

CITY OF ROCKINGHAM

# Annual Report

2022/2023





ROCKINGHAM  
PENGUINS  
08.08.2020

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*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.*

# About Us

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▶ Known as the place where the coast comes to life, the City of Rockingham is located approximately 40 km south of Perth.



▶ The City has 37 km of stunning coastline and is neighboured by the City of Mandurah in the South, City of Kwinana in the north, and the Shire of Serpentine-Jarrahdale in the east.



▶ Prior to the arrival of European settlers in the 1800s, the Rockingham area was home to the Nyoongar people for thousands of years.



▶ The ship Rockingham ran aground off the region's coastline in 1830 during stormy weather, thus the name Rockingham was born for the community.



▶ Families began farming in the region during the mid-1800s, and in 1897 the Rockingham Road Board was constituted.



▶ It evolved to become the Shire of Rockingham in 1961, before attaining City status in 1988.



▶ Today, the City of Rockingham is a thriving strategic centre that has become one of the fastest growing areas in the south-metropolitan area.

# Mayor's Report



**Welcome to the City of Rockingham's Annual Report for the 2022/2023 financial year. I am delighted to present this report, which highlights the progress the City has made over the past year on the actions and aspirations that are identified in the City's Strategic Community Plan 2019 – 2029.**

## **2022/2023 Budget Supports Delivery of Major Projects and Services**

The 2022/2023 Budget that was adopted by Council sought to balance the challenges posed by an uncertain economic climate and the needs of the City's rapid population growth, which continued to be above the state average. A rate of increase of 3.9% was adopted under the budget, well below Perth's 7.6% inflation rate at the time. This budget enabled the City to continue to deliver several important infrastructure projects, while simultaneously being mindful of the economic headwinds facing the community.

## **Major Review of Strategic Community Plan**

Every four years the City undertakes a major review of its Strategic Community Plan (SCP). Community input is at the heart of shaping the SCP, and in late 2022 the City commenced an extensive consultation process that gave local residents the chance to shape their vision and aspirations for our City over the next decade. In this Annual Report you'll be able to learn more about this process, and I would like to thank the 4,000 plus community members who took the time to get involved.

## **Delivering Vital Infrastructure**

2022/2023 was marked by the official opening of the City's biggest ever capital works project, the Baldivis Sports Complex (BSC). Opening in March 2023, this state-of-the-art complex is a district level sporting facility that features a main pavilion, change rooms, large maintenance shed, eight hectares of playing space with floodlighting, and three separate car parks. It is also home to the Baldivis Indoor Sports Complex, which is open to all community members. Baldivis is a rapidly growing community, and delivery of the BSC has addressed a significant shortage of active reserve space in the area.

In early 2022/2023 the City also completed the expansion and upgrade of Koorana Reserve. This project will boost sporting opportunities for people in Warnbro, Waikiki, Port Kennedy and surrounding areas. The City delivered 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.

As we celebrated the completion of two new facilities, the City also started the ball rolling with two other major projects, the Aqua Jetty Stage Two and Stan Twight Reserve Redevelopment. You can learn more about these projects in detail in this report.

### **An Exciting Calendar of Events**

Year round the City of Rockingham is proud to provide the community with a wide range of events. No matter your age or background, there is something for everyone. In 2022/2023 we hosted the annual Castaways Sculpture Awards, our popular Christmas Festival, New Year's Eve Celebration, Australia Day fireworks, Symphony on the Green, Multicultural Festival and Performance in the Park event. Council also provided \$175,000 of Iconic Event Sponsorship to support the delivery of the Channel 7 Rockingham Beach Cup.

### **Defence in Our Community**

As a City with strong ties to Defence, we've had a strong and positive relationship with the Royal Australian Navy since HMAS Stirling naval base on Garden Island was commissioned in 1978.

To celebrate our bond, in March 2023 Council approved a rare and prestigious Freedom of Entry parade for HMAS Stirling personnel to be held in late 2023. Freedom of Entry is the highest honour a local government can bestow on a military unit, and the parade and Defence Community Festival will be an event that we hope community members fondly remember for many years to come.

### **AUKUS**

Given our proximity to HMAS Stirling (the country's largest naval base) the Australian Government's involvement in the AUKUS security arrangement will have major implications for the City. A multi-billion dollar investment in local Defence infrastructure presents significant opportunities in education, training and employment. The announcement of AUKUS has also provided the City with opportunities to pursue further advocacy with state and federal bodies to resolve transport-related issues.

I would like to thank my fellow Council members and all City staff for their efforts throughout the past year. With all of the great work achieved in 2022/2023, I am excited to see what the future holds in the years ahead for our City.



**Deb Hamblin**

City of Rockingham Mayor

# CEO's Report



**Throughout 2022/2023 the City of Rockingham has continued to work towards delivering the community's vision and aspirations. It was a very busy year across the organisation, with exciting progress made on several major projects, new Community Plan Strategies, policies and plans, along with recognition for a number of teams who won some well-deserved awards.**

## **New Infrastructure Takes Shape**

Over the past year the City has had to navigate the continuing effects of labour and materials shortages, which have had an impact on construction projects. Like many other local governments and businesses, inflation is another issue that has posed several challenges in our post-COVID economy. Despite this, the City has continued to press forward with the delivery of major infrastructure projects and we are delighted to see community members now enjoying the new Baldivis Sports Complex and the upgrades at Koorana Reserve. Focus has now moved to the Aqua Jetty Stage Two project and the redevelopment of Stan Twight Reserve.

## **Strategies**

The major review of our Strategic Community Plan (SCP) is a significant undertaking for the City and for much of 2022/2023 we engaged closely with people from all over our community to understand their aspirations for the next 10 years.

The City's Community Plan Strategies support the delivery of the aspirations in our SCP. This year a tremendous amount of work was dedicated to delivering the key actions in these strategies, as well as developing several new ones including the Community Safety and Support Services Strategy 2022 – 2027, the new Planning Strategy – Environmental Protection, our Community Infrastructure Plan 2022, and the revised Planning Policy 3.1.2 – Local Commercial and Activity Centres Strategy.

## **Our City, Our Future**

This year the City has made substantial progress towards delivering its new Local Planning Strategy (LPS), which will guide growth and future land development for the next 20 years. At its April 2023 meeting Council endorsed the Draft LPS to be forwarded on to the Western Australian Planning Commission for certification prior to public advertising.

For a number of years the City has been carrying out an extensive review of the planning documents that shape the growth and development of its Strategic Centre – and in late 2022/2023 community consultation on this began.

As the City continues to grow, the suburb of Karnup has been identified for future urban development. In February 2023, Council accepted a tender for the preparation of the Karnup District Structure Plan, which will coordinate future zoning, subdivision and land use in the area.

## **Investing in Our Community's Future**

In an exciting first for the City, a new specialised Youth Employment Program to assist local young people aged 16 – 24 access employment and training opportunities was piloted by the City. We were proud to be able to provide traineeships across a number of areas including horticulture, arboriculture, trades, business administration and engineering. The program has been such a success we will be continuing it in years to come.

### **Advocating to Make a Difference**

Advocacy is vital to ensuring our City receives support to help deliver important services and infrastructure. Over the past year our efforts in this space secured \$1 million from the State Government's Community Sport and Recreation Facilities Fund to assist in the Stan Twilight Reserve redevelopment, as well as \$1 million from Lotterywest for the Baldivis Outdoor Recreation Space.

The delivery of a new train station in Karnup is something the City has long supported. Following the release of the State Government's *Karnup Station Precinct Problem and Opportunity Statement*, the City has continued to advocate strongly to the State for this project to be delivered as soon as possible.

### **Awards**

The City received several awards in 2022/2023 including:

- *Work Health and Safety Foundation's Health and Wellbeing Award.*
- *Worksafe's Best Intervention to Address a Psychosocial Hazard in the Workplace Award.*
- *The City was a leading stakeholder in the Peel and Rockingham-Kwinana Region suicide prevention Community Response Group, which won the Local Government Professionals Partnerships and Collaboration Award.*
- *Re-endorsement as a Gold Waterwise Council for the fifth time.*

- *Best Public Works Project Under \$2 Million for construction of the Mersey Point Granite Seawall; and Excellence in Road Safety Projects for the upgrade of Safety Bay Road between Kwinana Freeway and Mandurah Road (both received at the Institute of Public Works Engineering Australasia Excellence Awards).*

### **Acknowledgements**

This year the City was delighted to appoint Mr Peter Ricci as Director Planning and Development Services. Peter's vast knowledge and in-depth experience with planning and development made him the ideal candidate for this important role.

I would like to acknowledge the unqualified Audit Report received by the City which demonstrates the terrific work of our Finance team. As we strive to deliver quality outcomes for our community I acknowledge the ongoing commitment of our Council and the dedication and hard work of City staff. I thank them and the City's Executive for the strong progress achieved during 2022/2023.



**Michael Parker**

City of Rockingham CEO

# Our Aspirations

## Strategic Community Plan 2019 – 2029

In 2022/2023 the City of Rockingham worked towards achieving the aspirations of the Strategic Community Plan 2019 – 2029.



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

# Strategic Community Plan

## Major Review Begins

The Strategic Community Plan (SCP) reflects the vision and underlying aspirations of the community for the future and guides the direction of the City over the next decade.

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

In late 2022 the City of Rockingham commenced a major review of its Strategic Community Plan.

Extensive community engagement was conducted by the City during this process which resulted in 4,645 voices being heard.

This was achieved through a range of workshops, surveys and pop-up consultations at City facilities and events.

Based on the input gathered from residents during this consultation, the community's vision for the City, 'A quality lifestyle. A sustainable future', was developed. This vision is to be supported by five key aspirations.

- 1. Social:**  
A family-friendly, safe and connected community.
- 2. Natural environment:**  
A place of natural beauty where the environment is respected.
- 3. Built environment:**  
A built environment carefully planned for today and tomorrow.
- 4. Economic:**  
A vibrant economy creating opportunities.
- 5. Leadership:**  
Transparent and accountable leadership and governance.

With the new vision and aspirations established, the Draft Strategic Community Plan 2023 – 2033 was endorsed by Council at its June 2023 meeting for the purpose of public advertising.

The final SCP was expected to return to Council in early 2023/2024 for final adoption.

# 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.



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



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.



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



# Performance Highlights Against Community Plan

In 2022/2023 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 in these particular areas.



## Net Promoter Score

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



## At our events

Every year thousands of people in our community get the chance to enjoy a wide variety of City events. In the past year we've hosted major events including Castaways, the Christmas Festival, Australia Day at the Foreshore and Symphony on the Green. Council provided \$175,000 of iconic event sponsorship funding to support the Rotary Club of Palm Beach WA deliver the Channel 7 Rockingham Beach Cup.

**70%** Customer satisfaction score - Festivals and events

## Major Events:



Castaways



Symphony  
on the Green



Christmas  
Festival



Australia Day at  
the Foreshore





## On our roads

Our City contains more than 1,138 km of roads connecting people with places. We completed 56 resurfacing works, 10 road improvements and eight path projects.

**60%** Customer satisfaction score - Local roads

**1,138 kilometers**  
of roads connecting people with places



## Keeping you safe

SmartWatch responded to 756 requests and travelled 577,209 km to homes while the occupants were away on holidays.

**53%** Customer satisfaction score - SmartWatch

**756 requests**  
responded to by SmartWatch



## In our libraries

In the past year, our four libraries have had over 282,638 visitors, 649,426 loans of physical items and ebooks. Importantly, our libraries are about much more than books and offer around 1,200 programs and events for people of all ages every year.

**73%** Customer satisfaction score - Libraries

**282,638 visitors**  
in the past year



## In our parks

Through all seasons our hardworking maintenance teams regularly maintain more than 446 local parks, sports fields, and conservation spaces in our community, covering almost 1,529 hectares of reserve space.

**74%** Customer satisfaction score - Parks, gardens and picnic areas

**446 local parks**  
sports fields, and conservation spaces



## In your bin

Waste collection is a core function of our operations. Over the past year our Waste Services team collected more than 52,000 tonnes of waste across our red top waste bins, yellow top recycling bins and green top green waste bins.

**76%** Customer satisfaction score - Rubbish collection and recycling

**52,000 tonnes**  
of waste collected

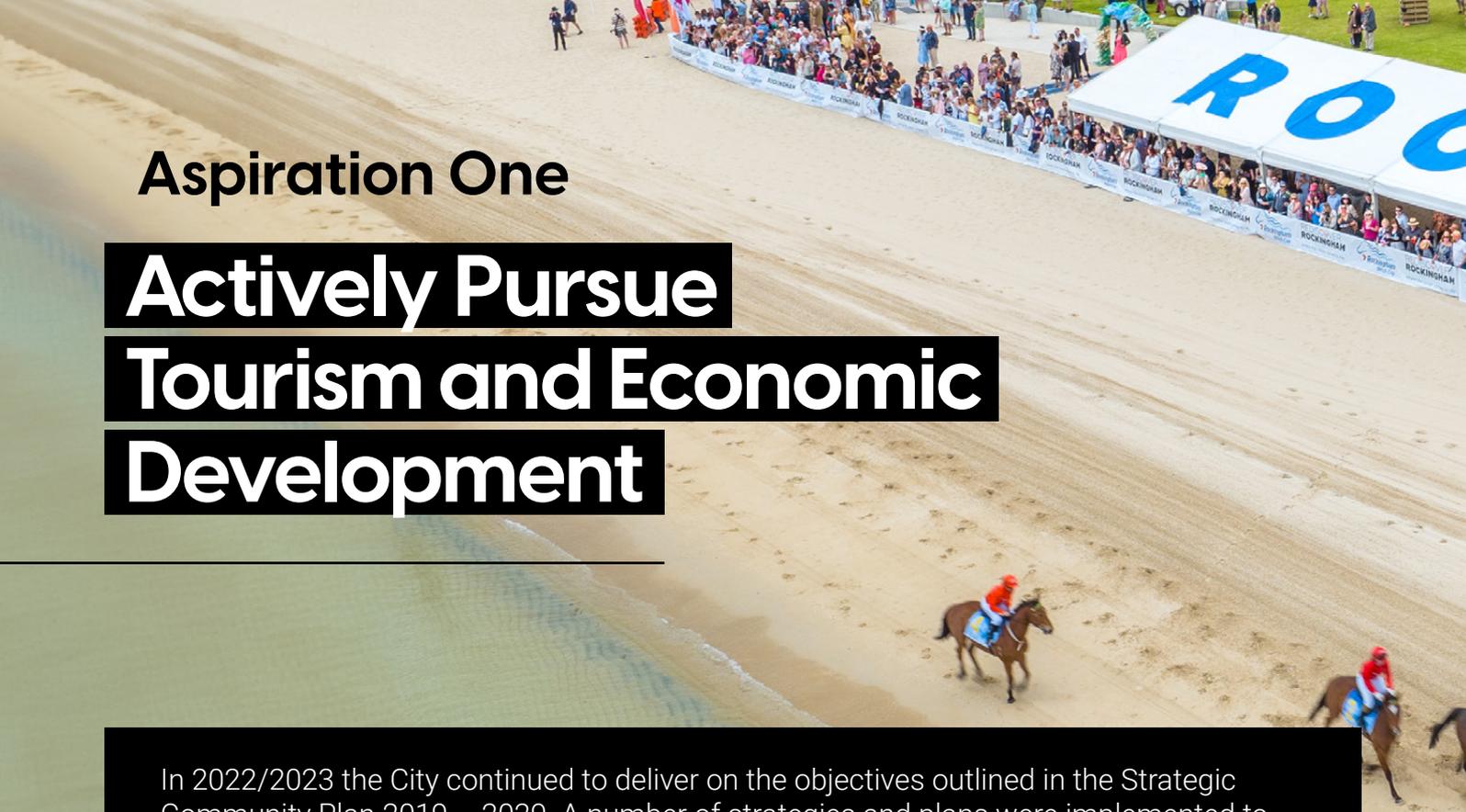


## Our Youth

In 2023/2023, the Rockingham Youth Centre has run 133 term and school holiday programs and 1,283 hours of activities which were enjoyed by 6,818 young people.

**46%** Customer satisfaction score - Youth programs

**1,283 hours**  
of activities



## Aspiration One

# Actively Pursue Tourism and Economic Development

In 2022/2023 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 City continued to support the iconic Channel 7 Rockingham Beach Cup and Community Festival. \$175,000 of Iconic Event Sponsorship was provided to event organisers the Rotary Club of Palm Beach WA, as they delivered the popular event in November 2022. The event injected more than \$1.5 million into the local economy, with approximately 22,000 people attending over the course of the two-day event.
- Driving tourism growth is a key focus for the City, and these efforts were recognised at the 50th WA Tourism Awards, after it was selected as a finalist in the Excellence in Local Government Award for Tourism category, as well as the Tourism Marketing and Campaigns category for its efforts with Rediscover Rockingham campaigns.
- The annual Rockingham Jobs Fair was presented by the City at the Gary Holland Community Centre in June 2023, with hundreds of local jobseekers taking advantage of the opportunity to engage with more than 50 stallholders from a variety of industries.
- Partnering with the Rockingham Kwinana Chamber of Commerce, the City hosted four Key Leaders in Business Breakfast events to provide local businesses with expert insights into emerging business trends and opportunities for economic growth.
- A number of seasonal destination marketing campaigns were launched by the City to drive visitation to Rockingham including Rediscover Extraordinary, Rediscover Summer and Rediscover Autumn.



- The dedicated Rediscover Rockingham website was launched in early 2023 by Penguin Island Visitor Centre, which delivers visitor servicing on behalf of the City through a fee-for-service agreement. The website acts as a one-stop-shop highlighting all tourism operators within the region.
- An updated Traders Policy was adopted by Council in September 2022, paving the way for more mobile business operators to trade at nine different locations across the community. The update meant traders could now apply for a permit to operate at sites which have minimal impact on 'bricks and mortar' style established businesses.
- Rockingham hosted the inaugural Australian Defence Magazine (ADM) Defence Forum at the Gary Holland Community Centre on 21 March 2023. This high-level policy driven forum attracted approximately 220 attendees and 17 presenters across the Defence sector, and showcased Rockingham to intrastate and interstate guests.



## Aspiration Two

# Grow and Nurture Community Connectedness and Wellbeing

Through the delivery of a diverse range of strategies, programs and services, the City continued to deliver on the strategic aspiration of growing and nurturing community connectedness and wellbeing.

- The City's new Community Safety and Support Services Strategy was approved by Council in July 2022 with the Strategy set to continue the City's commitment and priority actions to building a safe, connected and resilient community. Actions will be delivered under three key elements including Safe and Vibrant Spaces, Partnerships for Collective Action and Advocacy, and Safe and Connected Communities.
- Several major milestones were celebrated at the City's community and leisure facilities, including the 50th anniversary of the Rockingham Aquatic Centre and the 20th anniversary of the Aqua Jetty in Warnbro. Free community events were hosted for residents to come and enjoy these longstanding facilities.
- The City commenced community consultation on its new Health and Wellbeing Strategy 2023 – 2028. Seven workshops were held with a range of clubs and not-for-profit organisations, along with an extensive online survey. Ultimately the strategy will outline how the City can best support the physical, social and mental wellbeing of the community.
- Throughout 2022/2023 the City delivered its extensive calendar of events including its annual Summer Series consisting of the Castaways Sculpture Awards, Christmas Festival, New Year's Eve Celebration, Australia Day event, Symphony on the Green, Multicultural Festival and Performance in the Park.



- A refurbishment of the Rockingham Arts Centre (RAC) on Kent Street was completed in early 2022/2023. The project was a key action in the City's Cultural Development and the Arts Strategy and will enhance opportunities for both the City and community groups to engage in the arts.
- Rockingham Youth Centre, which is the City's dedicated facility for young people aged 12 – 24, provided 133 term and school holiday programs during 2022/2023. This totalled 1,283 hours of activity, with more than 6,800 young people taking advantage of these opportunities.
- The City's Junior Council program has run for 35 years and in 2022/2023 another cohort of students from local primary schools had the opportunity to stand up as young leaders in their community. Led by Junior Mayors Aryanna Young and Lana Humzy, as well as Junior Deputy Mayors Seth Rankin and Chidubem Ezeah, the students got the chance to move their own motions, debate and vote on agenda items.
- Thousands of community members attended one of the City's most popular annual events, the Seniors and Carers Expo. The expo featured more than 100 free stalls and activities from a wide range of groups, organisations, government departments, and businesses – helping to connect seniors and carers with support and services that are available across the community. The event is a key action in the City's Seniors Strategy.
- In late 2022/2023 the City collaborated with WA Police to present the Coffee with a Cop Series, giving community members the chance to speak with local police and staff from the City's Community Safety and Support Services team about issues they may have in their suburb.



## Aspiration Three

# Plan for Future Generations

The City of Rockingham is one of the fastest growing local governments in Western Australia, and there are a number of plans, strategies and policies in place to ensure that future generations of residents can enjoy living in the place where the coast comes to life.

- In March 2023 the City officially opened its biggest ever capital works project, the Baldvis Sports Complex. The delivery of the first phase of this major infrastructure project was more than a decade in the making, and has helped to address a shortage of active reserve space in the rapidly growing Baldvis area. The next phase of work on the BSC will see the City deliver the Southern Pavilion, Baldvis Outdoor Recreation Space, and the Outdoor Hardcourts.
- Port Kennedy Soccer Club and the Hillman Hornets Cricket Club are now enjoying the new upgrades at Koorana Reserve, after the City completed the expansion and upgrade works at the facility in July 2022. Guided by the Koorana Reserve Master Plan, the City delivered a major refurbishment and expansion of the clubrooms, as well as an additional two hectares of playing space.
- The City's new Local Planning Strategy (LPS) will guide the growth and development of our community for the next 20 years. During 2022/2023, the City invited the community to have their say and help shape the new LPS through workshops, surveys and by contributing to an online mapping tool. Following consultation, the Draft LPS was endorsed by Council before being sent to the WA Planning Commission for review.
- The Rockingham Strategic Centre is 533 hectares in size and includes the area from the Rockingham Train Station to the Rockingham Foreshore. For a number of years the City has carried out an extensive review of the planning documents that shape the growth and development of the Strategic Centre – and in May 2023 the City commenced consultation on its new draft planning framework.



- The suburb of Karnup has been identified for future urban development in strategic plans for many years, and in February 2023 Council approved a tender for the preparation of the Karnup District Structure Plan. The DSP will guide the long term planning of the area including the location of future activity centres and employment, residential areas and density targets, regional and district infrastructure, schools, public open space, road networks and the integration of public transport.
- The City's premier aquatic and health facility, the Aqua Jetty, will be refurbished and expanded to cater for the City's growing population. This year the City made substantial progress on the detailed design of this project.
- The facilities and carpark at Stan Twight Reserve in Rockingham are being upgraded to meet community needs. The reserve is home to the Safety Bay Stingers Football Club, Shoalwater Bay Cricket Club, and Rockingham Masters AFL Club. During 2022/2023 the City progressed the detailed design of the clubroom redevelopment while also constructing a new car park and installing a new turf wicket.
- The City's Community Infrastructure Plan (CIP) 2022 was adopted by Council in September 2022. The CIP is integral to the planning and delivery of community infrastructure over a sustained period, and the plan is reviewed and updated annually by Council.
- Work commenced on the first stage of the Rae Road Shared Path, which will see the City construct a new asphalt path that is approximately three metres wide and 1.25 km long. The project is part of the City's Long Term Cycle Network Plan.
- Council adopted the new Planning Strategy – Environmental Protection in April 2023. The new strategy is designed to protect and enhance environmental values by guiding land use planning processes, and will ultimately inform the Local Planning Strategy.
- The City's revised Planning Policy 3.1.2 – Local Commercial and Activity Centres Strategy was adopted by Council in February 2023. This strategy provides guidance to support commercial and retail development within the City.

## Aspiration Four

# Deliver Quality Leadership and Business Expertise

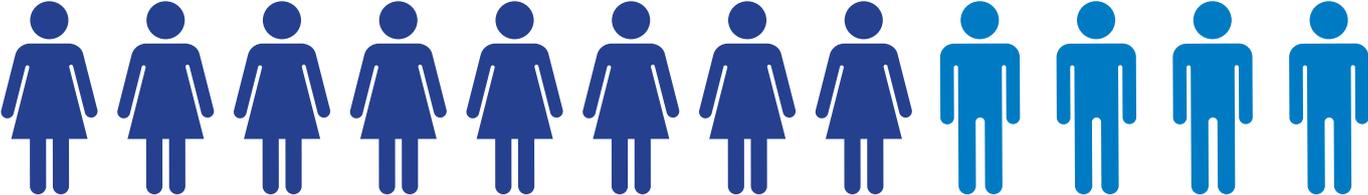
Sustainable financial planning, strong and effective governance, and building positive relationships with stakeholders in all tiers of government are central to the City achieving its strategic aspiration of quality leadership and business expertise.

- The City's partnership with the Small Business Development Corporation to participate in the Small Business Friendly Approvals Program has seen the City cut red tape for small businesses. The City has streamlined several of its licensing and approvals processes to make things quicker and easier for small businesses in the community.
- Guided by its Advocacy Plan, the City has continued to make representations to the State Government over a number of important issues relating to economy and tourism, sport and recreation, the City's Strategic Metropolitan Centre, and transport (particularly Karnup Train Station). In addition to this, the City was able to secure significant amounts of grant funding for important projects including:
  - » \$1 million from the State Government's Community Sport and Recreation Facilities Fund, and \$50,000 from the Western Australian Football Commission for the Stan Twight Reserve Redevelopment.
  - » \$1 million from Lotterywest for the up and coming delivery of the Baldivis Outdoor Recreation Space.
  - » \$196,000 from the State Government's Coastal Adaptation and Protection Grants Program to deliver important sand renourishment works along beaches in Warnbro Sound.
- The City was proud to win several major awards throughout 2022/2023 including:
  - » Work Health and Safety Foundation's Health and Wellbeing Award.
  - » Worksafe's Best Intervention to Address a Psychosocial Hazard in the Workplace Award.
  - » Winning the Partnerships and Collaboration Award at the Local Government Professionals WA Honour Awards. Re-endorsement as a Gold Waterwise Council for the fifth time.
  - » Best Public Works Project Under \$2 Million for construction of the Mersey Point Granite Seawall; and Excellence in Road Safety Projects for the upgrade of Safety Bay Road between Kwinana Freeway and Mandurah Road (both received at the Institute of Public Works Engineering Australasia Excellence Awards).



- The City hosted a number of citizenship ceremonies and civic events throughout 2022/2023. There were six citizenship ceremonies held during the year, with citizenship conferred on 429 new Australians. With respect to major civic events, the City hosted its Volunteer Celebration for its advisory groups and local emergency services, the yearly Pioneers Luncheon for long-term City residents, and its Annual Recognition Function for key stakeholders.
- This year the City established its new Youth Employment Program, which was set up as a specialised program to assist young people aged 16 – 24 to access employment and training opportunities. During the program trainees received expert mentoring and on the-job-support from City supervisors.
- With the passing of her Majesty Queen Elizabeth II in September 2022, the City paid tribute to the late Monarch by flying all flags at its Administration Building at half-mast. In line with protocol, a single bell in the City's clock tower at the Administration Building was rung 96 times in recognition of each year of the Queen's life.
- In March 2023 Council approved to host an historic Freedom of Entry Parade for HMAS Stirling. Freedom of Entry is the highest honour a local government can bestow on a military unit, and this event will honour HMAS Stirling navy personnel and celebrate the City's close ties with Australia's largest naval base.
- The City of Rockingham is part of the Western Trade Coast, which is a 3,900 hectare major industrial area that also encompasses the cities of Kwinana and Cockburn. To establish a cohesive planning approach between the three local government areas for this important strategic industrial area, Council endorsed the Memorandum of Understanding – Global Industries Hub in October 2022.

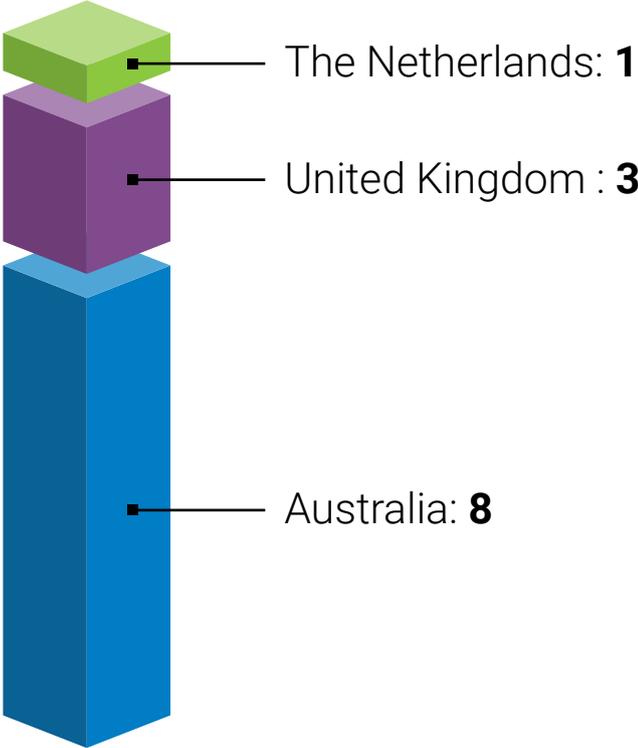
# Council Member Demographics



Female: **8**

Male: **4**

## Country of Birth



## Ages

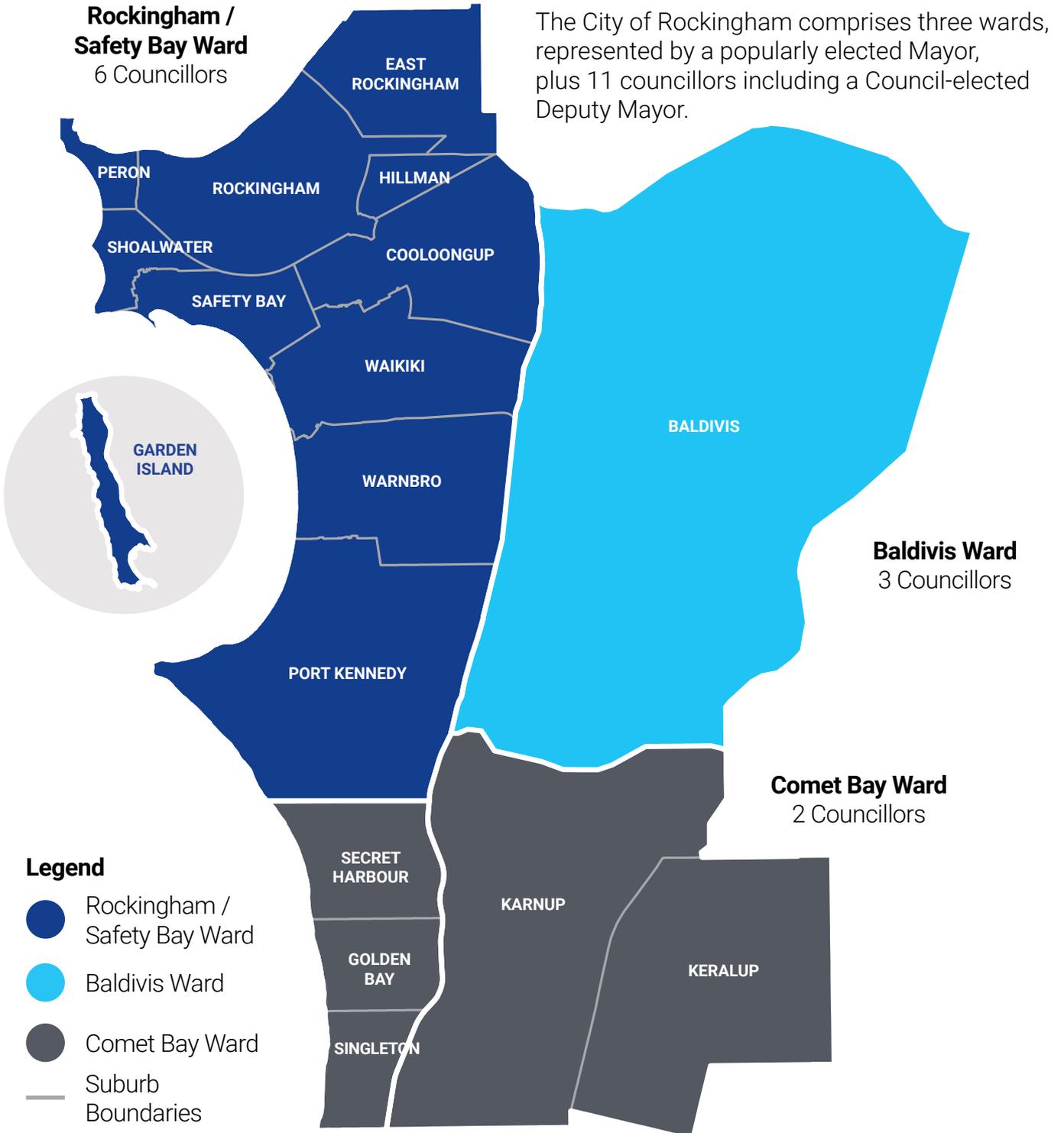


- 25 - 34: **2**
- 35 - 44: **2**
- 45 - 54: **3**
- 55 - 64: **3**
- Over 64: **2**

## Languages Spoken



# Our Council



# Council Member Profiles

City of Rockingham Mayor

**MAYOR**  
**DEB HAMBLIN**



**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.**

☎ 0404 895 046

✉ [mayor.hamblin@rockingham.wa.gov.au](mailto:mayor.hamblin@rockingham.wa.gov.au)

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



**It's an honour to be able to serve our Rockingham community as the Deputy Mayor.**

☎ 0427 719 528 | ✉ [cr.edwards@rockingham.wa.gov.au](mailto:cr.edwards@rockingham.wa.gov.au)

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.

# Council Member Profiles

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Baldivis Ward

**COUNCILLOR  
SALLY DAVIES**



**I've been part of the Rockingham community for 32 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.**



9528 0333



| [cr.davies@rockingham.wa.gov.au](mailto:cr.davies@rockingham.wa.gov.au)

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

## COUNCILLOR BRETT WORMALL



**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.**

☎ 0400 040 070 | ✉ [cr.wormall@rockingham.wa.gov.au](mailto:cr.wormall@rockingham.wa.gov.au)

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.

# Council Member Profiles

Comet Bay Ward

## COUNCILLOR LORNA BUCHAN



**Lorna lives with her husband, four children and two dogs in Secret Harbour.  
She is a Chartered Accountant, Forensic Auditor and Certified Fraud Examiner.**

☎ 0420 596 453

✉ [cr.buchan@rockingham.wa.gov.au](mailto:cr.buchan@rockingham.wa.gov.au)

She holds a Diploma in Local Government and is a valued member of Council. She is a member of the Planning and Engineering, Governance, Audit, and Coastal Facilities Committees at the City.

As a current Councillor Lorna has been able 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 and rates set at an affordable level. She is a strong voice for residents and brings her exceptional communication and negotiation skills to address any community issues.

Lorna is community minded and is assisting many groups in Comet Bay ward and wider City of Rockingham with advancing their goals and objectives. The Golden Bay Community Garden, assisting dog rescues and Naragebup Environment Centre are of particular interest to Lorna.

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.

Comet Bay Ward

## COUNCILLOR ROBERT SCHMIDT



**Rob originated from regional Western Australia, moved to the City of Rockingham from Kalgoorlie 28 years ago and has been educated, lived, worked and volunteered within the City of Rockingham since 1994.**

 0415 420 706

|  [cr.schmidt@rockingham.wa.gov.au](mailto:cr.schmidt@rockingham.wa.gov.au)

Now, 30, 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 for the last 11 years, which has seen Rob fight many fires across the State and in the City of Rockingham, an Executive member of a major sporting club with over 3,000 members for the last 16 years as well as a life member, an AFL Goal Umpire, coach/umpire/ player of a diamond sports club and life member. 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 or camping.

Rob is strongly passionate for the environment, youth, economic development, 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, greater protection of the environment and a future plan for the City and its residents.

# Council Member Profiles

Rockingham / Safety Bay Ward

## COUNCILLOR CRAIG BUCHANAN



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

 0427 931 745

 [cr.buchanan@rockingham.wa.gov.au](mailto:cr.buchanan@rockingham.wa.gov.au)

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 51, 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 strong advocate for 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. He is also a full-time research officer for a local member of the Legislative Council.

Craig sits on the City's Corporate and Community Development Committee, and it's Community Grants Program Committee. He also chairs the City's Australia Day Awards Selection Panel. He is passionate about getting value for money for every ratepayer dollar the City spends, while also growing our local community and its resources, so that Rockingham remains a great place to raise a family, work, and retire, safe in the knowledge that the community has your back.

Rockingham / Safety Bay Ward

## COUNCILLOR RAE COTTAM



**My name is Rae and I am your local 37 year old home grown Councillor born in Coo롱gup, place of the children, I love fishing and spending time at the beach or out bush.**

☎ 0439 670 583

✉ [cr.cottam@rockingham.wa.gov.au](mailto:cr.cottam@rockingham.wa.gov.au)

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.

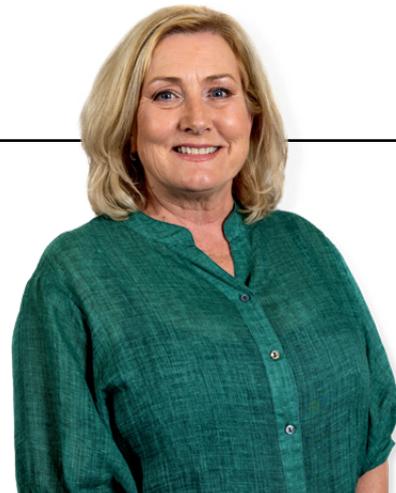
My dream since Year 7 in 1998 was to see the Aboriginal Flag and Torres Strait Islander Flags flying every day at Council. In 2020 it became a reality. I am absolutely honoured to be elected as your voice at the table and to be working with Councillors who are ready for change and history in the making.

I am the youngest female to be elected to Council and the only Aboriginal Person to be elected. I am deeply invested in community and sustainable development. I would like to thank my constituents, fellow Councillors and Council Officers for making my four year term a memorable experience that has been a privilege and life changing.

# Council Member Profiles

Rockingham / Safety Bay Ward

## COUNCILLOR CAROLINE HUME



**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.**

 0429 976 440

 [cr.hume@rockingham.wa.gov.au](mailto:cr.hume@rockingham.wa.gov.au)

I love communicating with residents and supporting volunteers, groups and committees that are the backbone of our society. Working on many committees both in council and outside of my council commitments I get great personal satisfaction serving our community in a positive and constructive manner.

Our seniors and people with disabilities are a primary focus and I am the Chair for the Seniors Committee and a member on the Disability Access and Inclusion Committees. The West Australian South Metro Zone Committee gives me the opportunity to work outside of our city advocating State Government for betterment and positive change.

This would be a long bio if I included all the committee's I serve on, but I have to mention outside of council my family loves being a member of the Mangles Bay Fishing Club and I also sit on the Club's committee. Sustainable fishing and our surrounding environment are something I feel very strongly about.

I look forward to the next two years where I will do my utmost to keep learning and bettering my skill set to better serve the council and our residents.

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.

Rockingham / Safety Bay Ward

## COUNCILLOR DAWN JECKS



**Dawn was elected to Council in 2021 and is best known in the community for her advocacy work in heading up the Hands Off Point Peron campaign which delivered results in August this year with the State Government finally gazetted 120 hectares of Cape Peron with A Class reserve protection.**

 0424 598 656

 [cr.jecks@rockingham.wa.gov.au](mailto:cr.jecks@rockingham.wa.gov.au)

She is also known for her ongoing advocacy work for protection of our unique colony of penguins on Penguin Island.

Serving on the Council committees, including, Planning and Engineering, Coastal Facilities, Environmental Advisory Committee and more, she is a strong advocate for our environment and the health and well-being of residents. She is also Council's representative on the Cockburn Sound Management Council and the Rockingham Lakes Regional Park Advisory Committee.

Dawn has completed the Diploma in Local Government which is the highest qualification available to Elected Members and is using that additional knowledge effectively when representing the needs and expectations of residents.

Since being elected to Council, Dawn has resigned from her paid employment so that she can focus her time on serving the community she loves. Not having a second income also means that Dawn is acutely aware of the day-to-day cost-of-living pressures on so many of our residents.

# Council Member Profiles

Rockingham / Safety Bay Ward

## COUNCILLOR MARK JONES



**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 17 years.**

☎ 0410 844 880

✉ [cr.jones@rockingham.wa.gov.au](mailto:cr.jones@rockingham.wa.gov.au)

Continuing to raise four children in this beautiful place, he has a strong desire to protect and improve the elements that make the lifestyle in 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 a champion for sustainability 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), Deputy Chairperson on the Australian Coastal Councils Association, Chairperson of the Disability Access and Inclusion Advisory Committee, member of the Planning and Engineering Services Committee and is a member on the Metropolitan Outer Joint Development Assessment Panel.

Rockingham / Safety Bay Ward

## COUNCILLOR LEIGH LILEY



**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.**

 9593 8362 |  [cr.liley@rockingham.wa.gov.au](mailto:cr.liley@rockingham.wa.gov.au)

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



Community Development



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

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**Michael Parker**  
CEO and Director  
General Management Services

## Executive Management Team

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**Sam Assaad**  
Director  
Asset Services



**Peter Ricci**  
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.

#### Key Responsibilities

- *Strategic Leadership*
- *General Management*
- *Internal Audit*
- *Strategy, Marketing and Communications*
- *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 28 years as CEO at three different Local Governments.

## PETER RICCI

### Director Planning and Development Services

Bachelor of Arts (Urban and Regional Studies), Post Graduate Diploma (Urban and Regional Planning).

#### Key Responsibilities

- *Strategic Planning and Environment*
- *Statutory Planning*
- *Building Services*
- *Environmental Health Services*
- *Rangers, Emergency, Development Compliance and SmartWatch Services*
- *Landscape Architecture, Urban Water, Traffic and Civil Engineering (Approval) Services*
- *Major Planning Projects.*

Peter has more than 30 years experience in the local government sector and has been Director of Planning and Development Services since November 2022. Over the previous 15 years, he has performed various management roles within (Urban) Planning. Peter has extensive experience in local government administration and is passionate about creating sustainable and safe communities, along with 'centre planning' with the revitalisation of the Rockingham Foreshore being a focus over many years.



# 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 over 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 many 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.*

For more than 20 years he has dedicated his career to the community development industry and 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 Councillors 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

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The City of Rockingham plays a vital role in access and inclusion, undertaking 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.

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





# 2022 – 2023 Outcomes

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2022 – 2026 DAIP actions delivered during 2022/2023 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.
  - » 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 the provision of accessible matting.
  - » Stage viewing areas for wheelchairs, walkers, and gophers.
- Ongoing activities to enhance accessibility, such as:
  - » One-on-one swimming lessons for people with disability: the Aqua Jetty Swim School has a special-needs swim squad which has competed at local swimming competitions, such as the West Australian Disabled Sports Association (WADSA) Games at HBF Stadium on Saturday 27 August 2022.
  - » AJ Connect program: weekly sessions held at the Aqua Jetty, focused on developing hand/eye coordination and fitness, and to introduce participants to the gym.
  - » Tovertafel interactive projector: interactive games, puzzles and activities for people with disability and older people through images that are projected onto a table at Rockingham Library. The table can be moved and projections cast onto the floor instead if needed, to enable community members in wheelchairs to participate.
  - » Sensory kits: available at all of the City's libraries. Kits contain a small weighted blanket, noise cancelling headphones and fidget toys for community members who experience sensory overload.
  - » Game Club: open to young people of all abilities at the Rockingham Youth Centre. Game Club attracts many young people who are neurodivergent, providing a fun, safe and inviting space for participation at the youth centre.
  - » Auslan classes: facilitated by Access Plus Deaf WA held at Rockingham Youth Centre.
  - » Assisted waste collection services: available for older people and people with disability.
  - » Dementia awareness training: available for City staff and volunteers.
  - » Beach matting: available at seven sites between October and April annually.
  - » Beach wheel chairs and beach walkers: can be borrowed by the public free of charge.

## Infrastructure

- Ongoing implementation of the 2018 Access Audit. The City identified 10 sites as priorities and continued to implement the recommended changes during the reporting period. As of February 2023:
  - » 25% of all identified actions have been completed
  - » 55% of the identified actions have been budgeted for 2023/2024.
- 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.
- After receiving a grant of \$150,000 from the Department of Communities in 2021/2022 for a Changing Places Facility at the Rockingham Foreshore, the City has now progressed to assessing quotes for design and construction.
- Ongoing upgrades of City-controlled ACROD bays to align with current Australian Standards. Three sites (five bays) were updated during 2022/2023 and five additional accessible parking bays were constructed.
- Community Infrastructure Grants are available for local community groups and organisations to construct accessibility improvements. For example, Rockingham Basketball and Recreation Association was funded for the installation of an access doorway.

## Access to information

- All City public documents, including those available on the website, adhere to the latest version of the Style Guide, including 12 point font as a minimum, or 14 point for collateral aimed specifically at older people or people with disability. The City is also in the process of remediating key popular documents to ensure they conform to the latest version of the Style Guide.
- The City has implemented access and inclusion identifiers, such as flags and symbols on marketing materials, to highlight accessible and inclusive activities.
- The City has installed Colour Contrast Analyser (CCA) on several PCs in the Strategy, Marketing and Communications team, to ensure that collateral produced for the website meets accessibility requirements.

## Services

- The Rockingham Youth Centre has continued their Support Worker Agreement so there is an effective avenue for, and working relationship with Support Workers who attend with young people.
- The Customer Service team's information knowledge base includes specific information relating to disability access and inclusion, enabling staff to effectively provide information to customers on relevant initiatives including beach access matting, beach walkers, NDIS and translation services.
- The City has regular mandatory access and inclusion training sessions available to all City employees.
- The City provides free training and information sessions aimed at upskilling volunteer involving organisations and community members. This included an Accessible Events and Grants training session to encourage community organisations who are preparing for major projects to consider the accessibility and inclusivity of their planned project.

## Consultation

- Continued opportunities for community members with Lived Experience to consult on projects. For example, Aqua Jetty Stage 2 conceptual and schematic designs.
- Continued live streaming and recording of Council Meetings, available through the City's website and advertised on Rock Port and the City's Facebook page. Livestreams now also include subtitles to enhance accessibility.
- Ongoing bi-monthly meetings of the Disability Access and Inclusion Advisory Committee. This Advisory Committee represents the community by providing advice and support to Council to address City controlled disability access and inclusion matters.

## Employment

- A Customised Employment Networking Breakfast was hosted by the City in September 2022.
- The Rockingham Customised Employment Network (RCEN) was developed, comprising community members with lived experience in accessing employment services for people with disability, customised employment providers, and disability employment services. RCEN is developing resources that will help guide employers and employees through the customised employment process.
- A pilot Disability Traineeship program was developed in partnership with Nudge.

## Governance and advocacy

- Continuation of the Disability Access and Inclusion Internal Working Group (DAIIWG) to optimise collaboration across City departments.
- Ongoing facilitation of the Mandurah, Kwinana, Cockburn and Rockingham Access and Inclusion Network (MCKRAIN). 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 Mixed Palette's art workshops and the Totally and Partially Disabled Veterans WA's Golf Day.
- Partnerships to enhance community awareness. For example, continued collaboration with NDIS Local Area Coordinators to deliver free community information sessions on accessing and using the NDIS.



# Governance Report

## Record Keeping Statement

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 Record Keeping Plan was approved for a five-year period by the State Records Commission on 7 December 2018. The next review is due in 2023.

The City is committed to continuous improvement. It continues to provide online Record Keeping Awareness Training to new employees and Refresher Training for all employees every two years. The interactive course outlines the recordkeeping roles and responsibilities of all employees at the City of Rockingham. Participants must undertake and pass a short assessment at the completion of the course.

The City also provides induction training to all new employees which also includes an overview of their Record Keeping responsibilities. A records management handbook has also been developed to further assist employees meet their record keeping responsibilities. Training is also provided for the City's Electronic Document Records Management System (EDRMS). During the 2022/2023 Financial Year 408,161 records were captured into the EDRMS.

During the 2022/2023 Financial Year the City's back scanning program continued for its 13th year.

## Executive Remuneration as at 30 June 2023

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.

Salary Range	No. of Executives
120,001 – 130,000	0
130,001 – 140,000	1
140,001 – 150,000	7
150,001 – 160,000	0
160,001 – 170,000	9
170,001 – 180,000	5
180,001 – 190,000	0
190,001 – 200,000	0
200,001 – 210,000	0
210,001 – 220,000	0
220,001 – 230,000	2
230,000 – 240,000	2
240,001 – 250,000	0
250,001 – 260,000	0
260,001 – 270,000	0
270,001 – 280,000	1
280,001 – 290,000	0
290,001 – 300,000	0

CEO total remuneration under the Salaries and Allowances Act 1975 including salary, superannuation and allowances was \$362,830.

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## **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% of homeowners and occupiers, 80% 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 guidance materials.

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**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.

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## **Corporate Business Plan**

The City's 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 met.

**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.

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**Target 6: 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.

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During the financial year there were no significant modifications to the City's Business Plan.

Council adopted the City of Rockingham Business Plan 2023/2024 – 2032/2033 at its ordinary meeting in May 2023.

# Record of Meeting Attendance by Council Members

2022 – 2023 Record of meeting attendance by Council Members.

	Mayor Hamblin	Cr Liley	Cr Jones	Cr Buchan	Cr Cottam
Council	11/11	11/11	11/11	11/11	11/11
Annual Electors	1/1	0/1	1/1	1/1	1/1
Planning and Engineering Services Committee	11/11	-	11/11	11/11	-
Corporate and Community Development Committee	-	11/11	2 x deputy	-	8/11
Audit Committee	3/3	3/3	-	3/3	-
Australia Day Awards Selection Panel	-	-	-	-	-
Behaviour Complaints Committee	No meetings held				
Bush Fire Advisory Committee	-	-	-	-	-
CEO Performance Review Committee	5/5	5/5	-	5/5	-
Coastal Facilities Advisory Committee	-	-	-	4/4	-
Community Grants Program Committee	-	2/3	-	3/3	-
Community Safety and Support Services Advisory Committee	-	-	-	-	-
Cultural Development and the Arts Advisory Committee	-	-	-	-	-
Customer Service Review Committee	No meetings held				
Disability Access and Inclusion Advisory Committee	-	-	5/5	-	-
Environmental Advisory Committee	-	-	-	-	-
Global Friendship Committee	1/1	-	-	-	-
Governance Review Committee	2/2	1/2	-	2/2	-
Heritage Reference Group	-	-	-	-	1/1
RoadWise Advisory Committee	-	-	-	-	-
Rockingham Education and Training Advisory Committee	0/2	-	-	-	-
Seniors Advisory Committee	-	-	-	-	-
Sports Advisory Committee	-	2/4	-	-	-

**Notes:**

Cr Schmidt – Leave of Absence July 2022

Cr Wormall – Leave of Absence August 2022

Cr Davies	Cr Edwards	Cr Buchanan	Cr Hume	Cr Jecks	Cr Schmidt	Cr Wormall
11/11	11/11	10/11	11/11	10/11	9/11	10/11
1/1	1/1	0/1	1/1	1/1	1/1	1/1
-	10/11	-	1 x deputy	-	-	10/11
10/11	2 x deputy	9/11	10/11	1 x deputy	10/11	1 x deputy
-	2/3	-	-	-	-	-
1/1	-	1/1	-	-	-	-
No meetings held						
-	-	-	-	-	2/3	-
-	4/5	-	-	-	-	-
-	-	-	-	3/4	-	-
-	3/3	3/3	-	-	-	-
-	4/5	-	-	-	3/5	3/5
3/4	-	-	-	-	-	-
No meetings held						
-	-	-	5/5	-	-	-
-	-	-	-	5/5	-	5/5
-	-	-	1/1	-	1/1	-
1/2	1 x deputy	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	4/4
2/2	-	-	-	-	-	-
-	-	-	5/5	5/5	-	-
-	-	-	-	-	4/4	-

# 2022 - 2023

## Register of Fees, Expenses and Allowances Paid to Council Members

This register is updated to the City of Rockingham website no later than 14 July of each Financial Year to which the information relates. The following register includes any fees, expenses or allowances paid to each council member for the financial year beginning on 1 July 2022 to 30 June 2023.

Council Member	Mayor and Deputy Mayor Allowance	Meeting Attendance Fees	Information and Communication Technology Allowance
Mayor Deb Hamblin	\$87,550.00	\$46,350.00	\$3,500.00
Deputy Mayor Hayley Edwards	\$21,887.52	\$30,900.00	\$3,500.00
Cr Lorna Buchan	N/A	\$30,900.00	\$3,500.00
Cr Craig Buchanan	N/A	\$30,900.00	\$3,500.00
Cr Rae Cottam	N/A	\$30,900.00	\$3,500.00
Cr Sally Davies	N/A	\$30,900.00	\$3,500.00
Cr Caroline Hume	N/A	\$30,900.00	\$3,500.00
Cr Dawn Jecks	N/A	\$30,900.00	\$3,500.00
Cr Mark Jones	N/A	\$30,900.00	\$3,500.00
Cr Leigh Liley	N/A	\$30,900.00	\$3,500.00
Cr Robert Schmidt	N/A	\$30,900.00	\$3,500.00
Cr Brett Wormald	N/A	\$30,900.00	\$3,500.00

Use of Private Motor Vehicle	Reimbursement of Child Care	Reimbursement of Incidental Expenses	Total
\$3,622.34	-	\$17.59	\$141,039.93
\$514.67	-	-	\$56,802.19
\$1,962.10	-	-	\$36,362.10
-	-	-	\$34,400.00
-	\$918.25	-	\$35,318.25
-	-	-	\$34,400.00
\$958.51	-	\$258.18	\$35,616.69
\$763.88	-	\$142.48	\$35,306.36
-	-	-	\$34,400.00
-	-	-	\$34,400.00
\$1,487.55	-	\$102.77	\$35,990.32
\$4,447.58	-	-	\$38,847.58

# Freedom of Information and Public Interest Disclosure

As a public authority the City has an obligation to provide certain information under the provisions of the *Freedom of Information Act 1992* (FOI) and the *Public Interest Disclosures Act 2003*. During the 2022/2023 year, 24 requests were received for information under FOI and no public interest disclosures were received.

## Freedom of Information Statistics 2007/2008 to 2022/2023

Financial Years	FOI Applications	Transfers	Completed	Withdrawn	Not yet completed	Internal Review Applications
2022/2023	24	0	22	4	2	2
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

### **Register of Delegated Authority**

To provide a timely and effective response to customer requests, Council may delegate some routine decision-making authority to the Chief Executive Officer and other City employees. A Register of Delegated Authority is reviewed annually by the Governance and Councillor Support Team and is subsequently adopted by Council. The latest review was adopted at the 27 June 2023 Council meeting.

### **Policy Reviews**

Policies reflect the current strategic positions of Council and provide direction to further the City's strategic goals and/or to meet statutory requirements. Policies can also provide detail on the manner in which the City undertakes, or requires others to undertake, certain works or activities. During the 2022/2023 year, 10 council policies and six local planning policies were reviewed and adopted.

### **Australian Citizenship Ceremonies**

The Governance and Councillor Support Team coordinates the Australian Citizenship Ceremonies on behalf of the Department of Immigration and Citizenship. A total of six ceremonies were held with 429 people becoming Australian citizens this year.

### **Register of Minor Breaches – Complaints Register**

Section 5.53(hb) of the *Local Government Act 1995* specifies that the annual report is to contain details of entries made in the register of complaints of minor breaches which records complaints that result in a finding under section 5.110(2)(a) that a minor breach has occurred.

During the 2022/2023 financial year no findings under 5.110(2)(a) were made by the Local Government Standards Panel.

The City of Rockingham Register of Complaints of Minor Breaches is available via the City's Website.

### **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 Council. Internal Audit found that no non-compliances were identified in the 2022 calendar year and controls around non-compliances and the improvement opportunities identified in the 2021 calendar year have been implemented.

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 Audit 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.



## Internal Controls and Internal Audit

The City's internal controls are developed to ensure that the City's Values and Aspirations are met, that the processes developed are effective, efficient and economical, and further, to ensure reliable financial reporting and 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.

The City's 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 that is conscious of risk and control processes.*
- *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.
- 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. Internal Audit completed the following internal audits during the 2022/2023 financial year:

- Key internal controls;
- Risk management;
- Swimming pool and spa barrier inspections;
- Management of Creditors Masterfile; and
- Compliance Annual Return.



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

- Assists in the review of the Audit Committee Terms of Reference.
- Internal Audit Charter.
- Performs ad-hoc reviews as and when required.
- Monitors and reviews actions and improvement opportunities to be implemented by management in reports presented to the Audit Committee.
- Performed a further three self-evaluation assessments on performance reviews carried out by the Office of the Auditor General (OAG) on other entities also applicable to the City.

Outcomes of these internal audits, including agreed management actions and, when identified, improvement opportunities, are reported to the CEO and Council through the Audit Committee.

The progress and implementation of all agreed management actions identified during internal audits, external audits and other performance reviews performed by the OAG as well as OAG self-assessments, are furthermore tracked, reviewed and reported to the CEO as well as the Audit Committee through the Audit Log.

This is part of the CEO's effort to continuously strengthen current controls implemented as required by *Regulation 17 of the Local Government Audit Regulations of 1996* and to empower Council to make considered and informed decisions within a transparent, accountable, ethical and compliant environment.

## **Risk Management**

The City applies a risk-based approach to all its strategic and operational responsibilities. This includes its decision-making processes and its efforts to ensure compliance with its statutory and regulatory requirements – all of which strive to manage risk to employees, elected members and members of the public.

The City's Risk Management Framework is aligned to the Risk Management Standard – AS/NZS ISO 31000:2018 Risk Management – Guidelines. In May 2012, Council adopted its Risk Management Policy (RM Policy), with the most recent review adopted by Council in January 2021. This policy defines the fundamental principles that establish and maintain a robust, integrated and effective risk management system to support evidence-based decision making.

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. An Audit was undertaken in late 2022 with the findings presented to the Council Audit Committee in March 2023.

## 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.

	2023 Actual (\$)	2023 Budget (\$)	2022 Actual (\$)
<b>Operating</b>			
<b>Operating Revenue</b>			
Landfill Operations	17,636,786	16,537,745	16,585,243
Transfer Station	4,172,704	4,050,000	4,172,888
Recycling Operations	443,891	644,800	661,437
	22,253,381	21,232,545	21,419,568
<b>Operating Expenditure</b>			
Landfill Operations	(18,826,550)	(14,869,350)	(14,500,698)
Transfer Station	(1,550,646)	(1,639,090)	(1,384,425)
Recycling Operations	(393,346)	(516,112)	(518,495)
	(20,770,542)	(17,024,552)	(16,403,618)
<b>Net Operating Result</b>	1,482,839	4,207,993	5,015,950
<b>Non Operating</b>			
<b>Non Operating Revenue</b>			
Landfill Operations	295,483	266,000	349,335
Recycling Operations	24,538	-	-
	320,021	266,000	349,335
<b>Non Operating Expenditure</b>			
Landfill Operations	(3,035,912)	(7,818,300)	(491,880)
	(3,035,912)	(7,818,300)	(491,880)
<b>Net Capital Movement</b>	(2,715,891)	(7,552,300)	(142,545)
<b>Net Overall Result</b>	(1,233,052)	(3,344,307)	4,873,405

Note: Reported in accordance with Local Government (Administration) Regulation 1996, 19BB *Information about trading undertakings to be included in annual report (Act s. 5.53(2)(i))*



## Major Land Transactions

There were no major land transactions during the year 2023.

Note: Reported in accordance with Local Government (Administration) Regulation 1996, 19BC *Information about land transactions to be included in annual report (Act s. 5.53(2)(i))*

## Grants, Subsidies and Contributions

The table below details the value of all capital grants, subsidies and contributions for replacing and renewing assets, that were received by the City of Rockingham during the 2022-23, 2021-22 and 2020-21 financial years.

Financial Year	\$ Value
2022-2023	2,193,000
2021-2022	2,462,000
2020-2021	1,885,000

Note: Reported in accordance with Local Government (Administration) Regulation 1996, 19BE *Information about capital grants, subsidies and contributions to be included in annual report (Act s. 5.53(2)(i))*

# Priorities for the Future

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In the coming year the City will continue to work towards achieving its visions for the future. Some of the key strategies projects and events to be delivered in 2023/2024 include:



Council adoption of the Strategic Community Plan 2023 – 2033.



Commence construction on Stan Twight Reserve Redevelopment.

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Start work on next phase of the Baldivis Sports Complex including Southern Pavilion, Baldivis Outdoor Recreation Space and outdoor hardcourts.



Begin Aqua Jetty Stage Two construction.

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Develop new Tourist Destination Strategy 2024 – 2029.



Host a Freedom of Entry Parade for HMAS Stirling.



# Financial Report

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# Statement by Chief Executive Officer

For the year ended 30 June 2023.

**CITY OF ROCKINGHAM  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

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

**STATEMENT BY CEO**

The accompanying financial report of the City of Rockingham has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

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

Signed on the 6<sup>th</sup> day of NOVEMBER 2023

  
\_\_\_\_\_  
Chief Executive Officer

Michael Parker  
\_\_\_\_\_  
Name of Chief Executive Officer

# Statement of Comprehensive Income

For the year ended 30 June 2023.

	Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
<b>Revenue</b>				
Rates	2(a),25	100,009,100	99,540,541	94,901,057
Grants, subsidies and contributions	2(a)	9,591,238	11,527,658	8,110,532
Fees and charges	2(a)	46,763,193	42,887,164	44,372,202
Interest revenue	2(a)	6,357,152	3,166,227	1,568,189
Other revenue	2(a)	3,202,920	12,719,120	2,545,452
		165,923,603	169,840,710	151,497,432
<b>Expenses</b>				
Employee costs	2(b)	(62,045,942)	(68,157,059)	(61,763,495)
Materials and contracts		(55,460,590)	(60,523,816)	(44,128,300)
Utility charges		(6,233,676)	(6,434,644)	(6,521,321)
Depreciation		(31,418,383)	(40,284,675)	(40,652,757)
Finance costs	2(b)	(855,782)	(469,488)	(524,300)
Insurance		(1,248,277)	(1,416,595)	(1,341,861)
Other expenditure	2(b)	(6,479,634)	(18,100,120)	(8,724,973)
		(163,742,284)	(195,386,397)	(163,657,007)
		2,181,319	(25,545,687)	(12,159,575)
Capital grants, subsidies and contributions	2(a)	33,739,242	12,716,213	39,550,122
Profit on asset disposals		616,805	466,406	496,111
Loss on asset disposals		(2,989,701)	(964,811)	(6,380,061)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	6,451	-	6,995
		31,372,797	12,217,808	33,673,167
Results from discontinued operations	7	3,060,995	-	(9,585,464)
<b>Net result for the period</b>	<b>24(b)</b>	<b>36,615,111</b>	<b>(13,327,879)</b>	<b>11,928,128</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	18	348,546,820	-	(926,371,976)
<b>Total other comprehensive income for the period</b>	<b>18</b>	<b>348,546,820</b>	<b>-</b>	<b>(926,371,976)</b>
<b>Total comprehensive income for the period</b>		<b>385,161,931</b>	<b>(13,327,879)</b>	<b>(914,443,848)</b>

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

# Statement of Financial Position

For the year ended 30 June 2023.

	Note	2023	2022
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	136,323,754	109,731,332
Trade and other receivables	5	8,941,851	9,377,272
Other financial assets	4(a)	9,775	8,735
Inventories	6	278,931	430,985
Other assets	7	1,192,611	1,143,133
Assets classified as held for sale	7	-	8,697,246
<b>TOTAL CURRENT ASSETS</b>		<b>146,746,922</b>	<b>129,388,703</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	2,084,104	2,066,071
Other financial assets	4(b)	147,453	150,274
Property, plant and equipment	8	307,541,274	298,911,181
Infrastructure	9	1,266,784,818	913,235,138
Intangible assets	12	-	279,496
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,576,557,649</b>	<b>1,214,642,160</b>
<b>TOTAL ASSETS</b>		<b>1,723,304,571</b>	<b>1,344,030,863</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	20,558,120	19,858,690
Other liabilities	14	5,994,073	9,902,357
Borrowings	15	1,235,417	1,222,879
Employee related provisions	16	11,450,246	10,844,245
Liabilities classified as held for sale		-	4,150,835
<b>TOTAL CURRENT LIABILITIES</b>		<b>39,237,856</b>	<b>45,979,006</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	15	4,169,097	5,404,514
Employee related provisions	16	1,135,725	1,310,565
Other provisions	17	12,363,169	10,099,985
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>17,667,991</b>	<b>16,815,064</b>
<b>TOTAL LIABILITIES</b>		<b>56,905,847</b>	<b>62,794,070</b>
<b>NET ASSETS</b>		<b>1,666,398,724</b>	<b>1,281,236,793</b>
<b>EQUITY</b>			
Retained surplus		495,781,912	472,240,869
Reserve accounts	28	58,918,459	45,844,391
Revaluation surplus	18	1,111,698,353	763,151,533
<b>TOTAL EQUITY</b>		<b>1,666,398,724</b>	<b>1,281,236,793</b>

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

# Statement of Changes in Equity

For the year ended 30 June 2023.

	Note	RETAINED SURPLUS	RESERVE ACCOUNTS	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
<b>Balance as at 1 July 2021</b>		<b>457,569,713</b>	<b>48,587,419</b>	<b>1,689,523,509</b>	<b>2,195,680,641</b>
Comprehensive income for the period					
Net result for the period		11,928,128	-	-	11,928,128
Other comprehensive income for the period	18	-	-	(926,371,976)	(926,371,976)
Total comprehensive income for the period		11,928,128	-	(926,371,976)	(914,443,848)
Transfers from reserve accounts					
Transfers from reserve accounts	28	5,367,169	(5,367,169)	-	-
Transfers to reserve accounts					
Transfers to reserve accounts	28	(2,624,141)	2,624,141	-	-
<b>Balance as at 30 June 2022</b>		<b>472,240,869</b>	<b>45,844,391</b>	<b>763,151,533</b>	<b>1,281,236,793</b>
Comprehensive income for the period					
Net result for the period		36,615,111	-	-	36,615,111
Other comprehensive income for the period	18	-	-	348,546,820	348,546,820
Total comprehensive income for the period		36,615,111	-	348,546,820	385,161,931
Transfers from reserve accounts					
Transfers from reserve accounts	28	1,777,930	(1,777,930)	-	-
Transfers to reserve accounts					
Transfers to reserve accounts	28	(14,851,998)	14,851,998	-	-
<b>Balance as at 30 June 2023</b>		<b>495,781,912</b>	<b>58,918,459</b>	<b>1,111,698,353</b>	<b>1,666,398,724</b>

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

# Statement of Cash Flows

For the year ended 30 June 2023.

	Note	2023 Actual \$	2023 Budget \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates		100,554,913	95,837,587
Operating grants, subsidies and contributions		9,444,678	8,913,498
Fees and charges		46,782,431	44,583,202
Interest revenue		6,357,152	1,568,189
Goods and services tax received		-	(560,328)
Other revenue		3,202,920	6,717,062
		<b>166,342,094</b>	<b>157,059,210</b>
<b>Payments</b>			
Employee costs		(61,283,331)	(61,654,412)
Materials and contracts		(55,414,270)	(52,447,023)
Utility charges		(6,233,676)	(6,647,218)
Finance costs		(439,126)	(532,966)
Insurance paid		(1,248,277)	(1,354,291)
Goods and services tax paid		359,334	-
Other expenditure		(6,366,860)	(9,885,246)
		<b>(130,626,206)</b>	<b>(132,521,156)</b>
<b>Net cash provided by (used in) operating activities</b>	19(b)	<b>35,715,888</b>	<b>24,538,054</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	8(a)	(12,531,211)	(23,054,059)
Payments for construction of infrastructure	9(a)	(11,767,033)	(25,534,138)
Proceeds for financial assets at amortised cost		-	66,645,487
Proceeds from financial assets at amortised cost - self supporting loans		8,735	8,230
Proceeds from sale of property, plant & equipment		1,103,093	1,954,414
Proceeds from sale of assets held for sale		6,799,288	-
Capital grants, subsidies and contributions		4,473,092	20,265,781
<b>Net cash provided by (used in) investing activities</b>		<b>(11,914,036)</b>	<b>40,285,715</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	27(a)	(1,222,879)	(1,217,508)
Payments for principal portion of lease liabilities	27(b)	-	(604,990)
<b>Net cash provided by (used in) financing activities</b>		<b>(1,222,879)</b>	<b>(1,822,498)</b>
Net increase (decrease) in cash held		22,578,973	63,001,271
Cash at beginning of year		113,744,781	50,743,510
<b>Cash and cash equivalents at the end of the year</b>	<b>19(a)</b>	<b>136,323,754</b>	<b>113,744,781</b>
Cash and cash equivalents	3	136,323,754	109,731,332
Cash classified as held for sale	7	-	4,013,449
<b>Cash and cash equivalents at the end of the year</b>		<b>136,323,754</b>	<b>113,744,781</b>

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

# Statement of Financial Activity

For the year ended 30 June 2023.

	Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
Rates	25	100,009,100	99,540,541	94,901,057
Grants, subsidies and contributions		9,591,238	11,527,658	8,110,532
Fees and charges		46,763,193	42,887,164	44,372,202
Interest revenue		6,357,152	3,166,227	1,568,189
Other revenue		3,202,920	12,719,120	2,545,452
Profit on asset disposals		616,805	466,406	496,111
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	6,451	-	6,995
		<b>166,546,859</b>	<b>170,307,116</b>	<b>152,000,538</b>
Expenditure from operating activities				
Employee costs		(62,045,942)	(68,157,059)	(61,763,495)
Materials and contracts		(55,460,590)	(60,523,816)	(44,128,300)
Utility charges		(6,233,676)	(6,434,644)	(6,521,321)
Depreciation		(31,418,383)	(40,284,675)	(40,652,757)
Finance costs		(855,782)	(469,488)	(524,300)
Insurance		(1,248,277)	(1,416,595)	(1,341,861)
Other expenditure		(6,479,634)	(18,100,120)	(8,724,973)
Loss on asset disposals		(2,989,701)	(964,811)	(6,380,061)
		<b>(166,731,985)</b>	<b>(196,351,208)</b>	<b>(170,037,068)</b>
Results from discontinued operations		3,060,995	-	(9,585,464)
Non-cash amounts excluded from operating activities	26(a)	30,530,960	43,507,302	54,866,646
<b>Amount attributable to operating activities</b>		<b>30,345,834</b>	<b>17,463,210</b>	<b>27,244,652</b>
<b>INVESTING ACTIVITIES</b>				
Inflows from investing activities				
Capital grants, subsidies and contributions		33,739,242	12,716,213	39,550,122
Proceeds from disposal of assets		1,103,093	1,427,200	1,954,414
Proceeds from financial assets at amortised cost - self supporting loans	27(a)	8,735	-	8,230
Proceeds from assets held for sale		6,799,288	-	247,426
		<b>41,650,358</b>	<b>14,143,413</b>	<b>41,760,192</b>
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(12,531,211)	(61,394,665)	(23,054,059)
Purchase and construction of infrastructure	9(a)	(33,870,085)	(33,456,116)	(44,818,481)
		<b>(46,401,296)</b>	<b>(94,850,781)</b>	<b>(67,872,540)</b>
Non-cash amounts excluded from investing activities	26(b)	668,906	-	(2,099,500)
<b>Amount attributable to investing activities</b>		<b>(4,082,032)</b>	<b>(80,707,368)</b>	<b>(28,211,848)</b>

(continued)

# Statement of Financial Activity

For the year ended 30 June 2023.

	Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from borrowings	27(a)	-	14,300,000	-
Transfers from reserve accounts	28	1,777,930	5,122,095	5,367,169
		<u>1,777,930</u>	<u>19,422,095</u>	<u>5,367,169</u>
<b>Outflows from financing activities</b>				
Repayment of borrowings	27(a)	(1,222,879)	(1,222,879)	(1,217,508)
Payments for principal portion of lease liabilities	27(b)	-	(226,872)	(604,990)
Transfers to reserve accounts	28	(14,851,998)	(4,233,029)	(2,624,141)
		<u>(16,074,877)</u>	<u>(5,682,780)</u>	<u>(4,446,639)</u>
<b>Amount attributable to financing activities</b>		<b>(14,296,947)</b>	<b>13,739,315</b>	<b>920,530</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	<b>26(c)</b>	<b>52,606,830</b>	<b>49,504,843</b>	<b>52,653,496</b>
Amount attributable to operating activities		30,345,834	17,463,210	27,244,652
Amount attributable to investing activities		(4,082,032)	(80,707,368)	(28,211,848)
Amount attributable to financing activities		(14,296,947)	13,739,315	920,530
<b>Surplus or deficit after imposition of general rates</b>	<b>26(c)</b>	<b>64,573,685</b>	<b>-</b>	<b>52,606,830</b>

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

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# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 1. Basis of Preparation

The financial report of City of Rockingham, which is a Class 1 local government, comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

### **Local Government Act 1995 requirements**

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the 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 (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 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 29 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 assets.

#### **Initial application of accounting standards**

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

- *AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- *AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date*
- *AASB 2021-7a Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]*
- *AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15.*

These amendments have no material impact on the current annual financial report.

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

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

- *AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*  
*This standard will result in a terminology change for significant accounting policies*
- *AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- *AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- *AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- *AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- *AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.*

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

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 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	Payment terms	Returns/ Refunds/ Warranties	Timing of revenue recognition
Rates	General rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Grants contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/ or completion date matched to performance obligations
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/ or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/ Refunds/ Warranties	Timing of revenue recognition
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 2. Revenue and Expenses (continued)

### (a) Revenue (Continued)

#### Revenue Recognition

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

For the year ended 30 June 2023.

Nature	Contracts with customers	Capital grant/ contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	100,009,100	-	100,009,100
Grants, subsidies and contributions	6,332,999	3,258,240	-	-	9,591,238
Fees and charges	46,763,193	-	-	-	46,763,193
Interest revenue	5,425,686	-	931,466	-	6,357,152
Other revenue	-	-	-	3,202,920	3,202,920
Capital grants, subsidies and contributions	-	33,739,242	-	-	33,739,242
<b>Total</b>	<b>58,521,878</b>	<b>36,997,482</b>	<b>100,940,566</b>	<b>3,202,920</b>	<b>199,662,845</b>

For the year ended 30 June 2022.

Nature	Contracts with customers	Capital grant/ contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	94,901,057	-	94,901,057
Grants, subsidies and contributions	1,293,545	6,816,987	-	-	8,110,532
Fees and charges	44,372,202	-	-	-	44,372,202
Interest revenue	647,384	-	920,805	-	1,568,189
Other revenue	-	-	-	2,545,452.0	2,545,452
Capital grants, subsidies and contributions	-	39,550,122	-	-	39,550,122
<b>Total</b>	<b>46,313,131</b>	<b>46,367,109</b>	<b>95,821,862</b>	<b>2,545,452</b>	<b>191,047,554</b>

	2023 Actual	2022 Actual
	\$	\$
<b>Assets and services acquired below fair value</b>		
Contributed assets	22,103,052	19,284,341
	<b>22,103,052</b>	<b>19,284,341</b>
Interest revenue		
Financial assets at amortised cost - self supporting loans	1,058	1,574
Interest on reserve account funds	1,722,886	227,917
Other interest revenue	3,630,716	384,128
Rates instalment and penalty interest	1,002,492	954,570
	<b>6,357,152</b>	<b>1,568,189</b>
The 2023 original budget estimate in relation to:		
Trade and other receivables overdue interest was \$334,346.		
<b>Fees and charges relating to rates receivable</b>		
Charges on instalment plan	142,868	127,186
The 2023 original budget estimate in relation to:		
Charges on instalment plan was \$150,000		

## (b) Expenses

	2023 Actual	2022 Actual
	\$	\$
<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	85,140	102,700
- Other services - grant acquittals	12,900	10,200
	<b>98,040</b>	<b>112,900</b>
<b>Employee Costs</b>		
Employee benefit costs	53,651,991	52,833,429
Other employee costs	8,393,951	8,930,066
	<b>62,045,942</b>	<b>61,763,495</b>
<b>Finance costs</b>		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	439,126	524,300
Provisions: unwinding of discount	416,656	-
	<b>855,782</b>	<b>524,300</b>
Impairment losses on trade receivables	112,774	-
Sundry expenses	6,366,860	8,724,973
	<b>6,479,634</b>	<b>8,724,973</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 3. Cash and Cash Equivalents

	Note	2023 \$	2022 \$
Cash at bank and on hand		136,323,754	109,731,332
<b>Total cash and cash equivalents</b>	19(a)	<b>136,323,754</b>	<b>109,731,332</b>
Held as			
- Unrestricted cash and cash equivalents		71,411,222	53,984,584
- Restricted cash and cash equivalents	19(a)	64,912,532	55,746,748
		<b>136,323,754</b>	<b>109,731,332</b>

### 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.

#### Restricted financial assets

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

## 4. Other Financial Assets

	Note	2023	2022
		\$	\$
<b>(a) Current assets</b>			
Financial assets at amortised cost		9,775	8,735
		<b>9,775</b>	<b>8,735</b>
<b>Other financial assets at amortised cost</b>			
Self supporting loans receivable	26(c)	9,775	8,735
		<b>9,775</b>	<b>8,735</b>
Held as			
- Unrestricted other financial assets at amortised cost		9,775	8,735
		<b>9,775</b>	<b>8,735</b>
<b>(b) Non-current assets</b>			
Financial assets at amortised cost		4,846	14,118
Financial assets at fair value through profit or loss		142,607	136,156
		<b>147,453</b>	<b>150,274</b>
<b>Financial assets at amortised cost</b>			
Self supporting loans receivable		4,846	14,118
		<b>4,846</b>	<b>14,118</b>
<b>Financial assets at fair value through profit or loss</b>			
Units in Local Government House Trust - opening balance		136,156	129,161
Movement attributable to fair value increment		6,451	6,995
Units in Local Government House Trust - closing balance		<b>142,607</b>	<b>136,156</b>

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 27(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 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 23 (i)) due to the observable market rates).

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

### Financial assets at fair value through profit or loss

The City has elected to classify the following financial assets at fair value through profit or loss:

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

### Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 22.

## 5. Trade and Other Receivables

	Note	2023	2022
		\$	\$
<b>Current</b>			
Rates and statutory receivables		4,304,689	4,395,324
Trade receivables		4,205,211	4,171,425
GST receivable		919,182	1,278,516
Allowance for credit losses of rates and statutory receivables		-	(62,345)
Allowance for credit losses of trade receivables	22(b)	(487,231)	(405,648)
		<b>8,941,851</b>	<b>9,377,272</b>
<b>Non-current</b>			
Pensioner's rates and ESL deferred		2,084,104	2,066,071
		<b>2,084,104</b>	<b>2,066,071</b>

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

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

	Note	30 June 2023 Actual	30 June 2022 Actual	1 July 2021 Actual
		\$	\$	\$
Trade and other receivables from contracts with customers		2,636,293	2,544,502	2,905,083
Contract assets	7	1,192,611	1,143,133	807,418
Allowance for credit losses of trade receivables	5	(487,231)	(467,993)	(670,343)
Total trade and other receivables from contracts with customers		<b>3,341,673</b>	<b>3,219,642</b>	<b>3,042,158</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## Significant Accounting Policies

### Rates and statutory receivables

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

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

### Trade receivables

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

### Other receivables

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

### Measurement

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

### Classification and subsequent measurement

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

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

### 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 22.

## 6. Inventories

	2023	2022
	\$	\$
<b>Current</b>		
Fuel and materials	278,931	430,985
	<b>278,931</b>	<b>430,985</b>

The following movements in inventories occurred during the year:

<b>Balance at beginning of year</b>	430,985	210,447
Inventories expensed during the year	(1,788,197)	(860,679)
Additions to inventory	1,636,143	1,081,217
<b>Balance at end of year</b>	<b>278,931</b>	<b>430,985</b>

### Significant Accounting Policies

#### General

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

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

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 7. Other Assets

	2023	2022
	\$	\$
<b>Other assets - current</b>		
Contract assets	1,192,611	1,143,133
	<b>1,192,611</b>	<b>1,143,133</b>

### Assets held for sale and discontinued operations

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, was completed on 4 August 2022 for a total sales price of \$7,902,381 resulting in a net gain/loss on disposal of discontinued operations of \$3,060,995.

Lot 716 Centaurus Street, Rockingham - Rockingham Park Kindergarden and Lot 35 Council Avenue - Rockingham Child Care Centre were reported in the previous year as assets held for sale. The properties were reclassified back to property, plant and equipment on 30 June 2023 as the City have yet to finalise its plans to sell the properties as of 30 June 2023.

### Operating Statement

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

	2023	2022
	\$	\$
Revenue	-	4,585,411
Expenses	-	(6,356,528)
Net gain/(loss) on disposal of discontinued operations	3,060,995	(7,814,347)
<b>Net result from discontinued operations</b>	<b>3,060,995</b>	<b>(9,585,464)</b>

## Assets and Liabilities

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

	2023	2022
	\$	\$
Cash and cash advances classified as held for sale	-	4,013,449
Debtors classified as held for sale	-	89,849
Property Plant and Equipment - Bert England Lodge	-	3,644,032
Lot 716 Centaurus Street, Rockingham - Rockingham Park Kindergarden	-	212,303
Lot 35 Council Avenue - Rockingham Child Care Centre	-	698,020
Miscellaneous Infrastructure - Rockingham Park Kindergarden	-	39,593
<b>Total Assets - Held for sale</b>	<b>-</b>	<b>8,697,246</b>
Other liabilities held for sale - Bert England Lodge	-	(4,150,835)

## Cash Flows from Discontinued Operations

The cash flows from the discontinued operations were as follows:

	2023	2022
	\$	\$
Net cash from operating activities	-	(1,167,474)
Net cash from investing activities	-	(52,524)
Net cash from financing activities	-	0
	<b>-</b>	<b>(1,219,999)</b>

## 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 23(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).

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 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.

	Land	Buildings	Total land and buildings
	\$	\$	\$
<b>Balance at 1 July 2021</b>	<b>94,175,069</b>	<b>161,927,793</b>	<b>256,102,862</b>
Additions	-	-	-
Disposals	(5,000,000)	(6,613,040)	(11,613,040)
Revaluation increments / (decrements) transferred to revaluation surplus	9,758,763	18,778,241	28,537,004
Depreciation	-	(6,323,147)	(6,323,147)
Transfers	-	(6,073,690)	(6,073,690)
<b>Balance at 30 June 2022</b>	<b>98,933,832</b>	<b>161,696,157</b>	<b>260,629,989</b>
<b>Comprises:</b>			
Gross balance amount at 30 June 2022	98,933,832	192,524,573	291,458,405
Accumulated depreciation at 30 June 2022	0	(30,828,416)	(30,828,416)
<b>Balance at 30 June 2022</b>	<b>98,933,832</b>	<b>161,696,157</b>	<b>260,629,989</b>
Additions	-	-	-
Disposals	(525,000)	-	(525,000)
Revaluation increments / (decrements) transferred to revaluation surplus	320,658	1,215,885	1,536,543
Depreciation	-	(3,921,449)	(3,921,449)
Transfers	190,000	26,098,927	26,288,927
<b>Balance at 30 June 2023</b>	<b>98,919,490</b>	<b>185,089,520</b>	<b>284,009,010</b>
<b>Comprises:</b>			
Gross balance amount at 30 June 2023	98,919,490	219,839,385	318,758,875
Accumulated depreciation at 30 June 2023	-	(34,749,865)	(34,749,865)
<b>Balance at 30 June 2023</b>	<b>98,919,490</b>	<b>185,089,520</b>	<b>284,009,010</b>

<sup>a</sup> Infrastructure - landfill has been reclassified from Property, Plant and Equipment to Infrastructure. The balance at 30 June 2022 has been restated to reflect this change, resulting in a \$8,586,092 increase in Property, Plant and Equipment and corresponding decrease in Infrastructure (Note 9).

Miscellaneous Assets	Furniture and equipment	Plant and equipment	Works in progress	Total property, plant and equipment <sup>a</sup>
\$	\$	\$	\$	\$
<b>623,242</b>	<b>2,357,078</b>	<b>14,190,585</b>	<b>5,478,561</b>	<b>278,752,328</b>
100,450	681,542	1,921,893	20,350,174	23,054,059
-	-	(640,432)	-	(12,253,472)
-	-	-	-	28,537,004
(15,364)	(599,063)	(2,946,959)	-	(9,884,533)
-	(6,073,690)	(6,073,690)	-	-
<b>714,593</b>	<b>2,186,306</b>	<b>12,606,115</b>	<b>22,774,178</b>	<b>298,911,181</b>
764,557	5,151,613	24,412,643	22,774,178	344,561,396
(49,964)	(2,965,307)	(11,806,528)	-	(45,650,215)
<b>714,593</b>	<b>2,186,306</b>	<b>12,606,115</b>	<b>22,774,178</b>	<b>298,911,181</b>
53,315	-	3,694,643	8,783,253	12,531,211
-	-	(535,490)	-	(1,060,490)
-	-	-	-	1,536,543
(52,345)	(644,174)	(3,342,109)	-	(7,960,077)
2,480,687	175,405	138,861	(25,500,974)	3,582,906
<b>3,196,250</b>	<b>1,717,537</b>	<b>12,562,020</b>	<b>6,056,457</b>	<b>307,541,274</b>
3,298,559	5,327,018	27,710,657	6,056,457	361,151,566
(102,309)	(3,609,481)	(15,148,637)	-	(53,610,292)
<b>3,196,250</b>	<b>1,717,537</b>	<b>12,562,020</b>	<b>6,056,457</b>	<b>307,541,274</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 8. Property, Plant and Equipment (continued)

### (b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
Land	2	Market approach using recent observable market data for similar properties	Independent valuers	June 2022	Purchase costs and residual values
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.

	Infrastructure - roads \$	Infrastructure - footpaths and drainage \$
<b>Balance at 1 July 2021</b>	<b>1,510,428,609</b>	<b>167,866,684</b>
Additions*	-	-
(Disposals)	(1,150,770)	-
Revaluation increments / (decrements) transferred to revaluation surplus	(954,966,696)	-
Depreciation	(17,564,236)	(3,401,058)
Transfers	20,861,890	6,359,611
<b>Balance at 30 June 2022</b>	<b>557,608,797</b>	<b>170,825,237</b>
<b>Comprises:</b>		
Gross balance at 30 June 2022	627,427,861	184,170,415
Accumulated depreciation at 30 June 2022	(69,819,064)	(13,345,178)
<b>Balance at 30 June 2022</b>	<b>557,608,797</b>	<b>170,825,237</b>
Additions*	-	-
(Disposals)	-	-
Revaluation increments / (decrements) transferred to revaluation surplus	-	313,852,518
Revaluation of Landfill Rehabilitation Assets	-	-
Depreciation	(6,798,846)	(3,531,484)
Transfers	18,120,859	7,148,492
<b>Balance at 30 June 2023</b>	<b>568,930,810</b>	<b>488,294,763</b>
<b>Comprises:</b>		
Gross balance at 30 June 2023	645,548,720	505,171,425
Accumulated depreciation at 30 June 2023	(76,617,910)	(16,876,662)
<b>Balance at 30 June 2023</b>	<b>568,930,810</b>	<b>488,294,763</b>

\* Asset additions included additions received at substantially less than fair value:

During the year ended 30 June 2022	19,284,341	-
During the year ended 30 June 2023	22,103,052	-

<sup>a</sup> Infrastructure - landfill has been reclassified from Property, Plant and Equipment to Infrastructure. The balance at 30 June 2022 has been restated to reflect this change, resulting in a \$8,586,092 increase in Infrastructure and corresponding decrease in Property, Plant and Equipment (Note 8).

<sup>b</sup> The landfill rehabilitation provision asset has been reclassified from Intangible asset to Infrastructure asset and included in the balance of Infrastructure - landfill. This change is to reflect the rehabilitation provision asset as part of the landfill asset cost. The balance at 30 June 2022 has been restated to reflect this change, resulting in a \$6,435,645 increase in Infrastructure - landfill and a corresponding decrease in Intangible assets (Note 12).

Other infrastructure	Infrastructure - landfill asset <sup>b</sup>	Works in progress	Total Infrastructure <sup>a</sup>
\$	\$	\$	\$
<b>133,832,791</b>	<b>14,534,356</b>	<b>20,600,538</b>	<b>1,847,262,978</b>
-	-	44,818,481	44,818,481
(1,624,573)	-	-	(2,775,343)
57,716	-	-	(954,908,980)
(7,921,391)	(1,569,516)	-	(30,456,201)
27,750,892	157,568	(45,835,758)	9,294,203
<b>152,095,435</b>	<b>13,122,408</b>	<b>19,583,261</b>	<b>913,235,138</b>
182,839,364	23,400,280	19,583,261	1,037,421,181
(30,743,929)	(10,277,872)	-	(124,186,043)
<b>152,095,435</b>	<b>13,122,408</b>	<b>19,583,261</b>	<b>913,235,138</b>
-	-	33,870,085	33,870,085
(81,914)	(2,333,580)	-	(2,415,494)
31,858,163	1,299,596	-	347,010,277
-	1,846,528	-	1,846,528
(10,931,846)	(1,916,634)	-	(23,178,810)
18,000,209	(81,726)	(46,770,740)	(3,582,906)
<b>190,940,047</b>	<b>11,936,592</b>	<b>6,682,606</b>	<b>1,266,784,818</b>
232,615,708	24,131,098	6,682,606	1,414,149,557
(41,675,661)	(12,194,506)	-	(147,364,739)
<b>190,940,047</b>	<b>11,936,592</b>	<b>6,682,606</b>	<b>1,266,784,818</b>
-	-	-	19,284,341
-	-	-	22,103,052

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 9. Infrastructure (Continued)

### (b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value</b>					
<b>Infrastructure - roads</b>	3	Cost approach using current replacement cost	Management valuation	June 2022	Unit rates obtained by using cost guides & through the prices supplied by the COR Useful life estimated using condition, known age and estimated age
<b>Infrastructure - footpaths and drainage</b>	3	Cost approach using current replacement cost	Management valuation	June 2023	Unit rates obtained by using cost guides & through the prices supplied by the COR Useful life estimated using condition, known age and estimated age
<b>Other infrastructure</b>	3	Cost approach using current replacement cost	Management valuation	June 2023	Unit rates obtained by using cost guides & through the prices supplied by the COR Useful life estimated using condition, known age and estimated age
<b>Infrastructure - landfill asset<sup>b</sup></b>	3	Cost approach using current replacement cost	Independent valuation	June 2023	Unit rates obtained by using cost guides & 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

#### 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
Infrastructure - landfill asset <sup>b</sup>	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	10 to 100 years
Infrastructure - footpaths and drainage	10 to 100 years
Other infrastructure	10 to 80 years
Computer Software	4 to 5 years

### (b) Fully Depreciated Assets in Use

The gross carrying value of assets held by the City which are currently in use yet fully depreciated are shown in the table below.

	2023	2022
	\$	\$
Furniture and equipment	1,146,333	384,792
Plant and equipment	2,118,285	690,660
	<b>3,264,618</b>	<b>1,075,452</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 10. Fixed Assets (Continued)

### 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 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.

#### 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.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, 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 City's revaluation policy, 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 consistent with *Financial Management Regulation 17A(4)*.

#### 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 consistent with *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 asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

### **Depreciation**

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

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

### **Depreciation on revaluation**

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

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

### **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).

### **Impairment**

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 or losses on disposal**

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

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 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 \$
<b>Balance at 1 July 2021</b>		623,896	623,896
Derecognition of right of use assets		(623,896)	(623,896)
<b>Balance at 30 June 2022</b>		-	-

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

	2023 Actual \$	2022 Actual \$
Derecognition of right of use assets	-	(623,896)
<b>Total amount recognised in the statement of comprehensive income</b>	-	<b>(623,896)</b>
<b>Total cash outflow from leases</b>	-	<b>(604,990)</b>

## 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 27(b).

### Right-of-use assets - measurement

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

Refer to Note 10 under revaluation for details on the 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 depreciated over the useful life of the underlying asset.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 12. Intangible Assets

	2023 Actual \$	2022 Actual \$
<b>Non-current</b>		
Computer software development	279,496	1,215,565
Less: Accumulated amortisation	(279,496)	(936,069)
	<b>-</b>	<b>279,496</b>
Movements in balances of computer software during the financial year are shown as follows:		
<b>Balance at 1 July</b>	279,496	591,519
Amortisation	(279,496)	(312,023)
<b>Balance at 30 June</b>	<b>-</b>	<b>279,496</b>
<b>Total intangible assets</b>	<b>-</b>	<b>279,496</b>

<sup>a</sup> The landfill rehabilitation provision asset has been reclassified from Intangible asset to Infrastructure asset and included in the balance of Infrastructure - landfill. This change is to reflect the rehabilitation provision asset as part of the landfill asset cost. The balance at 30 June 2022 has been restated to reflect this change, resulting in a \$6,435,645 decrease in Intangible assets and a corresponding increase in Infrastructure - landfill (Note 9).

## 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 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.

Information on useful life, amortisation rates and amortisation methods can be found in Note 10.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 13. Trade and Other Payables

	2023	2022
	\$	\$
<b>Current</b>		
Sundry creditors	9,940,381	10,985,470
Prepaid rates	4,979,273	4,505,559
Accrued payroll liabilities	1,903,937	1,572,487
Bonds and deposits held	3,707,780	2,759,729
Accrued interest in long term liabilities	26,749	35,445
	<b>20,558,120</b>	<b>19,858,690</b>

### 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 Financial liabilities are derecognised where the related profit or loss.

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

#### Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise 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 income for the prepaid rates that have not been refunded.

## 14. Other Liabilities

	2023	2022
	\$	\$
<b>Current</b>		
Contract liabilities	977,877	5,555,068
Capital grant/contributions liabilities	5,016,196	4,347,289
	<b>5,994,073</b>	<b>9,902,357</b>
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	5,555,068	4,456,814
Additions	977,877	5,555,068
Revenue from contracts with customers included as a contract liability at the start of the period	(5,555,068)	(4,456,814)
	<b>977,877</b>	<b>5,555,068</b>

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$977,876 (2022: \$5,555,067).

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

	2023	2022
	\$	\$
<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
Opening balance	4,347,289	6,446,789
Additions	5,016,196	4,347,289
Revenue from capital grant/contributions held as a liability at the start of the period	(4,347,289)	(6,446,789)
	<b>5,016,196</b>	<b>4,347,289</b>
<b>Expected satisfaction of capital grant/contribution liabilities</b>		
Less than 1 year	5,016,196	4,347,289
	<b>5,016,196</b>	<b>4,347,289</b>

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

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 14. Other Liabilities (continued)

### 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.

#### 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 by the City which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, 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 23(i)) due to the unobservable inputs, including own credit risk.

## 15. Borrowings

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Bank loans		1,235,417	4,169,097	5,404,514	1,222,879	5,404,514	6,627,393
<b>Total secured borrowings</b>	27(a)	1,235,417	4,169,097	5,404,514	1,222,879	5,404,514	6,627,393

### Secured liabilities and assets pledged as security

Bank loans are secured by a floating charge over the assets of the City of Rockingham.

The City of Rockingham has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

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

#### Risk

Details of individual borrowings required by regulations are provided at Note 27(a). Information regarding exposure to risk can be found at Note 22.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 16. Employee Related Provisions

	2023 Actual	2022 Actual
<b>Current provisions</b>	<b>\$</b>	<b>\$</b>
<b>Employee benefit provisions</b>		
Annual leave	4,444,662	4,211,040
Long service leave	5,338,141	4,938,225
Other employee leave provisions	1,667,443	1,694,980
	<b>11,450,246</b>	<b>10,844,245</b>
<b>Total current employee related provisions</b>	<b>11,450,246</b>	<b>10,844,245</b>
<b>Non-current provisions</b>		
<b>Employee benefit provisions</b>		
Long service leave	1,135,725	1,310,565
	<b>1,135,725</b>	<b>1,310,565</b>
<b>Total non-current employee related provisions</b>	<b>1,135,725</b>	<b>1,310,565</b>
<b>Total employee related provisions</b>	<b>12,585,971</b>	<b>12,154,810</b>

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:

	Note	2023	2022
<b>Amounts are expected to be settled on the following basis:</b>		<b>\$</b>	<b>\$</b>
Less than 12 months after the reporting date		6,335,352	6,590,515
More than 12 months from reporting date		6,250,619	5,564,295
		<b>12,585,971</b>	<b>12,154,810</b>

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## 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.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 17. Other Provisions

	Landfill Provision	Total
	\$	\$
<b>Opening balance at 1 July 2022</b>		
Non-current provisions	10,099,985	10,099,985
	<b>10,099,985</b>	<b>10,099,985</b>
Additional provision	1,846,528	1,846,528
Charged to profit or loss		
- unwinding of discount	416,656	416,656
<b>Balance at 30 June 2023</b>	<b>12,363,169</b>	<b>12,363,169</b>
<b>Comprises</b>		
Non-current	12,363,169	12,363,169
	<b>12,363,169</b>	<b>12,363,169</b>

### Other provisions

Amounts which are expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

### 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 post-closure management of the site until such time as the waste has fully degraded, to the satisfaction of the Environmental Protection Authority. The Provision for rehabilitation has been calculated based on an anticipated operational life of 30 years with a 30 year post-closure management period. The expected requirements for the final decommissioning and post-closure management plan are based on current regulatory and industry experience.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future rehabilitation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future rehabilitation costs are reviewed annually and any changes in the estimate are reflected in the remediation provision at each reporting date.

### 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.



# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 18. Revaluation Surplus

	2023 Opening Balance	Total Movement on Revaluation
	\$	\$
Revaluation surplus - Land	67,262,790	320,658
Revaluation surplus - Land infrastructure	883,594	1,299,596
Revaluation surplus - Buildings	104,121,327	1,215,885
Revaluation surplus - Furniture and equipment	3,182,946	-
Revaluation surplus - Plant and equipment	2,311,533	-
Revaluation surplus - Miscellaneous assets	532,045	-
Revaluation surplus - Roads	425,130,071	-
Revaluation surplus - Footpaths and drainage	111,874,420	313,852,518
Revaluation surplus - Other infrastructure	47,852,807	31,858,163
	<b>763,151,533</b>	<b>348,546,820</b>

2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
\$	\$	\$	\$
67,583,448	55,823,504	11,439,286	67,262,790
2,183,190	883,594	-	883,594
105,337,212	85,343,086	18,778,241	104,121,327
3,182,946	3,554,563	(371,617)	3,182,946
2,311,533	2,311,533	-	2,311,533
532,045	160,428	371,617	532,045
425,130,071	1,380,096,767	(954,966,696)	425,130,071
425,726,938	111,874,420	-	111,874,420
79,710,970	49,475,614	(1,622,807)	47,852,807
<b>1,111,698,353</b>	<b>1,689,523,509</b>	<b>(926,371,976)</b>	<b>763,151,533</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 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	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	136,323,754	109,731,332
Cash Classified as Held for Sale		-	4,013,449

### 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	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	64,912,532	55,746,748
		<b>64,912,532</b>	<b>55,746,748</b>

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

	Note	2023 Actual	2022 Actual
Restricted reserve accounts	28	58,918,459	45,844,391
Contract liabilities	14	977,877	5,555,068
Capital grant liabilities	14	5,016,196	4,347,289
<b>Total restricted financial assets</b>		<b>64,912,532</b>	<b>55,746,748</b>

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

	Note	2023 Actual \$	2022 Actual \$
Net result		36,615,111	11,928,128
Less: Non Cash Contribution		(22,103,053)	(19,284,341)
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(6,451)	(6,995)
Depreciation/amortisation		31,418,383	40,652,757
(Profit)/loss on sale of asset		2,372,891	5,883,950
(Profit)/loss on sale of asset - discontinued operations		(3,060,991)	7,814,347
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		416,886	(387,115)
(Increase)/decrease in other assets		896,022	663,258
(Increase)/decrease in inventories		152,054	(220,538)
Increase/(decrease) in trade and other payables		699,430	(3,034,548)
Increase/(decrease) in employee related provisions		431,161	(75,507)
Increase/(decrease) in other provisions		416,656	(227,814)
Increase/(decrease) in other liabilities		(8,059,119)	1,098,253
Capital grants, subsidies and contributions		(4,473,092)	(20,265,781)
<b>Net cash provided by/(used in) operating activities</b>		<b>35,715,888</b>	<b>24,538,054</b>

## (c) Undrawn Borrowing Facilities

	Note	2023 Actual \$	2022 Actual \$
Bank overdraft limit		500,000	500,000
Bank overdraft at balance date		-	-
<b>Total amount of credit unused</b>		<b>500,000</b>	<b>500,000</b>
<b>Loan facilities</b>			
Loan facilities - current		1,235,417	1,222,879
Loan facilities - non-current		4,169,097	5,404,514
<b>Total facilities in use at balance date</b>		<b>5,404,514</b>	<b>6,627,393</b>
<b>Unused loan facilities at balance date</b>		<b>NIL</b>	<b>NIL</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 20. Capital Commitments

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	62,198,438	40,848,216
- plant & equipment purchases	8,313,827	188,688
	<b>70,512,265</b>	<b>41,036,904</b>
Payable:		
- not later than one year	70,512,265	41,036,904

## 21. Related Party Transactions

### (a) Elected Member Remuneration

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

	Note	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Mayor's annual allowance		87,550	87,550	87,550
Deputy Mayor's annual allowance		22,402	21,887	21,333
Meeting attendance fees		387,125	387,125	369,687
Other expenses		-	258	-
Annual allowance for ICT expenses		41,125	41,125	38,500
Travel and accommodation expenses		14,681	11,525	12,442
	21(b)	<b>552,883</b>	<b>549,470</b>	<b>529,512</b>

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

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

	Note	2023 Actual \$	2022 Actual \$
Short-term employee benefits		1,633,366	1,677,257
Post-employment benefits		222,866	216,543
Employee - other long-term benefits		40,834	37,799
Employee - termination benefits		-	15,675
Council member costs	21(a)	552,883	529,512
		<b>2,449,949</b>	<b>2,476,786</b>

### 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.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 21. Related Party Transactions (continued)

### 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:

	2023 Actual	2022 Actual
	\$	\$
Sale of goods and services	6,257	594,031
Purchase of goods and services	3,134,966	7,544,853
Payment of council member costs (Refer to Note 23(a))	552,883	529,512
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	41,814	10,282
<b>Amounts payable to related parties:</b>		
Trade and other payables	96,128	500

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## **Related Parties**

The City's main related parties are as follows:

- **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 and are detailed in Notes 21(a) and 21(b).

- **Other Related Parties**

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the City's procurement process.

The contract involved roadworks in the City, and amounted to \$265,941 in the current year (\$369,871 in the prior year).

Short-term employee benefits related to an associate person of the CEO who was employed by the City under normal employment terms and conditions.

Outside of normal citizen type transactions with the City, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

- **Entities subject to significant influence by the City**

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

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 22. 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
<b>Market risk - interest rates</b>	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
<b>Credit risk</b>	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
<b>Liquidity risk</b>	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 department under policies approved by the council. The finance department 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.

### (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 the 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 \$
<b>2023</b>					
Cash and cash equivalents	0.37%	136,323,754	-	136,323,754	-
<b>2022</b>					
Cash and cash equivalents	0.85%	109,731,332	-	109,731,332	-

### Sensitivity

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

	2023 \$	2022 \$
Impact of a 1% movement in interest rates on profit or loss and equity*	1,363,238	1,097,313

\* 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 27(a).

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 22. Financial Risk Management (continued)

### (b) Credit risk

#### Trade and Other Receivables

The City's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. 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.

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 and other receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2022 or 1 July 2023 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 users to settle the receivables.

The loss allowance as at 30 June 2023 and 30 June 2022 was determined as follows for trade and other receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2023</b>					
Trade receivables					
Expected credit loss	1.38	5.38	5.94	27.90	
Gross carrying amount	1,599,657	229,837	163,094	1,588,184	3,580,772
Loss allowance	22,075	12,365	9,688	443,103	487,231
<b>30 June 2022</b>					
Trade receivables					
Expected credit loss	1.09	5.58	20.97	28.23	
Gross carrying amount	3,849,805	365,245	70,905	1,163,987	5,449,941
Loss allowance	41,788	20,375	14,868	328,617	405,648

The loss allowances for trade, other receivables as at 30 June reconcile to the opening loss allowances as follows:

	Trade receivables		Other receivables	
	2023 Actual	2022 Actual	2022 Actual	2022 Actual
	\$	\$	\$	\$
<b>Opening loss allowance as at 1 July</b>	405,648	607,998	62,345	62,345
Increase in loss allowance recognised in profit or loss during the year	112,774	-	-	-
Receivables written off during the year as uncollectible	(31,191)	-	-	-
Unused amount reversed	-	(202,350)	(62,345)	-
<b>Closing loss allowance at 30 June</b>	<b>487,231</b>	<b>405,648</b>	<b>-</b>	<b>62,345</b>

Trade, other receivables 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 rates and statutory receivables, trade, other receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

### (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 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2023</b>					
Trade and other payables	20,558,120	-	-	20,558,120	20,558,120
Borrowings	1,599,895	4,805,899	-	6,405,795	5,758,054
	<b>22,158,015</b>	<b>4,805,899</b>	<b>-</b>	<b>26,963,915</b>	<b>26,316,174</b>
<b>2022</b>					
Trade and other payables	24,205,979	-	-	24,205,979	24,205,979
Borrowings	1,670,701	5,504,848	900,945	8,076,494	6,627,393
	<b>25,876,680</b>	<b>5,504,848</b>	<b>900,945</b>	<b>32,282,473</b>	<b>30,833,372</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 23. 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 report is presented.

### e) Budget comparative figures

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

### f) Superannuation

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

### 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 revenue**

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

#### **i) Fair value hierarchy**

AASB 13 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.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 23. Other Significant Accounting Policies (continued)

### 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.

### j) Impairment of assets

In accordance with Australian Accounting Standards the City's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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.

## 24. 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
<b>Governance</b>	Provide a decision making process for the efficient allocation of resources.	Members of Council, Executive Services, Information Technology, Human Resources, Records, Legal Services and Finance
<b>General purpose funding</b>	Collect revenue to allow for the provision of services.	All Rates Revenue and Penalties, General Purpose grant, Pensioners Deferred Rates Grant, Investment Revenue and Emergency Services Levy.
<b>Law, order, public safety</b>	Provide services towards a safer and environmentally conscious community.	Fire Emergency Services, Animal Control/ Ranger General and Other Law, Order & Public Safety.
<b>Health</b>	Provide an operational framework for environmental and community health.	Maternal & Infant Health, Preventative Services (Immunisation), Inspections and Pest Control.
<b>Education and welfare</b>	Provide services to disadvantaged persons, the elderly, children and youth.	Care of Families and Children, Aged and Disabled Senior Citizens and Other Welfare.
<b>Housing</b>	Administration and operations of housing programs other than those for the benefit of council staff.	Administration and operations of housing programs other than those for the benefit of council staff. These included housing for aged persons.
<b>Community amenities</b>	Provide services required by the community	Sanitation Household Refuse, Sanitation Other, Protection of Environment and town Planning & Regional Development.
<b>Recreation and culture</b>	Establish and effectively manage infrastructure and resources towards the social wellbeing of the community.	Swimming Areas & Beaches, Other Recreation & Sport, Libraries and Other Culture.
<b>Transport</b>	Provide safe, effective and efficient transport services to the community.	Construction and Maintenance of Streets, Roads and Bridges.
<b>Economic services</b>	Promote the City and its economic wellbeing.	Economic Development & Area Promotion, Building Control and Other Economic Services.
<b>Other property and services</b>	Monitor the City's overheads and operating accounts.	Other Property and Services, Public Works Overheads and Unclassified.

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 24. Function and Activity (continued)

### (b) Income and expenses

	2023 Actual \$	2022 Actual \$
<b>Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
Governance	810,531	550,497
General purpose funding	107,171,430	97,248,060
Law, order, public safety	1,578,232	1,604,674
Health	327,124	306,002
Education and welfare	422,921	1,227,323
Housing	617,020	(860,074)
Community amenities	34,430,270	33,183,320
Recreation and culture	8,684,411	7,708,129
Transport	460,004	388,691
Economic services	1,409,275	1,234,547
Other property and services	1,044,400	1,298,837
	<b>156,955,618</b>	<b>143,890,006</b>
<b>Income including grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
Governance	30,163	73,301
General purpose funding	7,907,379	10,857,848
Law, order, public safety	309,798	221,814
Health	5,706	5,616
Education and welfare	435,595	292,293
Community amenities	2,568,414	1,124,821
Recreation and culture	8,802,807	13,838,414
Transport	23,122,462	20,974,111
Economic services	3,914	5,788
Other property and services	144,245	266,648
	<b>43,330,483</b>	<b>47,660,654</b>
<b>Total Income</b>	<b>200,286,101</b>	<b>191,550,660</b>

**(b) Income and expenses (continued)**

	2023 Actual	2022 Actual
	\$	\$
<b>Expenses</b>		
Governance	(8,883,008)	(10,242,135)
General purpose funding	(931,834)	(588,362)
Law, order, public safety	(7,601,911)	(7,398,850)
Health	(2,461,238)	(2,566,020)
Education and welfare	(6,284,313)	(6,273,819)
Housing	(542,348)	(356,486)
Community amenities	(40,632,995)	(35,166,852)
Recreation and culture	(61,729,789)	(60,580,263)
Transport	(30,700,238)	(41,417,230)
Economic services	(3,425,531)	(3,293,986)
Other property and services	(3,538,780)	(2,153,065)
<b>Total expenses</b>	<b>(166,731,985)</b>	<b>(170,037,068)</b>
Net results from discontinued operations	3,060,995	(9,585,464)
<b>Net result for the period</b>	<b>36,615,111</b>	<b>11,928,128</b>

**(c) Total Assets**

	2023 Actual	2022 Actual
	\$	\$
Governance	-	15,439,076
Law, order, public safety	4,235,005	6,392,526
Health	793,012	1,411,490
Education and welfare	16,208,427	17,194,149
Housing	6,793,683	16,758,508
Community amenities	41,927,704	79,905,981
Recreation and culture	76,949,097	
Transport	-	
Economic services	5,874,101	9,284,443
Other property and services	111,929,097	
Unallocated	1,458,594,445	121,648,811
	<b>1,723,304,571</b>	<b>268,034,984</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 25. Rating Information

### (a) General Rates

Rate Type				2022/23
Rate Description	Basis of valuation	Rate in \$	Number of Properties	Actual Rateable Value*
				\$
Residential	Gross rental valuation	8.96400	33,782	577,019,297
Non-Residential	Gross rental valuation	9.81900	1,342	193,911,106
Unimproved Properties	Unimproved valuation	0.10920	306	321,010,000
<b>Total general rates</b>			<b>35,430</b>	<b>1,091,940,403</b>
<b>Minimum Payment</b>		<b>Minimum Payment \$</b>		
Residential	Gross rental valuation	1,266	21,701	252,790,157
Non-Residential	Gross rental valuation	1,266	264	2,121,457
Unimproved Properties	Unimproved valuation	655	132	52,714,730
<b>Total minimum payments</b>			<b>22,097</b>	<b>307,626,344</b>
<b>Total general rates and minimum payments</b>			<b>57,527</b>	<b>1,399,566,747</b>
Written Off				
<b>Total Rates</b>				
Rate instalment interest				
Rate overdue interest				

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

\*Rateable Value at time of raising of rate.

2022/23 Actual Rate Revenue	2022/23 Actual Interim Rates	2022/23 Actual Total Revenue	2022/23 Budget Rate Revenue	2022/23 Budget Interim Rate	2022/23 Budget Total Revenue	2021/22 Actual Total Revenue
\$	\$	\$	\$	\$	\$	\$
51,724,000	921,002	52,645,002	51,546,187	430,000	51,976,187	62,559,201
19,040,132	120,810	19,160,942	19,019,602	206,000	19,225,602	5,166,837
350,543	(27,866)	322,677	357,248	-	357,248	334,991
<b>71,114,675</b>	<b>1,013,946</b>	<b>72,128,621</b>	<b>70,923,037</b>	<b>636,000</b>	<b>71,559,037</b>	<b>68,061,029</b>
27,473,466	-	27,473,466	27,560,820	-	27,560,820	26,510,988
334,224	-	334,224	334,224	-	334,224	282,576
86,460	-	86,460	86,460	-	86,460	84,420
<b>27,894,150</b>	<b>-</b>	<b>27,894,150</b>	<b>27,981,504</b>	<b>-</b>	<b>27,981,504</b>	<b>26,877,984</b>
<b>99,008,825</b>	<b>1,013,946</b>	<b>100,022,771</b>	<b>98,904,541</b>	<b>636,000</b>	<b>99,540,541</b>	<b>94,939,013</b>
		(13,671)			-	(37,956)
		<b>100,009,100</b>			<b>99,540,541</b>	<b>94,901,057</b>
		603,302			590,000	586,786
		328,164			266,346	334,021

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 26. Determination of Surplus or Deficit

### (a) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Note	2022/23 (30 June 2023 Carried Forward) \$	2022/23 Budget (30 June 2023 Carried Forward) \$	2021/22 (30 June 2022 Carried Forward) \$
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals		(616,805)	(466,406)	(496,111)
Less: Profit on asset disposals - discontinued operations		(4,019,288)		(860,074)
Less: Movement in liabilities associated with restricted cash		-	2,558,667	-
Less: Fair value adjustments to financial assets at fair value through profit or loss		(6,451)	-	(6,995)
Less: Share of net profit of associates and joint ventures accounted for using the equity method		-	-	(11,519)
Add: Loss on disposal of assets		2,989,701	964,811	6,380,061
Add: Loss on disposal of assets - discontinued operations		958,293		8,674,421
Add: Depreciation	10(a)	31,418,383	40,284,675	40,652,757
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates		(18,033)	-	(21,141)
Employee benefit provisions		(174,840)	165,555	101,093
Other provisions		-	-	454,154
<b>Non-cash amounts excluded from operating activities</b>		<b>30,530,960</b>	<b>43,507,302</b>	<b>54,866,646</b>

### (b) Non-cash amounts excluded from investing activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Note	2022/23 (30 June 2023 Carried Forward) \$	2022/23 Budget (30 June 2023 Carried Forward) \$	2021/22 (30 June 2022 Carried Forward) \$
<b>Adjustments to investing activities</b>				
Purchase/Construction of Non Cash Assets		(22,103,052)	-	(19,284,341)
Infrastructure received for substantially less than fair value	9(a)	22,103,052	-	19,284,341
Movement in current unspent non-operating grants associated with restricted cash		668,906	-	(2,099,500)
<b>Non-cash amounts excluded from investing activities</b>		<b>668,906</b>	<b>-</b>	<b>(2,099,500)</b>

### (c) Surplus or deficit after imposition of general rates

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

		2022/23 (30 June 2023 Carried Forward)	2022/23 Budget (30 June 2023 Carried Forward)	2021/22 (30 June 2022 Carried Forward)
	Note	\$	\$	\$
<b>Adjustments to net current assets</b>				
Less: Reserve accounts	28	(58,918,459)	(46,494,086)	(45,844,391)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(9,775)	-	(8,735)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	15	1,235,417	1,217,508	1,222,879
- Current portion of lease liabilities		-	226,872	-
- Employee benefit provisions		6,381,203	9,070,557	9,149,266
- Capital Grant and Contract Liabilities		4,678,239	6,446,789	4,342,789
- Other Current Liabilities		3,697,994	3,486,855	335,326
<b>Total adjustments to net current assets</b>		<b>(42,935,381)</b>	<b>(26,045,505)</b>	<b>(30,802,866)</b>
<b>Net current assets used in the Statement of Financial Activity</b>				
Total current assets		146,746,922	72,915,650	129,388,703
Less: Total current liabilities		(39,237,856)	(46,870,145)	(45,979,006)
Less: Total adjustments to net current assets		(42,935,381)	(26,045,505)	(30,802,866)
<b>Surplus or deficit after imposition of general rates</b>		<b>64,573,685</b>	<b>-</b>	<b>52,606,830</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 27. Borrowing and Lease Liabilities

### (a) Borrowings

Purpose	Note	Actual			
		Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
		\$	\$	\$	\$
Loan No. 263 - Dog Pound		416,994	-	(47,341)	369,653
Loan No. 242 - Rockingham Bowling Club		8,788	-	(8,788)	-
Loan No. 244J - Warnbro Recreation Centre		198,265	-	(129,854)	68,411
Loan No. 245 (1) - Waterfront Village		150,936	-	(34,510)	116,426
Loan No. 245 (2) - Waterfront Village		152,569	-	(34,787)	117,782
Loan No. 245 (3) - Waterfront Village		154,568	-	(35,125)	119,443
Loan No. 245 (4) - Waterfront Village		151,393	-	(34,587)	116,806
Loan No. 252 (1) - Larkhill Development		150,936	-	(34,510)	116,426
Loan No. 252 (2) - Larkhill Development		228,854	-	(52,181)	176,673
Loan No. 252 (3) - Larkhill Development		154,569	-	(35,125)	119,444
Loan No. 264 (1) - Larkhill Regional Sporting Complex		302,781	-	(69,174)	233,607
Loan No. 270B - Larkhill Development		188,397	-	(33,101)	155,296
Loan No. 274 - Larkhill Development		1,124,186	-	(157,204)	966,982
Loan No. 275 - Larkhill Development		1,303,114	-	(147,939)	1,155,175
Loan No. 276 - Larkhill Development		3,127,467	-	(355,052)	2,772,415
Loan - Baldivis District Sporting Complex Stage 1		-	-	-	-
Loan - Koorana Reserve		-	-	-	-
Loan - Stan Twight Reserve		-	-	-	-
<b>Total</b>		<b>7,813,817</b>	<b>-</b>	<b>(1,209,278)</b>	<b>6,604,539</b>
<b>Self Supporting Loans</b>					
Loan No. 212 (1) - R'ham Entertainers		31,084	-	(8,230)	22,854
<b>Total Self Supporting Loans</b>		<b>31,084</b>	<b>-</b>	<b>(8,230)</b>	<b>22,854</b>
<b>Total Borrowings</b>	15	<b>7,844,901</b>	<b>-</b>	<b>(1,217,508)</b>	<b>6,627,393</b>

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.

Actual				Budget			
New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	
\$	\$	\$	\$	\$	\$	\$	\$
-	(50,928)	318,725	369,653	-	(50,928)	318,725	
-	-	-	-	-	-	-	
-	(68,409)	2	68,411	-	(68,409)	2	
-	(36,576)	79,850	116,426	-	(36,576)	79,850	
-	(36,934)	80,848	117,782	-	(36,934)	80,848	
-	(37,372)	82,071	119,443	-	(37,372)	82,071	
-	(36,675)	80,131	116,806	-	(36,675)	80,131	
-	(36,576)	79,850	116,426	-	(36,576)	79,850	
-	(55,402)	121,271	176,673	-	(55,402)	121,271	
-	(37,372)	82,072	119,444	-	(37,372)	82,072	
-	(73,351)	160,256	233,607	-	(73,351)	160,256	
-	(35,247)	120,049	155,296	-	(35,247)	120,049	
-	(168,189)	798,793	966,982	-	(168,189)	798,793	
-	(159,151)	996,024	1,155,175	-	(159,151)	996,024	
-	(381,962)	2,390,453	2,772,416	-	(381,962)	2,390,454	
-	-	-	-	10,000,000	-	10,000,000	
-	-	-	3,500,000	-	-	3,500,000	
-	-	-	-	4,300,000	-	4,300,000	
-	<b>(1,214,144)</b>	<b>5,390,395</b>	<b>10,104,540</b>	<b>14,300,000</b>	<b>(1,214,144)</b>	<b>23,190,396</b>	
-	(8,735)	14,119	22,853	-	(8,735)	14,118	
-	<b>(8,735)</b>	<b>14,119</b>	<b>22,853</b>	-	<b>(8,735)</b>	<b>14,118</b>	
-	<b>(1,222,879)</b>	<b>5,404,514</b>	<b>10,127,393</b>	<b>14,300,000</b>	<b>(1,222,879)</b>	<b>23,204,514</b>	

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 27. Borrowing and Lease Liabilities (Continued)

### (a) Borrowings (Continued) Borrowing Finance Cost Payments

Purpose	Institution	Interest Rate
Loan No. 263 - Dog Pound	WATC*	7.44%
Loan No. 242 - Rockingham Bowling Club	WATC*	6.30%
Loan No. 244J - Warnbro Recreation Centre	WATC*	7.01%
Loan No. 245 (1) - Waterfront Village	WATC*	5.90%
Loan No. 245 (2) - Waterfront Village	WATC*	6.08%
Loan No. 245 (3) - Waterfront Village	WATC*	6.30%
Loan No. 245 (4) - Waterfront Village	WATC*	5.95%
Loan No. 252 (1) - Larkhill Development	WATC*	5.90%
Loan No. 252 (2) - Larkhill Development	WATC*	6.08%
Loan No. 252 (3) - Larkhill Development	WATC*	6.30%
Loan No. 264 (1) - Larkhill Regional Sporting Complex	WATC*	5.95%
Loan No. 270B - Larkhill Development	WATC*	6.38%
Loan No. 274 - Larkhill Development	WATC*	6.87%
Loan No. 275 - Larkhill Development	WATC*	7.44%
Loan No. 276 - Larkhill Development	WATC*	7.44%
<b>Total</b>		
<b>Self Supporting Loans Finance Cost Payments</b>		
Loan No. 212 (1) - R'ham Entertainers	WATC*	6.04%
<b>Total Self Supporting Loans Finance Cost Payments</b>		
<b>Total Finance Cost Payments</b>		

\* WA Treasury Corporation

### (b) Lease Liabilities

Purpose	Note	Actual			
		Principal at 1 July 2021	Derecognition of right of use liability	Principal Repayments During 2021-22	Principal at 30 June 2022
		\$	\$		
Library Lease		604,990	(604,990)	-	-
<b>Total Lease Liabilities</b>		<b>604,990</b>	<b>(604,990)</b>	<b>-</b>	<b>-</b>

Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022
	\$	\$	\$
16/06/2028	(26,417)	(26,572)	(30,016)
2/10/2021	-	-	(141)
2/12/2022	(2,018)	(2,398)	(10,941)
25/01/2025	(5,402)	(6,338)	(7,521)
8/03/2025	(5,906)	(6,608)	(8,095)
5/04/2025	(6,386)	(6,945)	(8,667)
3/05/2025	(6,062)	(6,412)	(8,171)
25/01/2025	(5,402)	(6,338)	(7,521)
8/03/2025	(8,860)	(9,912)	(12,142)
5/04/2025	(6,386)	(6,945)	(8,667)
3/05/2025	(12,125)	(12,825)	(16,342)
28/06/2026	(9,336)	(9,355)	(11,483)
15/06/2027	(63,087)	(63,592)	(74,104)
16/06/2028	(82,553)	(83,039)	(93,798)
16/06/2028	(198,128)	(199,293)	(225,117)
	<b>(438,068)</b>	<b>(446,572)</b>	<b>(522,726)</b>
19/08/2024	(1,058)	(1,250)	(1,574)
	<b>(1,058)</b>	<b>(1,250)</b>	<b>(1,574)</b>
	<b>(439,126)</b>	<b>(447,822)</b>	<b>(524,300)</b>

Actual				Budget			
New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 30 June 2023
			\$				\$
-	-	-	226,872	-	(226,872)	-	-
-	-	-	<b>226,872</b>	-	<b>(226,872)</b>	-	-

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 28. Reserve Accounts

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$
<b>Restricted by legislation/agreement</b>				
(a) Developer Contribution Scheme	1,471,771	2,255,599	(1,555,118)	2,172,252
(b) Payment in Lieu of Parking Plan Reserve	2,415,220	90,767	-	2,505,987
(c) City Centre Carpark - Cash in Lieu	266,256	10,006	-	276,262
(d) Anstey Park Shared Costs	1,282,418	48,195	-	1,330,613
	<b>5,435,665</b>	<b>2,404,567</b>	<b>(1,555,118)</b>	<b>6,285,114</b>
<b>Restricted by council</b>				
(e) Waste & Landfill Preservation	18,420,227	692,254	-	19,112,481
(f) CLAG - Peel Mosquito Control	24,788	932	(25,720)	-
(g) Administration and Community Building	1,059,367	39,812	-	1,099,179
(h) City Centre Development	2,812,675	105,704	-	2,918,379
(i) Workers Compensation	795,490	29,895	-	825,385
(j) Legal Fees	900,884	33,856	-	934,740
(k) Active Aging Development	195,399	7,343	-	202,742
(l) Bert England Lodge Capital Works	3,510,897	131,944	-	3,642,841
(m) Capital Works	6,145,886	3,155,772	-	9,301,658
(n) Leave Reserve	6,150,076	231,127	-	6,381,203
(o) Life Long Learning	393,037	14,771	(197,092)	210,716
(p) Challenger Court	-	-	-	-
(q) Investment Property Income	-	118,788	-	118,788
(r) Investment Property	-	7,885,233	-	7,885,233
	<b>40,408,726</b>	<b>12,447,431</b>	<b>(222,812)</b>	<b>52,633,345</b>
	<b>45,844,391</b>	<b>14,851,998</b>	<b>(1,777,930)</b>	<b>58,918,459</b>

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

2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
\$	\$	\$	\$	\$	\$	\$	\$
2,856,661	70,889	-	2,927,550	4,042,846	1,835,641	(4,406,716)	1,471,771
2,421,831	60,536	-	2,482,367	2,403,943	11,277	-	2,415,220
266,985	6,674	-	273,659	265,013	1,243	-	266,256
-	-	-	-	1,276,430	5,988	-	1,282,418
<b>5,545,477</b>	<b>138,099</b>	<b>-</b>	<b>5,683,576</b>	<b>7,988,232</b>	<b>1,854,149</b>	<b>(4,406,716)</b>	<b>5,435,665</b>
18,379,989	461,693	-	18,841,682	18,334,224	86,003	-	18,420,227
24,856	621	(25,003)	474	24,672	116	-	24,788
176,642	-	-	176,642	1,054,421	4,946	-	1,059,367
2,820,377	70,498	-	2,890,875	2,799,543	13,132	-	2,812,675
797,668	19,939	-	817,607	791,776	3,714	-	795,490
902,880	22,587	-	925,467	996,211	4,673	(100,000)	900,884
195,935	4,898	-	200,833	194,487	912	-	195,399
6,154,274	152,720	(2,500,000)	3,806,994	3,494,505	16,392	-	3,510,897
3,414,156	3,135,639	(2,400,000)	4,149,795	6,117,191	28,695	-	6,145,886
6,166,913	154,148	-	6,321,061	6,121,362	28,714	-	6,150,076
457,851	13,735	(197,092)	274,494	454,469	2,068	(63,500)	393,037
-	-	-	-	216,326	580,627	(796,953)	-
1,285,929	32,143	-	1,318,072	-	-	-	-
1,060,205	26,309	-	1,086,514	-	-	-	-
<b>41,837,675</b>	<b>4,094,930</b>	<b>(5,122,095)</b>	<b>40,810,510</b>	<b>40,599,187</b>	<b>769,992</b>	<b>(960,453)</b>	<b>40,408,726</b>
<b>47,383,152</b>	<b>4,233,029</b>	<b>(5,122,095)</b>	<b>46,494,086</b>	<b>48,587,419</b>	<b>2,624,141</b>	<b>(5,367,169)</b>	<b>45,844,391</b>

# Notes to and forming part of the Financial Report

For the year ended 30 June 2023.

## 28. Reserve Accounts (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:

Name of reserve account	Purpose of the reserve account
(a) Developer Contribution Scheme	to be used to fund expenditure on projects and administration.
(b) Payment in Lieu of Parking Plan Reserve	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) Waste & Landfill Preservation	to be used to fund expenditure associated with providing a refuse disposal service.
(f) CLAG - Peel Mosquito Control	to be used to fund the controlling of mosquitos through the Peel Mosquito Management Group.
(g) Administration and Community Building	to be used to fund capital expenditure on administration and community buildings.
(h) City Centre Development	to be used to fund the development of the City Centre.
(i) Workers Compensation	to be used to fund expenditure associated with workers compensation premiums.
(j) Legal Fees	to be used to fund expenditure incurred by the City on legal fees.
(k) Active Aging Development	to be used to fund expenditure on active aging programs and initiatives.
(l) Bert England Lodge Capital Works	to be used to fund capital expenditure at Bert England Lodge.
(m) Capital Works	to be used to fund capital works and COVID-19 stimulus projects.
(n) Leave Reserve	to be used to fund employee leave entitlements.
(o) Life Long Learning	to fund tertiary education opportunities for Rockingham residents as per the City's Learning Strategy.
(p) Challenger Court	to fund capital expenditure.
(q) Investment Property Income	to be used to fund projects costs.
(r) Investment Property	to be used for the acquisition and sale of investment properties.

## 29. Trust Funds

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

	1 July 2022	Amounts Received	Amounts Paid	30 June 2023
	\$	\$	\$	\$
Cash in Lieu POS Contributions	923,599	33,747	-	957,346
Lease Agreement Bond Deposits	10,000	-	-	10,000
	<b>933,599</b>	<b>33,747</b>	-	<b>967,346</b>

# Independent Auditor's Report

For the year ended 30 June 2023.



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2023 City of Rockingham

To the Council 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 as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of 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 2023 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, the 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.

#### 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 2023, 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.

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

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

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

The Chief Executive Officer (CEO) of the City is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the 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 [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

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

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

# Independent Auditor's Report

For the year ended 30 June 2023.

## **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 2023 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  
8 November 2023



