



Town of Cottesloe



Cottesloe

ANNUAL

REPORT

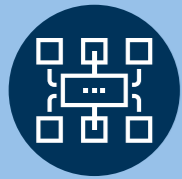
2022





OUR VISION

AN ICONIC COASTAL COMMUNITY WITH A RELAXED LIFESTYLE.



OUR MISSION

TO PRESERVE AND IMPROVE COTTESLOE'S NATURAL AND BUILT ENVIRONMENT AND BEACH LIFESTYLE BY USING SUSTAINABLE STRATEGIES IN CONSULTATION WITH THE COMMUNITY.



UNDERPINNING PRINCIPLES

SUSTAINABLE DEVELOPMENT

To embrace and integrate sustainable development principles including social, economic, environmental and cultural aspects when planning for the district.

COMMUNITY PARTICIPATION

Effective community participation in decisions about the district and its future.

GOOD GOVERNANCE

Leadership, transparency, accountability, probity, proper management, effective services, equitable access to services, commitment to partnership working and organisational capacity building.

CO-OPERATION

The exchange of good practice, support and mutual learning and partnerships with government and other stakeholders to progress the Town.

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*Sculpture by the Sea, Cottesloe 2022
Cover: Installation of the shark barrier at Cottesloe Main Beach*

OUR ELECTED MEMBERS

2021/2022



Mayor Lorraine Young



Cr Helen Sadler - Deputy Mayor
(North Ward)



Cr Craig Masarei
(North Ward)



Cr Kirsty Barrett
(East Ward)



Cr Brad Wylynko
(East Ward)



Cr Paul MacFarlane
(Central Ward)



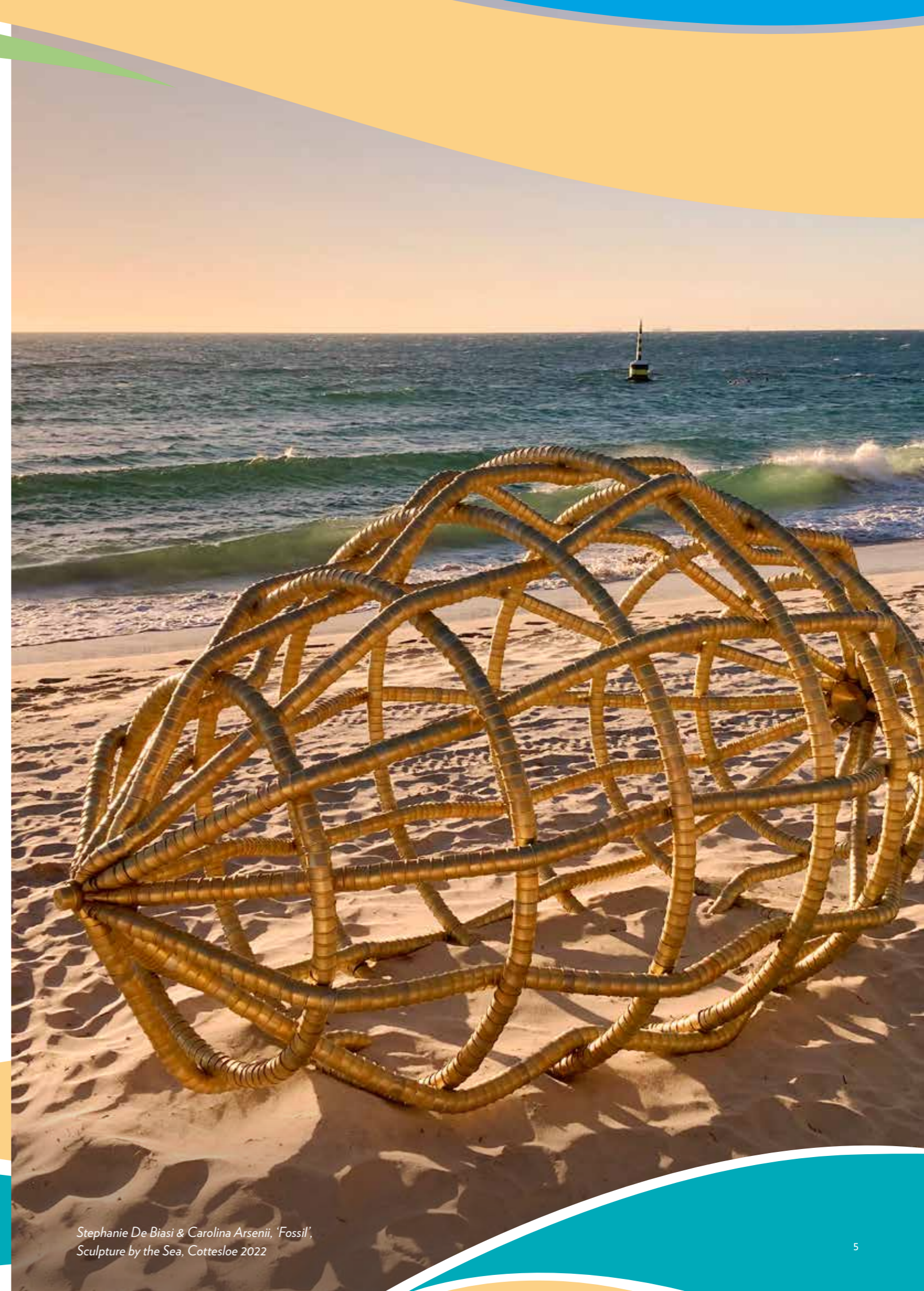
Cr Melissa Harkins
(Central Ward)



Cr Chilla Bulbeck
(South Ward)



Cr Caroline Harben
(South Ward)



*Stephanie De Biasi & Carolina Arsenii, 'Fossil',
Sculpture by the Sea, Cottesloe 2022*

MAYOR'S MESSAGE



ON BEHALF OF THE TOWN OF COTTESLOE, I AM PLEASED TO PRESENT THE 2021-22 ANNUAL REPORT. I HIGHLIGHT BELOW OUR ACHIEVEMENTS AND AREAS OF FOCUS OVER THE PERIOD.

Facilities and recreational amenity

The Town continued its focus on upgrading existing facilities and meeting the recreational needs of our community. The impact of COVID-19 continued during the year, but the Town remained committed to ensuring that services to our community carried on without interruption, and that planned projects were continued, whilst managing potential material and labour shortages.

We made progress on major projects, including awarding the contract to replace the Anderson Pavilion, completing and opening the new Dutch Inn playground, approving the location and moving on to concept design for the Cottesloe Skatepark, developing a concept plan for the East Cottesloe playground and approving the design for the Eric Street Shared Path. As more of these projects move to completion, they will significantly improve amenity for our residents.

The shark barrier was installed in early October and removed in early April. We consulted our community on the benefit of the barrier and the current period of installation, and Council will now consider feedback and determine if an extension or change is supported. We secured two Spectur shark warning systems from the Department of Fisheries, now installed at the Cove in south Cottesloe and at north Cottesloe beach. The barrier and the Spectur units allow our community and visitors to enjoy peace-of-mind swimming in Cottesloe.

In November 2021 the Town received a proposal for the redevelopment of the Indiana building and adjacent Crown land. The proposal raises significant legal, commercial, environmental and heritage issues which must be understood before determining the next step. To this end, in March 2022 agreement was reached with the lessee (a company in the Tattarang group) to meet the cost of obtaining the required advice, noting that the brief to advisors and the advice itself will remain confidential to the Town. The Town's Administration then worked with appropriate experts to obtain the advice, which will be presented to Council for further consideration.

In November 2021 Cottesloe beach was the venue for a "Pineapple Club" event catering primarily for younger residents and visitors. Learning from this event will inform the nature and timing of future events at Cottesloe beach. In March 2022, Cottesloe also welcomed the *Sculpture by the Sea, Cottesloe* exhibition, for the 18th consecutive year. Despite the challenges posed by COVID-19, the event was a success, and was thoroughly enjoyed by our own community and over 140,000 visitors.

The Town became only the second local government in WA to formally allow residents to "create community" by using residential verges for play equipment. Work continues on appropriate protocols to ensure that this is achieved without exposing the Town to uninsured risk.

We engaged with the State and Federal Government and Agencies – and candidates in the Federal election – to lobby for funding for the community-supported and Council-endorsed Foreshore Masterplan. Implementation of the Masterplan will create a human-focussed and family friendly foreshore which meets its potential and lives up to the expectations of the community and the hundreds of thousands of visitors we welcome to Cottesloe every year.

Reconciliation

The Town's Reconciliation Action Working Group commenced work on our first, "Reflect", Reconciliation Action Plan (RAP). The RAP will contain practical actions to drive the Town's contribution to reconciliation internally and within our community.

Planning

In addition to its usual planning work, our Planning department spent considerable time dealing with development applications lodged with the State government's new State Development Assessment Unit (SDAU). The Town kept our community informed on applications lodged via that process and made its own submissions, focussing on non-compliance with our Local Planning Scheme and inconsistencies with the State's own strategic planning framework. We also raised with the State government agencies and Ministers our community's concerns about the SDAU process.

Planning resources were also directed to responding to the State government proposal to rezone the site of the McCall Centre in south Cottesloe. The Town's submission outlined the need for strategic planning for the land surrounding the site, for recreational and community purposes, as consistently identified in strategic planning projects and studies over the past 30 years. The Town will continue to work with our neighbouring local governments in Mosman Park and Fremantle, to push for the best outcome for that area.

The Town continued its work with the Shire of Peppermint Grove to produce a precinct plan for Cottesloe Village, to develop a long-term strategic vision, and associated planning tools, to guide the Village's redevelopment over time.

Environment

The Town adopted measures and strategies to address environmental concerns. We continued with our tree planting schedule, we were the first western suburbs local government to "Go FOGO!" (Food Organics Garden Organics), we set up strategic frameworks to tackle the impacts of climate change, we signed up to WALGA's Renewable Energy Program and we continued work on our Coastal Hazard Risk Management and Adaption Plan.

Integrated planning framework

In April Council endorsed a desk-top review of the current Corporate Business Plan (CBP) and budgeting for community engagement to develop a new Strategic Community Plan (SCP) in 2023. The SCP is intended to reflect the community's 10-year vision, aspirations and objectives for Cottesloe, which will then inform the development of a new CBP in 2023.

Thanks

I would like to extend thanks to the Town's CEO and staff, as well as my fellow Elected Members, for the hard work they do on behalf of the Cottesloe community. Thanks are also due to the community members who volunteer their time on the Town's Committees and Working Groups. We are fortunate to have a highly engaged community and I would like to thank all residents and ratepayers for your enthusiasm and interest in Cottesloe.

Lorraine Young
Mayor



Aboriginal artist and Wadjuk man Justin Martin paints a mural on the back of the tennis wall at Jasper Green Reserve

CEO'S REPORT



I AM PLEASED TO PROVIDE AN UPDATE ON PROGRESS MADE TOWARDS ACHIEVING COUNCIL'S STATED STRATEGIC OBJECTIVES AS OUTLINED IN THE TOWN OF COTTESLOE CORPORATE BUSINESS PLAN.

PRIORITY AREA 1

- Protect and enhance the wellbeing of residents and visitors

Over the past 12 months considerable progress has been accomplished towards achieving these objectives with some of the major achievements being;

- The protected swimming enclosure was re-installed at Cottesloe Main Beach in October 2021;
- A new playground at Dutch Inn was constructed and completed, with a grand opening in November 2021;

- The Town was awarded a commendation at the Planning Institute Australia 2021 Awards for Planning Excellence, in the category of Climate Change & Resilience for the Principal Shared Path – pathway greening and community activation elements;
- Development of a concept plan for an upgraded East Cottesloe playground;
- Council approved John Black Dune Park as the preferred location for a skate facility in Cottesloe at the September 2021 Council Meeting, following community consultation. Skate park design workshops were held in December 2021 and a landscape concept plan for John Black Dune Park was developed in partnership with Cottesloe Coastcare and Perth NRM;
- A design concept and construction tender for a new Anderson Pavilion at Harvey Field was progressed;
- Repair and upgrade works were completed on the foreshore (near the children's playground) where damage occurred from a winter storm. This included construction of a drainage system and new paving and landscaping;
- Four new ACROD bays were installed on Marine Parade in south Cottesloe, in the four carparks; and
- Continued support for *Sculpture by the Sea*.

PRIORITY AREA 2

- Achieving connectivity between east and west Cottesloe

- The Town has continued its discussions with Main Roads WA and the Public Transport Authority (PTA) with the aim of improving vehicle and pedestrian access over the railway line.
- The Town consulted with the community on a shared path concept for Eric Street, as part of the adopted Cottesloe Long Term Cycle Network (LTCN). A detail design was developed and approved by Council in June 2022;
- The State Government is progressing

the design for the Congdon Street Bridge Replacement project and construction is subject to funding;

- The PTA's Route Utilisation Strategy (RUS), estimates patronage on the rail network will approximately double by 2031. To determine what future investment is needed to meet access demands in a safe and efficient way, the PTA is undertaking a Station Access Improvement Program. The Town has liaised with the PTA at key stages of this project and the Station Access Strategy has now been completed; and
- The Town has had discussions with Metronet, who have undertaken a review of level crossing removal options. The detail design has been completed and will be implemented when funding becomes available.

PRIORITY AREA 3

- Enhancing beach access and the foreshore

- Secured two Spectur shark warning systems from the Department of Fisheries, installed at the Cove in south Cottesloe and at north Cottesloe beach;
- A successful *Sculpture by the Sea* held on the foreshore for the 18th consecutive year;
- Beach Access Path Upgrade program continued with an upgrade of path S4 in south Cottesloe;
- Ongoing dune restoration by Cottesloe Coastcare; and
- Engagement with State and Federal Government and Agencies to lobby for funding for the Foreshore Masterplan.

PRIORITY AREA 4

- Managing development

The Town of Cottesloe is responsible for the control and management of development and land uses in the Town in the accordance with the current Local Planning Scheme No.3.

The following projects continued as a priority in the 2021/22 financial year and beyond:

- Review of the Town of Cottesloe Local Planning Strategy, which will ultimately inform a new Local Planning Scheme.

Community workshops to assist the Town in the review of its Local Planning Strategy were held in November 2019 and a Discussion Paper on the review was released for public comment. A report on the submissions received has been considered and noted by Council and will help inform the review. The Town has engaged consultants to prepare the review including a comprehensive analysis of issues and opportunities relating to housing, transport, commercial and economic development, recreation and public spaces and various other matters specified in the Local Planning Strategy Guidelines issued by the Western Australian Planning Commission (WAPC);

- Preparation of the Cottesloe Village Precinct Structure Plan for the Cottesloe Activity Centre, which was triggered by a proposed amendment to the Local Planning Scheme No.3 in 2019.

The Scheme Amendment sought an increase in building height of up to 10 storeys (35 metres), and to facilitate changes to setbacks and plot ratio controls and other land use, access and built form considerations. As the area of the Cottesloe Activity Centre spanned both the Town of Cottesloe and the Shire of Peppermint Grove it was decided to undertake the project as a joint venture. This included entering into a Memorandum of Understanding and establishing a Steering Group to provide direction on the project. A Draft Cottesloe Village Precinct Plan was prepared and released for public comment in November 2019. Council has considered and noted the submissions received and these will assist in the further development of the Precinct Plan. In July 2021, the Town of Cottesloe resolved not to initiate the Scheme Amendment and in May 2022, the Minister for Planning, pursuant to section 76 of the Planning and Development Act 2005, issued an order to the Town of Cottesloe to initiate the Scheme Amendment. Although a decision on the Scheme Amendment is pending, preparation of the Precinct Structure Plan is progressing;

- A State Government led Western Suburbs Working Group was established to enable Councils to provide advice to the Western Australian Planning Commission in respect to the preparation of strategic plans for

the Stirling Highway corridor and the development of Activity Centres in the Stirling Highway and Fremantle railway line corridors.

Other key outcomes in 2021/22 include:

- The Town has been directly involved in a number of State Development Assessment Unit (SDAU) applications including; 120 and 122 Marine Parade, and 140 Marine Parade (Ocean Beach Hotel);
- The number of Development Applications approved in 2021/22 was 165, with a value of \$249,333;
- The number of Building Permits issued in 2021/22 was 224;
- There were four Joint Development Assessment Panel applications made in 2021/22;
- There were four State Development Assessment Unit applications referred to the Town for assessment; and
- 112 swimming pool were inspected, meeting the Town's statutory requirements for 2021/22.

PRIORITY AREA 5

- Providing sustainable infrastructure and community amenities

Council has prepared a Ten Year Financial Plan and is currently preparing an Asset Management Plan. These are designed to ensure that the assets of Council are both replaced and maintained at optimum times to preserve their useful life. When considering the acquisition of a new asset these plans assist to inform Council of whether their capital and maintenance costs are financially viable in the long term. Some of the major infrastructure projects undertaken in 2021-22 include:

- Upgrade of the footpath network;
- Continuation of the road resurfacing program;
- Annual Street Tree Winter Planting program completed; and
- 400 tube stock planted along the Principal Shared Path in Cottesloe.

PRIORITY AREA 6

- Providing open and accountable local governance

Some of the major activities undertaken within this Priority Area include:

- Developed Customer Service Charter for the Town;
- Ongoing review of the Policies of Council;
- Ongoing review of the Town's Local Laws;
- Increased use of social media and email to communicate with electors; and
- Ongoing monthly e-newsletter sent to subscribers on the Residents and Ratepayers database.

The Town will need to undertake a full review of the Strategic Community Plan (and associated plans) during the 2022-23 financial year. This is a good time for the review, with solid progress having been achieved against the overall objectives listed.

I would like to congratulate Lorraine Young who became the newly appointed Mayor (previously Deputy Mayor and in the position of Acting Mayor for a number of months prior) following the Local Government Ordinary Election in October 2021. Congratulations also to newly elected Councillors Brad Wylynko (East Ward) and Chilla Bulbeck (South Ward), and returning Councillors Melissa Harkins (Central Ward) and Helen Sadler (North Ward). I would also like to thank outgoing Councillor Michael Tucak, all Elected Members and the Town's dedicated staff for their efforts in achieving our goals in 2021-22.

Matthew Scott
Chief Executive Officer



Plastic Free July Beach Clean Up



Mayor Young and Councillor Barrett get ready for FOGO

SUSTAINABILITY IN COTTESLOE

THE TOWN OF COTTESLOE CONTINUED TO RUN A NUMBER OF SUCCESSFUL SUSTAINABILITY AND NATURAL AREAS PROJECTS THROUGHOUT THE YEAR. THE TOWN RECOGNISES THE IMPORTANCE OF PROACTIVE PROGRAMS AND ENCOURAGING COMMUNITY PARTICIPATION AND IS PLEASED TO REPORT ON A NUMBER OF SIGNIFICANT ACHIEVEMENTS IN SUSTAINABILITY.

The Town received a Waterwise Greening Scheme grant from the Water Corporation for several initiatives including the Native Waterwise Verge Rebate Scheme, the Native Plant Subsidy Scheme and planting waterwise street trees to increase urban canopy. The Town also received an Urban Canopy Grant through WALGA and 100 (35 litre) native trees were planted along the Principal Shared Path to create shade and habitat.

Coastal dune revegetation works were carried out at the two decommissioned beach access paths. 780 native tube stock were planted and erosion matting was installed to stabilise the slopes. Weed control continued over summer and spring and aims at eradicating exotic species from the natural areas. This is in line with the Town's long term goal to restore ecological biodiversity on the dunes by planting native species to create habitat corridors for native animals.

Cottesloe Coastcare continued their valuable work and planted 4,500 native seedlings across several sites including 2,200 seedlings between North Cottesloe Surf Life Saving Club and Grant Street and 1,500 seedlings on the dunes between Salvado and Pearse Streets. Both of these sites received Coastwest grants. Infill planting has occurred in south Cottesloe and at Grant Marine Park and Cottesloe Native Garden. Coastcare and

Perth NRM also hosted a school planting event on the Principal Shared Path to create shade and habitat with 400 seedlings planted.

The Town has now completed eight years of consecutive coastal monitoring with a Coastal Adaptation and Protection (CAP) grant received from the Department of Transport. The monitoring program aims to gain knowledge of the patterns in beach changes along its coastline and potentially identify longer-term trends in erosion and/or accretion. This will provide a greater understanding of coastal processes along the Cottesloe coastline, allowing the Town to develop plans for the future and enhancing the Town's capacity to make informed and sustainable decisions regarding coastal management planning. As a part of this program, a free community presentation was held to communicate these findings and share the work carried out by the Town.

The Town of Cottesloe received partial funding from the Department of Planning, Lands and Heritage to assist in preparing its first ever Coastal Hazard Risk Management and Adaptation Plan (CHRMAP). This is a two year project that began in April 2022. Initial coastal values consultation has been carried out and will contribute to the prioritisation of assets and the identification of potential adaptation and risk treatment options proposed in the final CHRMAP.

Other successful projects include;

- The Cott Cat shuttle bus helped transport visitors between Cottesloe train station and the beach during *Sculpture by the Sea* in March. Public transport reduces the number of cars on the road, alleviates parking congestion and is a sustainable form of transport;
- The annual WESROC Native Plant Subsidy Scheme offered to residents in May was a sell-out, with all of the 2,200 plants allocated to Cottesloe purchased. This scheme promotes and encourages residents to grow native waterwise gardens. Many residents have also converted lawn verges to native waterwise gardens under the Town's waterwise verge rebate scheme;
- Street tree verge infill planting continued with another 150 trees planted on verges in Cottesloe; and
- Community volunteers participated in the Plastic Free July Beach Clean Up and morning tea event hosted by the Town, North Cottesloe SLSC, Keep Australia Beautiful and Western Metropolitan Regional Council with many plastic litter items removed from the beach.

STATUTORY REPORTS

DISABILITY ACCESS AND INCLUSION PLAN

The Disabilities Services Act 1993 requires that the Town of Cottesloe include in its annual report progress on the implementation of its Disability Access and Inclusion Plan. Council adopted its 2018 – 2023 Plan in April 2018 and a copy is available at the Town's administration office and on the Town's website.

The Town has a Universal Access and Inclusion Community Reference Group to assist with the implementation of the Plan and a mid-term review was completed in June 2021 to ensure it remains relevant to the community. The following access improvement initiatives were undertaken in the past year:

- In partnership with Down Syndrome WA and Status Disability Employment Services, an Administration Officer with the Town successfully completed a Certificate II in Customer Engagement;
- Completion of Deafblind Awareness training by the Community Development Officer;
- Development of a mobility map of the Cottesloe Civic and Administration Centre to assist community access;
- Installation and upgrades of ACROD parking bays on Marine Parade in south Cottesloe, in the four carparks;
- Participation in the State wide ACROD Parking Campaign "This Bay is Someone's Day" to decrease the misuse of ACROD Parking bays;
- Membership of the Companion Card program allowing free entry to Council events for carer's of those with a disability;
- Requirement of events with more than 500 patrons to have a Disability Access and Inclusion Plan, for example *Sculpture by the Sea*;
- Expansion of the Universal Access and Inclusion Community Reference Group

to include Wearne Cottesloe and NDIS partner Mission Australia;

- Disability access and inclusion services, information and events promoted through the Town's Facebook page, community contacts list, e-newsletter and onscreen at the customer service area at the Town's administration office.

PAYMENTS MADE TO EMPLOYEES

Regulation 19B of the Local Government (Administration) Regulation 1996 requires the Town of Cottesloe to include the following in its Annual Report:

- The number of employees of the Town entitled to an annual salary of \$130,000 or more; and
- The number of those employees with an annual salary entitlement that falls within cash bands of \$10,000 over \$130,000.

The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000 is;

\$ Band	Number of Employees
\$200,000 to \$209,999	1
\$150,000 to \$159,999	1

Please note the figures shown represent the cash component of any salary package.

The remuneration paid or provided to the CEO during the financial year was \$208,519.

The number of Council and Committee Meetings attended by each council member during the financial year is as follows:

	Council	Committee
Mayor Phil Angers (resigned 2 August 21)	0	0
Mayor Lorraine Young	13	1
Cr Helen Sadler	14	0
Cr Melissa Harkins	14	3
Cr Caroline Harben	10	0
Cr Paul MacFarlane	12	6
Cr Kirsty Barrett	11	4
Cr Craig Masarei	14	4
Cr Brad Wylynko (elected October 21)	5	2
Cr Chilla Bulbeck (elected October 21)	9	2
Cr Michael Tucak (term ended October 21)	4	0

REGISTER OF COMPLAINTS

Section 5.121 of the *Local Government Act 1995* requires the Complaints Officer for the Town of Cottesloe to maintain a register of complaints which records all complaints that result in action under section 5.110(6)(b) or (c) of the Act.

The register of complaints is to include, for each recorded complaint;

- the name of the council member about whom the complaint is made;
- the name of the person who makes the complaint;
- a description of the minor breach that the standards panel finds has occurred; and
- details of the action taken under section 5.110(6)(b) or (c).

For the purposes of section 5.115(2) of the *Local Government Act 1995* it is advised that no complaints were made to the Town of Cottesloe during the financial year under review.

RECORDS MANAGEMENT

The Town of Cottesloe, as a local government, is required under the State Records Act 2000 to provide an annual report on its recordkeeping practices.

COMMITMENT TO RECORDS MANAGEMENT

The Town of Cottesloe is committed to the reliable and systematic management of government records in accordance with legislative requirements and best practice standards.

RECORDKEEPING PLAN

The purpose of the Recordkeeping Plan (RKP) is to set out the matters about which records are to be created by the Town of Cottesloe and how the Town is to retain its records. The RKP is to provide an accurate reflection of the record keeping program within the organisation including information regarding the organisation's record keeping systems, disposal arrangements, policies, procedures and practises. The RKP is the primary means of providing evidence of compliance with the State Records Act 2000 and the implementation of best practice record keeping within the organisation.

The Town commenced the eight year review process of its Local Laws in 2019/20. All Local Laws will be reviewed over the next few years. Commencing with the Town's Standing Orders Local Law, this project will remain ongoing until completed.

The Town's Standing Orders Local Law was updated to a Local Government (Meetings Procedure) Local Law and was gazetted on 9 March 2021.

The objectives of the Town of Cottesloe RKP are to ensure the following:

- Compliance with Section 28 of the State Records Act 2000;
- Recordkeeping within the Local Government is moving towards compliance with State Records Commission Standards and Records Management Standard AS ISO 15489;
- Processes are in place to facilitate the complete and accurate record of business transactions and decisions;
- Recorded information can be retrieved quickly, accurately and cheaply when required; and
- Protection and preservation of the Local Government's records.

The Town's Recordkeeping Plan was updated in December 2021.

LOCAL LAWS

The Town commenced the eight year review process of its Local Laws in 2019/20. All Local Laws will be reviewed over the next few years. Commencing with the Town's Standing Orders Local Law, this project will remain ongoing until completed.

The Town's Standing Orders Local Law was updated to a Local Government (Meetings Procedure) Local Law and was gazetted on 9 March 2021.

INTEGRATED PLANNING AND REPORTING FRAMEWORK





STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN

AN INTEGRATED PLANNING AND REPORTING FRAMEWORK (IPRF) WAS IMPLEMENTED IN 2011 BY THE STATE GOVERNMENT, TOGETHER WITH ASSOCIATED GUIDELINES FOR LOCAL GOVERNMENTS, AND INCLUSIVE OF ASSET MANAGEMENT AND LONG TERM FINANCIAL PLANNING.

All local governments are required to produce a Plan for the Future under S5.56 (1) of the Local Government Act 1995. Regulations have been made under S5.56 (2) of the Act to outline the minimum requirements to achieve this.

There are three major parties to the development of a Strategic Community Plan:

1. The community – participates in a community planning process to determine major vision or intended big picture directions and also participates in regular reviews of those directions.
2. The Council – signs off the Strategic Community Plan resulting from the community planning process, the four year reviews updating that plan, the Corporate Business Plan and the annual budget.
3. The local government administration – supports delivery of the Strategic Community Plan through regular reviews, annual budgets and corporate business planning.

To satisfy the requirement of the IPRF at least two plans are needed: The minimum requirement to meet the intent of the plan for the future is the development of:

- A Strategic Community Plan; and
- A Corporate Business Plan.

The key principle of the planning process is to provide both the future aspirations for the local government and a path to achieve them. Specific strategies address issues such as community safety or disability plans and place or local area plans. Strategic outcomes are supported by the identification and planning of all financial, human resource, asset and infrastructure requirements and income opportunities over the longer term.

The framework does not require a single methodology to be applied by local governments and is intended to guide local governments to a successful integrated strategic planning process, which, at its most simple, would deliver the following outcomes:

- a long term Strategic Community Plan that clearly links the community's aspirations with the Council's vision and long term strategy;
- a Corporate Business Plan that integrates resourcing plans and specific Council plans with the Strategic Community Plan; and
- a clearly stated vision for the future viability of the local government area.

Council has adopted the required Plans and has established a schedule to ensure they are reviewed regularly, in accordance with legislation.

These reviews will be advertised and residents will be consulted on any possible changes. The Plans are available to view on the Town's website.

The Town commenced the review process of its Corporate Business Plan in June 2020 with two workshops held in May and June 2020. The updated Corporate Business Plan was ultimately adopted by Council on 27 October 2020 and covers the period 2020 to 2024. Quarterly reports on the progress of the Corporate Business Plan are undertaken.

In the 2022/23 financial year the Strategic Community Plan will be reviewed. In 2022/23 the Town will also be finalising the following Plans:

- Asset Management Plan
- Long Term Financial Plan
- Business Continuity Plan

These plans will inform the 2022/23 Strategic Planning and Budget Process.

Priority Area 1 – COMMUNITY - Protect and Enhance the Well Being of Residents and Visitors

1.1 Help families flourish and connect in Cottesloe.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Implement the Town's adopted Playground Strategy	Engineering	That the Strategy be progressively implemented as budget allocations are made by Council	Very High		Currently progressing the concept design for East Cottesloe Playground. Works at Dutch Inn Playground completed.
b	Upgrade existing play spaces to build creative and diverse play environments for all children	Engineering	That playgrounds are progressively upgraded in accordance with the Playground Strategy	Very High		Dutch Inn Playground is completed and open. East Cottesloe Playground Concept scope approved by Council and detail design in progress
c	Develop a Food Truck Policy	Compliance and Regulatory Services	That a Policy be prepared and submitted for Council's consideration	Moderate		No action to date however an application is currently being assessed for a coffee van to trade in the car park of Dutch Inn as part of the Park Run event – this will be monitored to see if successful/not and if any feedback is received from businesses.
d	Review the Town's Events Policy to ensure that Youth events remain a focus in the Policy	Corporate	That the Policy be reviewed and any changes identified recommended to Council	High		Events Policy updated December 2020. Completed.
e	Complete Dutch Inn Playground Upgrade	Engineering	That the works be completed	Very High		Dutch Inn Playground completed.
f	Complete East Cottesloe Playground Upgrade	Engineering	That the works be completed	Very High		East Cottesloe Playground concept scope approved by Council. Detail design in progress.
g	Investigate and Consider implementation of Skating facilities into Town Public Open Space Infrastructure	Engineering	Allocation of funds to carry out investigation	Very High		Skatepark and landscaping concept approved by Council. Grant funding application for both components submitted (State NRM and Lotterywest).
h	Review the adequacy of Public Toilets within the district	Engineering	Review outcome included in future Capital Works Program	Moderate		Feedback received from the Foreshore Public Toilet consultation in regards to other areas within Cottesloe requiring public toilets being compiled. Public toilet considered by FPAC, location at Car Park 2 determined. Need for future public toilets to be determined as part of needs analysis for Scheme Review.

1.2 Continue to improve Community Engagement.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Review Community Engagement activities to ensure that effective messaging and feedback results	Executive	Community feedback on specific and general communication initiatives is received	Very High		Internal review has occurred, implementing lessons learnt. Customer Service survey completed. Suggestions from survey being implemented were practicable
b	Review and improve on the social media presence for the Town of Cottesloe	Executive	Statistical analysis of visitation, including increases or decreases in volume and type of visitation	Very High		Facebook Pages are being updated regularly. Snap, Send Solve has been rolled out. Continue messaging of major new services, such a FOGO.
c	Monitor, review and improve the Town's webpage as deemed necessary	Executive	Webpage contains information no older than 12 months unless of historical interest or ongoing content	High		Customer Service Survey Completed. Website to be revamped in 22/23.
d	Develop a Reconciliation Action Plan (RAP) in consultation with representatives from the Aboriginal community	Corporate	That the Plan be developed and implemented	High		Several RAP working group meetings held. Plan is in draft form. NAIDOC week events held.

1.3 Continue to improve access and inclusion of aged persons and those with disabilities.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Review the Disability Access and Inclusion Plan	Corporate	Council adopts reviewed plan	Moderate		Underway and is reviewed at each meeting of the DAIP.
b	Implement initiatives adopted and funded by Council contained in the Disability Access and Inclusion Plan	Corporate	That initiatives such as Beach access, ACDRO Parking Bays and access to information in user friendly formats are undertaken in accordance with budget allocations	High		A number of ACROD bays have been completed. Beach matting is still being reviewed as to its suitability. Website add on now included multi language options. Four (4) additional ACROD bays installed at various south Cottesloe carparks. Option for beach access under investigation.
c	Retain an interest in preserving aged services to the Cottesloe region	Executive	That service provided such as Wearne and Shine remain available and accessible to senior members of the community	High		Shine services regularly promoted through the Town's Facebook page and newsletter. Both Shine and Wearne are members of the Town's Universal Access and Inclusion Community Reference Group.

1.4 Develop and implement Event controls to regulate public events in Cottesloe including the supporting and promoting of approved events.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Review documentation relating to events management in respect of events that the Town hosts	Corporate	That the documentation be reviewed and updated if required	Moderate		Complete.
b	Review documentation relating to events conducted by third parties including compliance and contract management arrangements	Corporate	That the documentation be reviewed and updated if required	Moderate		New Booking software is approved and being implemented. Regular Compliance checks occurring for external events. New Events Coordinator commenced.
c	Carry out a community noise survey for all event spaces	Compliance and Regulatory Services	That the survey be undertaken and results used to adjust and event matters if required	Moderate		No action to date
d	Continue support for the Sculpture by the Sea event inclusive of entering into an Agreement for the conduct of the event for the coming 8 years	Corporate	That the Agreement be finalised and observed allowing for responsibilities to be known and the event to proceed smoothly	High		Council resolved to enter into long term funding agreement, the new agreement has been executed. Sculpture by the Sea event for 2022 occurred without incident, organisers believed success, despite Covid 19 restrictions.

1.5 Develop and implement a strategy for the deployment of Electronic Surveillance Equipment (CCTV) within Cottesloe.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Create a CCTV Policy that deals with footage control	Compliance and Regulatory Services	That the Policy be developed and submitted for Council's consideration	Moderate		Currently being reviewed internally. Potential funding opportunity to assist review. Coordinator of Ranger Services has just been appointed and will be working on this project
b	Review CCTV Strategy including Replacement Program, technologies used and cost/benefits of the initiative	Compliance and Regulatory Services	That the Strategy be reviewed and any actions identified be undertaken in accordance with existing or new budget allocations	Moderate		No action to date – dependent on above Coordinator of Ranger Services has just been appointed and will be working on this project

Priority Area 2 – INFRASTRUCTURE – Achieving Connectivity between East and West Cottesloe

2.1 Implement the Foreshore Redevelopment Plan.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	As part of the Foreshore Masterplan develop concepts and designs for Carpark 2	Engineering	Detailed designs and concepts are completed and submitted to Council	Flagship		Currently in discussions with State and Federal Government representatives regarding concept and funding
b	Source funding for implementation of the Foreshore Masterplan	Engineering	External funding confirmed	Flagship		Formal meetings with: <ul style="list-style-type: none"> • Deputy Premier • Minister for Planning • Minister for Lands • Federal Member (prior/post election) • Federal Election Candidates • Various relevant Associations (UDIA, Tourism Australia, TWA, AHA) • Letters of support received • Seeking meeting with State Premier.
c	Implement/ Construct Foreshore Masterplan projects as budgets and funding permits, inclusive of the redevelopment of Carparks 1 and 2	Engineering	Project completed inclusive of the various components which comprise it	Flagship		Dependent on funding – no action to date
d	Develop an integrated transport strategy	Executive	That the Strategy be developed and submitted to Council	Flagship		Subject to internal review, seeking advice regarding Main Roads future plans. All supporting strategies i.e. LTCN, parking strategy have been drafted.
e	Ensure integration is achieved with the various private developments of Marine Parade and the Foreshore Masterplan	Development/ Engineering	That compatible outcomes are achieved in the design and implementation of the various developments in the main Beach precinct of Cottesloe	Flagship		Various SDAU and JDAP applications under consideration. Proposal for potential redevelopment of Indiana site under consideration.

2.2 Implement renewal projects for public open space in Cottesloe.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Replace Anderson Pavilion	Engineering	That the current building be replaced with a more modern fit for purpose facility	Flagship		Council has awarded the design and construction contract for the works. Works to commence March'22. <ul style="list-style-type: none"> • Demolition completed. • Pad Laid. • Managing significant price variation issue. • Updated Council and stakeholders on various issues.
b	Work with the Rugby and the Seaview Golf Club in determining their future direction in so far as infrastructure provision is concerned	Compliance and Regulatory Services/ Engineering and Corporate	That the clubs be consulted and involved in decisions that impact their operations to their satisfaction	Very High		Ongoing meetings with stakeholder groups regarding recreation precinct plan. Rugby club upgrades works determined and included in 22/23 Budget. Review of Golf Clubhouse building completed. Meeting organised with Golf Club on various matters. Harvey Fields Recreation Plan Community Consultation completed and being reported to Council.
c	Finalise Recreation Precinct Masterplan	Engineering	That the Plan be finalised and adopted by Council	High		Harvey Field Recreation Precinct Masterplan presented to Council. Council has approved the following: <ul style="list-style-type: none"> • Teebox relocation design and for this to return to Council; • Playground upgrade concept development; and • Construction of 2 ACROD bays adjacent to the Anderson Pavilion Further investigation on the proposed parking upgrade along Jarrad, Broome and Pearse Street (requested by Council).
d	Implement the Recreation Precinct Masterplan	Engineering	That the Plan be implemented in stages as budgets and funding enable	Moderate		Implementation plan to be developed based on community consultation and feedback.

2.3 Lobby the State Government for infrastructure improvements to major State assets within the Cottesloe town site area.

Strategies and Enabling Documents

- Lobbying actions to be ongoing annually until achieved

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Lobby and advocate for the development of a Strategic Plan for railway crossings within the western suburbs	Executive	That advocacy continues and that a positive outcome eventuates	Moderate		Council resolved to join State Govt's Western Suburbs Working Group, who's goal is the develop a strategic plan for major transport routes, including rail line. Requested meeting with Main Roads/ Transport Minister to update Town on potential bridges/road works associated with Railway line. Further discussions with neighbouring LGs. Little progress from State Government working group
b	Lobby the State Government for improvements to the Eric Street bridge, to ease traffic congestion while improving pedestrian access and safety	Executive	That lobby efforts are successful resulting in improvements to the bridge infrastructure	Moderate		Working with Main Roads to develop an acceptable design, so it can be included in State Budget. Trying to organise meeting with Main Roads to brief Council. Main Roads focus on Condong Street Bridge.
c	Lobby the State Government for improvements to the Jarred Street crossing, including the provision of grade separation	Executive	That the State Government commits to the project	Moderate		Advised by Main Roads this is not a State Priority until current rail bridges are resolved. No further action, other potential discussion via Precinct Plan.
d	Lobby the State Government to identify and implement the best connectivity option for the Fremantle rail line through Cottesloe	Executive	Works occur to improve east/west connectivity in the Cottesloe town site area	Moderate		Council resolved to join State Govt's Western Suburbs Working Group, who's goal is the develop a strategic plan for major transport routes, including rail line. Arranging meetings with Main Roads to brief Council. No further action from State Government to date, other than Swanbourne Precinct Masterplan survey released.

2.4 Develop an 'Integrated Transport Strategy' that includes cycling, park and ride, public transport and parking management strategies to meet the needs of pedestrians, cyclists and other non-vehicular traffic.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Pending the outcome of Eric Street bridge work options, work with State agencies to develop a costed safe design that relocates school parking and drop off point from Eric Street to Railway Street	Engineering	Safe design accepted by Council	High		Project has been deferred till Main Roads provides a briefing to Council on the Eric Street Bridge Upgrade Concept.
b	Source funding from State Government for implementation of identified works	Engineering	That funding is provided	High		Subject to above
c	Construct the design in accordance with the specifications	Engineering	That the works be completed on time and on budget	High		Subject to above
d	Complete Eric Street cycleway from Marine Parade to Curtin Avenue	Engineering	Cycleway is built on time and within budget	High		Funding secured. Design resolved by Council.
e	Implement the adopted priorities contained within the Town of Cottesloe Long Term Cycle Network Strategy	Engineering	That the Town's Long Term Cycle Network Strategy is progressively completed in accordance with adopted budgets	Moderate		Active Transport Group has provided advice on the long term cycle network delivery. An implementation strategy to be developed. Eric Street Shared Path detail design complete and constructed in 2022/2023.
f	Lobby for funds to implement the Foreshore PSP	Engineering	Foreshore PSP funded and constructed	Very High		Tied with Foreshore design and funding opportunities.

Priority Area 3 – ENVIRONMENT – Enhancing Beach Access and the Foreshore

3.1 Implement policies that protect existing trees and that actively seek to increase the tree canopy in Cottesloe.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Develop a Green Infrastructure Management Plan for the Town	Engineering	That the Plan is developed and submitted for Council's consideration	Very High		In progress.
b	Implement the Green Infrastructure Plan following adoption by Council	Engineering	Plantings are carried out in accordance with the adopted Plan	Very High		Subject to above
c	The Town implements an annual program of planting additional trees in public reserves it controls	Engineering	Additional plantings are carried out under the tree plan	Very High		2022 winter planting is in progress.
d	Encroachments on verges, in particular those detrimental to trees, be addressed as part of a removal or permit system to protect both the trees and reduce any potential liability to the Town	Compliance and Regulatory Services and Engineering	That a Strategy be developed and then implemented to address the many encroachments that are known to exist	High		Council has approved a verge play equipment management protocol for implementation. Street Tree Policy review adopted by Council.

3.2 Continue to improve access to beach facilities.

Strategies and Enabling Documents

- Disability Access and Inclusion Plan
- Asset Management Plan
- Long Term Financial Plan

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Develop a Beach Access Paths Priority Plan including rationalisation of existing access ways	Engineering	That the plan be developed and submitted for Council's consideration	Very High		Beach access path rationalisation physically complete. An implementation strategy is being finalised.
b	Implement the Beach Access Paths Priority Plan	Engineering	That the Plan be implemented in accordance with Council's direction and budget allocations	Very High		As per above. Budget allocation for upgrades are included in 22/23 Budget.
c	Replace public ablutions at Cottesloe Main Beach (Indiana) in conjunction with the redevelopment of Indiana	Engineering	Facility opened for public use	Very High		Council resolve to require public toilets with any redevelopment of Indiana's. Preferred site identified at No2 Carpark.
d	Provide universal access to all facilities at Cottesloe Beach	Engineering	Universal access provided to upgraded facilities as part of both private and public Foreshore developments	High		Universal Access included in Foreshore redevelopment plan. Universal access projects to the south of the Indiana Teahouse were completed in 2019 and 2020.

3.3 Improve dune conservation outside of the Central Foreshore Zone (implement Natural Area Management Plan).

Strategies and Enabling Documents

- Natural Area Management Plan]

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Prioritise and cost projects for inclusion in the Natural Asset Management Plan (NAMP)	Engineering	Asset Management Plan and Long Term Financial Plan updated to include priorities and projects from Natural Areas Management Plan	High		NAMP is being reviewed and updated
b	Implement projects contained in the NAMP	Engineering	That the projects are successfully completed	High		Subject to above
c	Implement Natural Asset Management Plan projects per adopted plan and budget allocations	Engineering	That adopted projects are completed on time and within budget	High		Allocation for natural areas planting included in 22/23 Budget.
d	Cost and support Coast Care plan initiatives with the Coastal Dune Management	Engineering	Annual program of maintenance, inspecting and updating set in place and reported to Council	High		New MOU with NRM completed and executed. Natural Area Alliance Meeting comprising of Town, NRM and CoastCare held. Annual Allocation to CoastCare and Perth NRM considered as part of 22/23 Budget deliberations.



Priority Area 4 – DEVELOPMENT – Managing Development

4.1 Implement the Cottesloe Precinct Improvement Plan.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Develop in conjunction with PTA and DoP a Structure Plan for the Railway lands in Cottesloe	Development	That a Structure Plan be developed and submitted to Council for consideration	High		No action to date
b	Complete the Cottesloe Town Centre Precinct Plan including the consideration of infill to identified areas	Engineering	That the plan be finalised and submitted to Council for adoption	Flagship		New MOU adopted by Council Regular steering group meetings occurring. Current timeframes are on target for completion.
c	Implement those initiatives contained in the Precinct Plan as per Council's budget allocations	Engineering	That works be undertaken on time and within budget	Flagship		Subject to above
d	Consult with the Public Transport Authority, Main Roads WA and relevant State agencies to redevelop the train station interface with the Town Centre	Executive	A design for the redevelopment of the train station/town centre interface is developed	Very High		Initial discussions ongoing as part of overall railway corridor upgrade development. Subject to progress of Precinct Plan
e	Establish an Interagency Project Group to consider the interface between Cottesloe Train station and Forrest Street	Development/ Engineering	That the group be established and operational	Very High		Council resolved to join State Govt's Western Suburbs Working Group, who's goal is the develop a strategic plan for major transport routes, including rail line. Trying to create similar working group with just SoPG to target this area. Western Suburbs Working Group yet to meet. No meeting has be progressed to date. Metronet has also established a working group for Swanbourne train station however; a meeting has not yet occurred.



Cottesloe Beach clean up event - sifting for microplastics

4.2 Oversee the proper, orderly Planning of sites within the community recognising Heritage, Height controls and neighbour considerations.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Review the Cottesloe Local Heritage List as and when required	Development	That the review be undertaken and the document updated as required	Moderate		Officers have started to review the Town's Heritage list. Received grant to undertake heritage review as part of Scheme review.
b	Facilitate the Community History Program as adopted in the 2021/22 Town Budget	Corporate	That work on the Community History project be commenced and continued	Moderate		Ongoing.
c	Develop a Short Stay Policy to guide Development based on direction provided by the State Government to ensure consistency in application across the State	Development	That a Policy be developed and then enforced	Very High		Council made submission regarding draft state policy. Awaiting update on State Policy.

Priority Area 5 – ECONOMIC SUSTAINABILITY - Providing Sustainable Infrastructure and Community Amenities

5.1 Maximise income from non-rates sources.

Strategies and Enabling Documents

- Long Term Financial Plan
- Asset Management Plan
- 5 Year Works Program

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Develop a list of projects that would be capable of attracting grants and develop grant applications accordingly	Corporate	Grant income	Flagship		Current focus on funding existing projects, however this is subject to budget bids each year. Major projects include Foreshore, Skatepark and Recreation Precinct.
b	Actively pursue Federal and State Government funding opportunities as well as sponsorship or private investment arrangements for key projects	Executive	Number of grants submitted and the rate of success measured by funding achieved	Flagship		Ongoing for various projects.
c	Actively pursue the highest return for leases held by the Town and research other investment opportunities	Corporate	Leases reviewed and amended when they are presented for renewal	High		All leases reviewed as they expire. EOI issued for Barchetta lease, awaiting Council's determination. Seeking valuation for golf course as part of lease negotiations.
d	Annually review all investments in order to maximise returns received	Corporate	Rate of return on investments is improved	High		Period record low interest rates, difficult to maximise returns without exposing Council to higher risks. Investing as per current Council policy.
e	Maximise the obtaining of Government stimulus funding as a result of COVID 19	Corporate	Continue to access funds where possible	Flagship		Stimulus funding received, based on length of road network. No new funding available at this time.
f	Explore economic development opportunities to maximise economic sustainability	Executive	That opportunities are realised as and when they present	Flagship		Focus on funding flagship projects. Monthly meeting with ProCott.

5.2 Shared services with neighbouring Councils.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Continue to explore partnerships with other local governments	Executive	That discussions are held and projects developed if justified	High		Continue to work the ToMP and SoPG with Library. Partnership with other local governments re WHS implemented. Discussing regional approach to RAP.
b	Continue to monitor and explore shared services such as Library, Depot, Rangers, EHOs for efficiencies and effective service delivery	Executive	Adjustments to service provision is undertaken if necessary	Very High		Ongoing.
c	Remain involved and abreast of Emergency Management by continued participation in the Regional Local Emergency Management Committee as well as continuing collaboration with LEMC, WMRC and WESROC	Compliance and Regulatory Services	Involvement and meeting attendance occurs, risk management planning, local recovery plans	Moderate		Ongoing involvement with LEMC and DEMC. CEO to become new chair in 21/22. 3 LEMC meetings hosted by the Town. Emergency exercise planned for July.
d	Continue to participate in Waste Management programs with neighbouring councils including the shared Waste Management facility at Shenton Park being the main source of waste disposal and recycling	Compliance and Regulatory Services	That Waste Management Service remain at a high standard throughout the town	High		Ongoing involvement with WMRC. Waste Plan endorsed by State Govt.

5.3 Develop and implement long term planning strategies per the Integrated Planning and Reporting requirements.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Review and update annually the Long Term Financial Plan (LTFP)	Corporate	Annual review of LTFP undertaken	Moderate		Initial LTFP presented March 2022. To be completed following adoption of 2022/23 Budget.
b	Develop and implement the Public Health Plan for the Town of Cottesloe	Compliance and Regulatory Services	That the plan is operational and effective	Moderate		Consultant to be engaged to assist. Discussions with neighbouring LGS on possible share service approach.
c	Complete the Asset Management Plan for the Town of Cottesloe	Engineering	Asset Management Plan presented to Council for endorsement	Moderate		Initial Asset Management Plan presented to Council in December. To be updated as per LTFP and represented to Council.
d	Review Workforce Plan and redevelop strategies contained therein	Executive	That the plan be reviewed and updated	High		Implemented as part of 22/23 budget workshops. EBA progressed to Vote, but unsuccessful. Renegotiations in progress.
e	Review the Corporate Business Plan on an annual basis per legislative requirements	Corporate	That the review be undertaken and the plan updated each year	Very High		Reviewed Corporate Business Plan adopted by Council in March 2022.
f	Review the Strategic Community Plan once every 2 years (Desktop) with a full review and reprint once every 4 years in accordance with Departmental best practice guidelines	Corporate	That the reviews be undertaken and completed satisfactorily	Very High		Scheduled for 2022/23.
g	Retain connections with local, regional and State/Federal Tourism strategies that may impact the community	Executive	Ensure the Town's Tourism interests are represented and promoted	High		Working with Destination Perth, TWA & Tourism Australia to promote foreshore project. Received letter of support from AHA.

5.4 Manage assets that have a realisable value.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Identify and categorise freehold and Reserve land assets held by the town in view of developing a strategy for their future use	Development	Inventory presented to Council with recommendations on action	High		Currently an ad hoc process, subject to external proposals
b	Identify sites where the Town would be able to invest by either purchasing unallocated Crown Land or approaching the State with joint development projects	Executive	Appropriate acquisitions made or joint ventures entered into	Moderate		Very preliminary discussions with State Government on options for Carpark no.2.
c	Town Leases are set up to generate income and minimise expenses	Corporate	Ensure leases are administered with a view to maximising returns	Moderate		Ongoing review in progress as leases expire.
d	Continue to evaluate the Right of Way Strategy in terms of sealing, determining ownership and exploring land transfer options	Engineering	That opportunities continue to be assessed and implemented as deemed necessary	Moderate		Completed
e	Implement the new Parking system including utilising available new technologies	Compliance and Regulatory Services	That the new system be implemented and infringement measurements be recorded as an assessment basis	Flagship		Completed, expansion of system budgeted for 22/23.

Priority Area 6 – GOVERNANCE – Providing Open and Accountable Local Governance

6.1 Implement technologies to enhance collaborative decision making, communication and service delivery.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Review the effectiveness of the Customer Relationship Management (CRM) system	Corporate	Customer Relationship Management system in place and providing relevant reporting data if justified	High		Customer Service survey completed. Main issues identified is the Website (being addressed) and email/written correspondence.
b	Undertake a review of the current core operating systems to implement improvements	Executive	A full review of the core operating systems areas complete and a prioritised list of improvements presented	High		Council approved to replace existing ERP system. Project underway.
c	Develop and implement an Information Technology Plan including Data Recovery and Replacement programs	Corporate	That the Plan be developed and implemented	High		Outdated IT equipment replaced. Servers removed and cloud environment installed. New ERP system project commenced. Replacement Program being finalised.
d	Business Continuity Plan - Benchmark with other local government internal service provision for effectiveness	Corporate	That the benchmarking be undertaken	High		Part of overall IT systems review currently being undertaken including Replacement Program and contingency plan for loss of system.
e	Develop a Customer Service Charter for the Town	Corporate	That the Charter be developed and implemented	Very High		Implemented.

6.2 Ongoing review and updating of various Council Policies, Local Laws and Delegations.

Strategies and Enabling Documents

- Strategic Community Plan
- Corporate Business Plan

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Continually review the Policies of Council to ensure they are up to date, relevant and have application to the current circumstances	Corporate	That the Policies of Council are reviewed and do not fall into the category of non relevance	Very High		Ongoing and various policies have been reviewed and considered by Council.
b	Ensure that where relevant, Council's final consideration of major issues follows appropriate community consultation	Executive	Appropriate consultation undertaken	Moderate		Ongoing, all community consultation reported to Council.
c	Review the Town's Local Laws on a regular basis and in accordance with legislative requirements	Corporate	Regular reviews provided to Council for consideration	High		Ongoing, new Standing Orders Local Law reviewed and adopted by Council. Parking and Dogs Local Laws presently being reviewed.
d	Review Council Delegations in place at least annually and in accordance with legislative requirements	Corporate	Annual reviews provided to Council for consideration	High		Completed May 2022.

6.3 Continue to deliver high quality governance, administration, resource management and professional development.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Support the ongoing provision of training for staff, membership of relevant associations and study leave pursuant to Council Policy for relevant professional development	Executive	Highly skilled and supported staff available to guide and advise Council	Moderate		Ongoing
b	Prepare and Implement a customised elected member training and development program	Executive	Increased confidence in decision making skills and procedural awareness of elected members	Moderate		Providing training opportunities to Elected Members.
c	Undertake a cost analysis of significant decisions made that vary or amend projects	Executive	Increased awareness of the cost of making decisions that alter the current state of projects	Moderate		Ongoing, dependent on scale of variation. Significant variations presented to Council for consideration – Dutch Inn Playground
d	Ensure Council elections undertaken by the Electoral Commissioner proceed with assistance and cooperation from the Town	Corporate	The Bi-annual elections are conducted without issue	Moderate		Elections held 16 October 2021.

6.4 Enhance the Town's ability to embrace and manage change.

Strategies and Enabling Documents

	Actions	Responsible Directorate	Success Indicator	Service Priority	21/22	Actions
a	Ensure Processes in place to educate community on impending changes	Executive	Relevant information on any change issue is freely available to residents and ratepayers	Moderate		Ongoing, learning from previous exercises.
b	Project pages on the Town's website are updated regularly	Executive	Relevant information on any change issue is freely available to residents and ratepayers	Moderate		Ongoing and its undertaken.
c	Regularly review administration structure and service delivery models to ensure they are as up to date and fit for the intended outcomes and purpose	Executive	Administration Structure and services offered are modern and meet the needs of the community	Moderate		Minor restructure implemented. Ranger Services currently under review – Coordinator of Rangers and Compliance appointed, with the Compliance Officer now reporting to the Coordinator (as opposed to the Director). Draft Workforce plan currently under review. Staff requesting additional resources to support increased workloads. Staff satisfaction Survey completed.

Major Projects Funding Actions

Project	Actions
Foreshore Redevelopment & Car Park No.2	18 January 2022 – Meeting with Tourism WA to discuss funding 28 January 2022 – Meeting with Deputy Premier Roger Cook Chief of Staff 18 February 2022 – Meeting with Dr Katrina Stratton MP on various issues including Foreshore Redevelopment. 21 February 2022 – Meeting with Minister for Lands and Local Government, John Carey regarding Foreshore Redevelopment and reclassification for Car Park no.2 1 March 2022 – Meeting with Minister for Planning regarding Foreshore Redevelopment Design. 14 March 2022 – Celia Hammond Listing Post Meeting regarding Foreshore Redevelopment 18 March 2022 – Meeting with Sculpture by the Sea regarding Foreshore Redevelopment Design. 12 April 2022 – Meeting with Federal candidate Yannick Spencer regarding Foreshore and other TOC projects. 12 April 2022 – Meeting with Federal candidate, Kate Chaney regarding Foreshore and other TOC projects. 20 April 2022 – Meeting with Deputy Premier regarding Funding opportunities fro Foreshore Redevelopment 28 April 2022 – Celia Hammond MP announces \$7m commitment to Foreshore should the coalition be related. 29 April 2022 – Letter sent to State Premier requesting meeting to discuss funding for Foreshore Redevelopment. 21 May 2022 – Federal Election, change in Government. June 2022 – Follow up to inquiry with Premier regarding request to meet, Premier overseas.
Skate Park	4 December 2021 – Community Workshops held on Concept Design February 2022 – Council adopted preferred concept design March 2022 – Meetings with Perth NRM and Cottesloe CoastCare to develop revegation plan April 2022 – Council adopts John Black Dune Park Masterplan. 9 May 2022 – State NRM grant submitted for Revegetation component. 19 May 2022 – Business Case/funding application meeting with consultant June 2022 – Council briefed on proposed LotteryWest application main points, application to be submitted early July.
Anderson Pavilion	October 2021 – Contract Awarded and prestart meetings November 2021 – December 2021 – Detailed Design progressed. March/April 2022 – Existing Pavilion demolished, Building Permit Issued June/July 2022 – Contract Variation requested due to increase in construction material prices, under review
Dutch Inn Playground	27 November 2021 – Playground formally opened.

FINANCIAL REPORT

FOR THE YEAR ENDED
30TH JUNE 2022

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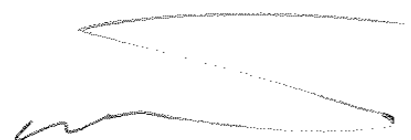
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**TOWN OF COTTESLOE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

STATEMENT BY CHIEF EXECUTIVE OFFICER

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

Signed on the 5th day of April 2023



Chief Executive Officer

William Matthew Scott

Name of Chief Executive Officer

**TOWN OF COTTESLOE
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Revenue			
Rates	11,344,384	11,277,445	10,875,226
Operating grants, subsidies and contributions	615,404	303,458	346,975
Fees and charges	3,107,449	2,204,350	2,422,833
Interest earnings	119,682	137,995	136,573
Other revenue	212,445	125,980	254,617
	15,399,364	14,049,228	14,036,224
Expenses			
Employee costs	(5,612,687)	(5,572,747)	(5,278,211)
Materials and contracts	(5,675,000)	(6,399,748)	(5,110,884)
Utility charges	(330,981)	(357,220)	(346,937)
Depreciation	(2,892,830)	(2,442,097)	(2,743,636)
Finance costs	(226,250)	(232,046)	(250,180)
Insurance	(190,707)	(195,772)	(172,309)
Other expenditure	(457,170)	(418,060)	(465,072)
	(15,385,625)	(15,617,690)	(14,367,229)
	13,739	(1,568,462)	(331,005)
Capital grants, subsidies and contributions	736,996	1,754,321	380,291
Profit on asset disposals	28,412	0	6,418
Loss on asset disposals	(255,690)	0	0
Fair value adjustments to financial assets at fair value through profit or loss	5,995	0	3,879
Share of net profit of associates accounted for using the equity method	(51,857)	0	(70,162)
Loss on revaluation of Streetscape	0	0	0
	463,856	1,754,321	320,426
Net result for the period	477,595	185,859	(10,579)
Other comprehensive income for the period			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes in asset revaluation surplus	32,443,705	0	(20,481,658)
Total other comprehensive income for the period	32,443,705	0	(20,481,658)
Total comprehensive income for the period	32,921,300	185,859	(20,492,237)

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

TOWN OF COTTESLOE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

NOTE	2022	2021	
	\$	\$	
CURRENT ASSETS			
Cash and cash equivalents	3	13,959,471	11,485,299
Trade and other receivables	5	528,885	620,318
Other financial assets	4(a)	64,906	62,141
Inventories	6	9,180	9,560
Other assets	7	72,348	37,373
TOTAL CURRENT ASSETS		14,634,790	12,214,691
NON-CURRENT ASSETS			
Trade and other receivables	5	222,012	301,177
Other financial assets	4(b)	328,297	387,207
Investment in associate	19(a)	531,778	583,635
Property, plant and equipment	8	61,870,055	62,606,095
Infrastructure	9	71,598,109	38,966,860
Right-of-use assets	11(a)	1,177,429	1,249,999
TOTAL NON-CURRENT ASSETS		135,727,680	104,094,973
TOTAL ASSETS		150,362,470	116,309,664
CURRENT LIABILITIES			
Trade and other payables	12	3,368,226	1,988,606
Lease liabilities	11(b)	56,751	58,211
Borrowings	13	350,347	329,882
Employee related provisions	14	1,203,286	1,062,510
TOTAL CURRENT LIABILITIES		4,978,610	3,439,209
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	1,188,423	1,246,805
Borrowings	13	2,460,557	2,810,904
Employee related provisions	14	196,257	195,423
TOTAL NON-CURRENT LIABILITIES		3,845,237	4,253,132
TOTAL LIABILITIES		8,823,847	7,692,341
NET ASSETS		141,538,623	108,617,323
EQUITY			
Retained surplus		29,236,044	28,434,028
Reserve accounts	26	8,267,063	8,591,484
Revaluation surplus	15	104,035,516	71,591,811
TOTAL EQUITY		141,538,623	108,617,323

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

TOWN OF COTTESLOE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

NOTE	RETAINED SURPLUS	RESERVE ACCOUNTS	REVALUATION SURPLUS	TOTAL EQUITY
	\$	\$	\$	\$
Balance as at 1 July 2020				
	27,948,844	9,087,247	92,073,469	129,109,560
Comprehensive income for the period				
Net result for the period	(10,579)	0	0	(10,579)
Other comprehensive income for the period	0	0	(20,481,658)	(20,481,658)
Total comprehensive income for the period	(10,579)	0	(20,481,658)	(20,492,237)
Transfers from reserves				
Transfers to reserves	3,387,752	(3,387,752)	0	0
	(2,891,989)	2,891,989	0	0
Balance as at 30 June 2021				
	28,434,028	8,591,484	71,591,811	108,617,323
Comprehensive income for the period				
Net result for the period	477,595	0	0	477,595
Other comprehensive income for the period	0	0	32,443,705	32,443,705
Total comprehensive income for the period	477,595	0	32,443,705	32,921,300
Transfers from reserves				
Transfers to reserves	821,836	(821,836)	0	0
	(497,415)	497,415	0	0
Balance as at 30 June 2022				
	29,236,044	8,267,063	104,035,516	141,538,623

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

TOWN OF COTTESLOE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates	11,465,976	11,277,445	10,849,664
Operating grants, subsidies and contributions	642,703	303,458	384,126
Fees and charges	3,114,732	2,204,350	2,391,214
Interest received	119,682	137,995	143,632
Goods and services tax received	0	800,000	799,305
Other revenue	212,445	125,980	251,624
	<u>15,555,538</u>	<u>14,849,228</u>	<u>14,819,565</u>
Payments			
Employee costs	(5,413,243)	(5,572,747)	(5,103,645)
Materials and contracts	(4,414,642)	(6,325,907)	(5,326,041)
Utility charges	(330,981)	(357,220)	(364,987)
Finance costs	(226,250)	(232,046)	(255,072)
Insurance paid	(190,707)	(195,772)	(172,309)
Goods and services tax paid	40,877	(800,000)	(764,398)
Other expenditure	(456,792)	(418,060)	(479,112)
	<u>(10,991,738)</u>	<u>(13,901,752)</u>	<u>(12,465,564)</u>
Net cash provided by (used in) operating activities	16(b) 4,563,800	947,476	2,354,001
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a) (595,668)	(1,705,162)	(619,699)
Payments for construction of infrastructure	9(a) (2,031,578)	(2,887,557)	(2,778,439)
Non-operating grants, subsidies and contributions	736,996	1,754,321	380,291
Proceeds from financial assets at amortised cost - self supporting loans	62,140	66,618	59,513
Proceeds from sale of property, plant & equipment	10(c) 128,206	140,000	28,918
Net cash provided by (used in) investing activities	(1,699,904)	(2,631,780)	(2,929,416)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25(a) (329,882)	(329,882)	(310,650)
Payments for principal portion of lease liabilities	25(c) (59,842)	(58,211)	(56,502)
Net cash provided by (used in) financing activities	(389,724)	(388,093)	(367,152)
Net increase (decrease) in cash held	2,474,172	(2,072,397)	(942,567)
Cash at beginning of year	11,485,299	11,300,626	12,427,866
Cash and cash equivalents at the end of the year	16(a) 13,959,471	9,228,229	11,485,299

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

TOWN OF COTTESLOE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	24(b) 1,483,578	556,930	1,853,753
OPERATING ACTIVITIES			
Revenue from operating activities (excluding general rate)			
Rates (excluding general rate)	23(a) 0	0	0
Operating grants, subsidies and contributions	615,404	303,458	346,975
Fees and charges	3,107,449	2,204,350	2,422,833
Service charges	0	0	0
Interest earnings	119,682	137,995	136,573
Other revenue	212,445	125,980	254,617
Profit on asset disposals	10(c) 28,412	0	6,418
Fair value adjustments to financial assets at fair value through profit or loss	5,995	0	3,879
Fair value adjustments to investment property	0	0	0
Share of net profit of associates and joint ventures accounted for using the equity method	(51,857)	0	(70,162)
	<u>4,037,530</u>	<u>2,771,783</u>	<u>3,101,133</u>
Expenditure from operating activities			
Employee costs	(5,612,687)	(5,572,747)	(5,278,211)
Materials and contracts	(5,675,000)	(6,399,748)	(5,110,884)
Utility charges	(330,981)	(357,220)	(346,937)
Depreciation	(2,892,830)	(2,442,097)	(2,743,636)
Finance costs	(226,250)	(232,046)	(250,180)
Insurance	(190,707)	(195,772)	(172,309)
Other expenditure	(457,172)	(418,060)	(465,072)
Loss on asset disposals	10(c) (255,690)	0	0
Loss on revaluation of non-current assets	0	0	0
Reversal of prior year loss on revaluation of assets	0	0	0
	<u>(15,641,317)</u>	<u>(15,617,690)</u>	<u>(14,367,229)</u>
Non-cash amounts excluded from operating activities	24(a) 3,237,320	2,427,068	2,821,500
Amount attributable to operating activities	(8,366,467)	(10,418,839)	(8,444,596)
INVESTING ACTIVITIES			
Non-operating grants, subsidies and contributions	736,996	1,754,321	380,291
Proceeds from disposal of assets	10(c) 128,206	140,000	28,918
Proceeds from financial assets at amortised cost - self supporting loans	62,140	73,841	59,513
Distributions from investments in associates	0	0	0
Payments for financial assets at amortised cost - self supporting loans	0	0	0
Payments for investments in associates	0	0	0
Purchase of property, plant and equipment	8(a) (595,668)	(1,705,162)	(619,699)
Purchase and construction of infrastructure	9(a) (2,031,582)	(2,887,557)	(2,778,439)
Purchase of investment property	11 0	0	0
Payments for intangible assets	11 0	0	0
	<u>(1,699,908)</u>	<u>(2,624,557)</u>	<u>(2,929,416)</u>
Non-cash amounts excluded from investing activities	24(a) 0	0	0
Amount attributable to investing activities	(1,699,908)	(2,624,557)	(2,929,416)
FINANCING ACTIVITIES			
Repayment of borrowings	25(a) (329,882)	(329,882)	(310,650)
Proceeds from borrowings	25(a) 0	0	0
Payments for principal portion of lease liabilities	25(c) (59,842)	(58,211)	(56,502)
Transfers to reserves (restricted assets)	26 (497,415)	(240,221)	(2,891,989)
Transfers from reserves (restricted assets)	26 821,836	1,837,334	3,387,752
Amount attributable to financing activities	(65,303)	1,209,020	128,611
Surplus/(deficit) before imposition of general rates	(8,648,100)	(11,277,445)	(9,391,648)
Total amount raised from general rates	23(a) 11,344,384	11,277,445	10,875,226
Surplus/(deficit) after imposition of general rates	24(b) 2,696,284	0	1,483,578

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

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1. BASIS OF PREPARATION

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

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

The local government reporting entity
 All funds through which the Town controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 27 of the financial report.

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

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

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

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates - general rates	General rates	Over time	Payment dates adopted by council during the year	None	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	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	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming	Single point in time	Full payment prior to issue	None	On approval of the application
Fees and charges - pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Apportioned equally across the four yearly inspection cycle
Fees and charges - other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	When the inspection is completed
Fees and charges - waste management collections	Kerbside collection service	Over time	Payment on annual basis in advance for domestic and eight weekly in arrears for commercial	None	For domestic, when rates notice is issued, for commercial, output method based on regular eight weekly period proportionate to collection service
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal site	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled with conditions	On entry of conclusion of hire
Fees and charges for other goods and services	Library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Fees and charges - sale of stock	Sale of stock i.e. history books etc.	Single point in time	Payment in full in advance	Refunds for faulty goods	Output method based on goods
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full with defined time	None	When fine notice is issued
Fees and charges - commissions	Other commissions i.e. for agency collections	Single point in time	Payment in full on sale	None	Output method based on regular basis
Other revenue - reimbursements	Other reimbursements i.e. insurance claims etc.	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

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

2. REVENUE AND EXPENSES (Continued)

Revenue Recognition

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

For the year ended 30 June 2022

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	11,344,384	0	11,344,384
Operating grants, subsidies and contributions	255,729	0	0	359,675	615,404
Fees and charges	139,928	0	2,050,579	916,942	3,107,449
Interest earnings	59,153	0	51,273	9,256	119,682
Other revenue	1,770	0	0	210,675	212,445
Non-operating grants, subsidies and contributions	0	736,996	0	0	736,996
Total	456,580	736,996	13,446,236	1,496,548	16,136,360

For the year ended 30 June 2021

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	10,875,226	0	10,875,226
Operating grants, subsidies and contributions	66,098	0	0	280,877	346,975
Fees and charges	83,289	0	1,482,214	857,330	2,422,833
Interest earnings	66,027	0	63,469	7,077	136,573
Other revenue	2,108	0	0	252,509	254,617
Non-operating grants, subsidies and contributions	0	380,291	0	0	380,291
Total	217,522	380,291	12,420,909	1,397,793	14,416,515

Note	2022 Actual	2022 Budget	2021 Actual
Interest earnings			
Financial assets at amortised cost - self supporting loans	8,897	9,470	16,760
Interest on reserve funds	27,344	38,000	27,934
Rates instalment and penalty interest (refer Note 23(e))	51,273	46,695	63,469
Other interest earnings	32,168	43,830	28,410
	119,682	137,995	136,573
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report	78,364	61,289	64,000
- Other services	2,050	7,000	7,525
	80,414	68,289	71,525
Finance costs			
Borrowings	25(a) 187,199	192,755	206,773
Other	0	173	2,580
Lease liabilities	25(c) 39,051	39,118	40,827
	226,250	232,046	250,180
Other expenditure			
Write down of inventories to net realisable value	6 380	250	230
Sundry expenses	456,790	417,810	464,842
	457,170	418,060	465,072

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Term deposits
Total cash and cash equivalents

Note	2022	2021
	\$	\$
	7,810,943	2,977,542
	6,148,528	8,507,757
16(a)	13,959,471	11,485,299
	5,692,408	2,893,815
16(a)	8,267,063	8,591,484
	13,959,471	11,485,299

Held as
- Unrestricted cash and cash equivalents
- Restricted cash and cash equivalents

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

Details of restrictions on financial assets can be found at Note 16.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Self supporting loans receivable

Held as

- Unrestricted other financial assets at amortised cost

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit and loss

Financial assets at amortised cost

Self supporting loans receivable

Financial assets at fair value through profit and loss

Units in Local Government House Trust

	2022	2021
	\$	\$
	64,906	62,141
	64,906	62,141
24(b)	64,906	62,141
	64,906	62,141
	64,906	62,141
	64,906	62,141
	211,591	276,497
	116,706	110,710
	328,297	387,207
	211,591	276,497
	211,591	276,497
	116,706	110,710
	116,706	110,710

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 25(a) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 21 (i)) due to the observable market rates.

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

Financial assets at fair value through profit and loss

The Town 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 Town 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 20.

5. TRADE AND OTHER RECEIVABLES

	Note	2022 \$	2021 \$
Current			
Rates receivable		152,880	177,503
Trade and other receivables		156,651	169,289
GST receivable		0	40,877
Allowance for credit losses of trade and other receivables	20(b)	(21,828)	(14,545)
Sundry receivables - infringements		430,985	436,601
Allowance for credit losses of infringements		(189,803)	(189,407)
		528,885	620,318
Non-current			
Pensioner's rates and ESL deferred		121,972	192,488
Receivables for employee related provisions		100,040	108,689
		222,012	301,177

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 20.

Classification and subsequent measurement

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

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

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

6. INVENTORIES

	Note	2022 \$	2021 \$
Current			
Materials		32,029	33,355
Provision for Obsolescence		(22,849)	(23,795)
		9,180	9,560

The following movements in inventories occurred during the year:

Balance at beginning of year		9,560	9,790
Write down of inventories to net realisable value	2(b)	(380)	(230)
Balance at end of year		9,180	9,560

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.

7. OTHER ASSETS

Other assets - current

	2022 \$	2021 \$
Prepayments	64,035	29,259
Accrued income	8,313	8,114
	72,348	37,373

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Note	Land \$	Buildings (specialised) \$	Total Buildings & Buildings \$	Total Land & Buildings \$	Furniture & equipment \$	Plant & equipment \$	Library & equipment \$	Library Furniture & Plant & equipment \$	Works in Progress \$	Total property, plant and equipment \$
Balance at 1 July 2020		54,452,000	27,420,861	81,872,861	512,740	900,950	120,770	0	0	0	83,407,321
Additions		0	159,075	159,075	357,468	90,287	3,552	9,317	0	0	619,699
Disposals		0	0	0	0	(22,500)	0	0	0	0	(22,500)
Revaluation increments / (decrements) transferred to revaluation surplus		(29,949,000)	9,588,112	(20,360,888)	0	0	(120,770)	0	0	0	(20,481,658)
Depreciation	10(a)	0	(631,223)	(631,223)	(73,494)	(212,050)	0	0	0	0	(916,767)
Balance at 30 June 2021		24,503,000	36,536,825	61,039,825	796,714	756,687	3,552	9,317	0	0	62,606,095
Comprises:											
Gross balance amount at 30 June 2021		24,503,000	36,536,825	61,039,825	1,104,796	960,237	3,552	9,317	0	0	63,117,727
Accumulated depreciation at 30 June 2021		0	0	0	(308,082)	(203,550)	0	0	0	0	(511,632)
Balance at 30 June 2021		24,503,000	36,536,825	61,039,825	796,714	756,687	3,552	9,317	0	0	62,606,095
Additions		0	18,238	18,238	92,230	238,420	0	0	0	246,780	595,668
Disposals		0	(253,334)	(253,334)	0	(102,150)	0	0	0	0	(355,484)
Depreciation	10(a)	0	(782,435)	(782,435)	(73,017)	(120,772)	0	0	0	0	(976,224)
Balance at 30 June 2022		24,503,000	35,519,294	60,022,294	815,927	772,185	3,552	9,317	246,780	246,780	61,870,055
Comprises:											
Gross balance amount at 30 June 2022		24,503,000	36,295,062	60,798,062	1,197,026	1,065,357	3,552	9,317	246,780	246,780	63,320,094
Accumulated depreciation at 30 June 2022		0	(775,768)	(775,768)	(381,099)	(293,172)	0	0	0	0	(1,450,039)
Balance at 30 June 2022		24,503,000	35,519,294	60,022,294	815,927	772,185	3,552	9,317	246,780	246,780	61,870,055

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

8. 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		3	Market approach using recent observable market data for similar items	Independent valuation	June 2021	Price per hectare
Buildings (specialised)		3	Improvements to land valued using cost approach using depreciated replacement cost	Independent valuation	June 2021	Improvements to land using construction costs and current condition (Level 3), residual values and remaining useful life assessments (Level 3) inputs

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

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

(ii) Cost

Furniture and equipment

3 Market approach using recent observable market data for similar items June 2020 Make, size, year of manufacture and condition

Plant and equipment

3 Market approach using recent observable market data for similar items June 2020 Make, size, year of manufacture and condition

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Note	Roads	Carparks	Footpaths	Drainage	Parks	Miscellaneous	Rights of way	Streetscape	Irrigation	Works in Progress	Total Infrastructure
Balance at 1 July 2020		14,068,834	1,070,545	5,236,061	4,958,199	2,803,289	7,561,558	967,674	1,106,530	170,027	0	37,942,717
Additions		747,092	36,263	42,496	34,670	99,882	1,347,775	71,725	375,436	23,100	0	2,778,439
Depreciation		(807,077)	(84,753)	(191,590)	(81,624)	(88,711)	(368,271)	(55,760)	(67,120)	(9,390)	0	(1,754,296)
Balance at 30 June 2021	10(a)	14,008,849	1,022,055	5,086,967	4,911,245	2,814,460	8,541,062	983,639	1,414,846	183,737	0	38,966,860
Gross balance at 30 June 2021		29,231,738	2,974,687	9,743,966	7,540,732	3,325,723	13,455,562	1,973,848	1,821,418	235,613	0	70,303,287
Accumulated depreciation at 30 June 2021		(15,222,889)	(1,952,632)	(4,656,999)	(2,629,487)	(511,263)	(4,914,500)	(990,209)	(406,572)	(51,876)	0	(31,336,427)
Balance at 30 June 2021		14,008,849	1,022,055	5,086,967	4,911,245	2,814,460	8,541,062	983,639	1,414,846	183,737	0	38,966,860
Comprises:												
Additions		377,026	0	17,509	729,054	397,807	36,918	0	283,788	0	189,480	2,031,582
Revaluation increments / (decrements) transferred to revaluation surplus		21,114,384	2,676,620	518,309	3,946,116	2,225,965	744,414	1,200,001	0	17,894	0	32,443,703
Revaluation (loss) / reversals transferred to profit or loss		0	0	0	0	0	0	0	0	0	0	0
Depreciation		(826,643)	(85,731)	(191,591)	(82,026)	(91,000)	(417,904)	(57,874)	(80,871)	(10,396)	0	(1,844,036)
Balance at 30 June 2022	10(a)	34,673,616	3,612,944	5,431,194	9,504,389	5,347,232	8,904,490	2,125,766	1,617,763	191,235	189,480	71,598,109
Comprises:												
Gross balance at 30 June 2022		47,200,131	6,236,888	8,410,589	12,773,111	6,869,461	14,177,293	3,460,390	2,061,708	235,613	189,480	101,614,664
Accumulated depreciation at 30 June 2022		(12,526,515)	(2,623,944)	(2,979,395)	(3,268,722)	(1,522,229)	(5,272,803)	(1,354,624)	(426,051)	(62,272)	0	(30,016,555)
Balance at 30 June 2022		34,673,616	3,612,944	5,431,194	9,504,389	5,347,232	8,904,490	2,125,766	1,635,657	173,341	189,480	71,598,109

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value Roads	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Car parks	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Footpaths	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Drainage	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Parks	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Miscellaneous	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Rights of way	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Streetscape	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Irrigation	3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, values and remaining useful life assessment inputs

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

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

10. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings (specialised)	8(a)	782,435	559,065	631,223
Furniture & equipment	8(a)	73,017	68,716	73,494
Plant & equipment	8(a)	120,772	101,745	212,050
Roads	9(a)	826,643	801,784	807,077
Car parks	9(a)	85,731	82,752	84,753
Footpaths	9(a)	191,591	192,240	191,590
Drainage	9(a)	82,026	81,588	81,624
Parks	9(a)	91,000	92,757	88,711
Miscellaneous	9(a)	417,904	287,908	368,271
Rights of way	9(a)	57,874	54,944	55,760
Streetscape	9(a)	80,871	36,604	67,120
Irrigation	9(a)	10,396	9,185	9,390
Right-of-use assets - buildings	11(a)	64,533	64,533	59,531
Right-of-use assets - plant and equipment	11(a)	8,037	8,276	13,042
		2,892,830	2,442,097	2,743,636

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
Buildings	33 to 159 years
Furniture and equipment	2 to 15 years
Plant and equipment	2 to 10 years
- Roads - Formation/Subgrade	Not depreciated
- Roads - Pavement	60 to 100 years
- Roads - Seal	20 to 35 years
- Roads - Kerbing	60 to 80 years
- Right of Ways - Formation/Subgrade	Not depreciated
- Right of Ways - Pavement	60 to 100 years
- Right of Ways - Seal	20 to 35 years
- Right of Ways - Kerbing	60 to 80 years
- Car Parks - Formation/Subgrade	Not depreciated
- Car Parks - Pavement	60 to 100 years
- Car Parks - Seal	20 to 35 years
- Car Parks - Kerbing	60 to 80 years
- Drainage	80 to 100 years
- Footpaths	20 to 60 years
- Lighting and Electrical	20 years
- Parks & Ovals	10 to 40 years
- Streetscapes	15 to 25 years
- Miscellaneous	25 to 60 years
- Irrigation	20 to 100 years
Right of use - plant and equipment	Based on the remaining lease

(b) Fully Depreciated Assets in Use

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

	2022 \$	2021 \$
Furniture & equipment	103,799	103,799
Miscellaneous	642,850	642,850
	746,649	746,649

10. FIXED ASSETS (Continued)

(c) Disposals of assets

	2022		2022		2022		2022		2021		2021	
	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Budget	Actual	Actual	Actual	Actual
Net Book Value	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss
Buildings (specialised)	\$ 253,334	0	0	0	0	(253,334)	0	0	0	0	0	0
Plant & equipment	102,150	128,206	28,412	(2,356)	140,000	0	140,000	0	22,500	28,918	28,918	0
	355,484	128,206	28,412	(255,690)	140,000	0	140,000	0	22,500	28,918	28,918	0

	2022		2022		2022		2022		2021		2021	
	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Budget	Actual	Actual	Actual	Actual
Net Book Value	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss
Buildings (specialised)	\$ 253,334	0	0	0	0	0	0	0	0	0	0	0
Plant & equipment	102,150	128,206	28,412	(2,356)	140,000	0	140,000	0	22,500	28,918	28,918	0
	355,484	128,206	28,412	(255,690)	140,000	0	140,000	0	22,500	28,918	28,918	0

The following assets were disposed of during the year.

	2022		2022		2022		2022		2021		2021	
	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Budget	Actual	Actual	Actual	Actual
Net Book Value	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss	Proceeds	Loss
Buildings - specialised												
Recreation and culture												
Anderson Pavillion	\$ 253,334	0	0	0	0	(253,334)	0	0	0	0	0	0
	253,334	0	0	0	0	(253,334)	0	0	0	0	0	0
Plant and Equipment												
Community amenities												
Maxda CX-5 Wagon	17,100	27,553	10,453	0	0	0	0	0	0	0	0	0
Economic services												
Ford Mondeo Hatchback	15,300	14,294	0	(1,006)	0	0	0	0	0	0	0	0
Other property and services												
Isuzu D-Max	15,750	19,905	4,155	0	0	0	0	0	0	0	0	0
Isuzu D-Max	15,300	17,859	2,559	0	0	0	0	0	0	0	0	0
Isuzu D-Max	15,750	16,950	1,200	0	0	0	0	0	0	0	0	0
Toyota Kluger	21,600	31,645	10,045	0	0	0	0	0	0	0	0	0
Roscco Trademate	1,350	0	0	(1,350)	0	0	0	0	0	0	0	0
	102,150	128,206	28,412	(2,356)	140,000	0	140,000	0	22,500	28,918	28,918	0

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

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

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

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

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

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

Revaluation

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

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

Revaluation (continued)

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

Depreciation

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

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

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

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

Depreciation on revaluation

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

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

Amortisation

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

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

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

11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Note	Right-of-use assets - buildings	Right-of-use assets - plant and equipment	Right-of-use assets Total
		\$	\$	\$
Balance at 1 July 2020		1,297,724	24,848	1,322,572
Depreciation		(59,531)	(13,042)	(72,573)
Balance at 30 June 2021		1,238,193	11,806	1,249,999
Depreciation	10(a)	(64,533)	(8,037)	(72,570)
Balance at 30 June 2022		1,173,660	3,769	1,177,429

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

		2022 Actual	2021 Actual
		\$	\$
Depreciation on right-of-use assets	10(a)	(72,570)	(72,573)
Interest expense on lease liabilities	25(c)	(39,051)	(40,827)
Short-term lease payments recognised as expense		(59,842)	(56,502)
Total amount recognised in the statement of comprehensive income		(171,463)	(169,902)

Total cash outflow from leases (98,893) (97,329)

(b) Lease Liabilities

Current		56,751	58,211
Non-current	25(c)	1,188,423	1,246,805
		1,245,174	1,305,016

Secured liabilities and assets pledged as security

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

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Town 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 Town uses its incremental borrowing rate.

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

Details of individual lease liabilities required by regulations are provided at Note 25(c).

Right-of-use assets - valuation measurement

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

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

Right-of-use assets - depreciation

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

12. TRADE AND OTHER PAYABLES

Current

	2022	2021
	\$	\$
Sundry creditors	1,987,875	825,600
Prepaid rates	126,741	100,288
Accrued salaries and wages	145,549	106,130
ATO liabilities	18,415	0
Bonds and deposits held	694,317	613,334
Trade and other payables to related parties	0	44,632
Accrued interest	50,654	56,209
Income in advance	344,675	242,413
	3,368,226	1,988,606

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Town prior to the end of the financial year that are unpaid and arise when the Town becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

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

13. BORROWINGS

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		350,347	2,460,557	2,810,904	329,882	2,810,904	3,140,786
Total secured borrowings	25(a)	350,347	2,460,557	2,810,904	329,882	2,810,904	3,140,786

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Town of Cottesloe. Other loans relate to transferred receivables. Refer to Note 5.

The Town of Cottesloe has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 years.

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 20.

Details of individual borrowings required by regulations are provided at Note 25(a).

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions Employee benefit provisions

Annual Leave
Long Service Leave

Non-current provisions

Long Service Leave

	2022	2021
	\$	\$
Annual Leave	784,936	715,541
Long Service Leave	418,350	346,969
	1,203,286	1,062,510
Long Service Leave	196,257	195,423
	196,257	195,423
	1,399,543	1,257,933

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

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

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

Note	2022	2021
	\$	\$
	1,203,286	1,062,510
	196,257	195,423
	1,399,543	1,257,933

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

5	100,040	108,689
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SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

Provision is made for the Town'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 Town's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

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

The Town's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Town 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.

15. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance
Revaluation surplus - Land - freehold land	24,362,297	0	0	0	24,362,297	54,311,297	-	(29,949,000)	(29,949,000)	24,362,297
Revaluation surplus - Buildings (specialised)	23,814,016	0	0	0	23,814,016	14,225,904	9,588,112	-	9,588,112	23,814,016
Revaluation surplus - Furniture & equipment	33,695	0	0	0	33,695	33,695	-	-	-	33,695
Revaluation surplus - Plant & equipment	129,886	0	0	0	129,886	129,886	-	-	-	129,886
Revaluation surplus - Library Furniture & equipment	3,226	0	0	0	3,226	123,996	(120,770)	-	(120,770)	3,226
Revaluation surplus - Buildings - specialised - WMRC	7,897	0	0	0	7,897	7,897	-	-	-	7,897
Revaluation surplus - Roads	10,613,747	21,114,386	0	21,114,386	31,728,133	10,613,747	-	-	-	10,613,747
Revaluation surplus - Car parks	687,094	2,676,620	0	2,676,620	3,363,714	687,094	-	-	-	687,094
Revaluation surplus - Footpaths	3,288,925	518,309	0	518,309	3,807,234	3,288,925	-	-	-	3,288,925
Revaluation surplus - Drainage	1,828,088	3,946,116	0	3,946,116	5,774,204	1,828,088	-	-	-	1,828,088
Revaluation surplus - Parks	1,780,282	2,225,965	0	2,225,965	4,006,247	1,780,282	-	-	-	1,780,282
Revaluation surplus - Miscellaneous	4,556,047	744,414	0	744,414	5,300,461	4,556,047	-	-	-	4,556,047
Revaluation surplus - Rights of way	454,061	1,200,001	0	1,200,001	1,654,062	454,061	-	-	-	454,061
Revaluation surplus - Infrastructure - roads - WMRC	32,550	32,443,705	0	32,443,705	104,035,516	32,550	-	-	-	32,550
	71,591,811	32,443,705	0	32,443,705	104,035,516	92,073,469	9,588,112	(30,069,770)	(20,481,658)	71,591,811

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.

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	13,959,471	9,228,229	11,485,299
Restrictions				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents	3	8,267,063	7,159,081	8,591,484
		8,267,063	7,159,081	8,591,484
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted reserve accounts	26	8,267,063	7,159,081	8,591,484
Total restricted financial assets		8,267,063	7,159,081	8,591,484
(b) Reconciliation of Net Result to Net Cash Provided By Operating Activities				
Net result		477,595	185,859	(10,579)
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(5,995)	0	(3,879)
Depreciation/amortisation		2,892,830	2,442,097	2,743,636
(Profit)/loss on sale of asset		227,278	0	(6,418)
Share of profits of associates		51,857	0	70,162
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		164,586	0	23,867
(Increase)/decrease in other assets		(34,975)	0	72,553
(Increase)/decrease in inventories		380	0	230
Increase/(decrease) in trade and other payables		1,385,630	73,841	(357,447)
Increase/(decrease) in employee related provisions		141,610	0	202,167
Non-operating grants, subsidies and contributions		(736,996)	(1,754,321)	(380,291)
Net cash provided by/(used in) operating activities		4,563,800	947,476	2,354,001
(c) Undrawn Borrowing Facilities				
Credit Standby Arrangements				
Bank overdraft limit		250,000		250,000
Bank overdraft at balance date		0		0
Credit card limit		10,000		10,000
Credit card balance at balance date		(2,516)		(706)
Total amount of credit unused		257,484		259,294
Loan facilities				
Loan facilities - current		350,347		329,882
Loan facilities - non-current		2,460,557		2,810,904
Total facilities in use at balance date		2,810,904		3,140,786
Unused loan facilities at balance date		0		0

17. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Cr Lorraine Young

(Deputy Mayor until 16 October 2021)

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Mayor's annual allowance	25,034	25,034	0
Deputy Mayor's annual allowance	617	0	6,875
Meeting attendance fees	23,238	21,848	15,500
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,600	1,600	1,600
	50,489	49,982	23,975

Cr Phil Angers

(Resigned 2 August 2021)

Mayor's annual allowance	2,466	2,466	27,500
Meeting attendance fees	2,152	2,152	24,000
Annual allowance for ICT expenses	143	0	1,600
Travel and accommodation expenses	0	0	0
	4,761	4,618	53,100

Cr Helen Sadler

Deputy Mayor's annual allowance	4,820	6,785	0
Meeting attendance fees	15,500	15,500	15,500
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,600	1,600	1,600
	21,920	25,385	17,100

Cr Caroline Harben

Meeting attendance fees	15,500	15,500	15,500
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,600	1,600	1,600
	17,100	18,600	17,100

Cr Chilla Bulbeck

Meeting attendance fees	10,951	15,500	0
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,130	1,600	0
	12,081	18,600	0

Cr Paul MacFarlane

Meeting attendance fees	15,500	15,500	15,500
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,600	1,600	1,600
	17,100	18,600	17,100

Cr Melissa Harkins

Meeting attendance fees	15,500	15,500	15,500
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,600	1,600	1,600
	17,100	18,600	17,100

Cr Craig Masarei

Meeting attendance fees	15,500	15,500	15,500
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,600	1,600	1,600
	17,100	18,600	17,100

Cr Kristy Barrett

Meeting attendance fees	15,500	15,500	15,500
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,600	1,600	1,600
	17,100	18,600	17,100

17. RELATED PARTY TRANSACTIONS (Continued)

(a) Elected Member Remuneration

Cr Brad Wylynko

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Meeting attendance fees	10,951	10,951	0
Other expenses	0	1,500	0
Annual allowance for ICT expenses	1,130	1,130	0
	12,081	13,581	0

Cr Michael Tucak

(Term expired 16 October 2021)

Meeting attendance fees	4,549	4,549	15,500
Annual allowance for ICT expenses	470	470	1,600
	5,019	5,019	17,100
	191,851	210,185	196,775

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

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Mayor's annual allowance	27,500	27,500	27,500
Deputy Mayor's annual allowance	5,437	6,785	6,875
Meeting attendance fees	144,841	148,000	148,000
Other expenses	0	13,500	0
Annual allowance for ICT expenses	14,073	14,400	14,400
Travel and accommodation expenses	0	0	0
	191,851	210,185	196,775

(b) Key Management Personnel (KMP) Compensation

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

	2022 Actual \$	2021 Actual \$
Short-term employee benefits	1,222,707	1,196,912
Post-employment benefits	140,576	139,370
Employee - other long-term benefits	26,350	25,639
Employee - termination benefits	0	8,659
Council member costs	191,851	196,775
	1,581,484	1,567,355

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

17. RELATED PARTY TRANSACTIONS (Continued)

(c) Related Parties

The Town's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

An associate person of KMP was employed by the Town 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 Town.

iii. Entities subject to significant influence by the Town

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.

18. JOINT ARRANGEMENTS

Share of joint operations

The Town has a 42.23 per cent interest in the Grove Library, which is involved in the provision of library services for the ratepayers of the Town of Cottesloe, Town of Mosman Park and the Shire of Peppermint Grove. The voting rights of the Town is 33.33 per cent. The principal place of business of the Grove Library is 1 Leake Street, Peppermint Grove, WA 6011.

The Town's interests in the Grove Library are accounted for as a joint operation using the proportional consolidation method in the financial statements. Summarised financial information of the joint operation, based on its IFRS financial statements as of 30 June 2022 and the year then ended, and adjusted for the Town's proportional interest (42.23%) is set out below:

	2022 Actual \$	2021 Actual \$
Statement of Financial Position		
Current assets	0	0
Non current assets	2,553,611	2,588,900
Total assets	2,553,611	2,588,900
Current liabilities	94,127	105,675
Non current liabilities	2,671	2,369
Total liabilities	96,798	108,044
Net assets	2,456,813	2,480,856
Statement of Comprehensive Income		
Other revenue	19,927	16,057
Other expenditure	(539,476)	(539,503)
Profit/(loss) for the period	(519,549)	(523,446)
Other Comprehensive Income		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Changes in asset revaluation surplus	0	(2,999,366)
	0	(2,999,366)
Total comprehensive income for the period	(519,549)	(3,522,812)

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

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

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

19. INVESTMENT IN ASSOCIATES

(a) Investment in associate

Set out in the table below are the associates of the Town. All associates are measured using the equity method. Western Australia is the principal place of business for all associates.

Name of entity	% of ownership interest		2022	2021
	2022	2021	Actual	Actual
Western Metropolitan Regional Council Waste Transfer Station	17.94%	17.94%	\$ 531,778	\$ 583,635
Total equity-accounted investments			531,778	583,635

(b) Share of Investment in Western Metropolitan Regional Council Waste Transfer Station

The Town of Cottesloe, together with the Town of Claremont, the Town of Mosman Park, the Shire of Peppermint Grove and the City of Subiaco have an interest in the WMRC waste transfer station. The Council was formed to provide for the efficient treatment and/or disposal of waste. A waste transfer station was constructed from funds provided from constituent councils. The voting power held by the Town of Cottesloe is 20% and the Town's share of net assets is 17.94%.

Western Metropolitan Regional Council is involved in waste management for the ratepayers of the Town of Cottesloe, Town of Claremont, Town of Mosman Park, the Shire of Peppermint Grove and the City of Subiaco. The voting power held by the Town is 20%. The principal place of business of the Western Metropolitan Regional Council is Suite 2/317 Churchill Avenue, Subiaco, WA 6008.

Summarised financial information of the equity accounted venture based on its IFRS financial statements as of 30 June 2022 and the year then ended, and reconciliation with the carrying amount of the investment in the statement of financial position, are set out below:

Summarised statement of comprehensive income

	2022	2021
	Actual	Actual
Revenue	\$ 6,429,949	\$ 5,553,447
Interest income	3,074	7,687
Interest expense	(1,110)	(967)
Depreciation	(240,761)	(220,833)
Profit/(loss) from continuing operations	(289,058)	(391,090)
Profit/(loss) from discontinued operations	0	0
Profit/(loss) for the period	(289,058)	(391,090)
Other comprehensive income	0	0
Total comprehensive income for the period	(289,058)	(391,090)

Summarised statement of financial position

Cash and cash equivalents	1,432,958	1,074,089
Trade and other receivables	396,499	429,125
Other current assets	18,650	0
Total current assets	1,848,107	1,503,214
Non-current assets	2,492,672	2,492,769
Total assets	4,340,779	3,995,983
Current financial liabilities	1,100,462	482,199
Other current liabilities	200,060	212,538
Total current liabilities	1,300,522	694,737
Non-current financial liabilities	27,287	0
Other non-current liabilities	48,765	47,983
Total non-current liabilities	76,052	47,983
Total liabilities	1,376,574	742,720
Net assets	2,964,205	3,253,263

19. INVESTMENT IN ASSOCIATES (Continued)

Reconciliation to carrying amounts

Opening net assets 1 July	\$ 3,253,263	\$ 3,644,353
Changes in members contributions	0	0
Profit/(Loss) for the period	(289,058)	(391,090)
Other comprehensive income	0	0
Closing net assets 1 July	2,964,205	3,253,263

Carrying amount at 1 July

- Share of associates net profit/(loss) for the period	(51,857)	(70,162)
- Share of associates other comprehensive income arising during the period	0	0

Carrying amount at 30 June (Refer to Note 19.(a))

2022	2021
Actual	Actual
\$	\$
3,253,263	3,644,353
0	0
(289,058)	(391,090)
0	0
2,964,205	3,253,263
583,635	653,797
(51,857)	(70,162)
0	0
531,778	583,635

SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the Town has the power to participate in the financial and operating policy decisions of the investee but not control or joint control of those policies.

Investments in associates are accounted for using the equity method. The equity method of accounting, is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Town's share of net assets of the associate. In addition, the Town's share of the profit or loss of the associate is included in the Town's profit or loss.

20. FINANCIAL RISK MANAGEMENT

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

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

The Town 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 Town's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Town 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 Town to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2022					
Cash and cash equivalents	0.33%	13,959,471	2,126,716	11,831,455	1,300
2021					
Cash and cash equivalents	0.13%	11,485,299	8,507,757	2,976,242	1,300

Sensitivity

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

	2022	2021
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	118,315	29,762

* 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 Town 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 Town does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 25(a).

20. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Town'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 Town 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 Town to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Town is able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

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

	More than 30 days past due	More than 90 days past due	More than 1 year past due	More than 5 year past due	Total
30 June 2022					
Trade and other receivables					
Expected credit loss	10.00%	50.00%	90.00%	100.00%	
Gross carrying amount	0	7,808	44,417	0	52,225
Loss allowance	781	21,047	0	0	21,828
30 June 2021					
Trade and other receivables					
Expected credit loss	10.00%	50.00%	90.00%	100.00%	
Gross carrying amount	17,763	20,140	2,900	0	40,803
Loss allowance	1,495	12,839	211	0	14,545

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

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

Contract Assets

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

20. 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 Town 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 16(c).

The contractual undiscounted cash flows of the Town'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
	\$	\$	\$	\$	\$
2022					
Trade and other payables	3,368,226	0	0	3,368,226	3,368,226
Borrowings	522,637	2,559,331	669,824	3,751,792	2,810,904
Lease liabilities	56,751	370,768	1,196,539	1,624,058	1,245,174
	<u>3,947,614</u>	<u>2,930,099</u>	<u>1,866,363</u>	<u>8,744,076</u>	<u>7,424,304</u>
2021					
Trade and other payables	1,988,606	0	0	1,988,606	1,988,606
Borrowings	522,637	1,992,231	1,562,923	4,077,791	3,140,786
Lease liabilities	97,329	365,080	1,250,668	1,713,077	1,305,016
	<u>2,608,572</u>	<u>2,357,311</u>	<u>2,813,591</u>	<u>7,779,474</u>	<u>6,434,408</u>

21. 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 Town's operational cycle. In the case of liabilities where the Town 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 Town'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 Town 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 Town contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Town contributes are defined contribution plans.

g) Fair value of assets and liabilities

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

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

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

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

h) Interest earnings

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

j) Impairment of assets

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

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

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

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

k) Initial application of accounting standards

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

New accounting standards for application in future years

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

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

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

22. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

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

Objective	Description
Governance To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of council and 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.
General purpose funding To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services to help a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
Health To provide an operational framework of environmental and community health.	Inspection of food outlets and their control, noise control and waste disposal compliance.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of senior citizen centre and community care programs.
Community amenities To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, protection of the environment and administration of the town planning scheme.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.	Maintenance of public halls, civic centres, beaches and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities.
Transport To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, footpaths, cycle ways, parking facilities and traffic control. Maintenance of street trees, street lighting etc.
Economic services To help promote the Town and its economic wellbeing.	Tourism and area promotion, Building control.
Other property and services To monitor and control the Town's overheads and operating accounts.	Engineering operating costs, plant repair and operation costs.

22. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

Income excluding grants, subsidies and contributions

Governance
General purpose funding
Law, order, public safety
Health
Education and welfare
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

Grants, subsidies and contributions

Governance
General purpose funding
Law, order, public safety
Health
Education and welfare
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

Total Income

Expenses

Governance
General purpose funding
Law, order, public safety
Health
Education and welfare
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

Total expenses

Net result for the period

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Income excluding grants, subsidies and contributions			
Governance	25,097	4,500	35,078
General purpose funding	11,502,875	11,440,745	11,040,759
Law, order, public safety	48,098	40,050	55,086
Health	127,375	72,900	112,569
Education and welfare	41,634	32,900	52,371
Housing	0	0	0
Community amenities	652,195	564,100	601,763
Recreation and culture	499,094	393,675	481,917
Transport	1,662,925	1,008,000	1,070,531
Economic services	170,457	187,800	242,800
Other property and services	36,760	1,100	6,672
	14,766,510	13,745,770	13,699,546
Grants, subsidies and contributions			
Governance	0	0	585
General purpose funding	358,632	125,566	280,143
Law, order, public safety	0	30,000	0
Health	0	20,000	0
Education and welfare	0	0	0
Housing	0	0	0
Community amenities	36,735	0	408
Recreation and culture	359,214	1,128,963	35,731
Transport	597,819	753,250	410,399
Economic services	0	0	0
Other property and services	0	0	0
	1,352,400	2,057,779	727,266
Total Income	16,118,910	15,803,549	14,426,812
Expenses			
Governance	(933,334)	(941,159)	(780,339)
General purpose funding	(343,031)	(345,970)	(342,043)
Law, order, public safety	(414,574)	(476,487)	(373,351)
Health	(279,501)	(282,269)	(269,235)
Education and welfare	(350,878)	(311,577)	(332,259)
Housing	0	0	0
Community amenities	(4,061,077)	(4,005,297)	(3,604,850)
Recreation and culture	(4,976,121)	(4,891,048)	(4,393,544)
Transport	(3,767,075)	(3,849,082)	(3,685,773)
Economic services	(515,724)	(507,737)	(655,997)
Other property and services	0	(7,064)	0
Total expenses	(15,641,315)	(15,617,690)	(14,437,391)
Net result for the period	477,595	185,859	(10,579)

22. FUNCTION AND ACTIVITY (Continued)

(c) Fees and Charges

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Governance	0	0	0
General purpose funding	53,866	41,500	47,528
Law, order, public safety	28,169	27,950	40,775
Health	117,823	81,600	100,987
Education and welfare	24,497	23,600	23,511
Housing	0	0	0
Community amenities	657,730	503,300	597,429
Recreation and culture	428,508	364,300	385,930
Transport	1,627,647	975,000	997,306
Economic services	169,209	187,100	229,367
	<u>3,107,449</u>	<u>2,204,350</u>	<u>2,422,833</u>

(d) Total Assets

	2022 \$	2021 \$
Governance	1,403,066	1,379,799
General purpose funding	279,810	399,250
Law, order, public safety	171,902	7,143
Health	11,739	21,450
Education and welfare	15,102,171	15,864,723
Community amenities	2,519,059	2,389,479
Recreation and culture	49,794,276	47,329,467
Transport	69,986,886	40,352,877
Economic services	24,218	18,137
Other property and services	4,892,132	5,054,477
Unallocated	6,177,211	3,492,862
	<u>150,362,470</u>	<u>116,309,664</u>

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. RATING INFORMATION

(a) General Rates

RATE TYPE Rate Description	Number of Properties	2021/22 Actual Rateable Value*		2021/22 Actual Rate Revenue	2021/22 Interim Rates	2021/22 Actual Back Rates	2021/22 Budget Back Rate	2021/22 Interim Rate	2021/22 Budget Rate	2021/22 Total Revenue	2020/21 Actual Total Revenue
		\$	\$								
Differential general rate or general rate											
Gross rental valuations											
GRV - Residential Improved (RI)	3,236	129,796,743	9,215,699	30,105	2,628	4,515	0	0	0	9,179,714	8,869,132
GRV - Residential Vacant (RV)	79	3,441,820	244,373	15,366	4,515	0	0	0	0	254,831	229,554
GRV - Commercial Improved (CI)	65	7,959,186	565,110	0	0	0	0	0	0	566,678	544,941
GRV - Commercial Vacant (CV)	2	120,500	8,556	0	0	0	0	0	0	8,556	9,173
GRV - Commercial Town (CT)	119	10,651,931	876,473	(1,068)	(1,031)	0	0	0	0	876,473	1,922
GRV - Industrial	1	28,020	1,989	0	0	0	0	0	0	1,989	845,581
Sub-Total	3,502	151,988,200	10,912,200	44,403	856	44,403	0	0	0	10,888,241	10,500,302
Minimum payment											
Gross rental valuations											
GRV - Residential Improved (RI)	292	4,316,000	350,984	0	0	0	0	0	0	353,388	347,139
GRV - Residential Vacant (RV)	4	1,170	4,808	0	0	0	0	0	0	4,808	4,644
GRV - Commercial Improved (CI)	11	133,224	13,222	0	0	0	0	0	0	13,222	12,771
GRV - Commercial Vacant (CV)	0	0	0	0	0	0	0	0	0	0	0
GRV - Commercial Town (CT)	19	253,171	22,838	0	0	0	0	0	0	22,838	22,059
GRV - Industrial	0	0	0	0	0	0	0	0	0	0	0
Sub-Total	326	4,703,565	391,852	0	0	0	0	0	0	394,256	386,613
	3,828	156,701,765	11,304,052	44,403	856	44,403	0	0	0	11,282,497	10,886,915
Discounts on general rates (Refer note 23(d))										(5,052)	(4,761)
Concessions on general rates (Refer note 23(d))										0	(6,928)
Total amount raised from general rates										<u>11,277,445</u>	<u>10,875,226</u>

* Rateable value is based on the value of properties at the time the rate is raised.

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. RATING INFORMATION (Continued)

(b) Specified Area Rate

No specified area rates were imposed by the Town during the year ended 30 June 2022.

(c) Service Charges

No service charges were imposed by the Town during the year ended 30 June 2022.

(d) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts

Rate or Fee Discount Granted	Type	Discount %	2022 Actual	2022 Budget	2021 Actual	Circumstances in which Discount is Granted
General Rates	Rate	80.00%	\$ 4,927	\$ 5,052	\$ 4,761	As part of a lease agreement
Waivers or Concessions			4,927	5,052	4,761	

Rate or Fee and Charge to which the Waiver or Concession is Granted

Type	Waiver/Concession	2022 Actual	2022 Budget	2021 Actual
General rates	Concession	\$ 0	\$ 0	\$ 6,928
		0	0	6,928
Total discounts/concessions (Note 23)		4,927	5,052	11,689

Circumstances in which the Waiver or Concession is Granted and to whom it was available
Owner applied for waiver as part of consideration of forfeit of right of way ownership
Certain events, community groups and committees requiring venue hire

Objects of the Waiver or Concession

Part of the Town's strategy

As listed in the Town's policy

Council considers support of these groups necessary for the overall benefit of the community

Reasons for the Waiver or Concession

As consideration for the forfeit of the right of way ownership

As listed in the Town's policy

Council considers support of these groups necessary for the overall benefit of the community

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	28/09/2021			7.00%
Option Two				
First instalment	28/09/2021	8.00	5.50%	7.00%
Second instalment	26/11/2021	8.00	5.50%	7.00%
Third instalment	21/01/2022	8.00	5.50%	7.00%
Fourth instalment	22/03/2022	8.00	5.50%	7.00%

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Interest on unpaid rates	15,610	11,695	22,718
Interest on instalment plan	35,663	35,000	40,751
Charges on instalment plan	19,416	21,500	10,308
	70,689	68,195	73,777

24. RATE SETTING STATEMENT INFORMATION

		2021/22 (30 June 2022) Carried Forward	2021/22 Budget (30 June 2022) Carried Forward	2020/21 (30 June 2021) 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	10(c)	(28,412)	0	(6,418)
Less: Fair value adjustments to financial assets at fair value through profit and loss		(5,995)	0	(3,879)
Less: Share of net profit of associates and joint ventures accounted for using the equity method		51,857	0	70,162
Add: Loss on disposal of assets	10(c)	255,690	0	0
Add: Loss on revaluation of fixed assets	9(a)	0	0	0
Add: Depreciation	10(a)	2,892,830	2,442,097	2,743,636
Movement in other payables (non-current)		0	0	(6,785)
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates		70,516	0	(6,879)
Employee benefit provisions		834	(15,029)	31,663
Non-cash amounts excluded from operating activities		3,237,320	2,427,068	2,821,500
(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: Reserve accounts	26	(8,267,063)	(7,159,081)	(8,591,484)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(64,906)	(64,906)	(62,141)
- Other liabilities		0	(515,943)	0
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13	350,347	196,646	329,882
- Current portion of lease liabilities	11(b)	56,751	58,210	58,211
- Employee benefit provisions		964,975	0	973,628
Total adjustments to net current assets		(6,959,896)	(7,485,074)	(7,291,904)
Net current assets used in the Rate Setting Statement				
Total current assets		14,634,790	10,006,763	12,214,691
Less: Total current liabilities		(4,978,610)	(2,521,689)	(3,439,209)
Less: Total adjustments to net current assets		(6,959,896)	(7,485,074)	(7,291,904)
Net current assets used in the Rate Setting Statement		2,696,284	0	1,483,578

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual			Budget		
		Principal at 1 July 2020	New Loans During 2020-21	Principal at 30 June 2021	Principal at July 2021	New Loans During 2021-22	Principal at 30 June 2022
Loan 107		3,127,127	0	2,880,200	2,880,199	0	2,616,935
Total		3,127,127	0	2,880,200	2,880,199	0	2,616,935
Self Supporting Loans							
Loan 105		122,006	0	89,773	89,774	0	55,505
Loan 108		202,303	0	170,813	170,813	0	138,464
Total Self Supporting Loans		324,309	0	260,586	260,587	0	193,969
Total Borrowings	13	3,451,436	0	3,140,786	3,140,786	0	2,810,904

* WA Treasury Corporation

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

Borrowing Interest Repayments

Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021
Loan 107		Recreation and culture	107	WATC	6.51%	(178,302)	(183,285)	(194,948)
Total						(178,302)	(183,285)	(194,948)
Self Supporting Loans Interest Repayments								
Loan 105		Recreation and culture	105	WATC	6.22%	(4,558)	(5,059)	(6,624)
Loan 108		Recreation and culture	108	WATC	2.71%	(4,339)	(4,411)	(5,201)
Total Self Supporting Loans Interest Repayments						(8,897)	(9,470)	(11,825)
Total Interest Repayments	2(b)					(187,199)	(192,755)	(206,773)

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

25. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2021/22

No new borrowing arrangements were entered into during the year ended 30 June 2022.

(c) Lease Liabilities

Purpose	Actual			Budget		
	Principal at 1 July 2021	New Leases During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Leases During 2021-22	Principal at 30 June 2022
Folding machine	9,879	0	5,540	5,540	0	1,118
Telephone system	15,168	0	11,571	11,571	0	7,902
Depot land and buildings	1,336,471	0	1,287,905	1,287,906	0	1,237,786
Total Lease Liabilities	1,361,518	0	1,305,016	1,305,017	0	1,246,806

Lease Interest Repayments

Purpose	Note	Function and activity	Lease Number	Institution	Interest Rate	Actual for year ending 30 June 2022		Budget for year ending 30 June 2022	
						Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021	Budget for year ending 30 June 2021
Folding machine		Governance		Neopost Finance	1.90%	(70)	(66)	(149)	
Telephone system		Governance		Telstra	2.00%	(196)	(196)	(266)	
Depot land and buildings		Other property and services		Town of Mosman Park	3.20%	(38,785)	(38,856)	(40,410)	
Total Interest Repayments	2(b)					(39,051)	(39,118)	(40,827)	

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

26. RESERVE ACCOUNTS

Restricted by legislation/agreement

(a) Reserves cash backed - Cash in lieu of parking reserve	2022 Actual		2022 Budget		2021 Actual		2021 Budget	
	Opening Balance	Closing Balance	Opening Balance	Closing Balance	Opening Balance	Closing Balance	Opening Balance	Closing Balance
	11,752	0	11,752	0	11,702	0	11,752	0
	11,752	0	11,752	0	11,702	0	11,752	0

Restricted by council

(b) Reserves cash backed - Leave Reserve	2022 Actual		2022 Budget		2021 Actual		2021 Budget	
	Opening Balance	Closing Balance	Opening Balance	Closing Balance	Opening Balance	Closing Balance	Opening Balance	Closing Balance
(c) Reserves cash backed - Civic centre reserve	299,541	242,534	299,447	242,200	309,126	1,387	1,387	299,541
(d) Reserves cash backed - Waste management reserve	271,174	272,046	249,340	249,963	369,028	1,629	1,629	271,174
(e) Reserves cash backed - Property reserve	198,948	0	198,873	0	629,855	2,709	2,709	198,948
(f) Reserves cash backed - Infrastructure reserve	1,434,965	1,317,548	1,425,517	1,425,517	390,574	1,133,031	1,133,031	1,434,965
(g) Reserves cash backed - Legal reserve	388,334	449,220	358,454	368,833	556,717	2,451	2,451	388,334
(h) Reserves cash backed - Parking facilities reserve	149,740	150,221	149,694	150,068	171,620	18,120	18,120	149,740
(i) Reserves cash backed - Library reserve	0	0	0	0	158,171	2,895	2,895	0
(j) Reserves cash backed - Sustainability reserve	190,902	191,516	190,845	191,322	170,286	20,616	20,616	190,902
(k) Reserves cash backed - Foreshore redevelopment reserve	0	0	0	0	166,936	704	704	0
(l) Reserves cash backed - Right of way reserve	3,389,686	2,868,671	3,721,030	3,130,094	4,956,140	636,467	636,467	3,389,686
(m) Reserves cash backed - Sculpture and artworks reserve	195,368	246,035	125,309	155,622	184,496	872	872	195,368
(n) Reserves cash backed - Green infrastructure and sustainab	118,225	118,605	118,189	118,485	109,094	9,131	9,131	118,225
(o) Reserves cash backed - Active transport reserve	189,853	190,463	189,798	190,272	112,669	77,184	77,184	189,853
(p) Reserves cash backed - Information technology reserve	514,861	516,516	514,711	515,998	357,235	157,626	157,626	514,861
(q) Reserves cash backed - Recreation precinct reserve	692,972	695,200	667,776	669,445	291,557	401,415	401,415	692,972
(r) Reserves cash backed - Shark barrier reserve	9,556	9,587	0	0	22,041	95	95	9,556
(s) Reserves cash backed - Public open space reserve	135,500	135,936	135,460	135,799	110,000	25,500	25,500	135,500
	400,107	651,587	400,000	401,000	0	400,107	0	400,107
	8,579,732	8,255,273	8,744,443	7,147,301	9,075,545	2,891,939	(3,387,752)	8,579,732
	8,591,484	8,267,063	8,756,194	7,159,081	9,087,247	2,891,989	(3,387,752)	8,591,484

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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:

26. RESERVE ACCOUNTS (Continued)

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Reserves cash backed - Cash in lieu of parking reserve	One year	The purpose of this reserve is, in accordance with the Council's Town Planning Scheme, to set aside funds from developers for the development of parking facilities.
(b) Reserves cash backed - Leave Reserve	Five years	To partially cash back the accumulated employee leave liability and to fund the payment of accumulated leave entitlements for Town of Cottesloe staff.
(c) Reserves cash backed - Civic centre reserve	Ten years	To fund the cost of improvement, renovations and extensions to the buildings that make up Cottesloe Civic Centre.
(d) Reserves cash backed - Waste management reserve	Ten years	To fund the improvement, replacement and expansion of waste management plant, equipment, facilities and services within the suburb of Cottesloe.
(e) Reserves cash backed - Property reserve	Ten to twenty years	To contribute towards future property construction/renewal within the Town of Cottesloe.
(f) Reserves cash backed - Infrastructure reserve	Ten to twenty years	To contribute towards ongoing future infrastructure construction/renewal within the suburb of Cottesloe which includes the following categories of infrastructure, roads, drainage, footpaths, parks and ovals, irrigation, streetscapes and miscellaneous infrastructure.
(g) Reserves cash backed - Legal reserve	Five years	To contribute towards unanticipated legal expenses incurred by the Town of Cottesloe.
(h) Reserves cash backed - Parking facilities reserve	Ten years	To fund improvements to parking facilities within the suburb of Cottesloe.
(i) Reserves cash backed - Library reserve	Ten to twenty years	To be used for the upgrade and/or replacement of Library facilities.
(j) Reserves cash backed - Sustainability reserve	Ten years	To fund new or enhance existing sustainability initiatives within the suburb of Cottesloe.
(k) Reserves cash backed - Foreshore redevelopment reserve (formerly the depot funds reserve)	One to two years	To be used to fund the development of the Cottesloe foreshore.
(l) Reserves cash backed - Right of way reserve	Ten years	To be used to fund the improvement of right of ways within the suburb of Cottesloe.
(m) Reserves cash backed - Sculpture and artworks reserve	One year	To be used for the acquisition of new and restoration of existing sculptures and artworks within the suburb of Cottesloe.
(n) Reserves cash backed - Green infrastructure and sustainability initiatives reserve (formerly the green infrastructure reserve)	Ten to twenty years	To be used for the purpose of developing, commencing and implementing the Green Infrastructure Management Strategy within the suburb of Cottesloe and to fund new or enhance existing sustainability initiatives within the suburb of Cottesloe.
(o) Reserves cash backed - Active transport reserve	Ten to twenty years	To be used for the purpose of developing and maintaining active transport infrastructure within the suburb of Cottesloe.
(p) Reserves cash backed - Information technology reserve	Ten to twenty years	To be used for the purpose of developing and renewing information technology assets within the suburb of Cottesloe, including replacement of the parking system and core business system.
(q) Reserves cash backed - Recreation precinct reserve	One year	To be used for the purpose of developing and implementing improvements to the Town's recreation precincts.
(r) Reserves cash backed - Shark barrier reserve	Five to ten years	To develop and replace the shark barrier within the suburb of Cottesloe.
(s) Reserves cash backed - Public open space reserve	One year	To be used to fund the enhancement of existing, and creation of new, public open space within the suburb of Cottesloe to cater for the needs of all ages and abilities of the Town's youth.

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

27. TRUST FUNDS

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

	1 July 2021	Amounts Received	Amounts Paid	30 June 2022
	\$	\$	\$	\$
Cash in lieu of public open space	674,180	2,242	(4,819)	671,603
	674,180	2,242	(4,819)	671,603



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Town of Cottesloe

To the Councillors of the Town of Cottesloe

Opinion

I have audited the financial report of the Town of Cottesloe (Town) which comprises:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income by Nature or Type, 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.

In my opinion, the financial report is:

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

Basis for opinion

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

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

Other information

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

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

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

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

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

The Chief Executive Officer of the Town is responsible for:

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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



Town of Cottesloe

Matters relating to the electronic publication of the audited financial report

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

Grant Robison
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
6 April 2023

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