

City of Kalamunda Annual Report

2020-2021



Acknowledgement of Country

We respectfully acknowledge the Traditional Owners, the Whadjuk Noongar People as the Custodians of this land. We also pay respect to all Aboriginal community Elders, past, present and future who have and continue to reside in the area and have been an integral part of the history of this region.



Contents

Message from the Mayor	4
Message from the Chief Executive Officer	5
Our City	6
Councillor Attendance	8
2020/2021 Financial Highlights	9
Operating Revenue	9
Operating Expenditure	10
Expenditure Comparison by nature / type	10
Statement of Financial Position	11

Priority 1: Kalamunda Cares and Interacts	
1.1 To be a community that advocates, facilitates and provides quality lifestyle choices	12
1.2 To provide safe and healthy environments for community to enjoy	18
1.3 To support the active participation of local communities	23
Priority 2: Kalamunda Clean and Green	
2.1 To protect and enhance the environmental values of the City	24
2.2 To achieve environmental sustainability through effective natural resource management.	29
2.3 To reduce the amount of waste produced and increase the amount of reuse and recycling of waste.	30
2.4 To ensure contaminated sites are safe and managed to ultimate use.	31
Priority 3: Kalamunda Develops	
3.1 To plan for sustainable population growth	32
3.2 To connect community to quality amenities	42
3.3 To develop and enhance the City's economy	49
3.4 To be recognised as a preferred tourism destination	50
Priority 4: Kalamunda Leads	
4.1 To provide leadership through transparent governance	51
4.2 To proactively engage and partner for the benefit of community	52
Record Keeping and Statutory Requirements	54
Councillor Summary	55
Statement by the Chief Executive Officer	58
Independent Auditor's Report	59
Statement of Comprehensive Income by Nature or Type	62
Statement of Comprehensive Income by Program	63
Statement of Financial Position	64
Statement of Changes in Equity	65
Cash Flow Statement	66
Rate Setting Statement	67
Notes to and forming part of the Financial Report	69
Supplementary Ratio Information	117

This document is available in alternative formats upon request.



Message from the Mayor

I am pleased to present the City's Annual Report for 2020/2021. The financial year was focused on delivering a budget that reflected the challenging economic and social circumstances which occurred because of the COVID-19 Pandemic.

The City commenced the financial year waiving a number of fees and charges, in an effort to lessen the local impact for residents and business.

We also had a strong focus on economic stimulus and supporting the local economy. To this end the City successfully completed a number of significant capital works projects including the much-loved new dog exercise park at Elmore Way in High Wycombe, the Kalamunda Community Centre, a series of female change room projects at various sporting reserves and improvements at the Walliston Transfer Station, which will be completed next financial year. We also saw a number of key park upgrades at Lincoln Reserve in Forrestfield and Meloway Drive in Maida Vale.

Long-awaited improvements to Hale Road and Woolworths Drive in Forrestfield were completed, with improvement works on Hale Road, Wattle Grove, also commencing.

The City adopted a Financial Hardship Policy to assist ratepayers experiencing financial stress pay off their rates and supported many community groups.

We also had some substantial wins in the aged care space, with further work on the concept and associated planning requirements for Cambridge Reserve and the commencement of advertising for a Metropolitan Region Scheme Amendment to enable aged care at Heidelberg Park in Carmel.

Cr Margaret Thomas JP
Mayor
City of Kalamunda





Message from the CEO

Enhancing biodiversity and management of our Natural Areas continued to be an area of very strong focus. The City's Parks and Environmental Services have been out and about planting new street trees across all suburbs. Collectively we have reintroduced over 79,739 native plants into our local natural areas in the 2021 planting season. This includes 4,139 through the effort of 14 community Friends Groups of local natural areas, and 17,500 at Kalamatta Way and Jorgensen Park planted by the City. Contractors of the City planted 44,900 at various reserves which included: Willow Lake (32,000), Woodlupine (4,500), Meloway (5,100) and Fleming (3,300). Through the Plants for Residents Program 13,200 went into family gardens.

Whilst managing natural areas under care and control of the City of Kalamunda, we also undertook substantial work assisting landowners to best manage their land and worked to develop a draft Local Planning Policy for the protection of trees on private property which will be advertised next financial year.

The City of Kalamunda's Forrestfield Woodlupine Erosion Control Project reached a new milestone with the Project Steering Group endorsing concept designs for Stage 1 and 2.

The City completed the Perth Hills Trails loop, which now runs from Kalamunda to Pickering Brook. The City of Kalamunda is well known for the quality trails that pass through stunning bushland and its unique flora and fauna. Trails play a significant role in building positive communities and encouraging an active, healthy lifestyle.

These highly valued recreational spaces attract people to the area, drive economic growth through nature-based tourism and support local industry. The main aim of the project is to consolidate many of the unsanctioned trails currently existing and strengthen their connectivity to ultimately benefit a wide variety of user groups.

The City of Kalamunda received a record number of both planning and building permit applications over the financial year. This increase was in large part a response to the State and Federal Government Economic Stimulus measures.

The City has continued to strengthen its financial position recording a surplus of \$3.5 million as reported in the Rate Setting Statement. During the year the City's net assets increased by \$8.2 million to \$541 million. Importantly, for the second consecutive year, the Annual Audit of the City's Financials, did not identify any material control issues.

Rhonda Hardy
Chief Executive Officer
City of Kalamunda



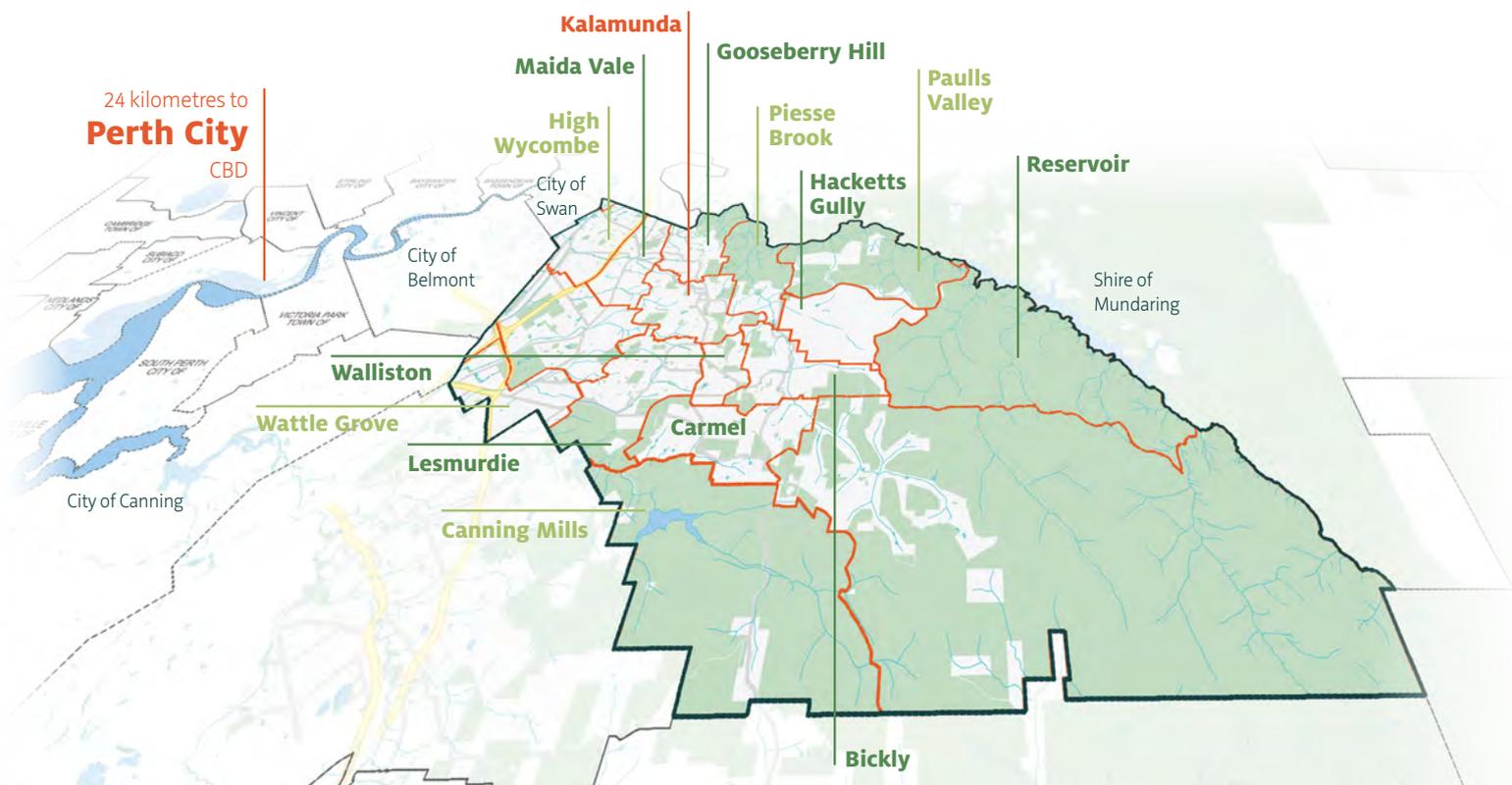
Our City

The City of Kalamunda is approximately 24 kilometres (under 30- minute drive) from Perth’s CBD, located in the foothills of Perth’s eastern suburbs and part of the Darling Ranges. The area features natural bushland, amazing views and beautiful countryside. With a long history, proud artistic identity, fresh produce, and an abundance of recreational opportunities such as bush walks and mountain bike trails, the City of Kalamunda offers a unique lifestyle for its residents.

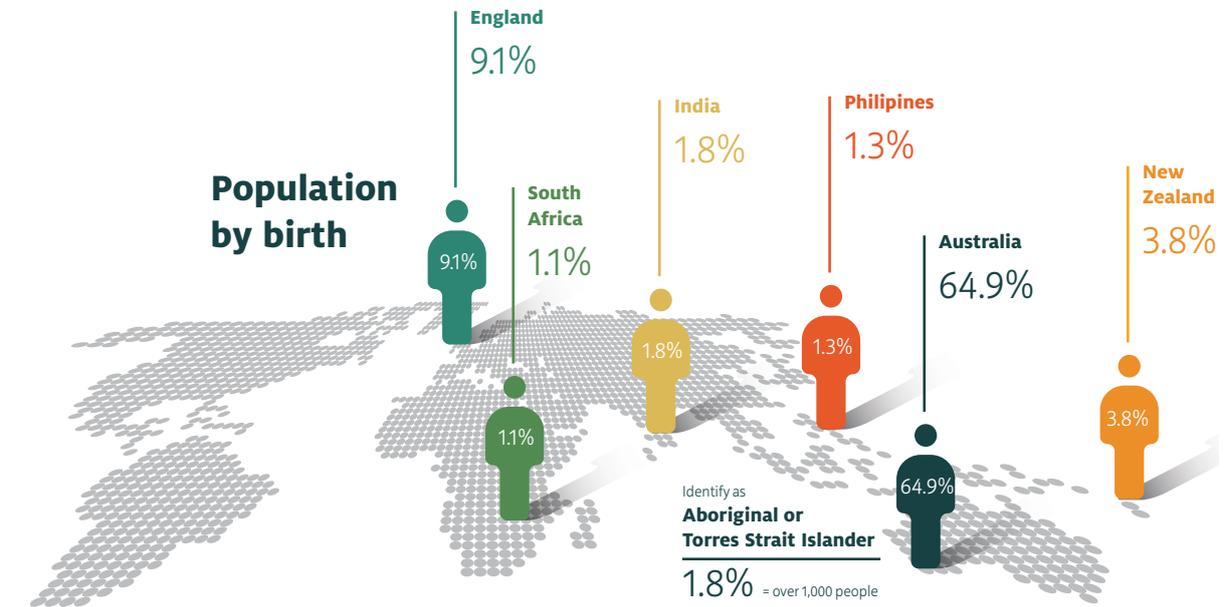
The name Kalamunda comes from local Whadjuk Noongar words **Cala** (home or fire) and **Munnda** (forest – also associated with Munday – the fire of Munday). The City of Kalamunda is bounded by the City of Swan in the north, the Shire of Mundaring in the east, the Cities of Armadale and Gosnells in the south, and the Cities of Canning and Belmont in the west.

Geographically, the City is made up of three distinct areas:

- » The Foothills/Plains: Forrestfield, High Wycombe, Maida Vale and Wattle Grove
- » The Escarpment: Lesmurdie, Kalamunda and Gooseberry Hill
- » The Eastern Rural Districts: Walliston, Bickley, Carmel, Pickering Brook, Piesse Brook, Pauls Valley, Hacketts Gully and Canning Mills



Population by birth



GRP
\$2.27 billion
*NIEIR 2019

0.88% of the State's GSP (Gross State Product)

30,737
Employed Residents
*NIEIR 2019

Largest industry
(by employment)
Transport, Postal and Warehousing
*NIEIR 2019



4,624^{GST}
Registered businesses
2020

Sep-20 quarter - 125 new businesses and 81 business GST cancellations

16,666
Local jobs
*NIEIR 2019



Councillor Attendance

Councillor	Total Meetings	OCM (11)	SCM (3)	A&R (5)	Attendance
Cr Margaret Thomas (2017/2021)	19	10	3	5	18
Cr Dylan O'Connor (2017/2021)	19	11	3	5	19
Cr Sue Bilich (2019/2023)	19	9	3	3	15
Cr Cameron Blair (2017/2021)	19	11	2	5	18
Cr Lesley Boyd (2017/2021)	19	11	3	4	18
Cr Mary Cannon (2019/2023)	19	10	3	5	18
Cr Lisa Cooper (2019/2021)	19	11	3	*4	18
Cr John Giardina (2019/2023)	19	10	3	4	17
Cr Brooke O'Donnell (2019/2023)	19	11	1	5	17
Cr Janelle Sewell (2019/2023)	19	10	3	5	18
Cr Geoff Stallard (2017/2021)	19	10	2	5	17
Cr Kathy Ritchie (2019/2023)	19	11	3	5	19

* Leave of Absence Approved



2020/2021 Financial Highlights

Statement of Comprehensive income - Surplus for the year \$8.8 Million

Income

- » The City ended the Financial Year with \$59.1 million in Operating Revenue
- » In comparison with 2019/2020, revenue decreased by 4%.
- » Revenue from Rates increased by 1.3% overall.
- » Contributions and reimbursements decreased by \$3.8 million. In 2019/2020 the City received a contribution from Eastern Metropolitan Regional Council (EMRC) for the Food organics and Green organics (FOGO) project. No FOGO contributions were received in the 2020/2021 financial year, resulting in lower revenue when comparing the two financial year's results.
- » Operating grants increased by \$0.2 million mainly due to the rural fire mitigation grant received in 2020/2021 from the Department of Fire and Emergency Services.
- » Interest earnings decreased by \$0.2 million due to the lower interest rates offered in the market during the year.

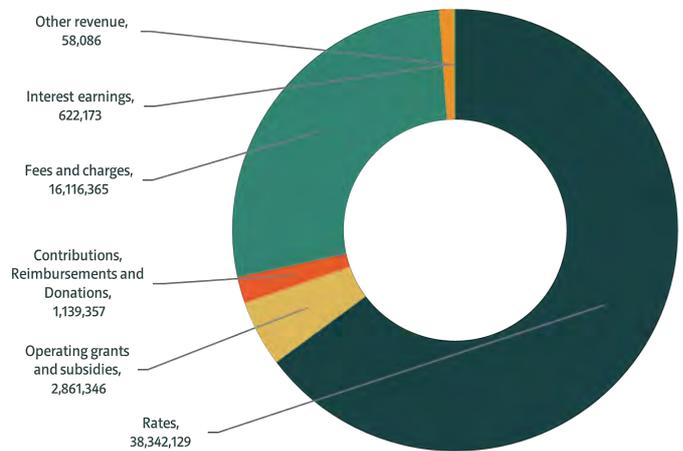


Figure 1. Operating Income for 2020/2021

Operating Revenue Comparisons by Nature or Type 2019/2020 to 2020/2021

Revenue from Ordinary Activities	Actual 2020	Budget 2021	Actual 2021
	\$	\$	\$
Rates	37,864,554	37,731,300	38,342,129
Operating Grants and Subsidies	2,621,875	1,383,618	2,861,346
Contributions, Reimbursements and Donations	4,944,018	495,030	1,139,357
Fees and Charges	15,401,091	14,561,645	16,116,365
Interest Earnings	800,329	369,046	622,173
Other Revenue	36,145	45,500	58,086
Total	61,668,012	54,586,139	59,139,456

Table 1. Operating Revenue Comparisons by Nature or Type comparison 2019/2020 to 2020/2021

Expenditure

- » The City ended the Financial Year with \$61.6 million in Operating Expenditure
- » Operating expenditure decreased by 3% or \$1.6 million compared to 2019/2020
- » Materials and contract costs decreased by \$2.2 million, the variance is mainly due to a reduced expenditure in consultancy and contractor costs for various non-recurrent projects planned under the development and traffic engineering sections.
- » Other Expenditure was decreased by \$1.3 million, the decrease was mainly due to the decrease in CELL 9 land acquisition costs for road projects in 2020/2021.

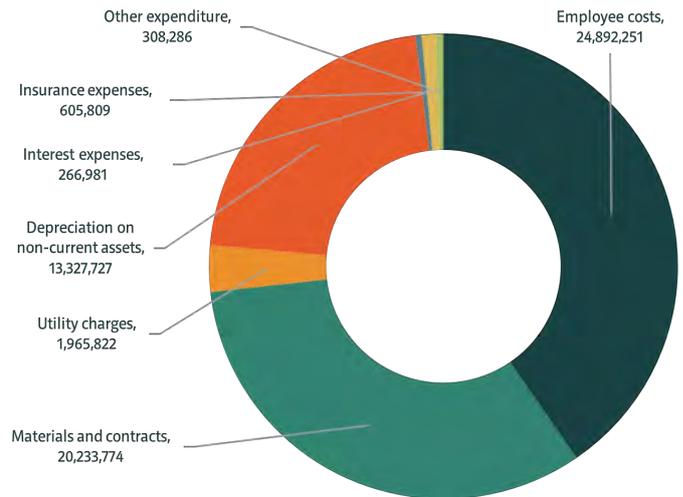


Figure 2. Operating Expenses 2020/2021

Expenditure Comparisons by Nature or Type 2019/2020 to 2020/2021

Expenditure from Ordinary Activities	Actual 2020	Budget 2021	Actual 2021
	\$	\$	\$
Employee Costs	25,144,391	24,025,535	24,892,251
Materials & Contracts	22,443,971	17,669,105	20,233,774
Utility Charges	1,920,612	1,935,903	1,965,822
Depreciation on Non-Current Assets	11,316,721	10,986,626	13,327,727
Interest Expenses	265,469	274,842	266,981
Insurance Expenses	591,118	608,212	605,809
Other Expenditure	1,567,604	195,072	308,286
Total	63,249,886	55,695,295	61,600,650

Table 1. Operating Expenses Comparisons by Nature or Type comparison 2019/2020 to 2020/2021

Other

Non-operating grants were increased by \$3.6 million which includes grant funding received for the construction of the Kalamunda Community Centre and works to be carried out at Hale Road/ Woolworths Drive.

Net Result

The City continues to strengthen its financial position with a surplus of \$8.8 million for the year as a Net Result.

Statement of Financial Position - Net Assets Of \$541 Million Demonstrate Financial Strength

- » The value of the investment in Associate Eastern Metropolitan Regional Council decreased by \$0.2 million.
- » Capital expenditure during the year amounted to \$19.3 million.
- » The value of the Property, Plant & Equipment and Infrastructure assets increased by \$5.1 million mainly due to the new additions during 2020/2021.

Asset classes invested in during the year were as follows: -

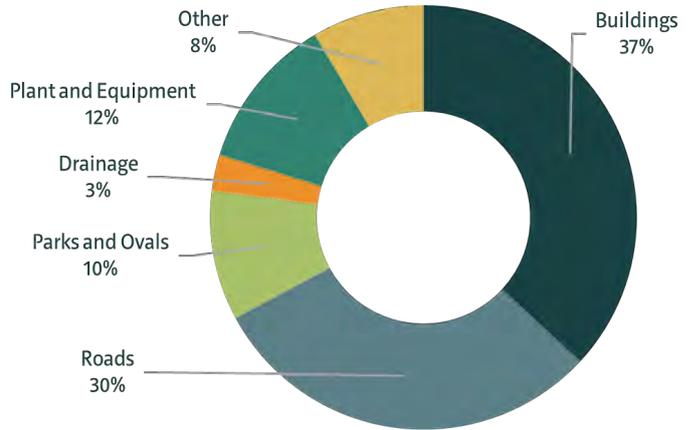


Figure 3. Asset classes invested in during the year

Ratio Analysis

A summary of the key financial indicators is given below:

Financial Ratios	2021	2020	Standard
Current Ratio	1.36	1.54	1.00
Asset Consumption Ratio	0.94	0.96	0.50
Asset Renewal Funding Ratio	1.42	0.95	0.75
Asset Sustainability Funding Ratio	0.39	0.91	0.90
Debt Service Cover Ratio	8.67	6.36	2.00
Operating Surplus Ratio	(0.04)	(0.10)	0.01
Own Source Revenue Coverage Ratio	0.91	0.90	0.60

Conclusion

In 2020/2021 the City continued to deliver on key strategies adopted by the Council and maintains a high level of services across all programs, while ensuring an increased focus on roads and associated infrastructure as well as renewing assets at sustainable levels.

Priority 1: Kalamunda Cares and Interacts

1.1 To be a community that advocates, facilitates and provides quality lifestyle choices

1.1.1 Facilitate the inclusion of the ageing population and people with disability to have access to information, facilities and services.

Seniors/Age Friendly:

Age Friendly Strategy and Action Plan

The Age Friendly Strategy and Action Plan (AFS) is the City's primary guiding document for older people in our community. During the year the City connected older adults with services, provided valuable workshops, and built strong partnerships with community organisations providing services for this cohort. The City developed a socially inclusive way of providing opportunities for all of the community and created a Kalamunda Social Inclusion Plan. This Plan incorporates the Age Friendly Strategy and Action Plan with the Disability Access and Inclusion Plan.

Services, Events and Activities

The City continues to work in partnership with seniors, volunteers, community groups and businesses to offer a range of services and activities at the Jack Healey Centre and Woodlupine Family and Community Centre. Services include podiatry, hairdressing, computer courses, and the very popular Seniors Coffee Lounge at the Woodlupine Family and Community Centre.

Seniors were offered the opportunity to attend free information sessions, along with a range of events, throughout the year including Train the Brain, Boost your Wellbeing, Senior Barista Workshops and Food Sensations for Seniors.

Seniors Week 2020

COVID-19 and reduced budgets provided the City with the opportunity to think of new ways to offer activities. The traditional Seniors Week program was replaced with some creative and innovative activities. Partnerships were formed with the Darling Range Hub, Focus Music, Rotary Kalamunda and the City to establish a Seniors' choir with rehearsals and a live performance at Kalamunda Night Markets. The Senior Resident's Art Exhibition was held with the theme being 'A Fanciful Vision'. Free passes to the Active Seniors Programs at City Recreation Facilities were again offered.

Active Seniors Program

The Active Seniors Program successfully continued at the City's Recreation Facilities with high participation. This program includes Strength for Life, Stretch & Tone, Table Tennis, Yoga Gold, Zumba Gold (High Wycombe Community & Recreation Centre), Live Active (Ray Owen Sports Centre) and a new program called 360, that combines 3 x 20-minute programs of modified Zumba, Strength Training, and Yoga Gold (Maida Vale Hall). The City offers up to 18 classes per week for the senior population.

Free booklets were created for Seniors, including a Seniors Pocket Guide and a Remove Hazards to Keep Seniors Safe at Home.

The City of Kalamunda supports the Darling Range Hub at the Jack Healey Centre. The Darling Range Hub is an initiative supporting ageing residents within the City of Kalamunda to stay connected to other community members. The Hub seeks to enable members to lead active, healthy and purposeful lives whilst continuing to live in their own home. The Hub is an intergenerational group and encourages people of all ages to support each other in achieving the goals of connection and friendship.



Access and Inclusion:

Disability Access and Inclusion Plan

Throughout the year the City continued to improve access and remove barriers through the implementation of strategies contained in the Disability Access and Inclusion Plan (DAIP) 2017–2022. Significant progress has been made towards providing better access to the community through the upgrade of parks, playgrounds, buildings and facilities. The City developed a socially inclusive way of providing opportunities for all the community and created an Inclusive Kalamunda Social Inclusion Plan which will be adopted in the next financial year.

Disability and Carers Advisory Committee

The Disability and Carers Advisory Committee meets quarterly providing advice and guidance to Council on improving access and inclusion for people with disabilities in the City. Committee members include residents with a disability, carers, representatives of service providers in a relevant field, Councillors and staff.

Education and Training

Opportunities for staff, and community members to attend free information sessions and a range of events provided held throughout the year. This included Mental Health First Aid Training, and training to ensure City documents are accessible to all users.

Railway Heritage Track and Kalamunda Education Support Centre Student Project

The City of Kalamunda supports the Railway Heritage Trail Project in partnership with the Kalamunda Secondary Education Support Centre. The students completed volunteering hours along the Railway Heritage Trail as part of their Duke of Edinburgh Award. The City organises walks along the trail where the students learn how to care for the local environment, collect rubbish and learn about the local history of various locations. The students participated in a Microbat Project, where they were educated on microbats, European wasps and mosquitoes and painted microbat boxes made by the Kalamunda Men's Shed. These were then located in various places around the City's mosquito hotspots.

A graduation function was held with the Mayor presenting students with certificates to celebrate the successful completion of their community service.



Reclink Australia

Reclink Australia, supported by the City of Kalamunda COVID-19 Innovation Grants, conducted a weekly All Abilities Sport and Recreation Program at Hartfield Park Recreation Centre. Activities included Martial Arts and Dance which was open to persons of all abilities over the age of 14.

Forrestfield Football Club

Forrestfield Football Club, supported by City of Kalamunda COVID-19 Innovation Grants, conducted an AFL Wheelchair C'Mon Try session. The program was in partnership with the West Australian Football Commission, AFL Inclusion, WA Disabled Sports Association, and the City of Kalamunda. The program enabled access to AFL for all abilities in a community club environment with fun, fitness and friendship being the main focus. The sessions were held at the Hartfield Park Recreation Centre during peak times to maximise exposure.

Cahoots

Cahoots, supported by the City of Kalamunda COVID-19 Innovation Grants, delivered two all abilities weekend camps. One for children aged 5 to 11 years and one for youth aged 12 to 17 years. The camps were open to people living with a disability or facing exceptional challenges. Cahoots Kid's Camp provided meaningful community, workplace, and social participation opportunities for People With a Disability (PWD). This project provided opportunities for PWD to engage more within the community, build friendships and learn skills that will support a more independent lifestyle, and therefore have a myriad of positive impacts on their social, mental and physical wellbeing. Participants and families engaged within the project were also provided with education and support to access funding through State and Federal Governments, with the aim of supporting their goals of increased community participation.

This Bay is Someone's Day

The City was a partner in "This Bay is Somebody Else's Day" community awareness campaign to reduce the misuse of ACROD Parking bays in the community. The City promoted the campaign through the City of Kalamunda's social media platforms and with a physical presence at City facility car parks.

Carers Week

The City delivered 22 gifts to local registered Carers. The small gift included a poem to thank them for the great work they do along with a small native plant.

1.1.2 Empower, support and engage and with young people, families and our culturally diverse community



The City of Kalamunda Youth Plan 2017 – 2022

The Youth Plan identifies the youth interests, issues, and aspirations of the Kalamunda community and establishes priorities and strategies to guide the provision of youth services over the next five years.

This year Youth Services delivered an extensive program of free activities and events for young people primarily aged 12 – 25.



Barista Workshops

Dome Kalamunda provided a qualified barista and hosted workshops to teach young people aged 16-25 how to make a great coffee. In the two-hour workshops participants were taught customer service skills and experienced working in a professional environment serving customers. Three workshops were held throughout the year.



YAK (Youth Action Kalamunda)

Youth Services facilitate the Kalamunda Youth Advisory Committee (YAK) for young people aged 12 – 20 who have a connection to the City. The YAK acts as a voice for young people who propose, plan, and deliver youth events and programs in their local community, as well as advocate for youth. The group participated in a joint Student Leadership Day with other student leaders from local primary and secondary schools.



Young Creatives 2020

This program was virtual and intergenerational, offering local residents the opportunity to submit flash fiction, poetry, and digital art pieces into a community anthology. The 30 submissions were collated and published into a book which will be launched at the 2021 Young Artist Awards exhibition.



Skate Clinics

Skateboarding WA facilitated Learn to Skateboard workshops, which saw coaching of roughly 100 beginners, teaching them the correct form and techniques of skating which allowed participants to gain confidence and progress onto the skate park equipment. These workshops were open to all ages, starting at just 3 years.



Constable Care Child Safety Foundation Partnership

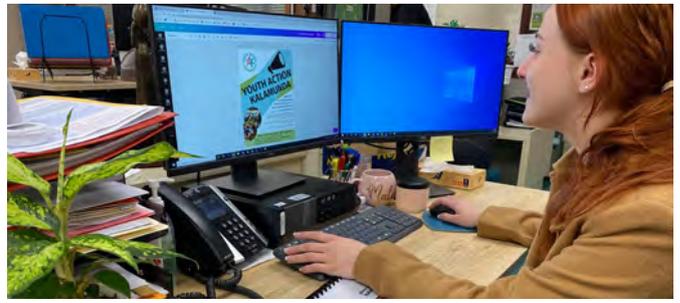
The City continues to partner with the Constable Care Child Safety Foundation to support the delivery of safety, crime prevention, and theatre education performances to schools, at City libraries and community facilities.

YouthCARE Partnership

The City continues to partner with YouthCARE to provide two local public school communities with essential social, emotional, mental health, and spiritual support for students, families and staff.

COVID-19 Activities

The onset of COVID-19 resulted in a change to the delivery of programs and activities across youth services. In response, an Instagram account was set up to increase online engagement which has steadily grown. In addition, regular Facebook posts were shared including weekly riddles, access to online resources and other boredom busting activities. The Music Collab project was launched online. The Kalamunda Upskill Project, a series of tutorials recorded by local young business owners, were shared on social media.



Youth and Community Assistant

The annual Youth & Community Assistant program welcomed its 8th participant. This is an initiative which provides an entry-level employment opportunity for one local young adult to gain work experience in youth and community services. This opportunity continues to provide an invaluable experience, as well as a direct connection with the youth community. Promoted throughout October/November, the 12-month contract position runs from January – December and combines well with part-time study.



Early Years

The City continues to be an active facilitator and administration support provider for the Zig Zag Early Years Partnership. A highlight for the year was a series of pop-up play days, which were extremely well attended by families throughout the area. The City continues to support the presence of three Child Health Nurses in Kalamunda, High Wycombe and Forrestfield.

Busking Opportunities

There is an ongoing opportunity for young local musicians to register themselves on our Busking Register. We have previously connected our local musicians with local markets and events where they have the opportunity to perform publically.



Find a Fairy Kalamunda

In an ongoing partnership with local business The Clip Joint in Kalamunda, the City of Kalamunda supports the 'Find a Kalamunda Fairy Door Trail' by designing and updating the free map available at the Perth Hills Visitors Centre.

School's Out Pool Party

This popular Kalamunda Water Park event saw almost 300 students and families join the end-of-year celebrations. Discounted entry was on offer for all young people, with a free sausage sizzle and pool inflatables for the attendees to enjoy.





Employment 101

The City, with support from the Human Resources, hosted an Employment 101 workshop, which offered 20 high school students advice on employability, and interview skills training.



Youth Week WA

To celebrate the contributions of young people in our community, Youth Services joined in the state-wide week celebrations and hosted The Great Hills Hunt, supported by Youth Action Kalamunda (YAK) volunteers. This event featured an Acknowledgement of Country by young, local, community member and YAK member Halle-Rose, performances by local musicians and various activity stations. These activity stations were themed to promote learning in a certain area, including physical activity, history, environment, art, mental health and literature. Rapid Relief Team Australia sponsored the event with free burgers and water for our 200 participants.



SEED Young Entrepreneurs Program

This new project was a partnership between the City, the Kalamunda Chamber of Commerce and Hawaiian to support up and coming young entrepreneurs aged 16-25 years in the community. The project involved linking participants with business mentors, sourced from Chamber of Commerce members, business basics workshops and undertaking pitches to source funding. The three finalists secured \$2,500 between them from the Chamber of Commerce in SEED funding for their businesses.

Careers Expo

This year the team trialed a virtual program to engage with students through a more accessible platform. The traditional event was extended to be a week-long, with each day featuring a different theme including universities, TAFE and other general career resources. To promote the program, invitations were sent to past exhibitors to send through targeted content to add to the website to be featured during the week.



Right Track Youth Art Project

The delivery of a youth-guided mural design and installation at the new High Wycombe Train Station was undertaken by ten youth participants. Key themes were reflected in the final design.



1.1.3 Facilitate opportunities to pursue learning



Student Leadership Day

All primary and secondary schools across the City were invited to nominate leaders from Years 5 to 12 to attend the Student Leadership Day. This development and networking day included multiple sessions for the 33 participants. The day included mentoring and networking facilitated by David Castelanelli, a Rapid Response Forum, theatre workshop by the Constable Care Foundation, and how to be an active advocate in the community. Identified projects were pitched to a panel consisting of the City Mayor and Councillors.



Libraries

Through the year 144,238 people visited City libraries, borrowing over 292,520 items. The libraries offered access to e-books, e-audiobooks, e-magazines and a streaming service for films and TV shows. E-resource usage increased substantially during COVID-19 closures and has remained high.

A total of 254 programs were run for the community including collaborations with other internal teams (Youth, Community Wellness, Inclusive Communities and the Zig Zag Gallery) and external partnerships (TaxHelp, Red Cross, Darling Range Hub). Libraries supported social connectivity, the CaLD community, digital literacy, mental wellbeing, and the dissemination of health information. The promotion of local authors was prioritised.

Early literacy is a core service and this year a total of 410 programs were run for children. In 2020/2021 libraries introduced more STEM based programming with CoderDojo and Science Week sessions for children in collaboration with Health Services.

The Book Week Program engaged 564 children from schools, local childcare centres and the general community. During the 17 sessions presenters celebrated West Australian talent, promoted literacy, and inspire creativity.

1.2 To provide safe and healthy environments for community to enjoy

1.2.1 Facilitate a safe community environment



Rangers Services

The City's Rangers are responsible for creating a safer community through the provisions of the following services: parking, dog and cat control, animal registration, litter, and illegal dumping, abandoned and off-road vehicles, fire compliance, issuing fire permits, and managing the CCTV network administration, which provides data to WAPOL as required.

Some of the other functions and responsibilities of a Ranger are responding to City building alarms, assisting WAPOL for the purpose of animal control, providing access, opening and closing gates on request, attending community education events, and attending court to provide evidence if required.

Some key Ranger operational statistics:

- » Rangers attended over 1,251 parking related matters
- » Rangers attended 6,049 dog and 514 cat related matters
- » Rangers investigated over 146 Dog attacks
- » Rangers issued over 2,005 Caution / Infringement Notices
- » Currently there are 8,972 dogs and 2,100 Cats registered within the City
- » The City currently has 13 Declared Dangerous Dogs residing within the area.
- » The Community Safety team have 13 compliance matters listed for prosecution; 11 of those matters have been in favour of the City with 2 listed for later in the year.



Community Safety and Crime Prevention Committee

The Community Safety and Crime Prevention Committee (CSCPAC) provides advice to Council on strategic and/or policy development to guide initiatives to enhance community safety and reduce antisocial behaviour within the City.

A significant achievement of the committee this year was the adoption of the Community Safety and Crime Prevention Plan 2020-2025.

Some key actions and deliverables from the plan include scams and self-defence workshops. The scam workshops were aimed at CaLd and Seniors in the community who are more vulnerable to online internet scams, and to identify what scams are and how to prevent them.

The self-defence workshops were held at the Forrestfield Library and High Wycombe Recreation Centre aimed at empowering women during domestic Violence Awareness Month 2021.





Fire Control

The City considers the threat of bushfire to be very serious and continues to support our fire control officers (FCO) to educate the community on bushfire preparedness through a range of community educational events. Events have included: the annual RUI exercise, street meets, shopping centre pop up stalls, and conducting preseason private property fire preparedness walk-throughs with landowners on their land.

In accordance with the Fire Hazard Inspection Plan inspections of private properties with High, Very High or Extreme fire ratings were undertaken starting on 1 November and concluding 31 March. A post season report with recommendations, outcomes achieved for the program, and recommendations for the new FHRP 2021/22 was provided.

Some key performance statistics:

- » FCO's inspected over 4,077 properties
- » 73.5% of properties were marked as compliant at the first assessment
- » 82% of properties marked as compliant at the follow up assessment
- » 1001 work orders were issued a 17.7% increase on the previous season

Emergency Management

The Local Emergency Management Committee (LEMC) continues to meet quarterly. The LEMC has met all requirements and continues to work towards community preparedness making a more resilient community.

A significant achievement and milestone for the committee was the endorsement of the City's Local Emergency Management Arrangements (LEMA) 2020. The LEMA has been noted and approved by the State Emergency Management Committee.



Bush Fire Advisory Committee

The Bush Fire Advisory Committee (BFAC) provides advice and recommendations on policy and matters relating to bush fire prevention, control and extinguishment and matters associated with the Volunteer Bush Fire Brigade.

The City's volunteer emergency organisations continued to provide exemplary service and commitment to the community over the past 12 months.

1. The Kalamunda Volunteer Bush Fire Brigade committed 12,111 hours of volunteer time in 2020-2021 and attended 49 incidents.
2. The Kalamunda State Emergency Service unit committed 1962 hours of volunteer time responding to incident in 2020-21.

Another significant milestone was the recommendation for the Council to undertake a feasibility studies, and investigations, into the establishment of a Pickering Brook Volunteer Bush Fire Brigade and Pickering Brook Fire Station. Council endorsed this recommendation on the 27 October 2020. The City has received the feasibility study and is continuing investigations into the establishment of the brigade and station at George Spriggs Reserve, Pickering Brook.



Safe WA App Workshops

The City of Kalamunda conducted drop-in Safe WA App Workshops for anyone in the community who required assistance downloading, and registering for the Safe WA App.

Anti-Smoking Workshops

Two workshops were developed for youth to draw/paint images of what they think a healthier environment looks like without smoking. The drawings will be turned into signage and printed into window and door decals at the Kalamunda Shopping Centre as a preventative measure to reduce smoking.



Environmental Health

The City continued to provide a high-quality environmental health service to the community. It is the City's responsibility to promote and protect the public health of all residents and visitors. Regular duties included approval of applications and risk assessments in a broad range of areas including food premises, public buildings, skin penetration, on-site wastewater disposal, water sampling, noise monitoring, pest management, nuisance control and public safety.

This year:

- » 621 Food Safety Assessments were completed
- » 252 health service requests were investigated
- » 88 on-site wastewater applications were received
- » 512 internal building and planning referrals received health advice.
- » 267 COVID-19 registers checked

The Environmental Health team has been extremely active in the City's COVID-19 response. The City assisted with the implementation of the State Governments COVID-19 directions. Throughout this financial year the City reviewed and provided advice on COVID-19 safety plans ensuring the ongoing COVID-19 safe operation of numerous premises and events. Health officers undertook regular checks of businesses to ensure that they have appropriate contact tracing registers. These checks were reported on a weekly basis to the West Australian Police Force. The City also reported on its Personal Protective Equipment stocks to the Department of Finance on a regular basis. To assist food businesses after the struggles of lockdowns the City waived fees for the worst affected food businesses for the 2020/2021 financial year.



An exciting and innovative project the team continued to work on is the microbat project. The aim of the project is enhancing the habitat of local microbats that in turn will reduce local mosquito numbers. The City partnered with the Foothills Men's Shed to build the boxes. Boxes will be installed in reserves where mosquito populations are high. Residents can purchase bat boxes and have their locations registered. The team engaged with local schools to provide workshops with students involved in painting the boxes.

1.2.2 Advocate and promote healthy lifestyles choices by encouraging the community to become more physically active



Community Health and Wellbeing Plan Initiatives

The Community Health and Wellbeing Plan 2018 – 2022 is the City's plan for improving the health and wellbeing of the community. Highlights for the 2020/2021 year included:

- » Establishing the Kalamunda Alliance Against Depression.
- » Six-week series of social media posts to assist residents with staying active during Covid-19 lockdowns.
- » Mental health first aid training aimed at staff and the community
- » Remove Hazards Grant which was used to develop a resource for seniors and make modifications to some of our facilities by removing and reducing hazards.
- » Edible food plants continued to be handed out at the Plant for Residents event, encouraging gardening and healthy eating.
- » First aid for grandparents in collaboration with the Kalamunda Probus Club.
- » Train the Brain Workshop, aimed at educating our senior population to be physically and mentally healthy.
- » Anti-smoking campaign hosted at the Kalamunda Shopping Centre, aimed at youth, and used art as method for them to show what a healthier environment could look like without smoking.

Heart Foundation Walking Group

The three walking groups in the City were limited in their ability to meet on a consistent basis throughout 2020/21 due to the continuing impact of COVID-19, however, they continued to provide an opportunity for participants to socialise whilst looking after their physical and mental health.



KidSport

The City of Kalamunda was again successful in obtaining KidSport funding from the Department of Local Government, Sport and Cultural Industries (DLGSCI) for the 2020/21 financial year to support juniors to participate in active sport and recreation clubs. There were 631 vouchers processed, from 107 clubs, across 31 sports. The financial aspect of the funding has now been returned to DLGSCI however the City remains a main administrator and promoter.



1.2.3 Provide high quality and accessible recreational and social spaces and facilities



Perth Hills Trails Loop - Stage 1

Linking Kalamunda and Pickering Brook the trail strengthens links between the northern and southern sections of the Kalamunda Railway Heritage Trail, whilst also offering separate sections of the trail for walkers and for cyclists to maximise safety. Since completion, the track has proved to be immensely popular with cyclists and walkers providing greater opportunities to explore the Kalamunda region.



Kalamunda Water Park

The Kalamunda Water Park is managed by Belgravia Leisure in partnership with the City of Kalamunda. The 2020/21 summer season began in November and was again impacted by COVID-19. Attendances for the season were 37,025 persons. The facility continues to provide for the community, schools, and local swimming clubs.



Recreation Centres

The City's recreation facilities offer a wide range of high-quality programs and social opportunities across the four main facilities. These include fitness classes, holiday programs, sports competitions, junior programs, gym and Active Seniors classes.

In 2020/2021, despite the restrictions imposed, the Recreation Centres attendance have continued to rise.

The School Holiday programs continue to be popular with the Kids Cooking Club classes always proving to be a remarkable success. This year, the sport-based holiday programs (volleyball, dance & soccer) were also in high demand, with volleyball proving to be the up-and-coming sport within the community.

The new older age Creche/Staff room at Hartfield Park Recreation Centre (HPRC) was completed in May 2021 and is already proving to be a useful addition to the Centre.

At Maida Vale Netball Centre (MVNC), a new Active Seniors class has been a tremendous success and fills a gap within the Maida Vale community.

Attendances for the Recreation Centres in the 2020/21 financial year were:

- » Hartfield Park Recreation Centre - 91,276 including 256 Gym members
- » High Wycombe Recreation Centre - 43,958
- » Maida Vale Netball Centre 360 - 477
- » Ray Owen Sports Centre (Live Active classes) - 35

The ability to host events at the centres was heavily impacted by COVID-19 however, the annual Easter Morning Tea was held in April 2021 at HPRC, with over 200 members of the community visiting, allowing the centre to demonstrate the various junior programs available.

1.3 To support the active participation of local communities

1.3.1 Support local communities to connect, grow and shape the future of Kalamunda.

Clubs 4 Life

The City successfully applied for Department of Local Government, Sport and Cultural Industries Every Club Funding to increase the annual program of workshops for the City's active sport and recreation clubs and community groups. Two free workshops took place throughout the year with 27 groups and 30 volunteers attending. The training aimed at assisting and educating active sport and recreation clubs across a wide variety of topics including how to be a healthy sporting clubs and funding opportunities.

COVID Relief Funding – Innovation Grants

In 2020/21 the City was required to shift its focus in regard to funding support for the community. The Community Funding Program and Kala Sports Star Program were put

on hold, replaced with a targeted grant program focusing on COVID-19 relief to provide much-needed support for the community during this time.

Fifty-eight applications were received for the COVID-19 Innovations grants with a total of \$190,112 granted to community groups to deliver programs supporting the mental and physical health of their members. Forty-four sporting and community groups benefited from the funding program.

Strategic Sport and Recreation Committee

The Strategic Sport and Recreation Committee (SSRC) did not convene to assess and prioritise Capital Grant applications received from local sporting and recreational groups, primarily due to the impacts of COVID-19 on the community. Focus was placed on COVID-19 recovery / relief.

1.3.2 Encourage and promote the active participation in social and cultural events



Kalamunda Performing Arts Centre

The Kalamunda Performing Arts Centre (KPAC) continues to be one of the premier attractions for locals and visitors alike, offering a diverse range of exciting and engaging performances throughout the year. Although the year was impacted by a number of lockdowns, the KPAC continued to run a diverse programme with foot prints over 42,000 during the year.

The traditional KPAC programming, although a little curtailed, managed to run 12 feature shows with an attendance of 1,313 people. A series of shows will be rescheduled in the next financial year, as artists from Eastern States were unable to perform.

The Morning Music programme, which runs on the first Wednesday of the month, continues to be a major draw card. The City and managed to curate nine shows with an attendance of 1,280 people. The successful format of a social morning tea, followed by a concert, continues to receive positive reviews and toe tapping from the regular local and visiting patrons.

Kalamunda History Village

The Kalamunda History Village is a unique and popular tourist and education attraction for. The education programme for the year was booked fully without any advertising which is a testament to the regard the educational establishment is held. Demand now exceeds the number of available days, with the History Village being the number one thing to do on TripAdvisor in Kalamunda.

The staff at the History Village have, in conjunction with a local videographer, completed a period film depicting the life of a pioneer through the eyes of a child – called My Family Cottage. This new resource is utilised in-house and offered as a download to schools for a fixed fee.

The Kalamunda & Districts Historical Society and its volunteer members, in conjunction with City of Kalamunda, continue to collaboratively manage the site grounds, buildings, and historical artefacts whilst providing a high level of customer service.



Priority 2: Kalamunda Clean and Green

2.1 To protect and enhance the environmental values of the City

2.1.1 Enhance our bushland, natural areas and water ways.

Water Quality Monitoring (WQM)

Following heavy rainfalls the creeks started to flow consistently, and the opportunity was taken to sample eight creeks as water flowed from the City as part of the ongoing program.



The good water flow at Piesse Brook was sampled for nutrients and physical parameters.



Water samples being prepared in the field.

Forrestfield Woodlupine rosion Control Partnership

Amazing transformations have started to occur at this site with the help of a \$20,000 Community Environment Fund Grant from the Office of the Hon. Ken Wyatt. The City was able to purchase and install 8000 plants around the lake near Dawson Avenue. 2000 of the plants were installed by community and corporate partnerships (Bankwest) with the remainder being installed by contractors.

Prior to the first Community Planting Day a welcome to country and cultural awareness presentation was

delivered by Uncle Nick Abrahams. It was extremely informative, educational, and well received by the participants.

The feature survey for the stage one earthworks has been completed with the detailed design phase able to commence. It is anticipated the tender process for appointment of a contractor will be finalised before the end of the year.

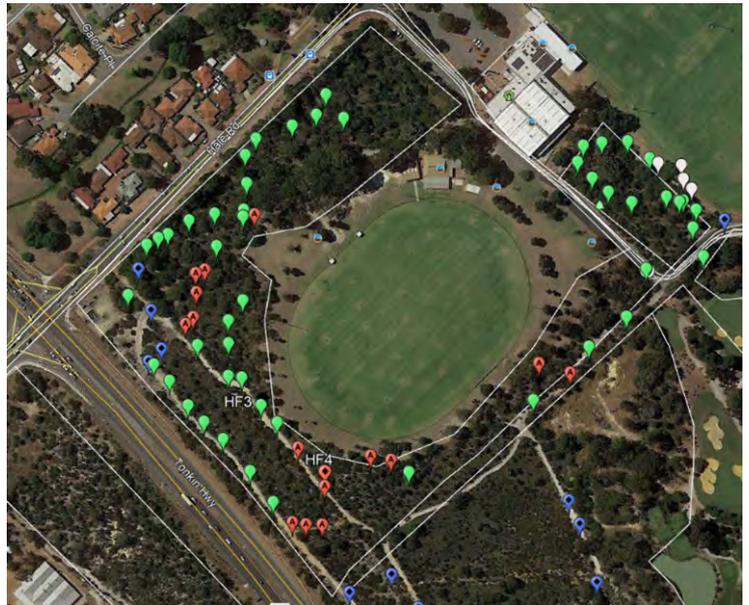


Participants of the Community Planting Day after the Welcome to Country

2.1.2 Support the Conservation and enhancement of our Biodiversity

Dieback (Phytophthora) Sampling

The sampling for dieback around Hartfield Park returned with treatment of these areas starting after the Easter break. An example map for the survey shows areas that are confirmed as infected, or clear of Phytophthora dieback.



- » Dieback occurrence is indicated by red markers (ignore the symbols);
- » Uninfected areas are indicated by green markers;
- » Uninterpretable areas are indicated by blue markers; and
- » White indicates areas that can't be assessed due to weeds or clearing.

An early review of the mapping shows that dieback is spreading around Reid Oval, however, the area is currently small.

The City of Kalamunda has been advised by Western Australian Local Government Association (WALGA) that we have been successful in our application to install an Urban Canopy. The funding includes \$52,707.60 to purchase trees and \$20,285.07 for the purchase of supporting infrastructure. This grant will support the City's Urban Forest Strategy implementation. The grant program is funded by the Water Corporation and administered by WALGA.

Weed Management

Improved field technology, with the use of the Panasonic Toughpads, has been used to map environmental weeds. The Weeds of National Significance (WONS) - National Government level and Declared Weeds - State Government Level - are the responsibility of the City to control through Government Legislation and agreement. The most common declared WONS within the City include:

- » *Genista linifolia* (Yellow broom)
- » *Asparagus asparagoides* (Bridal creeper)
- » *Rubus* species (Blackberry)
- » *Chrysanthemoides monilifera* (Boneseed)
- » *Lantana camara* (Lantana bush)
- » *Anredera cordifolia* (Madiera Vine)
- » *Gomphocarpus fruticosus* (Cotton Bush)
- » *Opuntia stricta* (Common prickly pear)

Mapping these weeds allows the City to understand their distribution and abundance and to understand the resources required for their control.

In the process of mapping the weeds single juvenile boneseed plants were found at Alan Anderson and Falls Rd Primary School sites. These sites were cleared of adult weeds in the past but as the seed remains dormant in the soil for many years long term vigilance and monitoring is required to ensure the weeds do not re-infest.



Single Boneseed plant at Alan Anderson Reserve

Friends Group Program

The Annual "Thank a Volunteer" event on Saturday 5 December 2020 recognised the great efforts of participants throughout the previous year. Members of our Friends Groups participated in this event.

2021 saw the registration of seven new groups bringing an additional 30 members. The groups contributed over a thousand volunteer hours and planted over five thousand plants through the community revegetation program on 19 reserves. If we consider each volunteer hour is worth \$35, our Friends contributed \$35,000 of in-kind support to the City.

Some notable activities for the Friends Groups included:

- » Working with the Environmental Service on restricting the clearing of natural bush for the bike trails close to the Railway Heritage Trail (RHT).
- » Involvement in the community action that saw the Schmitt Road bushland vested to the City.
- » Ongoing maintenance activities which ensures safe, high biodiversity value reserves. These include: keeping fire breaks clear, cleaning paths, monitoring bird nesting boxes, weeding, and planting.



Friends of Woodlupine Living Stream



Friends of Over Ave



Friends of Jorgensen Park, Piesse Brook and Railway Heritage trail

Environmental Showcase



This inaugural event highlighted the City's environmental projects and allowed the interaction with the community. It provided a hands-on opportunity to get information about topics such as: flora, fauna, and volunteering opportunities.



Event attracted 75 people and heard presentations focused on the theme "Habitat for wildlife" with engaging and motivational speakers: Lisa Passmore, Kit Prendergast, Mike and Mandy Bamford, and incorporated Noongar culture with the welcome to country and stories by Aboriginal elder, Uncle Neville Collard.



New volunteers were recruited for Piesse Brook and a large number of people downloaded the Darling Range Nature Base which was promoted on one of the stalls. The audience were very impressed with the presentations and enthusiasm in the hall and really appreciated the range of information offered by the various parties at the event.

Community Planting Days

The Bankwest Corporate Planting Day was held on 24 July 2020, with a welcome to country from Uncle Nick Abraham and attendance by local school and community members.



Plants waiting for installation at Woodlupine Community Planting Days.

Additional community environmental rehabilitation through planting undertaken included: Juniper Reserve, Jorgensen Park Reserve and Woodlupine Brook



2.1.3 Community engagement and education in environmental management

National Tree Planting Day

It was all hands-on deck for National Tree Planting Day at Jorgenson Park. Seventeen Friends Group members and other Kalamunda community volunteers joined staff for the planting day to plant over 1,500 native plant species in just over an hour and a half.

Special thanks to Kalamunda Toyota for donating their BBQ trailer and supplying the sausages and buns as a thank you to the volunteers.

This was the second phase of three phases of revegetation the Friends of Jorgenson Park.



Plants for Residents Program

The popular program continued to support the establishment of natural habitat in backyards and verges across the City and improve the urban canopy.

Residents had the opportunity to collect up to 15 free local native plants, per rateable property.

Commemorative Tree Planting



RETURN BY:
5^{pm}
28 MAY
2021

2021 COMMEMORATIVE PLANTING DAY

It's back! This year the City's annual Commemorative Planting Ceremony will celebrate babies born between May 2020 and April 2021 to parents living in the City. Families are invited to register to take part in the community planting day on Friday 9 July 2021 at a local park/reserve where a plaque displaying all babies names will be installed. Families will also receive a personalised certificate for their child/ren and a plant to take home.

"Planting a tree for your child is a wonderful way to celebrate their life - as they grow, so does their tree!"

Applications can be submitted online at:
engage.kalamunda.wa.gov.au

For more information or to request a hard copy application form:
p: 9257 9999 e: enquiries@kalamunda.wa.gov.au



Families celebrated the birth of their child/ren at the annual Commemorative Tree Plantings 2021. The event was held across three locations: Maamba Reserve, Fleming Reserve, and Bill Shaw Reserve.

In addition to the public planting and acknowledgement, each of the 117 local babies received a plant to take home and personalised certificate. Plaques displaying the

babies' name were installed at each park, joining those from previous years.



Railway Heritage Trail – Interpretive Flora Sign



An interactive, interpretive flora sign was unveiled on the Kalamunda Railway Heritage Trail by City of Kalamunda resident and retired teacher, Mrs Norma Walsh.

A small launch ceremony was attended by Friends of the Kalamunda Railway Heritage Trail, the Darling Range Wildflower Society; and City representatives.

Mrs Walsh, who has a strong history living and working in the City, wanted to share her love of the local environment with trail users and generously donated the sign. Located near seating, to the east of the City's Administration building, the seat and sign are the perfect place to stop, rest, reflect and immerse oneself in the sights and sounds of local species.



The floral board showing the Mayor and Norma

2.2 To achieve environmental sustainability through effective natural resource Management.

2.2.1 Facilitate the appropriate use of water and energy supplied for the City.

Drainage Engineering

The City has been preparing to create a drainage strategy - Kalamunda Flowing: A Drainage and Waterways Strategy. The first major piece of work to initiate the strategy is the preparation of a catchment management plan (CMP) for the Lower Helena Catchment one of six catchments in the City. To prepare the Lower Helena CMP the City needed to:

- » Arrange data collection of drainage infrastructure,
- » Undertake hydrological modelling,
- » Determine design parameters,
- » Engage with the community on local concerns, and
- » Prepare the CMP.

The data collection commenced in 2020/21, with the remaining tasks to be completed at a later date.

Thanks to the appointment of a Drainage Engineer, and then development of hydrological modelling software, the City was able to investigate and in some cases find solutions for a number of complex drainage problems. This included investigation and scoping of work at:

- » Toornart Creek Reserve
- » Nardine Close
- » Paults Valley Road
- » Carob Tree Place, and
- » Ledger Road
- » Carmel Road

Water

The City has undertaken improvements to irrigation system in its parks increasing the efficiency of the watering application and reducing water use. Installation of water efficient taps, and toilets in newly renovated building and wherever possible ensuring ground water rather than drinking water is used for new irrigation projects.

Power

Installation of solar PV panels in buildings to reduce usage of non renewable power sources along with monitoring systems to measure performance

Wherever possible use of LED lighting whenever renovations of city owned buildings occur



The Hales Estate drainage basin

2.2.2 Use of technology to produce innovative solutions to reduce power and water usage.

Kalamunda Community Centre Design and Construction

Kalamunda Community Centre (KCC) Building has clever design and air flow systems to maximise use of fresh air and breezes rather than full-time air-conditioning.



Solar Farm

In 2019 the City of Kalamunda conducted a survey to gather the community's opinions on, attitudes towards and practises pertaining to sustainability. A specific focus of the survey was regarding the community's attitudes towards developing a Solar Farm in the City. 70% responded positively to the question 'Do you think (a solar farm) is a concept the City should explore further?'

At the November 2019 Ordinary Council Meeting, a report was provided regarding a pre-feasibility investigation into a solar farm with aims of reducing the City's carbon footprint for its owned buildings and street lighting as well as potentially developing a future revenue source.

The City engaged a consultant to review and expand upon the Pre-Feasibility Assessment (PFA) which analysed the opportunity for a solar-PV installation on a former landfill site, at Pioneer Park, Forrestfield, WA.

The PFA notes that proposed community outcomes of the solar farm project include:

- » To offset all City of Kalamunda electricity greenhouse gas emissions.
- » Lower energy costs for the City's operations
- » Potential for community energy savings
- » Revenue generation to contribute to the City's financial sustainability

The feasibility study concluded the most viable location for a solar farm on land owned or controlled by the City (avoiding land procurement costs) was Pioneer Park in Forrestfield.

Further consultation was undertaken in early 2021 to determine if the Pioneer Park site was supported by the community. With community support the City will now move to an expression of interest to market.

2.3 To reduce the amount of waste produced and increase the amount of reuse and recycling of waste.

This year the Waste team have been looking at ways to reduce the amount of times they service the bins in the busy areas. Smart technology, known as Fin Bins, were trialed at Lesmurdie Falls Carpark. The innovative bin design sends notifications to the Waste services letting them know how full the bin is and when it should be serviced.



The software for the FinBin showed the FinBin was used by the public 4842 times and emptied by the City 22 times over the three-month trial period (1 July – 20 September 2021). The FinBin holds a 240Ltr Sulo bin and replaced 4 x 240Ltr Sulo bins attached to poles.



Waste Education

- » Waste Education Officer attended at community, school and group workshops, events and presentations to assist in waste reduction and correct recycling practices;
- » Introduction of community waste minimisation workshops – Composting and Worm Farming;
- » Introduced resident rebates and subsidies to purchase compost bins and worm farms;
- » Additional recycling hubs installed throughout the City to collect recyclable items not able to be recycled through the kerbside bin;
- » New resources – Recycle bin stickers and battery collection bags

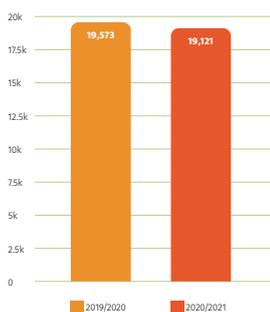
to educate community and create behaviour change with regards to how our community reduce, reuse and recycle. Throughout the course of the year the team have launched a comprehensive social media campaign targeted at our community, we've held community pop ups at shopping centres, the farmers market and libraries. We've delivered workshops on composting and worm farming. We've produced stickers for recycling bins encouraging appropriate waste sorting in the home, as well as other collateral including quizzes, mini bins, stickers and fact sheets.

There has been a focus on:

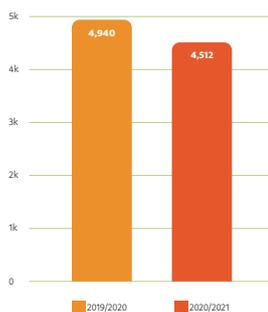
- » Upcycling inspiration
- » Education of waste avoidance
- » Education on how to recycle items that do not go into the recycling bin such as soft plastics and compost materials
- » Education on recycling bin contamination
- » Waste processing at Red Hill Waste Management Facility and at the Walliston Transfer Station
- » FOGO - Food Organics, Garden Organics.

The team has supported stakeholder campaigns aimed at reducing personal waste, and encouraging uptake of good recycling practises with WASTE Sorted, Keep Australia Beautiful, National Recycling Week, Responsible Cafes, Keeping Up With The Jones's, Garage Sale Trail, WALGA, EMRC, Buy Nothing New Month, Containers for Change, Drummuster, Better Bins, Plastic Free July, Recycle Right, Red Cycle and GREAT Sort.

General Waste (Tonnes)



Recycling (Tonnes)



General waste tonnage decreased by 452 tonnes compared to the 2019-20 financial year. Recycling tonnes reduced by 428 tonnes. The reduction in recyclables may be attributed to the closure of the Material Recovery Facility due to a fire and the Containers for Change program implementation in October 2020. With the 10c refund offered per container, most containers are now taken to a Containers for Change refund point, therefore reducing the amount in kerbside recycling bins.

The City has undertaken community engagement

FOGO

A FOGO system ensures a significant increase in the recovery of materials from the household waste collection and valuable compost can be created from the organic materials diverted from landfill. Where implemented, FOGO has on average, doubled recovery efforts.

This is a green, environmentally friendly approach to waste disposal and resource recovery, resulting in a more sustainable City of Kalamunda. The City undertook community consultation in 2020 indicating support for a 3 bin system.

At the 27 October 2020 Ordinary Council Meeting Council confirmed that the City of Kalamunda will provide its Food Organic / Garden Organic waste to the Eastern Metropolitan Regional Council for processing subject to an acceptable outcome to the City of Kalamunda of the Eastern Metropolitan Regional Council Food Organic / Garden Organic Tender process.

This is an ongoing, multi-staged project, with FOGO expected to be rolled out for community in 2023.

Waste to Energy

In 2018 the City, as a member of the Eastern Metropolitan Regional Council committed to being a participant in a project whereby waste that normally goes to landfill would be sent to a new purpose built facility (East Rockingham Resource Recovery Facility) whereby the waste is used as fuel to drive power generating turbines effectively turning the waste into energy.

After completion of final due diligence by all parties, ground breaking occurred in mid 2020. The construction works are well underway.

Indications are that the City would be in a position by mid to late 2022 to be diverting its landfill waste bin rubbish away from the EMRC Red Hill landfill site to this new Waste to Energy facility taking a great stride forward in achieving the goals set out in the City's Waste Strategy of reducing waste going to landfill.

Walliston Transfer Station Upgrades progressed further over 2021, and is expected to be finalised in 2022. A new road into the Transfer station was constructed to alleviate traffic congestion on Lawnbrook Road.

The road was constructed by the City's Road Construction team and asphalted by a tendered Asphalt Contractor.



2.4 To ensure contaminated sites are safe and managed to ultimate use.

The City has continued to undertake studies, maintenance, and remedial works on contaminated sites under its responsibility.

Former Brand Road Landfill

Detailed site investigations are continuing on this site, regarding soil, landfill gas and groundwater.

The City commissioned a Mandatory Auditors Report (MAR), which was provided to the Department of Water and Environmental Regulation (DWER). The City is continuing landfill gas and groundwater monitoring management measures as well such as reviewing the passive venting system operating on-site.

Former Dawson Avenue Landfill

Groundwater monitoring has continued at both Pioneer and Dawson Park, which formed part of the former landfill. Detailed specification has been prepared for both Environmental Consultants and Contaminated Sites Auditor to undertake detailed site investigations

along with voluntary auditor reviews to meet regulatory requirements under the *Contaminated Sites Act 2003*, and to support future land use development such as a passive solar farm.

Ledger Road

Biannual emu picks of surface asbestos have continued to occur over the last 12 months in accordance with the approved asbestos management plan.

Alan Anderson

An annual review of the site management plan was completed. The review recommended improvements to the grass surface and levels of mulch across the site. The review indicated that overall the site management plan appears to be adequate and managing the risks as required.

Priority 3: Kalamunda Develops

3.1 To plan for sustainable population growth

3.1.1 Plan for diverse and sustainable housing, community facilities and industrial development to meet changing social and economic needs.

Cambridge Reserve Community Enhancement Project



After several years of planning the Cambridge Reserve Concept Plan (Concept Plan) and an amendment to Local Planning Scheme No. 3 was adopted by the Council in August 2020.

The Concept Plan outlines a vision for Cambridge Reserve including a site for aged care and residential development and a focus on protection of environmental values, improved drainage, and open space improvements including new recreational spaces and improved access to the reserve.

Aquatic Facilities Study

During 2020/21, the City consulted to developed a draft business case for a future aquatic facility. The draft business case is based on an initial community survey, workshops held in late 2019, a detailed needs assessment, and development options analysis. In June 2021, Council endorsed the draft business case for the purposes of seeking public comment over a 90-day public advertising period.



Hartfield Park Master Plan Stage 2

During 2020/21, the City consulted to developed the Draft Hartfield Park Master Plan (HPMP) - Stage 2 - Facilities Co-location Strategy which was endorsed by Council, for the purposes of seeking public comment in March 2021. During the public comment period workshops were held

with each of the affected sporting user groups. A total of 130 survey responses and 11 written submissions were received from various Hartfield Park user groups. The Final HPMP Stage 2 – Facilities Co-location Strategy was adopted by Council in August 2021.



Stirk Park Playspace and Skate Park – Concept Designs

In July 2020, Council endorsed the detailed concept designs for the Stage 1 priorities for the Stirk Park Master Plan including a new playground, youth precinct, path network upgrade, and a skate park. The City has

since been actively seeking grant funding including a submission to Lotterywest, and progressing with the development of detailed designs in preparation of securing funding.





Female (Unisex) Changeroom Project

As a part of the COVID-19 Economic Stimulus Package, the City allocated \$2 million to the development of female (unisex) changerooms across its major sporting reserves including: Ray Owen Reserve, Maida Vale Reserve, Scott Reserve and Kostera Oval. During the 2020/21 financial year, the City undertook detailed project scoping, consultation with user groups and design development, cognisant of the relevant Council adopted Reserve Master Plans. The Scott Reserve transportable changerooms project was completed in June 2021



Maida Vale Reserve – Sports Floodlighting Funding Secured

In December 2020, the City was advised its grant application for the upgrade of sports floodlighting on the eastern reserve at Maida Vale Reserve was approved through the State Governments, Community Sporting and Recreation Facilities Fund. The total estimated cost is \$445,000.

In preparation for the sports floodlighting and other major projects identified through the Maida Vale Reserve Master Plan, the City undertook upgrades to the sites power supply.

LEGEND

- Demolished Buildings/Structures
- New Buildings & Extensions
- New Parking Expansion
- New Lighting
- New Dual Use Pathways
- Upgrade Existing Gravel Paths
- Existing LPS Boundary
- Proposed LPS Boundary
- New Turf Expansion
- Driveway Entrance Upgrade
- Potential Second Stage of Indoor Courts
- New/Relocated Playground
- Relocated School Outdoor Court
- Priority Pram Passable Trail
- Track along LPS fence: student access
- Concrete Paths



Summary of Facility Developments

1. Power upgrade to the site
2. Water supply upgrade to the site
3. Parking and Access Expansion subject to Environmental Impact Assessment and Detailed Planning Study
 - 3.1. Parking area expansion
 - 3.2. Lighting to all parking areas
 - 3.3. Upgrade entrances
 - 3.4. Anti-flooding treatments to all parking areas
 - 3.5. Formalise old netball court car park
 - 3.6. Formalise old fire track parking and provide separation barrier for pathway
4. Install ventilation/air circulation equipment to the indoor courts
5. Develop turf expansion area including:
 - 5.1. Oval Turf Expansion subject to Environmental Impact Assessment
 - 5.2. Relocation of Lismurle Primary School outdoor courts
 - 5.3. New practice nets (5 short term + 2 long term)
 - 5.4. New cricket wicket
 - 5.5. Relocate current wicket
 - 5.6. Public toilets
6. Install new floodlighting to the Oval
7. New BMX Start Ramp and Storage
 - 7.1. 5m Start Ramp
 - 7.2. Equipment Storage Shed
8. Undertake enhanced protection measures of bushland from BMX run off
9. Install floodlighting to outdoor netball courts
10. Ray Owen Sports Centre expansion
 - 10.1. Develop new indoor courts, potentially staged
 - 10.2. Supporting facilities including additional administration space, changerooms and storage
 - 10.3. Playground relocation
 - 10.4. External entrance upgrade (i.e. landscaping, paving, awning, public artwork etc)
 - 10.5. Possible PV solar system
11. New BMX Clubroom facility
12. Develop new football/cricket away team changeroom and physio rooms
13. Upgrade existing trails and develop new pathways including rest stops, fencing in sensitive areas and interpretive signage.
14. Redevelopment of existing oval turf sub-grade.
15. New/Relocated Playground

Ray Owen Reserve - \$5m WA Recovery Plan

In August 2020, the State Government announced a funding commitment of \$5 million through the WA Recovery Plan towards the expansion of Ray Owen Reserve including a new water source and sports

floodlighting, as identified through the Ray Owen Reserve Master Plan. Following the execution of a funding agreement with the State Government the City engaged consultants to develop detailed designs.



Crystal Brook Concept Plan

In late 2019 and throughout 2020, a planning consultant undertook a Concept Planning and Community Engagement process for the Crystal Brook area.

The Council acknowledged the range of views on the future planning for the Crystal Brook area, noted the strategic outcomes of the Concept Plan and Report, and resolved to cease further planning for the project.

A key outcome from the engagement and concept planning process was that the Crystal Brook Concept Plan characterised two areas: an 'Urban Landscape' and 'Rural Landscape'.

In July 2021, the State Government sought preliminary comments for a development industry proposed Metropolitan Region Scheme (MRS) Amendment for a portion of the Wattle Grove South project area, which proposes to rezone the site from Rural to Urban with the intent of facilitating the subdivision and development of the area for residential purposes. A preliminary submission was prepared and considered by the Council.

The City, and the broader community, will have another opportunity to provide a submission if the MRS Amendment is initiated and formally advertised.

Kalamunda Activity Centre Plan

The Kalamunda Activity Centre Plan (KACP) is a long-term vision for the development of the town centre and provides a planning framework to coordinate the future subdivision, zoning and development in the area. The KACP was adopted by the Council in March 2020.

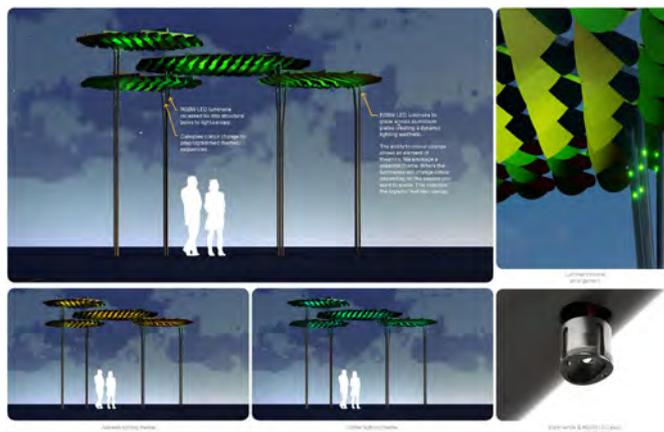
The vision for the Kalamunda Activity Centre is: Kalamunda is a place borne of community spirit with a strong connection to its heritage. The town centre serves as a gateway to the hills and as a hub connecting both locals and visitors. Its natural bushland, setting and traditional village atmosphere are a platform to enhance Kalamunda's unique offerings, activities, events, provides spaces for community interactions, and neighbourhood conversations.



The City will continue to implement the KACP by adopting an amendment to the Local Planning Scheme No. 3 to ensure the KACP and LPS 3 Provisions are aligned.

The LPS 3 amendment was adopted for advertising in November 2020 and is expected to be completed in the first half of 2022.

The Council is moving ahead with one of the key elements identified under the KACP by investing in significant streetscape upgrades, starting with Central Mall. Central Mall will be transformed into a lively and active space that will facilitate increased day and nighttime activity, improve access, and provide event spaces, areas for families and children, and encourage investment from local landowners and traders.



Local Housing Strategy

In July 2021, Council adopted the Local Housing Strategy 2021 (LHS), replacing the Local Housing Strategy 2014. The LHS aims to facilitate future housing in accordance with the Community's growth and diverse needs.

The strategies and actions identify a need to guide new housing in a way that enhances neighbourhood character, sustainable development outcomes, and introduce a mix of housing types and sizes. The LHS also looks to simplify and update local planning documents and remove any unnecessary regulatory processes.

The LHS identifies opportunities for improvement in the

current local planning framework and is a supporting technical document which informs the Local Planning Strategy, which is currently under development. The LHS will be reviewed every five years.



Activity Centres Strategy

The City of Kalamunda has a network of commercial activity centres characterised by their diversity, flexibility, and unique character. In March 2021 the Council adopted the first Activity Centres Strategy (ACS) to provide a strategic vision for the future development of commercial and retail centres. This ACS outlines a set of core principles which will guide activity centre planning and the strategic considerations for the preparation of the new Local Planning Strategy, currently under development.

The ACS establishes a hierarchy of activity centres (District, Neighbourhood, Local and Convenience) and places all the City's activity centres within one of those categories. Retail modelling was undertaken to predict the future retail demand and expansion of activity centres and determine if future and potential activity centres would be viable. The ACS will ensure existing and new activity centres, within the City, are managed and delivered to optimise community benefit.

All development in the City of Kalamunda is assessed against the provisions of Local Planning Scheme No.3, adopted policies and other relevant State legislation including: Planning and Development Act 2005, and the Planning and Development (Local Planning Schemes)

Regulations 2015. Land use compliance is undertaken in accordance with the City's legislative and Policy obligations resulting in negotiated outcomes or the issuing of directions and penalties where appropriate.

Planning

In 2020/21 a total of 921 planning applications were received, representing a 30% increase in the number of planning applications when compared with 2019/20. The overall trend in the number of planning applications processed by the City is upwards.

Total Planning Application Received

Financial Years 2016/17 - 2020/21



For 2020/21 a total of 734 development applications were processed. Of this 96% were processed within the statutory timeframe of 60 days for standard development applications not requiring advertising and 90 days for more complex applications requiring formal advertising.

Total Planning Application Received

Financial Years 2016/17 - 2020/21

Application Type	Number Approved	Statutory Approval Time - Days	Statutory Approval Time - Achieved %
Standard Development Applications	452	60	436 (96%)
Complex Development Applications	282	90	267 (95%)
Total	734		703 (96%)

In addition to the statutory timeframes, the City has introduced a 20-day timeframe for the processing of basic development applications. For the 2020/21 year a total of 194 basic development applications were processed, with 85% processed within the timeframe.

The 30% increase in the number of planning applications received can be attributed to the government stimulus initiatives, introduced by the Federal and State Governments in response to COVID-19. The overall trend over the previous five years is positive. The suburbs of Forrestfield, particularly the Satterley Hales Residential development, continues to be developed with a mix of building types. Two storey townhouse development is proving popular.

Development of the Forrestfield Industrial Area Stage 1 continues to yield high quality freight and logistics industrial development due primarily to its strategic

location with respect to road, rail and air transport. A number of high profile companies are taking advantage of the locational attributes of the industrial area. In the 2020/21 year the estimated value of industrial developments approved in the industrial area of Forrestfield exceeded \$70m. The development approvals comprised principally freight and logistic with some limited light fabrication.

In August 2020, the Joint Development Assessment Panel (JDAP) panel approved an application for the redevelopment of the existing aged care facility at Parry House in Lesmurdie. The redevelopment by Amana Living comprises a two storey facility providing for a 96- bed residential care facility, associated facilities including: a café, wellness centre, parking, and landscaping.

In June 2019, the JDAP approved a development application for a local shopping centre on Maida Vale Road comprising shops, offices, medical centre, café and restaurant. The shopping centre is expected to open late 2021.



Townhouse development framed by public open space - Hales Estate Forrestfield



Industrial Development Forrestfield/High Wycombe Industrial Area Stage 1



Amana Living Residential Aged Care Facility approved in Lesmurdie



Local Shopping Centre approved in Maida Vale

Local Planning Policies

The City reviews, revokes and adds Local Planning Policies for the purpose of ensuring consistency and transparency in the decision-making process, and importantly to provide guidance to Council, the City and the community on planning related matters. In 2020/21, the following Planning Policies were adopted by Council:

Review of existing Local Planning Policies:

- » Local Planning Policy 15 – Outbuilding and Sea Containers
- » Local Planning Policy 16 – Design Advisory Committees
- » Local Planning Policy 17 – Planning Administration
- » Local Planning Policy 11 – Public Notification of Planning Proposals

New Local Planning Policies:

- » Local Planning Policy 26 – Public Art Contributions
- » Local Planning Policy 28 – Delivery of State and Local Strategies through the Preparation of Structure Plans
- » Local Planning Policy 29 – Unhosted Holiday houses
- » Local Planning Policy 31 – Container Deposit Scheme Infrastructure
- » Local Planning Policy 32 – Public Open Space

Revocation of Local Planning Policies:

- » Local Planning Policy 6 – Telecommunications Infrastructure

State Administrative Tribunal and Joint Development Assessment Applications

In the 2020/21 year the City has been involved in five appeals lodged with the State Administrative Tribunal and nine Joint Development Assessment applications. As the City continues to grow and the complexity and significance of planning applications increases, it is anticipated the City will continue to receive an increasing number of SAT reviews and JDAP applications.

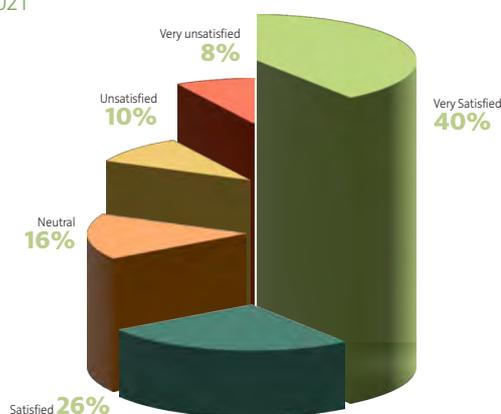
Planning Service Standards

In July 2018, Approval Services introduced an online tracking portal for all planning applications lodged with the City of Kalamunda. The portal enables the applicant to check the status of the development application through the various stages of the planning process.

In July 2018, Approval Services commenced a customer survey for all planning applications processed. The responses provide valuable feedback particularly in relation to where the City can improve customer service in the processing of planning applications. The City received a total of 89 responses during the 2020/21 period, with 82% of respondents stating they were either satisfied or very satisfied, with 18% indicating they were unsatisfied or very unsatisfied.

Planning Service Standards

2020/2021



Working with Regional Shires

The City of Kalamunda continues to maintain Memorandum of Understanding (MOU) arrangements with the Shire's of Bruce Rock, Corrigin, Narembeen, and Wandering. The principal services provided are:

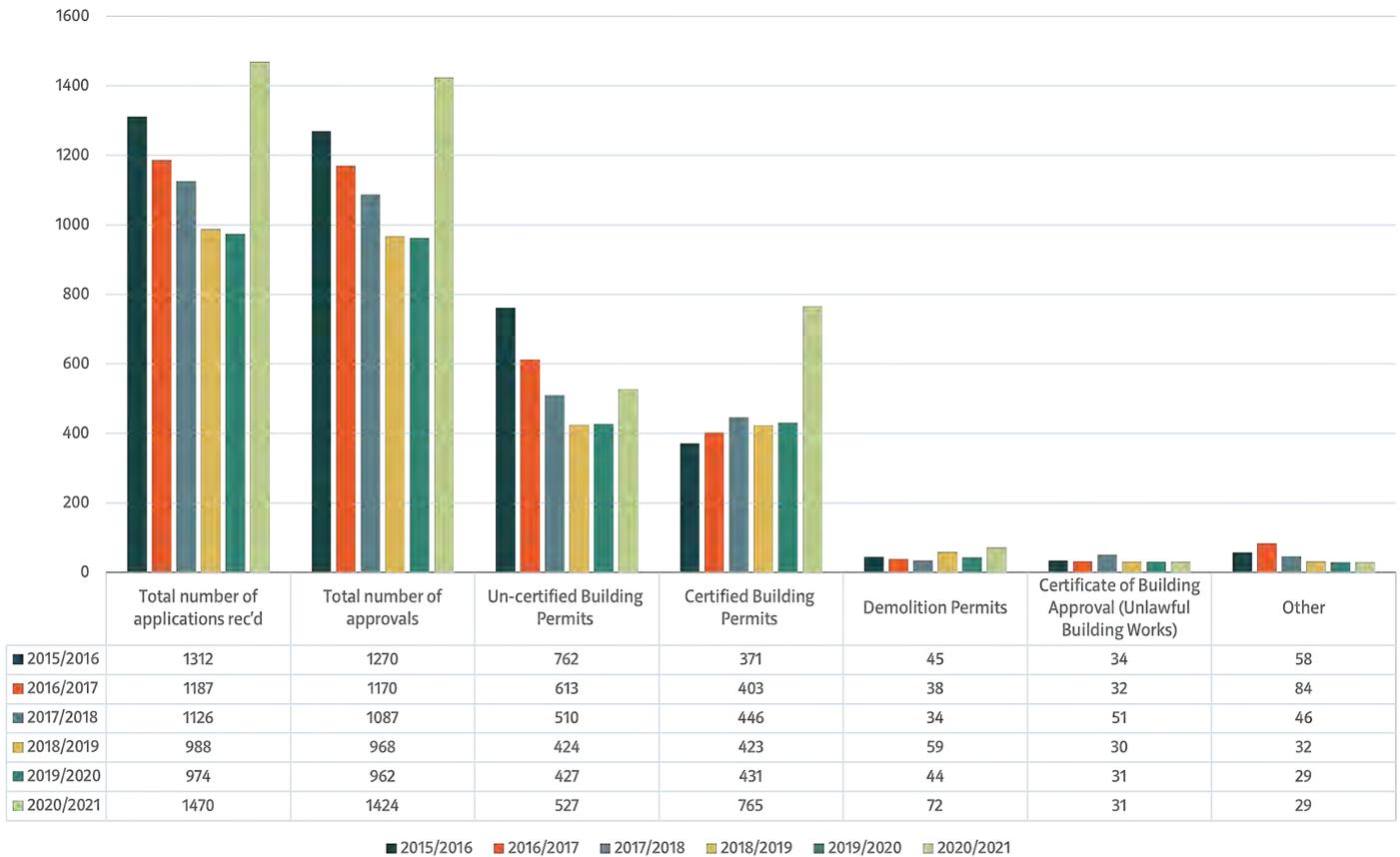
- » Process building applications and issue Certificates of Design Compliance for all Classes of Buildings. A total of 77 applications were processed and Certificates of Design Compliance issued. This is five applications more than the previous year.
- » Processing of planning applications.
- » Attend onsite discussions with building applicants, inspect Shire building assets and provide reports that can be used for maintenance or for budgeting purposes.
- » To undertake Swimming Pool fencing compliance inspections.
- » Undertake building compliance inspections and provide written reports. There were two compliance issues that advice was provided on so that the applicable Shire could initiate the appropriate action.
- » Prepare Council Report items and attend Council meetings as and when required.

Building Statistics

The following table compares the number of Building, Demolition, and other miscellaneous permit approvals over the past six financial years.

Building Approvals

2014/15 - 2020/2021



In 2020/21 there were 1424 building approvals compared with 962 in the 2019/20 this is a 48% increase.

The total value of the 1424 Permits issued for the year was \$174,881,985 which is an increase in building value of \$19,771,153 or approximately 13% increase in building value. The average value per building permit was \$125,134 compared with \$161,911 last year.

The City is required to approve applications for Certified and Demolition Permits within 10 working days, and Uncertified applications within 25 working days. This year the average approval times were:

- » Certified Applications – 6 working days
- » Demolition Permits – 6 working days
- » Uncertified Applications – 6 working days

The number of Residences Approved for the 2020/2021 Financial Year was 332 compared with 2019/20 year, which had a total of 173 single residential approvals. This is a 192% increase for the Financial Year over the previous year. The 80-bed residential aged care facility approved in Bickley has

been excluded from the total number, given they comprised part of a single permit application. The increase in single houses in part could be attributed to the Government's COVID-19 construction incentives and grants.

The foothills suburb of Forrestfield proved the most popular suburb for new residential development with 198 new residences compared with 85 last year which is a 233% increase, in. In High Wycombe there were 34, Maida Vale 42, and Wattle Grove 53. Percentage wise Wattle Grove had the greatest increase of 482% increase in new residences.

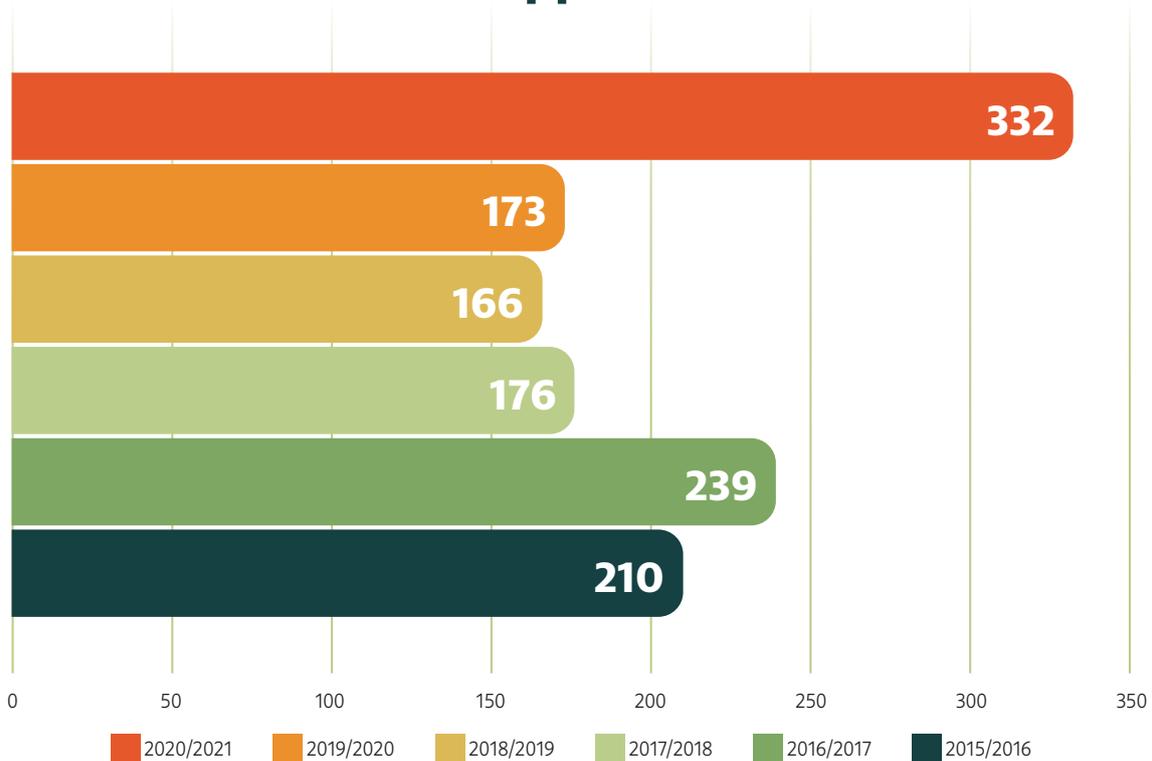
In the hills, Kalamunda again showed the highest level of growth with 44 new residential dwellings compared with 13 new dwellings last year, this is a 338% increase. In Lesmurdie, the number was 16, Gooseberry Hill had 13, and a further 17 residences were approved in the other hills suburbs. These figures do not include the 80-bed Valencia Nursing Home development in Bickley.

Seventy-two Demolition permits were issued for the period compared with 44 the previous year, which demonstrates the increase in infill subdivision developments.

The increase in building approvals is not unique to the City of Kalamunda and similar trends have been reported across metropolitan local government authorities. When COVID-19 first presented itself, it was thought there would be a dramatic downturn in building activity, however, the Government created incentive schemes, State and Federal grants made available to people considering building, coupled with people unable to

travel, has created an opportunity for people to renovate their homes. The number of minor works such as patios, retaining walls, front fencing, sheds, pools, and residential additions increased. The new subdivisions, particularly in the Hales Residential Estate in Forrestfield, but also ones in Maida Vale and Wattle Grove will continue to drive most new residential building permit applications in the short term.

Number of Resident Approved



Compliance

The number of unlawful building works being brought to the City's attention during the year was 31, with property owners making applications for retrospective approval, (30 in the previous year). The Building Act 2011 makes provision for where unlawful building works have been undertaken to be formally approved through the Building Approval Certificate process.

It should be noted while application may be made for retrospective approval for unlawful works, the City can still prosecute in relation to these works, currently the penalty for a first offence is \$50,000.

Only 1 Building Notice needed to be served within the year with the owners required to secure a future development site.

Private Swimming Pools and Spas

As of 30 June 2021, the City had 5,701 registered private swimming pools and spas, which is 23 more pools than last year.

118 new pools and spa building approvals were issued during the year. A number of these new pools are currently under construction due to a delay with available trades and materials.

Formal advice and subsequent inspections identified 59 swimming pools had been removed during the year.

The State Government legislates all private swimming pools and spas within the local government's boundaries must be inspected at least once every four years. The City employs a full-time employee who is able to inspect on average 17 properties per day.

While most of our private swimming pool or spa owning community comply with the legislation, it is being found several properties still have non-compliant security fencing or have allowed their fencing to deteriorate to the point of non-compliance. Despite the inherent risks associated with non-compliant swimming pools, only 36% of pools were found to have compliant barrier fences on the first inspection during the four yearly cycle of inspections.

As of 30 June 2021, the following statistics apply:

- » Total number of swimming pools and spas = 5,701
- » Total non-compliant (i.e., not yet inspected and those inspected but non-compliant), as of 30 June = 194 compared with 162 last year
- » Total compliant (as per 4yrly inspection regime) = 5,507 (96.6%)
- » Number of pools (properties) inspected from 01/07/20 to 30/06/2021 = 1,792
- » Total number of pool inspections undertaken from 01/07/18 to 30/06/2019 = 2,588
- » Number of pools compliant on initial inspection = 941
- » 59 Pools and or spas were removed during the financial year.
- » Inspections undertaken via Entry Warrant = 18



Example of non-compliant Swimming Pool

Elmore Reserve Dog Park.

This project in High Wycombe was fully funded through the use of Public Open Space, Cash in Lieu funds.

Community engagement and detailed concept designs were generated through a collaboration between teams within the City. The Park was completed in March 2021, the reserve now offers two dedicated fenced exercise areas for small and large dogs, areas planted with established trees accessible pathways, barbeque and water fountains.



3.2 To connect community to quality amenities

3.2.1 Optimal management of all assets.

Asset Management

Following the City achieving a clear financial audit (no qualifications or concerns) for the prior financial year, a range of ongoing asset management practices have continued through 2020/21. These include: inspections of assets to determine their condition and replacement

needs, scoping for asset renewals, recording assets details as they are constructed and replaced. By linking the asset details and conditions to industry unit rates, the City derives asset valuations each year in accordance with accounting standards.

ENTRY STATEMENT AND VERGE ENHANCEMENTS

Jacaranda Springs



Before and after

Daddow Road and Dundas Road intersection



In 2020/2021 the Parks Services Team gave this area a much-needed facelift.

Mulching work completed on Hale Road.



Lions Lookout - Reburishment



RETICULATION

Maintenance

Repairs were undertaken at various reserves within the City. These included: Jacaranda Springs and Gala Way Reserve, High Wycombe, Maida Vale Reserve, Maida Vale, along with various other reserves within the City. It is important to maintain the City's reticulation network as it saves water wastage and maintains the quality of the reserve.



City Reticulation repairer repairing a pipe at Gala Way Reserve



Jacaranda springs repair

Ray Owen Reticulation Tank

The upgrade to the reticulation holding tank at Ray Owen Reserve has been undertaken.

The tank replaces the concrete tank and provides the City with an extra 150,000 litres of water storage.



Before and after

HAZARD REDUCTION BURNS

Hazard Reduction Burns commenced in Pickering Brook.



FIRE BREAK INSTALLATION AND REHABILITATION

Schmitt Road, Old Railway Reserve



Scott Reserve Turf Renovations

The Main Oval at Scott reserve benefited from turf renovation which included works to Scarify, sweep and sand top-dress.



AFL oval - Hollow tine core, sweep and sand/compost top-dress

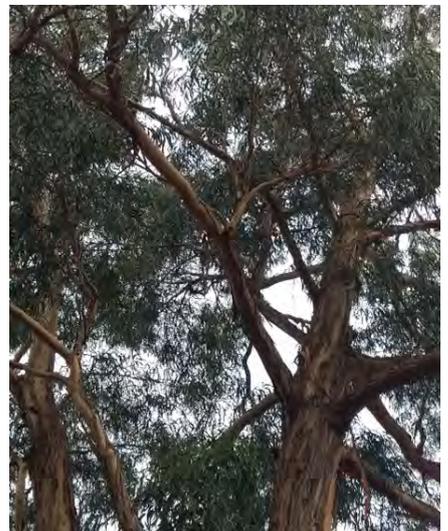


Kostera Reserve - Upgrade of spectator seating - before and after



KALAMUNDA HISTORY VILLAGE TREE FAILURE AND MANAGEMENT

In January 2021 prolonged strong easterly winds contributed to a very large tree falling and damaging one of the village's buildings. The City's contractor completed all recommended works at the Kalamunda History Village to restore the damage.



PETER THIEL RESERVE UPGRADE

Peter Thiel Reserve in Lesmurdie underwent a makeover with areas hydra-zoned to reduce water usage.

The existing irrigation was modified to better utilise the limited water supply available from Flora Terrace Reserve. Large areas of poor-quality grass were cleared of weeds and unwanted grass.

The verge area was identified and mulch with pine bark to create open parkland which will be infill planted over winter.



RAY OWEN RESERVE SAND INJECTION

Sand injection was completed at Ray Owen Reserve to improve the drainage during the wetter months.



3.2.2 Provide and advocate for improved transport solutions and better connectivity through integrated transport planning.

Traffic Engineering

A successful grant application led to the creation of a 12-month program of road safety awareness, this was delivered through a range of media. Content on better road safety behaviour was created by an engineering student. A range of information was released on road safety practices to inform and engage the community.

The City continues to receive a range of requests, and concerns, regarding speeding, parking, and other traffic matters. The traffic management assesses the many requests and determines appropriate levels of responses based on engineering standards. Requests that give rise to road improvements, such as traffic calming, are then scoped and submitted for budget consideration.

DID YOU KNOW?

The City doesn't have the authority to change speed limits on its roads.

Main Roads WA has this authority and require any applications for reduced speed limits to have demonstrated measures (such as speed bumps, lane narrowing or chicanes) which reduce the actual speed of vehicles to a lower limit before they will approve the application.

So - whilst the community may ask the City to reduce speed limits, often we cannot do this straight away .

As well as responding to community requests, the City assesses sites that have a significant crash history, and seeks funding for road safety improvements under the State Black Spot Program. In 2020/21 the City submitted funding requests for projects on Canning Mills Road, Heath Road, and Welshpool Road East at Crystal Brook Road.

Continuing the implementation of the Bicycle Plan, the City has sought further funding through the WA Bike Network (WABN) Program delivered by the Department of Transport. In 2020/21 this involved the delivery of the last stage of the High Wycombe Local Route, a shared path that runs through High Wycombe from Kiandra Way past Maclarty Way, Walker Crescent, Newburn Road, and along Butcher Road, Palmer Crescent and Mack Place to reach Maida Vale Road. The project included community consultation, in a prior year, that generated artwork that was then painted on the road crossings.



High Wycombe Shared path

Further WABN funding submissions were successful, with feasibility to be assessed for projects along Kiandra Way and Sussex Road, and construction of a new shared path along Berkshire Road and Dundas Road.

Canning Road south of Welshpool Road East is a known road safety concern. During 2020/21, the City arranged and completed a road safety investigation, that identified \$6.6 million of road safety improvements. The report was received by Council in October 2020. Of these, \$1 million has already been included in a State Black Spot project for Canning Road (Welshpool Road East to Glenisla Road), while the remaining works will be scoped in more detail and submitted for funding.

The Roe Highway – Kalamunda Road Interchange project, being delivered by Main Roads WA (see below), generated a significant number of detours. As the manager of local roads, the City seeks to raise the standard of safety for people working in the road (and in the road reserve). We do this by providing free assessment and approvals of Traffic Management Plans (TMP). Further information is provided on the City’s website for community members seeking to have work undertaken. If a Traffic Management Plan is required, a qualified person needs to submit this at least 14 days before the work is due to start.



Traffic management

Through 2020/21 the City continued to liaise closely with Main Roads WA, and their appointed contractor, for the construction of the new Roe Highway-Kalamunda Interchange. This progressed well overall, and the City was pleased with the professional manner and service that was provided by the project team.

While the Roe-Kalamunda Interchange project started and continued, talks began with Main Roads WA on two

other even larger projects. MRWA continued planning works for the Tonkin Highway Corridor Upgrade, resulting in confirmation of the nature of the intersections at both Tonkin-Hale and Tonkin-Welshpool Road East. The Council considered impacts arising from this project at its November 2020 and March 2021 meetings, resolving to accept the consequent north-bound only arrangement at Tonkin-Hale.

Main Roads WA formed an alliance called the Greater Connect Alliance (GCA), to deliver the Great Eastern Highway Bypass Interchanges project (GEHBI). This project includes the upgrade of Abernethy Road within the City’s managed area to dual lanes each way from Brinsmead Road to Grogan Road (final scope subject to Commonwealth and State funding). The project design includes the extension of Adelaide Street from Stirling Crescent to Abernethy Road. Presently there is no funding for the construction of part of this Adelaide Street extension. The City will be liaising closely with the GCA as they progress designs for the works within the City’s area.

Development Engineering

As structure plans, subdivision, and developments are proposed by developers, Development Engineering oversee the public impacts arising from any engineering aspects of the developments. This ensures drainage, roads, lighting, retaining walls and related engineering assets are designed and constructed in accordance with relevant standards. A dramatic increase was experienced in development activity through 2020/21, and high quality advice and assessment services continued to be provided to developers.

Notable developments underway during 2020/21 were:

- » The Hales Estate, which progressed through more development stages with further roads, drainage, landscaping and associated designs and construction.
- » The Forrestfield Airport Link project delivered the High Wycombe Train Station, including construction of upgrades and new roads around the station.
- » A number of developments in the Maddington Kenwick Strategic Employment Area, including the preparation of concept designs to inform the Development Contribution Scheme
- » Subdivision and then developments of lots in the former Aurizon site along Abernethy Road.



Train station pit inspection



3.3 To develop and enhance the City's economy

3.3.1 Facilitate and support the success and growth of industry and businesses

Economic Development Strategy implementation

The City's Economic Development Strategy is committed to promoting sustainable economic growth and has four major priorities:

1. Industry Expansion and Attraction
2. Business Capacity Building
3. Strong Local Identity
4. Welcoming Environment

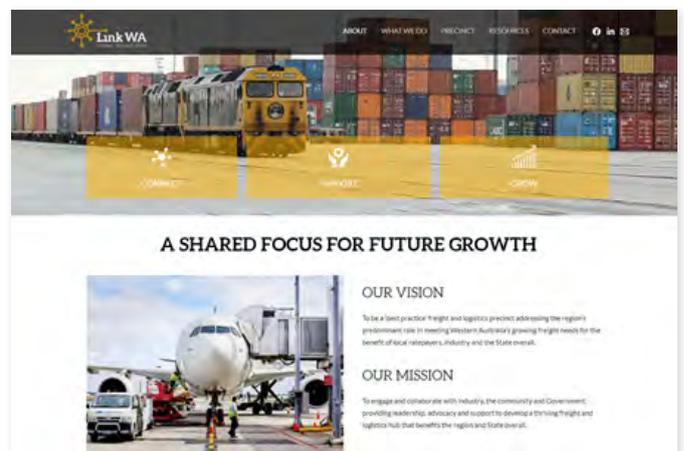
The City continues to actively participate in regional networks including the Eastern Metropolitan Regional Council and the Inland Freight and Logistics Hub Member Councils (Link WA) on collaborative projects to facilitate industry expansion and attraction.

Link WA is a collaborative working group comprising the cities of Canning, Belmont, Swan and Kalamunda. They work together for the promotion, advancement and development of the Inland Freight and Logistics Hub and Corridor recognising that the freight and logistics industry is a major economic driver. The Planning Departments of the member Local Governments continue to work together to develop a planning harmonisation framework.

The City has maintained an excellent working relationship with the Kalamunda Chamber of Commerce and

continues to support the Farmers and Night Markets, the Annual Kalamunda Business Awards, industry events, training opportunities and networking. These collaborations all contribute to the effective capacity building of our business community which is further supported by the City gaining Small Business Friendly Local Government Status.

With the onset of COVID-19 the City developed a COVID-19 Business Relief Fund through which local businesses were invited to apply for a one-off rate relief payment. A number of local businesses received rate relief through this initiative.



3.3.2 Attract new investment opportunities and businesses with a focus on innovation.

The City sought input from the recently formed Economic Development Advisory Committee which has a cohort of senior business expertise, all who either live or work in the City of Kalamunda. This experience furthered the development of an investment prospectus with multiple workshops held to identify the unique elements for

business within the City boundaries.

The City is a keen collaborator and leader within the Young Entrepreneurs Scheme facilitated through the Kalamunda Chamber of Commerce, driving innovation within the younger demographic.

3.4 To be recognised as a preferred tourism destination

3.4.1 Facilitate, support and promote activities and places to visit.

The interests in tourism in the area continues to grow through key regional partnerships, high-quality delivery of visitor services, an innovative approach to marketing and engagement and supporting the local tourism industry to thrive through intensive and inventive methods.

The City owns and operates the Perth Hills Visitor Centre as well as several key attractions. In addition, the City's tourism and events team work hard to serve tourism operators, activate places and spaces through regular events and to strategically position the Perth Hills as a leading destination in WA.

The Experience Perth Hills brand which is the City of Kalamunda's tourism brand has been elevated to regional status - we understand that our visitors have no boundaries and neither should we. As such, the City of Kalamunda are a pivotal player in the Perth Hills Tourism

Alliance, which has seen the regions of Kalamunda, Swan Hills, Mundaring, Armadale and Serpentine Jarrahdale come together for the promotion of the Perth Hills. All five local governments now use the Experience Perth Hills brand which has been refreshed to represent this new partnership.

The Kalamunda Tourism Advisory Committee, with the support of the City, to realise the Kalamunda Tourism Development Strategy as a living document. The City is passionate about uncovering the region's hidden and obvious potential and supporting the private sector to play their part in this growth through streamlining of statutory processes and business support. Our approach is two-fold in delivering high-quality customer service and value at our direct tourism products and secondly driving forward the growth of the local tourism industry through support, advocacy and destination marketing.

Perth Hills



3.4.2 Advocate and facilitate diversification options for rural properties to flourish.

Rural Land Diversification

The Pickering Brook Future Planning Blueprint Report was endorsed in November 2020, this was completed by an independent working group with Phase 2 focused on tourism opportunities currently under investigation.

Phase 1 of the report involved substantial local community consultation and resulted in nine recommendations around the following areas:

- » Expanding the Pickering Brook townsite to the west across 14 hectares of land

- » Rezoning land from Rural to Urban through a Metropolitan Region Scheme (MRS) amendment to allow for residential development
- » Further review of water, sewerage and bushfire management plans
- » Including unallocated Crown land into the Korung National Park.

Detailed investigations are currently underway within the Strategy area to undertake research into the issues relating to the growth of tourism and economic development.

Priority 4: Kalamunda Leads

4.1 To provide leadership through transparent governance

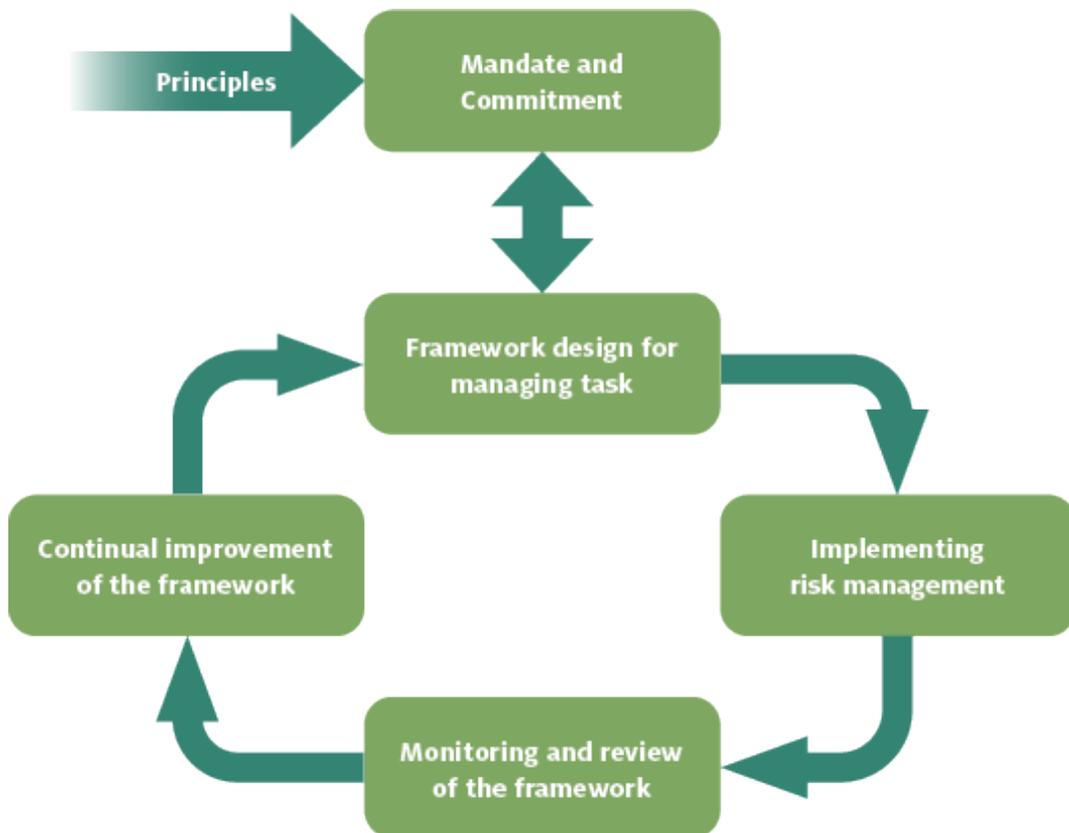
4.1.1 Provide good governance.

Risk Management

The City is firmly committed to organization-wide risk-management practices to ensure consistent, efficient and effective assessment and management of risks in decision making. The City undertook a review of its Risk Appetite Statement resulting in an overall risk appetite as "risk averse."

The City continues to focus on the integration of risk management into its business practices to ensure that we make informed decisions in terms of strategies and operations ensuring that risks and opportunities are adequately considered.

The City's Risk Management Framework (shown below) is structured around the Australian Standard for Risk Management (AS/NZ/ISO 31000:2018) which is strongly focused on:



- » Maintaining high levels of integrity for services provided by the City
- » Protecting the City's physical and non-physical assets including employees, elected members, financial information and property
- » Achieving and maintaining legislative, and regulatory compliance, including codes of conduct and professional standards
- » Creating an environment where all employees assume

- responsibility for the proactive management of risk, and
- » Demonstrating transparent and responsible risk management process aligned to accepted best practice to address uncertainty and to deliver continuous improvement.

The City's Audit and Risk Committee undertakes a six-monthly review of the Strategic Risk Register and reviews the City's Internal Audit Plan on an annual basis.

4.1.2 Build an effective and efficient service based organisation.

Information Technology

The City is developing a Information Communications Technology (ICT) Strategy to meet the organisation's requirements over the next four years. The ICT Strategy will focus on protecting services and data from cyber threats, improving customer services, and using data to make better decisions.

Cybercrime remains a significant threat to the City's digital assets. In 2020/21 the City participated in an increased number of security tests to identify risks and refine our response to cyber issues.

ICT Staff continue to work throughout the organisation mapping business processes with a specific focus on processes relating to customer service, to support the new implementation of a Customer Relationship Management System.

An increase in the provision of digital services requires infrastructure to support those services. The City has negotiated a new telecommunications contract which provides significantly faster bandwidth speeds in parallel with reduced telecommunications costs.

4.2 To proactively engage and partner for the benefit of community

4.2.1 Actively engage with the community in innovative ways.



From 1 July 2020 to 30 June 2021, the City of Kalamunda had a total of 54 projects, activities and plans open for public comment. In addition, a high number of ongoing City programs, events and services were also promoted to the community via our social media channels, monthly Electronic Direct Mail (EDM), flyers, posters and face-to-face, via project, recreation centre and library teams.

Communications spanned across a wide variety of the City's services, policies, and community issues, including planning proposals, proposed traffic treatments, road closures, proposed concept plans for City facilities, cultural initiatives, and strategic planning.

Notably, the last year has had a heavy focus on strategy development with the community providing feedback on several significant policies for Council including the Activity Centres Strategy, Strategic Community Plan, Draft Urban Forest Strategy, Central Mall and Activity Centre Plan, and Public Art Strategy.

The community continues to demonstrate strong engagement with the City, with several projects attracting very high response rates such as the Future Use of Zig Zag Drive (1,337 responses), Strategic Community Plan Review (343 responses) and the Fenced Dog Exercise Parks (211 responses).

With the onset of COVID-19 in early 2020, the City's Community Engagement team adapted the way that face-to-face consultations and workshops were delivered introducing online workshops with real time anonymous reporting through Mentimeter to complement our digital presentations and encourage both qualitative and quantitative feedback.

Pre-COVID and following the lockdown periods, where we were able to safely conduct face-to-face engagements which garnered great community connections through activities such as shopping centre pop ups, community event booths, dot-democracy pop ups and farmers market stalls.

In addition, we had a number of engagements targeted at the youth demographic (for example the Stirk Park Skate Park open consult as well as the Youth Crime Prevention survey). These engagements saw a large increase in the number of under-18s within our community who engaged with the City, giving City of Kalamunda's youth a voice. We enjoyed increased engagement through our local schools, working internally with our Youth Team to target and connect with them directly.

4.2.2 Increase advocacy activities and develop partnerships to support growth and reputation.



Kalamunda WayFairer Project

The City of Kalamunda have partnered with Inclusion Solutions to deliver the Kalamunda WayFairer Project, an initiative designed to meet the growing needs of older adults, while simultaneously supporting clubs, groups and community-based organisations with skilled volunteers.

Would you like to gift your knowledge, skills, talents and experiences in a meaningful way? Kalamunda WayFairers connects the Kalamunda community and helps end social isolation.



Forget-Me-Not-Café

The Forget-Me-Not-Memory-Café was launched in August 2020 at Gracie's Café in Forrestfield. The Forget-Me-Not-Cafe provides a safe space for people living with Dementia or Alzheimers and is supported by the City of Kalamunda.



Inclusion Solutions

Inclusion Solutions conducted a Building Welcoming Community Organisations Workshop where participants learnt about the benefits of social inclusion to build a strong connected organisation.



Kalamunda Probus

The City of Kalamunda partnered with Kalamunda Probus to conduct a Grandparents and Parents First Aid Workshop.



Clubs4Life

The Club Development Team partnered with Inclusion Solutions to run two workshops including an Attracting Volunteer Talent & Time workshop held in July and attended by 10 clubs. A Building Stronger Better Connected Club workshop was held in November and was attended by 11 local groups.

Record Keeping and Statutory Requirements

Statement on the City of Kalamunda Record Keeping Plan

The City of Kalamunda is committed to the management of government records in accordance with legislative requirements and best practice standards. The City of Kalamunda's Record Keeping Plan was approved by the State Records Commission on the 8 April 2020, and is due for resubmission on the 8 April 2025.

Electronic Document Records Management System

The Enterprise Content Management System, Altus ECM is the official records store. The City of Kalamunda is implementing the Records Management module in the Microsoft 365 Compliance Centre, to compliment the capabilities of Altus ECM with the capture of Microsoft Teams, Sharepoint, Exchange Online data. The new CRM, Dynamics 365, will be integrated with the Records System for documents captured.

Training

The City continues to provide training to staff, including an initial Records Induction Training for all staff. Training content is focused on outlining the Responsibilities of staff regarding Record Keeping, what constitutes a Business Email, the City of Kalamunda Records Business Rules, and using the Records System. Training Videos are available on the City of Kalamunda's Intranet illustrating how to use Altus ECM.

The City of Kalamunda uses Litmos as its Learning Management System, which allows for online learning, including Records Management. It also allows for quizzes at the end of sessions, to reinforce learning, and ensure that there is a baseline knowledge. Processes relating to Records Management have been added to Promapp, which is the system of recording the Processes of the City of Kalamunda.

Risks

Risks relating to Records Management have been entered into the City's Operational Risk System and are reported on quarterly.

KPI and Performance Management

Records performance is measured through the Interplan System on a quarterly basis, providing a system of monitoring of the Records Area by management and Council.

Freedom of Information Statement

The Information Statement for the City of Kalamunda was updated for 2021/2022, and will be reviewed in June 2022. The Information Statement is available on the City's website and from the Administration Centre.

There were 28 new valid Freedom of Information requests received during the 2020/2021 financial year. In 2020/2021, the split between personal and non personal requests was:

- » 5 for personal information
- » 23 for non-personal information

The average time taken to deal with a FOI request was 12 days.

Employee Remuneration

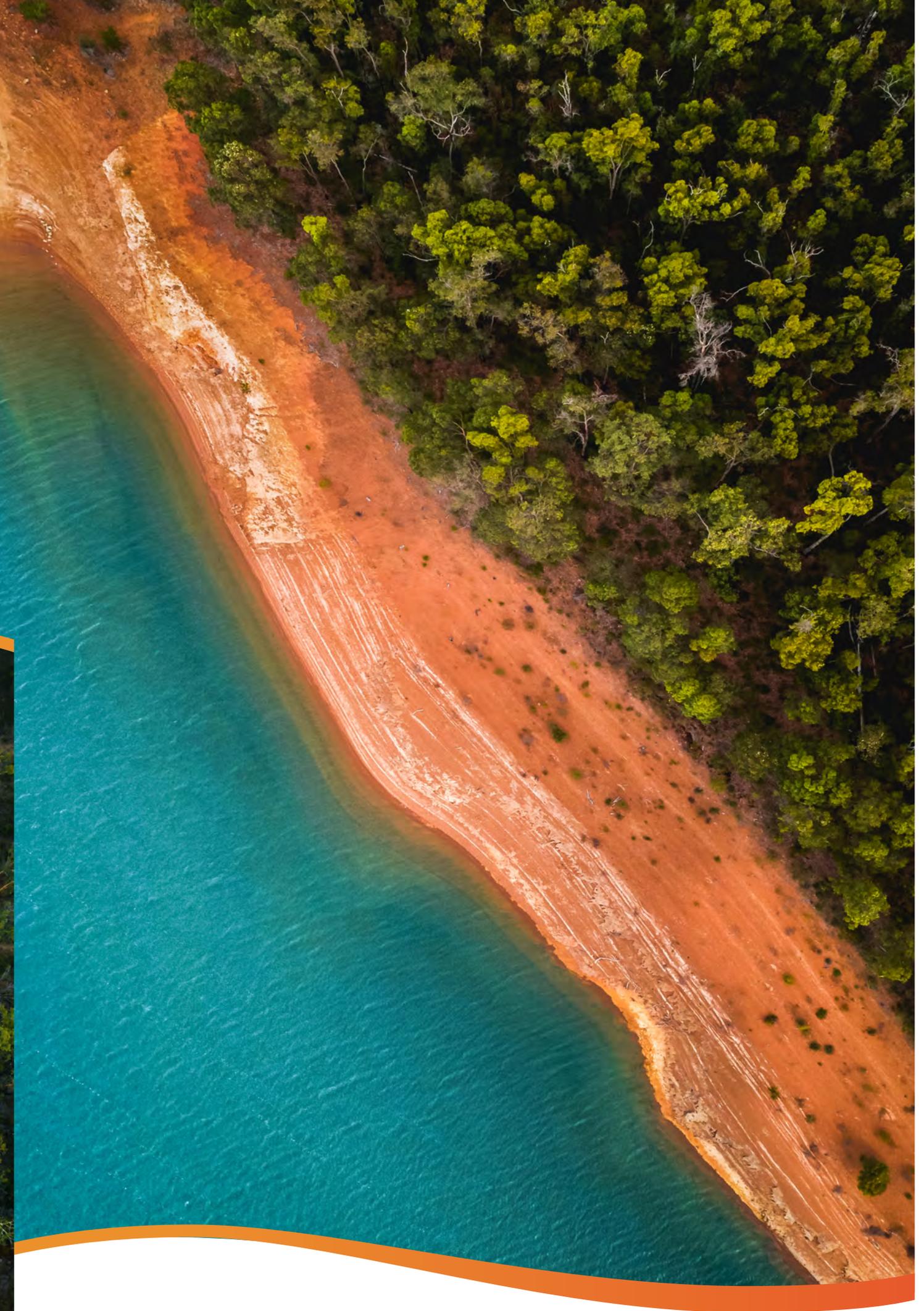
Salary Range \$ 2020/2021	No Of Employees
130,000 – 139,999	4
140,000 – 149,999	5
150,000 – 159,999	
160,000 – 169,999	1
170,000 – 179,999	
180,000 – 189,999	
190,000 – 199,999	2
200,000 – 209,999	1
210,000 – 219,999	
220,000 – 229,999	
230,000 – 239,999	
240,000 – 249,999	
250,000 – 259,999	
260,000 – 269,999	
270,000 – 279,999	
280,000 – 289,999	
Chief Executive Officer	\$259,052



Councillor Summary

	Cr MT	Cr BO	Cr AO	Cr KR	Cr LC	Cr DO	Cr SB	Cr MC	Cr KM	Cr JS	Cr GS	Cr JG	Cr CB	Cr LB
Linguistic/ Country of birth	Aust			Aust	Aust			Aust						Scot
Male			Y			Y					Y	Y	Y	
Female	Y	Y		Y	Y		Y	Y		Y				Y
i 18-24														
ii 25-34														
iii 35-44		Y												
iv 45-54					Y			Y						Y
v 55-64														
vi 64 +	Y													
I - aboriginal or torres		Y												





City of Kalamunda Financial Report

Year Ended 30 June 2021



**CITY OF KALAMUNDA
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Kalamunda for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the City of Kalamunda at 30 June 2021 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 10th day of November 2021



Chief Executive Officer

Rhonda Hardy

Name of Chief Executive Officer





Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 City of Kalamunda

To the Councillors of the City of Kalamunda

Report on the audit of the annual financial report

Opinion

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

- the Statement of Financial Position at 30 June 2021, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information
- the Statement by the Chief Executive Officer.

In my opinion the financial report of the City of Kalamunda:

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2021 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

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

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

The Chief Executive Officer (CEO) of the City is responsible for the preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards. The CEO is also responsible for 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 and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the City.

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

Auditor's responsibility for the audit of the financial report

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.

Report on other legal and regulatory requirements

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

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the City:
 - a. The Operating Surplus Ratio as reported in Note 38 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries' standard for the last 3 financial years.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

Other information

The other information is the information in the City's annual report for the year ended 30 June 2021, but not the financial report and my auditor's report. The CEO is responsible for the preparation and the Council for overseeing the other information.

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Kalamunda for the year ended 30 June 2021 included on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



Caroline Spencer
Auditor General for Western Australia
Perth, Western Australia
22 November 2021

City of Kalamunda
Statement Of Comprehensive Income
By Nature or Type

For the year ended 30 June 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Rates	30(a)	38,342,129	37,731,300	37,864,554
Operating grants and subsidies	2(a)	2,861,346	1,383,618	2,621,875
Contributions, Reimbursements and Donations	2(a)	1,139,357	495,030	4,944,018
Fees and charges	2(a)	16,116,365	14,561,645	15,401,091
Interest earnings	2(a)	622,173	369,046	800,329
Other revenue	2(a)	58,086	45,500	36,145
		59,139,456	54,586,139	61,668,012
Expenses				
Employee costs		(24,892,251)	(24,025,535)	(25,144,391)
Materials and contracts		(20,233,774)	(17,669,105)	(22,443,971)
Utility charges		(1,965,822)	(1,935,903)	(1,920,612)
Depreciation on non-current assets	11(b)	(13,327,727)	(10,986,626)	(11,316,721)
Interest expenses	2(b)	(266,981)	(274,842)	(265,469)
Insurance expenses		(605,809)	(608,212)	(591,118)
Other expenditure		(308,286)	(195,072)	(1,567,604)
		(61,600,650)	(55,695,295)	(63,249,886)
		(2,461,194)	(1,109,156)	(1,581,874)
Non-operating grants, subsidies and contributions	2(a)	10,907,932	17,917,612	7,354,821
Profit on asset disposals	11(a)	41,699	0	14,771
(Loss) on asset disposals	11(a)	(301,608)	0	(2,566,892)
Dividends Received		0	0	803,210
Share of net profit/ (loss) of associates accounted for using the equity method	27	627,871	998,408	(2,290,314)
		11,275,894	18,916,020	3,315,596
Net result for the period		8,814,700	17,806,864	1,733,722
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	0	0	(31,575,993)
Increase in fair value of other equity investments		5,172	0	2,305
Share of comprehensive income/ (loss) of associates and joint ventures accounted for using the equity method	27	(779,312)	0	140,216
Total other comprehensive income / (loss) for the period		(774,140)	0	(31,433,472)
Total comprehensive income / (loss) for the period		8,040,560	17,806,864	(29,699,750)

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



Statement of Comprehensive Income**By Program**

For the year ended 30 June 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
	2(a)			
Governance		30	20,000	27,753
General purpose funding		41,481,594	39,341,145	41,356,817
Law, order, public safety		529,599	501,433	442,233
Health		904,419	846,849	878,374
Education and welfare		57,473	30,750	64,508
Community amenities		12,995,652	12,410,030	12,539,229
Recreation and culture		1,907,809	1,023,381	2,070,476
Transport		65,989	30,000	41,498
Economic services		434,751	203,025	250,127
Other property and services		762,140	179,526	3,996,997
		59,139,456	54,586,139	61,668,012
Expenses				
	2(b)			
Governance		(3,053,865)	(3,156,199)	(3,960,937)
General purpose funding		(660,329)	(684,556)	(616,834)
Law, order, public safety		(2,222,439)	(1,983,733)	(2,089,052)
Health		(1,653,135)	(1,622,855)	(1,652,827)
Education and welfare		(351,869)	(297,420)	(382,309)
Community amenities		(15,274,397)	(15,172,937)	(15,445,082)
Recreation and culture		(20,520,786)	(17,333,531)	(18,065,399)
Transport		(13,321,825)	(13,143,035)	(12,603,438)
Economic services		(1,331,667)	(1,309,950)	(1,227,207)
Other property and services		(2,943,357)	(716,237)	(6,941,332)
		(61,333,669)	(55,420,453)	(62,984,417)
Finance Costs				
	2(b)			
Other property and services		(266,981)	(274,842)	(265,469)
		(266,981)	(274,842)	(265,469)
		(2,461,194)	(1,109,156)	(1,581,874)
Non-operating grants, subsidies and contributions	2(a)	10,907,932	17,917,612	7,354,821
Profit on disposal of assets	11(a)	41,699	0	14,771
(Loss) on disposal of assets	11(a)	(301,608)	0	(2,566,892)
Dividends Received		0	0	803,210
Share of net profit/ (loss) of associates accounted for using the equity method	27	627,871	998,408	(2,290,314)
		11,275,894	18,916,020	3,315,596
Net result for the period		8,814,700	17,806,864	1,733,722
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	0	0	(31,575,993)
Increase in fair value of other equity investments		5,172	0	2,305
Share of comprehensive income/ (loss) of associates and joint ventures accounted for using the equity method	27	(779,312)	0	140,216
Total other comprehensive income / (loss) for the period		(774,140)	0	(31,433,472)
Total comprehensive income / (loss) for the period		8,040,560	17,806,864	(29,699,750)

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

Statement of Financial Position

As at 30 June 2021

	NOTE	2021	2020
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	32,134,446	24,196,351
Trade and other receivables	6(a)	4,801,096	3,795,352
Other financial assets	5(a)	3,400,131	3,394,524
Inventories	7(a)	123,756	123,249
Other assets	8(a)	394,844	303,636
TOTAL CURRENT ASSETS		40,854,273	31,813,112
NON-CURRENT ASSETS			
Trade and other receivables	6(b)	906,090	866,115
Other financial assets	5(b)	219,093	226,335
Other assets	8(b)	79,331	158,663
Inventories	7(b)	386,067	386,067
Investment in associate	27	29,106,170	29,257,611
Property, plant and equipment	9	125,300,356	120,811,550
Infrastructure	10	372,099,374	371,529,361
Intangible assets	13	863,385	865,958
Right-of-use assets	12	100,692	0
TOTAL NON-CURRENT ASSETS		529,060,558	524,101,661
TOTAL ASSETS		569,914,831	555,914,773
CURRENT LIABILITIES			
Trade and other payables	15	10,641,375	8,435,334
Capital Grant Liabilities	16	3,146,351	2,214,705
Lease liabilities	18(a)	44,711	0
Borrowings	19(b)	1,228,737	1,027,692
Employee related provisions	20	4,525,221	4,196,505
TOTAL CURRENT LIABILITIES		19,586,395	15,874,236
NON-CURRENT LIABILITIES			
Other liabilities	17	10,945	0
Lease liabilities	18(a)	56,071	0
Borrowings	19(b)	8,785,662	6,961,299
Employee related provisions	20	535,574	362,263
TOTAL NON-CURRENT LIABILITIES		9,388,252	7,323,562
TOTAL LIABILITIES		28,974,647	23,197,798
NET ASSETS		540,940,184	532,716,975
EQUITY			
Retained surplus		222,340,202	222,322,634
Reserves - cash/financial asset backed	4	23,511,544	14,531,763
Revaluation surplus	14	295,088,438	295,862,578
TOTAL EQUITY		540,940,184	532,716,975

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



Statement Of Changes In Equity

For the year ended 30 June 2021

		RESERVES CASH/FINANCIAL			
	NOTE	RETAINED SURPLUS	ASSET BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2019		217,897,511	17,223,164	327,932,784	563,053,459
Comprehensive income					
Net result for the period		1,733,722	0	0	1,733,722
Other comprehensive income	14	0	0	(31,433,472)	(31,433,472)
Total comprehensive income		1,733,722	0	(31,433,472)	(29,699,750)
Transfer of previously recognised increment in fair value due to asset disposals / write off	11(a)			(636,734)	(636,734)
Transfers from reserves	4	4,803,533	(4,803,533)	0	0
Transfers to reserves	4	(2,112,132)	2,112,132	0	0
Balance as at 30 June 2020		222,322,634	14,531,763	295,862,578	532,716,975
Comprehensive income					
Net result for the period		8,814,700	0	0	8,814,700
Other comprehensive income	14	0	0	(774,140)	(774,140)
Total comprehensive income		8,814,700	0	(774,140)	8,040,560
Net Transfers from Trust	4	0	182,649	0	182,649
Transfers from reserves	4	3,672,974	(3,672,974)	0	0
Transfers to reserves	4	(12,470,107)	12,470,107	0	0
Balance as at 30 June 2021		222,340,202	23,511,544	295,088,438	540,940,184

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

City of Kalamunda
Statement Of Cash Flows
For the year ended 30 June 2021

NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates	38,192,786	37,731,300	37,416,593	
Operating grants and subsidies	2,414,801	983,618	2,600,588	
Contributions, Reimbursements and Donations	1,139,357	495,030	4,944,018	
Fees and charges	12,326,478	14,561,645	11,399,584	
Interest received	622,173	369,046	800,329	
Goods and services tax received	3,789,887	2,037,675	4,001,507	
Other revenue	908,045	45,500	36,148	
	59,393,527	56,223,814	61,198,767	
Payments				
Employee costs	(24,291,286)	(24,025,535)	(24,734,713)	
Materials and contracts	(18,004,588)	(19,428,388)	(21,958,896)	
Utility charges	(1,965,822)	(1,935,903)	(1,920,612)	
Interest expenses	(266,981)	(274,842)	(265,469)	
Insurance paid	(605,809)	(608,212)	(591,118)	
Goods and services tax paid	(731,869)	(278,392)	(594,316)	
Other expenditure	(308,286)	(195,072)	(1,567,604)	
	(46,174,641)	(46,746,344)	(51,632,728)	
Net cash provided by (used in) operating activities	21	13,218,886	9,477,470	9,566,039
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	9(a)	(9,380,684)	(14,982,285)	(4,124,781)
Payments for construction of infrastructure	10(a)	(9,802,680)	(23,322,840)	(13,273,035)
Payments for intangible assets		(98,969)	0	(273,427)
Non-operating grants, subsidies and contributions		11,839,582	17,917,612	7,489,359
Proceeds from financial assets at amortised cost - self supporting loans		11,737	11,736	30,077
Proceeds from sale of property, plant & equipment	11(a)	158,044	0	206,465
Dividends Received		0	0	803,210
Net cash provided by (used in) investment activities		(7,272,970)	(20,375,777)	(9,142,132)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	19(a)	(1,027,692)	(945,194)	(672,153)
Payments for principal portion of lease liabilities	18(b)	(33,229)	0	0
Proceeds from new borrowings	19(a)	3,053,100	3,053,100	3,707,000
Net cash provided by (used in) financing activities		1,992,179	2,107,906	3,034,847
Net increase (decrease) in cash held		7,938,095	(8,790,401)	3,458,754
Cash at beginning of year		24,196,351	16,417,338	20,737,597
Cash and cash equivalents at the end of the year		32,134,446	7,626,937	24,196,351

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

City of Kalamunda
Rate Setting Statement
For the year ended 30 June 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	31(b)	6,619,571	3,470,822	246,491
		6,619,571	3,470,822	246,491
Revenue from operating activities (excluding rates)				
Governance		30	20,000	27,753
General purpose funding		3,342,771	1,766,528	3,698,050
Law, order, public safety		529,599	501,433	444,421
Health		904,419	846,849	878,374
Education and welfare		57,473	30,750	64,508
Community amenities		12,995,652	12,410,030	12,539,229
Recreation and culture		1,907,809	1,023,381	2,071,774
Transport		65,989	30,000	41,498
Economic services		1,062,622	1,201,433	250,127
Other property and services		803,839	179,526	4,008,282
		21,670,203	18,009,930	24,024,016
Expenditure from operating activities				
Governance		(3,065,048)	(3,156,199)	(3,960,937)
General purpose funding		(660,329)	(684,556)	(616,834)
Law, order, public safety		(2,222,439)	(1,983,733)	(2,094,144)
Health		(1,653,135)	(1,622,855)	(1,652,827)
Education and welfare		(351,869)	(297,420)	(382,309)
Community amenities		(15,284,387)	(15,172,937)	(15,456,757)
Recreation and culture		(20,590,203)	(17,333,531)	(19,688,078)
Transport		(13,399,732)	(13,143,035)	(13,492,965)
Economic services		(1,331,667)	(1,309,950)	(1,227,207)
Other property and services		(3,343,449)	(991,079)	(9,535,033)
		(61,902,258)	(55,695,295)	(68,107,091)
Non-cash amounts excluded from operating activities	31(a)	14,025,825	9,928,841	16,347,813
Amount attributable to operating activities		(19,586,660)	(24,285,703)	(27,488,771)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	10,907,932	17,917,612	7,354,821
Proceeds from disposal of assets	11(a)	158,044	0	206,465
Proceeds from financial assets at amortised cost - self supporting loans		11,737	11,736	30,077
Purchase of property, plant and equipment	9(a)	(9,380,684)	(14,982,285)	(4,124,781)
Purchase and construction of infrastructure	10(a)	(9,802,680)	(23,322,840)	(13,273,035)
Dividends Received		0	0	803,210
Payments for intangible assets		(98,969)	0	(273,427)
		(8,204,620)	(20,375,777)	(9,276,670)
FINANCING ACTIVITIES				
Repayment of borrowings	19(a)	(1,027,692)	(945,194)	(672,153)
Proceeds from borrowings	19(a)	3,053,100	3,053,100	3,707,000
Payments for principal portion of lease liabilities	18(b)	(33,229)	0	0
Transfers to reserves (restricted assets)	4	(12,470,107)	(5,553,000)	(2,112,132)
Transfers from reserves (restricted assets)	4	3,672,974	10,638,625	4,803,533
Amount attributable to financing activities		(6,804,953)	7,193,531	5,726,248
Surplus/(deficit) before imposition of general rates		(34,596,234)	(37,467,949)	(31,039,196)
Total amount raised from general rates	30(a)	38,138,823	37,574,617	37,658,767
Surplus/(deficit) after imposition of general rates	31(b)	3,542,590	106,668	6,619,571

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

1. BASIS OF PREPARATION

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

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

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

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.

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

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

INITIAL APPLICATION OF ACCOUNTING STANDARDS

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

These were:

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

The adoption of these standards had no material impact on the 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 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

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

CRITICAL ACCOUNTING 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:

- Employee expenses
- Land held for resale
- Other financial assets
- Property, Plant and Equipment
- Infrastructure
- Intangible assets
- Right-of-use assets
- Lease liabilities
- Borrowing liabilities
- Provisions

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

2. REVENUE AND EXPENSES**(a) Grant revenue**

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Operating grants and subsidies			
General purpose funding	2,423,880	1,134,128	2,442,960
Law, order, public safety	166,643	184,240	131,520
Education and welfare	5,707	3,250	9,061
Community amenities	56,651	5,000	3,805
Recreation and culture	147,341	27,000	6,440
Transport	28,757	30,000	28,089
Other property and services	32,367	0	0
	2,861,346	1,383,618	2,621,875
Contributions, Reimbursements and Donations			
Governance	30	20,000	27,753
General purpose funding	37,925	38,280	38,180
Law, order, public safety	14,001	5,889	14,892
Health	1,392	0	0
Community amenities	13,825	6,000	44,751
Recreation and culture	571,045	363,361	1,009,076
Transport	25,082	0	13,410
Other property and services	476,057	61,500	3,795,954
	1,139,357	495,030	4,944,018
Non-operating grants, subsidies and contributions			
Law, order, public safety	0	0	28,284
Recreation and culture	5,644,815	8,138,000	2,093,987
Transport	3,113,602	4,767,333	3,619,778
Other property and services	2,149,515	5,012,279	1,612,772
	10,907,932	17,917,612	7,354,821
Total grants, subsidies and contributions	14,908,635	19,796,260	14,920,714
Fees and charges			
General purpose funding	60,890	74,817	218,897
Law, order, public safety	295,736	278,304	261,120
Health	900,727	845,349	885,558
Education and welfare	51,766	27,500	55,447
Community amenities	12,925,176	12,399,030	12,490,673
Recreation and culture	1,189,423	633,020	1,056,258
Transport	12,136	0	0
Economic services	433,731	193,025	250,127
Other property and services	246,780	110,600	183,011
	16,116,365	14,561,645	15,401,091

In addition to the fees and charges adopted during the original budget process 2020/2021 the following new fees were introduced.

Description	Basis of Charge	Fees and Charges for 2020-2021 (Inc.GST where applicable)
Development bond fee for bond amounts less than \$5,000	per application	\$120.90
Development bond fee for bond amounts \$5,000 and greater	per application	\$311.50
Development bond inspection fee for additional inspections	per inspection	\$107.60
Weekly downloadable Education Programme film and associated worksheets	per week	\$110.00

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

2. REVENUE AND EXPENSES (Continued)**SIGNIFICANT ACCOUNTING POLICIES****Grants, subsidies and contributions**

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

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

(a) Revenue (Continued)**Contracts with customers and transfers for recognisable non-financial assets**

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Fees and charges	16,116,365	14,561,645	15,401,091
Other revenue	58,086	45,500	36,145
Non-operating grants, subsidies and contributions	10,907,932	17,917,612	7,354,821
	<u>27,082,383</u>	<u>32,524,757</u>	<u>22,792,057</u>

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

Revenue from contracts with customers recognised during the year	16,174,451	14,607,145	15,437,236
Revenue from transfers intended for acquiring or constructing recognisable non financial assets held as a liability at the start of the period	2,214,705	0	2,080,167
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	8,693,227	17,917,612	5,274,654
	<u>27,082,383</u>	<u>32,524,757</u>	<u>22,792,057</u>

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

Grant liabilities from transfers for recognisable non financial assets	3,146,351		2,214,705
--	-----------	--	-----------

Contract assets primarily relate to the City's right to consideration for work completed but not billed at 30 June 2021.

Assets associated with contracts with customers were not subject to an impairment charge.

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

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

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

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

2. REVENUE AND EXPENSES (Continued)**(a) Revenue (Continued)****Revenue from statutory requirements**

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
General rates	38,138,823	37,574,617	37,658,767
Statutory permits and licences	720,259	720,259	810,712
Fines	37,049	60,000	51,803
Developer contributions	2,149,515	5,012,279	1,612,772
Open space contributions	907,298	0	0
	<u>41,952,944</u>	<u>43,367,155</u>	<u>40,134,054</u>

Other revenue

Other	58,086	45,500	36,145
	<u>58,086</u>	<u>45,500</u>	<u>36,145</u>

Interest earnings

Financial assets at amortised cost - self supporting loans	5,402	6,426	8,102
Interest on reserve funds	54,850	48,000	104,883
Rates instalment and penalty interest	461,380	169,620	506,406
Other interest earnings	100,540	145,000	180,938
	<u>622,173</u>	<u>369,046</u>	<u>800,329</u>

SIGNIFICANT ACCOUNTING POLICIES**Interest earnings**

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

Interest earnings (continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

(b) Expenses**Auditors remuneration**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
- Audit of the Annual Financial Report	49,500	40,000	40,000
- Other services	10,583	42,000	73,940
	<u>60,083</u>	<u>82,000</u>	<u>113,940</u>

Interest expenses (finance costs)

Borrowings	19(a) 266,302	274,842	265,469
Lease liabilities	18(b) 678	0	0
	<u>266,981</u>	<u>274,842</u>	<u>265,469</u>

Other expenditure

Sundry expenses	308,286	195,072	1,567,604
	<u>308,286</u>	<u>195,072</u>	<u>1,567,604</u>

City of Kalamunda
Notes to and Forming part of the Financial Report
 For the year ended 30 June 2021

2. REVENUE AND EXPENSES (Continued)

REVENUE RECOGNITION POLICY								
Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:								
Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	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	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued.
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared.
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	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared.
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	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	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval.
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	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	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs.
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service.
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	Adopted by council annually	Based on timing of entry to facility	Not applicable	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 agreed period	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire.
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right.
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	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works.
Sale of stock	Kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods.
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

3. CASH AND CASH EQUIVALENTS

	NOTE	2021 \$	2020 \$
Cash on Hand - Unrestricted		5,690	5,690
Cash at Bank		32,128,756	24,190,661
Total cash and cash equivalents		32,134,446	24,196,351
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents		26,095,278	15,889,724
- Financial assets at amortised cost		3,387,717	3,363,744
		29,482,995	19,253,468
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Reserves - cash/financial asset backed	4	23,511,544	14,531,763
Grants to acquire or construct recognisable non financial assets to be controlled by the City	16	3,146,351	2,214,705
Unspent loans	19(d)	2,825,100	2,507,000
Total restricted assets		29,482,995	19,253,468

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

Restricted assets

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

4. RESERVES - CASH/FINANCIAL ASSET BACKED (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	Anticipated date of use	Purpose of the reserve
(a) Long Service Leave Reserve	Ongoing	To provide cash-backing for all long service leave entitlements.
(b) Land and Property Enhancement and Maintenance Reserve	Ongoing	To fund land and property purchases, upgrade and maintenance of existing properties.
(c) Waste Management Reserve	Ongoing	To fund financing operations for the development of the City's sanitation service.
(d) EDP IT Equipment Reserve	Ongoing	To fund the upgrade / replacement of the City's computer hardware and software requirements.
(e) Local Government Elections Reserve	Ongoing	To fund the cost of future elections.
(f) HACC Reserve	Discontinued	This Reserve funded HACC Service Programmes and Asset replacements.
(g) Forrestfield Industrial Area Reserve	Ongoing	To fund infrastructure requirements for the Forrestfield area.
(h) Insurance Contingency Reserve	Ongoing	To fund insurance premium variations and potential call backs.
(i) Revaluation Reserve	Ongoing	To fund triennial rating revaluations.
(j) Nominated Employee Leave Provisions Reserve	Ongoing	To fund future nominated staff leave entitlements.
(k) Forrestfield Industrial Scheme Stage 1 Reserve (Note 16)	Ongoing	The reserve is established to meet the City's reporting obligation under clause 6.5.16 of the City of Kalamunda Local Planning Scheme No. 3. The funds that were managed under the Trust for the scheme were transferred to the newly established reserve on 23rd June 2015. The reserve will be maintained to reflect all transactions related to the scheme for the benefit of the scheme members.*
(l) Asset Enhancement Reserve	Ongoing	To fund future replacement of City's Infrastructure and plant and equipment needs.
(m) Unexpended Capital Works and Specific Purpose Grants Reserve	Ongoing	To carry forward available funding for uncompleted projects and specific purpose grants, that will be completed and expended in ensuing financial years.
(n) Waste Avoidance and Resource Recovery Reserve	Ongoing	Any surplus raised in the year for the purpose of managing the contaminated sites will be placed in the reserve for utilisation in future years.
(o) Environmental Reserve	Ongoing	To fund environment strategies and projects.
(p) Public Art Reserve	Ongoing	To fund future Public Art projects.
(q) Strategic Sport and Recreation Reserve	Ongoing	To fund future Strategic Sport and Recreation capital projects.
(r) Crisis Relief Fund	Ongoing	To pay for demonstrable COVID-19 financial hardship experienced by targeting community members/groups.
(s) Service Reinstatement Reserve	Ongoing	To pay to bring programs or services back into the budget as and if required or as restrictions are lifted and to support recovery.
(t) Public Open Space Funds Reserve	Ongoing	To hold funds received for the development and maintenance of Public Open Spaces.**

* A Capital Grant Liability has been recognised under note 16 for this balance on 1 July 2019 due to the initial application of AASB 1058.

** With effect from 12 September 2020 amendment to section 154 of the Planning and Development Act 2005 resulted the City creating the Public Open Space Funds Reserve to record all cash in lieu contributions received for Public Open Space.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

5. OTHER FINANCIAL ASSETS**(a) Current assets**

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Self supporting loans (i)

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair values through other comprehensive income

Financial assets at amortised cost

- Self supporting loans (i)

Financial assets at fair values through other comprehensive income

- Investments in Unit Trusts (ii)

	2021	2020
	\$	\$
	3,400,131	3,394,524
	<u>3,400,131</u>	<u>3,394,524</u>
	3,387,717	3,363,744
	12,414	30,780
	<u>3,400,131</u>	<u>3,394,524</u>
	71,479	83,893
	147,614	142,442
	<u>219,093</u>	<u>226,335</u>
	71,479	83,893
	<u>71,479</u>	<u>83,893</u>
	147,614	142,442
	<u>147,614</u>	<u>142,442</u>

(i) Self supporting loans

An amount of money raised by the City in its own name through a specific loan for a period no longer than 10 years and provided to an approved community group or sporting club through a Self-Supporting Loan Agreement.

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

(ii) Investments In Unit Trusts

The Local Government House Trust is a unit trust created for the purpose of providing building accommodation to the Western Australian Local Government Association (WALGA).

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.

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 32.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

6. TRADE AND OTHER RECEIVABLES**(a) Current**

Rates receivable	
Trade and other receivables	
GST receivable	

(b) Non-current

Pensioner's rates and ESL deferred	
---------------------------------------	--

	2021	2020
	\$	\$
	3,628,212	3,069,013
	533,731	305,767
	639,153	420,572
	<u>4,801,096</u>	<u>3,795,352</u>
	906,090	866,115
	<u>906,090</u>	<u>866,115</u>

SIGNIFICANT ACCOUNTING POLICIES**Trade and other receivables**

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 32.

SIGNIFICANT ACCOUNTING POLICIES (Continued)**Classification and subsequent measurement**

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

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

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

7. INVENTORIES**(a) Current**

Fuel and materials

(b) Non-current

Land held for resale - cost

Cost of acquisition

Development costs

The following movements in inventories occurred during the year:

Balance at beginning of year

Net Additions to inventory

Balance at end of year

	2021	2020
	\$	\$
	123,756	123,249
	<u>123,756</u>	<u>123,249</u>
	370,021	370,021
	16,046	16,046
	<u>386,067</u>	<u>386,067</u>
	509,316	502,889
	507	6,427
	<u>509,823</u>	<u>509,316</u>

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.

Land held for resale

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

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

8. OTHER ASSETS**(a) Other assets - current**

Prepayments

Accrued income

(b) Other Assets - Non-current

Prepayments

	2021	2020
	\$	\$
	393,452	295,342
	1,392	8,294
	<u>394,844</u>	<u>303,636</u>
	79,331	158,663
	<u>79,331</u>	<u>158,663</u>

SIGNIFICANT ACCOUNTING POLICIES**Other 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.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

9. 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	Improvements to Land - vested in and under the control of Council	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Public Art Works	Work in Progress	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	62,876,000	2,883,100	80,772,168	146,531,268	412,364	4,837,274	0	397,556	152,178,462
Additions	0	0	1,019,704	1,019,704	48,632	1,378,800	0	1,677,645	4,124,781
Transfers from Work in Progress	0	0	32,327	32,327	0	0	0	(32,327)	0
(Disposals)	0	0	(2,175,881)	(2,175,881)	4,167	(252,984)	0	0	(2,424,698)
Revaluation increments / (decrements) transferred to revaluation surplus	(29,858,999)	1,285,251	(4,155,145)	(32,728,893)	0	0	1,152,900	0	(31,575,993)
Depreciation (expense)	0	0	(1,681,203)	(1,681,203)	(72,181)	(589,616)	0	0	(2,343,000)
Transfers	0	852,000	0	852,000	0	0	0	0	852,000
Balance at 30 June 2020	33,017,001	5,020,351	73,811,969	111,849,320	392,982	5,373,474	1,152,900	2,042,874	120,811,550
Comprises:									
Gross balance amount at 30 June 2020	33,017,000	5,020,351	73,811,969	111,849,320	2,731,500	5,949,074	1,152,900	2,042,874	123,725,668
Accumulated depreciation at 30 June 2020	0	0	0	0	(2,338,518)	(575,600)	0	0	(2,914,118)
Balance at 30 June 2020	33,017,000	5,020,351	73,811,969	111,849,320	392,982	5,373,474	1,152,900	2,042,874	120,811,550
Additions	0	0	898,302	898,302	13,116	2,260,355	0	6,208,911	9,380,684
Transfers from Work in Progress	0	0	70,974	70,974	0	0	0	(312,783)	(241,809)
(Disposals)	0	0	(51,583)	(51,583)	0	(545,824)	0	0	(597,407)
Depreciation (expense)	0	(67,749)	(3,134,129)	(3,201,878)	(53,424)	(797,360)	0	0	(4,052,661)
Balance at 30 June 2021	33,017,000	4,952,602	71,595,534	109,565,136	352,673	6,290,645	1,152,900	7,939,002	125,300,356
Comprises:									
Gross balance amount at 30 June 2021	33,017,000	5,020,351	74,663,346	112,700,697	1,836,232	7,583,829	1,152,900	7,939,002	131,212,660
Accumulated depreciation at 30 June 2021	0	(67,749)	(3,067,812)	(3,135,561)	(1,483,559)	(1,293,184)	0	0	(5,912,304)
Balance at 30 June 2021	33,017,000	4,952,602	71,595,534	109,565,136	352,673	6,290,645	1,152,900	7,939,002	125,300,356

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

9. PROPERTY, PLANT AND EQUIPMENT (Continued)**(b) Carrying Value Measurements**

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings						
Land		Level 2	Market approach using recent observable market data for similar assets	Independent registered valuer	June 2020	Average price for square meter / sales proceeds of comparable properties.
Improvements to Land - vested in and under the control of Council		Level 3	Improvements to land valued using cost approach using current replacement cost	Independent registered valuer	June 2020	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Buildings - specialised		Level 3	Improvements to building valued using cost approach using current replacement cost	Independent registered valuer	June 2020	Improvements to building using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
(ii) Cost						
Furniture and equipment		Level 3	Cost approach using current replacement cost	Management Valuation	June 2019	Purchase cost and current condition, residual values and remaining useful life assessments inputs.
Plant and equipment		Level 3	Cost approach using current replacement cost	Management Valuation	June 2019	Purchase cost and current condition, residual values and remaining useful life assessments inputs.

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change was effective from 1 July 2019 and represented a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximated cost at the date of change.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

10. 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	Infrastructure - Drains	Infrastructure - Parks and Ovals	Infrastructure - Other	Work in Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	181,496,802	27,348,256	125,648,820	11,950,634	17,017,636	5,578,040	369,040,188
Additions	8,358,263	729,743	432,635	1,206,061	528,829	2,017,504	13,273,035
(Disposals)	(179,558)	(37,656)	(276,929)	(131,549)	(344,929)	0	(970,622)
Transfers from Work in Progress	2,793,913	8,594	21,883	12,166	0	(2,836,556)	0
Depreciation (expense)	(4,460,163)	(967,141)	(1,568,990)	(1,028,349)	(878,546)	0	(8,903,189)
Transfers	0	0	0	0	(852,000)	(58,052)	(910,052)
Balance at 30 June 2020	188,009,258	27,081,795	124,257,419	12,008,962	15,470,989	4,700,937	371,529,361
Comprises:							
Gross balance at 30 June 2020	196,705,096	28,939,840	127,086,741	13,579,738	16,847,647	4,700,937	387,860,000
Accumulated depreciation at 30 June 2020	(8,695,838)	(1,858,045)	(2,829,322)	(1,570,776)	(1,376,658)	0	(16,330,639)
Balance at 30 June 2020	188,009,258	27,081,795	124,257,419	12,008,962	15,470,989	4,700,937	371,529,361
Additions	3,259,039	901,286	331,312	1,808,400	296,500	3,206,142	9,802,680
Transfers from Work in Progress	1,663,262	376,826	69,541	224,265	0	(2,348,448)	(14,553)
(Disposals)	(20,095)	(13,069)	(4,347)	(17,893)	(22,502)	0	(77,907)
Depreciation (expense)	(4,617,417)	(999,861)	(1,594,150)	(1,025,214)	(903,564)	0	(9,140,206)
Balance at 30 June 2021	188,294,047	27,346,977	123,059,776	12,998,520	14,841,424	5,558,631	372,099,374
Comprises:							
Gross balance at 30 June 2021	201,601,644	30,157,759	127,479,858	15,573,683	17,095,136	5,558,631	397,466,711
Accumulated depreciation at 30 June 2021	(13,307,597)	(2,810,783)	(4,420,082)	(2,575,163)	(2,253,712)	0	(25,367,337)
Balance at 30 June 2021	188,294,047	27,346,976	123,059,776	12,998,520	14,841,424	5,558,631	372,099,374

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

10 INFRASTRUCTURE (Continued)**(b) Carrying Value Measurements**

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - Roads	Level 3	Cost approach using current replacement cost	Independent valuation	June 2018	Observable input based on depreciation replacement cost (Level 3)
	Infrastructure - Footpaths	Level 3	Cost approach using current replacement cost	Independent valuation	June 2018	Observable input based on depreciation replacement cost (Level 3)
	Infrastructure - Drains	Level 3	Cost approach using current replacement cost	Independent valuation	June 2018	Observable input based on depreciation replacement cost (Level 3)
	Infrastructure - Parks and Ovals	Level 3	Cost approach using current replacement cost	Independent valuation	June 2018	Observable input based on depreciation replacement cost (Level 3)
	Infrastructure - Other	Level 3	Cost approach using current replacement cost	Independent valuation	June 2018	Observable input based on depreciation replacement cost (Level 3)

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.

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

Revaluation

The fair value of land, buildings and infrastructure 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.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY Revaluation (Continued)

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

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

Land under roads from 1 July 2019

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

Vested improvements from 1 July 2019

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

Refer to Note 12 that details the significant accounting policies applying to leases (including right-of-use assets).

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

11. FIXED ASSETS (Continued)

(a) Disposals of Assets

	2021 Actual Net Book Value	2021 Actual Sale Proceeds*	2021 Actual Profit	2021 Actual Loss
Buildings - specialised	\$ 51,583	\$ 0	\$ 0	\$ (51,583)
Furniture and equipment	0	0	0	0
Plant and equipment	113,980	155,679	41,699	0
Plant and equipment - other	431,844	259,726	(172,118)	(172,118)
Infrastructure - Roads	20,095	0	0	(20,095)
Infrastructure - Footpaths	13,069	0	0	(13,069)
Infrastructure - Drains	4,347	0	0	(4,347)
Infrastructure - Parks and Ovals	17,893	0	0	(17,893)
Infrastructure - Other	22,502	0	0	(22,502)
	675,314	415,405	41,699	(301,608)

	2021 Budget Net Book Value	2021 Budget Sales Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds/ Revaluation Surplus**	2020 Actual Profit	2020 Actual Loss
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,175,881	\$ 636,734	\$ 0	\$ (1,539,147)
	0	0	0	0	(4,167)	0	0	4,167
	0	0	0	0	151,937	90,646	0	(61,291)
	0	0	0	0	101,047	115,819	14,771	0
	0	0	0	0	179,558	0	0	(179,558)
	0	0	0	0	37,656	0	0	(37,656)
	0	0	0	0	276,929	0	0	(276,929)
	0	0	0	0	131,549	0	0	(131,549)
	0	0	0	0	344,929	0	0	(344,929)
	0	0	0	0	3,395,320	843,199	14,771	(2,566,892)

* Total cash proceeds received from the disposal of fixed assets during 2020/2021 - \$158,044.

The balance \$257,361 (\$415,405-\$158,044) represents the asset trade in values received from disposals.

** Total cash proceeds received from the disposal of fixed assets during 2019/2020 - \$206,465.

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
Plant and Equipment	\$ 28,585	\$ 17,402	\$ 0	\$ (11,183)
Government	18,170	8,180	0	(9,990)
Community amenities	36,000	18,166	0	(17,834)
Recreation and culture	463,069	371,657	41,699	(133,111)
Other property and services	545,824	415,405	41,699	(172,118)
Other Asset class				
Program				
Recreation and culture	51,583	0	0	(51,583)
Transport	77,907	0	0	(77,907)
	129,490	0	0	(129,490)
	675,314	415,405	41,699	(301,608)

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

11. FIXED ASSETS (Continued)**(b) Depreciation**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Improvements to Land - vested in and under the control of Council	67,749	0	0
Buildings - specialised	3,134,129	1,640,906	1,681,203
Furniture and equipment	53,424	285,113	72,181
Plant and equipment	797,360	580,467	589,616
Infrastructure - Roads	4,617,417	4,302,572	4,460,163
Infrastructure - Footpaths	999,861	936,368	967,141
Infrastructure - Drains	1,594,150	1,548,354	1,568,990
Infrastructure - Parks and Ovals	1,025,214	860,867	1,028,349
Infrastructure - Other	903,564	831,979	878,546
Right-of-use assets - plant and equipment	33,319	0	0
Intangible assets - computer software	101,542	0	70,533
	13,327,727	10,986,626	11,316,721

SIGNIFICANT ACCOUNTING POLICIES**Depreciation**

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

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

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

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

Depreciation on revaluation

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

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

11. FIXED ASSETS (Continued)

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
Furniture and equipment	5 to 10 years
Plant and equipment	5 to 20 years
Intangible Assets	5 years

Buildings

Component	Useful Life
Sub-Structure	18-90
Super-Structure	15-75
Roof Structure	15-75
Roof Cladding	12-60
Fitouts & Fittings	10-38
Fitouts (Floor Coverings)	8-30
Services (Mechanical)	10-38
Services (Electrical)	10-38
Services (Fire)	10-38
Services (Transport)	48-60
Services (Hydraulics)	10-38
Services (Security)	30-38
Site Infrastructure	40

Infrastructure

Category	Component	Material	Useful Life
Roads	Surface	Cement	50
		Brick Paving	50
		Asphalt	25
	Pavement Base	Single Seal	20
		Laterite	60
	Pavement Sub Base	Rock base	60
Footpaths		Limestone	120
		Concrete	50
		Brick Paving	50
		Gravel	50
		Asphalt	25
		Timber	15
Drainage Pipes	Stormwater	Concrete	80
Drainage Pits	Subsoil	PVC	60
	Stormwater	Concrete	80
	Weirs	Stone	100
Parks and Gardens		Mortared	
		Including playground equipment	10 to 50

Amortisation

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

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

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

12. LEASES**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.

	Right-of-use assets - plant and equipment	Right-of-use assets Total
	\$	
Balance at 30 June 2020	0	0
Additions	134,011	134,011
Depreciation (expense)	(33,319)	(33,319)
Balance at 30 June 2021	100,692	100,692

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

	2021 Actual	2020 Actual
	\$	\$
Depreciation expense on lease liabilities	33,319	0
Interest expense on lease liabilities	678	0
Low-value asset lease payments recognised as expense	62,112	90,722
Total amount recognised in the statement of comprehensive income	96,109	90,722
Total cash outflow from leases	(32,551)	0

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 remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

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

Refer to Note 11 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 shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the City anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

13. INTANGIBLE ASSETS

	2021 Actual	2020 Actual
	\$	\$
Computer Software		
Non-current		
Computer software	899,852	793,537
Less: accumulated depreciation	(558,021)	(456,479)
	341,831	337,058

Movements in balances of computer software during the financial year are shown as follows:

Balance at 30 June	337,058	109,555
Additions	106,315	105,437
Movement in accumulated amortisation expense due to assets write off	0	192,599
Amortisation expense	(101,542)	(70,533)
Balance at 30 June	341,831	337,058
Intangible Assets Work In Progress	521,554	528,900
TOTAL INTANGIBLE ASSETS	863,385	865,958

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;

Computer software (continued)

- 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.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

14. REVALUATION SURPLUS

	2021		2021		2021		2021		2020		2020		2020		2020	
	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Revaluation on	Total Revaluation Movement	2021 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	2021 Revaluation Transfers / Reallocations	2020 Opening Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	2020 Revaluation Transfers / Reallocations	Total Movement on	2020 Closing Balance
Revaluation surplus - Land - freehold land and improvements to Land - vested in and under the control of Council	32,334,929	0	0	0	0	32,334,929	60,628,646	1,285,251	(29,858,999)	280,031	280,031	(28,293,717)	(4,791,879)	0	32,334,929	
Revaluation surplus - Buildings - specialised	59,896,897	0	0	0	0	59,896,897	64,688,776	0	(4,155,145)	(636,734)	(636,734)	(4,791,879)	0	59,896,897		
Revaluation surplus - Plant and equipment	570,669	0	0	0	0	570,669	570,669	0	0	0	0	0	0	570,669		
Revaluation surplus - Public Art Works	1,152,900	0	0	0	0	1,152,900	0	1,152,900	0	0	0	1,152,900	0	1,152,900		
Revaluation surplus - Infrastructure	200,848,340	0	0	0	0	200,848,340	201,140,743	0	0	(292,403)	(292,403)	(292,403)	0	200,848,340		
Revaluation surplus - EMRC Asset Valuations	916,396	0	(779,312)	(779,312)	(779,312)	137,084	776,180	140,216	0	0	0	140,216	0	916,396		
Revaluation surplus - Local Government House Investment	142,443	5,172	0	5,172	5,172	147,615	127,766	2,305	0	12,372	12,372	14,677	0	142,443		
	295,862,578	5,172	(779,312)	(774,140)	(774,140)	295,088,438	327,932,784	2,580,672	(34,014,144)	(636,734)	(636,734)	(32,070,206)	14,677	(32,070,206)	295,862,578	

Revaluation surplus - Land - freehold land and improvements to Land - vested in and under the control of Council
 Revaluation surplus - Buildings - specialised
 Revaluation surplus - Plant and equipment
 Revaluation surplus - Public Art Works
 Revaluation surplus - Infrastructure
 Revaluation surplus - EMRC Asset Valuations
 Revaluation surplus - Local Government House Investment

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

15. TRADE AND OTHER PAYABLES

Current

Sundry creditors	
Prepaid rates	
Accrued salaries and wages	
Bonds and deposits held	
Income in Advance	
Accrued interest on long term borrowings	
Accrued Expenses	
Retention Money	

2021	2020
\$	\$
5,220,111	3,639,996
2,464,112	2,014,281
322,134	223,196
1,866,550	1,966,817
172,414	19,614
81,531	87,292
411,310	480,926
103,213	3,213
10,641,375	8,435,334

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Prepaid rates

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

16. CAPITAL GRANT LIABILITIES

	2021	2020
	\$	\$
Current		
Liabilities under transfers to acquire or construct non-financial assets to be controlled by the City (i)	1,894,985	1,813,298
Forrestfield Industrial Area Scheme Stage 1 (ii)	1,251,366	401,407
	<u>3,146,351</u>	<u>2,214,705</u>
Reconciliation		
(i) <u>Capital grants received from State and Commonwealth Government</u>		
Balance at the start of the year	1,813,298	0
Re-measurement under AASB 1058	0	697,727
Restated balance at the start of the year	1,813,298	697,727
Net Movement during the financial year	81,687	1,115,571
Balance at the end of the year	<u>1,894,985</u>	<u>1,813,298</u>
(ii) <u>Forrestfield Industrial Area Scheme Stage 1</u>		
Balance at the start of the year	401,407	0
Re-measurement under AASB 1058	0	1,382,439
Restated balance at the start of the year	401,407	1,382,439
Net Movement during the financial year	849,959	(981,032)
Balance at the end of the year	<u>1,251,366</u>	<u>401,407</u>
		Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity
		\$
Capital grant liabilities are expected to be recognised as revenue in accordance with the following time bands:		<u>3,146,351</u>
Less than 1 year		<u>3,146,351</u>

SIGNIFICANT ACCOUNTING POLICIES

Capital Grant Liabilities

Capital Grant Liabilities primarily relates to grants with performance obligations received in advance.

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

Forrestfield Industrial Area Scheme Stage 1

A reserve is established to meet the City's reporting obligation under clause 6.5.16 of the City of Kalamunda Local Planning Scheme No. 3. The funds that were managed under the Trust for the scheme were transferred to the newly established reserve on 23rd June 2015. The reserve will be maintained to reflect all transactions related to the scheme for the benefit of the scheme members.

17. OTHER LIABILITIES

Non-current

Deferred Salary Scheme - Employee Contribution	10,945	0
	<u>10,945</u>	<u>0</u>

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

18. LEASE LIABILITIES

	2021	2020
(a) Lease Liabilities	\$	\$
Current	44,711	0
Non-current	56,071	0
	100,782	0

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2021	
					Actual Lease Principal 1 July 2020	Actual New Leases	Actual Lease Repayments	Actual Lease Outstanding	Actual Lease Interest	Budget Lease Principal 1 July 2020	Budget New Leases	Budget Lease Repayments	Budget Lease Outstanding	Budget Lease Interest	Budget Lease Principal 1 July 2020	Budget New Leases	Budget Lease Repayments	Budget Lease Outstanding
Other property and services																		
Photocopiers and printers lease	COK011020	Vestone Capital Pty Limited	0.74%	3 years	0	134,011	(33,229)	100,782	678	0	0	0	0	0	0	0	0	0
					0	134,011	(33,229)	100,782	678	0	0	0	0	0	0	0	0	0

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.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

19. INFORMATION ON BORROWINGS

(a) Repayments - Borrowings

Particulars	Loan Number	Institution*	Interest Rate	30 June 2021			30 June 2021			30 June 2021			30 June 2020			30 June 2020		
				Actual Principal 1 July 2020	New Loans	Actual Principal repayments	Budget Principal repayments	Budget Interest	Budget Principal outstanding	Actual Principal 1 July 2020	New Loans	Actual Principal repayments	Actual Principal 1 July 2019	New Loans	Actual Principal repayments	Actual Interest	Actual Principal outstanding	
Community amenities																		
Land Acquisition Kalamunda Road	224	WATC	5.58%	96,192	0	(96,193)	0	1,125	2,684	0	280,815	0	(184,623)	10,181	96,192			
Depot Waste Trucks	228	WATC	5.63%	809,300	0	(51,704)	757,596	44,110	44,846	0	858,211	0	(48,911)	46,566	809,300			
Waste Compactor	229	WATC	2.46%	85,646	0	(42,299)	1,666	1,848	1,848	0	126,923	0	(41,277)	2,700	85,646			
Forrestfield North Development Project - Loan 1	230	WATC	3.01%	365,348	0	(47,633)	317,715	10,390	10,641	0	411,580	0	(46,231)	11,833	365,348			
Wattle Grove South Planning Study	231	WATC	0.74%	100,000	0	(19,706)	80,294	686	923	0	100,000	0	0	87	100,000			
High Wycombe Roads - testing and design	232	WATC	0.74%	50,000	0	(9,853)	40,147	343	461	0	50,000	0	0	44	50,000			
Forrestfield North Structure Planning	233	WATC	0.74%	240,000	0	(47,294)	192,706	1,647	2,214	0	240,000	0	0	209	240,000			
MKSEA Kalamunda Wedge - Development Contribution Plan	234	WATC	0.74%	40,000	0	(7,882)	32,118	275	369	0	40,000	0	0	35	40,000			
MKSEA - Preliminary investigations and consultation	235	WATC	0.74%	70,000	0	(13,794)	56,206	481	695	0	70,000	0	0	61	70,000			
Recreation and culture																		
Foothills Netball Association	216	WATC	6.37%	58,252	0	(5,333)	52,919	3,588	3,627	0	63,256	0	(5,004)	3,895	58,252			
Wet'n'Wild	222	WATC	6.22%	0	0	0	0	0	0	0	64,860	0	(64,860)	1,195	(0)			
Kalamunda Swimming Pool	227	WATC	5.63%	1,301,919	0	(83,176)	1,218,743	70,959	72,144	0	1,380,603	0	(78,683)	74,911	1,301,919			
Future Aquatic facility study (Needs analysis)	236	WATC	0.74%	100,000	0	(19,706)	80,294	686	923	0	100,000	0	0	87	100,000			
Transport																		
Operations Centre	221	WATC	6.77%	1,387,177	0	(100,949)	1,286,228	88,848	92,232	0	1,481,624	0	(94,447)	96,066	1,387,177			
Newburn Road Extension	226	WATC	5.67%	82,528	0	(62,528)	0	3,500	3,526	0	160,567	0	(78,040)	7,939	82,528			
Fleet - Major Plant Replacement Program	237	WATC	1.02%	2,400,000	0	(289,427)	2,110,573	23,396	23,440	0	2,400,000	0	0	2,884	2,400,000			
Fleet - Light Plant Replacement Program	238	WATC	1.02%	207,000	0	(51,217)	155,783	1,298	1,690	0	207,000	0	0	168	207,000			
New road Project - Kalamunda	239	WATC	1.24%	500,000	0	(47,265)	452,735	5,985	3,907	0	500,000	0	0	730	500,000			
Town Centre Upgrade Stage 1	240	WATC	0.70%	0	295,900	0	295,900	120	0	0	0	0	0	0	0			
Fleet - Minor Plant Replacement Program	241	WATC	1.17%	0	719,200	0	719,200	485	0	0	0	0	0	0	0			
Fleet - Major Plant Replacement Program	242	WATC	0.54%	0	138,000	0	138,000	43	0	0	0	0	0	0	0			
Fleet - Light Plant Replacement Program	243	WATC	1.44%	0	1,000,000	0	1,000,000	828	3,516	0	1,000,000	0	0	0	0			
New road Project - Kalamunda	244	WATC	1.44%	0	900,000	0	900,000	745	0	0	0	0	0	0	0			
Town Centre Upgrade Stage 1 - Female Change Rooms	244	WATC	1.44%	0	900,000	0	900,000	745	0	0	0	0	0	0	0			
				7,893,362	3,053,100	(1,015,956)	9,930,507	261,204	269,686	0	8,828,438	3,707,000	(642,076)	259,593	7,893,362			
Self Supporting Loans																		
Recreation and culture																		
Forrestfield United Soccer Club	214	WATC	5.56%	75,678	0	(7,746)	67,932	4,003	4,028	0	83,011	0	(7,333)	4,375	75,678			
Maids Vale Tennis Club	217	WATC	5.95%	19,951	0	(3,990)	15,961	1,096	1,129	0	23,714	0	(3,763)	1,329	19,951			
Kalamunda Club	219	WATC	6.30%	0	0	0	0	0	0	0	16,518	0	(16,518)	127	0			
Forrestfield Junior Football Club	220	WATC	6.22%	95,629	0	(11,737)	83,892	5,099	5,157	0	125,706	0	(30,077)	5,876	95,629			
				7,988,991	3,053,100	(1,027,692)	10,014,399	266,302	274,842	0	4,954,145	3,707,000	(672,153)	265,469	7,988,991			

* WA Treasury Corporation

** Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost.

All other loan repayments were financed by general purpose revenue.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

19. INFORMATION ON BORROWINGS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

Risk

Information regarding exposure to risk can be found at Note 32.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

20. EMPLOYEE RELATED PROVISIONS**(a) Employee Related Provisions**

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2020			
Current provisions	2,038,662	2,157,843	4,196,505
Non-current provisions	0	362,263	362,263
	<u>2,038,662</u>	<u>2,520,106</u>	<u>4,558,768</u>
Additional provision	2,045,886	785,376	2,831,262
Amounts used	(1,832,266)	(295,973)	(2,128,239)
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	701	(201,697)	(200,996)
Balance at 30 June 2021	<u>2,252,983</u>	<u>2,807,812</u>	<u>5,060,795</u>
Comprises			
Current	2,252,983	2,272,238	4,525,221
Non-current	0	535,574	535,574
	<u>2,252,983</u>	<u>2,807,812</u>	<u>5,060,795</u>

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date

More than 12 months from reporting date

	2021	2020
	\$	\$
Less than 12 months after the reporting date	2,810,803	2,414,086
More than 12 months from reporting date	2,249,992	2,144,682
	<u>5,060,795</u>	<u>4,558,768</u>

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES**Employee benefits**

The City's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

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 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

Other long-term employee benefits (Continued)

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.

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 2021

21. NOTES TO THE STATEMENT OF CASH FLOWS**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:

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cash and cash equivalents	32,134,446	7,626,937	24,196,351
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	8,814,700	17,806,864	1,733,721
Non-cash flows in Net result:			
Depreciation on non-current assets	13,327,727	10,986,626	11,316,721
(Profit)/loss on sale of asset	259,909	0	2,552,120
Share of profits of associates	(627,871)	(998,408)	2,290,314
Adjustment to Forrestfield Industrial Area Scheme Stage 1	849,959	0	0
Interest on deferred loans	0	0	(1,677)
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(1,045,715)	400,000	(790,996)
(Increase)/decrease in other assets	(11,876)	0	(181,284)
(Increase)/decrease in inventories	(507)	0	(6,427)
Increase/(decrease) in payables	2,058,469	(760,623)	431,271
Increase/(decrease) in employee provisions	502,027	360,623	380,303
Increase/(decrease) in Capital grant liabilities	931,646	(400,000)	0
Dividends Received	0	0	(803,207)
Non-operating grants, subsidies and contributions	(11,839,582)	(17,917,612)	(7,354,821)
Net cash from operating activities	<u>13,218,886</u>	<u>9,477,470</u>	<u>9,566,039</u>

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

22. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
Governance	8,673,974	8,632,033
General purpose funding	18,163,767	18,322,219
Law, order, public safety	1,380,233	1,380,233
Health	3,166,906	2,665,503
Education and welfare	2,755,031	2,755,031
Community amenities	42,331,605	43,862,540
Recreation and culture	105,921,884	91,538,166
Transport	377,367,152	377,795,285
Economic services	2,425	2,425
Other property and services	10,151,854	8,961,336
	569,914,831	555,914,773

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

23. CONTINGENT LIABILITIES

CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the City has listed the following sites to be possible sources of contamination.

- Alan Anderson Reserve

180, Lawnbrook Road, Walliston, WA, 6076

- Ledger Road Reserve

42, Ledger Road, Gooseberry Hill, WA, 6076

Lot 1879 on plan 168945, Piesse Brook, WA, 6076

- Brand Road Reserve

65, Brand Road, High Wycombe, WA, 6057

101, Brae Road, High Wycombe, WA, 6057

29, Smokebush Place, High Wycombe, WA, 6057

39, Smokebush Place, High Wycombe, WA, 6057

Road Reserve, High Wycombe, WA, 6057

Smokebush Place, High Wycombe, WA, 6057

Brand Road, High Wycombe, WA, 6057

Brae Road, High Wycombe, WA, 6057

51, Brand Road, High Wycombe, WA, 6057

- Dawson Avenue

Crown Reserve 29061, 155, Dawson Avenue, Forrestfield, WA, 6058

Crown Reserve 35618, 191, Dawson Avenue, Forrestfield, WA, 6058

- Pioneer Park

120, Dawson Avenue, Forrestfield, WA, 6058

170, Dawson Avenue, Forrestfield, WA, 6058

- Maida Vale Reserve

20, Ridge Hill Road, Maida Vale, WA, 6057

- Pistol Club Walliston Transfer Station

155, Lawnbrook Road, Walliston, WA, 6076

- Hartfield Park

199, Hale Road, Forrestfield, WA, 6058

- East Terrace

30, East Terrace, Kalamunda, WA, 6076

24, East Terrace, Kalamunda, WA, 6076

The City is in the process of conducting investigations to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria of remediation of a risk based approach. The City is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

The City uses the funds in the Waste Avoidance and Resource Recovery reserve (Note 4) to facilitate the annual maintenance of contaminated sites and any future remediation work.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

24. CAPITAL AND LEASING COMMITMENTS**(a) Capital Expenditure Commitments**

Contracted for:

- capital expenditure projects
- plant & equipment purchases

	2021	2020
	\$	\$
	273,503	5,142,956
	0	117,839
	<u>273,503</u>	<u>5,260,795</u>
Payable:		
- not later than one year	273,503	5,260,795

At the end of each financial year the City reviews the position of its incomplete capital expenditure projects and the position of unexpended specific purpose grants. The City recognises the costs of major capital projects to be carried forward to the next financial year and transfers adequate funds to the unexpended capital works and specific purpose grants reserve. The reserve is fully cash backed and categorised under restricted cash.

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

- not later than one year
- later than one year but not later than five years

	2021	2020
	\$	\$
	23,093	62,112
	26,073	52,947
	<u>49,166</u>	<u>115,059</u>

SIGNIFICANT ACCOUNTING POLICIES**Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the City, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leases (Continued)

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

25. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Elected Members Remuneration			
The following fees, expenses and allowances were paid to council members and/or the Mayor.			
Mayor			
Mayor's annual allowance	63,354	63,354	44,145
Meeting attendance fees	31,149	31,141	29,168
Annual allowance for ICT expenses	2,300	2,300	4,327
Annual allowance for travel and accommodation expenses	50	50	52
	96,853	96,845	77,692
Deputy Mayor			
Deputy Mayor's annual allowance	15,682	15,682	15,682
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	2,300	2,300	4,200
Annual allowance for travel and accommodation expenses	50	50	50
	41,262	41,262	43,162
Councillor 1			
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	2,300	2,300	4,200
Annual allowance for travel and accommodation expenses	50	50	50
	25,580	25,580	27,480
Councillor 2			
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	2,300	2,300	4,200
Annual allowance for travel and accommodation expenses	50	50	50
	25,580	25,580	27,480
Councillor 3			
Meeting attendance fees	23,230	23,230	25,510
Mayor's annual allowance			18,963
Annual allowance for ICT expenses	2,300	2,300	4,184
Annual allowance for travel and accommodation expenses	50	50	50
	25,580	25,580	48,706
Councillor 4			
Meeting attendance fees	23,230	23,230	23,230
Annual allowance for ICT expenses	2,300	2,300	4,200
Annual allowance for travel and accommodation expenses	50	50	50
	25,580	25,580	27,480
Councillor 5			
Meeting attendance fees	23,230	23,230	23,140
Annual allowance for ICT expenses	2,300	2,300	4,184
Annual allowance for travel and accommodation expenses	50	50	50
	25,580	25,580	27,373
Councillor 6			
Meeting attendance fees	23,230	23,230	23,140
Annual allowance for ICT expenses	2,300	2,300	4,184
Annual allowance for travel and accommodation expenses	50	50	50
	25,580	25,580	27,373

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

25. ELECTED MEMBERS REMUNERATION (Continued)

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Councillor 7			
Meeting attendance fees	23,230	23,230	16,187
Annual allowance for ICT expenses	2,300	2,300	2,927
Annual allowance for travel and accommodation expenses	50	50	35
	25,580	25,580	19,148
Councillor 8			
Meeting attendance fees	23,230	23,230	16,187
Annual allowance for ICT expenses	2,300	2,300	2,927
Annual allowance for travel and accommodation expenses	50	50	35
	25,580	25,580	19,148
Councillor 9			
Meeting attendance fees	23,230	23,230	16,187
Annual allowance for ICT expenses	2,300	2,300	2,927
Annual allowance for travel and accommodation expenses	50	50	35
	25,580	25,580	19,148
Councillor 10			
Meeting attendance fees	23,230	23,230	16,187
Annual allowance for ICT expenses	2,300	2,300	2,927
Annual allowance for travel and accommodation expenses	50	50	35
	25,580	25,580	19,148
Councillor 11			
Meeting attendance fees	0	0	6,953
Annual allowance for ICT expenses	0	0	1,257
Annual allowance for travel and accommodation expenses	0	0	15
	0	0	8,225
Councillor 12			
Meeting attendance fees	0	0	6,953
Annual allowance for ICT expenses	0	0	1,257
Annual allowance for travel and accommodation expenses	0	0	15
	0	0	8,225
Councillor 13			
Meeting attendance fees	0	0	6,953
Annual allowance for ICT expenses	0	0	1,257
Annual allowance for travel and accommodation expenses	0	0	15
	0	0	8,225
Councillor 14			
Meeting attendance fees	0	0	6,953
Annual allowance for ICT expenses	0	0	1,257
Annual allowance for travel and accommodation expenses	0	0	15
	0	0	8,225
	393,915	393,907	416,239

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

25. ELECTED MEMBERS REMUNERATION (Continued)

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Mayor's allowance	63,354	63,354	63,108
Deputy Mayor's allowance	15,682	15,682	15,682
Meeting attendance fees	286,679	286,671	286,437
Annual allowance for ICT expenses	27,600	27,600	50,412
Annual allowance for travel and accommodation expenses	600	600	601
	393,915	393,907	416,240

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

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

	2021 Actual	2020 Actual
The total of remuneration paid to KMP of the City during the year are as follows:	\$	\$
Short-term employee benefits	854,470	1,033,153
Post-employment benefits	80,506	96,780
Other long-term benefits	308,223	145,627
	1,243,199	1,275,560

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

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 guaranties exist in relation to related parties at year end.

	2021 Actual	2020 Actual
The following transactions occurred with related parties:	\$	\$
Purchase of goods and services	4,138,622	4,529,203
Investment in Associates		
Net Increase/decrease in Equity in Investments in Associates	627,871	(2,150,098)
Dividends received from Associate entities	0	803,210
Contractual contributions received from Associate entities	0	2,193,700
Amounts payable to related parties:		
Trade and other payables	356,493	295,510

Related Parties**The CITY's main related parties are as follows:****i. Key management personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

ii. Other Related Parties

An associate person of KMP was employed by the City under normal employment terms and conditions.

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the City.

iii. Entities subject to significant influence by the City

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

27. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS

	2021	2020
	\$	\$
Balance of investment in associate	29,106,170	29,257,611

The City of Kalamunda has a share in the Net Assets of the Eastern Metropolitan Regional Council (EMRC) as a member council. The EMRC provides services in waste management, resource recovery, environmental management and regional development.

The accounting share applicable to the City of Kalamunda as at 30 June 2021 as disclosed in the Financial Statement of the Eastern Metropolitan Regional Council is \$29,106,170. This represents the City's 15.67% share of the Total Equity in the Eastern Metropolitan Regional Council.

The Principal place of business :

No: 226, Great Eastern High Way, Ascot, WA, 6104.

EMRC Financial Information

Revenue	45,090,716	44,370,170
Net Result	10,296,371	(7,251,561)
Other Comprehensive Income	(4,009,286)	1,189,840
Total Comprehensive Income	6,287,085	(6,061,721)

Financial Position

Current assets	91,484,741	89,551,063
Non current assets	115,414,742	110,359,239
Total assets	206,899,483	199,910,302

Current liabilities	14,439,344	8,026,411
Non current liabilities	6,707,161	7,432,011
Total liabilities	21,146,505	15,458,422

Net assets	185,752,978	184,451,880
------------	-------------	-------------

Change in Equity in Share of City of Kalamunda	627,871	(2,290,314)
Revaluation Surplus movement in Share of City of Kalamunda	(779,312)	140,216
Dividends received from associate	Nil	803,210

The City's interest in the net assets of the associate (EMRC) are as follows:

Current Assets	14,334,337	14,206,342
Non-current Assets	18,085,490	17,502,975
Total assets	32,419,827	31,709,317

Current liabilities	2,262,645	1,272,989
Non-current liabilities	1,051,012	1,178,717
Total liabilities	3,313,657	2,451,706

Share of Net Assets	29,106,170	29,257,611
---------------------	------------	------------

27. INVESTMENT IN ASSOCIATES

SIGNIFICANT ACCOUNTING POLICIES

Investment in associates

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

City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment in associates (Continued)

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

28. MAJOR LAND TRANSACTIONS

The City did not participate in any major land transactions during the 2020/2021 Financial Year

29. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The City did not participate in any trading undertakings or major trading undertakings during the 2020/2021 Financial Year.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

30. RATING INFORMATION

(a) Rates

RATE TYPE Differential general rate / general rate	Rate in \$	Number of Properties	2020/21		2020/21		2020/21		2020/21		2020/21		2020/21		2019/20	
			Rateable Value	Actual Rate	Actual Interim Rates	Actual Back Rates	Actual Revenue	Actual Rates	Actual Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Actual Total Revenue
Gross rental valuations																
General GRV	0.069352	21,676	376,250,122	26,089,044	525,140	3,322	0	26,617,506	0	0	26,093,698	0	0	26,093,698	26,272,306	
Industrial / Commercial GRV	0.07335	607	119,258,715	8,744,495	0	18,771	0	8,763,266	0	0	8,747,627	0	0	8,747,627	8,597,045	
Vacant GRV	0.086309	598	8,181,100	712,400	0	16,485	0	728,885	0	0	706,103	0	0	706,103	754,440	
Unimproved valuations																
General UV	0.003459	282	177,940,049	615,668	0	3,382	0	619,050	0	0	615,495	0	0	615,495	627,316	
Commercial UV	0.004093	55	34,365,006	140,574	0	0	0	140,574	0	0	140,656	0	0	140,656	138,118	
Sub-Total		23,218	715,994,993	36,302,181	525,140	41,960	0	36,869,281	0	0	36,303,579	0	0	36,303,579	36,389,225	
Minimum payment	\$															
Gross rental valuations																
General GRV	882	1,141		1,012,536	0	0	0	1,012,536	0	0	1,006,362	0	0	1,006,362	1,028,528	
Industrial / Commercial GRV	1,102	59		65,018	0	0	0	65,018	0	0	65,018	0	0	65,018	65,018	
Vacant GRV	767	256		188,682	0	0	0	188,682	0	0	196,352	0	0	196,352	172,690	
Unimproved valuations																
General UV	882	0		0	0	0	0	0	0	0	0	0	0	0	0	
Commercial UV	1,102	3		3,306	0	0	0	3,306	0	0	3,306	0	0	3,306	3,306	
Sub-Total		1,459		1,269,542	0	0	0	1,269,542	0	0	1,271,038	0	0	1,271,038	1,269,542	
Total amount raised from general rate		24,677	715,994,993	37,571,723	525,140	41,960	0	38,138,823	0	0	37,574,617	0	0	37,574,617	37,658,767	
Ex-gratia rates																
Totals								203,306			156,683			205,787	37,864,554	
								38,342,129			37,731,300			37,864,554		

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

30. RATING INFORMATION (Continued)**(b) Specified Area Rate**

No Specified area rates were imposed by the City during the year ended 30 June 2021.

(c) Service Charges

No service charges were imposed by the City during the year ended 30 June 2021.

(d) Rates discounts or incentives

The City offered \$22,000 as rates exemptions under the COVID 19 Financial Hardship Policy for the year ended 30 June 2021.

(e) Waivers or Concessions

The City did not offer any waivers or concessions for the year ended 30 June 2021.

(f) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan	Instalment Plan	Unpaid Rates
		Admin Charge	Interest Rate	Interest Rate
		\$	%	%
Option One				
Single full payment	17 August 2020	0	0.0%	8.0%
Option Two				
First instalment	17 August 2020	0	5.5%	8.0%
Second instalment	22 December 2020	0	5.5%	8.0%
Option Three				
First instalment	17 August 2020	0	5.5%	8.0%
Second instalment	19 October 2020	0	5.5%	8.0%
Third instalment	22 December 2020	0	5.5%	8.0%
Fourth instalment	23 February 2021	0	5.5%	8.0%

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Interest on unpaid rates	292,767	118,620	338,167
Interest on instalment plan	161,298	51,000	168,239
Charges on instalment plan	0	0	142,352
	<u>454,065</u>	<u>169,620</u>	<u>648,758</u>

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

31. RATE SETTING STATEMENT INFORMATION

Note	2020/21	2020/21	2020/21	2019/20	
	(30 June 2021 Carried Forward)	Budget (30 June 2021 Carried Forward)	(1 July 2020 Brought Forward)	(30 June 2020 Carried Forward)	
	\$	\$	\$	\$	
(a) Non-cash amounts excluded from operating activities					
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .					
Adjustments to operating activities					
Less: Profit on asset disposals	11(a)	(41,699)	0	(14,771)	(14,771)
Less: Amounts recognised as income due to change in Accounting Standards		310,858	(400,000)	(160,170)	(160,170)
Less: Share of net profit of associates and joint ventures accounted for using the equity method		(627,871)	(998,408)	2,290,314	2,290,314
Less: Interest on deferred loans		0	0	(1,677)	(1,677)
Movement in pensioner deferred rates (non-current)		(39,975)	(20,000)	(98,809)	(98,809)
Movement in employee benefit provisions		502,027	360,623	380,303	380,303
Movement in service concession liabilities (non-current)		10,945	0	0	0
Add: Loss on disposal of assets	11(a)	301,608	0	2,566,892	2,566,892
Add: Capital WIP transferred to expenses		256,378	0	58,042	58,042
Add: Bad debts written off		25,827	0	10,968	10,968
Add: Depreciation on non-current assets	11(b)	13,327,727	10,986,626	11,316,721	11,316,721
Non cash amounts excluded from operating activities		14,025,825	9,928,841	16,347,813	16,347,813
(b) Surplus/(deficit) after imposition of general rates					
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
Adjustments to net current assets					
Less: Reserves - cash/financial asset backed	4	(23,511,544)	(8,507,588)	(14,531,763)	(14,531,763)
Less: Financial assets at amortised cost - self supporting loans	5(a)	(12,414)	0	(11,737)	(11,737)
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings	19(b)	1,228,737	871,921	1,027,692	1,027,692
- Current portion of lease liabilities	18(a)	44,711	0	0	0
- Employee benefit provisions		4,525,221	2,753,975	4,196,505	4,196,505
Total adjustments to net current assets		(17,725,289)	(4,881,692)	(9,319,303)	(9,319,303)
Net current assets used in the Rate Setting Statement					
Total current assets		40,854,273	14,899,559	31,813,112	31,813,112
Less: Total current liabilities		(19,586,395)	(9,911,199)	(15,874,236)	(15,874,236)
Less: Total adjustments to net current assets		(17,725,289)	(4,881,692)	(9,319,303)	(9,319,303)
Net current assets used in the Rate Setting Statement		3,542,590	106,668	6,619,571	6,619,571

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

32. FINANCIAL RISK MANAGEMENT

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

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

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council 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 and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2021					
Cash and cash equivalents	0.49%	32,134,446	0	28,107,003	4,027,443
Financial assets at amortised cost - term deposits	0.48%	3,387,717	3,387,717	0	0
2020					
Cash and cash equivalents	1.64%	24,196,351	0	16,393,738	7,802,613
Financial assets at amortised cost	1.20%	3,363,744	3,363,744	0	0

Sensitivity

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

	2021	2020
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	281,070	163,937

* 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 can be found at Note 18(a).

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

32. FINANCIAL RISK MANAGEMENT (Continued)**(b) Credit risk****Trade and Other Receivables**

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

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

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2021					
Rates receivable	1,566,317	484,709	982,883	594,303	3,628,212
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,566,317	484,709	982,883	594,303	3,628,212
Loss allowance	0	0	0	0	0
30 June 2020					
Rates receivable	1,408,373	412,432	669,166	579,041	3,069,013
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,408,373	413,432	669,166	579,041	3,070,013
Loss allowance	0	0	0	0	0

The loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables	401,592	12,515	96,519	23,104	533,731
Expected credit loss	0.04%	0.05%	0.05%	0.40%	
Gross carrying amount	401,592	12,515	96,519	23,104	533,731
Loss allowance	161	6	48	9	224
30 June 2020					
Trade and other receivables	241,698	0	13,389	50,679	305,767
Expected credit loss	0.04%	0.05%	0.05%	0.59%	
Gross carrying amount	241,698	0	13,389	50,679	305,767
Loss allowance	85	0	7	299	391

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

32. FINANCIAL RISK MANAGEMENT (Continued)**(c) Liquidity risk****Payables and borrowings**

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 19(e).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2021					
Payables	10,641,375	0	0	10,641,375	10,641,375
Borrowings*	1,509,214	6,780,008	3,219,032	11,508,254	11,508,254
Lease liabilities	44,711	56,071	0	100,782	100,782
	<u>12,195,300</u>	<u>6,836,079</u>	<u>3,219,032</u>	<u>22,250,411</u>	<u>22,250,411</u>
2020					
Payables	8,435,334	0	0	8,435,334	8,435,334
Borrowings*	1,299,755	5,162,509	3,102,074	9,564,338	9,564,338
	<u>9,735,089</u>	<u>5,162,509</u>	<u>3,102,074</u>	<u>17,999,672</u>	<u>17,999,672</u>

* Borrowings include the principal and interest repayments due.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

33. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no significant events after the reporting period that are to be included in 2020/2021.

34. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

During the year, the City adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations. **AASB 1059 Service Concession Arrangements: Grantors**

The City adopted AASB 1059 Service Concession Arrangements: Grantors for the year ended 30 June 2021 resulting in changes in accounting policies.

This standard addresses the accounting for a service concession arrangement by a grantor that is a public sector entity.

It applies to arrangements that involve a third-party operator providing public services related to a service concession asset on behalf of a public grantor (in this case, local government) for the specific period of time and managing at least some of those services.

The adoption of AASB 1059 had no impact on the financial statements of the City.

35. TRUST FUNDS

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

	1 July 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
Wattle Grove - Cell 9*	9,198,947	844,569	(1,957,062)	8,086,454
Cash in lieu of Public Open Space	2,476,871	3,331,176	(3,922,088)	1,885,959
NBN Tower Pickering Brook	27,853	13,606	0	41,459
	<u>11,703,671</u>	<u>4,189,351</u>	<u>(5,879,149)</u>	<u>10,013,872</u>

* The Wattle Grove CELL 9 Trust includes an amount of \$3.9 million payable to the Department of Education for their contribution to the Trust in the form of the Wattle Grove Primary School land.

City of Kalamunda
Notes to and Forming part of the Financial Report
For the year ended 30 June 2021

36. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

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) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

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

i) Impairment of assets

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

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

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

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

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

37. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources.</p>	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.</p>	Rates, general purpose government grants and interest revenue.
<p>LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community.</p>	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
<p>HEALTH To provide an operational framework for environmental and community health.</p>	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
<p>EDUCATION AND WELFARE To provide services to disadvantaged persons, the elderly, children and youth.</p>	Provision and maintenance of senior citizen and disability services, youth services and other voluntary services.
<p>COMMUNITY AMENITIES To provide services required by the community.</p>	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes and public conveniences.
<p>RECREATION AND CULTURE To establish and effectively manage infrastructure and resource which will help the social well being of the community.</p>	Maintenance of public halls, civic centres, aquatic centre, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.
<p>TRANSPORT To provide safe, effective and efficient transport services to the community.</p>	Construction and maintenance of roads, footpaths, bridges, lighting and cleaning of streets.
<p>ECONOMIC SERVICES To help promote the City and its economic wellbeing.</p>	Tourism and area promotion, rural services and building control.
<p>OTHER PROPERTY AND SERVICES To monitor and control council's overheads operating accounts.</p>	Private works operation, plant repair and operation costs and engineering operation costs.

Notes to and Forming part of the Financial Report

For the year ended 30 June 2021

38. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.36	1.54	1.30
Asset consumption ratio	0.94	0.96	0.97
Asset renewal funding ratio	1.42	0.95	0.95
Asset sustainability ratio	0.39	0.91	0.67
Debt service cover ratio	8.67	6.36	9.58
Operating surplus ratio	(0.04)	(0.10)	(0.04)
Own source revenue coverage ratio	0.91	0.90	0.90

The above ratios are calculated as follows:

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

City of Kalamunda

2 Railway Road, Kalamunda WA | PO Box 42, Kalamunda 6926

(08) 9257 9999 | Facsimile: (08) 9293 2715

enquiries@kalamunda.wa.gov.au

www.kalamunda.wa.gov.au

