



Town of Cottesloe

I hereby certify that the minutes of the Audit Committee meeting
held on

Monday, 4 December 2023

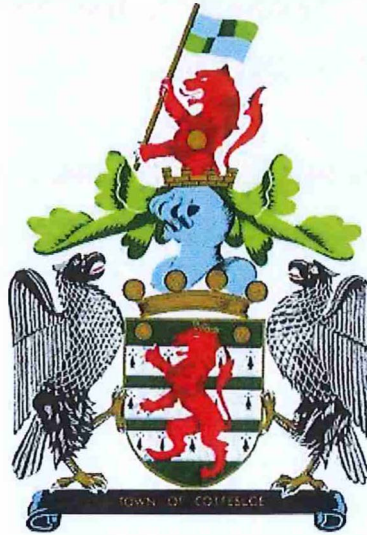
were confirmed as a true and accurate record by committee
resolution.

Signed: 

Presiding Member

Date: 13/03/24

TOWN OF COTTESLOE



AUDIT COMMITTEE MINUTES

AUDIT COMMITTEE
HELD IN THE
Mayor's Parlour, Cottesloe Civic Centre
109 Broome Street, Cottesloe
4:00 PM Monday, 4 December 2023

A handwritten signature in black ink, appearing to read "William Matthew Scott", is written over a horizontal line.

WILLIAM MATTHEW SCOTT
Chief Executive Officer

4 December 2023

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1 DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS

The CEO announced the meeting opened at 4.14pm.

1.1 ACKNOWLEDGEMENT OF COUNTRY

I would like to begin by acknowledging the Whadjuk Nyoongar people, Traditional Custodians of the land on which we meet today, and pay my respects to their Elders past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

2 DISCLAIMER

The Presiding Member drew attention to the Town’s Disclaimer.

3 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

The CEO announced the requirement for a Presiding Member to be elected by the Committee and called for nominations.

The Mayor nominated. Seconded Cr Irvine.

There were no further nominations. The CEO declared Mayor Young elected as Presiding Member (unopposed).

Mayor Young assumed the Chair at 4.16pm and welcomed all Members.

4 ATTENDANCE

Members

Mayor Lorraine Young	Elected Member
Cr Sonja Heath	Elected Member
Cr Jeffrey Irvine	Elected Member
Mr Andrew Dimsey	Community Representative
Mr Nathan Hart	Community Representative
Mr Ian McKenzie	Community Representative

Officers

Mr Matthew Scott	Chief Executive Officer
Mr Shane Collie	Director Corporate and Community Services
Ms Kate Saunders	Executive Services Officer

Apologies

Cr Katy Mason	Elected Member
Ms Irene Wai Shan Au-Yeung	Assistant Finance Manager

5 DECLARATION OF INTERESTS

Nil.

6 CONFIRMATION OF MINUTES

AC009/2023

Moved Mr McKenzie

Seconded Mr Dimsey

**That the Minutes of the Audit Committee Meeting held on Thursday 28
September 2023 be confirmed as a true and accurate record.**

Carried 6/0

7 PRESENTATIONS

Nil

8 REPORTS

8.1 REPORTS OF OFFICERS

8.1.1 2022/23 ANNUAL FINANCIAL STATEMENTS AND AUDIT REPORT

Directorate: Corporate and Community Services
Author(s): Shane Collie, Director Corporate and Community Services
Authoriser(s): William Matthew Scott, Chief Executive Officer
File Reference: D23/36094
Applicant(s):
Applicant(s) Proponents:
Author Disclosure of Interest: Nil

SUMMARY

The 2022/23 Annual Financial Statements have been completed and audited by the Town’s Auditor and the Office of the Auditor General. The Audit Report has subsequently been completed and is submitted to the Audit Committee for information prior to be submitted to Council.

OFFICER RECOMMENDATION IN BRIEF

That the Audit Committee note the 2022/23 Annual Financial Statements and Audit Report as presented.

BACKGROUND

The Annual Financial Statements for a local government must be submitted for Audit by 30 September each year. The Town’s 2022/23 Annual Financial Statements were submitted to the Town’s Auditor and the Office of the Auditor General on 29 September 2023.

OFFICER COMMENT

The Annual Financial Statements and Audit Report have been completed and are submitted to the Audit Committee prior to being incorporated into the Town’s Annual Report which is then submitted to Council.

The Financial Statements and Audit Report were completed on 30 November 2023 allowing the Audit Committee time to view the documents at its meeting of 4 December 2023 as well as participating in the close out Audit discussions with the Office of the Auditor General and the Town’ Auditors.

Note the current Audit Report still lists four matters as outstanding. These items have been addressed and will be closed on the date of signing on 4 December 2023. An unqualified audit opinion will then be issued to the Office of the Auditor General.

In brief matters highlighted to the Committee are as follows:

	2022/23	2021/22	Difference
Net Current Asset Position	\$9,558,236	\$9,656,180	(\$97,944)
Total Debt	\$2,460,557	\$2,810,904	\$350,347
Total Reserves	\$8,283,426	\$8,267,063	\$16,363
Total Equity	\$149,591,993	\$140,354,368	\$9,237,625

While these four items are not presented in any statutory manner they do provide a brief snapshot of some of the key financial data currently in the Statements. The figures are positive and show gains from the previous financial year aside from the Net Current Asset Position which has dropped slightly.

The Audit Report is also presented and the Town’s Auditors will speak to the Report.

ATTACHMENTS

- 8.1.1(a) Draft Annual Financial Statements 2022-2023 [under separate cover]**
- 8.1.1(b) Closing Report for the Year Ended 30 June 2023 [CONFIDENTIAL] [UNDER SEPARATE COVER]**

CONSULTATION

Ernst and Young Auditors
Office of the Auditor General

STATUTORY IMPLICATIONS

Local Government Act 1995

6.4 Financial report

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.
- (2) The financial report is to —
 - (a) be prepared and presented in the manner and form prescribed; and
 - (b) contain the prescribed information.
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —
 - (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and
 - (b) the annual financial report of the local government for the preceding financial year.

POLICY IMPLICATIONS

There are no perceived Policy implications arising from the officer’s recommendation.

STRATEGIC IMPLICATIONS

This report is consistent with the Town’s *Strategic Community Plan 2013 – 2023*.
Priority Area 6: Providing open and accountable local governance
Major Strategy 6.2: Continue to deliver high quality governance, administration, resource management and professional development.

RESOURCE IMPLICATIONS

Resource requirements are in accordance with the existing budgetary allocation.

8.1.2 A SUMMARY OF THE LOCAL GOVERNMENT SECTOR'S RESPONSE TO CHANGES TO FINANCIAL AUDITING RESPONSIBILITIES

Attachments: 8.1.2(a) Audit Survey Analysis Report - Local Government Professionals Australia WA [under separate cover]

The Audit Survey Analysis Report – Local Government Professionals Australia WA is provided for the information of the Audit Committee.

8.1.3 Accounting Position Paper - Street Trees

Directorate: Corporate and Community Services
Author(s): Shane Collie, Director Corporate and Community Services
Authoriser(s): William Matthew Scott, Chief Executive Officer
File Reference: D23/36095
Applicant(s):
Applicant(s) Proponents:
Author Disclosure of Interest: Nil

SUMMARY

For the Audit Committee to recognise that Street Trees are to be classified as Operating Expenditure as opposed to Capital in future financial reports of Council.

OFFICER RECOMMENDATION IN BRIEF

That the Audit Committee recommend to note that Street Trees are to be classified as Operating Expenditure for the purposes of financial reporting.

BACKGROUND

For several years there have been budget allocations for expenditure relating to trees which has been classified as capital expenditure. This regular budget item is usually narrated as "street tree planting" although it can also be categorised under alternate "project" titles such as urban canopy for example. Upon analysis of this expenditure the vast majority of the expenditure relates to wages, overheads and truck costs to water and maintain the growth of young trees and plants.

Street trees having been classified as Capital Infrastructure assets are required to be revalued, usually not less than every five years and this includes all classes of infrastructure asset including roads, footpaths, drainage and other "hard" streetscape infrastructure. The dollar threshold for capitalisation is currently \$5,000. Several other councils were consulted on this matter and their Council had taken the approach that expenditure on trees was operating expenditure and therefore was not required to be revalued.

OFFICER COMMENT

There are a number of broad justifications in having trees including street trees classified as Operating expenditure instead of Capital expenditure. In the main Asset Management renewal and replacement are first and foremost. Principally there is no hard and fast measure of the value of a tree. "Aesthetical Value" can be used however that is a very subjective measure and matters such as tree species, age, condition and maintenance requirements could be part of this consideration. Depreciation is also another subjective matter that is almost impossible to measure as it relates to trees.

For these reasons and by virtue that the majority of costs are operational in nature, there appears to be greater truth in having expenditure related to trees classified as an operational expense rather than capital.

As this is not a change in a Policy position of Council such as amending a depreciation rate or useful life, the matter does not need a Council decision. There is however a change to the Balance sheet and Operating position of Council of around \$1.2 million, notwithstanding the bottom line does not alter. Hence the matter is considered material and the reporting through the Audit Committee is therefore undertaken.

ATTACHMENTS

8.1.3(a) Position Paper - Trees and Prior Year Adjustments [under separate cover]

CONSULTATION

In arriving at apposition on this other entities were contacted including Council's Auditor all of who recommended that the treatment of trees should be operating rather than capital expenditure.

- Other local governments (Mundaring and Subiaco)
- Ernst and Young Auditors (Support the change in classification)
- Department of Local Government

STATUTORY IMPLICATIONS

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

Annual Budgets and Financial Reports are split operating and capital expenditure depending on whether an asset is created by expenditure (capital) or whether the expenditure is recurring or expensed (operating).

POLICY IMPLICATIONS

There are no perceived Policy implications arising from the officer's recommendation.

STRATEGIC IMPLICATIONS

This report is consistent with the Town's *Strategic Community Plan 2013 – 2023*.

Priority Area 6: Providing open and accountable local governance

Major Strategy 6.2: Continue to deliver high quality governance, administration, resource management and professional development.

RESOURCE IMPLICATIONS

Resource requirements are in accordance with the existing budgetary allocation.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

There are no perceived sustainability implications arising from the officer's recommendation.

VOTING REQUIREMENT

Simple Majority

COUNCILLOR MOTION

Moved Mr Dimsey Seconded Cr Heath

OFFICER RECOMMENDATION

THAT the Audit Committee note that Street Trees are to be classified as Operating Expenditure for the purposes of financial reporting.

THAT the Audit Committee note that costs related to Street Trees are to be classified as Operating Expenditure for the purposes of financial reporting.

Carried 6/0

8.1.4 INTERIM AUDIT 2022-2023

Directorate: Corporate and Community Services
Author(s): Shane Collie, Director Corporate and Community Services
Authoriser(s): William Matthew Scott, Chief Executive Officer
File Reference: D23/36101
Applicant(s):
Applicant(s) Proponents:
Author Disclosure of Interest: Nil

SUMMARY

The Town's Interim Audit for 2022/23 was carried out in April 2023 with the findings released on 12 July 2023. This Report advises of those findings and the subsequent actions taken as result of those findings.

Please note that the time elapsed since the Interim Audit has seen the items raised as part of the Interim Audit already actioned and somewhat superseded by the final year Audit which has just been completed.

OFFICER RECOMMENDATION IN BRIEF

That the Audit Committee receive the 2022/23 Interim Audit Report and note the findings and action taken subsequent to those findings.

BACKGROUND

An Interim Audit is undertaken annually in around March/April each year. The Interim Audit is not a full analysis of the financial performance of the Town, rather a check and balance to ensure that financial matters are on track and any anomalies or adverse trends identified.

OFFICER COMMENT

The Town's Interim Audit for 2022/23 raised two relatively minor matters both relating to the management of investments.

1. Treasury Management – Authority Delegation

There was an instance where a new investment instruction only carried one signature instead of the required two. It is noted that there was nothing incorrect with the investment and that the actual transfer of funds did have the required two signatures. Council's Management of Investments Policy has subsequently been reviewed and additional officers (Directors) added to ensure that there is a greater pool of Senior Officers available for the signing off on investments. The increase is from three to five which should cover instances where staff are on annual leave, sick or otherwise not available.

2. Timely Review of the Investment Policy

It was noted that the Town's Management of Investments Policy had not been reviewed for five years when the maximum review period is stated as four. The policy has subsequently been reviewed in September 2023.

10.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

11 NEXT MEETING

Monday, 4 March 2024, 4.30-6.00pm

12 MEETING CLOSURE

The Presiding Member announced the meeting closed at 5.05pm.

TOWN OF COTTESLOE



ATTACHMENTS

AUDIT COMMITTEE – 4 DECEMBER 2023

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TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

**ITEM 8.1.1A:
DRAFT ANNUAL FINANCIAL STATEMENTS 2022-
2023**

TOWN OF COTTESLOE



2022 - 2023

ANNUAL FINANCIAL STATEMENTS

**TOWN OF COTTESLOE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

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The Town of Cottesloe conducts the operations of a local government with the following community vision:

An iconic coastal community with a relaxed lifestyle

Principal place of business:
109 Broome Street
Cottesloe WA 6011

**TOWN OF COTTESLOE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

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

STATEMENT BY CEO

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

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

Signed on the 4th day of December 2023

Chief Executive Officer

William Matthew Scott
Name of Chief Executive Officer

**TOWN OF COTTESLOE
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual	2023 Budget	Restated 2022 Actual *
		\$	\$	\$
Revenue				
Rates	2(a),25	12,019,493	12,020,000	11,344,384
Grants, subsidies and contributions	2(a)	586,087	395,181	615,404
Fees and charges	2(a)	3,009,564	3,077,194	3,107,449
Interest revenue	2(a)	549,779	423,155	119,682
Other revenue	2(a)	260,568	285,988	212,445
		16,425,491	16,201,518	15,399,364
Expenses				
Employee costs	2(b)	(6,446,021)	(6,573,052)	(5,829,830)
Materials and contracts		(6,872,640)	(8,024,388)	(5,741,645)
Utility charges		(328,903)	(392,009)	(330,981)
Depreciation		(3,219,500)	(2,883,071)	(2,892,830)
Finance costs	2(b)	(208,683)	(212,973)	(226,250)
Insurance		(225,845)	(229,523)	(190,707)
Other expenditure	2(b)	(627,629)	(518,484)	(457,170)
		(17,929,221)	(18,833,500)	(15,669,413)
		(1,503,730)	(2,631,982)	(270,049)
Capital grants, subsidies and contributions	2(a)	693,680	2,619,567	736,996
Profit on asset disposals		123,661	90,450	28,412
Loss on asset disposals		(2,085)	0	(255,690)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	5,529	0	5,995
Share of net profit of associates accounted for using the equity method	22(b)	69,749	0	(51,857)
Loss on revaluation of Infrastructure - irrigation	9(a)	(97,542)	0	0
		792,992	2,710,017	463,856
Net result for the period		(710,738)	78,035	193,807
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	9,948,363	0	32,443,705
Total other comprehensive income for the period	15	9,948,363	0	32,443,705
Total comprehensive income for the period		9,237,625	78,035	32,637,512

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

* Refer to Note 30 for details

**TOWN OF COTTESLOE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	NOTE	2023 \$	Restated 2022 * \$	Restated as at 1 July 2021 \$
CURRENT ASSETS				
Cash and cash equivalents	3	6,198,535	13,959,471	11,485,299
Trade and other receivables	5	492,145	528,885	620,318
Other financial assets	4(a)	7,562,747	64,906	62,141
Inventories	6	9,120	9,180	9,560
Other assets	7	398,429	72,348	37,373
TOTAL CURRENT ASSETS		14,660,976	14,634,790	12,214,691
NON-CURRENT ASSETS				
Trade and other receivables	5	206,137	222,012	301,177
Other financial assets	4(b)	266,012	328,297	387,207
Investment in associate	22(a)	601,527	531,778	583,635
Property, plant and equipment	8	71,662,895	61,870,055	62,606,095
Infrastructure	9	69,696,576	70,413,854	38,066,393
Right-of-use assets	11(a)	1,125,699	1,177,429	1,249,999
TOTAL NON-CURRENT ASSETS		143,558,846	134,543,425	103,194,506
TOTAL ASSETS		158,219,822	149,178,215	115,409,197
CURRENT LIABILITIES				
Trade and other payables	12	3,366,152	3,368,226	1,988,606
Lease liabilities	11(b)	61,069	56,751	58,211
Borrowings	13	352,460	350,347	329,882
Employee related provisions	14	1,323,059	1,203,286	1,062,510
TOTAL CURRENT LIABILITIES		5,102,740	4,978,610	3,439,209
NON-CURRENT LIABILITIES				
Trade and other payables	12	114,500	0	0
Lease liabilities	11(b)	1,136,348	1,188,423	1,246,805
Borrowings	13	2,108,097	2,460,557	2,810,904
Employee related provisions	14	166,144	196,257	195,423
TOTAL NON-CURRENT LIABILITIES		3,525,089	3,845,237	4,253,132
TOTAL LIABILITIES		8,627,829	8,823,847	7,692,341
NET ASSETS		149,591,993	140,354,368	107,716,856
EQUITY				
Retained surplus		27,324,688	28,051,789	27,533,561
Reserve accounts	28	8,283,426	8,267,063	8,591,484
Revaluation surplus	15	113,983,879	104,035,516	71,591,811
TOTAL EQUITY		149,591,993	140,354,368	107,716,856

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

* Refer to Note 30 for details

TOWN OF COTTESLOE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July as previously reported 2021		28,434,028	8,591,484	71,591,811	108,617,323
Correction of error	30	(900,467)	0	0	(900,467)
Restated balance at the beginning of the financial year		27,533,561	8,591,484	71,591,811	107,716,856
Comprehensive income for the period					
Net result for the period		193,807	0	0	193,807
Other comprehensive income for the period	15	0	0	32,443,705	32,443,705
Total comprehensive income for the period		193,807	0	32,443,705	32,637,512
Transfers from reserve accounts	28	821,836	(821,836)	0	0
Transfers to reserve accounts	28	(497,415)	497,415	0	0
Balance as at 30 June 2022		28,051,789	8,267,063	104,035,516	140,354,368
Comprehensive income for the period					
Net result for the period		(710,738)	0	0	(710,738)
Other comprehensive income for the period	15	0	0	9,948,363	9,948,363
Total comprehensive income for the period		(710,738)	0	9,948,363	9,237,625
Transfers from reserve accounts	28	991,176	(991,176)	0	0
Transfers to reserve accounts	28	(1,007,539)	1,007,539	0	0
Balance as at 30 June 2023		27,324,688	8,283,426	113,983,879	149,591,993

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 2023**

NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates	11,963,837	11,465,976
Grants, subsidies and contributions	716,372	642,703
Fees and charges	3,005,231	3,114,732
Interest revenue	549,779	119,682
Goods and services tax received	0	40,877
Other revenue	260,559	212,445
	<u>16,495,778</u>	<u>15,596,415</u>
Payments		
Employee costs	(6,380,925)	(5,413,243)
Materials and contracts	(7,084,407)	(4,414,642)
Utility charges	(328,903)	(330,981)
Finance costs	(208,683)	(226,250)
Insurance paid	(225,845)	(190,707)
Other expenditure	(612,153)	(456,792)
	<u>(14,840,916)</u>	<u>(11,032,615)</u>
Net cash provided by (used in) operating activities	1,654,862	4,563,800
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment	(1,071,203)	(595,668)
Payments for construction of infrastructure	(1,359,930)	(2,031,578)
Capital grants, subsidies and contributions	693,680	736,996
Purchases of financial assets at amortised cost	(7,494,934)	0
Proceeds from financial assets at amortised cost - self supporting loans	69,665	62,140
Proceeds from sale of property, plant & equipment	169,579	128,206
	<u>(8,993,143)</u>	<u>(1,699,904)</u>
Net cash provided by (used in) investing activities	(8,993,143)	(1,699,904)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	27(a) (350,347)	(329,882)
Payments for principal portion of lease liabilities	27(c) (72,308)	(59,842)
	<u>(422,655)</u>	<u>(389,724)</u>
Net cash provided by (used In) financing activities	(422,655)	(389,724)
Net increase (decrease) in cash held	(7,760,936)	2,474,172
Cash at beginning of year	13,959,471	11,485,299
Cash and cash equivalents at the end of the year	6,198,535	13,959,471

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

TOWN OF COTTESLOE
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023

NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$		
OPERATING ACTIVITIES					
Revenue from operating activities					
	12,019,493	12,020,000	11,344,384		
25	586,087	395,181	615,404		
	3,009,564	3,077,194	3,107,449		
	549,779	423,155	119,682		
	260,568	285,988	212,445		
	123,661	90,450	28,412		
4(b)	5,529	0	5,995		
22(b)	69,749	0	(51,857)		
	16,624,430	16,291,968	15,381,914		
Expenditure from operating activities					
	(6,446,021)	(6,573,052)	(5,612,687)		
	(6,872,640)	(8,024,388)	(5,675,000)		
	(328,903)	(392,009)	(330,981)		
	(3,219,500)	(2,883,071)	(2,892,830)		
	(208,683)	(212,973)	(226,250)		
	(225,845)	(229,523)	(190,707)		
	(627,629)	(518,484)	(457,172)		
	(2,085)	0	(255,690)		
	(97,542)	0	0		
	(18,028,848)	(18,833,500)	(15,641,317)		
	Non-cash amounts excluded from operating activities	26(a)	3,200,099	2,792,621	3,237,320
	Amount attributable to operating activities		1,795,681	251,089	2,977,917
INVESTING ACTIVITIES					
Inflows from investing activities					
	693,680	2,619,567	736,996		
	169,579	0	128,206		
27(a)	69,665	69,665	62,140		
	932,924	2,689,232	927,342		
Outflows from investing activities					
	(1,287,221)	(2,379,800)	(595,668)		
9(a)	(1,549,410)	(3,851,168)	(1,747,794)		
	(2,836,631)	(6,230,968)	(2,343,462)		
	Non-cash amounts excluded from investing activities	26(b)	436,260	0	0
	Amount attributable to investing activities		(1,467,447)	(3,541,736)	(1,416,120)
FINANCING ACTIVITIES					
Inflows from financing activities					
	991,176	1,619,911	821,836		
	991,176	1,619,911	821,836		
Outflows from financing activities					
	(350,347)	(350,347)	(329,882)		
27(a)	(72,308)	(56,672)	(59,842)		
27(c)	(1,007,539)	(799,154)	(497,415)		
28	(1,430,194)	(1,206,173)	(887,139)		
	Amount attributable to financing activities		(439,018)	413,738	(65,303)
MOVEMENT IN SURPLUS OR DEFICIT					
	2,696,284	2,876,909	1,483,578		
26(c)	1,795,681	251,089	2,977,917		
	(1,467,447)	(3,541,736)	(1,416,120)		
	(439,018)	413,738	(65,303)		
26(c)	2,585,500	0	2,980,072		

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

**TOWN OF COTTESLOE
FOR THE YEAR ENDED 30 JUNE 2023
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**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

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.

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 except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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 measurement at fair value of selected non-current assets, financial 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 29 of the financial report.

Judgements and estimates

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

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

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

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

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

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

The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified. Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependent 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
Grants, subsidies and contributions	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
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Revenue Recognition

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

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	12,019,493	0	12,019,493
Grants, subsidies and contributions	153,759	0	0	432,328	586,087
Fees and charges	857,581	0	1,324,578	827,405	3,009,564
Interest revenue	489,945	0	59,834	0	549,779
Other revenue	15,165	0	0	245,403	260,568
Capital grants, subsidies and contributions	0	693,680	0	0	693,680
Total	1,516,450	693,680	13,403,905	1,505,136	17,119,171

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	11,344,384	0	11,344,384
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 revenue	59,153	0	51,273	9,256	119,682
Other revenue	1,770	0	0	210,675	212,445
Capital 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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)	Note	2023 Actual \$	Restated 2022 Actual \$
Interest revenue			
Financial assets at amortised cost - self supporting loans		6,258	8,897
Interest on reserve account funds		224,541	27,344
Other interest revenue		318,980	83,441
		549,779	119,682
Fees and charges relating to rates receivable			
Charges on instalment plan		18,868	19,416
The 2023 original budget estimate in relation to: Charges on instalment plan was \$21,550.			
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report		101,175	78,364
- Other services – grant acquittals		0	2,050
- Other services		1,430	-
		102,605	80,414
Employee Costs			
Employee benefit costs		5,275,206	4,814,071
Other employee costs		1,170,815	1,015,759
		6,446,021	5,829,830
Finance costs			
Borrowings		170,761	187,200
Lease liabilities		37,922	39,050
		208,683	226,250
Other expenditure			
Write down of inventories to net realisable value	6	60	380
Sundry expenses		627,569	456,792
		627,629	457,172

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

3. CASH AND CASH EQUIVALENTS

Note	2023 \$	2022 \$
Cash at bank and on hand	5,410,042	7,810,943
Term deposits	788,493	6,148,528
Total cash and cash equivalents	6,198,535	13,959,471
Held as		
- Unrestricted cash and cash equivalents	5,410,043	5,692,408
- Restricted cash and cash equivalents	788,492	8,267,063
	6,198,535	13,959,471

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 reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

	2023 \$	2022 \$
(a) Current assets		
Financial assets at amortised cost	7,562,747	64,906
	7,562,747	64,906
Other financial assets at amortised cost		
Self supporting loans receivable	26(c) 67,813	64,906
Term deposits	7,494,934	0
	7,562,747	64,906
Held as		
- Unrestricted other financial assets at amortised cost	67,813	64,906
- Restricted other financial assets at amortised cost	15(a) 7,494,934	0
	7,562,747	64,906
(b) Non-current assets		
Financial assets at amortised cost	143,778	211,591
Financial assets at fair value through profit or loss	122,234	116,706
	266,012	328,297
Financial assets at amortised cost		
Self supporting loans receivable	71,095	129,062
Advances to Community Group	72,683	82,529
	143,778	211,591
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	116,705	110,711
Movement attributable to fair value increment	5,529	5,995
Units in Local Government House Trust - closing balance	122,234	116,706

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

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 24 (ii)) due to the observable market rates).

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

Financial assets at fair value through profit or loss

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

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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

5. TRADE AND OTHER RECEIVABLES

Note	2023	2022
	\$	\$
Current		
Rates and statutory receivables	216,324	152,880
Trade receivables	84,794	156,651
Receivables for employee related provisions	41,133	0
Allowance for credit losses of trade receivables	(17,495)	(21,828)
Sundry receivables - infringements	460,952	430,985
Allowance for credit losses of infringements	(293,563)	(189,803)
	492,145	528,885
Non-current		
Pensioner's rates and ESL deferred	136,860	121,972
Receivables for employee related provisions	69,277	100,040
	206,137	222,012

Disclosure of opening and closing balances related to contracts with customers

	30 June 2023	30 June 2022	1 July 2021
Note	Actual	Actual	Actual
	\$	\$	\$
Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Allowance for credit losses of trade receivables	(17,495)	(21,828)	(21,828)
Total trade and other receivables from contracts with customers	(17,495)	(21,828)	(21,828)

SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

6. INVENTORIES

	Note	2023 \$	2022 \$
Current			
Fuel and materials		31,820	32,029
Provision for Obsolescence		(22,700)	(22,849)
		9,120	9,180
The following movements in inventories occurred during the year:			
Balance at beginning of year		9,180	9,560
Write down of inventories to net realisable value	2(b)	(60)	(380)
Balance at end of year		9,120	9,180

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

7. OTHER ASSETS

	2023	2022
	\$	\$
Other assets - current		
Prepayments	124,431	64,035
Accrued income	273,998	8,313
	398,429	72,348

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 2023**

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Library Furniture & equipment	Buildings - work in progress	Library Plant & equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	24,503,000	36,536,825	61,039,825	796,714	756,687	3,552	0	9,317	62,606,095
Additions	0	18,238	18,238	92,230	238,420	0	246,780	0	595,668
Disposals	0	(253,334)	(253,334)	0	(102,150)	0	0	0	(355,484)
Depreciation	0	(782,435)	(782,435)	(73,017)	(120,772)	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	246,780	9,317	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	246,780	9,317	63,320,094
Accumulated depreciation at 30 June 2022	0	(775,768)	(775,768)	(381,099)	(293,172)	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	246,780	9,317	61,870,055
Additions	0	976,390	976,390	0	330,315	7,444	0	0	1,314,149
Disposals	0	0	0	0	(48,371)	0	0	(9,317)	(57,688)
Revaluation increments / (decrements) transferred to revaluation surplus	5,415,400	4,557,370	9,972,770	0	0	0	0	0	9,972,770
Depreciation	0	(775,852)	(775,852)	(98,870)	(314,889)	0	0	0	(1,189,611)
Transfers	0	(1,903,382)	(1,903,382)	0	0	0	1,656,602	0	(246,780)
Balance at 30 June 2023	29,918,400	38,373,820	68,292,220	717,057	739,240	10,996	1,903,382	0	71,662,895
Comprises:									
Gross balance amount at 30 June 2023	29,918,400	71,170,310	101,088,710	1,197,026	1,225,205	10,996	1,903,382	0	105,425,319
Accumulated depreciation at 30 June 2023	0	(32,796,490)	(32,796,490)	(479,969)	(485,965)	0	0	0	(33,762,424)
Balance at 30 June 2023	29,918,400	38,373,820	68,292,220	717,057	739,240	10,996	1,903,382	0	71,662,895

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	3	Market approach using recent observable market data for similar items	Independent valuation	June 2023	Price per hectare
Buildings - specialised	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent valuation	June 2023	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 and plant and equipment is disclosed at cost minus accumulated depreciation.

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - car parks	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks & reserves	Infrastructure - miscellaneous	Infrastructure - right of way	Infrastructure - streetscape	Infrastructure - irrigation	Infrastructure - work in progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restated balance at 1 July 2021 *	14,008,849	1,022,055	5,086,967	4,911,245	2,814,460	8,541,062	983,639	514,379	183,737	0	38,066,393
Additions	377,026	0	17,509	729,054	397,807	36,918	0	0	0	189,480	1,747,794
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	17,894	0	0	32,443,703
Depreciation	(826,643)	(85,731)	(191,591)	(82,026)	(91,000)	(417,904)	(57,874)	(80,871)	(10,396)	0	(1,844,036)
Restated 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	451,402	173,341	189,480	70,413,854
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	929,286	235,613	189,480	100,482,242
Accumulated depreciation at 30 June 2022	(12,526,515)	(2,623,944)	(2,979,395)	(3,268,722)	(1,522,229)	(5,272,803)	(1,334,624)	(477,884)	(62,272)	0	(30,068,388)
Restated 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	451,402	173,341	189,480	70,413,854
Additions	95,666	40,737	13,770	46,566	55,047	21,443	96,811	0	25,938	1,153,432	1,549,410
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	0	0	(24,407)	0	0	0	0	(24,407)
Revaluation (loss) / reversals transferred to profit or loss	0	0	0	0	0	0	0	0	(97,542)	0	(97,542)
Depreciation	(845,839)	(132,136)	(156,442)	(137,797)	(191,885)	(397,576)	(46,827)	(36,270)	(10,487)	0	(1,955,259)
Transfers	0	0	0	0	0	0	0	0	0	(189,480)	(189,480)
Balance at 30 June 2023	33,923,443	3,521,545	5,288,522	9,413,158	5,210,394	8,503,950	2,175,750	415,132	91,250	1,153,432	69,696,576
Comprises:											
Gross balance at 30 June 2023	47,295,797	6,277,625	8,424,359	12,819,677	6,924,508	15,165,523	3,557,201	806,996	274,500	1,153,432	102,699,608
Accumulated depreciation at 30 June 2023	(13,372,354)	(2,756,080)	(3,135,837)	(3,406,519)	(1,714,114)	(6,661,573)	(1,381,451)	(391,854)	(183,250)	0	(33,003,032)
Balance at 30 June 2023	33,923,443	3,521,545	5,288,522	9,413,158	5,210,394	8,503,950	2,175,750	415,132	91,250	1,153,432	69,696,576

* Refer Note 30 for more details

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(f) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Infrastructure - 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
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Infrastructure - drainage	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Infrastructure - parks & reserves	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Infrastructure - miscellaneous	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Infrastructure - right 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
Infrastructure - streetscape	3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, values and remaining useful life assessment inputs
Infrastructure - irrigation	3	Cost approach using depreciated replacement cost	Independent valuation	June 2023	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.

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

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

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

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

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the 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 Town's revaluation policy, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair. They are subject to subsequent revaluation at the next revaluation date consistent with *Financial Management Regulation 17A(4)*.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the 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 consistent with *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 asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

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

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

Depreciation on revaluation

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

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

Amortisation

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

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

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

Impairment

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

Gains or losses on disposal

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

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Note	Right-of-use assets - land and buildings \$	Right-of-use assets - plant and equipment \$	Right-of-use assets Total \$
Balance at 1 July 2021		1,238,193	11,806	1,249,999
Depreciation		(64,533)	(8,037)	(72,570)
Balance at 30 June 2022		1,173,660	3,769	1,177,429
Gross balance amount at 30 June 2022		1,356,776	31,483	1,388,259
Accumulated depreciation at 30 June 2022		(183,116)	(27,714)	(210,830)
Balance at 30 June 2022		1,173,660	3,769	1,177,429
Additions		0	12,573	12,573
Prior year adjustments		5,322	5,005	10,327
Depreciation		(67,432)	(7,198)	(74,630)
Balance at 30 June 2023		1,111,550	14,149	1,125,699
Gross balance amount at 30 June 2023		1,367,098	30,976	1,398,074
Accumulated depreciation at 30 June 2023		(255,548)	(16,827)	(272,375)
Balance at 30 June 2023		1,111,550	14,149	1,125,699

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

		2023 Actual \$	2022 Actual \$
Depreciation on right-of-use assets		(74,630)	(72,570)
Finance charge on lease liabilities	27(c)	(37,922)	(39,050)
Short-term lease payments recognised as expense		(72,308)	(59,842)
Total amount recognised in the statement of comprehensive income		(184,860)	(171,462)
Total cash outflow from leases		(110,230)	(98,892)

(b) Lease Liabilities

Current		61,069	56,751
Non-current	27(c)	1,136,348	1,188,423
		1,197,417	1,245,174

The Town has two leases relating to plant and equipment. The lease term for one of the leases is 3 years and the other lease is 5 years. The building lease has a term of 20 years. Refer to Note 27(c) for details of lease liabilities.

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 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 27(c).

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

12. TRADE AND OTHER PAYABLES

	2023	2022
	\$	\$
Current		
Sundry creditors	1,373,207	1,987,875
Prepaid rates	149,417	126,741
Accrued payroll liabilities	139,044	145,549
ATO liabilities	356	18,415
Bonds and deposits held	734,464	694,317
Accrued interest	49,124	50,654
Income in advance	920,540	344,675
	3,366,152	3,368,226
Non-current		
Bonds	114,500	0
	114,500	0

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 any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the 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 income for the prepaid rates that have not been refunded.

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

13. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Other loans		352,460	2,108,097	2,460,557	350,347	2,460,557	2,810,904
Total secured borrowings	27(a)	352,460	2,108,097	2,460,557	350,347	2,460,557	2,810,904

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 27.

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

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Total non-current employee related provisions

Total employee related provisions

	2023	2022
	\$	\$
Annual leave	807,069	784,936
Long service leave	515,990	418,350
	<u>1,323,059</u>	<u>1,203,286</u>
Total current employee related provisions	1,323,059	1,203,286
Long service leave	166,144	196,257
	<u>166,144</u>	<u>196,257</u>
Total non-current employee related provisions	166,144	196,257
Total employee related provisions	1,489,203	1,399,543

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.

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.

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

15. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	24,362,297	5,415,400	29,777,697	24,362,297	0	24,362,297
Revaluation surplus - Buildings - specialised	23,814,016	4,557,370	28,371,386	23,814,016	0	23,814,016
Revaluation surplus - Furniture and equipment	33,695	0	33,695	33,695	0	33,695
Revaluation surplus - Plant and equipment	129,886	0	129,886	129,886	0	129,886
Revaluation surplus - Library Furniture & equipment	3,226	0	3,226	3,226	0	3,226
Revaluation surplus - Buildings - specialised - WMRC	7,897	0	7,897	7,897	0	7,897
Revaluation surplus - Infrastructure - roads	31,728,133	0	31,728,133	10,613,747	21,114,386	31,728,133
Revaluation surplus - Infrastructure - car parks	3,363,714	0	3,363,714	687,094	2,676,620	3,363,714
Revaluation surplus - Infrastructure - footpaths	3,807,234	0	3,807,234	3,288,925	518,309	3,807,234
Revaluation surplus - Infrastructure - drainage	5,774,204	0	5,774,204	1,828,088	3,946,116	5,774,204
Revaluation surplus - Infrastructure - parks & reserves	4,006,247	0	4,006,247	1,780,282	2,225,965	4,006,247
Revaluation surplus - Infrastructure - miscellaneous	5,300,461	(24,407)	5,276,054	4,556,047	744,414	5,300,461
Revaluation surplus - Infrastructure - right of way	1,654,062	0	1,654,062	454,061	1,200,001	1,654,062
Revaluation surplus - Infrastructure - streetscape	0	0	0	0	17,894	17,894
Revaluation surplus - Infrastructure - irrigation	17,894	0	17,894	0	0	0
Revaluation surplus - Infrastructure - roads - WMRC	32,550	0	32,550	32,550	0	32,550
	104,035,516	9,948,363	113,983,879	71,591,811	32,443,705	104,035,516

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

16. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2023 Actual \$	2022 Actual \$
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		788,492	8,267,063
- Financial assets at amortised cost	4	7,494,934	0
		<u>8,283,426</u>	<u>8,267,063</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	8,283,426	8,267,063
Total restricted financial assets		<u>8,283,426</u>	<u>8,267,063</u>

17. UNDRAWN BORROWING FACILITIES AND 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		(285)	(2,516)
Total amount of credit unused		<u>259,715</u>	<u>257,484</u>
Loan facilities			
Loan facilities - current		352,460	350,347
Loan facilities - non-current		2,108,097	2,460,557
Total facilities in use at balance date		<u>2,460,557</u>	<u>2,810,904</u>

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

18. CONTINGENT LIABILITIES

The Town had no contingent liabilities as at 30 June 2023.

19. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	2,341,678	1,474,906
	2,341,678	1,474,906
Payable:		
- not later than one year	2,341,678	1,474,906

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
Mayor's annual allowance	28,000	28,000	27,500
Mayor's meeting attendance fees	24,400	24,400	25,390
Mayor's annual allowance for ICT expenses	1,600	1,600	1,743
Mayor's travel and accommodation expenses	0	500	0
	54,000	54,500	54,633
Deputy Mayor's annual allowance	7,000	7,000	5,437
Deputy Mayor's meeting attendance fees	15,750	15,750	15,500
Deputy Mayor's annual allowance for ICT expenses	1,600	1,600	1,600
Deputy Mayor's travel and accommodation expenses	45	500	0
	24,395	24,850	22,537
All other council member's meeting attendance fees	110,250	110,250	103,951
All other council member's annual allowance for ICT expenses	11,200	11,200	10,730
All other council member's travel and accommodation expenses	0	3,500	0
	121,450	124,950	114,681
20(b)	199,845	204,300	191,851

(b) Key Management Personnel (KMP) Compensation

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

Note	2023 Actual \$	2022 Actual \$
Short-term employee benefits	1,275,160	1,222,707
Post-employment benefits	151,066	140,576
Employee - other long-term benefits	35,882	26,350
Council member costs	199,845	191,851
20(a)	1,661,953	1,581,484

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.

Council member costs

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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

20. RELATED PARTY TRANSACTIONS

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.

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

21. JOINT ARRANGEMENTS

Share of joint operations

The Town has a 41.51 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 2023 and the year then ended, and adjusted for the Town's proportional interest (41.51%) is set out below:

	2023 Actual	2022 Actual
	\$	\$
Statement of Financial Position		
Non current assets	2,833,410	2,553,611
Total assets	2,833,410	2,553,611
Current liabilities	93,924	94,127
Non current liabilities	924	2,671
Total liabilities	94,848	96,798
Total equity	2,738,562	2,456,813
Statement of Comprehensive Income		
Other revenue	22,847	19,927
Other expense	(575,484)	(539,476)
Profit/(loss) for the period	(552,637)	(519,549)
Total comprehensive income for the period	(552,637)	(519,549)

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

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

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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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22. INVESTMENT IN ASSOCIATES

(a) Investment in associates

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		2023	2022
	2023	2022	Actual	Actual
			\$	\$
Western Metropolitan Regional Council Waste Transfer Station	17.94%	17.94%	601,527	531,778
Total equity-accounted investments			601,527	531,778

(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 2023 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	Note	2023	2022
		Actual	Actual
		\$	\$
Revenue		7,639,295	6,429,949
Interest revenue		47,360	3,074
Finance charge		(598)	(1,110)
Depreciation		(241,240)	(240,761)
Profit/(loss) from continuing operations		388,840	(289,058)
Profit/(loss) for the period		388,840	(289,058)
Total comprehensive income for the period		388,840	(289,058)
Summarised statement of financial position			
Cash and cash equivalents		1,178,811	1,432,958
Other current assets		495,397	415,149
Total current assets		1,674,208	1,848,107
Non-current assets		2,639,803	2,492,672
Total assets		4,314,011	4,340,779
Current financial liabilities		769,549	1,100,462
Other current liabilities		178,120	200,060
Total current liabilities		947,669	1,300,522
Non-current financial liabilities		7,163	27,287
Other non-current liabilities		6,184	48,765
Total non-current liabilities		13,347	76,052
Total liabilities		961,016	1,376,574
Net assets		3,352,995	2,964,205

**TOWN OF COTTESLOE
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22. INVESTMENT IN ASSOCIATES

Reconciliation to carrying amounts

Opening net assets 1 July
Profit/(Loss) for the period
Closing net assets 1 July

Carrying amount at 1 July

- Share of associates net profit/(loss) for the period

Carrying amount at 30 June (Refer to Note 22(a))

2023 Actual \$	2022 Actual \$
2,964,205	3,253,263
388,840	(289,058)
3,353,045	2,964,205
531,778	583,635
69,749	(51,857)
601,527	531,778

SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the Town has significant influence, that is it 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.

**TOWN OF COTTESLOE
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23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Town has no events to report after the end of the reporting period.

**TOWN OF COTTESLOE
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24. 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 report is presented.

e) Budget comparative figures

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

f) Superannuation

The 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 revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

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.

ii) Impairment of assets

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

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

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

**TOWN OF COTTESLOE
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25. RATING INFORMATION

(a) General Rates

RATE TYPE Rate Description	Rate in \$	Number of Properties	2022/23 Actual Rateable Value*	2022/23 Actual Rate Revenue	2022/23 Actual Interim Rates	2022/23 Actual Total Revenue	2022/23 Budget Rate Revenue	2022/23 Budget Interim Rate	2022/23 Budget Total Revenue	2021/22 Actual Total Revenue
GRV - Residential Improved (RI)	0.074551	3,523	130,989,303	9,765,390	65,868	9,831,258	9,741,142	81,056	9,822,198	9,243,176
GRV - Residential Vacant (RV)	0.074551	87	3,504,250	261,246	(867)	260,379	269,038	0	269,038	264,254
GRV - Commercial Improved (CI)	0.074551	73	7,959,186	593,366	(5,458)	587,908	593,366	0	593,366	565,110
GRV - Commercial Vacant (CV)	0.074551	2	120,500	8,983	3,848	12,831	8,983	0	8,983	8,556
GRV - Commercial Town (CT)	0.086397	138	10,638,957	919,176	1,290	920,466	919,176	0	919,176	874,374
GRV - Industrial	0.074551	1	28,020	2,089	0	2,089	2,089	0	2,089	1,989
Total general rates		3,824	153,240,216	11,550,250	64,681	11,614,931	11,533,794	81,056	11,614,850	10,957,459
Minimum Payment \$										
Minimum payment										
GRV - Residential Improved (RI)	1,262	292	4,316,000	368,504	(315)	368,189	367,242	0	367,242	350,984
GRV - Residential Vacant (RV)	1,262	4	1,170	5,048	0	5,048	5,048	0	5,048	4,808
GRV - Commercial Improved (CI)	1,262	11	132,224	13,882	0	13,882	13,882	0	13,882	13,222
GRV - Commercial Vacant (CV)	1,262	0	0	0	0	0	0	0	0	0
GRV - Commercial Town (CT)	1,262	19	253,171	23,978	(1,361)	22,617	23,978	0	23,978	22,838
GRV - Industrial	1,262	0	0	0	0	0	0	0	0	0
Total minimum payments		326	4,702,565	411,412	(1,676)	409,736	410,150	0	410,150	391,852
Total general rates and minimum payments		4,150	157,942,781	11,961,662	63,005	12,024,667	11,943,944	81,056	12,025,000	11,349,311
Discounts						(5,174)			(5,000)	(4,927)
Total Rates						12,019,493			12,020,000	11,344,384
Rate instalment interest						58,422			58,816	55,079
Rate overdue interest						17,658			20,000	15,610

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

*Rateable Value at time of raising of rate.

TOWN OF COTTESLOE
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FOR THE YEAR ENDED 30 JUNE 2023

26. DETERMINATION OF SURPLUS OR DEFICIT

Note	2022/23	2022/23	2022/23	2021/22
	(30 June 2023 Carried Forward)	Budget (30 June 2023 Carried Forward)	(1 July 2022 Brought Forward)	(30 June 2022 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 Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
	Less: Profit on asset disposals	(123,661)	(90,450)	(28,412)
	Less: Non-cash grants and contributions for assets	(4,995)	0	0
	Less: Fair value adjustments to financial assets at fair value through profit or loss	(5,529)	0	(5,995)
	Less: Share of net profit of associates and joint ventures accounted for using the equity method	(69,758)	0	51,857
	Add: Loss on disposal of assets	2,085	0	255,690
	Add: Loss on revaluation of fixed assets	97,542	0	0
9(a)	Add: Prior year adjustment for write-back of depreciation	317	0	0
	Add: Prior year adjustment for non-current lease liability	15,099	0	0
	Add: Depreciation	3,219,500	2,883,071	2,892,830
Non-cash movements in non-current assets and liabilities:				
	Pensioner deferred rates	(14,888)	0	70,516
	Employee benefit provisions	(30,113)	0	834
	Other provisions	114,500	0	0
	Non-cash amounts excluded from operating activities	3,200,099	2,792,621	3,237,320
(b) Non-cash amounts excluded from investing activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to investing activities				
	Movement in non-current capital expenditure provisions	436,260	0	0
	Non-cash amounts excluded from investing activities	436,260	0	0
(c) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
28	Less: Reserve accounts	(8,283,426)	(7,446,236)	(8,267,063)
4(a)	Less: Financial assets at amortised cost - self supporting loans	(67,813)	(69,665)	(64,906)
	Add: Current liabilities not expected to be cleared at end of year			
13	- Current portion of borrowings	352,460	352,460	350,347
11(b)	- Current portion of lease liabilities	61,069	56,751	56,751
	- Employee benefit provisions	964,975	0	964,975
	Total adjustments to net current assets	(6,972,735)	(7,106,690)	(6,959,896)
Net current assets used in the Statement of Financial Activity				
	Total current assets	14,660,976	11,501,415	14,634,790
	Less: Total current liabilities	(5,102,740)	(4,394,725)	(4,978,610)
	Less: Total adjustments to net current assets	(6,972,735)	(7,106,690)	(6,959,896)
	Surplus or deficit after imposition of general rates	2,585,500	0	2,696,284

TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget				
		Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Loan 107		2,880,200	0	(263,264)	2,616,936	0	(280,682)	2,336,254	2,616,936	0	(280,682)	2,336,254
Total		2,880,200	0	(263,264)	2,616,936	0	(280,682)	2,336,254	2,616,936	0	(280,682)	2,336,254
Self Supporting Loans												
Loan 105		89,773	0	(34,269)	55,504	0	(36,434)	19,070	55,504	0	(36,434)	19,070
Loan 108		170,813	0	(32,349)	138,464	0	(33,231)	105,233	138,465	0	(33,231)	105,234
Total Self Supporting Loans		260,586	0	(66,618)	193,968	0	(69,665)	124,303	193,969	0	(69,665)	124,304
Total Borrowings	13	3,140,786	0	(329,882)	2,810,904	0	(350,347)	2,460,557	2,810,905	0	(350,347)	2,460,558

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 Finance Cost Payments

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022
						\$	\$	\$
Loan 107		107	WATC	6.51%	17/09/2023	(164,503)	(165,868)	(178,302)
Total						(164,503)	(165,868)	(178,302)
Self Supporting Loans Finance Cost Payments								
Loan 105		105	WATC	6.22%	6/10/2023	(2,757)	(5,059)	(4,558)
Loan 108		108	WATC	2.71%	1/06/2026	(3,501)	(4,412)	(4,340)
Total Self Supporting Loans Finance Cost Payments						(6,258)	(9,471)	(8,898)
Total Finance Cost Payments						(170,761)	(175,339)	(187,200)

* WA Treasury Corporation

TOWN OF COTTESLOE
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FOR THE YEAR ENDED 30 JUNE 2023

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) Unspent Borrowings

There were no unspent borrowings as at 30 June 2023.

(c) Lease Liabilities

Purpose	Note	Actual								Budget			
		Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Leases During 2022-23	Prior year Adjustment	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
Folding machine		\$ 5,540	\$ 0	\$ 426	\$ 5,966	\$ 0	(4,847)	\$ (1,119)	\$ 0	\$ 1,118	\$ 0	\$ (1,118)	\$ 0
Telephone system		11,571	0	(7,411)	4,160	0	3,742	(3,742)	4,160	7,902	0	(3,742)	4,160
Depot land and buildings		1,287,905	0	(52,857)	1,235,048	0	13,083	(65,131)	1,183,000	1,235,045	0	(51,812)	1,183,233
Folding machine		0	0	0	0	12,573	0	(2,316)	10,257				0
Total Lease Liabilities	11(b)	1,305,016	0	(59,842)	1,245,174	12,573	11,978	(72,308)	1,197,417	1,244,065	0	(56,672)	1,187,393

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Lease Term
Folding machine		2	Quadient Finance	1.80%	30/09/2022	\$ (3)	\$ (4)	\$ (69)	3 years
Telephone system		3	Telstra	2.00%	19/08/2024	(123)	(123)	(196)	5 years
Depot land and buildings		1	Town of Mosman Park	3.20%	4/08/2040	(37,494)	(37,164)	(38,785)	20 years
Folding machine		4	Quadient Finance	4.60%	30/11/2025	(302)	0	0	3 years
Total Finance Cost Payments						(37,922)	(37,291)	(39,050)	

TOWN OF COTTESLOE
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28. RESERVE ACCOUNTS

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation/agreement												
(a) Cash in lieu of parking reserve	11,790	283	0	12,073	11,790	0	0	11,790	11,752	38	0	11,790
	11,790	283	0	12,073	11,790	0	0	11,790	11,752	38	0	11,790
Restricted by council												
(b) Leave Reserve	242,534	7,057	(49,996)	199,595	242,462	4,692	(57,996)	189,158	299,541	989	(57,996)	242,534
(c) Civic centre reserve	272,045	6,524	0	278,569	272,045	5,265	0	277,310	271,173	872	0	272,045
(d) Waste management reserve	199,588	4,786	0	204,374	199,588	3,863	0	203,451	198,948	640	0	199,588
(e) Property reserve	1,317,550	50,708	(484,463)	883,795	1,317,550	44,359	(1,105,198)	256,711	1,434,967	4,515	(121,932)	1,317,550
(f) Infrastructure reserve	449,220	159,479	(50,000)	558,699	449,219	8,694	(50,000)	407,913	388,334	171,295	(110,409)	449,220
(g) Legal reserve	150,221	3,603	0	153,824	150,220	2,910	0	153,130	149,740	481	0	150,221
(h) Parking facilities reserve	0	0	0	0	0	229	0	229	0	0	0	0
(i) Library reserve	191,516	47,591	0	239,107	191,516	46,708	0	238,224	190,902	614	0	191,516
(j) Foreshore redevelopment reserve (formerly the depot funds reserve)	2,868,671	553,990	0	3,422,661	2,868,672	527,859	0	3,396,531	3,389,686	10,484	(531,499)	2,868,671
(k) Right of way reserve	246,035	4,830	(89,251)	161,614	246,035	3,866	(89,251)	160,650	195,368	50,667	0	246,035
(l) Sculpture and artworks reserve	118,605	2,844	0	121,449	118,605	2,297	0	120,902	118,225	380	0	118,605
(m) Green infrastructure and sustainabilities initiatives reserve (formerly the green infrastructure reserve)	190,463	4,568	0	195,031	190,463	3,688	0	194,151	189,853	610	0	190,463
(n) Active transport reserve	516,516	12,387	(317,466)	211,437	516,516	9,999	(317,466)	209,049	514,861	1,655	0	516,516
(o) Information technology reserve	695,200	130,300	0	825,500	695,200	131,908	0	827,108	692,972	2,228	0	695,200
(p) Recreation precinct reserve	9,586	5,055	0	14,641	9,588	186	0	9,774	9,555	31	0	9,586
(q) Shark barrier reserve	135,936	3,260	0	139,196	135,936	2,631	0	138,567	135,500	436	0	135,936
(r) Public open space reserve	651,587	10,274	0	661,861	651,588	0	0	651,588	400,107	251,480	0	651,587
	8,255,273	1,007,256	(991,176)	8,271,353	8,255,203	799,154	(1,619,911)	7,434,446	8,579,732	497,377	(821,836)	8,255,273
	8,267,063	1,007,539	(991,176)	8,283,426	8,266,993	799,154	(1,619,911)	7,446,236	8,591,484	497,415	(821,836)	8,267,063

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:

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

Name of reserve account	Purpose of the reserve account
Restricted by legislation/agreement	
(a) Cash in lieu of parking reserve	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.
Restricted by council	
(b) Leave Reserve	To partially cash back the accumulated employee leave liability and to fund the payment of accumulated leave entitlements for Town of Cottesloe staff.
(c) Civic centre reserve	To fund the cost of improvement, renovations and extensions to the buildings that make up Cottesloe Civic Centre.
(d) Waste management reserve	To fund the improvement, replacement and expansion of waste management plant, equipment, facilities and services within the suburb of Cottesloe.
(e) Property reserve	To contribute towards future property construction/renewal within the Town of Cottesloe.
(f) Infrastructure reserve	To contribute towards ongoing future infrastructure construction/renewal within the suburb of Cottesloe which includes the following categories of infrastructure, roads,
(g) Legal reserve	To contribute towards unanticipated legal expenses incurred by the Town of Cottesloe.
(h) Parking facilities reserve	To fund improvements to parking facilities within the suburb of Cottesloe.
(i) Library reserve	To be used for the upgrade and/or replacement of Library facilities. To be used to fund the development of the Cottesloe foreshore.
(j) Foreshore redevelopment reserve (formerly the depot funds reserve)	
(k) Right of way reserve	To be used to fund the improvement of right of ways within the suburb of Cottesloe.
(l) Sculpture and artworks reserve	To be used for the acquisition of new and restoration of existing sculptures and artworks within the suburb of Cottesloe.
Green infrastructure and sustainabilities initiatives reserve (formerly the green infrastructure reserve)	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.
(m) Active transport reserve	To be used for the purpose of developing and maintaining active transport infrastructure within the suburb of Cottesloe.
(o) Information technology reserve	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
(p) Recreation precinct reserve	To be used for the purpose of developing and implementing improvements to the Town's recreation precincts.
(q) Shark barrier reserve	To develop and replace the shark barrier within the suburb of Cottesloe.
(r) Public open space reserve	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

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

29. TRUST FUNDS

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

	1 July 2022	Amounts Received	Amounts Paid	30 June 2023
	\$	\$	\$	\$
Cash in lieu of public open space	671,603	18,489	(10,365)	679,727
	671,603	18,489	(10,365)	679,727

**TOWN OF COTTESLOE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

30. CORRECTION OF ERROR

There has been a prior year correction due to expenditure relating to street trees which has been reclassified to operating expenditure. For several years the budgeted allocations for expenditure relating to trees have been classified as capital expenditure, however the vast majority of this expenditure relates to wages, overhead costs and truck costs most of which relate to the watering of trees and other plants.

Statement of Financial Position (Extract)	30 June 2022	Increase/ (Decrease)	30 June 2022 (Restated)	01 July 2021	Increase/ (Decrease)	01 July 2021 (Restated)
	\$	\$	\$	\$	\$	\$
Infrastructure	71,598,109	(1,184,255)	70,413,854	38,966,860	(900,467)	38,066,393
Total assets	150,362,470	(1,184,255)	149,178,215	116,309,664	(900,467)	115,409,197
Retained earnings	29,236,044	(1,184,255)	28,051,789	28,434,028	(900,467)	27,533,561
Total equity	141,538,623	(1,184,255)	140,354,368	108,617,323	(900,467)	107,716,856

Statement of Comprehensive Income (Extract)	2022	Increase/ (Decrease)	2022 (Restated)
	\$	\$	\$
<i>By Nature or Type</i>			
Employee Costs	(5,612,687)	(217,143)	(5,829,830)
Materials and Contracts	(5,675,000)	(66,645)	(5,741,645)
<i>By program</i>			
Expenses			
Transport	(3,765,727)	(283,788)	(4,049,515)
Net result for the period	477,595	(283,788)	193,807
Total comprehensive income for the period	32,921,300	(283,788)	32,637,512

Note this prior year correction had no impact on the Cash flow statement.

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

ITEM 8.1.2A:

AUDIT SURVEY ANALYSIS REPORT - LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA



AUDIT SURVEY ANALYSIS

A summary of the sector's response to the local government audit process

Local Government Professionals Australia WA
Suite 8b, Level 1, 180 Scarborough Beach Road, Mount Hawthorn WA 6016 t (08) 9271 1136
e admin@lgprofessionalswa.org.au www.lgprofessionalswa.org.au ABN 91 208 607 072

AUDIT SURVEY ANALYSIS

Introduction

Responsibility for financial auditing of Western Australia's local governments transitioned from the Department of Local Government, Sport, and Cultural Industries to the Office of the Auditor General with the proclamation of the *Local Government Amendment (Auditing) Act 2017*.

Since this time there has been a range of comments and criticisms of the audit that needed to be corralled and formalised in discussions with the OAG in order to get clarity and better understand how to improve the audit performance and outcomes for local governments.

Local Government Professionals WA partnered with WALGA during April to conduct a survey of the sector to ascertain current issues and attitudes associated with the annual local government audit process.

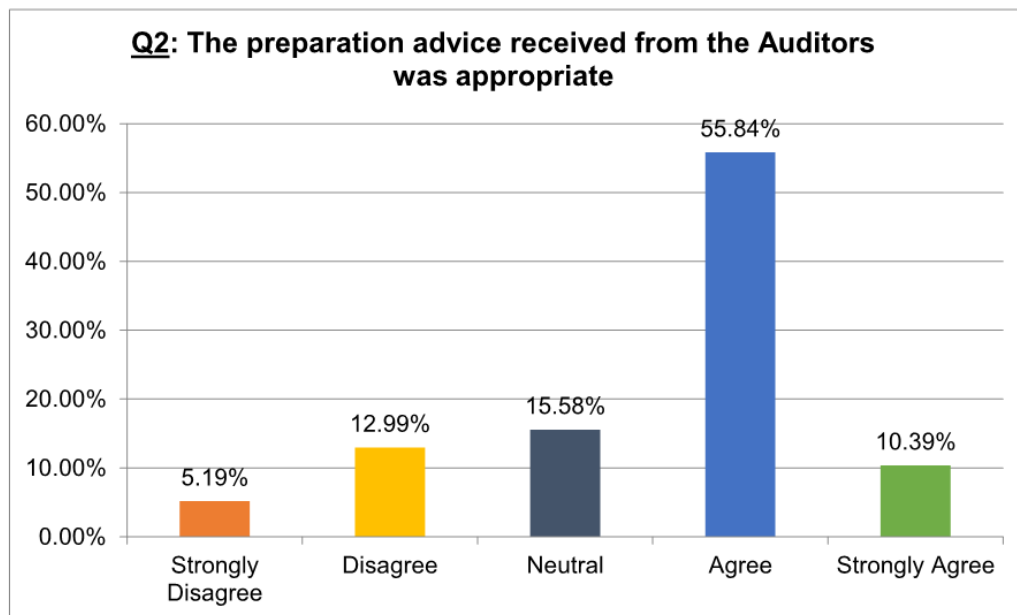
The survey was jointly designed to enable the Associations to provide consistent and constructive advice to the Office of the Auditor General. The OAG is supportive of the process and welcomes this contribution from the peak bodies to inform their continued improvement.

Data and quotations from the survey are provided so as to maintain the anonymity of the 91 local governments referenced as contributors at **Q1**. This level of response provides us with a high level of confidence that the results are strongly indicative of the sector perspectives on the questions asked.

Responses are presented in chart form, demonstrating the percentage of respondents indicating support for the available choices, followed by an indicative summary of the written comments that relate to each question.

The Key Emerging Issues are identified at the end of the report, together with an outline of the advocacy that Local Government Professionals WA proposes to take in response to the survey outcomes. It is anticipated that WALGA will develop its own advocacy to address the findings and we encourage all local governments to participate in that process.

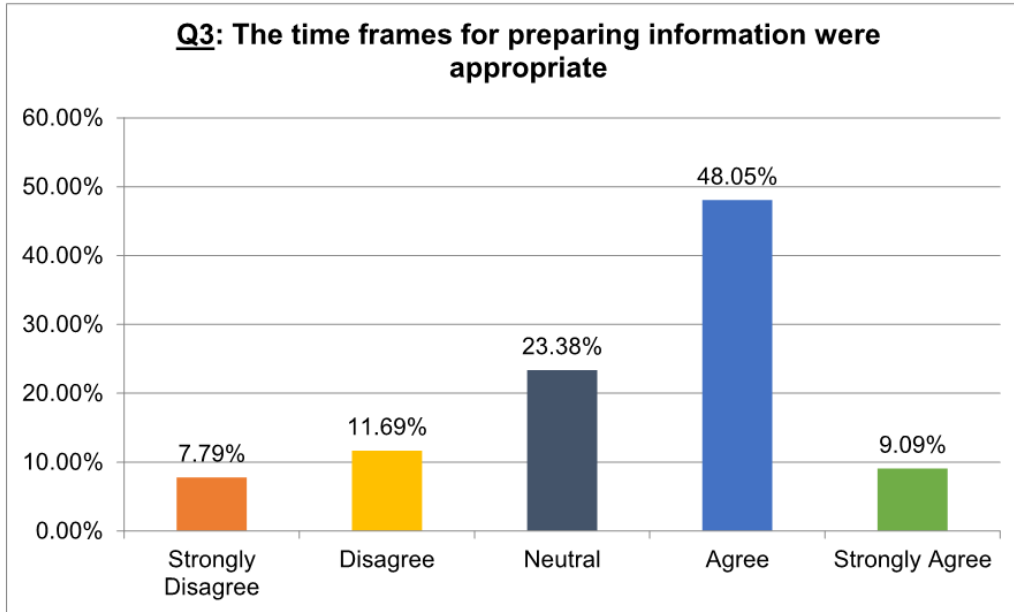
Survey Responses



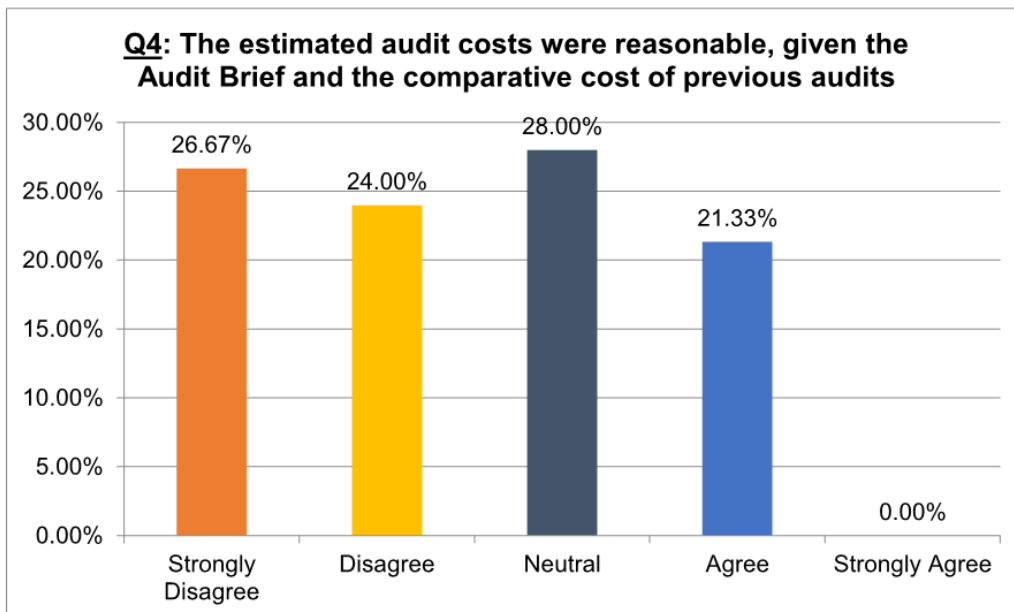
81.8% of respondents were happy with, or neutral to, the Auditors preparation advice.

Criticisms were essentially based on specific situational experiences, such as the withdrawal of the audit firm initially appointed to the process, late appointment of a contract auditor, or difficulty with the auditor's technology platform.

Some comments highlighted the vagueness of preparation requirements and the need for clarity, as well as the need for better appreciation by the auditors for the time involved in responding to their requests.

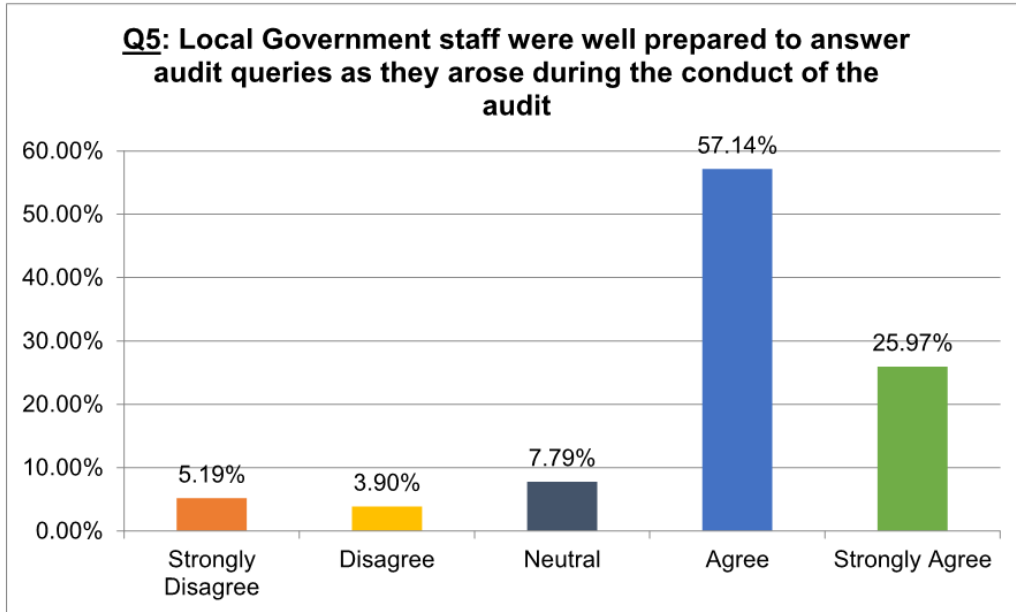


80.5% of respondents were happy with, or neutrally impacted by, the Auditor’s preparation time frames. Comments were mixed, ranging from “we were ready” to highlighting timing inflexibility and volume of work.



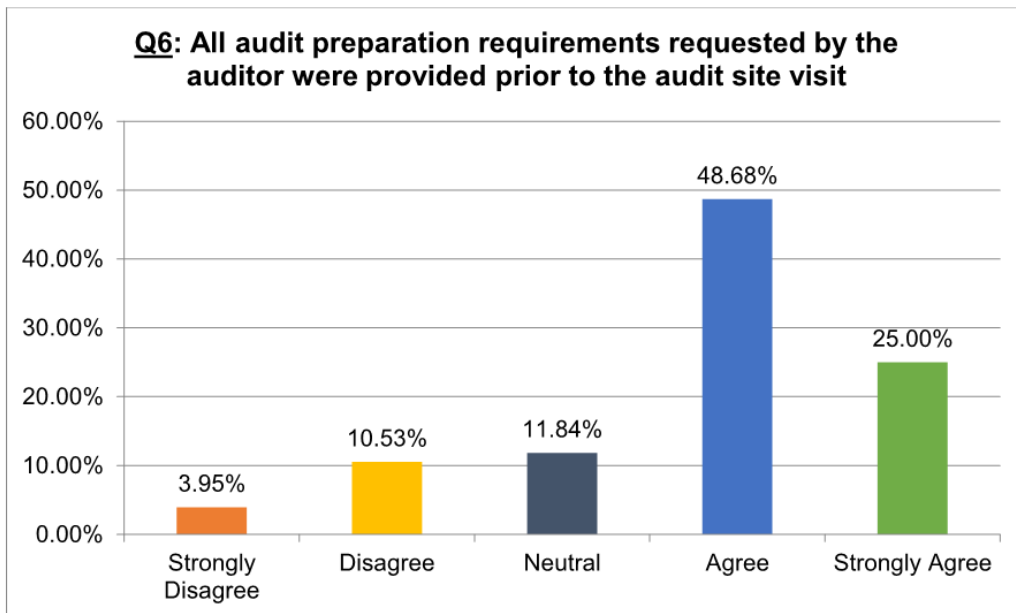
This question was a 50/50 proposition, with 49.3% of respondents either neutral or believing the estimated audit costs were reasonable.

Comments ranged from “2.5 times more expensive than prior to the OAG for substantively the same audit outcome” and concerns about the value-for-money of the audit, to concerns about the lack of transparency from the OAG about how the costs are determined.



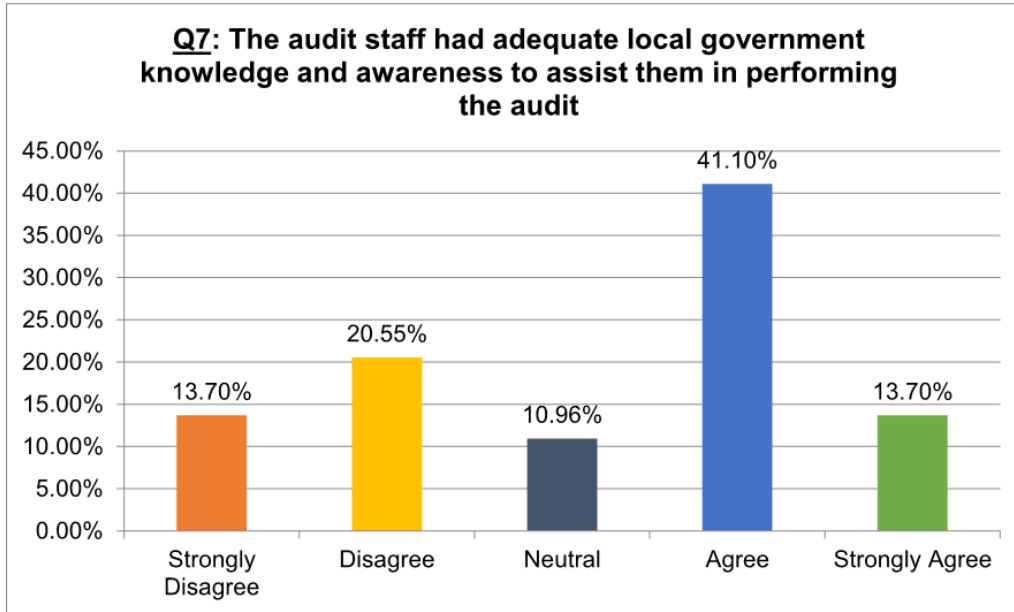
90.9% of respondents were happy or neutral with their response preparation.

Comments highlighted issues such as a lack of audit staff knowledge, to acknowledgement of some delays at the local government end - but not to the extent that would impact the timing or cost variances claimed.



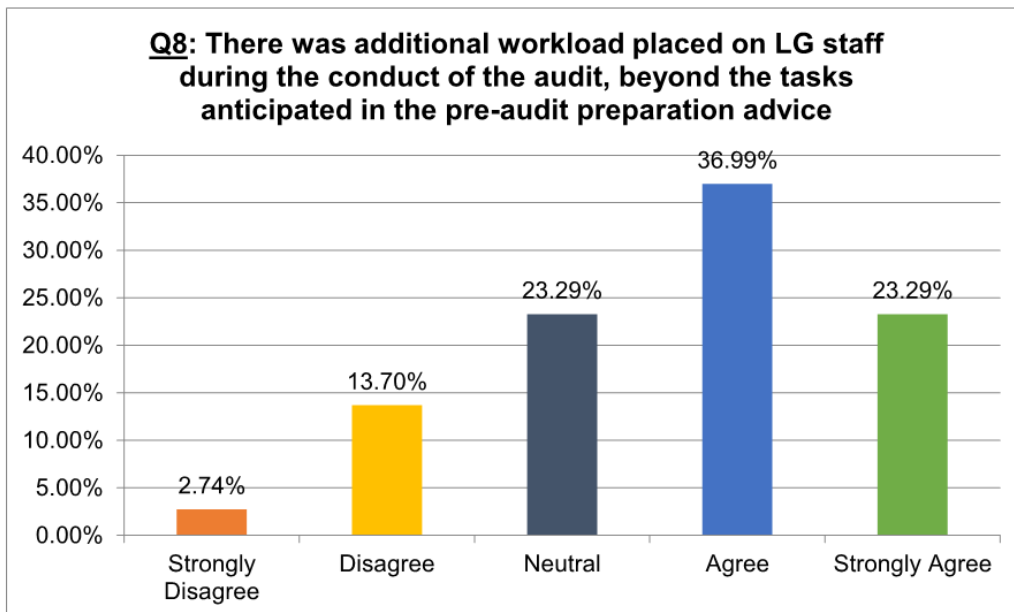
85.5% of respondents either strongly agreed, agreed or were neutral in their response to the proposition.

Comments essentially claimed compliance with the requirement or acknowledged some minor omissions or delays.



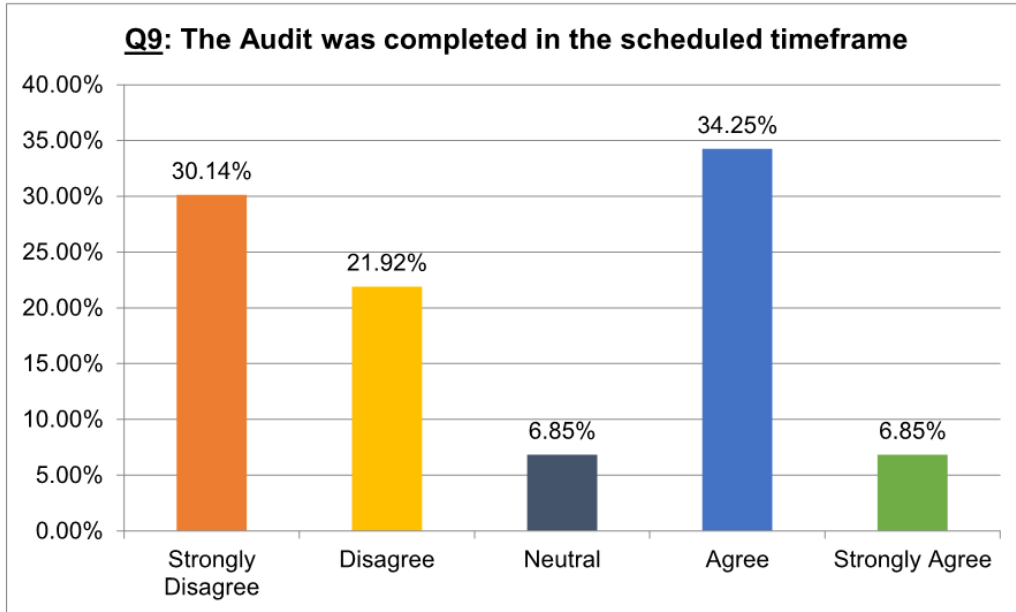
65.8% of respondents were either neutral or supported the statement, indicating that approximately one third of local governments experienced lower than expected levels of local government knowledge and awareness by their auditors.

Comments highlighted this lack of operational knowledge, although some acknowledged that there had been an improvement over last year.



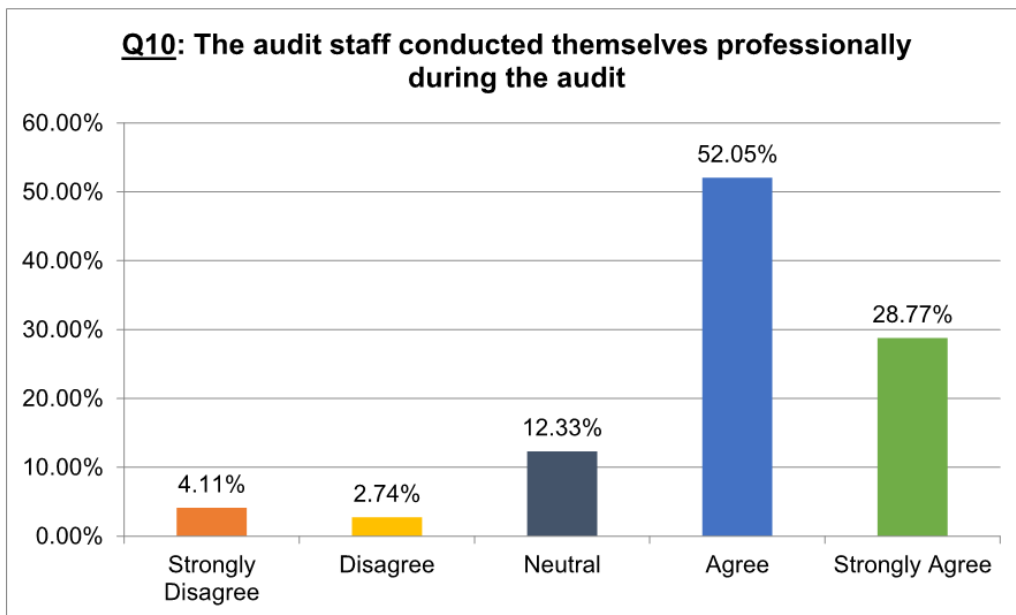
81.6% of respondents were neutral or agreed that they had experienced an abnormal workload, in addition to normal expectations.

Comments emphasised difficulties created by the high number of detailed sampling requests, additional information requests, and repeated requests because the auditor had lost the previous response.

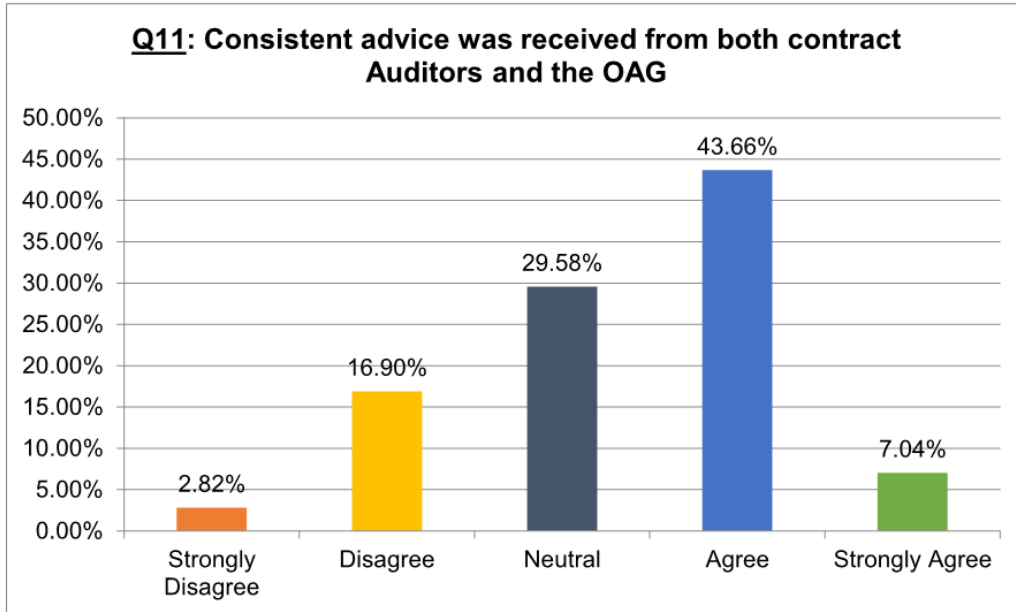


Another 50/50 proposition, where **48%** were neutral or agreed and **52%** disagreed.

When asked to indicate why delays were experienced, the common responses referenced differences between the contract auditors and the OAG and disputes over asset valuation (Fair Value).



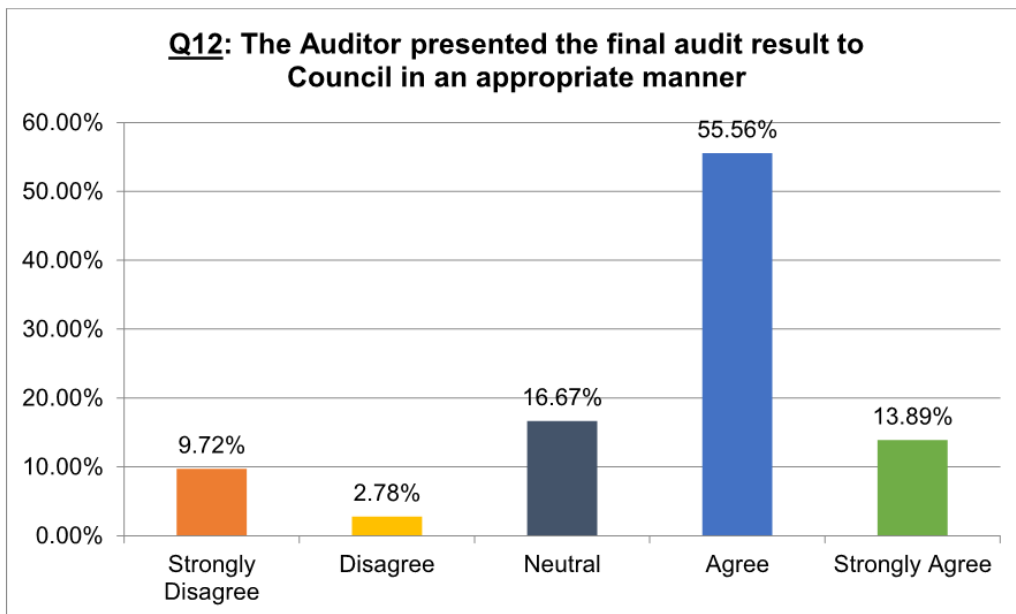
93.1% of respondents supported the statement or were neutral, indicating a very high level of respect and appreciation for the audit staff. Beyond this, the lack of local government experience of some audit staff was referenced.



19.7% of respondents experienced conflicting advice from different audit sources.

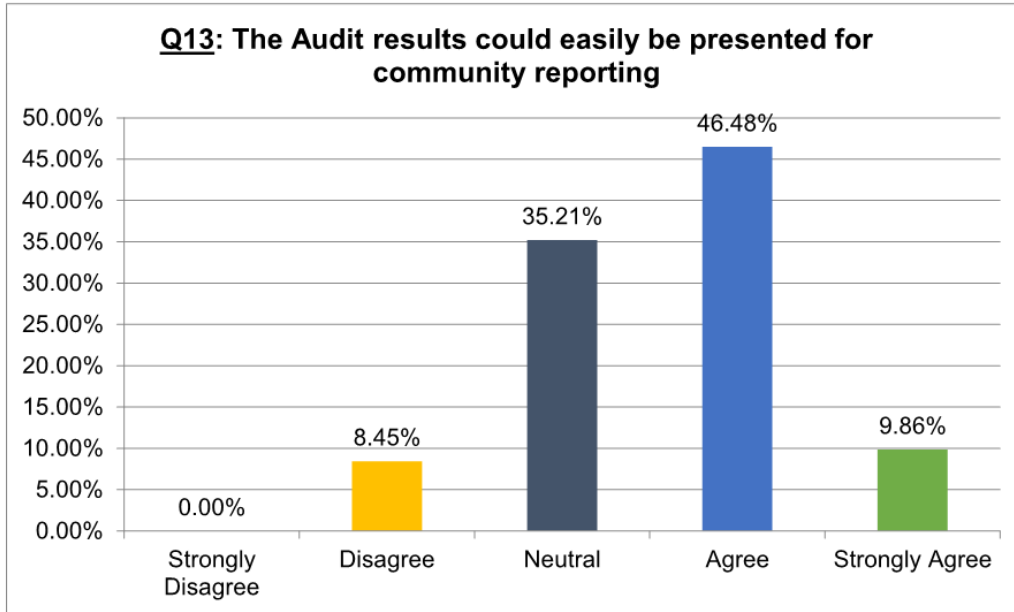
Commentators observed that:

- a lack of knowledge could trigger contradiction of one auditor over the other and referral by contract auditors to the OAG, resulting in considerable delays.
- There was a lack of clarity around asset valuations, creating conflict and inconsistency.



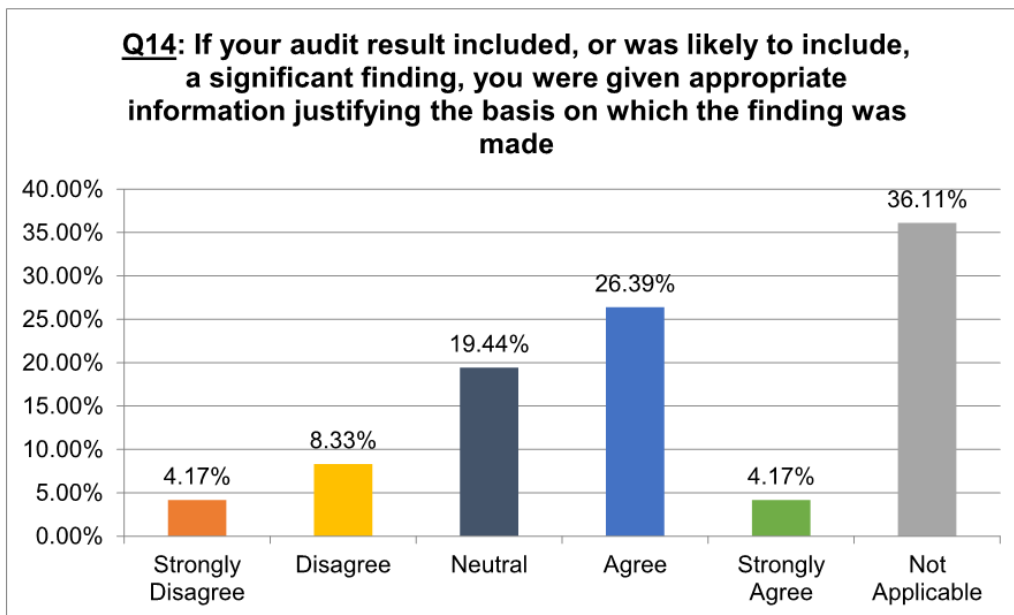
86.1% of responses were neutral or supported the statement, indicating satisfaction with the presentation skills of the audit staff.

Most comments related to the time taken to complete the audit process. The perception of duplication between the exit interview with the Audit Committee and the sign-off with the Council was highlighted.



91.5% of respondents agreed with the statement or were neutral.

An interesting suggestion was that the auditor’s report could be more positively framed to also highlight what is being done well.



12.5% of respondents disagreed with the statement.

Comments indicated that concern was being created by; a lack of clarity on asset valuation; conflict between Contract Auditors and the OAG over the definition of a significant finding, and; late, or lack of, communication to individual local governments over expectations.

Q15 - Please indicate initial estimated audit cost versus actual final audit cost.

The lowest **actual cost** indicated was \$22,000 and the highest was \$138,873.

There was an equal amount of responses indicating that the estimated and actual audit costs were the same, as responses indicating that the actual cost was higher than the estimated cost.

The biggest difference between the estimated and actual cost of an audit was \$40,000, with the average difference being approximately \$12,000.

Only two responses indicated that the actual cost was less than the estimated cost.

Respondents were asked: *What were the reasons given for any variance?* Typical responses indicated -

- *"Additional time taken to source information."*
- *"We are still waiting for the justification!"*
- *"No variance. Delivered on time with no delays or additional information required. Happy days."*
- *"We estimated based on previous year and it had gone up again."*

Q16 - Compared to the 2020/21 audit, did you observe any improvement to the 2021/22 audit process that was worth noting?

There were mixed responses to this question, typified by:

- *"No, it was worse, and 20/21 was horrible."*
- *"Yes, 2021/22 audit completed in December 2022 in contrast to 2020/21 audit which was completed in February 2022."*
- *"Yes - our 2021/22 Audit was managed much better from a timing perspective and the OAG stuck to the agreed timeline. This occurred following significant feedback from us following the 20/21 Audit, which included our President meeting with the Director General of the OAG."*
- *"No, in fact the 21/22 audit process was more difficult, took more time due to additional requests and queries from the auditors, and was delayed further due to the inflexibility of timing from audit staff."*

Q17 - Do you have any other comments you would like to make in relation to your 2021/22 audit experience?

The comments could be summarised as seeking:

- Better communication between auditors and the OAG.
- Improved familiarity by audit staff with local government.
- Streamlined processes between local governments, contract auditors and the OAG.

KEY EMERGING ISSUES

The results and comments from the survey highlight five key areas to address in the annual audit process.

Timeframe and delays

Over **50%** of respondents either disagreed or strongly disagreed that *"the audit was completed in the scheduled timeframe"*. Comments from respondents suggested disruptions to the timeframe were caused by things like; consecutive periods of leave taken by the Auditors and OAG staff; difficulties with asset valuations, and; collection of information. One respondent noted that the Auditors continually asked for more information from Local Government staff but refused to acknowledge the delays these requests were causing or allowing for any flexibility in the times allocated.

Additional workload on Local Government staff

60% of respondents either agreed or strongly agreed that *"there was additional workload placed on Local Government staff during the conduct of the audit, beyond the tasks anticipated in the pre-audit preparation advice"*. Only 15% of respondents disagreed or strongly disagreed with this statement. Respondents noted that the tasks expected of Local Government staff *"far exceeded"* what was anticipated, and this led to a *"very high workload"* for staff and a strain on resources. Unclear instructions, poor communication and being asked to answer the same question multiple times were cited by respondents as causes for the additional workload.

Cost

Almost half of respondents either disagreed or strongly disagreed with the statement that *"the estimated audit costs were reasonable, given the Audit Brief and the comparative cost of previous audits"*. Comments from some respondents reported that the costs were more than twice that incurred prior to the OAG assuming responsibility for Local Government auditing. There was also feedback about a lack of transparency from the OAG in its failure to provide a cost breakdown.

In terms of the actual cost of the audit, only two respondents indicated that the final cost was less than the estimated cost, with a significant amount of respondents indicating the actual cost was higher than the estimate. The average difference between the estimated and actual was an increase of around \$12,000, with the biggest difference being \$40,000.

Inconsistent advice from contract Auditors and OAG

Whilst a majority of respondents either agreed or strongly agreed that *"consistent advice was received from both contract Auditors and the OAG"*, several comments indicated that when inconsistent advice was received it led to confusion, delays, and frustration. One respondent suggested that *"requiring the Local Government to only communicate with the contract auditors, and not also the OAG, would avoid these outcomes"*. In this scenario, it would be up to the contract Auditors and the OAG to be on the same page in terms of the advice given, and this in turn would reduce *"inconsistent advice or information from both parties"*.

Asset Valuation Requirements

There were a number of comments throughout the survey raising the need for simplification and clarification of the Fair Value asset valuation requirements. In response to question 11 about the consistency of advice from the contract auditors and the OAG, one respondent noted that the advice received was good *"apart from the issue of the valuation of assets"*.

A similar comment appears in question 14 where a respondent has sought clarification and guidance about *"the timing of infrastructure revaluation and what mechanisms, beside management judgement, [are] in place to show how we have made the decision"*. Feedback on the handling of the asset valuation process can also be seen in a comment in question 8 which suggests that *"more thought needs to be given between the LG Sector and the OAG."*

Next Steps

Moving forward, we will continue to work with the OAG to reform the audit process by seeking:

- That the OAG review the requirements for pre-audit information with a view to reducing the need for additional information where possible.
- That auditors be required to improve their communication and information management and avoid repeated requests for information that has already been provided.
- That a ceiling of 20% be placed on variances from the quoted estimated cost of the audit in any single financial year.
- That the transparency of the audit costing quotation be enhanced and any variance be fully explained to the local government as part of the final billing process.
- That local governments only be required to communicate with contract Auditors (*unless the OAG is directly auditing the local government*) and the onus be placed on the contract auditors to confirm their advice with the OAG before instructing the local government.
- The application of Fair Value principles be reviewed in the context of the audit.

We encourage the promotion and discussion of the survey outcomes and our proposed action at the local level amongst both staff and elected members.

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

**ITEM 8.1.3A:
POSITION PAPER - TREES AND PRIOR YEAR
ADJUSTMENTS**

Town of Cottesloe

Position Paper - Review Categorisation of Streetscape Infrastructure Assets - Tree Maintenance

Purpose:

To review the categorisation of expenditure on the maintenance of trees within the Town.

Background:

For several years there have been budget allocations for expenditure relating to trees that has been classified as capital expenditure as compared to operating expenditure. This has continued in the years since and has become a regular budget item usually narrated as tree planting although it can also be categorised under alternate "project" titles such as urban canopy for example. Upon analysis of this expenditure the vast majority of the expenditure relates to the wages, overheads and truck costs to water and maintain the growth of young trees and plants.

Infrastructure assets are required to be revalued, usually not less than every five years and this includes all classes of infrastructure asset including roads, footpaths, drainage etc. and also includes streetscape infrastructure. It should also be noted that the dollar threshold for capitalisation is currently \$5,000.

Several other councils were consulted on this matter and their Council had taken the approach that expenditure on trees was operating expenditure and therefore was not required to be revalued.

Executive Summary:

The conclusion to this paper is that management recommend that the expenditure relating to trees be classified as operating expenditure.

Relevant pronouncements:

Not applicable.

Analysis:

The Town proposes to change the categorisation of tree related expenditure for the following years:

2018/2019 - Actual expenditure	\$140,340	
2019/2020 - Actual expenditure	\$471,084	
2020/2021 - Actual expenditure	\$359,408	
2021/2022 - Actual expenditure	\$283,788	
	\$1,254,620	Total Prior year adjustments
2022/2023 - Actual expenditure	\$234,783	Current year adjustments

The prior year adjustments are reflected in the restated 2022 statement of financial position:-

TOWN OF COTTESLOE		
STATEMENT OF FINANCIAL POSITION		
AS AT 30 JUNE 2022		
	2022 Audited	2022 Restated
CURRENT ASSETS		
Cash and cash equivalents	\$ 13,959,471	\$ 13,959,471
Trade and other receivables	\$ 528,885	\$ 528,885
Other financial assets	\$ 64,906	\$ 64,906
Inventories	\$ 9,180	\$ 9,180
Other assets	\$ 72,348	\$ 72,348
TOTAL CURRENT ASSETS	\$ 14,634,790	\$ 14,634,790
NON-CURRENT ASSETS		
Trade and other receivables	\$ 222,012	\$ 222,012
Other financial assets	\$ 328,297	\$ 328,297
Investment in associate	\$ 531,778	\$ 531,778
Property, plant and equipment	\$ 61,870,055	\$ 61,870,055
Infrastructure	\$ 71,598,109	\$ 70,343,489
Right-of-use assets	\$ 1,177,429	\$ 1,177,429
TOTAL NON-CURRENT ASSETS	\$ 135,727,680	\$ 134,473,060
TOTAL ASSETS	\$ 150,362,470	\$ 149,107,850
CURRENT LIABILITIES		
Trade and other payables	\$ 3,368,226	\$ 3,368,226
Lease liabilities	\$ 56,751	\$ 56,751
Borrowings	\$ 350,347	\$ 350,347
Employee related provisions	\$ 1,203,286	\$ 1,203,286
TOTAL CURRENT LIABILITIES	\$ 4,978,610	\$ 4,978,610
NON-CURRENT LIABILITIES		
Lease liabilities	\$ 1,188,423	\$ 1,188,423
Borrowings	\$ 2,460,557	\$ 2,460,557
Employee related provisions	\$ 196,257	\$ 196,257
TOTAL NON-CURRENT LIABILITIES	\$ 3,845,237	\$ 3,845,237
TOTAL LIABILITIES	\$ 8,823,847	\$ 8,823,847
NET ASSETS	\$ 141,538,623	\$ 140,284,003
EQUITY		
Retained surplus	\$ 29,236,044	\$ 27,981,424
Reserve accounts	\$ 8,267,063	\$ 8,267,063
Revaluation surplus	\$ 104,035,516	\$ 104,035,516
TOTAL EQUITY	\$ 141,538,623	\$ 140,284,003

Resources used:

In preparing this paper the Town consulted with other Local Governments, internal management and the Town's auditors.

Assumptions made:

Not applicable

Conclusion:

Based on the analysis performed, management accept the officer's recommendation that all expenditure relating to trees to be categorised as operating expenditure.

Signed by: _____

Position: _____

Date: _____

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

**ITEM 8.1.4A:
INTERIM AUDIT MANAGEMENT LETTER - 30 JUNE
2023**



Our Ref: 7976

Matthew Scott
Chief Executive Officer
Town of Cottesloe
PO Box 606
COTTESLOE WA 6911

7th Floor, Albert Facey House
469 Wellington Street, Perth

Mail to: Perth BC
PO Box 8489
PERTH WA 6849

Tel: 08 6557 7500
Email: info@audit.wa.gov.au

Dear Mr Scott

**ANNUAL FINANCIAL REPORT
INTERIM AUDIT RESULTS FOR THE YEAR ENDING 30 JUNE 2023**

We have completed the interim audit for the year ending 30 June 2023. We performed this phase of the audit in accordance with our audit plan. The focus of our interim audit was to primarily evaluate your financial control environment, and to obtain an understanding of the key business processes, risks and internal controls relevant to our audit of the annual financial report

Management control issues

We would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the course of the interim audit. These matters have been discussed with management and their comments have been included on the attachment. The matters reported are limited to those deficiencies that were identified during the interim audit that we have concluded are of sufficient importance to merit being reported to management.

The result of the interim audit was satisfactory. An audit is not designed to identify all internal control deficiencies that may require management attention. It is possible that irregularities and deficiencies may have occurred and not been identified as a result of our audit.

This letter has been provided for the purposes of your local government and may not be suitable for other purposes.

We have forwarded a copy of this letter to the Mayor. A copy will also be forwarded to the Minister for Local Government when we forward our auditor's report on the annual financial report to the Minister on completion of the audit.

Feel free to contact me on 6557 7714 if you would like to discuss these matters further.

Yours faithfully

Nayna Raniga
Senior Director
Financial Audit
12 July 2023

Attach

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

ITEM 8.2.1A: COMPLIANCE CALENDAR - DECEMBER 2023

2023 Compliance Calendar

Updated December 2023

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
	April - Take Action								
Apr	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			Complete
Apr	Elections - Enrolment Eligibility Claims (Owners and Occupiers) Register - Prepare for Elections - Review register and take action re expired Eligibility Claims (no longer property owner / claim based on occupation or nominee expired)	Local Government Act 1995	s.4.35 Elections Regs.14 and 15 Form 6 and 7	WALGA Template Enrolment Eligibility Claims Register	Annual	Finance Manager			Complete
Apr	Audit - Compliance Audit Return Action Plan Prepare a Compliance Audit Return Action Plan that assigns responsibility and timeframes for implementing outcomes / actions arising from the Compliance Audit Return. Provide Compliance Audit Return Action Plan to Council via Audit Committee for endorsement.	n/a	n/a	Operational Practice	Annual or as required	Director Corporate and Community Services	31/03/2023	D23/15625 & D23/22456	Complete
Apr	Audit - Compliance Audit Return Action Plan Prepare an Compliance Audit Return Action Plan progress report that details progress to completing outcomes / actions arising from the Audit Report. Provide Compliance Audit Return Action Plan Progress Report to Council via Audit Committee for endorsement.	n/a	n/a	Operational Practice	Annual or as required	Director Corporate and Community Services	30/05/2023		Complete
Apr	Public Access to Information - Audit Check LG website, Library and LG offices to ensure all information listed in s.5.94 and Admin. Reg.29 is publicly accessible (see s.5.96 too) and that customer service staff are trained to provide access accordingly. Audit to note limitations: s.5.95 and Admin. Regs. 29A and 29B	Local Government Act 1995	s.5.94 Admin. Reg.29 s.5.95 s.5.96 Admin. Regs 29A and 29B	WALGA Guideline - Schedule of Public Information Access	Annual	Director Corporate and Community Services			Completed November 2022
Apr	Annual Budget - Fees and Charges Schedule In preparation for the Annual Budget, a preliminary Council report may be provided detailing the revised Schedule of Fees and Charges, recommending endorsement for inclusion in the Annual Budget. Council's early consideration enables separate and detailed review, outside of the budget adoption, with any changes proposed then included in the Budget calculations. In any case, the Schedule of Fees and Charges must be included in the Annual Budget and Annual Budget Report, with a separate recommendation for Council to impose the Schedule of Fees and Charges, by absolute majority, as part of the Annual Budget adoption.	Local Government Act 1995	s.6.16 s.6.17 s.6.18	DLGSC website - WA Local Government Accounting Manual	Annual	Director of Corporate and Community Services			Complete
Apr	Annual Budget - Health (Miscellaneous Provisions) Act 1911 Fees and Charges Fees or charges fixed by resolution under a Health Local Law as prescribed in s.334C(1), notice of the resolution must be published at least 14-days before the day on which the resolution is to take effect: • in the Government Gazette and • in a newspaper circulating generally throughout the LG's District	Health (Miscellaneous Provisions) Act 1911	s.344C		Annual	Director of Development and Regulatory Services			NA

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Apr	<p>Annual Budget - Rate Setting Statement In preparation for the Annual Budget, a preliminary Council report may be provided detailing the Rates Setting Statement. Early Council consideration enables: • consideration of public submissions on Differential Rates - see. s.6.36(4) • separate and detailed review of rating implications, outside of the budget adoption • Any changes proposed are then included in the Budget calculations. In any case, the Rate Setting Statement must be included in the Annual Budget Adoption Report, with a separate recommendation for Council to impose, by absolute majority: • the general rate (uniformly or differentially) • a specified area rate • minimum payment, • service charges • impose a discount</p>	Local Government Act 1995	s.6.32 s.6.35 s.6.36(4) s.6.37 s.6.38 s.6.46 FM.Regs. r.22(1)(d) (2) r.26 r.33(1)(c) r.52	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			Complete
Apr	<p>Annual Budget - Borrowings - Changes or New In preparation for the Annual Budget, the preliminary Council report may be provided, recommending endorsement for inclusion in the Annual Budget. Early Council consideration enables • detailed review outside of the Budget adoption • any changes proposed are then included in the Budget calculations. In any case, Borrowings must be include in the Annual Budget and Annual Budget report, with a separate recommendation for Council to resolve, to expend the money or utilise the loan.</p>	Local Government Act 1995	s.6.20 s.6.21	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			NA
Apr	<p>Annual Budget - Setting Elected Member Fees, Payments and Reimbursements Salaries and Allowances Tribunal Determination for Local Government Elected Members (published annually usually in April). Report to Council for decision to set fees, allowances and reimbursements in accordance with the determination.</p>	Local Government Act 1995	Part 5, Div.8 Admin. Regs. Part 8	Salaries and Allowances Tribunal website - Determination for Local Government	Annual	Finance Manager			Complete
Apr	<p>Annual Budget - Reserve Accounts - Changes or New Council decision, by absolute majority, if Annual Budget proposes: • Changes to the purpose of a Reserve Account; OR • Using the money in a Reserve Account for another purpose</p>	Local Government Act 1995	s.6.11	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			Complete
Apr	<p>Annual Budget - Setting Interest Rate for Money Owed Council decision, by absolute majority, to require a person to pay interest rate set in the Annual Budget on any amount of money (other than rates and service charges) owed to the Local Government for a period of time as determined by Council that is not less than 35 days. May be by separate report or included in Annual Budget report with separate recommendation.</p>	Local Government Act 1995	s.6.14 FM.Reg.19A and 19B	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			Complete

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Apr	Annual Budget - Differential Rates and Minimum Payment Setting - Local Public Notices After the Council endorsement for advertising proposed Differential Rates and minimum payments, Local Public Notice must be published with sufficient time to comply with: • Notice must be published within the period 2 months before the commencement of the financial year • Notice must contain details of each rate or minimum payment. • Notice must invite public submissions within 21 days (or longer) of the notice • Notice must advise where public can inspect a document describing the object of, and reasons for, each proposed rate and minimum payment.	Local Government Act 1995	s.6.33 s.6.35 s.6.36 FM.Reg.52A	DLGSC website - WA Local Government Accounting Manual	Annual	Director of Corporate and Community Services		Complete	
Apr	Audit - Audit Report Published on Website CEO must publish on the LGs website, a copy of the Council's report and resolutions made in regard to the Auditor's Report, within 14 days of giving the report to the Minister. Note - this requirement is separate and in addition to the publication of the report on the website as part of the official Council minutes.	Local Government Act 1995	s.7.12A (5)		Annual or as required	Executive Officer (CCS)		Complete	
Apr	Workforce Plan - Review Update the Workforce Plan to include outcomes of Corporate Business Plan Review and report, with recommendations to Council.	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Manager People and Culture		It is planned that a new Workforce Plan will be developed for 2024, informed by the Council Plan (incorporating the Strategic Community Plan and Business Plan)	
Apr	Asset Management Plan - Review Update the Asset Management Plan to include outcomes of the Corporate Business Plan Review and report with recommendations to Council	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Director Engineering Services		Complete	
Apr	Long Term Financial Plan - Review Update the Local Term Financial Plan to include outcomes of Corporate Business Plan Review and report with recommendations to Council	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Director of Corporate and Community Services		Complete	
Apr	Other - ANZAC Day Ceremony					Events Coordinator		Complete	
May - Take Action									
May	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager		Complete	
May	Primary Returns - Request Primary Return from any new employee who is a Designated Employee. Return must be received by CEO within 3 months of the person's start day	Local Government Act 1995	s.5.75	WALGA Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Executive Support and Governance Coordinator		Complete	
May	Financial Interests Register - Review Review register to remove Primary and Annual Returns (not other interest disclosures) from the Financial Interest Register that relate to persons who are no longer Designated Employees (resigned or changed roles) or for Elected Members who have resigned. Returns that are removed are to be kept by the CEO as LG Record for at least 5 years after the person ceased to be a Designated Employee.	Local Government Act 1995	s.5.88(3)(4)		Bi-monthly	Executive Support and Governance Coordinator		Complete	
May	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s.2.25		Quarterly	Executive Support and Governance Coordinator		Complete	

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
	Customer Complaints Handling - Review <ul style="list-style-type: none"> Review the complaint handling policy, procedures and Elected Member and Employee training Analyse complaints data to identify opportunities to improve service provision Provide periodic reports to Council on complaints data analysis 	n/a	n/a		Ongoing	Director Corporate and Community Services			Complete. CRM reports are provided to Council twice per year and the Policy is reviewed, as required.
May	Official Conduct Complaints Officer - Internal Audit Local Government has designated a Senior Employee [s.5.37] as its Complaints Officer, if not, then the CEO is the Complaints Officer.	Local Government Act 1995	s.5.120	DLGSC Website - Local Government Standards Panel	Annual	Chief Executive Officer			Complete
May	Audit - Audit Report Action Plan Prepare an Audit Report Action Plan that assigns responsibility and timeframes for implementing outcomes / actions arising from the Audit Report. Provide Audit Report Action Plan to Council via Audit Committee for endorsement. For June Audit meeting.	n/a	n/a	Operational Practice	Annual or as required	Finance Manager			Complete
May	Audit - Council Minutes re Auditor's Report Provide a copy of the Council report / minutes, detailing Council's consideration and resolutions regarding the Auditor's Report to the Minister within 3 months after the audit report is received by the Council.	Local Government Act 1995	s.7.12A(4)(b)		Annual or as required	Finance Manager			Completed in April 2023
May	Fines Enforcement - Designated Prosecuting Officers Review Designated Prosecuting Officers and provide written advice to Fines Enforcement Registry of changes.	Fines, Penalties and Infringement Notices Enforcement Act 1994	s.13(2)		Annual	Director Development and Regulatory Services			Scheduled for July
May	Designated Employees - Review status of employees who have been nominated as Designated Employees but who are not delegated authority and are not members of a Council Committee.	Local Government Act 1995	s.5.74		Annual	Chief Executive Officer			Complete
May	Senior Employees - Review status of employees who have been designated as Senior Employees under s.5.37. Provide report to Council to amend Senior Employee status.	Local Government Act 1995	5.36		Annual	Chief Executive Officer			Complete
May	Delegation Register Review - Delegations are to be reviewed by the delegator at least once every financial year Last Reviewed: July 2023 Next Due: July 2024	Local Government Act 1995	s.5.16, 5.17, 5.18 s.5.42, 5.43, 5.44, 5.45, 5.46 s.7.1B	WALGA website - Decision Making in Practice Toolkit Part 2 Delegations WALGA website - Webinar - Decision Making in Practice - Delegations DLGSC website - Operational Guideline No.17 Delegations	Annual	Director Corporate and Community Services			Complete
May	Other - Complete Insurance Renewal					Director Corporate and Community Services			Complete
May	Other - Check Performance Appraisals					Director Corporate and Community Services			Audit has commenced
June - Take Action									
Jun	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM,Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			Complete
Jun	Decision Objection and Review Rights - Internal Audit Review the LG's template permits, licences, notices and approval letters issued under the Act and Local Laws to ensure they include advice to the recipient of their objection and review rights.	Local Government Act 1995	s.9.4		Annual	Director Development and Regulatory Services			Not yet commenced
Jun	FOI Annual Statistical Data - Response to Information Commissioner Due by: 30 June	Freedom of Information Act 1992	s.111(3)		Annual	Executive Services Officer (CCS)			Complete

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Jun	Financial Reporting - Material Variances Each Financial Year, a LG is to adopt a percentage or value, calculated in accordance with AAS, to be used in statements of financial activity for reporting material variances. (adopt and apply in the following Financial Year)	Local Government Act 1995	s.34(5)		Annual	Finance Manager	28/03/2023	OCM 042/2023	Completed
Jun	Elections - Council Report required to determine if Electoral Commission will conduct the Election. Electoral Commission agreement to conduct the election required by: (80th day)	Local Government Act 1995	s.4.20(2)(3)(4) s.4.61(2)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial	Director Corporate and Community Services			Complete
Jun	Revaluation of Assets - Plant and Equipment LG must revalue all assets within the Plant and Equipment Class by the expiry of each 3-yearly interval after 30 June 2016.	Local Government Act 1995	FM.Reg.17A(4)		No longer required due to the Town's size	Finance Manager			N/A
Jun	Revaluation of Assets - Land, Buildings and Infrastructure (due 2023) LG must revalue all assets within the Land Building and Infrastructure Class by the expiry of each 5-yearly interval after 30 June 2017 (2020, 2023, 2026)	Local Government Act 1995	FM.Reg.17A(4)		5-yearly Next due: 2023	Finance Manager			Infrastructure revaluation completed 30/06/22. Additional assets valuation completed to 30/06/23.
Jun	Revaluation of Assets - All Other Classes of Assets LG must revalue all other classes of assets (other than Plant and Equipment and Land Building and Infrastructure classes) by the expiry of each 5-yearly interval after 30 June 2018 (2021, 2024)	Local Government Act 1995	FM.Reg.17A(4)		5-yearly Next due: 2024	Finance Manager			N/A
Jun	Annual Budget - Adoption (Start) During period 1 June to 31 August, Local Government is to prepare and adopt, by absolute majority, an Annual Budget for the next financial year. Annual budget content to comply with FM.Reg.22.	Local Government Act 1995	s.6.2(1) FM.Reg.22	DLGSC WA Local Government Accounting Manual	Annually Due by 31 August 2023	Finance Manager			Complete
Jun	Elections - Electoral Commission agreement to conduct the election required by: (80th day) Report required to Council June OCM	Local Government Act 1995	s.4.20(2)(3)(4) s.4.61(2)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Due: 30 June 2023	Director Corporate and Community Services			Complete
Jun	Disability Access and Inclusion Plan to be made available - Internal Audit LG must publish the DAIP on request in electronic format, hard copy in standard and large print, on request by email and on the website	Disability Services Act 1992	s.29A Reg.9.	Dept. fo Community Services - Disability Services - Website - Local Government Resource Manual	Annual	Executive Services Officer (CCS)			A review is underway, with the new plan to be developed
Jun	Annual Review of Employee Performance - Undertake an audit to ensure each employee (including CEO and senior employees) who has been employed for more than 1 year, has been reviewed at least once in relation to every year of employment	Local Government Act 1995	s.5.38		Annual	Manager People and Culture			Ongoing when anniversaries fall. CEO's review complete.
Jun	Local Laws - to be publicised - Internal Audit Ensure all Local Laws (as amended) are available on website, libraries and LG's Office	Local Government Act 1995	s.3.15	WALGA website - Local Laws Manual Subscription Service DLGSC website - Local Laws Statutory Procedures Checklist DLGSC website - Local Laws Register	Annual	Director Corporate and Community Services			Complete
Jun	Information Statement LG must publish an up-to-date Information Statement, reviewed within every 12-months Last completed: 22/08/22 Due by: 21/08/2023	Freedom of Information Act 1992	s.96		Annual	Executive Services Officer (CCS)			Complete
Jun	Information Statement & Internal Manuals - Publicly Available LG must cause copies of the most up-to-date Information Statement and internal manuals to be made available for public inspection (deleting any exempt matter from those copies.	Freedom of Information Act 1992	s.97		Annual	Executive Services Officer (CCS)			Complete

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Jun	Corporate Business Plan - Review (Council Adoption) Due by: 30 June Council to adopt by absolute majority. Amended Corporate Business Plan informs the preparation of the budget.	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Chief Executive Officer			The Council Plan, incorporating the Strategic Business Plan 2024-2034 and the Corporate Business Plan will be put to a future OCM
Jun	Strategic Community Plan - Review (Start the process) Review completed after community consultation, and adopted by Council, by absolute majority, at least once every 4 years Last reviewed (OCM decision date): 13/12/2013 Next Due by: 12/12/2023 NOTE - Corporate Business Plan and Informing Strategy Reviews are listed as part of the preliminary Actions for the Annual Budget	Local Government Act 1995	s.5.56 Admin.Reg.19C	DLGSCI website - Integrated Planning and Reporting Framework and Guidelines	4-yearly Next Due: December 2023	Chief Executive Officer			The Council Plan, incorporating the Strategic Business Plan 2024-2034 and the Corporate Business Plan will be put to a future OCM
Jun	Heritage Inventory - Annual Update LG must compile and maintain a Heritage Inventory, which must be updated annually and a copy provided to the Heritage Council. Due by: 2023	Heritage of Western Australia Act 1990	s.45(2)(a), (3)	State Heritage Office Website - Basic Principles for Local Government Inventories State Heritage Office Website - Criteria for the Assessment of Local Heritage Places and Areas	Annual	Director of Development and Regulatory Services			Draft Heritage Strategy under review, which will impact the Heritage Inventory.
Jun	Heritage Inventory - Review LG must compile and maintain a Heritage Inventory, which must be reviewed every 4 years and a copy provided to the Heritage Council. Last completed: 2020 Due by: 2024	Heritage of Western Australia Act 1990	s.45(2)(b), (3)	State Heritage Office Website - Basic Principles for Local Government Inventories State Heritage Office Website - Criteria for the Assessment of Local Heritage Places and Areas	4-yearly Next Due: 2024	Director of Development and Regulatory Services			Due 2024
July - Take Action									
Jul	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			Complete
Jul	Primary Returns - Request Primary Return from any new employee who is a Designated Employee. Return must be received by CEO within 3 months of the person's start day	Local Government Act 1995	s.5.75	WALGA Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Executive Support and Governance Coordinator			Complete
Jul	Financial Interests Register - Review Review register to remove Primary and Annual Returns (not other interest disclosures) from the Financial Interest Register that relate to persons who are no longer Designated Employees (resigned or changed roles) or for Elected Members who have resigned. Returns that are removed are to be kept by the CEO as LG Record for at least 5 years after the person ceased to be a Designated Employee.	Local Government Act 1995	s.5.88(3)(4)		Bi-monthly	Executive Support and Governance Coordinator			Complete
Jul	Emergency Services Levy - Year End ESL Reconciliation Lodgement and Aged Debtor Report Due by: 31 July	DFES - ESL Manual of Operating Procedures	Clause. 5.13.5	DFES - ESL Manual of Operating Procedures	Annual Due: 31 July	Finance Manager			
Jul	Annual Returns - Request Elected Members and Designated Employees to provide an Annual Return by no later than 31 August CEO's Annual Return must be lodged with the Mayor	Local Government Act 1995	s.5.76(1)	DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Biennial	Executive Support and Governance Coordinator			Complete

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Jul	Elections - Electoral Commission agreement to conduct the election required by: (80th day)	Local Government Act 1995	s.4.20(2)(3)(4) s.4.61(2)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial	Director Corporate and Community Services			Complete
Jul	Annual Budget - Copy of Annual Budget as adopted to DLGSCI Executive Director within 30 days of the Budget adoption, plus a copy of the Council Report / Minutes relevant to the budget adoption.	Local Government Act 1995	FM Reg.33.	DLGSC website - WA Local Government Accounting Manual	Annual	Chief Executive Officer			Complete
Jul	Annual Budget - Website Publish the Annual Budget on the LG website.	n/a	n/a		Annual	Executive Services Officer (CCS)			Complete
Jul	Public Interest Disclosure Officer - Internal Audit - CEO must appoint a specified position with the authority as the person responsible for receiving public interest disclosures. PID Officer Declaration Form must be completed and provided to the PSC Commissioner	Public Interest Disclosure Act 2003	s.23(1)(a)	Public Sector Commission Website - PID Officer's Code of Conduct and Integrity Public Sector Commission Website - PID Officer's Declaration Form	Annual	Chief Executive Officer			Complete
Jul	Local Emergency Management Committee - Internal Audit LG must establish a LEMC, constituted and under the procedures established by the State Emergency Committee (Note - this is not a Committee of Council under s.5.8 of the Local Government Act).	Emergency Management Act 2005	s.38	Office of Emergency Management - Website - Local Emergency Management Arrangement (LEMA) Guideline and Model	Annual	Director of Development and Regulatory Services			
Jul	Local Emergency Management Arrangements - Internal Audit LEMC must establish Local Emergency Management Arrangements for the LG District. Audit for compliance with the LEMA Guideline and Model	Emergency Management Act 2005	s.39	Office of Emergency Management - Website - Local Emergency Management Arrangement (LEMA) Guideline and Model	Annual	Director of Development and Regulatory Services			
	Other - DAIP Report					Community and Events Administration Officer			In progress, due for completion by end 2023.
	Other - NAIDOC Week					Events Coordinator			Complete
August - Take Action									
Aug	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			Complete
Aug	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted - refer concerns to the CEO	Local Government Act 1995	s. 2.25		Quarterly	Executive Support and Governance Coordinator			Complete
Aug	Elections - Statewide Public Notice Enrolment Eligibility Claims - CEO to give notice of the closing date and time for elector enrolments. (to be given 70th to 56th days) DUE: 9/8/23	Local Government Act 1995	s.4.39(2)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Aug	Elections - DUE 19/8/23 for CEO to advise Electoral Commissioner of the need to prepare an updated residents roll	Local Government Act 1995	s.4.40(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Aug	Elections - Statewide Public Notice Call for Nominations - from 56 days and no later than 45th day before Election Day.	Local Government Act 1995	s.4.47(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Aug	Elections - Close of Rolls at 5pm 25/8/23. Enrolment eligibility claims received by 5pm can continue to be processed with a decision on eligibility required by	Local Government Act 1995	s.4.39(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Aug	Annual Returns - Elected Members and Designated Employees to provide an Annual Return by no later than 31 August . CEO's Annual Return must be lodged with the President / Mayor.	Local Government Act 1995	s.5.76(1)	DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Annual Due by: 31 August	Executive Support and Governance Coordinator			Complete

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Aug	Annual Budget - During period 1 June to 31 August , Local Government is to prepare and adopt, by absolute majority, an Annual Budget for the next financial year.	Local Government Act 1995	s.6.2(1)	DLGSC WA Local Government Accounting Manual	Annual Due by: 31 August	Finance Manager			Complete
Aug	Annual Report - Commence preparation of Annual Report Due: 31/12/22	Local Government Act 1995	s.5.53 s.5.54 Admin. Regs. 19BA, 19B, 19CA	DLGSC website - WA Local Government Accounting Manual	Annual	Chief Executive Officer			In progress
Aug	Annual Report - Disability Access and Inclusion Plan - LG must include in its Annual Report about the implementation of the DAIP.	Disability Service act 1993	s.29 Reg.8.	Dept. of Community Services - Disability Services - Website - Local Government Resource Manual	Annual Due by: November 2023	Community and Events Administration Officer			In progress
Aug	Annual Report - Record Keeping Statement The Annual report is to include a section addressing - efficiency and effectiveness of record keeping systems, record keeping training program, efficiency and effectiveness of training, employee induction for record keeping	State Records Act 2000	Principles and Standards 2002 - Principle 6		Annual Due by: November 2023	Senior Records Officer			In progress
Aug	Other - Public Health Report					Director Development and Regulatory Services			
September - Take Action									
Sep	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			In progress
Sep	Primary Returns - Request Primary Return from any new employee who is a Designated Employee. Return must be received by CEO within 3 months of the person's start day	Local Government Act 1995	s.5.75	WALGA Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Executive Support and Governance Coordinator			Complete
Sep	Primary and Annual Returns Register - Update Register with new Delegates following completion of the Delegation Register Review and initiate requests for Primary Returns from new Delegates	Local Government Act 1995	s.5.75	WALGA Guideline - Primary and Annual Returns Management	Annual	Executive Support and Governance Coordinator			Updated in August
Sep	Financial Interests Register - Annual Review Following completion of the Delegation Register Review, review the Register and remove Primary and Annual Returns (not other interest disclosures) from the Financial Interest Register that relate to persons who are no longer Designated Employees (i.e. no longer have delegated authority). Returns that are removed are to be kept by the CEO as LG Records for a period of at least 5 years after the person ceased to be a Designated Employee.	Local Government Act 1995	s.5.88(3)	DLGSC website - Operational Guideline No.1 Disclosure of Interest Affecting Impartiality DLGSC website - Operational Guideline No.20 Disclosure of Financial Interests at Meetings DLGSC website - Operational Guideline No.21 Disclosure of Financial Interests In Returns	Annual	Executive Support and Governance Coordinator			Updated in August
Sep	Elections - Candidate Information Session Coordinate and promote a candidate information session - consider participation in WALGA Webinars.	n/a	n/a	WALGA Webinar Prospective Elected Members	Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Elections - Statewide Public Notice Call for Nominations - no later than 45th day before Election Day - Due By: 2023	Local Government Act 1995	s.4.47(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Elections - Nominations Open 2023 - First day for candidates to lodge completed nomination papers with the returning officer. Nominations are open for eight days	Local Government Act 1995	s.4.49(a)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Elections - Nominations Close at 4pm on Due By: 2023	Local Government Act 1995	s.4.49(a)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Elections - Declarations of Office for new Elected Members elected unopposed (due 2 months from declaration of result - close of nominations) Due By: 2023	Local Government Act 1995	s.2.29	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			In progress

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Sep	Elections - Candidate / Donor Gift Disclosures - CEO written advice to Candidates of Elections Gift Disclosure obligations.	Local Government Act 1995	s.4.59 Elections Regs Part 5A Form 9A		Biennial Next due 2023	Director Corporate and Community Services			In progress
Sep	Elections - Residents Roll to be prepared by Electoral Commissioner Due By: 2023	Local Government Act 1995	s.4.40(2)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Elections - Owners and Occupiers Roll to be prepared and certified by CEO Due By: 2023	Local Government Act 1995	s.4.41(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Elections - Statewide Public Notice of Election Day by Returning Officer - between 36th and 19th day before Election Day - 2023	Local Government Act 1995	s.4.64(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Elections - Consolidated Roll (Resident / Owners and Occupiers) at Returning Officer's discretion, to be completed by (22nd day before Election Day) Due By: 2023	Local Government Act 1995	s.4.38(1) Elections Reg.18	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Elections - Supply of Rolls - CEO to provide Returning Officer with sufficient rolls and copies to be provided free of charge to candidates and Elected Members who ask	Local Government Act 1995	s.4.42		Biennial Next due 2023	Director Corporate and Community Services			Complete
Sep	Policy Review - Payments to Employees Additional to Contract or Award Includes benefits and payments additional to EBA or Contract conditions i.e. gym memberships, gifts in recognition of length of service or gifts on retirement or resignation. Does not include payments for redundancy or termination which are legislated or subject to contractual arrangements.	Local Government Act 1995	s.5.50		Biennial	Manager People and Culture			NA
Sep	Annual Financial Report - Prepare and submit to the Auditor. Content of Annual Report to comply with FM.Reg.36(2). Due: 30/11/2023	Local Government Act 1995	s.6.4 FM.Reg.36	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			In progress
Sep	Business Continuity Plan - Review Review the Business Continuity Plan to ensure it remains functional and is tested against current operational requirements. Last completed: 01/10/2022 Next Due: 30/09/2024	n/a	n/a		Biennial Next Due: 2024	Director of Corporate and Community Services			Due in 2024
Sep	Advertise Citizen of Year Awards					Events Coordinator			Complete
October - Take Action									
Oct	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			Complete
Oct	Elections - Declarations of Office for new Elected Members, Town Mayor and Deputy Town Mayor sworn in following Election Day (2 months from declaration of result) DUE:	Local Government Act 1995	s.2.29	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Oct	Elections - Close of Absent Voting / Postal Voting Applications for 'in-person' elections (4th day before Election Day) DUE:	Local Government Act 1995	s.4.68(1)(c) Elections Reg.37(3)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Oct	Elections - Close of Early Voting 4.00pm for 'in-person' elections.	Local Government Act 1995	s.4.71(1)(3) Elections Reg.59(2)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Oct	Election Day - Close of Poll 6.00pm DUE:	Local Government Act 1995	s.4.7 s.4.68(1)(e)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Oct	Elections - Result declared and published as Local Public Notice by Returning Officer as soon as practicable	Local Government Act 1995	s.4.77 Elections Reg.80	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Oct	Elections - Report to Minister (by 14th day after election) DUE:	Local Government Act 1995	s.4.79 Elections Reg.81	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Oct	Primary Returns - Request new Elected Members - required to be lodged with CEO within 3 months of making Declarations of Office Due:	Local Government Act 1995	s.5.75(1)	WALGA Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Biennial Next due 2023	Executive Support and Governance Coordinator			Complete
Oct	Elections - Election Papers collected and secured in one or more parcels by Returning Officer	Local Government Act 1995	s.4.84(a) Elections Reg.82	DLGSC Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			Complete
Oct	Elections - Destruction of Election Papers - parcels which are more than 4 years old may be destroyed, supervised by CEO and witnessed by at least 2 employees OR to secure paper destruction company	Local Government Act 1995	s.4.84(a) Elections Reg.82	DLGSC website - Returning Officer Manual	Biennial Next due 2023	Director Corporate and Community Services			
Oct	Election of Town Mayor, Deputy Mayor - elected from amongst the Councillors - conducted in accordance with Schedule 2.3, Div.1	Local Government Act 1995	s.2.11(1)(b) Schedule 2.3,Div.1		Biennial Next due 2023	Chief Executive Officer			NA
Oct	CEO Authority to Speak on behalf of the LG - if new Shire President / Mayor is elected, seek / obtain written authority from Shire President for CEO to speak on behalf of the Local Government.	Local Government Act 1995	s.5.41(f)		Biennial Next due 2023	Chief Executive Officer			NA
Oct	Establishment of Audit Committee - following Elections, Council must establish an Audit Committee - with membership of 3 or more persons, by Absolute Majority, and appoint committee members and deputies. Each Elected Member is entitled to be a member of at least one committee.	Local Government Act 1995	s.7.1A s.5.8 s.5.10 s.5.11A s.5.11		Biennial Next due 2023	Director Corporate and Community Services			Complete
Oct	Establishment of Committees - following Elections, Council may establish committees (other than Audit) of 3 or more persons, by Absolute Majority, and appoint committee members and deputies. Each Elected Member is entitled to be a member of at least one committee.	Local Government Act 1995	s.5.8 s.5.9 s.5.10 s.5.11A s.5.11		Biennial Next due 2023	Chief Executive Officer			Complete
Oct	Establishment of Committees - Each committee has been established with a Terms of Reference, that details the purpose of the Committee and the scope of matters that the Committee will deal with.	Local Government Act 1995	s.5.8		Biennial Next due 2023	Chief Executive Officer			Complete
Oct	Election of Committee Presiding Members and deputies - conducted in accordance with Schedule 2.3, Div.1	Local Government Act 1995	s.5.12 Schedule 2.3, Div.1		Biennial Next due 2023	Chief Executive Officer			Complete
Oct	Election Papers - election of Town Mayor, Deputy Mayor and Committee Presiding Members and deputies - Election Papers collected and secured in parcels	Local Government Act 1995	s.4.84(a) Elections Reg.82		Biennial Next due 2023	Director Corporate and Community Services			
Oct	Appointment of Elected Members to External Bodies -				Biennial Next due 2023	Chief Executive Officer			Complete
Oct	Elected Member Induction - Provide an induction for newly elected Councillors.	n/a	n/a		Biennial Next due 2023	Chief Executive Officer			Complete
Oct	Audit - Audit Report Action Plan Prepare an Audit Report Action Plan progress report that details progress to completing outcomes / actions arising from the Audit Report. Provide Audit Report Action Plan Progress Report to Council via Audit Committee for endorsement. For November Audit Committee meeting.	n/a	n/a	Operational Practice	Annual or as required	Finance Manager			In progress
Oct	Local Planning Scheme - Review Last updated: November 2019.	Planning and Development Act 2005	s.		4-yearly Next Due: November 2023	Director of Development and Regulatory Services			In progress

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Oct	Policy Review - Purchasing Policy Review Purchasing Policy to ensure policy controls for the purchasing function remain efficient and effective, supporting best value and compliance with the Act. Last completed: 25/10/2022 Due by: 24/10/2025	Local Government Act 1995	F&G.Reg.11A.	DLGSC website - WA Local Government Accounting Manual - Section 7 WALGA website - Employee Relation Services Template HR Policies WALGA website - Template Purchasing Policy • See also - WALGA Integrity in Procurement Self Audit Tool WALGA website - Template Transaction Card Policy and Guidelines Recommended Practice • Schedule regular policy reviews, no more than 4 years interval. • Frequency of each policy's review based upon a risk analysis. • Check for legislative compliance.	Triennial Next Due: 2025	Director of Corporate and Community Services			Updated 28/02/2023
Oct	Tender Register - Internal Audit Review Register for compliance with F&G.Reg.17 and ensure the Register accurately and completely records all tenders.	Local Government Act 1995	F&G.Reg.17.		Annual	Director of Engineering	D19/21078		Complete
Oct	Other - Dog and Cat Registrations due					Director Corporate and Community Services			
November - Take Action									
Nov	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC website - WA Local Government Accounting Manual	Monthly	Finance Manager			
Nov	Primary Returns - Request Primary Return from any new employee who is a Designated Employee. Return must be received by CEO within 3 months of the person's start day	Local Government Act 1995	s. 5.75	WALGA Guideline - Primary and Annual Returns Management DLGSC website - Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Executive Support and Governance Coordinator			Complete
Nov	Financial Interests Register - Review • Review register to remove Primary and Annual Returns (not other interest disclosures) from the Financial Interest Register that relate to persons who are no longer Designated Employees (resigned or changed roles), or for Elected Members who have resigned. • Returns that are removed are to be kept by the CEO as LG Record for at least 5 years after the person ceased to be a Designated Employee.	Local Government Act 1995	s.5.88(3)(4)		Bi-monthly	Executive Support and Governance Coordinator			Complete
Nov	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s. 2.25		Quarterly	Executive Support and Governance Coordinator			
Nov	Policy Review - Code of Conduct Following each Election - provide Council report to enable the 'new' Council to review and adopt the Code of Conduct.	Local Government Act 1995	s.5.103 s.5.104 Admin.Reg. Part 9 Rules of Conduct Regs.	WALGA website - Model Code of Conduct Recommended Practice • Review the Code following each Election cycle to ensure new (and old) Elected Members understand requirements.	Biennial Next Due 2023	Director Corporate and Community Services			For December OCM

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Nov	Elections - Declarations of Office for new Elected Members elected unopposed (due 2 months from declaration of result at close of nominations) Due by: 2023	Local Government Act 1995	s.2.29	DLGSC website - Elections Timetable DLGSC website - Returning Officer Manual	Biennial Next Due 2023	Chief Executive Officer			Complete
Nov	CEO Performance Review - Schedule Council Meeting/s to undertake the CEO's performance review in accordance with the CEO's contract	Local Government Act 1995	s.5.38		Annual	Chief Executive Officer			Completed in July 2023
Nov	Financial Management Systems and Procedures Review At least once every 4 years, review the appropriateness and effectiveness of the systems and procedures established under FM Reg.5. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): dd/mm/yyyy Due by: dd/mm/yyyy	Local Government Act 1995	FM.Reg.5	DLGSC website - WA Local Government Accounting Manual	4-yearly Next Due: 2025	Finance Manager (and Director of Corporate and Community Services)			NA
Nov	Gift & Travel Register Online - Internal Audit Audit the Register for: • Compliance with Admin.Reg.28A • Register accurately records all declarations • Declaration form complies with disclosure requirements under s.5.82 and s.5.83	Local Government Act 1995	s.5.82 Admin.Reg.25 s.5.83 Admin.Reg.26 s.5.88A Admin.Reg.28A Form 4.	WALGA website - Webinar Local Government Gift Declarations	Annual	Executive Support and Governance Coordinator			
Nov	Notifiable Gift Register - Internal Audit Review the register for: • Compliance with Admin.Reg.34B(5) • Register accurately records all declarations • Declarations comply with Admin Reg. 34B(5) and Code of Conduct	Local Government Act 1995	Admin. Regs.34B(5)	WALGA website - Webinar Local Government Gift Declarations	Annual	Executive Support and Governance Coordinator			
Nov	Financial Interests Register - Internal Audit Review the register for • Compliance with s.5.88 and Admin. Reg. 28 • Register accurately records all declarations • Declarations comply with disclosure requirements under LG Act, Part 5, Div.6, SubDiv.1.	Local Government Act 1995	s.5.88 Admin.Reg.28	WALGA website - Webinar Local Government Gift Declarations	Annual	Executive Support and Governance Coordinator			
Nov	Electoral Gift Register - Internal Audit CEO to establish and maintain • Record disclosures by candidates and donors • Remove disclosures relating to unsuccessful candidates and retain separately for at least 2 years. • Register is to be publicly available at LG Office.	Local Government Act 1995	s.4.59 Elections Regs.30G, 30H Form 6	WALGA website - Webinar Local Government Gift Declarations DLGSC website - Standing for Council Information Package for Candidates	Annual	Executive Support and Governance Coordinator			Complete
Nov	Other - Long Term Financial Plan					Finance Manager			
December - Take Action									
Dec	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC website - WA Local Government Accounting Manual	Monthly	Finance Manager			
Dec	Council / Committee Meeting Schedule - At least once per year, determine meeting schedule for next 12 months (see January - and give Local Public Notice)	Local Government Act 1995	s.5.25(1)(g) Admin.Reg.12		Annual	Executive Support and Governance Coordinator			
Dec	Annual Report - Accepted , by Absolute Majority, by no later than 31st December	Local Government Act 1995	s.5.53 s.5.54	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			For December OCM
Dec	Elections - Declarations of Office for new Elected Members, Shire President / Mayor and Deputy Shire President / Mayor sworn in following Election Day (2 months from declaration of result)	Local Government Act 1995	s.2.29	DLGSC website - Elections Timetable DLGSC website - Returning Officer Manual	Biennial Next due 2023	Chief Executive Officer			Complete

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Dec	Master Compliance Calendar - Review Review the Master Compliance Calendar content and consult with the LGs CEO, Executive and key employees to identify any additional Compliance Actions for inclusion in the next year's Master Compliance Calendar.	n/a	n/a		Annual	Director Corporate and Community Services			In progress
Dec	Strategic Community Plan - Review Review completed after community consultation, and adopted by Council, by absolute majority, at least once every 4 years Last reviewed (OCM decision date): 13/12/2013 Next Due by: 12/12/2023 NOTE - Corporate Business Plan and Informing Strategy Reviews are listed as part of the preliminary Actions for the Annual Budget	Local Government Act 1995	s.5.56 Admin.Reg.19C	DLGSCI website - Integrated Planning and Reporting Framework and Guidelines	4-yearly Next Due: 2023	Chief Executive Officer			In progress
Dec	Strategic Community Plan - Review - Local Public Notice After adoption of the revised Strategic Community Plan, LG is to give Local Public Notice that the Plan has been adopted, the period that the Plan is to apply and details of where and when the Plan may be inspected	Local Government Act 1995	s.5.56 Admin.Reg.19D	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	4-yearly Next Due: 2023	Chief Executive Officer			Complete
Dec	Strategic Community Plan Review - Website Publish the revised Strategic Community Plan on the LG's website	Local Government Act 1995	s.5.94(f)	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	4-yearly Next Due: 2023	Chief Executive Officer			Complete
Dec	Organisational Structure - Review Following each major review of the Community Strategic Plan and the consequential review of the Corporate Business and Workforce Plans, undertake a review of the Organisational Structure to ensure alignment for achieving Council's objectives	Local Government Act 1995	s.5.2		4-yearly Next Due: 2023-early 2024	Chief Executive Officer			Not commenced
Dec	Annual Report - Auditor Report CEO Certified After the annual financial statements have been audited, the CEO is to sign and append to the auditors report a declaration (Form 1).	Local Government Act 1995	Fin.Mgt.Reg.51(1)	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			Scheduled for 4/12/23
Dec	Annual Financial Report - Audit by 31 December An auditor is required to examine the accounts and annual financial report and provide a report by 31 December	Local Government Act 1995	s.7.9 s.7.12AB	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			Complete
Dec	Public Interest Disclosure Procedures - Internal Audit - LG must prepare and publish internal procedures relating to the LG's obligations under the PID Act. Procedures must be consistent with the Commissioner's Guidelines.	Public Interest Disclosure Act 2003	s.21 and s.23(1)(e), (2)	Public Sector Commission Website - Commissioner's Guidelines for Public Authorities	Annual	Executive Support and Governance Coordinator			Complete
Dec	Compliance Calendar - Internal Audit Review level of compliance achieved in response to Compliance Calendar Actions. Option: Report Audit Outcomes / Actions to Audit Committee	Local Government Act 1995	Audit Reg.17(1)		Annual	Director of Corporate and Community Services			Not commenced
Dec	Record Keeping Plan - Review The LG's Record Keeping Plan must be reviewed within 5 years of its approval by the Commission Last completed: 06/12/2022 Due by: 05/12/2023	State Records Act 2000 Local Government Act 1995	Principles and Standards 2002 - Principle 6 s.5.41(h)	State Records Office website - Guidelines State Records Office website - General Disposal Authority for Local Government Records State Records Office website - Record Keeping Plan Templates and Guidelines	5-yearly Next Due: 2023	Director of Corporate and Community Services			Postponed
Dec	Risk Management - Review Undertake a review of the appropriateness and effectiveness of the Risk Management system and procedures at least once every 2 calendar years. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): 13/12/2022 Due by: 12/12/2024	Local Government Act 1995	Audit.Reg. 17(1)(a)	AS/NZS ISO 31000:2009 Risk Management	Biennial Next Due: 2024	Director of Corporate and Community Services			Not commenced

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
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Chief Executive Officer: Matthew Scott
 Director Engineering Services: Shaun Kan
 Director Development & Regulatory Services: Steve Clever
 Director Corporate and Community Services: Shane Collie
 Finance Manager: Martina Liu
 Planning Manager: Wayne Zimmerman
 Project Manager (Engineering): Renuka Ismalage
 Governance and Executive Support Coordinator (CEO): Jackie Pilkington
 Executive Services Officers: Rachel Cranny, Janet Boyle & Kate Saunders
 Manager People & Culture: Rojna Rice
 Communications & Marketing Coordinator: Lisa Mattiske
 Statutory Planning Coordinator: Ed Drewett

Compliance Calendar Sources:
 Compliance items, see also:WALGA Guideline for Implementing a Compliance Calendar
 Department of Local Government, Sporting and Cultural Industries (DLGSCI)

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

**ITEM 8.2.2A:
RESOLUTION DATABASE - DECEMBER 2023**

Audit Committee Resolution Database

Updated December 2023



This document lists Council resolutions (D22/32519) for Audit Committee related items since the previous Audit Committee papers.

Council Meeting	Item Number	Item Title	Resolution	Complete (Y/N)	Comments
19.09.2023	10.1.2	Management of Investments Policy	<p>THAT Council update its Management of Investments Policy making the following minor changes:</p> <ul style="list-style-type: none"> - Format and email address in the footer to be updated. - The inclusion of two additional signatories for the approval of investments being the Director Engineering Services and the Director Development and Regulatory Services. 	Y	
19.09.2023	10.1.12	Seaview Golf Club Renewal	<p>THAT Council;</p> <ol style="list-style-type: none"> 1. ADOPT the following key principles in relation to land associated with reserves 6613 and 1664, commonly referred to as the Sea View Golf Course: <ol style="list-style-type: none"> a. The Sea View Golf Course is a Class "A" crown reserve(s), under the management of the Town of Cottesloe for the purposes of Park Lands and Recreation; b. The Sea View Golf Course cannot be used for residential or commercial development which is not compatible with the purposes of the crown reserve(s); c. As Public Open Space, the public access to the Sea View Golf Course needs to be maintained d. The continued use of the Sea View Golf Course as a golf course is supported, acknowledging its heritage significance to the Cottesloe and Greater West Australian Community; and e. All activities on the Sea View Golf Course must provide positive environmental sustainability and public safety outcomes for the Cottesloe Community. 2. PROVIDES in principal support for a ten (10) year lease renewal (new lease) of the Sea View Golf Course to the Sea View Golf Club, subject to either: <ol style="list-style-type: none"> a. The inclusion in the new lease of a redevelopment clause exercisable by Council upon a six (6) month notice period; or b. Council resolving that the progress of investigating redevelopment opportunities is sufficient to result in a redevelopment plan being incorporated into the lease." 3. INVITES the Sea View Golf Club to continue to work with the Town of Cottesloe to investigate redevelopment options for the existing club rooms and associated facilities for the benefit of the Cottesloe Community and Sea View Golf Club members; and 4. INSTRUCTS the Chief Executive Officer to: <ol style="list-style-type: none"> a. Arrange a workshop with Council by 1 March 2024 to consider and provide input on a new lease; b. Subject to paragraph 4a, continue negotiations with the Sea View Golf Club with regards to the new lease, with the aim of developing a draft lease to be presented to the Council no later than 31 December 2024; c. Engage an appropriately qualified Project Facilitator to assist the Town in defining a redevelopment investigation scope; d. Invite the Sea View Golf Club to participate in the redevelopment investigation scoping exercise; and e. Prepare a report on the redevelopment investigation scoping exercise for Council's consideration no later than 31 December 2023. 		
19.09.2023	10.1.3	Seaview Kindergarten Lease Extension	<p>THAT Council approve of the invoking of the further term of 10 years for the lease of the Seaview Kindergarten to the Seaview Kindergarten Incorporated.</p>	Y	

Council Meeting	Item Number	Item Title	Resolution	Complete (Y/N)	Comments
24.08.2023	9.1.1	Adoption of 2023/24 Budget	<p>THAT Council by Absolute Majority</p> <p>1. Adopt the Budget for the year ended 30 June 2024, as attached, including:</p> <p>a. Statement of Comprehensive Income (by Nature and Type)</p> <p>b. Statement of Cashflows;</p> <p>c. Rate Setting Statement;</p> <p>d. Endorsing Note 8 – Statement of Reserves for the year ended 30 June 2024;</p> <p>e. Endorsing Note 3 – Net Current Assets as at 30 June 2024; and</p> <p>f. Fees and Charges for the year ended 30 June 2024.</p> <p>2. Adopt the Differential General Rates (as per Section 6.32 of the Local Government Act 1995) and impose rates in the dollar on the gross rental value of all the rateable property within the Town of Cottesloe for the financial year ending 30 June 2024 as follows;</p> <p>a. GRV – Residential Improved (RI) – 6.337 cents in the dollar;</p> <p>b. GRV – Residential Vacant (RV) – 6.337 cents in the dollar;</p> <p>c. GRV – Commercial Improved (CI) – 6.337 cents in the dollar;</p> <p>d. GRV – Commercial Vacant (CV) – 6.337 cents in the dollar;</p> <p>e. GRV – Commercial Town (CT) – 7.7581 cents in the dollar; and</p> <p>f. GRV – Industrial (II) – 6.337 cents in the dollar.</p> <p>3. Impose a minimum rate of \$1,312 for the financial year ended 30 June 2024, except for Commercial Town (CT) being \$1,328.</p> <p>4. Include in the rate charge for residential properties:</p> <p>a. a once per week service of 240 litre green mobile garbage bin (MGB) for FOGO;</p> <p>b. a once per fortnight service of a 240 litre MGB for recyclable household rubbish; and</p> <p>c. a once per fortnight service of a 120 litre MGB for general household rubbish.</p> <p>5. Apply the following charges to residential properties for additional waste services (per annum GST inclusive):</p> <p>a. General Waste – each service per fortnight (120 litre MGB) - \$200;</p> <p>b. General Waste – each service per week (660 litre MGB) - \$2,010;</p> <p>c. Recycling – each service per week (240 litre MGB) - \$110; and</p> <p>d. FOGO Waste – each service per week (240 litre MGB) - \$250.</p> <p>6. Apply the following charges to commercial properties (per annum GST inclusive):</p> <p>a. General Waste – each service per week (240 litre MGB) - \$500;</p> <p>b. General Waste – each service per week (660 litre MGB) - \$2,240;</p> <p>c. Recycling – one service per fortnight (240 litre MGB) - \$143; and</p> <p>d. Recycling – one service per week (240 litre MGB) - \$286.</p> <p>e. Imposes, by absolute majority, in accordance with section 6.51 (1) of the Local Government Act 1995 an interest rate of 7% applicable to overdue and unpaid rate and service charges.</p> <p>7. Adopt the following rate instalment plans:</p> <p>a. Option 1 To pay the total amount of rates and charges included in the notice in full by 22 September 2023.</p> <p>b. Option 2 To pay by four instalments, as detailed on the rate notices with the following anticipated due dates; First instalment 19 October 2023 Second instalment 19 December 2023 Third instalment 19 February 2024 Fourth instalment 19 April 2024</p> <p>8. Adopt, by absolute majority, in accordance with section 6.13 of the Local Government Act 1995 a rate of interest of 7% applicable to any amount of money owing to the local government (other than rates or service charges), with interest calculated from the due date, which is 35 days from the date of issue shown on the account for payment.</p>	Y	

Council Meeting	Item Number	Item Title	Resolution	Complete (Y/N)	Comments
			9. Adopt a Telecommunications Allowance of \$1,800 for elected Members as per section 5.99A of the Local Government Act 1995. 10. Adopt Members Attendance Fees –set an annual meeting attendance fee of \$15,750 for Council members and \$24,400 for the Mayor as per section 5.99 of the Local Government Act 1995. 11. Adopt the Mayor’s Allowance of \$28,000 as per sections 5.98 and 5.98A of the Local Government Act 1995. 12. Adopt the Deputy Mayor’s Allowance of \$7,000 as per sections 5.98 and 5.98A of the Local Government Act 1995. 13. Maintain the materiality levels of 15% or \$25,000 for the monthly reporting of significant variances of income and expenditure in the Statement of Financial Activity		
1.08.2023	12.1.1	Legal Advice to the Adopted 2023/2024 Budget and Intention to Levy Differential Rates	That Council: 1. REVOKE the July 2023 Ordinary Council Meeting 2023/2024 Budget Adoption Resolution (Item 10.1.4) as follows: 1.1 Adopt the Budget for the year ended 30 June 2024, as attached, including: a. Statement of Comprehensive Income (by Nature and Type) b. Statement of Cashflows; c. Rate Setting Statement; d. Endorsing Note 8 – Statement of Reserves for the year ended 30 June 2024; e. Endorsing Note 3 – Net Current Assets as at 30 June 2024; and f. Fees and Charges for the year ended 30 June 2024. 1.2 Adopt the Differential General Rates (as per Section 6.32 of the Local Government Act 1995) and impose rates in the dollar on the gross rental value of all the rateable property within the Town of Cottesloe for the financial year ending 30 June 2024 as follows; a. GRV – Residential Improved (RI) – 6.384 cents in the dollar; b. GRV – Residential Vacant (RV) – 6.384 cents in the dollar; c. GRV – Commercial Improved (CI) – 6.384 cents in the dollar; d. GRV – Commercial Vacant (CV) – 6.384 cents in the dollar; e. GRV – Commercial Town (CT) – 7.7721 cents in the dollar; and f. GRV – Industrial (II) – 6.384 cents in the dollar. 1.3 Impose a minimum rate of \$1,325 for the financial year ended 30 June 2024, except for Commercial Town (CT) being \$1,341. 1.4 Include in the rate charge for residential properties: a. a once per week service of 240 litre green mobile garbage bin (MGB) for FOGO; b. a once per fortnight service of a 240 litre MGB for recyclable household rubbish; and c. a once per fortnight service of a 120 litre MGB for general household rubbish. 1.5 Apply the following charges to residential properties for additional waste services (per annum GST inclusive): a. General Waste – each service per fortnight (120 litre MGB) - \$200; b. General Waste – each service per week (660 litre MGB) - \$2,010; c. Recycling – each service per week (240 litre MGB) - \$110; and	Y	

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			<p>d. FUGD Waste – each service per week (240 litre MGB) - \$250.</p> <p>1.6 Apply the following charges to commercial properties (per annum GST inclusive):</p> <p>a. General Waste – each service per week (240 litre MGB) - \$500;</p> <p>b. General Waste – each service per week (660 litre MGB) - \$2,240;</p> <p>c. Recycling – one service per fortnight (240 litre MGB) - \$143; and</p> <p>d. Recycling – one service per week (240 litre MGB) - \$286.</p> <p>e. Imposes, by absolute majority, in accordance with section 6.51 (1) of the Local Government Act 1995 an interest rate of 7% applicable to overdue and unpaid rate and service charges.</p> <p>1.7 Adopt the following rate instalment plans:</p> <p>a. Option 1 To pay the total amount of rates and charges included in the notice in full by 22 September 2023.</p> <p>b. Option 2 To pay by four instalments, as detailed on the rate notices with the following anticipated due dates: First instalment 22 September 2023 Second Instalment 23 November 2023 Third Instalment 25 January 2024 Fourth Instalment 26 March 2024</p> <p>1.8 Adopt, by absolute majority, in accordance with section 6.13 of the Local Government Act 1995 a rate of interest of 7% applicable to any amount of SPECIAL COUNCIL MEETING MINUTES 1 AUGUST 2023</p> <p>Page 9 money owing to the local government (other than rates or service charges), with interest calculated from the due date, which is 35 days from the date of issue shown on the account for payment.</p> <p>1.9 Adopt a Telecommunications Allowance of \$1,600 for Elected Members as per section 5.99A of the Local Government Act 1995.</p> <p>1.10 Adopt Members Attendance Fees –set an annual meeting attendance fee of \$15,750 for Council members and \$24,400 for the Mayor as per section 5.99 of the Local Government Act 1995.</p> <p>1.11 Adopt the Mayor’s Allowance of \$28,000 as per sections 5.98 and 5.98A of the Local Government Act 1995.</p> <p>1.12 Adopt the Deputy Mayor’s Allowance of \$7,000 as per sections 5.98 and 5.98A of the Local Government Act 1995.</p> <p>1.13 Maintain the materiality levels of 15% or \$25,000 for the monthly reporting of significant variances of income and expenditure in the Statement of Financial Activity</p> <p>1.14 Remove - Reduction in booking commission \$25,000 (page 110).</p> <p>1.15 Remove - Youth Event \$10,000 (page 66).</p> <p>1.16 a. Remove \$56,133 for the tee-box relocation b. Transfer \$30,000 to the Infrastructure Reserve Fund c. Balance of operational expenses be redistributed to other projects as appropriate</p> <p>1.17 Following changes made to the budget via amendments, the net balance rate rise is to set at a rate of 4%, any shortfall being taken from the amount to be transferred to Infrastructure.</p> <p>2. SUBJECT to point one, APPROVE advertising its intention to raise the following differential rate and minimum rate for the 2023/24 financial year based on a four percent overall increase as follows: SPECIAL COUNCIL MEETING MINUTES 1 AUGUST 2023</p> <p>Page 10</p> <p>3. NOTES that the advertised rates mentioned in point two has been previously resolved by Council</p> <p>4. That by 30th September 2023 the CEO prepare a formal report to be considered by the Audit Committee, with a full and detailed account of the process followed by the Town in the advertisement of proposed differential rates for the 2023/2024 year, and in the previous two years, including scope for improvement to the process, for the Audit Committee to consider and make recommendations to Council.</p>		

Council Meeting	Item Number	Item Title	Resolution	Complete (Y/N)	Comments
25.07.2023	10.1.4	Adoption of 2023/24 Budget	<p>THAT Council by Absolute Majority</p> <p>1. Adopt the Budget for the year ended 30 June 2024, as attached, including: a. Statement of Comprehensive Income (by Nature and Type) b. Statement of Cashflows; c. Rate Setting Statement; d. Endorsing Note 8 – Statement of Reserves for the year ended 30 June 2024; e. Endorsing Note 3 – Net Current Assets as at 30 June 2024; and</p> <p>f. Fees and Charges for the year ended 30 June 2024. 2. Adopt the Differential General Rates (as per Section 6.32 of the Local Government Act 1995) and impose rates in the dollar on the gross rental value of all the rateable property within the Town of Cottesloe for the financial year ending 30 June 2024 as follows;</p> <p>a. GRV – Residential Improved (RI) – 6.384 cents in the dollar; b. GRV – Residential Vacant (RV) – 6.384 cents in the dollar; c. GRV – Commercial Improved (CI) – 6.384 cents in the dollar; d. GRV – Commercial Vacant (CV) – 6.384 cents in the dollar; e. GRV – Commercial Town (CT) – 7.7721 cents in the dollar; and f. GRV – Industrial (II) – 6.384 cents in the dollar. 3. Impose a minimum rate of \$1,325 for the financial year ended 30 June 2024, except for Commercial Town (CT) being \$1,341. 4. Include in the rate charge for residential properties: a. a once per week service of 240 litre green mobile garbage bin (MGB) for FOGO; b. a once per fortnight service of a 240 litre MGB for recyclable household rubbish; and c. a once per fortnight service of a 120 litre MGB for general household rubbish. 5. Apply the following charges to residential properties for additional waste services (per annum GST inclusive): a. General Waste – each service per fortnight (120 litre MGB) - \$200; b. General Waste – each service per week (660 litre MGB) - \$2,010; c. Recycling – each service per week (240 litre MGB) - \$110; and d. FOGO Waste – each service per week (240 litre MGB) - \$250. 6. Apply the following charges to commercial properties (per annum GST inclusive): a. General Waste – each service per week (240 litre MGB) - \$500; b. General Waste – each service per week (660 litre MGB) - \$2,240; c. Recycling – one service per fortnight (240 litre MGB) - \$143; and d. Recycling – one service per week (240 litre MGB) - \$286. e. Imposes, by absolute majority, in accordance with section 6.51 (1) of the Local Government Act 1995 an interest rate of 7% applicable to overdue and unpaid rate and service charges. 7. Adopt the following rate instalment plans: a. Option 1 To pay the total amount of rates and charges included in the notice in full by 22 September 2023. b. Option 2 To pay by four instalments, as detailed on the rate notices with the following anticipated due dates: First instalment 22 September 2023 Second Instalment 23 November 2023 Third Instalment 25 January 2024 Fourth Instalment 26 March 2024 8. Adopt, by absolute majority, in accordance with section 6.13 of the Local Government Act 1995 a rate of interest of 7% applicable to any amount of money owing to the local government (other than rates or service charges), with interest calculated from the due date, which is 35 days from the date of issue shown on the account for payment. 9. Adopt a Telecommunications Allowance of \$1,600 for Elected Members as per section 5.99A of the Local Government Act 1995. 10. Adopt Members Attendance Fees – set an annual meeting attendance fee of \$15,750 for Council members and \$24,400 for the Mayor as per section 5.99 of the Local Government Act 1995. 11. Adopt the Mayor’s Allowance of \$28,000 as per sections 5.98 and 5.98A of the Local Government Act 1995. 12. Adopt the Deputy Mayor’s Allowance of \$7,000 as per sections 5.98 and 5.98A of the Local Government Act 1995. 13. Maintain the materiality levels of 15% or \$25,000 for the monthly reporting of significant variances of income and expenditure in the Statement of Financial Activity 14. Remove - Reduction in booking commission \$25,000 (page 110). 15. Remove - Youth Event \$10,000 (page 66) 16. a. Remove \$56,133 for the tee-box relocation b. Transfer \$30,000 to the Infrastructure Reserve Fund c. Balance of operational expenses be redistributed to other projects as appropriate 17. Following changes made to the budget via amendments, the net balance rate rise is to be set at a rate of 4%, any shortfall being taken from the amount to be transferred to Infrastructure Reserve.</p>	N	This budget was revoked due to the need to re-advertise rates.
28.03.23	10.1.2	Mid-Year Budget Review 2022/23	<p>SUBSTANTIVE MOTION</p> <p>Moved Cr Barrett Seconded Mayor Young</p> <p>THAT Council:</p> <p>1. RECEIVES the Budget Review for the Financial Year 2022/23;</p> <p>2. ADOPTS the amendments contained within the attached Budget Review document;</p> <p>3. RETAINS the materiality levels of \$25,000 for the monthly reporting of significant variances of income and expenditure in the Statement of Financial Activity;</p> <p>4. TRANSFERS an amount of 80% (Estimate \$473,814) to the Foreshore Redevelopment Reserve and 20% (Estimate \$118,453) to the IT Reserve.</p> <p>5. NOTES the predicted closing surplus of \$0 to be carried forward to 2023/24</p>	Y	