses		0	0	205
Annual allowance for ICT expenses		38,500	39,951	37,625
Travel and accommodation expenses		12,442	0	11,476
	22(b)	529,512	517,543	506,369



For the year ended 30 June 2022.

## 22. Related Party Transactions (continued)

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

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

	Note	2022 Actual S	2021 Actual
Short-term employee benefits	Hote	5,938,869	6,147,239
Post-employment benefits		783,784	716,768
Employee - other long-term benefits		138,636	108,343
Employee - termination benefits		48,896	47,413
Council member costs	22(a)	529,512	506,369
		7,439,698	7,526,132

## Short-term employee benefits

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

### Post-employment benefits

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

## Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

### Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

### Council member costs

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

# (c) 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.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

		2022	2021
		Actual	Actual
	Note	\$	\$
Purchase of goods and services		7,544,853	2,141,872

## (d) 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 council member, are considered key management personnel.
- ii. Other Related Parties Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the City.
- 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.



For the year ended 30 June 2022.

## 23. Joint Arrangements

## **Share of joint operations**

The Council 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:

	2022 Actual \$	2021 Actual \$
Statement of Financial Position		
Amount of Interest	66,992	55,473
Cost/Project Sharing Ratio	23.66%	23.86%
Total assets	0	0
Share in Equity of The South West Group	66,992	55,473
Total equity	66,992	55,473
Statement of Cash Flows		
Net cash provided by (used in) operating activities	0	0

The interest amount consists of unspent monies at the end of the year. The movement of the interest value during the year is \$11,519 which has been recognised in the statement of comprehensive income.

## **Significant Accounting Policies**

## Joint operations

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

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

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

The 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 have approved the overall risk management policy and provide policies on specific areas such as investment policy.



For the year ended 30 June 2022.

## 24. Financial Risk Management (continued)

## (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. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the 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 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2022					
Cash and cash equivalents	0.85%	109,731,332	0	109,731,332	0
2021					
Cash and cash equivalents	0.50%	45,903,393	7,352,741	38,550,652	0
Financial assets at amortised cost - term deposits	0.75%	18,058,069	18,058,069	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.

	2022 \$	2021 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	1,097,313	385,507

<sup>\*</sup> 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 30(a).

## (b) Credit risk

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

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

	Total
30 June 2022	
Rates receivable	
Expected credit loss	
Gross carrying amount	6,461,393
Loss allowance	(62,345)
30 June 2021	
Rates receivable	
Expected credit loss	
Gross carrying amount	7,144,212
Loss allowance	(62,345)



For the year ended 30 June 2022.

## 24. Financial Risk Management (continued)

## (b) Credit risk (continued)

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2022					
Trade and other receivables					
Expected credit loss	0.01%	0.05%	0.09%	0.30%	0.07%
Gross carrying amount	3,849,805	365,245	70,905	1,163,987	5,449,941
Loss allowance	(35,952)	(18,471)	(6,296)	(344,929)	(405,648)
30 June 2021					
Trade and other receivables					
Expected credit loss	0.01%	0.03%	0.03%	0.37%	0.16%
Gross carrying amount	1,915,717	186,756	210,000	1,551,696	3,864,169
Loss allowance	(15,341)	(6,183)	(5,478)	(580,996)	(607,998)

The loss allowances for trade receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

		Rates receivable	Trade and	other receivables
	2022 Actual	2021 Actual	2022 Actual	2021 Actual
	\$	\$	\$	\$
Opening loss allowance as at 1 July	62,345	62,345	607,998	443,525
Unused amount reversed	0	0	(202,350)	164,473
Closing loss allowance at 30 June	62,345	62,345	405,648	607,998

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the City, and a failure to make contractual payments for a period of greater than 120 days past due.

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

### **Contract Assets**

The City's contract assets represent work completed, which have not been invoiced at year end. This is due to the City not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The City applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The City has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Contract assets amounted to \$1,143,133 at 30 June 2022 (2021 - \$807,418).



For the year ended 30 June 2022.

## 24. 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 19(c).

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 \$
2022					
Trade and other payables	24,205,979	0	0	24,205,979	24,205,979
Borrowings	1,670,701	5,504,848	900,945	8,076,494	6,627,393
Lease liabilities	1	1	0	2	2
Contract liabilities	5,555,067	0	0	5,555,067	5,555,067
•	31,431,748	5,504,849	900,945	37,837,542	36,388,441
2021					
Trade and other payables	27,240,527	0	0	27,240,527	27,240,527
Borrowings	1,750,474	6,042,824	2,033,671	9,826,969	7,844,901
Lease liabilities	226,872	378,120	0	604,992	604,992
Contract liabilities	4,456,814	0	0	4,456,814	4,456,814
	33,674,687	6,420,944	2,033,671	42,129,302	40,147,234

## 25. Events Occurring After the End of the Reporting Period

On 4 August 2022, subsequent to the reporting date but prior to the authorisation of the annual financial report, the City completed the sale of Bert England lodge for a total sales price of \$6,799,288. This resulted in an estimated net gain on non-current assets held for sale of \$3,155,256 to be reported in the Statement of Comprehensive Income for the year ending 30 June 2023.

## 26. Other Significant Accounting Policies

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

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

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

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

## (b) Current and non-current classification

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

## (c) Rounding off figures

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

## (d) Comparative figures

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

When the 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.

## (e) Budget comparative figures

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

### (f) Superannuation

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

For the year ended 30 June 2022.

## 26. Other Significant Accounting Policies (continued)

## (g) 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.

## (h) Interest earnings

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

## (i) Fair value hierarchy

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

### Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

### Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

### Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

## Valuation techniques

The 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.



For the year ended 30 June 2022.

## 26. Other Significant Accounting Policies (continued)

# (i) 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 regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

## (k) Initial application of accounting standards

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

# New accounting standards for application in future years

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

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

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

# 27. Function and Activity

# (a) Service objectives and descriptions

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

Objective	Description
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	Sanitation 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.



For the year ended 30 June 2022.

# 27. Function and Activity (continued)

## (b) Income and expenses

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Income excluding grants, subsidies and contributions			
Governance	550,497	340,782	366,456
General purpose funding	97,248,060	97,595,318	93,352,445
Law, order, public safety	1,604,674	1,192,965	1,986,449
Health	306,002	234,498	326,835
Education and welfare	1,227,323	320,100	357,671
Housing	(860,074)	2,635,100	0
Community amenities	33,183,320	42,024,465	32,545,084
Recreation and culture	7,708,129	6,873,058	6,898,975
Transport	388,691	215,000	430,520
Economic services	1,234,547	700,000	1,210,576
Other property and services	1,310,356	419,374	827,063
	143,901,525	152,550,660	138,302,074
Grants, subsidies and contributions			
Governance	73,301	1,169	5,678
General purpose funding	10,857,848	5,129,000	5,418,265
Law, order, public safety	221,814	360,208	504,667
Health	5,616	6,500	5,896
Education and welfare	292,293	208,995	1,256,076
Housing	0	0	180
Community amenities	1,124,821	2,482,852	1,687,999
Recreation and culture	13,838,414	9,840,000	5,932,092
Transport	20,974,111	7,576,957	15,614,954
Economic services	5,788	4,000	3,549
Other property and services	266,648	309,860	246,326
	47,660,654	25,919,541	30,675,682
Total Income	191,562,179	178,470,201	168,977,756

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Expenses			
Governance	(10,242,135)	(10,492,666)	(7,708,344)
General purpose funding	(588,362)	(765,000)	(584,091)
Law, order, public safety	(7,398,850)	(8,202,231)	(7,335,246)
Health	(2,566,020)	(2,726,835)	(2,540,736)
Education and welfare	(6,273,819)	(8,154,570)	(6,212,163)
Housing	(356,486)	(3,873,160)	0
Community amenities	(35,166,852)	(49,958,366)	(36,030,607)
Recreation and culture	(60,580,263)	(62,603,884)	(55,112,331)
Transport	(41,417,230)	(43,699,590)	(37,389,601)
Economic services	(3,293,986)	(3,782,946)	(2,911,458)
Other property and services	(2,164,584)	(1,574,696)	(1,134,114)
Total expenses	(170,048,587)	(195,833,944)	(156,958,691)
Net result from discontinued operations	(9,585,464)	(166,914)	(250,662)
Net result for the period	11,928,128	(17,530,657)	11,768,403



For the year ended 30 June 2022.

# 27. Function and Activity (continued)

## (c) Fees and Charges

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Governance	493,232	329,632	323,636
General purpose funding	520,016	283,000	356,612
Law, order, public safety	1,546,881	1,085,750	1,863,139
Health	290,480	201,540	276,391
Education and welfare	310,049	320,100	281,727
Housing	0	455,100	459,719
Community amenities	32,362,163	30,550,500	31,280,582
Recreation and culture	7,271,455	6,632,001	6,409,200
Transport	372,520	215,000	332,936
Economic services	1,205,406	686,500	1,181,999
	44,372,202	40,759,123	42,765,941

## (d) Total Assets

	2022 \$	2021 \$
Governance	15,439,076	22,899,475
Law, order, public safety	6,392,526	7,487,121
Health	1,411,490	1,345,652
Education and welfare	17,194,149	25,788,095
Housing	16,758,508	12,606,915
Community amenities	79,905,981	29,330,066
Recreation and culture	186,111,657	280,427,179
Transport	776,965,442	1,684,290,057
Economic services	9,284,443	4,704,970
Other property and services	112,918,780	37,113,464
Unallocated	121,648,811	156,543,831
	1,344,030,863	2,262,536,825





For the year ended 30 June 2022.

## 28. Rating Information

# (a) General Rates

RATE TYPE Rate Description	Basis of valuation	Rate in \$	Number of Properties	2021/22 Actual Rateable Value * \$	2021/22 Actual Rate Revenue \$	
Residential	Gross rental valuation	8.624	33,919	707,426,076	62,151,281	
Non-Residential	Gross rental valuation	9.447	687	52,507,772	4,960,410	
Unimproved Properties	Unimproved valuation	0.1051	152	337,510,000	349,510	
Sub-Total			34,758	1,097,443,848	67,461,201	

Minimum payment	Basis of valuation	Minimum \$	Number of Properties	2021/22 Actual Rateable Value * \$	2021/22 Actual Rate Revenue \$	
Residential	Gross rental valuation	1,218	21,766	252,986,619	26,510,988	
Non-Residential	Gross rental valuation	1,218	232	1,837,769	282,576	
Unimproved Properties	Unimproved valuation	630	134	52,232,758	84,420	
Sub-Total			22,132	307,057,146	26,877,984	
			22,132	307,057,146	26,877,984	

Written off (Note 28b)

Total amount raised from general rates

### (b) Total Rates

**Total Rates** 

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 *Income for not-for-profit entities*.

<sup>\*</sup> Rateable value is based on the value of properties at the time the rate is raised.

2021/22 Actual Interim Rates \$	2021/22 Actual Back Rates \$	2021/22 Actual Total Revenue \$	2021/22 Budget Rate Revenue \$	2021/22 Budget Back Rate \$	2021/22 Budget Back Rate \$	2021/22 Budget Total Revenue \$	2020/21 Actual Total Revenue \$
407,920	0	62,559,201	48,983,202	402,600	0	49,385,802	48,291,824
206,427	0	5,166,837	18,062,530	152,100	0	18,214,630	17,758,435
(14,519)	0	334,991	349,510	0	0	349,510	353,235
599,828	0	68,061,029	67,395,242	554,700	0	67,949,942	66,403,494
2021/22 Actual Interim Rates \$	2021/22 Actual Back Rates \$	2021/22 Actual Total Revenue \$	2021/22 Budget Rate Revenue \$	2021/22 Budget Back Rate \$	2021/22 Budget Back Rate \$	2021/22 Budget Total Revenue \$	2020/21 Actual Total Revenue \$
0	0	26,510,988	26,459,832	0	0	26,459,832	25,695,600
0	0	282,576	325,206	0	0	325,206	319,200
0	0	84,420	84,420	0	0	84,420	82,500
0	0	26,877,984	26,869,458	0	0	26,869,458	26,097,300
599,828	0	94,939,013	94,264,700	554,700	0	94,819,400	92,500,794
		(37,956)					(846,773)
		94,901,057				94,819,400	91,654,021

94,901,057 94,819,400 91,654,021



For the year ended 30 June 2022.

# 28. Rating Information (continued)

(b) Discounts, Incentives, Concessions and Write-offs

## **Rates Discounts**

Rate or Fee Discount Granted	Discount %	Discount \$	2022 Actual \$	2022 Budget \$	2021 Actual \$	Circumstances in which Discount is Granted
Rates written off	N/A		37,956	11,000	11,452	Small balances of
			37,956	11,000	11,452	unclaimed interest.

## **Waivers or Concessions**

Rate or Fee and Charge to which the Waiver or Concession is Granted	Waiver/ Concession	Discount %	Discount \$	2022 Actual \$	2022 Budget \$	2021 Actual \$
GRV - Residential Rates	Concession	N/A	0	0	0	835,321
				0	0	835,321
Total discounts/concession	ons (Note 28)		_	37,956	11,000	846,773

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Reasons for the Waiver or Concession
GRV - Residential Rates	That Council applies a concession on properties rated on the Gross Rental Value – Residential differential general rate, where the 2020/2021 rates are more than would have applied on 30 June 2020 based on the 2019/2020 Gross Rental Value – Residential differential general rate, to the value of the calculated rates increase.	The City committed to a rates freeze for 2020/2021 due to the COVID-19 pandemic. The concession is to ensure that residential properties are not charged more rates than they would have paid in 2019/2020.

# (c) Interest Charges and Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One		_		
Single full payment	20-Aug-21	Free	5.50%	7.00%
Option Two				
First instalment	20-Aug-21	4.0	5.50%	7.00%
Second instalment	20-Dec-21	4.0	5.50%	7.00%
Option Three				
First instalment	20-Aug-21	Free	5.50%	7.00%
Second instalment	20-Oct-21	4.0	5.50%	7.00%
Third instalment	20-Dec-21	4.0	5.50%	7.00%
Fourth instalment	21-Feb-22	4.0	5.50%	7.00%

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Interest on unpaid rates	334,019	455,000	189,168
Interest on instalment plan	586,786	590,000	0
Unpaid ESL interest earned	33,765	35,000	0
	954,570	1,080,000	189,168



For the year ended 30 June 2022.

# 29. Rate Setting Statement Information

(a) Non-cash amounts excluded from operating activities

	Note
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .	
Adjustments to operating activities	
Less: Profit on asset disposals	10(b)
Less: Profit on asset disposals - discontinued operations	0
Less: Fair value adjustments to financial assets at fair value through profit and loss	
Less: Share of net profit of associates and joint ventures accounted for using the equity method	
Add: Loss on disposal of assets	10(b)
Add: Loss on disposal of assets- discontinued operations	0
Add: Depreciation	10(a)
Non-cash movements in non-current assets and liabilities:	
Pensioner deferred rates	
Employee benefit provisions	
Other provisions	
Contract liabilities	
Impairment of assets	
Purchase/Construction of non cash assets	
Provision for landfill	
Non-cash amounts excluded from operating activities	
Infrastructure received for substantially less than fair value	9(a)
Movement in current unspent non-operating grants associated with restricted cash	
Non-cash amounts excluded from investing activities	
Less: Reserve accounts	31
Less: Financial assets at amortised cost - self supporting loans	4(a)
- Land held for resale	6
- Current portion of borrowings	15
- Current portion of contract liability	
- Current portion of lease liabilities	11(b)
- Employee benefit provisions	
- Capital grant liabilities	
- Other current liabilities	

### **Net current assets used in the Rate Setting Statement**

Total current assets

Less: Total current liabilities

Less: Total adjustments to net current assets

**Net current assets used in the Rate Setting Statement** 

2021/22 (30 June 2022 Carried Forward) \$	2021/22 Budget (30 June 2022 Carried Forward) \$	2021/22 (1 July 2021 Brought Forward) \$	2020/21 (30 June 2021 Carried Forward) \$
(496,111)	(2,619,286)	(172,867)	(172,867)
(860,074)	(2,019,200)	(172,007)	(172,007)
(6,995)	0	(4,525)	(4,525)
(11,519)	0	19,392	19,392
6,380,061	4,387,950	495,413	495,413
8,674,421	, ,	,	,
40,652,757	44,506,032	40,276,020	40,276,020
(21,141)	0	(103,263)	(103,263)
101,093	605,307	1,144,504	1,144,504
227,077	0	(324,588)	(324,588)
0	4,758,773	0	0
0	0	0	991,505
(19,284,341)	0	0	(11,227,292)
227,077	0	0	268,259
35,582,305	51,638,776	41,330,086	31,362,558
19,284,341		11,227,292	11,227,292
(2,099,500)	0	0	0
17,184,841	(45,005,000)	11,227,292	11,227,292
(45,844,391)	(45,035,800)	(48,587,419)	(48,587,419)
(8,735)	0	(8,231)	(8,231)
1 222 070	1 217 500	(4,841,373)	(4,841,373)
1,222,879	1,217,508 0	1,217,508 4,456,814	1,217,508 4,456,814
0	178,334	226,872	226,872
9,149,266	170,334	9,401,667	9,401,667
4,342,789	0	6,446,789	6,446,789
335,325	4,080,230	0,440,709	0,440,709
(30,802,866)	(39,559,728)	(31,687,373)	(31,687,373)
(00,002,000)	(05,005,520)	(0.,007,070)	(0.,007,070)
129,388,703	69,583,966	133,109,161	133,109,161
(45,979,006)	(28,219,148)	(48,768,292)	(48,768,292)
(30,802,866)	(39,559,728)	(31,687,373)	(31,687,373)
52,606,830	1,805,090	52,653,496	52,653,496



For the year ended 30 June 2022.

## 30. Borrowing and Lease Liabilities

## (a) Borrowings

		Ac	ctual		
Purpose	Note	Principal at 1 July 2020 \$	New Loans During 2020-21 \$	Principal and Interest Repayments During 2020-21 \$	
Loan No. 263 - Dog Pound		461,000	0	(44,006)	
Loan No. 242 - Rockingham Bowling Club		25,554	0	(16,766)	
Loan No. 244J - Warnbro Recreation Centre		319,356	0	(121,091)	
Loan No. 245 (1) - Waterfront Village		183,497	0	(32,561)	
Loan No. 245 (2) - Waterfront Village		185,334	0	(32,765)	
Loan No. 245 (3) - Waterfront Village		187,580	0	(33,012)	
Loan No. 245 (4) - Waterfront Village		184,011	0	(32,618)	
Loan No. 252 (1) - Larkhill Development		183,497	0	(32,561)	
Loan No. 252 (2) - Larkhill Development		278,002	0	(49,148)	
Loan No. 252 (3) - Larkhill Development		187,581	0	(33,012)	
Loan No. 264 (1) - Larkhill Regional Sporting Complex		368,015	0	(65,234)	
Loan No. 270B - Larkhill Development		219,483	0	(31,086)	
Loan No. 274 - Larkhill Development		1,271,123	0	(146,937)	
Loan No. 275 - Larkhill Development		1,440,630	0	(137,516)	
Loan No. 276 - Larkhill Development		3,457,508	0	(330,041)	
Loan - Baldivis District Sporting Complex Stage 1		0	0	0	
Loan - Baldivis Indoor Recreation Centre		0	0	0	
Loan - Koorana Reserve	_	0	0	0	
Total		8,952,171	0	(1,138,354)	
Self Supporting Loans					
Loan No. 212 (1) - R'ham Entertainers		38,839	0	(7,755)	
Total Self Supporting Loans		38,839	0	(7,755)	
Total Borrowings	15	8,991,010	0	(1,146,109)	

There were no new borrowings in the year ending 30 June 2022.

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

	Act	ual		Budget			
Principal at 30 June 2021 \$	New Loans During 2021-22 \$	Principal Repayments During 2021-22 \$	Principal at 30 June 2022 \$	Principal at 1 July 2021 \$	New Loans During 2021-22 \$	Principal Repayments During 2021-22 \$	Principal at 30 June 2022 \$
416,994	0	(47,341)	369,653	416,994	0	(47,341)	369,653
8,788	0	(8,788)	0	8,788	0	(8,787)	1
198,265	0	(129,854)	68,411	198,265	0	(129,854)	68,411
150,936	0	(34,510)	116,426	150,937	0	(34,510)	116,427
152,569	0	(34,787)	117,782	152,569	0	(34,787)	117,782
154,568	0	(35,125)	119,443	154,568	0	(35,125)	119,443
151,393	0	(34,587)	116,806	151,394	0	(34,587)	116,807
150,936	0	(34,510)	116,426	150,937	0	(34,510)	116,427
228,854	0	(52,181)	176,673	228,855	0	(52,181)	176,674
154,569	0	(35,125)	119,444	154,569	0	(35,125)	119,444
302,781	0	(69,174)	233,607	302,780	0	(69,174)	233,606
188,397	0	(33,101)	155,296	188,397	0	(33,101)	155,296
1,124,186	0	(157,204)	966,982	1,124,187	0	(157,204)	966,983
1,303,114	0	(147,939)	1,155,175	1,303,112	0	(147,939)	1,155,173
3,127,467	0	(355,052)	2,772,415	3,127,467	0	(355,052)	2,772,415
0	0		0	0	10,000,000	0	10,000,000
0	0		0	0	7,000,000	0	7,000,000
0	0		0	0	3,500,000	0	3,500,000
7,813,817	0	(1,209,278)	6,604,539	7,813,819	20,500,000	(1,209,277)	27,104,542
31,084	0	(8,230)	22,854	31,084	0	(8,231)	22,853
31,084	0	(8,230)	22,854	31,084	0	(8,231)	22,853
7,844,901	0	(1,217,508)	6,627,393	7,844,903	20,500,000	(1,217,508)	27,127,395



For the year ended 30 June 2022.

# 30. Borrowing and Lease Liabilities (continued)

# (a) Borrowings (continued)

Purpose	Note	Institution
Loan No. 263 - Dog Pound		WATC
Loan No. 242 - Rockingham Bowling Club		WATC
Loan No. 244J - Warnbro Recreation Centre		WATC
Loan No. 245 (1) - Waterfront Village		WATC
Loan No. 245 (2) - Waterfront Village		WATC
Loan No. 245 (3) - Waterfront Village		WATC
Loan No. 245 (4) - Waterfront Village		WATC
Loan No. 252 (1) - Larkhill Development		WATC
Loan No. 252 (2) - Larkhill Development		WATC
Loan No. 252 (3) - Larkhill Development		WATC
Loan No. 264 (1) - Larkhill Regional Sporting Complex		WATC
Loan No. 270B - Larkhill Development		WATC
Loan No. 274 - Larkhill Development		WATC
Loan No. 275 - Larkhill Development		WATC
Loan No. 276 - Larkhill Development		WATC
Total		
Self Supporting Loans Interest Repayments		
Loan No. 212 (1) - R'ham Entertainers		WATC
Total Self Supporting Loans Interest Repayments		

# (b) Lease Liabilities

**Total Interest Repayments** 

	Actual						
Purpose	Note	Principal at 1 July 2020 \$	New Leases During 2020-21 \$	Principal Repayments During 2020-21 \$			
Library Lease		831,864	0	(226,872)			
<b>Total Lease Liabilities</b>	11(b)	831,864	0	(226,872)			

2(b)

	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021
Interest Rate	\$	\$	\$
7.44%	(30,016)	(30,160)	(33,361)
6.30%	(141)	(277)	(1,090)
7.01%	(10,941)	(11,662)	(19,629)
5.90%	(7,521)	(8,404)	(9,516)
6.08%	(8,095)	(8,755)	(10,155)
6.30%	(8,667)	(9,193)	(10,811)
5.95%	(8,171)	(8,501)	(10,159)
5.90%	(7,521)	(8,404)	(9,516)
6.08%	(12,142)	(13,133)	(15,233)
6.30%	(8,667)	(9,193)	(10,811)
5.95%	(16,342)	(17,002)	(20,319)
6.38%	(11,483)	(11,500)	(13,499)
6.87%	(74,104)	(74,577)	(84,404)
7.44%	(93,798)	(94,250)	(104,252)
7.44%	(225,117)	(226,200)	(250,207)
	(522,726)	(531,211)	(602,962)
6.04%	(1,574)	(1,755)	(2,058)
	(1,574)	(1,755)	(2,058)
<del>-</del>	(524,300)	(532,966)	(605,020)

Actual				Bud	lget		
Principal at 30 June 2021 \$	New Leases During 2021-22 \$	Derecognition of right of use liability \$	Principal at 30 June 2022 \$	Principal at 1 July 2021 \$	New Leases During 2021-22 \$	Principal Repayments During 2021-22 \$	Principal at 30 June 2022 \$
604,992		(604,990)	2	586,086	0	(178,334)	407,752
604,992	0	(604,990)	2	586,086	0	(178,334)	407,752



For the year ended 30 June 2022.

### 31. Reserve Accounts

## (a) Borrowings

		2022 Actual			
		Opening Balance \$	Transfer (to) \$	Transfer (from) \$	Closing Balance \$
Res	tricted by legislation/agreement				
(a)	Developer Contribution Scheme	4,042,847	1,835,641	(4,406,716)	1,471,772
(b)	Public Carpark - Cash in Lieu Contributions	2,403,942	11,277	0	2,415,219
(c)	City Centre Carpark - Cash in Lieu	265,013	1,243	0	266,256
(d)	Anstey Park Shared Costs	1,276,430	5,988	0	1,282,418
		7,988,232	1,854,149	(4,406,716)	5,435,665
Res	tricted by council				
(e)	Town Planning Scheme Review	0	0	0	0
(f)	Waste and Landfill Preservation	18,334,224	86,003	0	18,420,227
(g)	CLAG - Peel Mosquito Control	24,672	116	0	24,788
(h)	Administration and Community Building	1,054,421	4,946	0	1,059,367
(i)	City Centre Development	2,799,544	13,132	0	2,812,676
(j)	Workers Compensation	791,776	3,714	0	795,490
(k)	Legal Fees	996,211	4,673	(100,000)	900,884
(l)	Strategic Master Planning	0	0	0	0
(m)	Active Aging Development	194,488	912	0	195,400
(n)	Bert England Lodge Capital Works	3,494,504	16,392	0	3,510,896
(o)	Capital Works	6,117,191	28,695	0	6,145,886
(p)	Employee Leave	6,121,361	28,714	0	6,150,075
(q)	Challenger Court	216,326	580,627	(796,953)	0
(r)	Life Long Learning	454,469	2,068	(63,500)	393,037
		40,599,187	769,992	(960,453)	40,408,726
		48,587,419	2,624,141	(5,367,169)	45,844,391

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

2022 Budget			2021 Actual				
Opening Balance \$	Transfer (to) \$	Transfer (from) \$	Closing Balance \$	Opening Balance \$	Transfer (to) \$	Transfer (from) \$	Closing Balance \$
3,705,974	1,600,611	(2,780,862)	2,525,723	4,333,162	1,743,722	(2,034,037)	4,042,847
2,399,445	17,505	0	2,416,950	2,382,305	21,637	0	2,403,942
264,518	1,930	0	266,448	262,628	2,385	0	265,013
1,274,042	9,295	0	1,283,337	1,264,941	11,489		1,276,430
7,643,979	1,629,341	(2,780,862)	6,492,458	8,243,036	1,779,233	(2,034,037)	7,988,232
0	0	0	0	453,434	2,144	(455,578)	0
18,299,924	133,503	0	18,433,427	18,169,203	165,021	0	18,334,224
24,626	180	0	24,806	24,450	222	0	24,672
872,511	6,365	(879,084)	(208)	1,137,202	9,927	(92,708)	1,054,421
2,794,306	20,385	0	2,814,691	2,774,346	25,198	0	2,799,544
790,294	5,765	0	796,059	784,649	7,127	0	791,776
994,347	7,254	0	1,001,601	987,244	8,967	0	996,211
0	0	0	0	687,854	3,252	(691,106)	0
194,124	1,416	0	195,540	192,737	1,751	0	194,488
3,487,966	2,639,757	0	6,127,723	3,463,051	31,453	0	3,494,504
6,105,744	44,543	(3,728,254)	2,422,033	4,920,843	1,196,348	0	6,117,191
6,109,909	44,574	0	6,154,483	6,066,264	55,097	0	6,121,361
215,921	1,575	0	217,496	214,379	1,947	0	216,326
442,463	3,228	(90,000)	355,691	528,659	4,310	(78,500)	454,469
40,332,135	2,908,545	(4,697,338)	38,543,342	40,404,315	1,512,764	(1,317,892)	40,599,187
47,976,114	4,537,886	(7,478,200)	45,035,800	48,647,351	3,291,997	(3,351,929)	48,587,419



For the year ended 30 June 2022.

## 31. Reserve Accounts (continued)

## (a) Borrowings (continued)

In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Nam	ne of Reserve	Purpose of the reserve
(a)	Developer Contribution Scheme	to be used to fund Capital Works and Administration of Scheme.
(b)	Public Carpark - Cash in Lieu Contributions	to be used to fund the provision of public car parking facilities.
(c)	City Centre Carpark - Cash in Lieu	to be used to fund the provision of public car parking facilities.
(d)	Anstey Park Shared Costs	
(e)	Town Planning Scheme Review	these funds are no longer required to fund the preparation of town planning schemes and were transferred to the Capital Works Reserve.
(f)	Waste and Landfill Preservation	to be used to fund expenditure associated with providing a refuse disposal service.
(g)	CLAG - Peel Mosquito Control	to be used to fund the controlling of mosquitoes through the Peel Mosquito Management Group.
(h)	Administration and Community Building	to be used to fund capital expenditure on administration and community buildings.
(i)	City Centre Development	to be used to fund the development of the City Centre.
(j)	Workers Compensation	to be used to fund expenditure associated with workers compensation premiums.
(k)	Legal Fees	to be used to receive developers funds in advance to meet future project costs.
(I)	Strategic Master Planning	to be used to fund expenditure incurred by the City on legal fees.
(m)	Active Aging Development	these funds are no longer required to fund strategic planning expenses and will be transferred to the Capital Works Reserve.
(n)	Bert England Lodge Capital Works	to be used to fund expenditure on active aging programs and initiatives.
(0)	Capital Works	to be used to fund capital expenditure at Bert England Lodge. This will be transferred upon disposal of the facility.
(p)	Employee Leave	to be used to fund capital works and COVID-19 stimulus projects.
(q)	Challenger Court	to be used to fund employee leave entitlements.
(r)	Life Long Learning	to meet future capital expenditure.

## 32. Trust Funds

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

	1 July 2021 \$	Amounts Received \$	Amounts Paid \$	30 June 2022 \$
Cash in Lieu POS Contributions	919,815	3,784	0	923,599
Lease Agreement Bond Deposit	10,000	0	0	10,000
	929,815	3,784	0	933,599

# 33. Major Land Transactions

There were no major land transactions during the year 2022. (2021-NIL).



For the year ended 30 June 2022.

# 34. Major Trading Undertakings

The Millar Road Landfill Facility based at Lot 2170 Millar Road West in Baldivis 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.

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Operating			
Operating Revenue			
Landfill Operations	16,585,243	16,323,783	16,323,783
Transfer Station	4,172,888	4,009,051	4,009,051
Recycling Operations	661,437	455,153	455,153
	21,419,568	20,787,986	20,787,986
Operating Expenditure			
Landfill Operations	(14,500,698)	(13,372,696)	(13,372,696)
Transfer Station	(1,384,425)	(1,717,337)	(1,717,337)
Recycling Operations	(518,495)	(503,497)	(503,497)
	(16,403,618)	(15,593,530)	(15,593,530)
Net Operating Result	5,015,950	5,194,457	5,194,457
Non Operating			
Non Operating Revenue			
Landfill Operations	349,335	80,421	80,421
Transfer Station	0	0	0
Recycling Operations	0	0	0
, , ,	349,335	80,421	80,421
Non Operating Expenditure			
Landfill Operations	(491,880)	(440,355)	(440,355)
Transfer Station	0	0	0
Recycling Operations	0	0	0
	(491,880)	(440,355)	(440,355)
Net Capital Movement	(142,545)	(359,934)	(359,934)
Net Overall Result	4,873,405	4,834,523	4,834,523

## 35. Aged Care Reporting Note

## (a) Bert England Lodge

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 the aged care facility and it is expected that this sale will conclude within the next 12 months. This has been disclosed as held for sale/disposal group at 30 June 2021.

	2022 \$	2021 \$
Revenue		
Other Revenue	4,166,596	3,529,488
Operating Expenditure		
Other Expenses	(9,896)	(8,139)
Building Maintenance	(9,270)	(1,279)
Operating Expenses	(16,755)	(18,253)
Salaries	(10,201)	(9,967)
Utility Charges	(103,441)	(92,512)
Contractor Expense	(3,735,310)	(2,726,015)
Consultancy Costs	(614,423)	(466,163)
Minor Capital Expenditure	(109,447)	(20,691)
Property Expense	(211,069)	(192,077)
Food Expense	(160,499)	(153,910)
Advertising Costs	(886)	(13,881)
Training Costs	-	(2,300)
Stationery	(19,251)	(5,906)
Transport	(350)	(366)
Residential Care Expense	(177,115)	(127,792)
Interest Expenses	149	(6,360)
Total Operating Expenditure	(5,177,764)	(3,845,611)
Non Cash Expenditure		
Depreciation- Building and Fixed Equipment	0	0
Depreciation- Furniture and Equipment	0	0
Profit/Loss on Sale of Assets	0	0
Total Non Cash Expenditure	0	0
Operating Result	(1,011,168)	(316,123)
Total Assets	4,242,515	9,325,545
Total Liabilities	4,150,835	4,605,726
Net Assets	91,680	4,719,819

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.



For the year ended 30 June 2022.

## 35. Aged Care Reporting Note

## (b) Challenger Precinct

This note discloses the revenue, expenditure, assets and liabilities of the Challenger Facilities in accordance with paragraph 63-1 (1)m of the *Aged Care Act 1997*. The City completed the disposal of this aged care facility on 20 May 2022 for \$10 which resulted in a net loss on disposal of \$3,674,421 (note 10).

	2022 \$	2021 \$
Revenue		·
Other Revenue	418,815	459,899
Operating Expenditure		
Other Expenses	(59,226)	(63,791)
Building Maintenance	(182,948)	(111,543)
Surrounds Maintenance	(3,265)	(13,520)
Consultancy Costs	(906,484)	0
Minor Expenditure	(136)	(436)
Telephone	(1,608)	(2,050)
Salaries	(25,097)	(12,547)
Total Operating Expenditure		
Total Operating Expenditure	(1,178,764)	(203,887)
Non Cash Expenditure		
Depreciation - Buildings and Fixed Equipment	0	(113,443)
Depreciation - Buildings and Fixed Equipment	0	(77,108)
Total Non Cash Expenditure	0	(190,551)
Operating Result	(759,949)	65,461
Total Assets	0	8,997,591
Total Liabilities	0	0
Net Assets	0	8,997,591

Revenues and expenses are those directly attributable to Challenger Court and include any joint revenue and expenses where a reasonable basis of allocation exists. Assets include all assets used by Challenger Court and consist principally of receivables and inventory.



# **Independent Auditor's Report**

For the year ended 30 June 2022.



# INDEPENDENT AUDITOR'S REPORT 2022 City of Rockingham

#### To the Councillors of the City of Rockingham

#### **Opinion**

I have audited the financial report of the City of Rockingham (City) which comprises:

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

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the City for the year ended 30 June 2022 and its financial position at the end of that period
- in accordance with the Local Government Act 1995 (the Act) and, to the extent that they
  are not inconsistent with the Act, Australian Accounting Standards.

#### **Basis for opinion**

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

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

### **Emphasis of matter – Infrastructure Assets Revaluation**

I draw attention to Note 18 of the financial report which explains the basis for the significant infrastructure assets revaluation decrement in the year ended 30 June 2022. My opinion is not modified in respect of this matter.

### Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial report and my auditor's report.

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

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In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

### Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer of the City is responsible for:

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

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

- · assessing the City's ability to continue as a going concern
- · disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the City.

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

### Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at <a href="https://www.auasb.gov.au/auditors">https://www.auasb.gov.au/auditors</a> responsibilities/ar4.pdf.

### My independence and quality control relating to the report on the financial report

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

# **Independent Auditor's Report**

For the year ended 30 June 2022.

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

This auditor's report relates to the financial report of the City of Rockingham for the year ended 30 June 2022 included in the annual report on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the City to confirm the information contained in the website version.

Grant Robinson Assistant Auditor General Financial Audit Delegate of the Auditor General for Western Australia Perth, Western Australia 22 November 2022



