



## **NOTICE OF MEETING ANNUAL ELECTORS**

Members of Council are advised that an Annual Electors Meeting will be held in the Tuckey Room, Civic Building, 83 Mandurah Terrace, Mandurah on:

**Monday 3 February 2020 at 7.00pm**

**MARK R NEWMAN**  
Chief Executive Officer  
29 January 2020

### **AGENDA**

**1     OPENING OF MEETING**

**2     ACKNOWLEDGEMENT OF COUNTRY**

**3     APOLOGIES**

Leave of Absence  
Councillor Schumacher  
Councillor Lee  
Councillor Knight

Apologies  
Councillor Di Prinzio  
Councillor Pember

**4     DISCLAIMER**

No person should rely on, or act on, the basis of any advice by an Elected Member or officer, or on the content of any discussion occurring during the course of the meeting. No person should rely on any actions until formal notification in writing by Council has been received.

**5     ANNUAL REPORT PRESENTATION**

**6     DISCUSSION OF 2018 / 2019 ANNUAL REPORT**

**7     GENERAL BUSINESS**

**8     CLOSE OF MEETING**

# Annual Report

2018-2019





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For detailed 'Financial Statements' please visit [www.mandurah.wa.gov.au](http://www.mandurah.wa.gov.au)

Alternate formats of this Annual Report are available upon request including electronic document by email, hard copy in large print, audio on cassette or compact disc.



# City Profile

|                                                  |                      |
|--------------------------------------------------|----------------------|
| Land area in square kilometres                   | 173.5km <sup>2</sup> |
| Land area in hectares                            | 17,350ha             |
| Coastline                                        | 51km                 |
| Distance from Perth                              | 72km                 |
| Time by car from Perth                           | 50 mins – 1 hr       |
| Time by train from Perth                         | 48 mins              |
| Population <i>(2018)*</i>                        | 85,302               |
| Number of households <i>(2018)**</i>             | 35,893               |
| Population per square kilometre**                | 491.7                |
| Households per square kilometre**                | 206.9                |
| Total length of roads                            | 738kms               |
| Total length of canal waterways                  | 22km approx.         |
| Number of bridges <i>(including footbridges)</i> | 28                   |

|                                                                             |            |
|-----------------------------------------------------------------------------|------------|
| Bridges managed by other agencies                                           | 12         |
| Paths and boardwalks                                                        | 562kms     |
| Conservation Area – City of Mandurah                                        | 63.0933Ha  |
| Conservation Area – Other Agencies                                          | 3956.58Ha  |
| Foreshore Area – Developed                                                  | 83.6716Ha  |
| Foreshore Area – Natural State                                              | 491.6397Ha |
| Recreation – Bushland                                                       | 447.925Ha  |
| Recreation – Used for Recreation                                            | 320.5Ha    |
| National Parks: Yalgorup, Peel Regional Park, Creery Island, Channel Island |            |
| Parks and Reserves                                                          | 587        |
| Playgrounds                                                                 | 129        |
| *ABS data                                                                   |            |
| **Source: Forecast ID                                                       |            |

# City's Role and Vision

The City of Mandurah is proud to acknowledge the Binjareb People of the Bibbulmun Nation as the first people of this land. The name Mandurah is derived from the Binjareb name 'Mandjoogoodap' meaning 'meeting place of the heart'.

Mandurah is indeed a meeting place of land, water, people and culture, the natural and built environment and traditional and modern ideas. The City of Mandurah values this diversity and is ready for the challenges during the current rapid population growth and development.

The City of Mandurah aims to become an organisation that creates and delivers on a vision for the future which strengthens the community's capacity to sustain and improve the quality of life for future generations.

Our vision is to create a place where our community is proud, inspired, inclusive and innovative, where we respect our connections to the past and create a great future.

The City's Strategic Community Plan and operational focus is built on the values of connected, innovation, courage, excellence and integrity.

These values guide the behaviours of our staff and Elected Members while working with our community.

## Reconciliation Action Plan

The City's Reconciliation Action Plan (RAP) was developed in 2018 and will be delivered over three years (2019-2022). The City will continue to use a substantive equality approach to provide opportunities for the Aboriginal community to celebrate culture and language and build and develop strong relationships. The RAP builds on the outcomes that the City achieved in the first two RAPs and brings together the joint aspirations of the City, the RAP Steering Group and Mandurah's Aboriginal community.

### Vision

A place where our community is proud, inspired, inclusive and innovative, where we respect our connections to the past and create a great future.

### Purpose

To create a vibrant and connected city that supports and improves the community for everyone.

### Principles

The City's progress towards its vision and mission will be achieved by working with the following principles:

- Protecting environmental assets for future generations
- Continuous improvement to achieve the best outcomes for the community
- Ensuring social and economic wellbeing

### Values

The City's corporate values are: Connected, Integrity, Excellence, Innovation and Courage.

## Acknowledgement of Country

The City of Mandurah would like to acknowledge the Binjareb people – the traditional custodians of this land – and pay respect to all Elders, past and present.







# Message from the Mayor and CEO

The City of Mandurah's Annual Report provides the opportunity to reflect on the work we have done in the past year, and celebrate the achievements and milestones reached. We can also take stock and make sure the City is meeting its objectives in line with our Strategic Community Plan 2017-2037.

The Strategic Community Plan guides the City in delivering activities, infrastructure and services that are in line with the expectations of our community. It also provides key stakeholders with a clear view of our future aspirations and shared vision.

One of the City's highlights during the 2018/19 financial year was our Mandurah Matters project, where we reached out to the community to understand what is most important to them.

Mandurah Matters was launched in late 2018, and was one of our biggest community engagement projects to date. At the heart of the project, we wanted to find out what drives our people and community.

More than 1600 people have contributed to Mandurah's shared vision, a vision about what Mandurah will look and feel like in years to come. The feedback we received will be central to how we plan into the future.

We'd like to thank those who took part in this important project, and we look forward to rolling out the goals and objectives in the near future.

We're also really proud of the progress we've made this year to assist in diversifying the local economy. Creating jobs for our people and addressing long-term unemployment challenges is always front of mind, and we've been busy exploring new ways of doing this.

There are a number of short and long-term initiatives in the pipeline to address Mandurah's economic challenges, which will in turn provide opportunities for our workforce, including our young people. This will be done by exploring new partnerships, tourism opportunities and creating vibrant places and spaces in order to strengthen our economic wellbeing into the future.



**Rhys Williams**  
Mayor, City of Mandurah



**Mark Newman**  
Chief Executive Officer,  
City of Mandurah

# 2018 - 2019 Performance Highlights

## Environment

- Water science initiatives progressed with the Regional Waterways Data Array and Waterways Centre of Excellence projects
- Work progressed on the Coastal Hazard Risk Management and Adaptation Plan, which will determine how vulnerable the City is to coastal erosion and inundation
- Mosquito management activities continued with 13 aerial larviciding treatments undertaken between July 2018 and June 2019, covering a total of 1438.4 hectares
- City of Mandurah re-endorsed as a Gold level Waterwise Council under the Waterwise council program
- Council voted to phase out the use of single-use plastics by the City of Mandurah

## Social

- The City employed a Healthy Communities Officer to oversee the development and implementation of the Public Health Plan, which provides a strategic direction to help improve the health and wellbeing of the community
- The Channel 7 Mandurah Crab Fest was awarded Gold for the third consecutive year in the Major Events and Festivals category at the Perth Airport WA Tourism Awards

## Identity

- Further dual language signage installed at local parks
- Wearable Art Mandurah competition attracted 100 entries, 1500 people to Showcase events and close to 1200 people visited the subsequent exhibition at Contemporary Art Spaces Mandurah
- The City welcomed 570 new Australian citizens throughout the year at six citizenship ceremonies

## Organisational Excellence

- Started two-year project to replace City's core enterprise system to a modern, cloud-based product
- The customer contact centre maintained a first point of contact resolution rate of 82% for all incoming calls
- Close to 450 employees took part in the Employee Engagement Survey, with safety scoring the highest favourable result with 88% out of the 18 topics
- Mandurah Bridge awarded the Engineers Australia's Engineering Excellence Award (WA Division)

- The City of Mandurah launched one of its biggest community engagement projects to date, Mandurah Matters. More than 2000 people contributed to Mandurah's shared vision

## Economic

- The City's entrepreneurial programs continued to grow – 159 participants attended Mumpreneur 101, Start Up Smart Creative, Power Up and Leverage courses
- Progressed concept plans for the City Centre Waterfront Project
- Commenced joint economic development partnership with Shire of Murray – Mandurah and Murray: a shared economic future

## Infrastructure

- The City delivered an \$18.8million program of capital works to create, refurbish and renew buildings, road and park assets and infrastructure to benefit the community
- A \$2million second storey extension was added to the Port Bouvard Surf Lifesaving Club's clubhouse facilities
- The City completed the development of the ovals for the Lakelands District Open Space project



# Plan for the Future

In July 2018, Council passed a notice of motion to establish a framework for facilitating a city-wide community engagement campaign aimed at establishing a clear, citizen-led vision for Mandurah's future. The findings of this process will be used as a foundation for reviewing the Mandurah Strategic Community Plan 2017-2037 and associated strategic priorities.

This project, Mandurah Matters, engaged residents, community groups, investors, landowners, specialist advisory groups and the three tiers of government. It was one of the City's biggest community engagement projects to date. Facilitated by the City of Mandurah, our community will be responsible for creating a future vision for Mandurah and building a joint plan to collectively deliver this vision.

Since late 2018, more than 1600 people have contributed to Mandurah's shared vision through Mandurah Matters, a vision about what Mandurah will look and feel like in years to come. We look forward to continuing our exciting journey towards a vibrant and sustainable Mandurah – a place we are proud to call home.

# External Influences and Challenges

Mandurah is Western Australia's largest

regional city, and it is the 11th largest local government area by population. The population has grown from just over 3,000 in 1966 to more than 85,000 in 2018. The City is expected to reach nearly 120,000 by 2036.

The City has high rates of social disadvantage.

Our Socio-Economic Indexes for Areas (SEIFA) rating is the lowest in Greater Perth. In simple terms, what this means is that Mandurah has a relatively high number of households with low incomes.

This is partly a result of the number of older

people on pensions that live in Mandurah and the fact that we have relatively high

unemployment rates. In March 2019,

Mandurah's unemployment rate was 6.7

percent compared to the Western Australian

average of 6.2 percent, and the national

average of 5.2 percent. The City has one of the

higher youth unemployment rates in Australia.

Mandurah also has comparatively low Year

12 completions and University enrolments and

high levels of disability.

As a result of our rapid population growth and urbanisation, Mandurah faces a range of sustainability challenges including:

- Growing and diversifying the regional economy and creating local jobs
- Improving education and training outcomes
- Preserving the natural environment and waterways
- Ensuring community health and wellbeing, safety and security
- Attracting and retaining young people
- Meeting community infrastructure needs
- Addressing social disadvantage, including affordable and crisis housing needs

We do have challenges, but we also have unique competitive advantages. No other local government area has the natural environment we have, in such close proximity to the huge population base of the Perth metropolitan area.

We are a 'destination' in a way that no other place is in such close proximity to Perth.

# Future Highlights

The City continues to strive to achieve the goals set by its community, outlined in the Strategic Community Plan 2017-2037. Key projects for 2019/20 that are designed to help achieve these goals include:

## Environment

- Continue implementation of the Biodiversity Strategy
- Maintain efforts to reduce the City's carbon footprint

## Social

- Ensure Crime Prevention through Environmental Design principles are front and centre in all design
- Ongoing implementation of the Mandurah Active Recreation Strategy
- Implement place-based community development model

## Economic

- Continue to partner with the Shire of Murray to implement the new joint economic development strategy, Mandurah and Murray: a shared economic future.
- Continue to partner with the Peel Chamber of Commerce and Industry to support local small businesses
- Further growth and diversification of key events and festivals

## Infrastructure

- Continue to activate the Mandurah City Centre precinct and foreshore
- Continue the development of the Waterfront Revitalisation Project, including the skate park, play space, estuary pool and Smart Street Mall
- Continue to develop the Lakelands Public Open Space including the clubroom facilities
- Development of the Mandurah Mustangs football facility

## Identity

- Support the Mandurah based tourism organisation (Visit Mandurah) and actively promote the new brand
- Use the outcomes of the Mandurah Matters visioning project to actively promote Mandurah and engage the community in that vision

## Organisational Excellence

- Implement the core systems project to improve both productivity and customer service through the harnessing of better technology
- Continue to drive the eight strategies to the Workforce Plan to ensure a happy, healthy, motivated and productive staff
- Integrate the outcomes of Mandurah Matters into the City's Strategic and Corporate planning



# Elected Members

| Name of Elected Member                                                               | Committees and Advisory Groups<br>July 2018 - June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|   | <p><b>Mayor Rhys Williams</b><br/><b>Councillor</b><br/><b>(2009 - October 2013)</b><br/><b>Mayor</b><br/><b>(October 2017 - present)</b></p> <ul style="list-style-type: none"> <li>• Committee of Council</li> <li>• Audit and Risk Committee</li> <li>• Strategy Committee</li> <li>• Public Art Committee</li> <li>• Executive Committee (Chairman)</li> <li>• Mandurah Liquor Accord</li> <li>• Mandurah Roadwise Advisory Group</li> <li>• Peel Regional Leaders Forum</li> <li>• Reconciliation Action Plan Steering Group</li> <li>• South West Regional Road Group</li> <li>• WALGA : Peel Country Zone</li> <li>• Waste Management Alliance Board</li> <li>• Mandurah and Peel Tourism Organisation Board</li> <li>• Port Mandurah Canal Waterways Advisory Group</li> </ul> |
|  | <p><b>Councillor Caroline Knight</b><br/><b>North Ward</b><br/><b>(2011 - present)</b><br/><b>Deputy Mayor</b><br/><b>(October 2017 - present)</b></p> <ul style="list-style-type: none"> <li>• Committee of Council</li> <li>• Strategy Committee</li> <li>• Public Art Committee (Chairman)</li> <li>• Executive Committee</li> <li>• Mandurah Environmental Advisory Group</li> <li>• Peron Naturaliste Partnership</li> <li>• WALGA : Peel Country Zone</li> <li>• Metro South West JDAP</li> <li>• Peel Harvey Catchment Council - Local Government (Coastal)</li> <li>• Australian Coastal Council Association</li> <li>• Mandurah Coastcare Coordinating Advisory Group (Deputy Member)</li> </ul>                                                                              |

| Name of Elected Member                                                               | Committees and Advisory Groups<br>July 2018 - June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | <p><b>Councillor Ron Wortley</b><br/><b>North Ward</b><br/><b>(2003-2007</b><br/><b>2009 – present)</b></p> <ul style="list-style-type: none"> <li>• Committee of Council</li> <li>• Audit and Risk Committee</li> <li>• Strategy Committee</li> <li>• Access and Inclusion Advisory Group</li> <li>• Mandurah Roadwise Advisory Group</li> <li>• Local Emergency Management Advisory Committee (Deputy Member)</li> <li>• Mandurah Community Museum Advisory Group (Deputy Member)</li> </ul> |
|    | <p><b>Councillor Peter Jackson</b><br/><b>North Ward</b><br/><b>(2013-present)</b></p> <ul style="list-style-type: none"> <li>• Committee of Council</li> <li>• Strategy Committee (Deputy Chairman)</li> <li>• Audit and Risk Committee (1st Deputy Member)</li> <li>• Mandurah Liquor Accord</li> <li>• Peel Chamber of Commerce &amp; Industry Board</li> <li>• Executive Committee</li> </ul>                                                                                              |
|  | <p><b>Councillor Lynn Rodgers</b><br/><b>East Ward</b><br/><b>(2001 – present)</b></p> <ul style="list-style-type: none"> <li>• Committee of Council</li> <li>• Strategy Committee</li> <li>• Public Art Committee</li> <li>• Audit and Risk Committee (2nd Deputy Member)</li> <li>• Reconciliation Action Plan Steering Group</li> </ul>                                                                                                                                                     |

**Name of Elected Member**

**Committees and Advisory Groups**  
**July 2018 - June 2019**



**Councillor**  
**Darren Lee**  
**East Ward**  
**(2005-present)**  
**Deputy Mayor**  
**(2007-October**  
**2017)**

- Executive Committee
- Committee of Council (Chairman)
- Audit and Risk Committee
- Public Art Committee
- Strategy Committee
- Mariner's Cove Canal Waterways Advisory Group
- Waterside Canal Waterways Advisory Group
- Metro South West JDAP
- Access and Inclusion Advisory Group (Deputy Member)



**Councillor**  
**Shane Jones**  
**East Ward**  
**(2007-present)**

- Committee of Council
- Strategy Committee
- Rivers Regional Council
- South West Regional Road Group (Deputy Member)
- Waterside Canal Waterways Advisory Group (Deputy Member)
- Mariner's Cove Canal Waterways Advisory Group (Deputy Member)



**Councillor**  
**Dave Schumacher**  
**Town Ward**  
**(2009 –**  
**present)**

- Committee of Council
- Strategy Committee



**Councillor**  
**Peter Rogers**  
**Town Ward**  
**(2014-present)**

- Executive Committee
- Committee of Council
- Audit and Risk Committee
- Strategy Committee
- Mandurah Performing Arts Inc Board
- Reconciliation Action Plan Steering Group
- Rivers Regional Council (Deputy Member)



**Councillor**  
**Matt Rogers**  
**Town Ward**  
**(October**  
**2017-present)**

- Committee of Council
- Strategy Committee
- Public Art Committee
- Access & Inclusion Advisory Group
- Mandurah Community Museum Advisory Group
- Port Mandurah Canal Waterways Advisory Group (to May 2019)



**Councillor**  
**Tahlia Jones**  
**Coastal Ward**  
**(2015 – 6**  
**June 2019)**

- Executive Committee
- Committee of Council
- Audit and Risk Committee
- Strategy Committee (Chairman)
- Mandurah Coastcare Coordinating Advisory Group
- Mandurah Environmental Advisory Group
- Metro South West JDAP (alternate representative)



# Council Meeting Attendance

## Hon Councillor Fred Riebeling Coastal Ward (2011 – present)



### Committees and Advisory Groups July 2018 - June 2019

- Executive Committee
- Committee of Council
- Audit and Risk Committee (Chairman)
- Strategy Committee
- Peel Mosquito Management Group
- Reconciliation Action Plan Steering Group
- Rivers Regional Council
- Eastport Canal Waterways Advisory Group
- Mandurah Quay Waterways Advisory Group
- Port Bouvard Canal Waterways Advisory Group
- WALGA : Peel Country Zone (Deputy Member)
- Peel Chamber of Commerce & Industry Board (Deputy Member)
- Metro South West JDAP (alternate representative)
- Mandurah Bushfire Advisory Committee (Deputy Member)

## Councillor Merv Darcy Coastal Ward (October 2017-present)



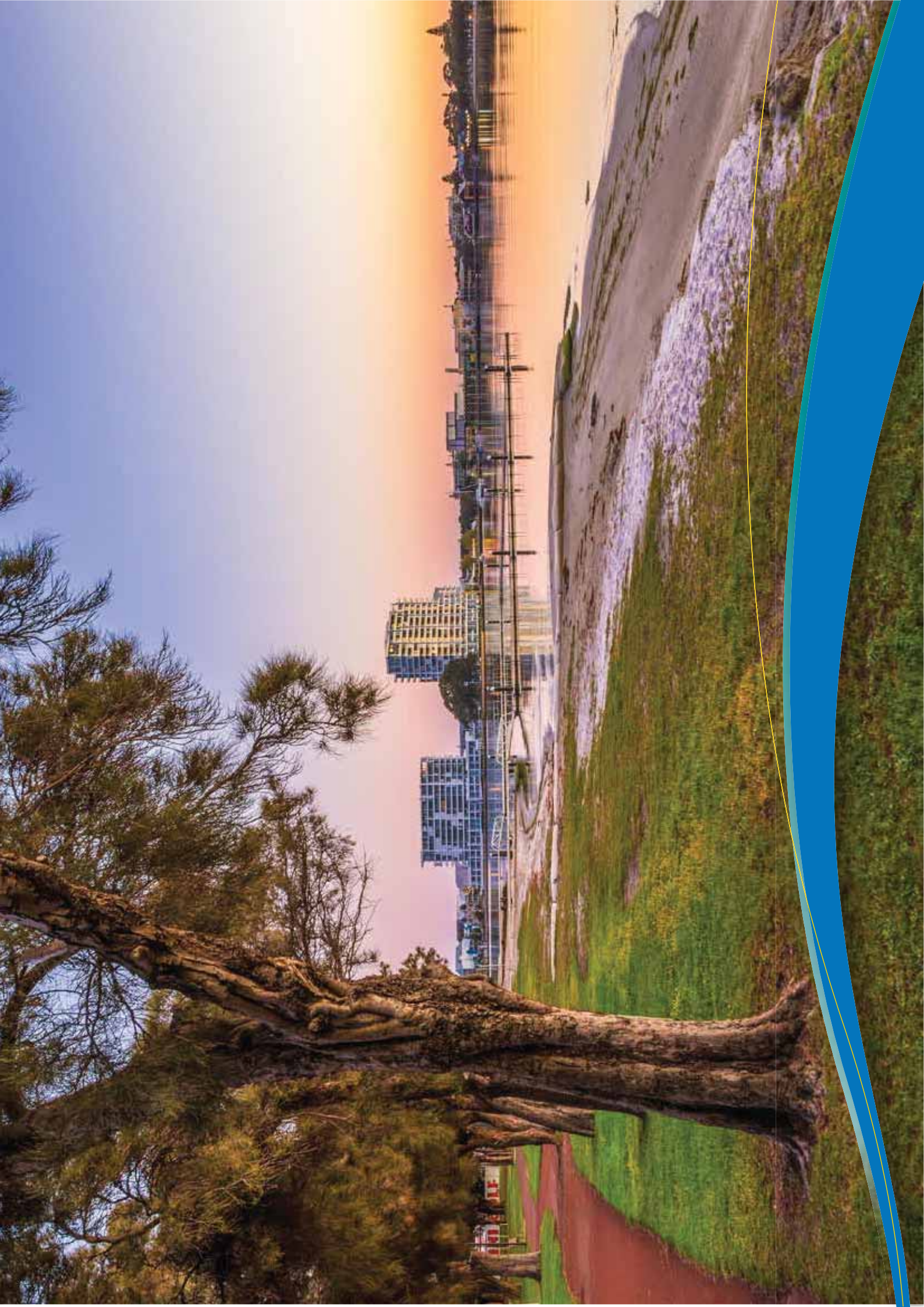
- Committee of Council
- Strategy Committee
- Eastport Canal Waterways Advisory Group
- Local Emergency Management Advisory Committee
- Mandurah Bushfire Advisory Committee
- Mandurah Quay Waterways Advisory Group
- Port Bouvard Canal Waterways Advisory Group
- Rivers Regional Council (Deputy Member)
- Peel Mosquito Management Group (Deputy Member)

### July 2018 – June 2019

| Name                                          | Ordinary Council | Special Council |
|-----------------------------------------------|------------------|-----------------|
| Mayor Rhys Williams                           | 10               | 5               |
| Cr Caroline Knight                            | 11               | 4               |
| Cr Darren Lee                                 | 11               | 5               |
| Cr Ron Wortley                                | 10               | 4               |
| Cr Peter Jackson                              | 11               | 5               |
| Cr Lynn Rodgers                               | 8                | 4               |
| Cr Shane Jones                                | 10               | 5               |
| Hon Cr Fred Riebeling                         | 9                | 5               |
| Cr Tahlia Jones (Resigned as Cr in June 2019) | 8                | 5               |
| Cr Merv Darcy                                 | 11               | 5               |
| Cr Dave Schumacher                            | 6                | 3               |
| Cr Peter Rogers                               | 10               | 4               |
| Cr Matt Rogers                                | 11               | 3               |

During the year the Mayor and Councillors also attended committee meetings of Council and a range of Council Advisory Group meetings that are not included in the table above.







# Executive Management

---

## Mark Newman

### Chief Executive Officer

B.Com, Cert Local Govt. Treasurer,  
Cert Local Govt. Clerk

Responsible for the overall operation  
of the organisation, Economic  
Development and Projects.



## Allan Claydon

### Director Works and Services

B.E. (Hons), GradDipBus, Grad  
Dip. Eng, MEM (Cvt), MIEAust,  
CPEng

Responsible for Operation Services,  
Infrastructure Management,  
Engineering Technical Services,  
Waste Management, Marinas and  
Waterways.



## Tony Free

**Director Sustainable Communities**  
BA (Urban Studies), MBA, MPIA

Responsible for Environmental  
Services, Planning and Land  
Services, Statutory Services,  
Arts and Culture, Community  
Development and City Centre.



## Graeme Davies

### Deputy Chief Executive Officer (May 2019)

GradDipBus, MBA

Responsible for Recreation Centres  
and Services, Strategy and  
Corporate Planning, Corporate  
Communications, Customer  
Services, Human Resources and  
Organisational Development,  
Elected Member Support,  
Information Management, Festivals  
and Events.



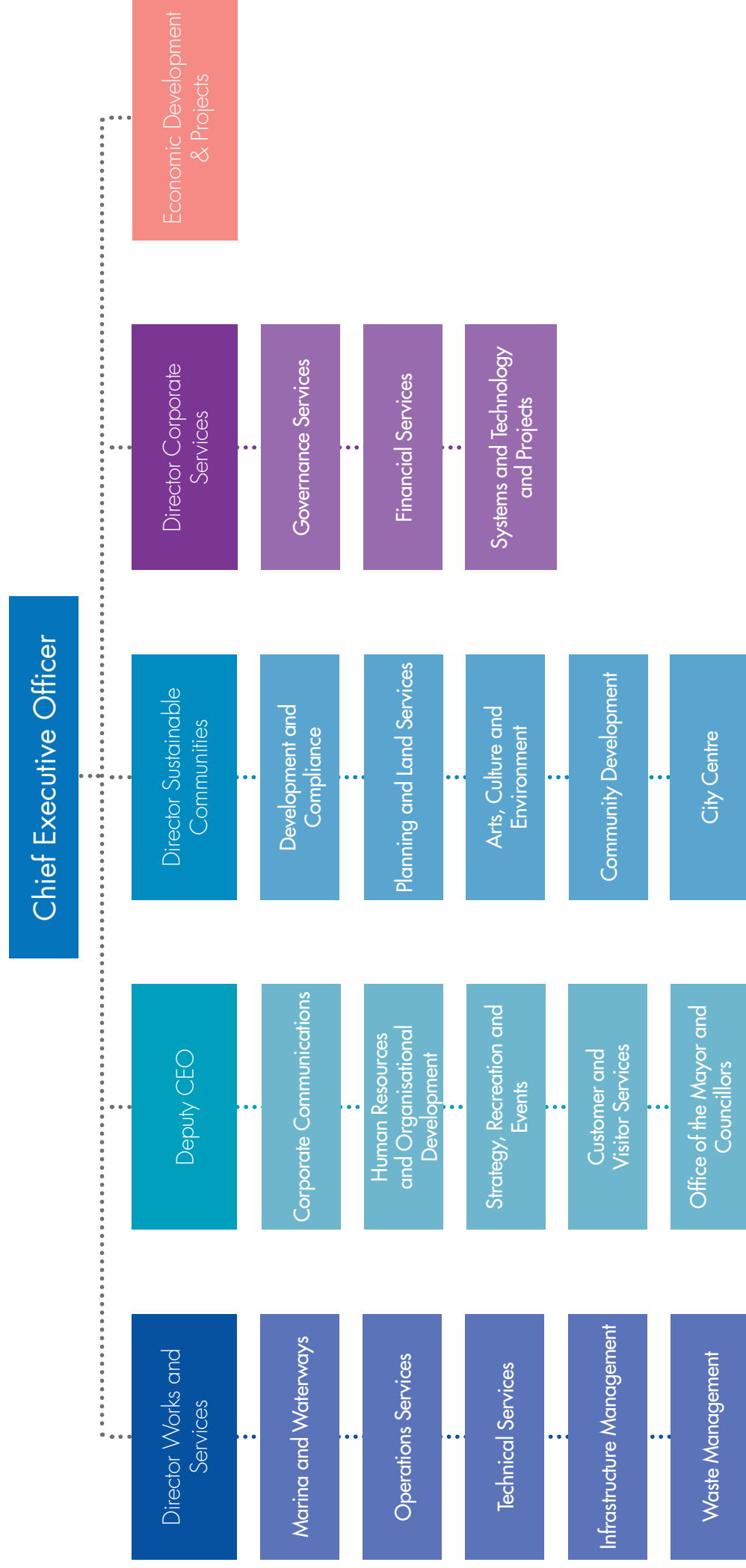
## David Prattent

### Acting Executive Manager Finance and Governance

Responsible for Legal, Governance,  
Procurement, Finance Services and  
Information Technology



# Organisational Structure

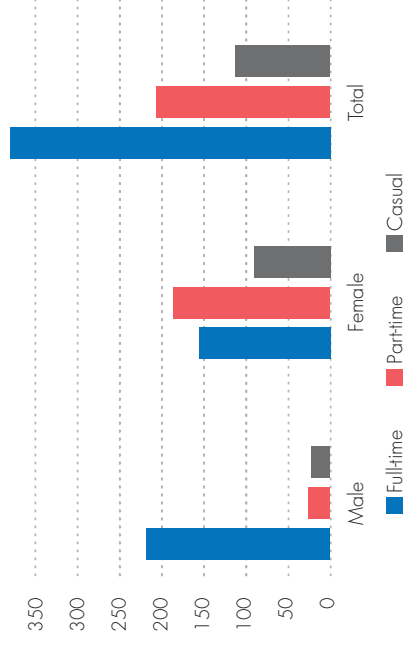




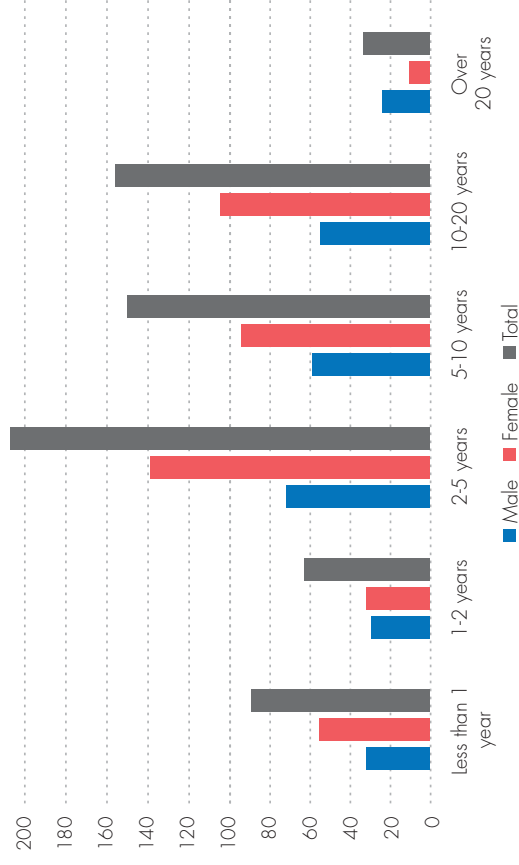
# Staff Profile

The City of Mandurah has a diverse workforce, currently employing 698 staff in many varied fields. Volunteers are also an important extension of our workforce.

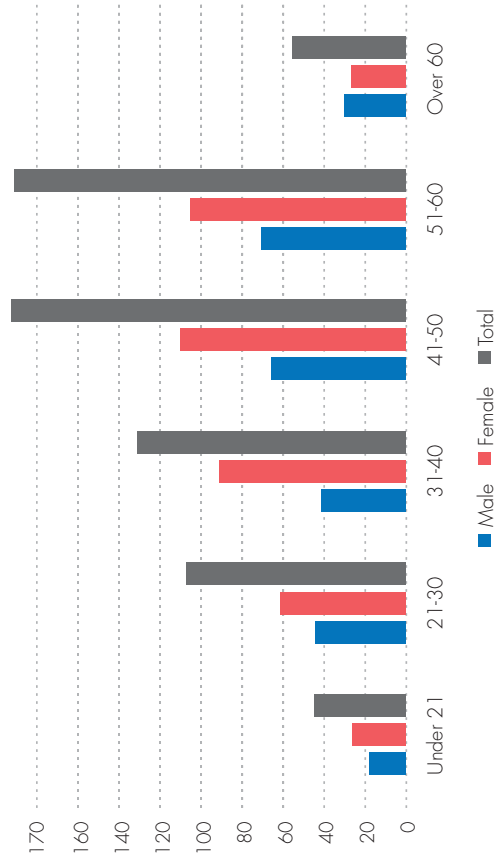
City of Mandurah Employees 2018/2019\*



City of Mandurah Employees by tenure 2018/2019



City of Mandurah Employees by age 2018/2019



# About the Annual Report

The Annual Report 2018-2019 will provide an update of the City's achievements against the Corporate Business Plan 2018-2021 which was developed from the Strategic Community Plan 2017-2037.

The objectives in both plans focus on six key areas; Environment, Social, Economic, Infrastructure, Identity and Organisational Excellence.

For each of the identified objectives, strategies, projects, actions and activities have been identified in the Corporate Business Plan 2018-2021. Performance indicators were also identified in the plan which are measured quarterly to ensure that the City delivers on its Strategic Community Plan. We will in this Annual Report, provide an overview of our performance, detailing the strategies implemented for each key area and our progress to date. We will also provide an update on major issues encountered and projects the City has undertaken during this time.

The Annual Report 2018-2019 meets our commitment to transparent performance reporting, in line with the Integrated Planning and Reporting Framework required of all local governments throughout Western Australia.

## Reading the Report

The City of Mandurah Annual Report 2018-2019 is structured based on the Strategic Community Plan's six Key Focus Areas (KFA). The sections to follow will provide;

- A snapshot of our strategic direction, derived from the Strategic Community Plan 2017-2037
- For each Key Focus Area
  - Highlights of major projects/initiatives undertaken during the financial year along with major challenges faced
  - Performance to date, against our Corporate Business Plan 2018-2021 – The Dashboard



# Strategic Direction







# Key Focus Area: Environment

**A community that is a leader in proactive and innovative environmental management.**

## Waterwise Initiatives

The City has been recognised as a Waterwise Council since 2009, highlighting a commitment to reducing water use in the community and maintaining it in years to come.

For a number of years, the City has achieved Gold and Platinum status in the Waterwise Council Program, which is jointly run by the Water Corporation and the Department of Water. This status recognises the City's achievements across a number of waterwise projects, including waste water reuse schemes and the Waterwise Verge Incentive scheme.

The City also continued implementation of the Waterwise Council Water Efficiency Action Plan, retrofitting close to 100 conventional verges to low water using native gardens as part of the Waterwise Verge Incentive scheme.

As part of the City's new joint economic development strategy with the Shire of Murray, Mandurah and Murray: a shared economic future, planning continued for two major waterways-based projects:

- **Regional Waterways Data Array:**  
This project is a region-wide project that will create an open platform for regional science, research and industry to cluster, collaborate and innovate on the collective vision of maintaining and enhancing the

region's environmental and economic future. The Waterways Data Array will comprise a network of test stations and sensors that will drive a collection of big-data streams with real-time, location-specific data and monitoring.

- **Waterways Centre of Excellence:**

The Regional Waterways Data Array is the first stage of a two-part project that will pave the way to the future Stage 2 – the Waterways Centre of Excellence. The Waterways Centre of Excellence will provide a permanent centralised hub for water science research and related business activity regionally, nation-wide and internationally. The centre will accommodate a range of agencies and organisations already located within the Peel Region, including government agencies and research institutions. The centre will also potentially incorporate tourism and indigenous cultural elements, including interactive public foyer space, data displays, cultural gallery, office spaces, laboratories and conference facilities.

## Mosquito Management

The Peel Mosquito Management Group (PMMG) consists of the City of Mandurah, Shire of Murray, City of Rockingham and the Shire of Waroona. In partnership with the Department of Health Western Australia, the

group works hard to minimise the impact of mosquitos across the Peel Region.

The 2018/19 season was noted as being far less intense than recent seasons in relation to the number of aerial treatments required, and the overall number of hectares treated.

The combination of environmental conditions throughout the season limited inundation and hatching events and made managing mosquito populations much easier than recent years.

Thirteen aerial larviciding treatments were done between July 2018 and June 2019, covering a total of 1438.4 hectares.

The City and the PMMG also continued to provide community education on ways to 'fight the bite'.

## Environmental Partnerships

The City works closely with a number of organisations, groups and research bodies to deliver the best environmental outcomes on behalf of the community.

### Key environmental partners include:

- Peel Preservation Group – the group secured \$11,000 in funding towards the installation of two seabins in the Mandurah Ocean Marina. Marina and Waterways and Environmental Services supported this community group with this project

- A fourth property was purchased under the City's Bushland Buyback program, which is located on Lakeside Parkway in Herton. This purchase adds a further 10ha to the City's target of purchasing 150ha of high conservation bushland
- Mandurah Environmental Volunteer Alliance – the Alliance met on a bi-monthly basis from July-December, changing to a monthly basis in 2019. An Embrace the Space toolkit was developed to show the community how to become a steward for their local community space
- Environmental Education Research Project partnership with Murdoch University. The partnership will research the impact from three of the City's environmental education programs. This research is ongoing.
- Peel Harvey Catchment Council – the Council focused on wetland water quality, and macroinvertebrate identification with Mandurah Primary School
- Bouvard Coastcare Group – The group delivered an experimental 'Seed Bomb' planting at Melros Beach
- Continuing efforts to reduce the City's carbon footprint, solar photovoltaic arrays were installed on a further three facilities; the Waste Management Facility, Mandurah Visitor Centre and Lakes Cemetery
- Continued partnership with the Mandurah Environmental Advisory Group, which represents the Mandurah community in commenting on key environmental matters

## Community Education and Engagement

The environment has been identified as one of the community's top priorities.

The City is committed to working with the local community to taking action to decrease our impact on the environment in a number of different ways and ensure our young people understand the value of our unique environment.

### Our key achievements include:

- Lake Clifton Bioblitz – close to 130 people attended this day-long event, which was run by a volunteer steering group with the support of the City
- Single-use plastics ban – The Council voted to phase out the City's use of single-use plastics. As part of this, the City engaged local businesses in campaigns such as The Last Straw and Responsible Cafes to reduce the use of single plastics across Mandurah. 25 businesses took part in these campaigns. The movement was helped to be brought about by students from Mandurah Baptist College
- Community Planting Season: More than 35,000 plants were planted within reserves and coastlines across 12 events. These activities were attended by more than 250 volunteers
- Kids Teaching Kids Conference: 290 students from 12 schools in the Perth and Peel regions attended the two-day 2018 Kids Teaching Kids Conference. Mandurah Baptist College students won the City of Mandurah scholarship to attend the National Water Kids Teaching Kids conference. This was the seventh year the City has held the event.

- Volunteer Support: The City continued to support community-led volunteer initiatives such as Osprey WA, Coastal Waste Warriors, Mandjar Wildlife Guardians and Mandurah Dolphin Rescue
- The City provided a submission into the Senate enquiry into Australia's faunal extinction crisis. The submission outlined how Mandurah is impacted, including examples of local extinctions, and solutions-based recommendations at a national scale
- The City continued advocating for better legislation to reduce the impact of cats on native fauna, including establishing a Cat Working Group to improve cat management within the city. Key actions for the group included:
  - development of a Cat Local Law for the City
  - identifying changes needed to the Cat Act 2011
  - cat management around priority sites
  - education & campaigning for increased sterilisation, registration and chipping of cats.



## Environment: A community that is a leader in proactive and innovative environmental management

| Objectives                                                                                  | Strategies                                                                                           | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.1 Protect and ensure the health of our natural environment and waterways                  | 1.1.1 Ensure appropriate strategies and programs are in place to maintain Mandurah's biodiversity    | A further seven Environmental Management plans for City managed nature reserves have been reviewed. A fourth property has been purchased under the City's bushland buyback initiative contributing a further 10ha to the target of purchasing 150ha of high conservation bushland. 16,300 seedlings have been planted in revegetation sites across the City this planting season.                                     |
|                                                                                             | 1.1.2 Support the development of a clear governance structure for Peel waterways management          | The City is currently developing an advocacy framework which will include Council's position on a number of important issues including the development of a clear governance structure for Peel waterways management.                                                                                                                                                                                                 |
|                                                                                             | 1.1.3 Ensure appropriate strategies and actions are in place for Mandurah's coast and waterways      | The City is currently undertaking a Coastal Hazard Risk Management and Adaptation Plan which will determine how vulnerable the City is to coastal erosion and inundation and will assess the community's values and what they feel would be an acceptable risk and how this risk should be managed into the future. GHD were awarded the tender and the study is partly funded by the State Government.               |
|                                                                                             | 1.1.4 Integrate the protection of waterways and bushland into land use planning                      | Provided submission into the Senate inquiry into Australia's faunal extinction crisis. Continued advocating for better legislation to reduce impact of cats on native fauna, including establishment of a cat working group with key stakeholders.                                                                                                                                                                    |
|                                                                                             | 1.1.5 Proactively manage storm water to reduce the impact on the natural environment                 | Strategic priorities for Water Sensitive Urban Design project to be undertaken in the 2019/20 financial year.<br>Strategic Waterwise Working Group created with cross functional representation.<br>Senior drainage engineer employed to further progress stormwater initiatives.                                                                                                                                     |
|                                                                                             | 1.1.6 Reduce the City's water consumption                                                            | Continued implementation of the Waterwise Council Water Efficiency Action Plan and once again obtained Gold Waterwise council status in 2018/19                                                                                                                                                                                                                                                                       |
| 1.2 Increase our scientific understanding and knowledge of the marine estuarine environment | 1.2.1 Engage in collaborative research partnerships with the education sector and other stakeholders | Finalised the Australian Research Council partnerships Backyard Bandicoots and Balancing Estuarine and Societal Health. Continue to support Sustainable Dolphin Tourism and Fairy Tern research with Murdoch University. Environmental Education PhD research partnership has entered into its final year                                                                                                             |
|                                                                                             | 1.2.2 Lobby State Government to ensure the sustainability of fish and crustacean stocks and habitats | In November 2018 the City put in a submission in response to the Department of Fisheries (DPIRD) Management Paper No. 288 – Protecting breeding stock levels of the blue swimmer crab resource in the south west. The City supported a range of management options in its submission, including nighttime curfew on recreational crabbing, extending the closed season, and implementing a mix of management options. |

| <b>Objectives</b>                                                                                                                                                 | <b>Strategies</b>                                                                                  | <b>Status as at 30 June 2019</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.2 Increase our scientific understanding and knowledge of the marine estuarine environment</b>                                                                | 1.2.3 Respond to environmental challenges based on scientific evidence                             | <p>As part of its joint economic development strategy with the Shire of Murray (adopted by Council in October 2018), the City of Mandurah is currently planning two major waterways-based projects:</p> <ul style="list-style-type: none"> <li>Regional Waterways Data Array – comprises a network of test stations and sensors that will drive a collection of big-data streams, providing real-time, location-specific data and monitoring. This in turn will create an open platform for regional science, research and industry to cluster, collaborate and innovate on waterways sustainability.</li> <li>Waterways Centre of Excellence – will provide a permanent facility for water science research and related business activity located in central Mandurah, including government agencies and research institutions.</li> </ul>              |
| <b>1.3 Encourage and enable our community to take ownership of our natural assets, and to adopt behaviours that assist in achieving our environmental targets</b> | 1.3.1 Provide information and events that enable people to understand and care for the environment | <p>The Mandurah Environmental Volunteer Alliance continues to meet on a monthly basis. The Embrace A Space toolkit was created to offer community members a guide on how to act as a steward for their local park/nature reserve.</p> <p>Continued to deliver a diverse range of environmental events including Kids Teaching Kids conference, National Tree Day, Future Vehicles Expo and Lake Clifton Bioblitz.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                                                                                                   | 1.3.2 Reduce waste-to-landfill                                                                     | <p>The City implemented programs at the Waste Management Centre to divert green waste, scrap metal, waste oil, tyres, e-waste, mattresses, car batteries, household batteries, paint and Household Hazardous Waste, from landfill and recycled.</p> <p>Commencement of the waste oil and battery recycling program at the kerbside was another initiative in the 2018/19 financial year.</p> <p>The City also continued the recycling education programs (Primary School Recycling Education Program and Bin Tagging Program) to help improve the community's recycling performance.</p> <p>A significant reduction in waste going to landfill is expected to be achieved in late 2021 when the City sends all of its municipal waste to the Waste to Energy plant in Kwinana (currently under construction) where it will be converted into energy.</p> |

| <b>Objectives</b>                                                                                                                                                 | <b>Strategies</b>                                                                                        | <b>Status as at 30 June 2019</b>                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.3 Encourage and enable our community to take ownership of our natural assets, and to adopt behaviours that assist in achieving our environmental targets</b> | <b>1.3.3 Assist our community to reduce energy use and adopt clean energy technologies</b>               | <p>The City is working with Western Power to install a second battery powerbank in Falcon. The City also hosted the Future Vehicle Expo showcasing hydrogen fuel cell and electric vehicles to the community.</p>                                                                                                                                                                             |
|                                                                                                                                                                   | <b>1.3.4 Assist our community to reduce water consumption</b>                                            | <p>Continued implementation of the Waterwise Council Water Efficiency Action Plan including retrofitting 97 conventional verges to waterwise verges.</p>                                                                                                                                                                                                                                      |
|                                                                                                                                                                   | <b>1.3.5 Promote and encourage the development of environmentally sensitive built form</b>               | <p>Solar orientation in new subdivisions and new dwellings will form part of the City's assessments, together with the location of public open space and street design to maximise tree retention.</p>                                                                                                                                                                                        |
| <b>1.4 Factor climate change predictions into land-use planning, building design and future Council decisions</b>                                                 | <b>1.4.1 Ensure strategies are in place for climate change adaptation including greening of the City</b> | <p>The development of the Mandurah Bushfire Risk Management Plan 2019-2023 and Treatment Schedule for 2019/20. Building internal capacity and utilising DFES Bushfire Risk Management System to identify and assess assets at risk.</p> <p>Successfully applying for Mitigation Activity Funding and All West Australians Reducing Emergencies Funding to manage and treat bushfire risk.</p> |
|                                                                                                                                                                   | <b>1.4.2 Increase dwelling density around activity-centres and key transport links</b>                   | <p>The City's draft Planning Scheme 12, Local Planning Strategy and Central Mandurah Activity Centre Plan set out the dwelling densities around the key activity centres. The draft scheme 12 and Planning Strategy will be advertised for public comment during 2019/20 following endorsement by the Western Australian Planning Commission.</p>                                             |
|                                                                                                                                                                   | <b>1.4.3 Reduce the City's carbon footprint</b>                                                          | <p>Solar photovoltaic arrays have been installed on a further two facilities. An investigation into the feasibility of a district cooling system in the Civic precinct is underway.</p>                                                                                                                                                                                                       |
|                                                                                                                                                                   |                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                               |







# Key Focus Area: Social

**A community that is safe, resilient, healthy and engaged.**

## Community Safety and Crime Prevention

The City continues to ensure a well-rounded approach to community safety and crime prevention by working together with the State and Federal Governments, local police, businesses, community groups and residents.

### Key achievements during 2018/19 include:

- A Memorandum of Understanding (MOU) was developed between the City and WA Police, which works to provide clarity around the strategic priorities of each party relating to community safety
- The City continued to apply Crime Prevention Through Environmental Design (CPTED) principles across all design and delivery stages of City facilities and infrastructure projects, to enhance community safety. This year's CPTED highlights included:
  - Mandjar Square redevelopment – lighting, controlled vehicle access and opening the visual corridor through the site
  - Waterfront Redevelopment concept planning including Smart Street Mall, Eastern Foreshore north and south precincts, and Western Foreshore recreation precinct
  - Access to Mandurah Ocean Marina via Ormsby Terrace – installation of direct path, lighting upgrade and Closed Circuit Television

- Eastern Foreshore seawall path lighting upgrade
- Upgrades to Birchley Reserve, Novara Foreshore and Falcon Bay Reserve

- The fourth series of My Park Grooves free community events was held at four local parks – Madora Bay's McLennan Park, Halls Head's Santalum Reserve, Wannanup's Village Beach and Meadow Springs' Kirkland and Landley Link. The aim of the events is to increase activation of the City's parks, increase reporting of graffiti or vandalism and increase community involvement with neighbours, community groups and local spaces. In 2018, each location attracted between 200-800 people, and live music, family friendly activities and community education were available. A survey conducted across the four locations showed that 99 percent of respondents would be keen to attend a similar event in the future, and 74 percent would be more likely to report graffiti and damage at parks having attended the event.

- Mandurah Liquor Accord - The Accord is made up of licensed premises, police, security, taxis, street chaplains, Department of Sporting and Culture Industries and the Community Safety team. Key focus areas for the Liquor Accord are:

1. Reduced anti-social behaviour in and around licensed premises

2. Reduced alcohol related violence, ill health or other harm
3. Increased responsible service of alcohol

Key achievements of the Accord in 2018/19 were:

- Launch of Project SMART, which is a positive messaging campaign that aims to educate patrons to be safe, respectful and considerate of one another within and around Mandurah venues, day and night. This project was also an opportunity to tell the community about the great hospitality and activities available in Mandurah.
- The internationally recognised venue safety campaign, Ask for Angela, was trailed at Norma Jeans Retro Bar and was rolled out across the Accord and Mandurah licensed premises during 2019. This campaign aims to promote safety in licensed premises for patrons, where bar staff are trained to support any patrons that may feel vulnerable, uncomfortable or unsafe.

## Healthy and active community

The City offers a number of vital services, facilities, programs and activities to help keep our community healthy, active and connected across a range of demographics.

With close to 2000 members, the Mandurah Seniors and Community Centre continued to offer a number of exciting programs, activities, concerts, information sessions and opportunities to connect for people aged over 55 years. A number of new activities were introduced including a drama group and Zumba fitness. In partnership with Murdoch University and a local business, the centre has also introduced allied health services including podiatry, chiropractic, and general health checks at low or no cost to members on a weekly basis.

Close to 10,000 people per month access the Mandurah Seniors and Community Centre for City-run activities and events, as well as other independent classes. A community bus is also offered for seniors with limited mobility or transport options, making the services more accessible for all.

The City also revised the Vulnerable Communities Plan and renewed the Aged Care Emergency Management Memorandum of Understanding for a further three years, thereby empowering groups and organisations to support each other in times of need and encourage resource sharing between 18 aged care and independent living facilities.

The City works closely with a number of partners to support young people and develop Mandurah's future community leaders. The City has more than 150 programs, events and activities for young people to get involved in annually at locations including libraries, the Mandurah Community Museum, recreation centres and Billy Dower Youth Centre.

In 2018/19, the City launched a weekly after school drop-in program at Lakelands, hosted Scooter Jam, Youth Jam, Summer Youth Festival other events, including Beats Under the Bridge which was delivered by the Youth Leadership Group in January attracting more than 400 people.

The City's supports youth across all spectrums and provides programs that aim to support and enrich more vulnerable young people as well as stretch high achieving youth. The City supports an afterschool drop in program in Mandurah and now Lakelands, Comedy Club, STEM Clubs, arts program, barista training program, gaming clubs as well as activities across school holidays. The City also supports Friday Nightfields and Saturdaze programs to provide recreational activities enabling young people to socialise in safe spaces.

The Dream Big Youth Fund, which provides grants of \$350 for individuals and \$500 for organisations, helps young people to upskill and achieve their dreams. In the reporting period, the fund delivered 25 grants to young people, including two organisations. The recipients, aged 11-23 years, used their funds for entrepreneur activities, formal training, attending workshops or interstate/overseas opportunities.

The Mandurah Junior Council consists of 38 year six students from all 19 primary schools across Mandurah. This is a unique initiative that gives young people a chance to learn about local government.

In 2018/19, the Junior Council's project focussed on plastics in waterways, with Junior Councillors raising awareness of this issue by hosting a community beach clean-up at Town Beach (in partnership with Coastal Waste Warriors) and running a stall at the 2019 Mandurah Children's Festival to educate children and parents about the impacts of plastics through fun activities.

The City employed a Healthy Communities Officer to oversee the development and implementation of the Public Health Plan, which provides a strategic direction to help improve the health and wellbeing of the community. The initial role of the Healthy Communities Officer has been to establish connections with key internal staff and external stakeholders to gain an understanding of their activities and goals, and identify any opportunities where 'quick wins' can be achieved to reach positive health outcomes.

A draft Public Health Plan has been developed with close linkages to the Mandurah Matters community engagement feedback, in addition to internal and external consultation with key stakeholders. The draft plan will be presented to Council for endorsement.

The City also continued to advocate for Mandurah's health care needs, a highlight of which was the opening of the Peel Health Hub in December 2018. This state-of-the-art facility brings together key health services to assist people in the Peel region.



## City of Mandurah major events 2018/2019:

- **Stretch Arts Festival Mandurah** (5 & 6 May) 14,000 people
- **Mandurah Children's Festival** (21 October) 14,500 people
- **Australasian Police & Emergency Services Games** (October 28 – November 3 2018) 3,341 participants from six countries
- **Community Christmas Celebration** (30 November) 25,000 people
- **New Year's Eve** (31 December 2018) 22,000 people
- **Australia Day Celebrations** (26 January) 5,000 people
- **Mandurah Crab Fest** (16 & 17 March) 107,000 people
- **Wearable Art Mandurah Showcase** (15 & 16 June) 1,500 people and close to 1,200 people at subsequent CASM exhibition

## Festivals and events

The City is proud to have again delivered or facilitated a number of spectacular events during the financial year, including Mandurah's award-winning signature annual event, the Channel 7 Mandurah Crab Fest. Mandurah's exciting calendar of events provides fun activities for local residents and visitors, as well as economic opportunities and benefits to our community and tourism sector.

The City actively seeks to attract events which add vibrancy and economic value to the city, and give more people the opportunity to experience for themselves what a special place Mandurah is.

The City has a stellar record of producing and attracting major events, which provide significant boosts to local businesses and drive job creation.

The City continued its partnership with Sports Marketing Australia for the placement of a number of events. Across nine key events, the estimated spend within Mandurah was \$4.7million.

In 2018, the Channel 7 Mandurah Crab Fest was awarded Gold for the third consecutive year in the Major Events and Festivals category at the Perth Airport WA Tourism Awards.

Crab Fest is WA's biggest free regional event, and Mandurah's signature annual tourism event, with an average yearly attendance of more than 100,000 local, interstate, and international visitors. It is also a popular highlight of the Western Australian events calendar.

Showcasing the best food and entertainment the Peel Region offers, the two-day festival includes entertainment, unique dining and food experiences, and Mandurah's famous blue swimmer crabs, all set on the backdrop of beautiful waterways. The festival is an integral part of the state and delivers economic and social benefits to local businesses and the community.

The 17th Australasian Police & Emergency Services Games, held in Mandurah from October 28 - November 3, 2018, was a great success. The Games saw a record 3341 participants from six countries

gather in Mandurah to compete and volunteer. A total of 50 different sports were offered across seven days, and a range of social and tourism opportunities were provided for all. Competitors and supporters travelled from all over Australia, New Zealand and New Caledonia, in addition to invited guests from Hong Kong, Singapore and China, to be part of the largest multi-sport event to take place in WA in the last decade.

The 2018 Games saw the introduction of the Firefighter Race, Fire Truck Pull and Downwind Ocean Surf Ski Race, as well as the return of Water Polo.

### Highlights of Mandurah's Australasian Police & Emergency Services Games were:

- \$6.1m - economic impact to WA
- 3341 participants from six countries
- 2000 competitions
- 252 volunteers
- 72 sports coordinators
- 50 sports
- 28 venues
- 7 days

Mandurah was chosen as the host city for a number of reasons, including our award-winning waterfront dining, aquatic adventures and world-class golf courses; significant redevelopment to Mandurah Aquatic and Recreation Centre, Mandurah Forum Shopping Centre and foreshore precincts; and City's desire to partner with the event and organisers to showcase the region and facilities as a major sporting and tourism destination.

## Supporting our community

The City supports the community in a range of ways to build capacity and create opportunities.

### Examples during 2018/19 include:

- Community Assistance Grants Scheme – this scheme supports community groups who create opportunities for community participation providing greater access to services.  
Two grants are available, the Community Association Fund and the Partnership Fund.
  - » The Community Association Fund supports location community groups to deliver projects to Mandurah residents. The fund has two rounds per year in which groups can be granted between \$500 to \$2000.
  - Round one: \$35,557 for 28 community groups
  - Round two: \$33,727 for 21 community groups
  - » The Partnership Fund assists community organisations to provide increased access to essential programs and services over a three year period. This financial year 25 groups were funded a total of \$127,303.
  - Kidsport grants – 1382 vouchers (totalling \$196,356.13) were approved and provided for financially disadvantaged young people to join local sporting clubs. These grants are processed by the City and funded by the State Government.
  - The Club Connect Club Grant program delivered \$14,284 among 29 local sporting clubs in 2018/19.
  - Seventy-seven local residents benefited from the Outstanding Representative Donation with a total of \$16,700 allocated to athletes and officials representing WA and Australia in sport.

In October, a new facility on Tuart Avenue opened its doors to provide a safe space for homeless people to have a warm shower and get changed, a service which has previously not been available. The purpose-built facility is designed to make the lives of Mandurah's vulnerable people a little easier, and is close to other services including retail spaces, the library, Lotteries House and public transport. In a new co-location model, services and facilities for local vulnerable people can now be in one place.

The project can also facilitate links between facility users and other organisations and service providers. The shower block includes two showers, two change spaces and associated infrastructure.

### Mandurah Matters

In late 2018, the City of Mandurah launched one of its biggest community engagement projects to date, Mandurah Matters. At the heart of the project, the City wanted to find out what is important to our community. The city-wide campaign aimed to provide a framework to facilitate a citizen-led vision for Mandurah's future. More than 1600 people contributed to Mandurah's shared vision, a vision about what Mandurah will look and feel like in years to come.

During the first phase surveys, the community voiced that the City's focus should be on the environment, the economy, social aspects, and health. The City will use those four pillars to drive future planning.



These pillars were explored during a series of workshops in the second stage of the project, where the community discussed what they wanted Mandurah to be known for. These conversations laid the ground work for the Future of Mandurah Summit. At this Summit, a group of delegates worked together to develop Mandurah's Story.

This story forms the basis of our shared vision. The vision will be shared with the broader community.

## Access and Inclusion

The City of Mandurah is committed to ensuring that the community is accessible for and inclusive of people with disability, their families and carers.

The City has ongoing partnerships with a number of community and disability service organisations, as well as people with disabilities and their families. These partnerships have enabled the City to deliver a number of great new initiatives which support an increase in access and inclusion for all members of our community.

### Some of the 2018/19 highlights include:

- The City included requirements of the universal Accessibility and Disability Discrimination Act into the design of all new and refurbishment building projects in the city, including the Port Bouvard Surf Lifesaving Club's second storey extension, Tuckey Room refurbishment, Blue Bay, Warrangup Springs and Mandurah Yacht Club ablation upgrades. The Mandurah Performing Arts Centre also received additional ramp entries and a lift for public access.

- In 2018, the City was awarded Most Accessible Regional City in WA by the Western Australian Local Government Association (WALGA). The City was awarded for improving the accessibility of Council infrastructure and public open spaces, inclusive communication technology and information initiatives, leadership on community attitudes and perceptions, and accessible and inclusive Council services, programs and events. In 2019, the City received a 'Highly Commended' acknowledgement.

- In early 2019, the City partnered with Sport and Recreation Peel and Rebound WVA to promote and facilitate a seven-week inclusive basketball program that was delivered at the Mandurah Aquatic and Recreation Centre.

People with a mobility disability were provided with the opportunity to play a team sport with their family and peers in a welcoming and shared community space.

- In 2018/19, the City's Community Capacity Building team partnered with Inclusion Solutions through the Socially Inclusive Communities Western Australia (SICWA) partnership project. Four local clubs/groups (Mandurah Mustangs Football Club, Mandurah Surf Life Saving Club, Peel Little Athletics Club and the Inclusive Mandurah group) were selected for receiving mentoring and training support to increase access and inclusion for all members of the community.

City staff received Disability Awareness and Social Inclusion training as part of the project. The City's Youth and Recreation teams have been successful in applying for the SICWA round two project, which will further promote access and inclusion throughout both the organisation and the wider community.

- With support from the SICWA project between Inclusion Solutions and the City of Mandurah, the Mandurah Mustangs Football Club introduced their first integrated football team in 2019. This team has enabled a group of local men to play competitive football and to develop friendships, actively participate in their community and fulfill valued roles. The team plays in the integrated league, however they are included in all other aspects of the football club alongside the other leagues.

- The Inclusive Mandurah Group aims to create awareness in the community around disability, access and inclusion, and acts as an information source for community, and a conduit between the City and community. The City acknowledges the positive impact that the group has in promoting access and inclusion, and as such the group is supported throughout the year by the dedicated Access and Inclusion officer in the Community Capacity Building team.







## Social: A community that is safe, resilient, healthy and engaged

| Objectives                                                                      | Strategies                                                                                                                                                            | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1 Help build our community's confidence in Mandurah as a safe and secure City | 2.1.1 Put in place strategies and actions that make people feel safe                                                                                                  | <p>Continued to maintain and manage the City's CCTV infrastructure.</p> <p>Reached consensus on an approach to homelessness supported by the Community Services sector interagency group which includes a working group model with five focus areas, safety and security, social facilities review, housing, capacity building and support systems. A core project team comprised of services who work directly with people experiencing homelessness are progressing with a collaborative approach to attract funding.</p> <p>Continued to encourage a shared responsibility in emergency management via staff induction, training, building internal capacity and organisational resilience.</p> <p>Reviewed membership of Mandurah Local Emergency Management Committee and encouraged active participation.</p> <p>Renewed Local Government Emergency Management MOU with City of Rockingham, Shire of Murray and Shire of Waroona.</p> <p>Undertook a joint LG Recovery Exercise, focussing on natural, built, social and economic recovery environments and continuity of City services.</p>                                                                                                                                                                                                                                                                                                            |
|                                                                                 | 2.1.2 Advocate to ensure appropriate levels of community policing including the re-establishment of a regional police presence                                        | <p>Memorandum of Understanding (MOU) developed between the City of Mandurah and WA Police, endorsed by Council at its April 2019 meeting. The objectives of the MOU is to provide clarity of the strategic priorities of each party relating to community safety.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                                                                 | 2.1.3 Ensure the City's planning, design and infrastructure provision enhances community safety by embracing Crime Prevention through Environmental Design principles | <p>Crime Prevention Through Environmental Design (CPTED) principles are applied across all the design and delivery stages of City facilities and street infrastructure projects. Below are projects in the past financial year that has utilised CPTED design principles.</p> <ul style="list-style-type: none"> <li>• Mandjar Square Redevelopment – the last stage of works included the delivery of the Catenary functional and feature lighting system, controlled vehicle access, opened up the pedestrian access and visual corridor through the site.</li> <li>• Waterfront Concept proposals/planning - Smart Street Redevelopment , Eastern Foreshore North Precinct, Eastern Foreshore South Precinct, Western Foreshore Recreation precinct – including detailed Skate and Activity Space Concept Design.</li> <li>• Ormsby Tce access to Marina – direct path installation, lighting upgrade, CCTV.</li> <li>• Eastern Foreshore seawall path lighting upgrade</li> <li>• Birchley Reserve upgrade – staged upgrade including new playground and fitness/sport facilities and path connections/circuit to encourage activity and use.</li> <li>• Novara Foreshore upgrade – continuation of staged upgrade with playground and facilities to encourage activity and use.</li> <li>• Falcon Bay Reserve – staged upgrade including new shelter and picnic facilities, lighting upgrades</li> </ul> |

| Objectives                                                                      | Strategies                                                                                                                    | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| 2.1 Help build our community's confidence in Mandurah as a safe and secure City | 2.1.4 Continue to promote Mandurah as a great place to live                                                                   | The City has promoted events and activities available to our community and continued to provide services and facilities at a high level, with the promotion of Mandurah as a great place to live.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2.2 Ensure the provision of quality health services and facilities              | 2.2.1 Advocate to ensure that Mandurah's health care needs are met including the provision of a significant regional hospital | The City employed a Healthy Communities Officer to oversee the development and implementation of the Public Health Plan. The Peel Health Hub opened in Mandurah in December 2018. The facility is state of the art and brings together key youth services within the one hub servicing the Peel region.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                 | 2.2.2 Continue partnerships to ensure the delivery of best-practice mosquito control                                          | Continued Best Practice Mosquito Control with ongoing advocacy for the continuation of winter treatment. Ongoing public awareness programs undertaken.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                                                                 | 2.2.3 Ensure City services and facilities are accessible to all                                                               | Incorporated universal Accessibility and Disability Discrimination Act requirements in the design of all new and refurbishment building projects across the City, including Port Bouvard Surf Lifesaving Club Second Storey Extension, Tuckey Room Refurbishment, Blue Bay and Warrangup Springs Ablution refurbishments and Halls Head Parade Sports and Community Facility Universal Access Toilet Refurbishment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                                                                                 | 2.2.4 Implement strategies and actions that meet the needs of seniors within our community                                    | <p>The Seniors and Community Centre continues to provide a variety of activities and events specifically for people over the age of 55 years that engages mind, body and encourages social connection with a number of new activities instigated including a drama group and Zumba fitness. In partnership with Murdoch University and another local business the Seniors and Community Centre has introduced a number of new allied health services including Podiatry, Chiropractic and General Health Check clinics, at low or no cost, on a weekly basis.</p> <p>The Seniors Centre has a membership base of approximately 2000 people and welcomes around 10,000 through the doors every month who attend both City facilitated activities and events as well as other independent classes. Assistance for those with limited mobility or transport options is available through the provision of a Seniors community bus service.</p> <p>Mandurah Libraries offers a Home Library Service to community members who are housebound, with fortnightly deliveries of reading material and resources. In 2018/19 Mandurah Libraries introduced new programs in collaboration with the community and service providers to meet the needs of those living with dementia – Memory Café and Reading and Reminiscing Club. This builds on the successful Reflecting with Art and Intergenerational programs.</p> <p>Continued participation in the Ramsay Health Aged Care Professional and Providers Network, sharing emergency management initiatives and learnings.</p> <p>Revised the Vulnerable Communities Plan and renewed Aged Care Emergency Management MOU for a further 3 years. Empowering the industry to support each other in times of need, encouraging resource sharing register between 18 aged care and independent living facilities.</p> |



| Objectives                                                                                    | Strategies                                                                                                                           | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <p><b>2.3 Provide opportunities, services and activities that engage our young people</b></p> | <p><b>2.3.1 Provide facilities, events and spaces that meet the needs of young people</b></p>                                        | <p>Launched a weekly afterschool drop in program in Lakelands. Hosted Scooter Jam, Youth Jam and the Beats Under the Bridge Summer Youth Festival. Started a Dungeons and Dragons Club out of Falcon elibrary. Continued activating various spaces across Mandurah throughout each school holidays.</p> <p>After piloting taster sessions, Homeschool Workshops were introduced to the Mandurah Libraries and Heritage program, providing opportunities for young people to work collaboratively with their peers and explore topics including Auslan, environmental projects, and engineering.</p> <p>RT Kids, an afterschool art program run out of CASM, facilitated by a practising artist and administered by Mandurah Libraries continues to provide opportunities for young people to engage with creative art. In the 2017 calendar year an internship for a young artist to work with RT lds and CASM was introduced. The third intern in the program commenced in January 2019.</p> <p>Annual Mandurah Children's Festival was successfully delivered providing free activities, entertainment and education opportunities for children aged 3-12 years.</p> <p>Family friendly activities delivered within Crab Fest aimed at young people.</p> <p>Volunteering opportunities at City events (in particular Crab Fest and Children's Festival) to engage youth and provide engagement and participation opportunities.</p> <p>The City continued to deliver ongoing children's programs at the City of Mandurah Recreation Centres, and piloted a new Pool Party programme/event at the MARC aimed at providing a safe and active activity for youth aged 12-16.</p> <p>City Kids is a marketing campaign that pulls together all the programmes, activities and events that are provided for 0-17 year olds. This brings together over 100 programmes, activities and events in one place, making it easy for our community to choose what is right for them.</p> |
|                                                                                               | <p><b>2.3.2 Connect young people to information, people, programs and education that allows them to achieve their life goals</b></p> | <p>Mandurah Youth's Facebook page has gained more followers and improved engagement. Provided Barista, resume and interview training to young people. Provided Youth Officers to be mentors to the AIME program which encourages and supports Aboriginal high school students to aim for university. Launched the RYDE program which provides a vehicle and a mentor to young people to complete their hours needed to obtain their driving licence.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                                                                               | <p><b>2.3.3 Develop strategies and actions that ensure that people are given the best start in life from early childhood</b></p>     | <p>Key stakeholders from the Early Years sector in Mandurah engaged in a strategic round table forum hosted by the City of Mandurah in July 2019. The focus was to review and analyse the Australian Early Development Census (AEDC) data released in 2019 and re-establish priorities which reflect a need for a targeted approach in Halls Head and greater emphasis on emotional maturity development.</p> <p>In partnership with the State Library of VWA Mandurah Libraries participates in the Better Beginnings program, providing literacy resources and reading material to newborns, in collaboration with child health nurses, and kindy packs to children attending schools and childcare. 1181 packs were delivered to 20 primary schools and 2 child care centres, with team members visiting 16 primary schools and delivering storytime to 908 students.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Objectives                                                                                                         | Strategies                                                                                                                                                 | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.3 Provide opportunities, services and activities that engage our young people                                    | 2.3.4 Support the development of Mandurah's future community leaders                                                                                       | Through Junior Council and the Youth Leadership Group provided upskilling in public speaking, event, and campaign and project management to young people. The Youth Leadership group successfully delivered the summer event "Beats Under the Bridge" which had over 400 young people attend. Rebranded and made the "Youth Dream Big Fund" more accessible.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 2.4 Provide a range of social, recreational, entertainment and learning experiences for our residents and visitors | 2.4.1 Improve the retail and entertainment experience in Mandurah, focusing on enhancing the city centre with a vibrant and safe evening and night economy | The City Centre team has established a positive working relationship with a number of City Centre businesses. Progress is being made towards a business led approach with regards to the activation of public spaces and to increasing the night time entertainment options in the City Centre.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                                                                                                    | 2.4.2 Recognise the importance of open spaces for community wellbeing                                                                                      | <p>Continued the implementation of the Mandurah Active Recreation Strategy. The current focus is the delivery of the Lakelands District Open Space project to accommodate the needs of residents in the northern corridor.</p> <p>The City undertook community consultation for the SE Dawesville Channel Master Plan, to gauge the communities' feedback on the proposed design. The design was to activate the space with passive recreation elements.</p> <p>The Falcon Bay Foreshore Reserve upgrade included additional parking closer to the foreshore, and a new groundwater bore and tank system installed to irrigate the foreshore which was previously irrigated by Scheme water.</p> <p>A significant coastal protection structure was installed to provide long term protection to the foreshore reserve.</p> <p>The first stage of expansion of the recreational area west of the toilet block was completed including new paths, grassed spaces, lighting, coastal garden beds, extra shade trees, shower, drinking fountain, seating areas and custom shelters with picnic tables.</p> <p>The Novara Foreshore Reserve upgrades included a new all ages adventure playground, new paths, and irrigation to large expansive grassed areas. New shade trees, park signage with dual naming, new BBQ's, picnic shelters and tables, exercise equipment nodes were installed, along with increased natural foreshore vegetation. A new outdoor performance space with lighting and seats, a viewing platform and connecting paths on the southern side of the boat ramp carpark were also installed with references to Indigenous culture included in the design outcomes.</p> |
|                                                                                                                    | 2.4.3 Increase the capacity of Mandurah's community, recreation and volunteer organisations                                                                | <p>Continued to support the Peel Volunteer Resource Centre via community partnership grants, professional advice, partnership on multiple community initiatives and via their ongoing support in assisting the City's various volunteers. Local Drug Action Plan workshops undertaken with sporting volunteers to upskill in service of alcohol.</p> <p>The City launched the new Club Connect Program, previously known as the Club Support Program. The program provides local clubs with support and resources to ensure effective and sustainable operations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| Objectives                                                                                                         | Strategies                                                                                                       | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.4 Provide a range of social, recreational, entertainment and learning experiences for our residents and visitors | 2.4.4 Provide people with the infrastructure, skills and knowledge to effectively participate in the digital age | The Digital Hub at Mandurah Library continues to provide digital literacy training to individuals, small groups and community groups. The Digital Hub trainer works across the three libraries and the Mandurah Seniors and Community Centre. Coder Dojo is offered in the FabLab at Falcon Library and STEAM programs are offered across the libraries and museum. Public access computers and informal training is provided by library team members as the community increasingly requires access to online platforms for life administration. The FabLab and the Digital Hub are available for hire.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                    | 2.4.5 Encourage wellbeing through healthy lifestyle, sport, social and recreational activities                   | <p>Range of activities and programs supported across the City's Youth Team, Seniors Centre and recreational facilities leading to improved health and wellbeing.</p> <p>In 2018/19 Mandurah Libraries had 31,500 active members. 335,000 people visited Mandurah Libraries and Museum, participating in 1,153 programs.</p> <p>The City of Mandurah Recreation Centres recorded total attendances of 974,024 over the year, 3478 Health and Fitness and Aquatics memberships, 4,685 Swim School Enrolments and 4585 Outside School hours Care Attendances.</p> <p>The Recreation Centres hosted a number of Junior and Senior sporting clubs including Swimming, Waterpolo, Squash, Badminton, Netball, and Basketball.</p> <p>The MARC Café was the first WA local government recreation centre to take part in the new Fuel to Go and Play program, offering 43% healthy green choices across its revised menu. This is a WA School Canteen Association program, supported by Healthway that uses the 'traffic light system' for rating food and drinks based upon their nutritional value.</p> |





# Key Focus Area: Economic

**A prosperous community with a skilled workforce that has accessible education and employment opportunities.**

## Mandurah and Murray: a Shared Economic Future

In October 2018, Council adopted a newly created joint economic development strategy, Mandurah and Murray: a shared economic future. The strategy is a partnership between the City of Mandurah and the Shire of Murray, aimed at addressing shared regional challenges and opportunities faced by both Councils. The strategy is a 'living' document that will change and evolve according to Mandurah and Murrays' changing objectives, priorities and opportunities, with a current focus on water science, agri-innovation, tourism trails and emerging industries attraction.

Two major waterways-based projects – the Regional Waterways Data Array and the Waterways Centre of Excellence – form a major part of this economic partnership.

### Other economic development opportunities identified within the partnership are:

- Peel-Yalgorup Wetlands Trails: The Peel-Yalgorup Wetlands project aims to grow the Peel Region's tourism potential by developing a diverse range of environmentally sustainable tourism attractions to the wetland system that will promote its natural beauty, wildlife, recreational opportunities and Aboriginal culture. These could potentially include walk,

mountain bike, equestrian and paddle trails, pop-up dining, bird watching and wildlife tours, Indigenous interpretive trails and tours, and a variety of eco-accommodation options.

### The project consists of two components:

- **Yalgorup National Park** – a partnership between the City of Mandurah and the Department of Biodiversity, Conservation and Attractions (DBCA), the project will expand the park's range of nature-based recreation and tourism trails, activities, attractions and accommodation. The project was expected to start in 2019/20 with the development of a Recreational Master Plan by the DBCA, in partnership with the City.

- **Peel-Harvey Estuary Trails** – a partnership between the City of Mandurah and the Shire of Murray to build on the existing network of local recreation trails around the estuary to create an iconic trails offering. The project will create a range of shared-use and dedicated trails around the Peel-Harvey Estuary and its tributary rivers that grow the estuary's recreation and tourism offering. The project was expected to start in 2019/20 with the development of a pre-feasibility study and trails audit that provides

a list of potential trails, activities, services and infrastructure that would help achieve sustainable waterways-based tourism growth in Mandurah/Murray.

- **Dwellingup Tourism and Trails** - The Dwellingup Tourism and Trails project will create a network of new multi-purpose trails in Dwellingup, including:
  - Dwellingup Trails and Visitor Centre expansion
  - New Skate Park and Pump Track
  - Dwellingup Adventure Trails - additional mountain bike, walk and canoe trails
  - Upgrade of Captain Fawcett 4WD track between Lane Poole and Quindanning
  - Establishment of pop-up café and hire facilities at Baden Powell Reserve
  - 80m suspension bridge over the Murray River at Baden Powell Reserve
- **Agri-Innovation Precinct, Peel Business Park**
  - A key component of 'Transform Peel', the Agri-innovation Precinct focuses on innovative, high-quality food production and processing, allowing for stronger connections between agricultural and logistics chains, to build critical capacity, business capability and export readiness. It will also include



a research and product development cooperative to broaden WA's economic base with enterprise product development and production for domestic and international markets.

- **Murrayfield Airport Upgrade** - Murrayfield Airport, located on Lakes Road in the Shire of Murray, was established in 1919, and is a registered airfield owned and operated by the Royal Aero Club of Western Australia. Murrayfield is a non-controlled aerodrome with activities including commercial flights, scenic flights, charter flights and flight training. The airport upgrade involves providing expanded light aircraft hangar facilities, a sports aircraft hub, engineering and maintenance capabilities, drone pilot training and Royal Australian Air Force Cadet training. Potential also exists to establish new commercial pilot training programs, with longer term potential to establish national and international freight and logistics capabilities.

## Entrepreneur Programs

In an innovative bid to stimulate local job creation and small business growth, in 2014 the City began delivering a series of free entrepreneurial programs for Mandurah small business start-ups. These programs were delivered to a range of target groups, including parents, artists, migrant women and unemployed people seeking to start their own business. Since the launch of the City's Entrepreneurial programs, more than 950 Mandurah residents have participated in 23 workshops between 2014 and 2019.

The aim of the entrepreneurial programs is to help people starting their own business to achieve economic independence and small business success. A vibrant

and innovative entrepreneurial environment contributes significantly to a region's growth and economic development, and the City's program has played a significant role in achieving this.

The City's Entrepreneurial Capacity Building Programs have to date resulted in the creation of more than 80 full-time jobs and contributed \$6.51 million to Mandurah's gross regional product per year. Further, around 65 percent of all participants have registered for an ABN, with most trading part-time. This has created around 400 additional part-time jobs.

During 2018/19, 159 participants attended Mumpreneur 101, Start Up Smart Creative, Blogging, Power Up and Leverage courses.

## City Centre revitalisation

The City Centre Team continued work on a number of activations and established positive working relationships with City Centre businesses to create a more vibrant Mandurah. The team is working towards a business-led approach for the activation of public spaces and increasing night-time entertainment options in the City Centre.

To help create vibrancy during winter and bring people to the City Centre businesses during the colder months, in July 2018, the City supported the popular Winter Wonderland which included a pop-up ice skating rink on the Eastern Foreshore. It was the second year the event was held in the City Centre. Winter Wonderland featured family ice-skating and winter activities including a cabin bar with music and entertainment. Local foreshore businesses got behind the event by offering themed bar nights, carnival rides, arts and craft markets, nightly venue

specials, family fun activities, and a winter lounge. The 2018 Winter Wonderland event attracted close to 30,000 people across the ticketed ice skating rink and wider event activities, and had a direct economic impact of close to \$700,000.

## City Centre Waterfront Project

The City continued to develop plans for a large-scale redevelopment of the City Centre Waterfront, designed to enhance public spaces and entice visitors and new business opportunities to add vibrancy to the area and boost our tourism standing. From April to May in 2018, the City invited the community to be involved in shaping the vision for the City Centre Waterfront area including the Eastern Foreshore Reserve (from the Boardwalk Precinct to the Bridge) and the Western Foreshore Reserves, including foreshore areas to the north and south of the bridge, under the bridge and Hall Park.

The community was asked to share what they love about the foreshore spaces, identify opportunities for improvements and prioritise the areas that most require change. During this community consultation phase, it was identified that the Smart Street Mall was also a priority for improvements.

Concept designs were developed over four priority precincts with a view to progress to detailed design and delivery of projects in line with available funding commitments.

The Waterfront Redevelopment has had \$10million committed by the State Government as part of its Plan for Peel. The aim of this project is to deliver an iconic Mandurah foreshore precinct that supports local tourism and local jobs.



Additional funding contributions to deliver the projects and continue the redevelopment of the City's waterfront spaces are also being sought.

#### The four precincts are:

- **Western Foreshore Recreation Precinct** – key proposals include:
  - Large scale play space including an adventure play area with elevated climbing structures, offering views of the waterways and a fully fenced area with a variety of play structures and nature play elements
  - Destination level Skate and Activity Space with separate skill zones and supporting recreation facilities and social spaces
  - Custom designed components, artworks and interpretive elements to celebrate our cultural heritage
  - New toilet facilities to replace the existing
  - Barbecues, picnic tables and seating, shelters
  - Parking – including pick-up/drop-off and bus bays

Council Adopted the Western Foreshore Recreation Precinct concept plans at its meeting on February 26, 2019.

- **Eastern Foreshore South Precinct** – key proposals include:

- An enclosed swimming area in the location of historical 'Robert Day Memorial Pool' with circular floating jetty platform, terraced steps and ramp access to water.

- Upgraded jetty and boat parking facilities
- Ticketing outlet to facilitate water-based recreation and tourism opportunities
- Upgraded flexible grass and paved activity space connecting foreshore and City Centre

Council Adopted the Eastern Foreshore South Precinct concept plans at its meeting on February 26, 2019.

- **Eastern Foreshore North Boardwalk Precinct** – key proposals include:

- Reconfiguring existing carpark to provide widened foreshore area and new access off Cooper Street roundabout
- Widened paved promenade connecting the boardwalk precinct and Eastern Foreshore with additional shade trees and seating
- Central activity area with grass, small stage, shade canopy and feature lighting
- Expanded and enhanced alfresco dining areas adjacent to existing eateries
- Activation spaces and water based tourist activity trading area

Council Adopted the Eastern Foreshore North Precinct concept plans at its meeting on February 26, 2019.

- **Smart Street Precinct** - The Smart Street working group (including representation from landowners, tenants and local residents) has guided the development of the Smart Street upgrade concept.

In order to create a more vibrant City Centre, three concept options were shared with the broader community in November 2018 along with the City Centre Waterfront proposals. Following this consultation, a final concept design for the upgrades has been prepared.

A complete infrastructure upgrade is proposed with the primary focus being to create an adaptable, pedestrian focused, activated street.

The final upgrade design was adopted by Council at its meeting on April 30, 2019.

The City is working on a range of initiatives in conjunction with property owners and businesses to reenergise the economy, now and into the future, including:

- Encouraging a diverse, quality tenant mix with a focus on food and beverage outlets
- Activation programs including a busker/street performer program, markets and events
- Alfresco incentive programs

## Waste to Energy project

In mid-2018, the City of Mandurah teamed up with five other councils under the collective name Rivers Regional Council to attract a new system to deal with the issue of what to do with the City's waste.

This issue became urgent due to a number of issues, including a State planning strategy that does not allow for any more landfills on the Swan Coastal Plain, and no new landfills for putrescible (likely to decay) waste are going to be approved at all.

The Waste to Energy project is a cost-effective and

clean waste recovery arrangement for the next 30 years. Construction of a state-of-the-art waste to energy facility started in Kwinana in late 2018, a project which is more than a decade in the making. Practical completion is due for 2021.

The plant will manage the waste recovery for 525,000 people or 27 percent of the Perth population.

## **Visit Mandurah**

From July 1, 2019, the Mandurah and Peel Tourism Organisation (MAPTO) took over operations of the Mandurah Visitor Centre (MVC). MAPTO also changed its name to Visit Mandurah to clearly identify Mandurah as a destination.

The focus of the organisation continues to be governed by an independent board and will determine the tourism strategies for Mandurah.

The changes were made to lead to a better Visitor Centre experience for tourists and members alike, and so Visit Mandurah could better use the centre's assets to help boost tourism in the region.

The changes followed a 2017 Council Notice of Motion to devote the expertise and resources of MAPTO to focus on growing Mandurah's tourism sector, and MAPTO's physical relocation to the Mandurah Visitor Centre.



## Economic: A prosperous community with a skilled workforce that has accessible education and employment opportunities

| Objectives                                | Strategies                                                                                                                                                               | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| 3.1 Increase level of regional employment | 3.1.1 Develop and implement a Mandurah Murray Growth Plan with our regional partners                                                                                     | Joint economic development strategy 'Mandurah and Murray: a Shared Economic Future' was endorsed by Council in October 2018, with its Implementation Plan endorsed in November 2018. A Memorandum of Understanding between the two Councils was endorsed by Council in March 2019, and signed in April 2019. The strategy's projects are currently being rolled out.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                                           | 3.1.2 Engage, advocate and collaborate with regional partners to ensure the delivery of Transform Peel                                                                   | One of the projects contained in 'Mandurah and Murray: a Shared Economic Future' is the Agri-Innovation Precinct, Peel Business Park. The City and Shire are collaboratively promoting the project to both Government and private sector investors. The Australian Government provided \$21.75 million to the project in October 2018 via the Regional Growth Fund.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                           | 3.1.3 Advocate for and facilitate the technological infrastructure necessary for business growth and educational and training opportunities                              | City of Mandurah continues to support establishment of the Agri-Innovation Precinct, an agricultural innovation hub designed to create a highly skilled workforce in the fields of high-tech food production, value-added food processing, and research and development.<br><br>The City is creating the Regional Waterways Data Array, a network of test stations and sensors that will drive a collection of big-data streams, providing real-time, location-specific data and monitoring.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                           | 3.1.4 Ensure the land-use planning framework facilitates the development of high-quality commercial office and major retail developments within the Mandurah City Centre | The Central Mandurah Activity Centre Plan has been prepared and adopted by Council to provide direction and guidance for the development of the City Centre.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                           | 3.1.5 Support local business growth and development                                                                                                                      | <p>The City continued to sponsor the Peel Chamber of Commerce and Industry under the Peel CCI Business Membership Agreement. The sponsorship agreement provides subsidised membership of both the CCI WA and regional Chamber, giving Peel small businesses access to CCI WA's extensive business services, including employee relations and occupational health and safety (OH&amp;S) services.</p> <p>The City also provided one-off business development funding to Peel CCI in 2018/19 financial year to help ensure the Chamber's financial sustainability and the growth of the business community.</p> <p>The City Centre's place vision is to reinvigorate the City Centre as a sociable, lovable place that showcases the best of Mandurah places, people and businesses. Over the last 12 months, the City has delivered 7 business partnership projects, with over 20 businesses which achieved;</p> <ul style="list-style-type: none"> <li>• Growing the offer of City Centre experiences with an additional 35 events</li> <li>• The City's partnership event expenditure of \$214k instigated a business investment of \$350k.</li> <li>• Total combined investment totalled \$564k, being 62% Business; 38% City</li> <li>• Established improved shared marketing and communication outcomes</li> <li>• Developing a greater trust based relationship between the business community and the City</li> </ul> |



| Objectives                                                     | Strategies                                                                                                | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3.1 Increase level of regional employment</b>               | 3.1.6 Ensure council regulations and procurement activities support local economic growth where possible  | Buy Local Procurement Policy endorsed by Council and implemented. Maximising employment opportunities by utilising the City's purchasing power was trialled.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>3.2 Increase local education and training opportunities</b> | 3.2.1 Advocate to ensure improved education and training opportunities are provided in Mandurah           | Continuation of apprenticeship and trainee programs within the organisation itself. Continued to lobby State Government on improving educational outcomes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                                                | 3.2.2 Actively pursue partnerships in the delivery of educational and research and development programs   | City of Mandurah continues to support establishment of the Agri-Innovation Precinct, which will deliver research and development partnerships between government, private and university sectors.<br>City's Waterways Centre of Excellence project will provide a permanent centralised hub for water science research and related business activity, located in the Mandurah City Centre.                                                                                                                                                                                                                                                                                             |
|                                                                | 3.2.3 Provide opportunities for the community to participate in lifelong learning                         | The City provides a comprehensive program that provides opportunities for lifelong learning, across a number of business units. Mandurah Libraries and Heritage Services delivered 1,153 learning programs across the year, with 588 in the 0-4 age group, 569 in the 5 – 12 age group, 448 for adults and 136 outreach and intergenerational. Mandurah Libraries was recognised by Alzheimer's WA as being a Dementia Aware Library Service. The libraries and museum also partnered with scientist Richard Rennie, archaeologist Sue Carter, Astronomical Society of WA, 350 Perth, Switch Your Thinking, Australian Museum and National Science Week to deliver the STEAM Festival. |
|                                                                | 3.2.4 Develop a creative and entrepreneurial community                                                    | The City's highly successful Entrepreneurial Capacity Building Program is now in its sixth year, having hosted more than 950 course participants, creating more than 80 new full-time jobs and 300 part-time jobs, and contributing more than \$8 million to Mandurah's economy.                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>3.3 Develop a strong and sustainable tourism industry</b>   | 3.3.1 Continue to support and fund the Mandurah and Peel Tourism Organisation (MAPTO)                     | The City continued to fund and collaborate with the Mandurah and Peel Tourism Organisation to promote regional tourism. In July 2018, Council resolved to change MAPTO's funding arrangement, with its exclusive focus to be on the development of Mandurah's visitor economy. Prepared the Peel - National Disaster Resilience Project, working with MAPTO, DFES, LGs of the Peel Region and short term accommodation sector to raise emergency preparedness and awareness within the transient community.                                                                                                                                                                            |
|                                                                | 3.3.2 Ensure infrastructure is in place and maintained to support both domestic and international tourism | City's Peel-Yalgorup Wetlands Trails project aims to grow the region's tourism potential by developing a diverse range of environmentally sustainable tourism attractions. The project consists of two subprojects; Yalgorup National Park, and the Peel-Harvey Estuary Trails. The project is due to commence in 2019/20.                                                                                                                                                                                                                                                                                                                                                             |

| Objectives                                                          | Strategies                                                                                                                          | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>3.3 Develop a strong and sustainable tourism industry</b></p> | <p>3.3.3 Promote Mandurah as a place to be, and facilitate the delivery of events that achieve positive local economic outcomes</p> | <p>Council endorsed the City of Mandurah Events Strategy 2019-2023 during the 2018/19 financial year.</p> <p>The City delivered the 21st annual Crab Fest and a successful series of events including New Year's Eve, Children's Festival, Australia Day, Christmas Pageant, and Stretch Arts Festival Mandurah and Wearable Art Mandurah. The 2018/19 Crab Fest attracted 107,000 people to Mandurah with an Economic Impact of \$8.3m.</p> <p>The City strengthened its partnership with Sports Marketing Australia for the placement of a number of events in Mandurah during 2018/2019.</p> <p>26 external events were attracted and delivered during the year with a total audience of 34,935 and external economic impact of \$9.4m. The largest external event for 2018/2019 was the 17th Australasian Police and Emergency Services Games. Over the course of seven days, almost 3500 athletes and their supporters came to Mandurah from six countries to compete in over 50 sports. The AP&amp;ES Games alone generated a \$6.1 million economic return for the region. This return was widespread amongst local hoteliers, accommodation providers, food and beverage vendors, tourism operators, equipment suppliers and local sporting clubs.</p> |







# Key Focus Area: Infrastructure

A place where the infrastructure matches the demands of a growing regional city.

## Lakelands District Open Space project

The City completed the development of the ovals for the Lakelands District Open Space project. The overall project is set to provide sport and recreation facilities for sporting groups and the wider community from mid-2020. The \$7.9million venture sits over a 10-hectare site on the corner of Mandurah Road and Banksiadale Gate in Lakelands.

In early 2018, the City received a \$1.3m Community Sport and Recreation Facility Fund (CSRFF) grant towards the development of the three active reserves and the sports flood lighting.

**The project will also deliver a shared sports facility including:**

- District-level clubroom facilities including kitchen, meeting room, and function space, designed to be functional for many different community and social uses
- Toilets/changerooms
- Parking
- Activity zone and playground (subject to future funding)

## Waste Management Centre moving floor

Mandurah became the first in Western Australia to implement moving floor technology at its Waste Management Centre. The centre was built in 1997 as the waste management hub for the City, receiving a diverse range of waste and recyclable materials each day.

A moving floor is a hydraulically driven floor conveyance system for moving large volumes of waste material automatically. After the waste is placed on the moving floor, which is made up of a series of metal planks, it is taken to a compactor and then loaded into specially designed trailers. The process eliminates the need to use front end loaders to push waste into the compaction system.

The City decided to investigate the new technology when the existing concrete pit was showing serious signs of deterioration and needed to be repaired or replaced.

The new \$1.25m system enables the City's Waste Management Centre to manage existing waste streams more efficiently and safely, and also manage future waste volumes as the population increases.

The facility includes two moving floors, separating commercial and residential waste, which feed into one main area. A large metal deck is located at the end of

the residential moving floor to allow for the recovery of recyclable material including scrap metal, e-waste, cardboard and hazardous products.

## Port Bouvard Surf Life Saving Club second storey

A second storey extension was added to the Port Bouvard Surf Lifesaving Club's clubhouse facilities, catering for the club's future growth and increased participation in surf lifesaving activities.

The \$2million addition to the Pyramids Beach facility includes a dedicated training room, kitchen facilities and ablutions. There is also a function room with balcony ocean views.

The original clubhouse was built in 2010, with provision made at the time for a second storey to be added in the future. City officers worked with the club to successfully project manage the extension.

## Program to maintain and manage the City's built infrastructure

The City implemented an organisation-wide Asset Management Working Group to focus on asset management education, knowledge sharing and improvements.

A \$27.5million program was delivered to maintain and manage the City's built infrastructure for future generations. This included offices, community halls, recreation centres, public ablutions, libraries, bridges, roads, carparks and much more.

The City also delivered an \$18.8million program of capital works to create, refurbish and renew buildings, road and park assets and infrastructure to benefit the community.

**As part of this, over 200 projects were delivered including:**

- Blue Bay ablutions
- Civic Centre Tuckey Room
- Mandurah Seniors and Community Centre roof replacement
- Mandurah Foreshore boardwalk stage 3
- Mandurah Indoor Sports Centre roof replacement
- Peelwood Parade and Bortolo Reserve sports lighting upgrade
- Merlin Street Waste Water Reuse Scheme
- Eastern Foreshore path lighting
- Aldgate Street road link
- Dower Street upgrade
- Upgrades to Mandjar Squaree, Birchley Reserve, Falcon Bay Foreshore and Novara Foreshore



## Infrastructure: A place where the infrastructure matches the demands of a growing regional City

| Objectives                                                                                                            | Strategies                                                                                                   | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>4.1 Advocate for and facilitate the provision of infrastructure that matches the needs of a growing population</b> | <b>4.1.1 Ensure a strategy is in place for the delivery of social and recreational infrastructure</b>        | <p>The City has completed the development of the Lakelands District Open Space ovals, with procurement and construction of the club house and change room facilities expected in 2019/20.</p> <p>The upgrade of the Tuart Avenue shower facility, Mandurah Family and Community Centre, an accessible toilet at Halls Head Parade community facility and the Seniors Centre new hall extension were all completed in the 2018/19 financial year.</p> <p>The City undertook several facility upgrade projects including South Mandurah Football Club change rooms, Northport Reserve toilets as well as floodlighting upgrades at Bortolo and Peelwood reserves. These upgrades allow sport and community clubs to have greater access to facilities and options for increased usage.</p>                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                                                       | <b>4.1.2 Provide and activate localised places and spaces that encourage social interaction and activity</b> | <p>Continued implementing public open space improvements and upgrades at Novara Foreshore and Falcon Bay.</p> <p>Commenced significant upgrade of Birchley Reserve, with a nature play theme, after considerable public consultation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                                                                                                                       | <b>4.1.3 Ensure community and infrastructure assets are managed and maintained for future generations</b>    | <p>Continued focus on improvement plans stemming from the endorsed Asset Management Strategy.</p> <p>Implementation of an organisation wide Asset Management Working Group to look at Asset Management education, knowledge sharing and improvements.</p> <p>Delivered a \$ 27.5 million program to maintain and manage the City's built infrastructure, including offices, community halls, recreation centres, public ablutions, libraries, cultural precinct, pavilions, operations centres, bridges, leased buildings, street lighting, roads, carparks and parks facilities.</p> <p>Delivered an \$18.8 million program of capital works to create, refurbish and renew buildings, road and park assets and infrastructure for community benefits. Over 203 projects were delivered, including Dudley Park Bowling Club Roof replacement, Merlin Street Waste Water Reuse Scheme, Aldgate Street Road Link, Coodanup Drive Upgrade, Mandjar Square Upgrade, Birchley Reserve Upgrade, Falcon Bay Foreshore Upgrade, Novara Foreshore Upgrade, Westbury Way Reserve Upgrade, Falcon Bay Seawall, Mandurah Entrance Seawall Upgrade.</p> |
|                                                                                                                       | <b>4.1.4 Ensure strategies are in place to provide for affordable and crisis housing in Mandurah</b>         | <p>Council endorsed an approach to homelessness and street presence including the establishment of collaborative sector approach to advocate for increased housing.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



| Objectives                                                                             | Strategies                                                                                                                               | Status as at 30 June 2019                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>4.2 Advocate for and facilitate the provision of an integrated movement network</b> | 4.2.1 Ensure that access to the Mandurah City Centre caters for all forms of transport                                                   | Cycle and Walkability Plans endorsed by Council.<br>Integrated Transport Strategy Working Group established to review accessibility to the City Centre with alignment to town planning and land use changes.                                                                          |
|                                                                                        | 4.2.2 Plan and advocate for Mandurah's long-term traffic needs, including improved pedestrian and bicycle connections                    | Cycle and Walkability Plans endorsed by Council.                                                                                                                                                                                                                                      |
|                                                                                        | 4.2.3 Work with key partners to ensure transport options efficiently link people to jobs, services, recreational and sporting activities | Working with WA Department of Transport (DoT) on aligning their Long Term Cycle Network Plan for Perth and Peel with the City's adopted Cycle and Walkability Plans.<br>Working with the Public Transport Authority (PTA) on implementing the Mandurah Train Station Access Strategy. |

# Key Focus Area: Identity

**A regional community that is diverse yet inclusive, cosmopolitan yet relaxed, with a strong sense of belonging.**

## Lifelong learning and our artistic community

The City is passionate about offering learning, art and cultural opportunities to the community in a range of different ways. Throughout many of the City's facilities, a range of educational, cultural and artistic learning programs, workshops and exhibitions are held. Below is an example of just some of the ways the City supports and encourages lifelong learning to help people prosper and create constructive community engagement.

In 2018/19, Mandurah Libraries (including Lakelands Library, Mandurah Library and Falcon eLibrary) had 31,500 active members, and more than 445,000 items were borrowed. The libraries were visited more than 335,000 times for a range of programs and activities, or just to use the space or loan an item. The Libraries continued to offer a Home Library Service to community members who are housebound, with fortnightly deliveries of reading materials and resources. In 2018/19, Mandurah Libraries introduced new programs (in partnership with service providers) to meet the needs of those living with dementia; Memory Café and Reading and Reminiscing Club. This builds upon the success of the Reflecting with Art and Intergenerational programs. Close to 1000 people took part in training through the Digital Hub, which provides digital literacy training to individuals and small groups.

Nine Writers in the Library events were held, in addition to a Readers and Writers Festival. These events give community members the opportunity to engage with local and national authors.

The Mandurah Community Museum lead heritage walks throughout the year and worked collaboratively with the Mandurah Historical Society to educate and engage the community in Mandurah's heritage. The Museum's Courtroom gallery was refurbished to showcase the story of Mandurah's European settlement and economic development. The Courtroom, originally built in 1964, now features displays, artefacts and oral histories about Mandurah's first settlers, the local fishing and canning industry, festivals, and crossings and farming.

The 2019 Wearable Art Mandurah Competition, which includes the Showcase and Exhibition events, was once again an impressive display of artistic and design flair for everyone to enjoy.

The annual Showcase event featured 43 finalists, which were a mix of beautiful, imaginative and even confronting garments, in a spectacular live performance accompanied by music, theatre and dance at the Mandurah Performing Arts Centre. More than 1500 people attended the Showcase events in June.

The 2019 competition received close to 100 entries from across Australia and overseas including New Zealand, America and Romania. Entries included

original creations reflecting the natural environment, social and world issues, folklore, myths and fairy tales. Capacity building workshops held in the lead up to the Competition provided many value-adding experiences.

Wearable Art Mandurah is regarded as Australia's premiere wearable art event for artists of all skill levels, ages and design forms.

The 2019 Showcase garments were featured in an exhibition at Contemporary Arts Spaces Mandurah in August and September, attracting close to 1200 people. Contemporary Arts Spaces Mandurah (CASM) held 9 exhibitions and a number of events aimed at supporting the local arts community.

## Embracing Mandurah as a multicultural community

A new Reconciliation Action Plan (RAP) Steering Committee was established, and a morning tea was held to engage Aboriginal community Elders and Leaders in the RAP process.

Some key achievements of the RAP during the reporting period were art wards, scholarships, traineeships, ongoing support for the Winjan Aboriginal Corporation, and celebrations including NAIDOC Week, Gnoonie Cup and Reconciliation Week.

The City continued to promote Mandurah as a dual-language (English and Indigenous) location, and in 2018/19 a number of parks were dual named including Coodanup Foreshore Reserve, George Robinson Gardens and Henry Sutton Reserve. Aboriginal heritage site Winjan Place was given an official Aboriginal name (Yaburgurt Kaaleppga) to reflect its cultural significance.

The City is also involved in other ways to embrace Mandurah's identity as a multicultural community, including programs at many facilities that are accessible to all ages and abilities, and are culturally supportive and appropriate. This includes Harmony Week events and the Young Yorgas program. The Clontarf Academy was supported by the City to continue to deliver Aboriginal youth development and pathways programs at Coodanup College.

### **Citizenship ceremonies**

The City welcomed 570 new Australian citizens throughout the year at six citizenship ceremonies.

There are two significant days for Australian Citizenship. On Australia Day 2019, 86 new citizens from 16 different countries took the pledge. On Australian Citizenship Day – September 17, 2018 - 87 new citizens from 19 different countries made the pledge.





## Identity: Mandurah is recognised as the Waterfront Capital of the Peel Region

| Strategy                                                    | Strategic Initiative                                                                                      | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5.1 Encourage active community participation and engagement | 5.1.1 Build on the community's strong sense of pride and purpose                                          | The City commenced a formal review of its Community Development section. A new model for community development is proposed that shifts focus and resources towards place based capacity building. The final review will be complete by August 2019 with implementation from September 2019 – June 2020.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                                             | 5.1.2 Identify, engage and promote community champions and high achievers as mentors within the community | The City delivered and partnered with agencies on a range of programs that address community champions and mentors. These include programs via BDYC (including Thrive women's program, young yorga's and Saturdazel), via scholarships which promote Mandurah's education future leaders and events such as Junior Council, Youth Leadership Group and the ATAR awards.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                                             | 5.1.3 Leverage arts, heritage and culture to build a cohesive community                                   | <p>Planning is underway for the inaugural Mandurah Arts Festival to be held in November 2019. Wearable Art Mandurah events were held including two showcase events, a gallery exhibition and a meet the designer evening. CASM facilitated numerous workshops and exhibitions with a focus on developing and supporting local artists.</p> <p>The Writers in the Library program provides the opportunity for community members to engage with local and national authors, on their books, their writing methods and style. Mandurah Libraries delivered nine Writers in the Library events in addition to the Readers and Writers Festival.</p> <p>Mandurah Libraries maintain 93 Book Club Collections which are utilised by 26 Book Clubs within the community.</p> <p>Mandurah Museum lead heritage walks and work collaboratively with Mandurah Historical Society to engage the community in the City's heritage.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                                             | 5.1.4 Provide programs that embrace diversity                                                             | <p>The City undertakes social planning to identify the broad social needs of community and facilitates programs and services to address these needs. Strategic planning workshops were conducted with the community service organisations who service families with children 0 – 8 to strengthen program coordination and identify gaps. As a result additional numeracy and literacy programs were introduced by the City's Library team to the Lakelands Library and Community Centre. The City continued to deliver the Community Grants program which aims to build capacity of community groups and increase community participation. The Clontarf Academy was supported by the City to continue to deliver Aboriginal youth development and pathways program at Coodanup College. The City delivers programs through its youth and recreation centres, libraries, museum and seniors centre that are accessible to all ages and all abilities, and are culturally supportive and appropriate. An example is the Socially Inclusive Communities VWA club mentoring and capacity building project delivered in May 2019.</p> <p>Events delivered by Libraries and Museum are Auslan interpreted and Dementia Aware.</p> <p>To ensure that the whole community can access City of Mandurah events, a number of initiatives have been implemented including accessible shuttle buses (Crab Fest), Sensory Rest Stops (quiet zones) at major events, AUSLAN interpreters on stage, event footprint design to ensure accessibility to all areas, accessible temporary toilets and parents room, 'pick up/drop off zones' for families with prams, wheelchairs and other accessibility aids.</p> |

| <b>Strategy</b>                                                                                                     | <b>Strategic Initiative</b>                                                                                                             | <b>Comment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>5.1 Encourage active community participation and engagement</b>                                                  | 5.1.5 Ensure the City's procurement practices are inclusive                                                                             | Buy Local Procurement Policy endorsed by council and implemented.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>5.2 Embrace Mandurah's identity as a multicultural community</b>                                                 | 5.2.1 Implement and review the Reconciliation Action Plan 2018-2020                                                                     | A new Reconciliation Action Plan (RAP) Steering Committee was established. A morning tea was held to engage Aboriginal community Elders and Leaders in the RAP process. Key achievements for the RAP have been; art awards, scholarships, traineeships, celebrations (NAIDOC, Gnoonie Cup, Reconciliation Week) and ongoing support for Winjan Aboriginal Corporation.                                                                                                                                                                                                                                                                                                                     |
|                                                                                                                     | 5.2.2 Ensure the City's planning and service provision embrace and encourage Mandurah's culturally and linguistically diverse community | The City delivers programs through its youth and recreation centres, libraries, museum and seniors centre that are accessible to all ages and all abilities, and are culturally supportive and appropriate. The City's Youth team delivered a youth event during Harmony week to celebrate multiculturalism and create awareness about the benefits and strengths of culturally diverse community. English Conversation Classes are held at all three Mandurah Libraries to assist CALD community members navigate the complexities of English and its application to everyday life. Mandurah Libraries maintain a comprehensive collection of CALD resources that reflects the community. |
|                                                                                                                     | 5.2.3 Continue to promote Mandurah as a dual-language (English and Indigenous) location                                                 | A number of parks were dual named including Coodanup Foreshore Reserve, George Robinson Gardens and Henry Sutton Reserve. Aboriginal Heritage registered site Winjan Place was given an official Aboriginal name, Yaburgut Kaaleppga, to reflect its cultural significance. Dual language reflected in local parks, nature play elements, signage and seating.                                                                                                                                                                                                                                                                                                                             |
| <b>5.3 Promote Mandurah's identity as a unique regional city, based on its waterways, history and future vision</b> | 5.2.4 Celebrate and promote our natural, Indigenous and European history                                                                | Developed Young Yorga's program specifically for young Aboriginal women. Cultural Awareness training delivered onsite at the City's Recreation Centre. Encouraged and supported community to deliver their own NAIDOC week events in partnership with Bindjareb NAIDOC committee. First community-led Reconciliation Week event supported                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                                                     | 5.3.1 Continue to work with regional stakeholders on issues of regional significance                                                    | Refurbished the Courtroom Gallery at the Mandurah Museum to reflect the history of Mandurah's first settlers, the local fishing and canning industry, festivals, and crossings and farming through displays, artefacts and oral histories.                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|                                                                                                                     | 5.3.2 Promote and advocate for formal recognition of Mandurah's regional city status                                                    | The City plays an active role on the Peel Regional Leaders Forum to drive/address issues of significance.<br><br>The City is currently developing an advocacy framework which will include Council's position on a number of important issues including Regional City status.                                                                                                                                                                                                                                                                                                                                                                                                              |

| Strategy                                                                                                     | Strategic Initiative                                                                                    | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5.3 Promote Mandurah's identity as a unique regional city, based on its waterways, history and future vision | 5.3.3 Advocate for restoration of the regional service delivery model to Mandurah and the Peel region   | Police services have been restored in Mandurah. The City is now in discussions with the police in terms of an increased presence in the City Centre.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                                              | 5.3.4 Review the City's brand to ensure it is consistent with the aims and aspirations of the community | The City is in the process of reviewing its brand, and it is expected the final review will be completed at the end of next financial year. The review was undertaken in line with the community visioning project (Mandurah Matters) undertaken by the City during the second half of the 2018/19 financial year, to ensure the aspirations of the community are included.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                                              | 5.4.1 Ensure strategies and programs are in place that enhance the City's arts, heritage and culture    | <p>The City has conducted a review of the Arts program with the following major findings: Mandurah has important cultural assets in the Mandurah Performing Arts Centre (ManPAC) and Contemporary Art Spaces Mandurah (CASM) that provide excellent spaces for community engagement.</p> <ul style="list-style-type: none"> <li>• Wearable Art Mandurah, and its showcase, is a unique local initiative</li> <li>• The current direct service delivery model is effective</li> <li>• The local arts, heritage and culture 'ecosystem' is vibrant</li> <li>• The budget requires realignment to more accurately reflect current/ future resourcing requirements</li> </ul> <p>The key recommendations from this review are that:</p> <ul style="list-style-type: none"> <li>• Council makes a commitment to promoting Mandurah as a cultural city</li> <li>• Wearable Art Mandurah is embedded in the community to increase accessibility and engagement in a staged process through 2019 and 2020.</li> <li>• The Stretch Arts Festival Mandurah becomes a longer calendar of initiatives with a focus on October/ November under the 'Stretch Arts Season' banner.</li> </ul> |
|                                                                                                              | 5.4.2 Continue to promote the development of local arts, culture, heritage, music and creative activity | Local creative activity is promoted through community art exhibitions held in Mandurah Libraries and Museum, engaging local artists to facilitate Reflecting with Art Outreach, and delivering the Local Creatives workshop series. In 2018 the Friends of the Museum published its latest book - Remembering Them: Men of the Mandurah District who served in World War One.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |





# Key Focus Area: Organisational Excellence

An organisation that leads, serves and provides for its community.

## Digital improvement

The City continues to explore ways in which it can take advantage of the potential offered by the very rapid changes and advancements in technology. The principal developments during the reporting period were:

- The commencement of a two-year project to replace the City's core enterprise system to a modern, cloud-based product. This system provides the following advantages:
  1. The ability to develop online business communications with the community,
  2. Better integration of the City's data so that enquiries can be dealt with faster,
  3. Further development of mobility solutions which will improve productivity for a large part of the workforce, and
  4. Seamless transactions to reduce manual processing and allow a greater focus on the development of analytics which help measure and improve the performance of the organisation.
- The continued development of new approaches to analysing data to provide better information to business unit managers. Examples of this are:
  1. The deployment of sensors to monitor estuarine water levels and better inform the management of mosquitos,
  2. The placement of sensors to measure usage of certain facilities such as ablution blocks,
  3. A test program aimed at obtaining continuous data regarding the water quality in the Peel-Harvey Estuary.

## Customer Service Strategy

One of the City's key strategic goals is to provide its community, ratepayers and stakeholders with efficient, responsive and accessible customer service.

The Customer Service Strategy 2017-2020 has a number of key initiatives aimed at improving the quality and access to services. This includes resolving the majority of customer service enquiries at the first point of contact and continued development of electronic solutions to improve the volume of services offered electronically.

### Key achievements for 2018/19 include:

- The contact centre maintained a first point of contact resolution rate of 82% for all incoming calls
- Customer satisfaction rating consistently above 90%
- 80% of Customer Request Management (CRMs) are actioned within defined delivery times
- Community Perceptions Survey – received a score of 67 against industry standard of 61
- Increased use of digital channels for community engagement
- Widening use of social media channels
- Continued development of a mobile enabled website and workforce



## Occupational Health and Safety

The City is now operating under its second 3 Year Strategic OSH Plan. In 2018/19 we continued to focus on improving/reviewing our occupational health and safety systems and culture. The strategic plan supports the overarching OSH/Risk Strategy of ensuring the City effectively identifies, manages and mitigates its corporate risks while embedding a safety culture.

### Some of the 2018/19 OSH highlights included:

- In June, close to 450 employees completed an Employee Engagement Survey. The survey was designed to measure our employee's attitude at work, how they think, feel and act towards helping the City meet its goals. Out of the 18 response topics, safety scored the highest favourable result with 88%
- OSH Key Performance Lead and Lag Indicators have been developed for all positions within the City
- There was a 23% reduction of incidents involving injuries and the number of reported incidents had slightly increased from the previous year
- The Local Government Insurance Services (LGIS) Safety Audit resulted in a 72% score, which was above the target of 70% set in the 3 Year Strategic OSH Plan

## Financial Management

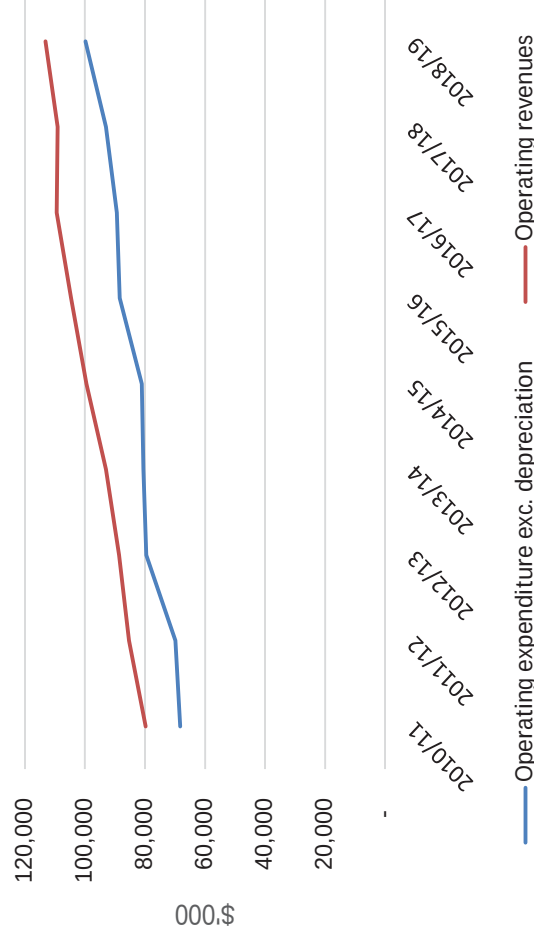
The City's balance sheet shows a strong financial position. Debt levels, and the ability to service that debt, which has improved significantly, sit well within guideline levels. Coupled with sound liquidity, the City is a financially stable organisation. Regular reports to Council on the City's financial performance demonstrate a good level of budgetary control. The City continues to receive unmodified audit reports. Regular discussions are held with the Audit and Risk Committee, which oversees the critical areas of finance and risk.

In considering its longer term financial future, the City has identified the imbalances which exist in meeting the demand for new community assets, such as sports grounds and public open space and the need to properly maintain existing assets some of which, particularly buildings, are ageing rapidly.

Future planning must also take into account the need to maintain reasonable levels of rates increases, while recognising the needs of the community, in relation to their capacity to pay. This area is coming under pressure from the growing number of rate exemptions particularly from affordable housing providers and not-for-profit organisations providing lifestyle units for retirees.

The City is developing a long term financial plan. This plan, which is to be reviewed at least annually not only identifies future capital priorities and how they may be funded, but is also a useful tool in informing debate and decision-making.

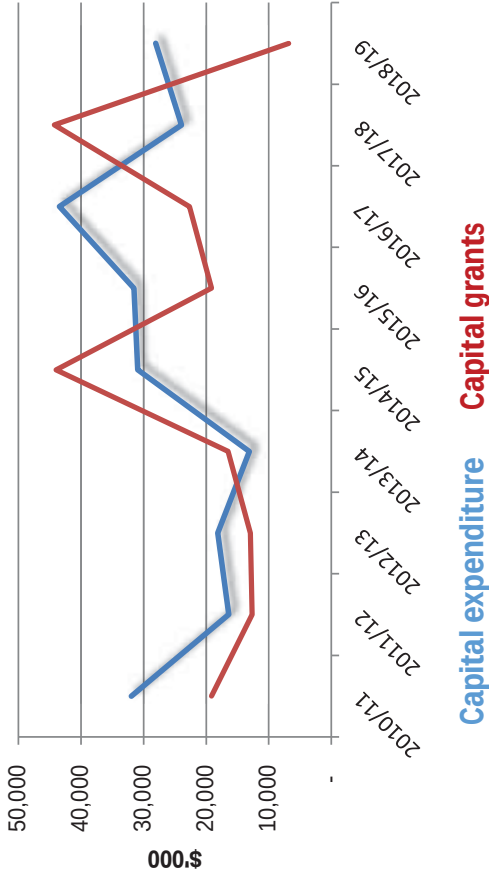
## Operating Revenues and Expenditure





The key element in understanding the City's financial performance is to view its operations, excluding capital expenditure, over time. The City's operating position reflects the revenues earned from rates and other income, such as fees and charges, and the expenses incurred in providing a wide range of services such as libraries, roads, building and parks maintenance, and environmental and ranger services. The difference between revenues and expenditure represents the funds generated for capital expenditure and other items such as debt servicing. The surplus is a critical element in the funding of community infrastructure. For some time, the City has had a target of increasing these funds so that additional community investment can be made.

Capital Expenditure

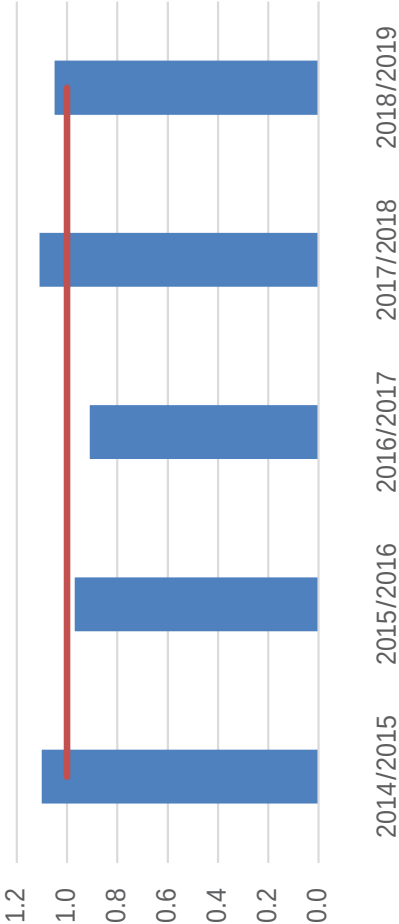


Year on year capital expenditure is highly variable because, apart from funding available from its operating activities, the City is also dependent on grant revenue to carry out its major projects.

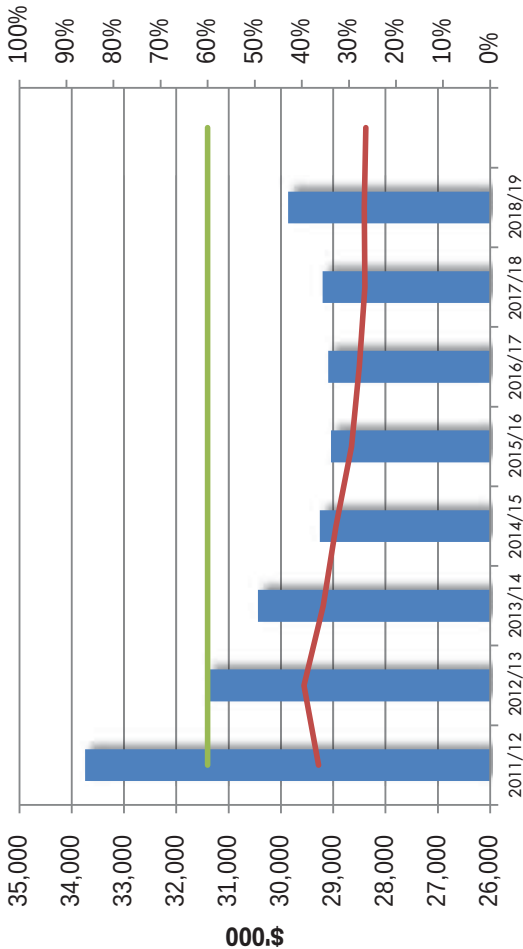
Liquidity

Liquidity is an important issue for any organisation. It measures the ability of an enterprise to settle all of its liabilities, which are due over the next 12 months, at the same time. The benchmark measure of 1 indicates the fact that an organisation can settle its liabilities. In the City's case, its results indicate a healthy cash position but the ratio is not so high as to give rise to concerns about excess funds being held.

Liquidity

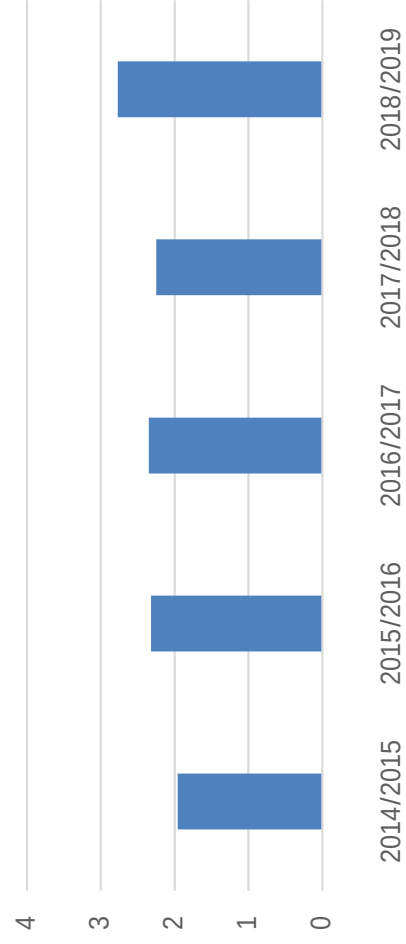


Outstanding Debt



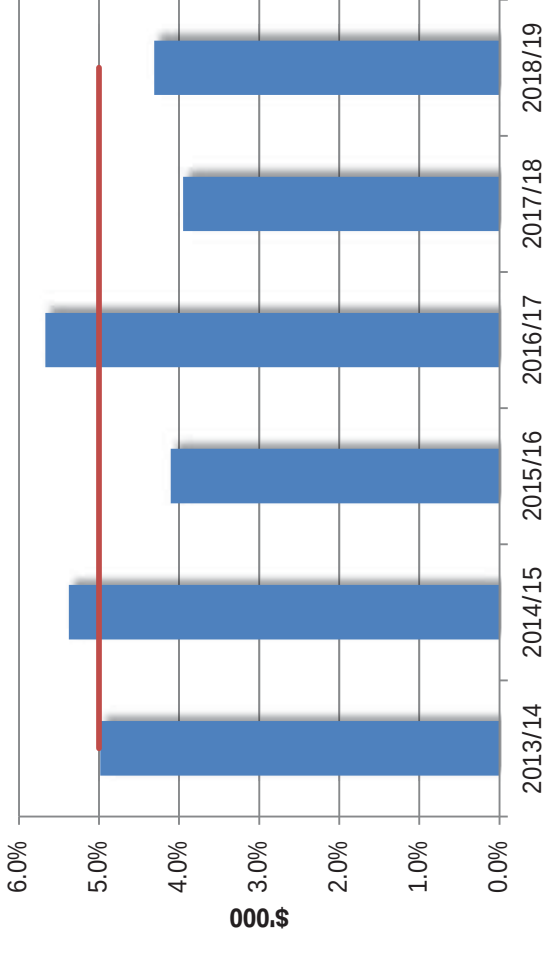
The City utilises borrowings as part of its funding plan for capital expenditure. Overall debt levels are monitored to ensure they stay within acceptable parameters. The generally accepted benchmark for debt levels is that outstanding debt should represent no more than 60% of revenues.

Debt Service Cover



The ability to repay debt, as opposed to the amount of debt, is measured by the debt service cover ratio. This ratio assesses how many times annual principal and interest payments could be paid after operating revenues and expenditure are taken into account.

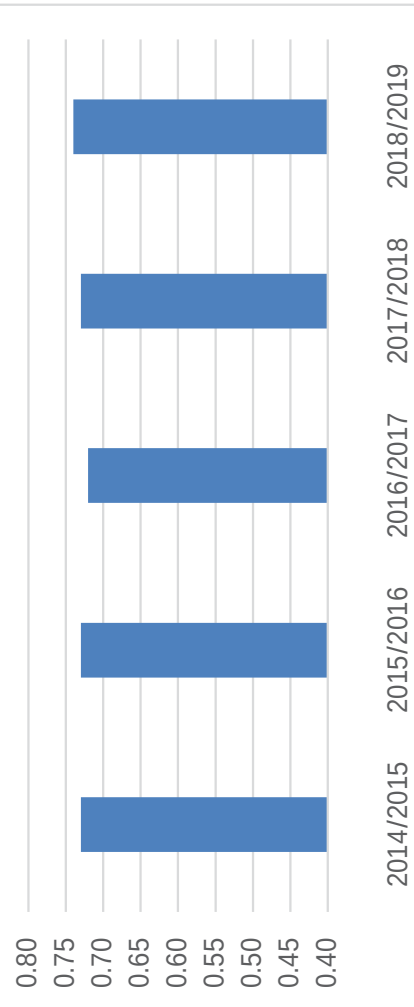
Outstanding Rates %



Cash management is an all-important issue for local government. The primary source of revenue, the City's property rates, is monitored closely to ensure that payment is maximised. In order to achieve this the City has a range of payment options available to help match the needs of the community in being able to pay and the requirements of its cash flow.

The City manages a wide range of infrastructure assets such as roads, bridges, parks and reserves, jetties and buildings. Ensuring that these assets remain in a condition so that they may be enjoyed by the community is a priority. Although asset management is a complex issue, the overall measure of the City's asset condition is positive.

Asset Consumption



Information Management

Record Keeping Plan

The City is committed to the management of records in accordance with legislative requirements and best practice standards.

The City's Record Keeping Plan was approved by State Records on 24 October 2017, in accordance with section 28 of the State Records Act 2000.

The plan will next be reviewed and submitted by 24 October 2022.

Record Keeping Systems, Training and Awareness

The City implemented SharePoint and Record Point in May 2016 as its mandated primary record keeping system.

This system integrates with the City's Core zEnterprise System. All record keeping procedures are reviewed annually or as required.

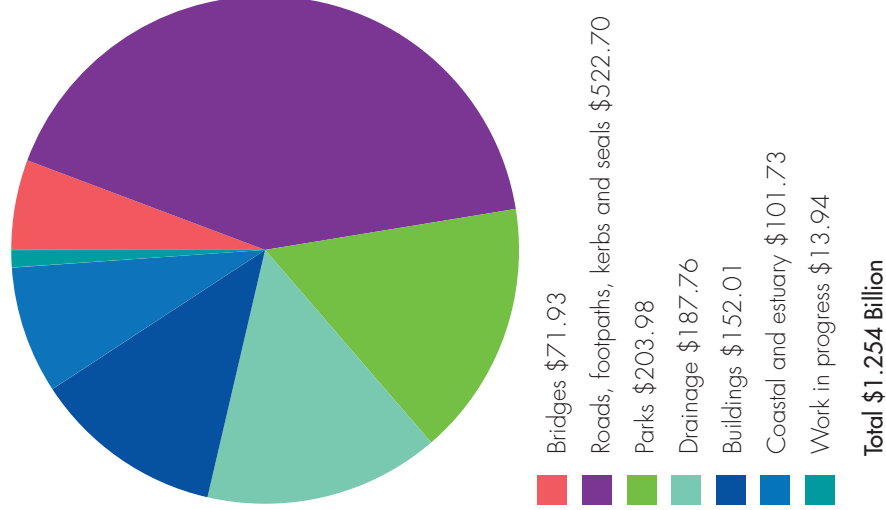
The City continues to provide the following training and awareness support to staff:

- Compulsory online record keeping awareness, focussing on obligations under the State Records Act 2000

- Record keeping system training on induction and refresher sessions
- Broadcasting weekly record keeping tips
- Provision of a wide range of training material

## Asset Management

Asset Management: 2018/2019 Gross Replacement Value of Infrastructure Assets by Category (\$ Millions)



## Asset Management Strategy

The City's Strategy Committee approved an Asset Management Strategy in 2018 to provide a clear

direction for the City's management of infrastructure assets. The asset management strategy provides a financial overview on the various infrastructure assets under the City's jurisdiction and a review on systems/resources supporting the management of the assets.

The Improvement Plan actions identified in the Asset Management Strategy will guide the activities of the asset management team in prioritising and resourcing to ensure infrastructure assets in the City's asset portfolio are managed according to community and projected demands.

### Asset Management in Practice

The City's asset management activities include:

- A three yearly cycle of condition inspections of all infrastructure assets
- Collecting information on assets and maintaining asset registers in a centralised database system
- Updating asset registers for assets created under capital works or maintenance programs
- Updating asset registers for assets created in subdivision developments such as new roads, parks, waterways and drainage systems
- Mapping asset locations and providing information to the organisation to help service the community more effectively
- Completing annual valuations for financial and legislative reporting
- Preparing forward programs for the renewal of assets that are rated as poor or very poor condition

These activities comply with national standards, in particular the Institute of Public Works Engineering Australasia's, International Infrastructure Management

Manual and the NAMS.Plus system. Guided by these standards, the City is working on a goal of reaching an intermediate level in asset management maturity by 2020.

## Growth and Demand

The City's infrastructure assets have now exceeded \$1.0 billion in value. As the City expands from new subdivisions and with an increasing population, the assets coming into the care of the City also increase. The increase in assets leads to an increase in resources and costs required to manage the assets efficiently. The growth and demand projections are currently estimated using best practice methods highlighted in the IPWEA asset management manual.

## Awards and recognition

The City is proud to be recognised for achievements in various fields and acknowledges the benefits these projects bring to the Mandurah community.

### Awards received during 2018/2019 included:

- Australasian Police and Emergency Services Games received a WA Parks and Leisure Australia award for Major Event of the Year
- Awarded Most Accessible Regional City in WA by Western Australian Local Government Association (WALGA)
- Received an Injury Prevention Award at the Public Health Advocacy Institute of WA – 2018 Children's Environment and Health Local Government Policy Awards
- Mandurah Bridge awarded the Engineers Australia's Engineering Excellence Award (WA Division)

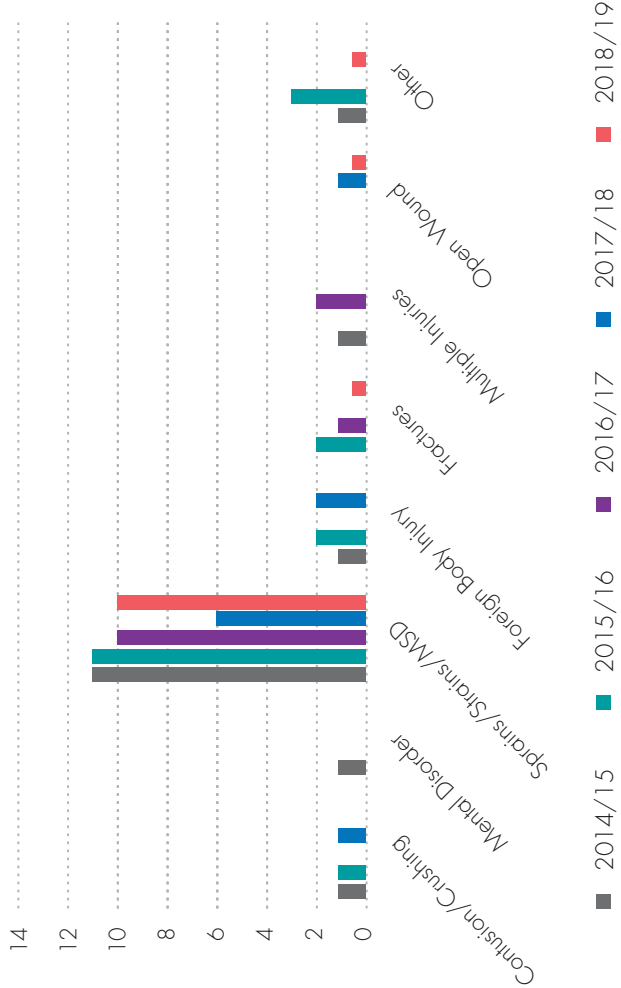


- Mandurah named Top Tourism Town 2018
- Mandurah Crab Fest won Gold Award at the WA Tourism Awards for the third year in a row
- City of Mandurah re-endorsed as a Gold level Waterwise Council under the Waterwise council program

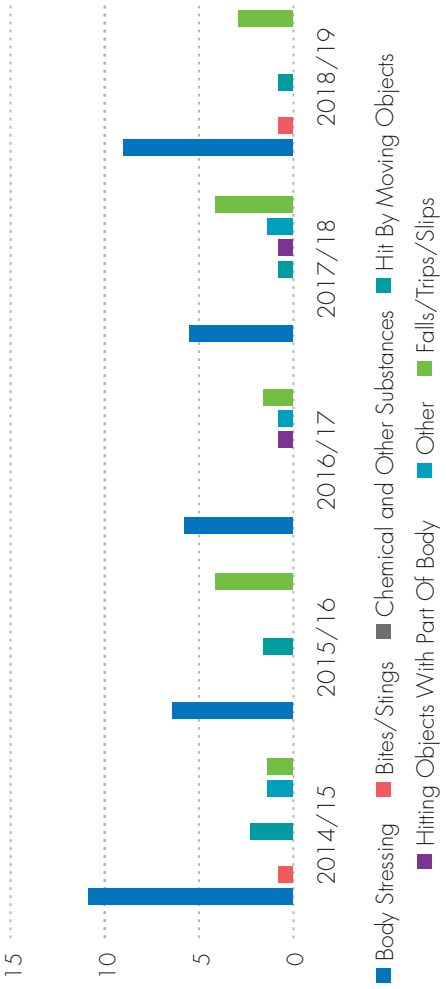
**Risk Management**

The City's Risk Management Policy (POL-RKM 01) commits to a risk management framework in accordance with the requirements of the International Standard ISO 31000:2018 risk management guidelines. The City uses Promapp Risk and Compliance Module, a cloud based risk management process to record risk action plans, existing controls in place and agreed risk treatment actions including timelines, to manage the mitigation of the City's corporate risk register. Promapp generates reports which are utilised to support updates to Council's Audit and Risk Committee. Future enhancements will allow operational and project risks to be managed using Promapp.

**Nature of lost time injuries - last five years**

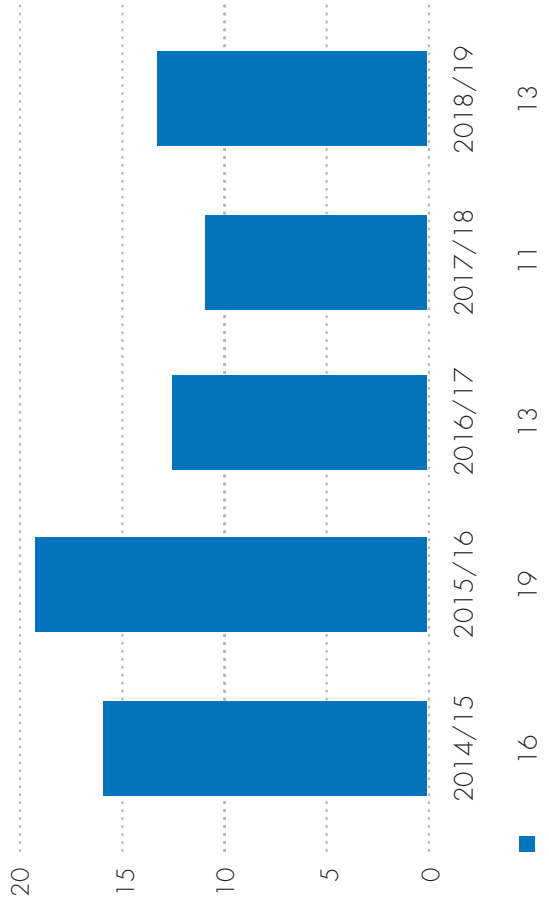


**Cause of lost time injuries - last five years**



Body stressing caused 63% of all serious injuries. The majority of body stressing claims involved moving plant or equipment. Falls, slips and trips have accounted for 32% of all serious injuries over the last 5 years.

**Lost time injuries - last five years**



## Organisational Excellence: An organisation that leads, serves and provides for its community

| Objectives                                                                                         | Strategies                                                                                                            | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6.1 Demonstrate regional leadership and advocacy                                                   | 6.1.1 Build strong leadership capabilities within Council                                                             | Talent Strategy rolled out to Coordinator level and succession plans in place for key executive roles as a first step in implementing the Talent Strategy.                                                                                                                                                                                                                                                                          |
|                                                                                                    | 6.1.2 Work collaboratively with Peel councils and other stakeholders to achieve sustainable regional growth           | As part of its active role in the Peel Regional Leaders Forum (PRLF) the City helped develop a regional advocacy platform, outlining local and regional priorities.                                                                                                                                                                                                                                                                 |
|                                                                                                    | 6.1.3 Advocate on behalf of the community                                                                             | Advocacy undertaken broadly with State Government seeking improved outcomes in Education, Law & Order, Domestic Violence, Multiculturalism, Aboriginal Affairs, Youth outcomes and homelessness and housing.                                                                                                                                                                                                                        |
| 6.2 Listen to and engage with our community                                                        | 6.2.1 Have a community that actively engages with the City and its decision-making                                    | Finalisation of the Community Development review and approaches, moving to a place based model, which is increasing the connection with community members across Mandurah leading to a citizen led, asset based approach.                                                                                                                                                                                                           |
|                                                                                                    | 6.2.2 Communicate with our community and partners in mediums that suit their needs                                    | Continued to communicate with the community and partners in multiple mediums depending on audience and topics. This included print, digital including social media, newsletters and web. The City's social media audiences continued to grow.                                                                                                                                                                                       |
| 6.3 Ensure the City has the capacity and capability to deliver appropriate services and facilities | 6.3.1 Develop and deliver appropriate services and associated quality of service to serve the needs of the community  | Mandurah Libraries and Museum engage with the community through events, programs and activities across a number of platforms including Culture Counts post event surveys, feedback forms and verbal and written communication. This feedback has been used to develop and prototype new programs in collaboration with community and service providers. These programs include Home School Workshops, Sewing Club and Sensory Play. |
|                                                                                                    | 6.3.2 Use technology to support transformation within Council and proactively address community needs                 | A new Enterprise Resource Planning solution will be in place for implementation in 2020. This will cover core enterprise systems including Finance, Human Resources, Payroll and assets in the first phase.                                                                                                                                                                                                                         |
|                                                                                                    | 6.3.3 Embrace sustainable asset management practices for managing the built environment                               | The Assets module of the new Enterprise Resource Planning solution will set a platform for future practices. An Asset Management Working Group has been established, with cross-functional representation from asset custodians and users, in order to educate and facilitate constant improvement in sustainable asset management practices.                                                                                       |
| 6.4 Deliver excellent governance and financial management                                          | 6.4.1 Continually improve business practices to remove barriers and ensure quality matches the needs of the community | The new Enterprise Resource Planning solution will be a starting point for improvement of many core business practices.                                                                                                                                                                                                                                                                                                             |

| Objectives                                                       | Strategies                                                                                                                                                                       | Status as at 30 June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>6.4 Deliver excellent governance and financial management</b> | 6.4.2 Meet all governance standards and legislative requirements                                                                                                                 | <p>Continued to meet and comply with statutory obligations. Ongoing review of local laws, policies, procedures, delegations of authority and authorised officers to reduce red tape and meet the needs of the community and the organisation.</p> <p>Reviewed Delegations of Authority.</p> <p>A desktop review of the authorised officers schedule was also undertaken. A full review to be undertaken in 2019/20 financial year.</p> <p>Code of conduct, social media and IT training continued to be delivered to all staff.</p>                                        |
|                                                                  | 6.4.3 Ensure long term sustainability through good financial practices, resource planning, land use planning, sound business planning and management                             | <p>Continued to review the corporate business plan, and prioritise capital projects in a long term capital Plan.</p> <p>The Local Planning Strategy sets out the long term land use showing a focus on consolidated growth in and around the City Centre.</p> <p>Continued to review asset management ratings and standards to ensure facilities provided to the community are of the highest standard.</p>                                                                                                                                                                |
|                                                                  | 6.4.4 Ensure community accountability through transparent and accessible reporting                                                                                               | <p>The 2017/2018 Annual Report was released in early 2019. The Annual Report reports progress against the objectives of the City's current corporate business plan.</p>                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                  | 6.4.5 Manage the organisation's risk                                                                                                                                             | <p>The City of Mandurah is committed to the principles of risk assessment as established in Australian Standards. Risks have been identified and risk action plans put in place. Reports on the City's risk profile and corporate risk action plans reported to the City's Audit and Risk Committee.</p> <p>Commenced the establishment of Procurement, Contracts, Conflicts of Interest, Complaints, Intellectual Property and Fraud and Corruption Prevention frameworks. To be implemented in 2019/20 financial year as part of the City's Policy Plan for 2019/20.</p> |
|                                                                  | 6.5.1 Develop a flexible, capable and engaged workforce that meets the changing needs of the community<br>6.5.2 Build strong leadership capabilities within the City of Mandurah | <p>The Talent Strategy work in 2018/19 has identified talent and successors for future advancement.</p> <p>Work on culture and engagement is resulting in improved service quality.</p> <p>Our succession plans have been developed, and rotational opportunities are building knowledge and capability.</p>                                                                                                                                                                                                                                                               |



| <b>Objectives</b>                                               | <b>Strategies</b>                                                                               | <b>Status as at 30 June 2019</b>                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6.5 Build and retain a skilled, motivated and healthy workforce | 6.5.3 Provide a safe working environment by implementing an Occupational Safety and Health Plan | <p>A new 3 year Occupational Safety and Health (OSH) Plan has commenced. The Employee Engagement Survey in June 2019 shows 88% of staff have a very positive awareness of safety at the City of Mandurah.</p> <p>The City has engaged a new Employee Assistance Program (EAP) provider with a better local presence. OSH Action Plans are now in place for all Managers.</p> |
|                                                                 | 6.5.4 Develop a shared focus on accountability and performance                                  | <p>The City's service delivery is based on the Strategic Community Plan and accountabilities are cascaded from top management down to other levels of staff, aligned to the objectives and strategies set out in the Plan.</p> <p>Quarterly reporting of accountabilities is in place and annual reporting to the community takes place via the annual report.</p>           |



# Service Performance



**1,817,780**

Household refuse bins collected



**822,279**

Household recycling bins collected



**2,401**

Building applications approved



**35,000**

Native seedlings planted at  
community tree planting events

## Connecting with our community

Number of customer service counter visits **41,439**

Telephone calls to customer service **69,226**

Calls resolved at first point of contact (contact centre) **82.36%**

Calls answered within 20 seconds **71.93%**

Items borrowed from Mandurah libraries **445,852**

New library members **4,760**

Active library members **31,474**

Number of digital hub training participants **963**

Library visits **335,041**

eBook, eAudio and eMagazine issues **51,677**

Mandurah Seniors and Community Centre members **1,996**

Tonnes of household waste collected (tonnes) **28,832**

Tonnes of household recyclables collected (tonnes) **8,559**

Tonnes of green waste collected over two verge collections (tonnes) **2,431**

## Connecting with our community

Tonnes of junk collected in one junk verge collection **1,460 tonnes (plus 431 tonnes of scrap metal)**

Waste collected from street and park bins (tonnes) **1,403**

Reported dog wanders **2,358**

Reported dog attacks **316**

Number of burials **57**

Ashes niche placements **47**

Private swimming pool and spa inspections **2,056**

Food premise inspections **1,223**

Water sample collections (swimming beaches) **117**

Water sample collections (public swimming pools) **876**

Seniors and Community Centre Visits **100,775**

Recreation centre visits **974,024**

Recreation centre health and fitness members **3,478**

Swim school enrolments **4,685**

Kidsport applications processed **1,382**



# Service Performance

## Five Year Summary

|                                                                   | 2014/2015 | 2015/2016 | 2016/2017 | 2017/2018 | 2018/2019 |
|-------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Post transaction customer satisfaction                            | 84.6%     | 90%       | 89%       | 92%       | 94%       |
| First point of contact resolution rate                            | 66.4%     | 69.0%     | 73.54%    | 81.64%    | 82.36%    |
| Speed of answer % within 20 seconds                               | 77.7%     | 75.4%     | 71.61%    | 71.64%    | 71.93%    |
| FOI valid applications received and completed                     | 9         | 5         | 4         | 3         | 3         |
| Development applications % processed within statutory time frame  | 91        | 96        | 99.5      | 98        | 95        |
| Subdivisions applications % processed within statutory time frame | 99        | 100       | 98        | 96        | 98        |
| Building licences % processed within statutory time frame         | 100%      | 100%      | 100%      | 100%      | 100%      |

## Year on Year Growth

|                                                                                                                   | 2014/2015         | 2015/2016          | 2016/2017         | 2017/2018         | 2018/2019        |
|-------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|-------------------|------------------|
| Number of library visits                                                                                          | 353,916<br>-3.1%  | 336,029<br>-5.1%   | 308,808<br>+8.1%  | 355,464<br>+15.1% | 335,041<br>-5.7% |
| Number of annual visitations to the MARC                                                                          | 298,532<br>-49.0% | 687,853<br>+130.4% | 852,576<br>+23.9% | 874,592<br>+2.6%  | 877,166<br>0.3%  |
| Number of annual visitations to the HHCRC                                                                         | 114,653<br>+1.9%  | 126,018<br>+9.9%   | 120,784<br>-4.2%  | 99,302<br>-17.8%  | 96,858<br>-2.5%  |
| Number of Mandurah Seniors and Community Centre (formerly Ac-cent Mandurah) members (Membership year ends 30 Sep) | N/A               | 1,958              | 2,080<br>+6.2%    | 2,074             | 1,996<br>+1.2%   |

## Image Credits

|                 |                                                                  |
|-----------------|------------------------------------------------------------------|
| <b>Cover:</b>   | Mandurah Ocean Marina, 2019, City of Mandurah                    |
| <b>Page 2:</b>  | Mandurah Crab Fest, 2019, Stephen Heath                          |
| <b>Page 3:</b>  | A Taste of Crab Fest, 2019, Dan Wilkins                          |
| <b>Page 5:</b>  | Stretch Festival, 2017, Travis Hayto                             |
| <b>Page 6:</b>  | Mandjar Square, 2019, City of Mandurah                           |
| <b>Page 13:</b> | Western Foreshore, 2019, City of Mandurah                        |
| <b>Page 17:</b> | Mandurah Ocean Marina, 2019, City of Mandurah                    |
| <b>Page 19:</b> | Mandurah Bridge Opening Celebration, 2018, City of Mandurah      |
| <b>Page 25:</b> | City of Mandurah Staff Tree Planting Day, 2018, City of Mandurah |
| <b>Page 29:</b> | Mandurah Matters, 2018, City of Mandurah                         |
| <b>Page 31:</b> | Mandurah Crab Fest, 2019, Dan Wilkins                            |
| <b>Page 37:</b> | Winter Wonderland, 2018, City of Mandurah                        |
| <b>Page 41:</b> | Eastern Foreshore, 2019, City of Mandurah                        |
| <b>Page 45:</b> | Dwellingup Mountain Bike Trails, City of Mandurah                |
| <b>Page 47:</b> | Mandurah Bridge Celebration Picnic, 2018, City of Mandurah       |
| <b>Page 51:</b> | Australia Day on Eastern Foreshore, 2019, City of Mandurah       |
| <b>Page 55:</b> | Wearable Art Showcase, 2018, Tony Tropiano                       |
| <b>Page 65:</b> | Perth Airport Tourism Awards, 2018, City of Mandurah             |
| <b>Page 66:</b> | Winter Wonderland, 2018, City of Mandurah                        |



# City of Mandurah Financial Statements

## 2018-2019





**CITY OF MANDURAH**  
**FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019**

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The City of Mandurah is a body corporate pursuant to the Local Government Act 1995 (as amended) section 2.5. It is incorporated and domiciled in Australia. The City's principal place of business is 3 Peel Street, Mandurah Western Australia.

# Independent Auditor's Report to the to the Rate Payers of the City of Mandurah

## *Opinion*

We have audited the financial report of City of Mandurah (the "City") which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income by program, the statement of comprehensive income by nature or type, the statement of changes in equity, the statement of cash flows and the rate setting statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial report:

- (i) is based on proper accounts and records; and
- (ii) presents fairly, in all material respects, the City's financial position as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with the requirements of the Local Government Act 1995 Part 6 (the "Act") and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

## *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the City in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Responsibilities of the Chief Executive Officer and the Council for the Financial Report*

The Chief Executive Officer of the City is responsible for the preparation of the financial report in accordance with the requirements of the Local Government Act 1995 Part 6 and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards, and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the ability of the City to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

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

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer.
- Conclude on the appropriateness of the Chief Executive Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive Officer and the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## Report on Other Legal and Regulatory Requirements

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

- We did not become aware of any material matters that indicate significant adverse trends in the financial position or the financial management practices of the local government, other than the City's Operating Surplus Ratio which has been below the Department of Local Government, Sport and Cultural Industries (DLGSCI) standard for the past 3 years.
- We did not become aware of any instance where the Council did not materially comply with the requirements of Part 6 of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996 as they apply to financial statements.
- All required information and explanations were obtained by us.
- All procedures were satisfactorily completed.
- In our opinion, the asset consumption ratio and the asset renewal funding ratio included in the financial report were supportable by verifiable information and reasonable assumptions.



DELOITTE TOUCHE TOHMATSU



**Nicole Menezes**

Partner

Chartered Accountants

Perth, 11 December 2019

**CITY OF MANDURAH**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

*The attached financial report of the City of Mandurah for the financial year ended 30 June 2019 is based on proper accounts and records to present fairly the financial position of the City of Mandurah at 30 June 2019 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.*

Signed on the *11* day of *December* 2019



**Mark Newman**  
**Chief Executive Officer**

**CITY OF MANDURAH**  
**STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM**  
**FOR THE YEAR ENDED 30 JUNE 2019**

|                                                                            | NOTE | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|----------------------------------------------------------------------------|------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>Revenue</b>                                                             |      |                             |                                           |                             |
| General Purpose Funding                                                    |      | 84,119                      | 81,873                                    | 80,317                      |
| Governance                                                                 |      | 26                          | 50                                        | 5                           |
| Law, Order, Public Safety                                                  |      | 987                         | 797                                       | 867                         |
| Health                                                                     |      | 317                         | 325                                       | 319                         |
| Education and Welfare                                                      |      | 511                         | 851                                       | 592                         |
| Community Amenities                                                        |      | 14,508                      | 13,809                                    | 13,961                      |
| Recreation and Culture                                                     |      | 7,271                       | 9,714                                     | 7,483                       |
| Transport                                                                  |      | 2,904                       | 448                                       | 2,917                       |
| Economic Services                                                          |      | 1,790                       | 2,105                                     | 2,040                       |
| Other Property and Services                                                |      | 413                         | 345                                       | 603                         |
|                                                                            |      | <u>112,846</u>              | <u>110,317</u>                            | <u>109,104</u>              |
| <b>Expenses</b>                                                            |      |                             |                                           |                             |
| General Purpose Funding                                                    |      | (3,576)                     | (2,048)                                   | (2,379)                     |
| Governance                                                                 |      | (6,389)                     | (6,491)                                   | (6,397)                     |
| Law, Order, Public Safety                                                  |      | (3,817)                     | (3,443)                                   | (3,731)                     |
| Health                                                                     |      | (1,951)                     | (1,998)                                   | (1,950)                     |
| Education and Welfare                                                      |      | (4,254)                     | (4,463)                                   | (3,852)                     |
| Community Amenities                                                        |      | (17,159)                    | (18,115)                                  | (16,932)                    |
| Recreation and Culture                                                     |      | (46,828)                    | (52,776)                                  | (45,442)                    |
| Transport                                                                  |      | (29,374)                    | (20,162)                                  | (27,776)                    |
| Economic Services                                                          |      | (6,541)                     | (7,075)                                   | (5,893)                     |
| Other Property and Services                                                |      | (10,870)                    | (10,046)                                  | (9,587)                     |
|                                                                            |      | <u>(130,759)</u>            | <u>(126,617)</u>                          | <u>(123,939)</u>            |
| <b>Profit / (Loss) on Asset Disposal</b>                                   |      |                             |                                           |                             |
| General Purpose Funding                                                    |      | -                           | -                                         | -                           |
| Governance                                                                 |      | -                           | -                                         | -                           |
| Law, Order, Public Safety                                                  |      | (1)                         | -                                         | -                           |
| Education and Welfare                                                      |      | (2)                         | -                                         | -                           |
| Health                                                                     |      | (1,280)                     | -                                         | -                           |
| Community Amenities                                                        |      | (1,012)                     | -                                         | -                           |
| Recreation and Culture                                                     |      | -                           | -                                         | (1,854)                     |
| Transport                                                                  |      | -                           | -                                         | (1,064)                     |
| Economic Services                                                          |      | -                           | -                                         | -                           |
| Other Property and Services                                                |      | (162)                       | 109                                       | (166)                       |
|                                                                            |      | <u>(2,457)</u>              | <u>109</u>                                | <u>(3,084)</u>              |
| Sub total                                                                  |      | (20,370)                    | (16,191)                                  | (17,919)                    |
| <b>Non Operating Grants, Subsidies and Contributions</b>                   |      |                             |                                           |                             |
| General Purpose Funding                                                    |      | -                           | -                                         | 25                          |
| Law, Order, Public Safety                                                  |      | -                           | 335                                       | 155                         |
| Education and Welfare                                                      |      | 149                         | 150                                       | 287                         |
| Community Amenities                                                        |      | -                           | -                                         | 25                          |
| Recreation and Culture                                                     |      | 4,165                       | 4,968                                     | 4,178                       |
| Transport                                                                  |      | 2,489                       | 2,361                                     | 39,574                      |
| Other Property and Services                                                |      | -                           | 52                                        | 32                          |
|                                                                            |      | <u>6,803</u>                | <u>7,866</u>                              | <u>44,276</u>               |
| <b>NET RESULT FOR THE YEAR</b>                                             |      | <u><u>(13,567)</u></u>      | <u><u>(8,325)</u></u>                     | <u><u>26,357</u></u>        |
| <b>Other Comprehensive Income</b>                                          |      |                             |                                           |                             |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> |      |                             |                                           |                             |
| Change in asset revaluation surplus                                        | 26   | 2,534                       | -                                         | 77,149                      |
| <b>Total Other Comprehensive Income for the year</b>                       |      | <u>2,534</u>                | <u>-</u>                                  | <u>77,149</u>               |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>                             |      | <u><u>(11,033)</u></u>      | <u><u>(8,325)</u></u>                     | <u><u>103,506</u></u>       |

*This statement should be read in conjunction with the accompanying notes.*



**CITY OF MANDURAH**  
**STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30 JUNE 2019**

|                                                                            | NOTE     | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|----------------------------------------------------------------------------|----------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>Revenue</b>                                                             |          |                             |                                           |                             |
| Rates                                                                      | 21       | 78,487                      | 77,774                                    | 74,780                      |
| Operating grants, subsidies and contributions                              |          | 5,747                       | 3,852                                     | 6,020                       |
| Fees and charges                                                           | 17       | 25,847                      | 26,431                                    | 25,567                      |
| Interest earnings                                                          | 3        | 2,198                       | 2,155                                     | 2,064                       |
| Other revenue                                                              |          | 566                         | 105                                       | 671                         |
|                                                                            |          | <u>112,846</u>              | <u>110,317</u>                            | <u>109,102</u>              |
| <b>Expenses</b>                                                            |          |                             |                                           |                             |
| Employee costs                                                             |          | (44,932)                    | (43,503)                                  | (43,881)                    |
| Materials and contracts                                                    |          | (44,637)                    | (45,883)                                  | (42,447)                    |
| Utility charges                                                            |          | (4,009)                     | (3,445)                                   | (4,046)                     |
| Depreciation on non-current assets                                         | 14       | (33,708)                    | (31,317)                                  | (30,583)                    |
| Interest expenses                                                          | 3, 25(b) | (1,710)                     | (1,281)                                   | (1,266)                     |
| Insurance expenses                                                         |          | (857)                       | (1,012)                                   | (781)                       |
| Other expenses                                                             |          | (906)                       | (176)                                     | (533)                       |
|                                                                            |          | <u>(130,759)</u>            | <u>(126,617)</u>                          | <u>(123,537)</u>            |
| Sub-total                                                                  |          | (17,913)                    | (16,300)                                  | (14,435)                    |
| Non Operating Grants, Subsidies and Contributions                          |          | 6,803                       | 7,866                                     | 44,276                      |
| Assets Ceded to the Crown                                                  |          | -                           | -                                         | (401)                       |
| Profit/(Loss) on Disposal of Assets                                        |          | (2,457)                     | 109                                       | (3,084)                     |
| <b>NET RESULT FOR THE YEAR</b>                                             |          | <u>(13,567)</u>             | <u>(8,325)</u>                            | <u>26,356</u>               |
| <b>Other Comprehensive Income</b>                                          |          |                             |                                           |                             |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> |          |                             |                                           |                             |
| Change in asset revaluation surplus                                        | 26       | 2,534                       | -                                         | 77,149                      |
| <b>Total Other Comprehensive Income for the year</b>                       |          | <u>2,534</u>                | <u>-</u>                                  | <u>77,149</u>               |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>                             |          | <u>(11,033)</u>             | <u>(8,325)</u>                            | <u>103,505</u>              |

*This statement should be read in conjunction with the accompanying notes.*

**CITY OF MANDURAH**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

|                                      | NOTE      | 2018/19<br>ACTUAL<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|--------------------------------------|-----------|-----------------------------|-----------------------------|
| <b>CURRENT ASSETS</b>                |           |                             |                             |
| Cash and cash equivalents            | 5         | 45,553                      | 49,081                      |
| Trade and other receivables          | 6(a)      | 7,304                       | 6,945                       |
| Other financial assets               | 7         | 95                          | -                           |
| Loans and other receivables          |           | -                           | 91                          |
| Inventories                          | 8         | 327                         | 307                         |
| <b>TOTAL CURRENT ASSETS</b>          |           | <u>53,279</u>               | <u>56,424</u>               |
| <b>NON CURRENT ASSETS</b>            |           |                             |                             |
| Trade and other receivables          | 6(b)      | 1,374                       | 1,294                       |
| Other financial assets               | 7         | 418                         | -                           |
| Loans and other receivables          |           | -                           | 497                         |
| Property plant and equipment         | 12, 13    | 262,536                     | 260,583                     |
| Infrastructure                       | 12, 13    | 767,357                     | 775,648                     |
| <b>TOTAL NON-CURRENT ASSETS</b>      |           | <u>1,031,685</u>            | <u>1,038,022</u>            |
| <b>TOTAL ASSETS</b>                  |           | <u><b>1,084,964</b></u>     | <u><b>1,094,446</b></u>     |
| <b>CURRENT LIABILITIES</b>           |           |                             |                             |
| Trade and other payables             | 9         | 9,026                       | 9,367                       |
| Provisions                           | 10        | 8,715                       | 8,130                       |
| Borrowings                           | 11, 25(b) | 4,961                       | 4,841                       |
| <b>TOTAL CURRENT LIABILITIES</b>     |           | <u>22,702</u>               | <u>22,338</u>               |
| <b>NON CURRENT LIABILITIES</b>       |           |                             |                             |
| Provisions                           | 10        | 1,068                       | 911                         |
| Borrowings                           | 11, 25(b) | 24,904                      | 24,364                      |
| Other financial liabilities          |           | 490                         | -                           |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |           | <u>26,462</u>               | <u>25,275</u>               |
| <b>TOTAL LIABILITIES</b>             |           | <u><b>49,164</b></u>        | <u><b>47,613</b></u>        |
| <b>NET ASSETS</b>                    |           | <u><b>1,035,800</b></u>     | <u><b>1,046,833</b></u>     |
| <b>EQUITY</b>                        |           |                             |                             |
| Accumulated surplus                  |           | 276,818                     | 291,721                     |
| Reserves - Asset Revaluation         | 26        | 727,391                     | 724,857                     |
| Reserves - Cash Backed               | 27        | 31,591                      | 30,255                      |
| <b>TOTAL EQUITY</b>                  |           | <u><b>1,035,800</b></u>     | <u><b>1,046,833</b></u>     |

*This statement should be read in conjunction with the accompanying notes.*

**CITY OF MANDURAH**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2019**

|                                                           | NOTE | Accumulated<br>surplus<br>\$'000 | Reserves -<br>cash backed<br>\$'000 | Reserves -<br>asset<br>revaluation<br>\$'000 | Total<br>\$'000 |
|-----------------------------------------------------------|------|----------------------------------|-------------------------------------|----------------------------------------------|-----------------|
| <b>Balance as at 1 July 2017</b>                          |      | 264,748                          | 30,871                              | 647,708                                      | 943,327         |
| Gain on revaluation of non-current assets                 | 26   | -                                | -                                   | 77,149                                       | 77,149          |
| Other comprehensive income for the year                   |      | -                                | -                                   | 77,149                                       | 77,149          |
| Net result for the year                                   |      | 26,357                           | -                                   | -                                            | 26,357          |
| Total comprehensive income for the year                   |      | 26,357                           | -                                   | 77,149                                       | 103,506         |
| Transfer to accumulated surplus from cash backed reserves |      | 616                              | (616)                               | -                                            | -               |
| <b>Balance as at 30 June 2018</b>                         |      | 291,721                          | 30,255                              | 724,857                                      | 1,046,833       |
| Gain on revaluation of non-current assets                 | 26   | -                                | -                                   | 2,534                                        | 2,534           |
| Other comprehensive income for the year                   |      | -                                | -                                   | 2,534                                        | 2,534           |
| Net result for the year                                   |      | (13,567)                         | -                                   | -                                            | (13,567)        |
| Total comprehensive income for the year                   |      | (13,567)                         | -                                   | 2,534                                        | (11,033)        |
| Transfer from accumulated surplus to cash backed reserves |      | (1,336)                          | 1,336                               | -                                            | -               |
| <b>Balance as at 30 June 2019</b>                         |      | 276,818                          | 31,591                              | 727,391                                      | 1,035,800       |

*This statement should be read in conjunction with the accompanying notes.*



**CITY OF MANDURAH**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

|                                                   | NOTE  | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|---------------------------------------------------|-------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>Revenue</b>                                    |       |                             |                                           |                             |
| General Purpose Funding                           |       | 5,632                       | 4,099                                     | 5,536                       |
| Governance                                        |       | 26                          | 50                                        | 5                           |
| Law, Order, Public Safety                         |       | 987                         | 797                                       | 867                         |
| Health                                            |       | 317                         | 325                                       | 319                         |
| Education and Welfare                             |       | 511                         | 851                                       | 592                         |
| Community Amenities                               |       | 14,508                      | 13,809                                    | 13,960                      |
| Recreation and Culture                            |       | 7,271                       | 9,714                                     | 7,483                       |
| Transport                                         |       | 2,904                       | 448                                       | 2,917                       |
| Economic Services                                 |       | 1,790                       | 2,105                                     | 2,040                       |
| Other Property and Services                       |       | 697                         | 345                                       | 674                         |
|                                                   |       | <b>34,643</b>               | <b>32,543</b>                             | <b>34,393</b>               |
| <b>Expenses</b>                                   |       |                             |                                           |                             |
| General Purpose Funding                           |       | (3,576)                     | (2,048)                                   | (2,379)                     |
| Governance                                        |       | (6,389)                     | (6,491)                                   | (6,397)                     |
| Law, Order, Public Safety                         |       | (3,817)                     | (3,443)                                   | (3,731)                     |
| Health                                            |       | (1,951)                     | (1,998)                                   | (1,950)                     |
| Education and Welfare                             |       | (4,254)                     | (4,463)                                   | (3,852)                     |
| Community Amenities                               |       | (17,161)                    | (18,115)                                  | (16,932)                    |
| Recreation and Culture                            |       | (48,108)                    | (52,776)                                  | (47,296)                    |
| Transport                                         |       | (30,385)                    | (20,162)                                  | (28,841)                    |
| Economic Services                                 |       | (6,541)                     | (7,075)                                   | (5,893)                     |
| Other Property and Services                       |       | (11,321)                    | (10,046)                                  | (9,875)                     |
|                                                   |       | <b>(133,502)</b>            | <b>(126,617)</b>                          | <b>(127,146)</b>            |
| <b>Other Inflows</b>                              |       |                             |                                           |                             |
| Capital grants and contributions                  |       | 6,803                       | 7,866                                     | 44,276                      |
| Proceeds from disposal of assets                  | 15    | 2,235                       | 1,600                                     | 1,969                       |
| Reserves utilised                                 | 27    | 14,904                      | 8,859                                     | 9,220                       |
| Loans utilised                                    |       | 9,486                       | 9,558                                     | 4,466                       |
| Contributions - community loans                   |       | 94                          | 170                                       | 1,245                       |
|                                                   |       | <b>33,522</b>               | <b>28,053</b>                             | <b>61,176</b>               |
| <b>Capital Works Program</b>                      |       |                             |                                           |                             |
| Development of land for resale                    |       | -                           | -                                         | -                           |
| Land and buildings                                |       | (5,318)                     | (7,277)                                   | (3,736)                     |
| Furniture and fittings                            |       | (354)                       | (407)                                     | (515)                       |
| Plant and machinery                               |       | (3,529)                     | (4,012)                                   | (2,304)                     |
| Infrastructure assets - roads, drainage & bridges |       | (10,708)                    | (12,061)                                  | (12,366)                    |
| Infrastructure assets - recreation infrastructure |       | (6,912)                     | (12,457)                                  | (3,387)                     |
| Infrastructure assets - marina                    |       | -                           | (233)                                     | -                           |
| Infrastructure assets - coastal & estuary         |       | (1,136)                     | (2,449)                                   | (1,217)                     |
| Infrastructure assets - other                     |       | (119)                       | (680)                                     | (430)                       |
|                                                   |       | <b>(28,076)</b>             | <b>(39,576)</b>                           | <b>(23,955)</b>             |
| <b>Other Outflows</b>                             |       |                             |                                           |                             |
| Repayment of loan debt                            | 25(b) | (4,737)                     | (5,052)                                   | (6,655)                     |
| Transfers to reserves                             | 27    | (16,240)                    | (4,100)                                   | (8,604)                     |
| Loans to community and sporting bodies            |       | (19)                        | -                                         | (40)                        |
|                                                   |       | <b>(20,997)</b>             | <b>(9,152)</b>                            | <b>(15,299)</b>             |
| <b>Non Cash Items</b>                             |       |                             |                                           |                             |
| Donated assets                                    | 4     | (1,613)                     | -                                         | (35,695)                    |
| Loss on sale of assets                            | 15    | 2,457                       | (109)                                     | 3,084                       |
| Write back of depreciation                        | 14    | 33,708                      | 31,317                                    | 30,584                      |
| Net fair value on other financial assets          |       | 490                         | -                                         | -                           |
| Deferred Pensioner Rebate                         |       | 1,374                       | -                                         | -                           |
| Long Service Leave now in Reserves                |       | 435                         | -                                         | -                           |
|                                                   |       | <b>36,851</b>               | <b>31,208</b>                             | <b>(2,027)</b>              |
| <b>Add: Surplus brought forward</b>               |       | 6,815                       | 5,266                                     | 4,581                       |
| <b>Less: Surplus carried forward</b>              |       | 7,744                       | (500)                                     | 6,815                       |
| <b>Amount Required from Rates</b>                 |       | <b>(78,487)</b>             | <b>(77,774)</b>                           | <b>(74,780)</b>             |

*This statement should be read in conjunction with the accompanying notes.*

**CITY OF MANDURAH**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

|                                                                  | NOTE     | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|------------------------------------------------------------------|----------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>Cash flows from operating activities</b>                      |          |                             |                                           |                             |
| <b>Receipts</b>                                                  |          |                             |                                           |                             |
| Rates                                                            |          | 77,681                      | 77,774                                    | 75,691                      |
| Operating grants, subsidies and contributions                    |          | 5,777                       | 3,852                                     | 6,490                       |
| Fees and charges                                                 |          | 25,816                      | 26,431                                    | 26,261                      |
| Interest received                                                |          | 2,928                       | 2,155                                     | 1,380                       |
| Other revenue                                                    |          | 283                         | 105                                       | 720                         |
| Goods and services tax received                                  |          | 6979                        | 6,000                                     | 6,457                       |
| Movement in bonds & deposits                                     |          | 17                          | -                                         | -                           |
|                                                                  |          | <u>119,481</u>              | <u>116,317</u>                            | <u>117,000</u>              |
| <b>Payments</b>                                                  |          |                             |                                           |                             |
| Employee costs                                                   |          | (45,252)                    | (43,503)                                  | (44,372)                    |
| Materials and contracts                                          |          | (42,362)                    | (44,883)                                  | (42,336)                    |
| Utility charges                                                  |          | (4,142)                     | (3,445)                                   | (3,868)                     |
| Interest expenses paid                                           |          | (1,889)                     | (1,281)                                   | (1,257)                     |
| Insurance                                                        |          | (852)                       | (1,012)                                   | (787)                       |
| Other expenses                                                   |          | (339)                       | (176)                                     | (395)                       |
| Goods and services tax paid                                      |          | (7,180)                     | (6,000)                                   | (6,404)                     |
| Movement in bonds & deposits                                     |          | -                           | -                                         | (95)                        |
| Movement in funds held                                           |          | (337)                       | -                                         | (98)                        |
|                                                                  |          | <u>(102,353)</u>            | <u>(100,300)</u>                          | <u>(99,612)</u>             |
| <b>Net cash inflows from operating activities</b>                | 19(b)    | <b><u>17,128</u></b>        | <b><u>16,017</u></b>                      | <b><u>17,388</u></b>        |
| <b>Cash flows from investing activities</b>                      |          |                             |                                           |                             |
| <b>Receipts</b>                                                  |          |                             |                                           |                             |
| Non-operating grants, subsidies and contributions                |          | 5,204                       | 7,826                                     | 8,527                       |
| Disposal of property, plant and equipment                        |          | 2,235                       | 1,600                                     | 2,048                       |
| <b>Payments</b>                                                  |          |                             |                                           |                             |
| Purchase and construction of assets                              |          | (28,829)                    | (39,076)                                  | (24,105)                    |
| <b>Net cash outflows from investing activities</b>               |          | <b><u>(21,390)</u></b>      | <b><u>(29,650)</u></b>                    | <b><u>(13,530)</u></b>      |
| <b>Cash flows from financing activities</b>                      |          |                             |                                           |                             |
| Proceeds from borrowings                                         |          | 5,397                       | 4,950                                     | 6,765                       |
| Repayment of borrowings                                          |          | (4,737)                     | (5,052)                                   | (6,655)                     |
| Loans to community & sports bodies                               |          | (20)                        | -                                         | (40)                        |
| Proceeds from community loan repayments                          |          | 94                          | 270                                       | 1,267                       |
| <b>Net cash inflows from financing activities</b>                |          | <b><u>734</u></b>           | <b><u>168</u></b>                         | <b><u>1,337</u></b>         |
| <b>Net (decrease)/increase in cash and cash equivalents held</b> |          | <b>(3,528)</b>              | <b>(13,465)</b>                           | <b>5,195</b>                |
| <b>Cash and cash equivalents at beginning of the year</b>        |          | <b><u>49,081</u></b>        | <b><u>45,250</u></b>                      | <b><u>43,887</u></b>        |
| <b>Cash and cash equivalents at end of the year</b>              | 5, 19(a) | <b><u>45,553</u></b>        | <b><u>31,785</u></b>                      | <b><u>49,081</u></b>        |

*This statement should be read in conjunction with the accompanying notes.*

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**1. Significant accounting policies**

**Statement of compliance**

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

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

**(a) Basis of preparation**

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 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.

**(b) The local government reporting entity**

All funds through which the City controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

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

**(c) Critical accounting judgements and key sources of estimation uncertainty**

In the application of the City's accounting policies, the council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. 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. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Refer to note 38 for details of the key estimates.

**(d) Comparatives**

Where applicable, prior year comparative figures have been adjusted to reflect changes in presentation for the current year.

**(e) Rounding of figures**

All figures shown in this annual report, other than a rate in the dollar, are rounded to thousands of dollars.

**(f) 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 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.

**(g) Financial Assets**

Trade receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 1.

Previous accounting policy: Impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment.



**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**1. Significant accounting policies (continued)**

**(g) Financial Assets**

Classification and subsequent measurement

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

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

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

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 35.

Previous accounting policy: available for sale financial assets

Available-for-sale financial assets were non-derivative financial assets that were either not suitable to be classified as other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Previous accounting policy: Loans and receivables

Non-derivative financial assets with fixed or determinable payments that were not quoted in an active market and are solely payments of principal and interest were classified as loans and receivables and are subsequently measured at amortised cost, using the effective interest rate method.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**1. Significant accounting policies (continued)**

Derecognition of financial assets

The City derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the City neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the City recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the City retains substantially all the risks and rewards of ownership of a transferred financial asset, the City continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**(h) Inventories**

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.

**(i) Rates, grants, donations and other contributions**

Rates, grants, donations and other contributions are recognised as revenues when the City obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured, and the timing of commencement of control depends upon the arrangements that exist between the grantor and the City.

Contributions over which the City has control but which had not yet been received at the reporting date are accrued and recognised as receivables.

Where grants and contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 20.

**(j) Interest earnings**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

**(k) Property, plant, equipment and infrastructure**

Fixed Assets

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

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost where the fair value of the asset at date of acquisition is equal to or above \$5,000. All assets are subsequently revalued in accordance with the mandatory measurement framework.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

Revaluation

The fair value of fixed assets is determined at least every three years and no more than five years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires property, plant and equipment to be shown at fair value.

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

Land under control

In accordance with Local Government (Financial Management) Regulation 16(a)(ii), (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance. Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**1. Significant accounting policies (continued)**

Land under roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the City.

**(l) Depreciation**

Items of property, plant equipment and infrastructure, excluding freehold land, are depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Depreciation is recognised on a straight-line basis, using rates which are reviewed at the end of each annual reporting period as follows:

| <u>Classification</u>                 | <u>Years</u> |                            |
|---------------------------------------|--------------|----------------------------|
| Buildings                             | 40 - 60      |                            |
| Plant and major equipment             | 5            |                            |
| Mobile plant (according to type)      | 5-15         |                            |
| Computer equipment                    | 3            |                            |
| Furniture and equipment               | 10           |                            |
| Tools                                 | 5            |                            |
| Footpaths/cycleway                    | 20 - 40      | dependent on material type |
| Roads                                 | 25 - 100     | for individual components  |
| Drainage                              | 80           |                            |
| Parks                                 | 5 - 100      | for individual components  |
| Bridges                               | 60 - 100     | dependent on material type |
| Coastal & estuary groynes, boat ramps | 20 - 50      | for individual components  |

The financial effect in future periods of the reassessment of estimated useful lives of various infrastructure assets is not disclosed as it is considered impracticable to estimate that effect.

**(m) Impairment of assets**

At each reporting date, the City reviews the carrying amount of its assets to determine whether there is indication of impairment loss. If any such prescribed indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the loss.

Recoverable amount is the higher of fair value less costs to sell and value in use. As the future economic benefits of City assets are not primarily dependent on the assets' ability to generate net cash inflow and the City would, if deprived of the asset(s), replace its remaining future economic benefits, value in use is the depreciated replacement cost of the asset(s).

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss unless the relevant asset is carried at fair value, in which case the loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised amount of its recoverable amount, but only to the extent of any previous impairment loss recognised in prior years. A reversal of an impairment is recognised immediately in profit and loss unless the asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

**(n) Financial liabilities**

**Trade and other payables**

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

**Other financial liabilities**

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. Gains or losses are recognised in profit or loss.

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

The City's derivative financial assets are measured at fair value through profit and loss.



**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**1. Significant accounting policies (continued)**

**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.

**(o) Employee benefits**

Short-term employee benefits

Provision is made for the City's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

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

Other long-term employee benefits

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

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

The City's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the City does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions

Provisions are recognised when the City has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**(p) Superannuation**

The City contributes to the Local Government Superannuation Plan on the basis of a \$1 for every \$1 contributed to the fund by employees, to a maximum of 4% of the employee's salary. The City also contributes to employee nominated superannuation funds an amount calculated at 9.5% of the employee's gross salary and wages (Superannuation Guarantee Contributions). All contributions made by the City during the reporting period are shown as an expense. No liability for accumulated benefits has been recognised in these financial statements.

**(q) Leases of assets**

All City leases are classified as operating leases.

City as lessor

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. However, contingent rentals arising under operating leases are recognised as income in a manner consistent with the basis on which they are determined.

Initial indirect costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

City as lessee

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which the economic benefits of the leased assets are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

**(r) Good and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except

- i. where the amount of GST incurred is not recoverable from the Australian Tax Office, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense;
- or

- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Tax Office are classified within operating cash flows.

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**1. Significant accounting policies (continued)**

**(s) Adoption of new and revised accounting standards**  
**AASB 9 Financial instruments**

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The City applied AASB 9 prospectively, with an initial application date of 1 July 2018. The adoption of AASB 9 has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with AASB 9.7.2.15, the City has not restated the comparative information which continues to be reported under AASB 139. Differences arising from adoption have been recognised directly in accumulated surplus/(deficit).

There were no adjustments as a result of adoption of AASB 9.

**Classification and measurement**

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the City's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the City's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact on the City. The following are the changes in the classification of the City's financial assets:

- Trade receivables and Loans and advances (i.e. Other debtors) classified as Loans and receivables as at 30 June 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at amortised cost beginning 1 July 2018.

The City did not designate any financial assets as at fair value through profit and loss.

In summary, upon the adoption of AASB 9, the City had the following required (or elected) reclassifications as at 1 July 2018:

|                              |                       | <b>AASB 9 category</b> | <b>Fair value</b> | <b>Fair value</b> |
|------------------------------|-----------------------|------------------------|-------------------|-------------------|
|                              |                       | <b>amortised</b>       | <b>through</b>    | <b>through</b>    |
|                              | <b>AASB 139 value</b> | <b>cost</b>            | <b>OCI</b>        | <b>P/L</b>        |
| <b>AASB 139 category</b>     | <b>\$</b>             | <b>\$</b>              | <b>\$</b>         | <b>\$</b>         |
| <b>Loans and receivables</b> |                       |                        |                   |                   |
| Trade receivables*           | 1,309                 | 1,309                  | -                 | -                 |
| Loans and advances           | 91                    | 91                     | -                 | -                 |
|                              | 1,400                 | 1,400                  | -                 | -                 |

**Impairment**

The adoption of AASB 9 has fundamentally changed the City's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the City to recognise an allowance for ECLs for all financial assets not held at fair value through P/L. Upon adoption of AASB 9, the City did not recognise any additional impairment on the City's receivable balances.

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**2. Statement of Objectives and Program Description**

**City of Mandurah Mission Statement:**

Create a vibrant and sustainable community, maximising opportunities through innovation and partnership.

The City of Mandurah is dedicated to providing high quality services to the community through various service orientated programs that it has established:

**GENERAL PURPOSE FUNDING**

Rates, general purpose government grants and interest revenue.

**GOVERNANCE**

Management of elected members of council, corporate management and policy making.

**LAW, ORDER AND PUBLIC SAFETY**

Supervision of various local laws, animal control, fire prevention and emergency services.

**HEALTH**

Supervision of local laws, food control, mosquito control and environmental health protection.

**EDUCATION AND WELFARE**

Operation of Senior Citizen's Centre, youth centre and services, assistance to various community groups and voluntary services.

**COMMUNITY AMENITIES**

Rubbish collection services, recycling services, operation of transfer station, cemetery services, administration of town planning schemes, climate change and protection of the environment.

**RECREATION AND CULTURE**

Maintenance of halls, parks, playgrounds, sports grounds, recreation centres, marina, various reserves and beaches, operation of the libraries and other cultural facilities.

**TRANSPORT**

Construction and maintenance of roads, drainage, works, footpaths, parking facilities and traffic signs. Maintenance of bus shelters and cleaning of streets.

**ECONOMIC SERVICES**

Economic development, marketing & tourism promotion, operation of visitors centres and marina chalets, implementation of building and development controls.

**OTHER PROPERTY AND SERVICES**

Public works overheads, administration overheads, plant operations, private works,

In order to discharge its responsibilities to the community, the City of Mandurah has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the City's Mission Statement, and for each of its broad activities/programs.



**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**3. Revenue and expenses**

The net result for the year includes:

|                                                                  | <b>2018/19<br/>Actual<br/>\$'000</b> | <b>2017/18<br/>Actual<br/>\$'000</b> |
|------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| (i) Charged as expense:                                          |                                      |                                      |
| <b>Auditors' remuneration</b>                                    |                                      |                                      |
| - Audit or review of the financial report                        | 109                                  | 97                                   |
| The auditor of the City of Mandurah is Deloitte Touche Tohmatsu. |                                      |                                      |
| <b>Bad and doubtful debts written off</b>                        | 801                                  | 500                                  |
| <b>Operating leases</b>                                          | 1,612                                | 1,442                                |
| <b>Depreciation of non-current assets</b>                        | 33,708                               | 30,583                               |
| <b>Interest expenses and other borrowing charges</b>             |                                      |                                      |
| General Purpose                                                  | 121                                  | 202                                  |
| Health                                                           | -                                    | 30                                   |
| Community Amenities                                              | 44                                   | 29                                   |
| Recreation & Culture                                             | 792                                  | 454                                  |
| Transport                                                        | 552                                  | 385                                  |
| Economic Services                                                | -                                    | 1                                    |
| Other Property and Services                                      | 201                                  | 165                                  |
| Total                                                            | <u>1,710</u>                         | <u>1,266</u>                         |
| (ii) Credited as revenue:                                        |                                      |                                      |
| <b>Interest earnings</b>                                         |                                      |                                      |
| Investments                                                      |                                      |                                      |
| - Reserve funds                                                  | 511                                  | 863                                  |
| - Other funds                                                    | 968                                  | 1,128                                |
| Other interest revenue (see note 23)                             | 719                                  | 73                                   |
|                                                                  | <u>2,198</u>                         | <u>2,064</u>                         |

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**4. Significant non cash revenue**

Non cash contributions are recognised in the Statement of Comprehensive Income operating revenue section to bring to account infrastructure assets and land acquired from developers and community groups. The value of non cash contributions is detailed below.

|                         | <b>2018/19<br/>Actual<br/>\$'000</b> | <b>2017/18<br/>Actual<br/>\$'000</b> |
|-------------------------|--------------------------------------|--------------------------------------|
| Land                    | -                                    |                                      |
| Buildings               | 310                                  | -                                    |
| Furniture and Equipment | -                                    | -                                    |
| Infrastructure assets:  |                                      |                                      |
| - Roads and footpaths   | 76                                   | 1,294                                |
| - Drainage              | -                                    | 612                                  |
| - Bridges               | -                                    | 33,781                               |
| - Recreation, parks     | 1,227                                | 8                                    |
| - Coastal and waterways | -                                    | -                                    |
| Total                   | <u>1,613</u>                         | <u>35,695</u>                        |

**5. Cash and cash equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Cash and cash equivalents at the end of the reporting period is as follows:

| <b>Reconciliation of cash and cash equivalents</b> | <b>2018/19<br/>Actual<br/>\$'000</b> | <b>2017/18<br/>Actual<br/>\$'000</b> |
|----------------------------------------------------|--------------------------------------|--------------------------------------|
| Cash at bank                                       | 15,159                               | 6,915                                |
| Investments at call                                | 259                                  | 277                                  |
| Fixed term investments                             | 30,135                               | 41,889                               |
| Total                                              | <u>45,553</u>                        | <u>49,081</u>                        |

|              | <b>2018/19<br/>Actual<br/>\$'000</b> | <b>Un-audited<br/>2018/19<br/>Budget<br/>\$'000</b> | <b>2017/18<br/>Actual<br/>\$'000</b> |
|--------------|--------------------------------------|-----------------------------------------------------|--------------------------------------|
| Restricted   | 37,483                               | 31,194                                              | 38,924                               |
| Unrestricted | 8,070                                | 591                                                 | 10,157                               |
| Total        | <u>45,553</u>                        | <u>31,785</u>                                       | <u>49,081</u>                        |

The following restrictions have been imposed by regulations or other externally imposed requirements:

|                                |               |               |               |
|--------------------------------|---------------|---------------|---------------|
| Reserve funds (see note. 27)   | 31,591        | 27,265        | 30,255        |
| Loan monies unspent at 30 June | 2,065         | 429           | 4,835         |
| Income in advance              | 183           | -             | 204           |
| Deposits (see note 29)         | 3,644         | 3,500         | 3,629         |
| Total restricted funds         | <u>37,483</u> | <u>31,194</u> | <u>38,923</u> |

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

| <b>6. Trade and other receivables</b>           | <b>2018/19</b> | <b>2017/18</b> |
|-------------------------------------------------|----------------|----------------|
|                                                 | <b>Actual</b>  | <b>Actual</b>  |
|                                                 | <b>\$'000</b>  | <b>\$'000</b>  |
| <b>(a) Current</b>                              |                |                |
| Rates outstanding                               | 3,226          | 2,943          |
| Emergency Services Levy outstanding             | 157            | 11             |
| Trade receivables                               | 1,153          | 1,309          |
| Other receivables                               | 1,382          | 1,512          |
| Goods and services tax                          | 916            | 714            |
| Prepayments                                     | 553            | 470            |
| Allowance for doubtful debts                    | (83)           | (14)           |
|                                                 | <u>7,304</u>   | <u>6,945</u>   |
| <b>(b) Non-Current</b>                          |                |                |
| Rates and ESL outstanding - pensioners deferred | 1,374          | 1,294          |
|                                                 | <u>1,374</u>   | <u>1,294</u>   |

The credit terms offered to the City's trade debtors is 30 days net. Interest is not payable on overdue amounts.

Payment terms relating to rates debtors are set in accordance with the legislative requirements of the Local Government Act 1995 and are detailed separately in note 22.

| <b>7. Other financial assets</b>                                           | <b>2018/19</b> | <b>2017/18</b> |
|----------------------------------------------------------------------------|----------------|----------------|
|                                                                            | <b>Actual</b>  | <b>Actual</b>  |
|                                                                            | <b>\$'000</b>  | <b>\$'000</b>  |
| <b>(a) Other financial assets at amortised cost - community loans</b>      |                |                |
| Current                                                                    | 95             | -              |
| Non-Current                                                                | 418            | -              |
|                                                                            | <u>513</u>     | <u>-</u>       |
| <b>(b) Financial assets previously classified as loans and receivables</b> |                |                |
| Current                                                                    | -              | 91             |
| Non-current assets                                                         | -              | 1,297          |
|                                                                            | -              | 1,388          |
| Recorded loss allowance                                                    | -              | (800)          |
|                                                                            | <u>-</u>       | <u>588</u>     |

Community loans are fixed term loans to community groups to finance their contributions to facility improvements. The terms of the loans are for periods between 5 and 20 years with fixed equal repayments occurring at frequency of monthly, quarterly or bi-annually intervals.



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| <b>8. Inventories</b>                                                                                                                                                                                                                                           | <b>2018/19</b> | <b>2017/18</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                                                                                                                                                                 | <b>Actual</b>  | <b>Actual</b>  |
|                                                                                                                                                                                                                                                                 | <b>\$'000</b>  | <b>\$'000</b>  |
| Raw materials                                                                                                                                                                                                                                                   | <u>327</u>     | <u>307</u>     |
| <b>9. Payables</b>                                                                                                                                                                                                                                              |                |                |
| <b>Current</b>                                                                                                                                                                                                                                                  |                |                |
| Trade payables                                                                                                                                                                                                                                                  | 4,032          | 4,157          |
| Accrued expenses                                                                                                                                                                                                                                                | 1,167          | 1,377          |
| Income in advance                                                                                                                                                                                                                                               | 183            | 204            |
| Bonds and deposits (see note 29 for additional detail)                                                                                                                                                                                                          | <u>3,644</u>   | <u>3,629</u>   |
|                                                                                                                                                                                                                                                                 | <u>9,026</u>   | <u>9,367</u>   |
| <p>The average credit period for purchase of goods and services is net 30 days.</p> <p>No interest is charged on trade payables. The City has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.</p> |                |                |
| <b>10. Provisions</b>                                                                                                                                                                                                                                           |                |                |
| <b>Current</b>                                                                                                                                                                                                                                                  |                |                |
| Employee benefits                                                                                                                                                                                                                                               |                |                |
| Annual Leave                                                                                                                                                                                                                                                    | 4,168          | 3,966          |
| Long Service Leave                                                                                                                                                                                                                                              | 3,818          | 3,541          |
| Sick Leave                                                                                                                                                                                                                                                      | 589            | 483            |
| Workers Compensation Insurance                                                                                                                                                                                                                                  | <u>140</u>     | <u>140</u>     |
|                                                                                                                                                                                                                                                                 | <u>8,715</u>   | <u>8,130</u>   |
| <b>Non-Current</b>                                                                                                                                                                                                                                              |                |                |
| Employee benefits                                                                                                                                                                                                                                               |                |                |
| Long Service Leave                                                                                                                                                                                                                                              | <u>1,068</u>   | <u>911</u>     |
| <b>11. Borrowings</b>                                                                                                                                                                                                                                           |                |                |
| Current                                                                                                                                                                                                                                                         | <u>4,961</u>   | <u>4,841</u>   |
| Non-Current                                                                                                                                                                                                                                                     | <u>24,904</u>  | <u>24,364</u>  |

Additional details on borrowings is provided in Note 25.

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**12. Property, Plant, Equipment and Infrastructure**

|                                                              | <b>2018/19</b>          | <b>2017/18</b>          |
|--------------------------------------------------------------|-------------------------|-------------------------|
|                                                              | <b>Actual</b>           | <b>Actual</b>           |
|                                                              | <b>\$'000</b>           | <b>\$'000</b>           |
| <b><u>Property, plant and equipment:</u></b>                 |                         |                         |
| Land - at independent valuation 2019                         | 92,695                  | 93,465                  |
|                                                              | <u>92,695</u>           | <u>93,465</u>           |
| Building - at independent valuation 2019                     | 152,010                 | 161,050                 |
| Less: Accumulated depreciation                               | -                       | (8,630)                 |
| Work in progress                                             | 2,984                   | 2,008                   |
|                                                              | <u>154,994</u>          | <u>154,428</u>          |
| Furniture and fittings - at independent valuation 2019       | 2,268                   | 1,919                   |
| Less: Accumulated depreciation                               | -                       | (272)                   |
| Work in progress                                             | -                       | 198                     |
|                                                              | <u>2,268</u>            | <u>1,845</u>            |
| Plant and machinery - at independent valuation 2019          | 12,579                  | 12,982                  |
| Less: Accumulated depreciation                               | -                       | (2,137)                 |
| Work in progress                                             | -                       | -                       |
|                                                              | <u>12,579</u>           | <u>10,845</u>           |
| <b>Property, Plant and Equipment - Total</b>                 | <b><u>262,536</u></b>   | <b><u>260,583</u></b>   |
| <b><u>Infrastructure:</u></b>                                |                         |                         |
| Bridges - independent valuation 2018                         | 71,928                  | 71,928                  |
| Less: Accumulated depreciation                               | (7,844)                 | (7,106)                 |
| Work in Progress                                             | 206                     | 171                     |
|                                                              | <u>64,290</u>           | <u>64,993</u>           |
| Parks - independent valuation 2018                           | 203,981                 | 227,971                 |
| Less: Accumulated depreciation                               | (45,812)                | (42,234)                |
| Work in progress                                             | 4,549                   | 1,068                   |
|                                                              | <u>162,718</u>          | <u>186,805</u>          |
| Drainage - independent valuation 2018                        | 187,762                 | 179,048                 |
| Less: Accumulated depreciation                               | (51,004)                | (48,751)                |
| Work in progress                                             | 304                     | 11                      |
|                                                              | <u>137,062</u>          | <u>130,308</u>          |
| Roads, footpaths, kerbs & seals - independent valuation 2018 | 522,700                 | 512,177                 |
| Less: Accumulated depreciation                               | (184,326)               | (176,886)               |
| Work in progress                                             | 5,774                   | 3,364                   |
|                                                              | <u>344,148</u>          | <u>338,655</u>          |
| Marina infrastructure - Independent Valuation 2016           | -                       | 4,094                   |
| Less: Accumulated depreciation                               | -                       | (2,747)                 |
|                                                              | <u>-</u>                | <u>1,347</u>            |
| Coastal and estuary - independent valuation 2018             | 101,734                 | 93,398                  |
| Less: Accumulated depreciation                               | (48,370)                | (46,913)                |
| Work in progress                                             | -                       | 823                     |
|                                                              | <u>53,364</u>           | <u>47,308</u>           |
| Land improvements - cost which approximates fair value       | 6,064                   | 1,362                   |
| Less: Accumulated depreciation                               | (408)                   | (177)                   |
| Work in Progress                                             | 119                     | 5,047                   |
|                                                              | <u>5,775</u>            | <u>6,232</u>            |
| <b>Infrastructure - Total</b>                                | <b><u>767,357</u></b>   | <b><u>775,648</u></b>   |
| <b>Net carrying amount</b>                                   | <b><u>1,029,893</u></b> | <b><u>1,036,231</u></b> |

The assets are measured at fair value. Refer to note 38.

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**13. Assets - movement in carrying amounts**

Movement in the carrying amounts of each class of property, plant and equipment during the reporting period is as below:

|                                   | Land          | Buildings      | Furniture & Fittings | Plant & Machinery | Infra-structure | TOTAL            |
|-----------------------------------|---------------|----------------|----------------------|-------------------|-----------------|------------------|
|                                   | \$'000        | \$'000         | \$'000               | \$'000            | \$'000          | \$'000           |
| Balance at 1 July 2017            | 94,887        | 155,570        | 1,437                | 10,257            | 672,817         | 934,968          |
| Revaluations                      | -             | -              | -                    | 152               | 77,137          | 77,289           |
| Additions                         | -             | 4,715          | 544                  | 2,305             | 73,600          | 81,164           |
| Work in progress                  | -             | (980)          | -                    | -                 | (20,506)        | (21,486)         |
| Disposals                         | (1,422)       | (337)          | -                    | (713)             | (2,649)         | (5,121)          |
| Depreciation expense              | -             | (4,540)        | (136)                | (1,156)           | (24,751)        | (30,583)         |
| <b>Balance as at 30 June 2018</b> | <b>93,465</b> | <b>154,428</b> | <b>1,845</b>         | <b>10,845</b>     | <b>775,648</b>  | <b>1,036,231</b> |
| Reclassifications                 | -             | (327)          | -                    | 345               | (675)           | (657)            |
| Revaluations                      | 289           | 490            | 489                  | 248               | 1,477           | 2,993            |
| Additions                         | 569           | 8,116          | 779                  | 3,528             | 31,019          | 44,011           |
| Work in progress                  | -             | (2,828)        | (388)                | -                 | (10,842)        | (14,058)         |
| Disposals                         | (1,628)       | (140)          | (11)                 | (994)             | (2,146)         | (4,919)          |
| Depreciation expense              | -             | (4,745)        | (446)                | (1,393)           | (27,124)        | (33,708)         |
| <b>Balance as at 30 June 2019</b> | <b>92,695</b> | <b>154,994</b> | <b>2,268</b>         | <b>12,579</b>     | <b>767,357</b>  | <b>1,029,893</b> |

**14. Depreciation**

(a) Depreciation by asset class

Depreciation expense for the reporting period is charged in respect of:

|                        | 2018/19<br>Actual<br>\$'000 | Un-audited<br>2018/19<br>Budget<br>\$'000 | 2017/18<br>Actual<br>\$'000 |
|------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| Buildings              | 4,745                       | 5,987                                     | 4,540                       |
| Furniture and fittings | 446                         | 331                                       | 136                         |
| Plant and machinery    | 1,393                       | 1,476                                     | 1,156                       |
| Infrastructure assets  | 27,124                      | 23,523                                    | 24,751                      |
|                        | <u>33,708</u>               | <u>31,317</u>                             | <u>30,583</u>               |

(b) Depreciation of assets by program

|                             | 2018/19<br>Actual<br>\$'000 | 2018/19<br>Budget<br>\$'000 | 2017/18<br>Actual<br>\$'000 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Law, Order, Public Safety   | 159                         | 96                          | 177                         |
| Health                      | -                           | -                           | -                           |
| Education and Welfare       | 154                         | 208                         | 147                         |
| Community Amenities         | 242                         | 325                         | 219                         |
| Recreation and Culture      | 15,833                      | 17,996                      | 14,585                      |
| Transport                   | 15,397                      | 10,530                      | 13,874                      |
| Economic Services           | 97                          | 125                         | 94                          |
| Other Property and Services | 1,826                       | 2,037                       | 1,487                       |
|                             | <u>33,708</u>               | <u>31,317</u>               | <u>30,583</u>               |

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**15. Disposal of assets**

(a) Disposal of assets by class

|                         | Carrying<br>Amount | Disposal<br>Proceeds | Profit     | Loss           |
|-------------------------|--------------------|----------------------|------------|----------------|
|                         | \$'000             | \$'000               | \$'000     | \$'000         |
| Land                    | 1,628              | 1,403                | 235        | (233)          |
| Buildings               | 140                | -                    | -          | (140)          |
| Furniture and equipment | 12                 | -                    | -          | (12)           |
| Plant and machinery     | 994                | 832                  | 50         | (212)          |
| Roads, paths            | 629                | -                    | -          | (629)          |
| Drainage                | 72                 | -                    | -          | (72)           |
| Parks                   | 1,134              | -                    | -          | (1,134)        |
| Coastal                 | 310                | -                    | -          | (310)          |
|                         | <u>4,919</u>       | <u>2,235</u>         | <u>285</u> | <u>(2,742)</u> |

(b) Disposal of assets classified by program

|                              | Carrying<br>Amount | Disposal<br>Proceeds | Profit     | Loss           |
|------------------------------|--------------------|----------------------|------------|----------------|
|                              | \$'000             | \$'000               | \$'000     | \$'000         |
| Governance                   | 17                 | 15                   |            | (2)            |
| Law, Order and Public Safety | 86                 | 43                   |            | (43)           |
| Education and Welfare        |                    |                      |            | -              |
| Health                       | 21                 | 24                   | 3          | -              |
| Welfare                      | 27                 | 28                   | 2          | (1)            |
| Community Amenities          | 74                 |                      |            | (74)           |
| Recreation and Culture       | 1,788              | 139                  | 10         | (1,660)        |
| Transport                    | 1,204              | 519                  | 33         | (717)          |
| Economic Services            | 1,702              | 1,467                | 237        | (245)          |
| Other Property and Services  | -                  | -                    | -          | -              |
|                              | <u>4,919</u>       | <u>2,235</u>         | <u>285</u> | <u>(2,742)</u> |

**16. Total assets classified by function and activity**

|                             | 2018/19<br>Actual | 2017/18<br>Actual |
|-----------------------------|-------------------|-------------------|
|                             | \$'000            | \$'000            |
| General Purpose Funding     | 4,497             | 4,018             |
| Governance                  | 11,987            | 12,166            |
| Law, Order, Public Safety   | 2,336             | 2,150             |
| Health                      | 149               | 191               |
| Education and Welfare       | 4,966             | 4,894             |
| Community Amenities         | 9,616             | 8,829             |
| Recreation and Culture      | 348,647           | 364,713           |
| Transport                   | 554,922           | 543,111           |
| Economic Services           | 98,845            | 101,712           |
| Other Property and Services | 111               | 117               |
| Unallocated                 | 48,888            | 52,545            |
|                             | <u>1,084,964</u>  | <u>1,094,446</u>  |



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**17. Fees and charges**

|                             | 2018/19<br>Actual<br>\$'000 | Un-audited<br>2018/19<br>Budget<br>\$'000 | 2017/18<br>Actual<br>\$'000 |
|-----------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| General Purpose Funding     | 669                         | 784                                       | 613                         |
| Law, Order, Public Safety   | 605                         | 621                                       | 652                         |
| Health                      | 183                         | 191                                       | 186                         |
| Education and Welfare       | 375                         | 692                                       | 401                         |
| Community Amenities         | 13,930                      | 13,654                                    | 13,280                      |
| Recreation and Culture      | 6,215                       | 8,046                                     | 6,236                       |
| Transport                   | 1,948                       | 193                                       | 1,984                       |
| Economic Services           | 1,785                       | 2,071                                     | 1,996                       |
| Other Property and Services | 137                         | 179                                       | 219                         |
|                             | <u>25,847</u>               | <u>26,431</u>                             | <u>25,567</u>               |

**18. Elected members' benefits**

The following fees, expenses and allowances were paid to council members, the mayor and deputy mayor during the reporting period.

|                                                     | 2018/19<br>Actual<br>\$'000 | Un-audited<br>2018/19<br>Budget<br>\$'000 | 2017/18<br>Actual<br>\$'000 |
|-----------------------------------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| Meeting fees allowance                              | 402                         | 402                                       | 377                         |
| Mayoral allowance                                   | 84                          | 88                                        | 72                          |
| Deputy Mayoral allowance                            | 21                          | 25                                        | 12                          |
| Information and communications technology allowance | 46                          | 47                                        | 43                          |
| Councillors travel, conferences and other expenses  | 53                          | 71                                        | 61                          |
|                                                     | <u>606</u>                  | <u>633</u>                                | <u>565</u>                  |

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**19. Notes to the cash flow statement**

**a) Reconciliation of cash**

For the purposes of the statement of cash flows, cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:

|                           | <b>2018/19<br/>Actual<br/>\$'000</b> | <b>Un-audited<br/>2018/19<br/>Budget<br/>\$'000</b> | <b>2017/18<br/>Actual<br/>\$'000</b> |
|---------------------------|--------------------------------------|-----------------------------------------------------|--------------------------------------|
| Cash and cash equivalents | 45,553                               | 31,785                                              | 49,081                               |

**b) Reconciliation of net cash flows from operating activities to net result**

|                                                              |               |               |               |
|--------------------------------------------------------------|---------------|---------------|---------------|
| Net result for the year                                      | (13,567)      | (8,325)       | 26,357        |
| Non cash items                                               |               |               |               |
| Depreciation                                                 | 33,708        | 31,317        | 30,583        |
| (Profit)/Loss on sale of assets                              | 2,457         | (109)         | 3,084         |
| Changes in assets and liabilities during the financial year: |               |               |               |
| Decrease/(increase) in receivables                           | (251)         | 500           | 808           |
| Decrease/(increase) in inventories                           | (19)          | (40)          | 14            |
| Increase/(decrease) in payables                              | (129)         | 565           | 343           |
| Increase/(decrease) in provisions                            | 741           | (25)          | 482           |
| (Decrease)/increase in bonds & deposits                      | (18)          | -             | 82            |
| Other Movements                                              | (590)         | -             | (90)          |
| Grants/contributions for the development of assets           | (5,204)       | (7,866)       | (44,276)      |
| Net cash provided by operating activities                    | <u>17,128</u> | <u>16,017</u> | <u>17,387</u> |

**c) Credit standby arrangements**

|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| Credit card facility                                      | 60         | 60         |
| Purchasing card facility                                  | 700        | 600        |
| Credit and purchasing card debt balance at reporting date | (79)       | (66)       |
|                                                           | <u>681</u> | <u>594</u> |

**d) Borrowing facilities**

|                                                |               |               |
|------------------------------------------------|---------------|---------------|
| Loan facilities - current                      | 4,961         | 4,841         |
| Loan facilities - non current                  | 24,904        | 24,364        |
| Total loan facilities in use at reporting date | <u>29,865</u> | <u>29,205</u> |
| Unused loan facility as at reporting date      | <u>2,066</u>  | <u>4,836</u>  |

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**20. Conditions over grants and contributions**

|                                                                        | <b>2018/19</b> | <b>2017/18</b>  |
|------------------------------------------------------------------------|----------------|-----------------|
|                                                                        | <b>\$'000</b>  | <b>\$'000</b>   |
| Opening balance of unexpended grants and contributions                 | 3,371          | 4,040           |
| Grants and contributions recognised as revenue in the reporting period | 8,992          | 50,296          |
|                                                                        | <u>12,363</u>  | <u>54,336</u>   |
| Grants and contributions expended in the period:                       |                |                 |
| Operational grants and contributions                                   | (2,023)        | (7,730)         |
| Grants and contributions for capital works                             | (4,971)        | (43,237)        |
|                                                                        | <u>(6,994)</u> | <u>(50,967)</u> |
| <b>Closing balance of unexpended grants</b>                            | <b>5,369</b>   | <b>3,369</b>    |
| <b>Net movement in unspent grants and contributions</b>                | <b>1,998</b>   | <b>(671)</b>    |

All unspent grants and contributions as at 30 June 2019 are transferred to a Reserve account held for this purpose. Refer to note 27.

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21. Rating Information

| Rating Category         | General Rate     |            |           | Minimum Rate            |                    |                  | 2019 Total  |           |                         |                    | 2018 Total          |           |                    |  |
|-------------------------|------------------|------------|-----------|-------------------------|--------------------|------------------|-------------|-----------|-------------------------|--------------------|---------------------|-----------|--------------------|--|
|                         | GRV Value \$'000 | Rate in \$ | No. Props | Unaudited Budget \$'000 | Rate Actual \$'000 | GRV Value \$'000 | Min Rate \$ | No. Props | Unaudited Budget \$'000 | Rate Actual \$'000 | GRV Value in \$'000 | No. Props | Rate Actual \$'000 |  |
| Residential Improved    | 599,730          | 0.08250    | 33,985    | 49,625                  | 49,480             | 73,573           |             | 6,438     | 9,245                   | 6,959              | 673,304             | 40,423    | 56,440             |  |
| Residential Vacant      | 27,423           | 0.14380    | 1,962     | 3,823                   | 3,943              | 8,375            |             | 1,788     | 1,416                   | 1,600              | 35,799              | 3,750     | 5,544              |  |
| Urban Development       | 3,237            | 0.10390    | 12        | 482                     | 336                | -                |             | -         | -                       | -                  | 3,237               | 12        | 336                |  |
| Business Improved       | 147,867          | 0.08790    | 1,001     | 14,114                  | 12,998             | 1,804            |             | 356       | 411                     | 385                | 149,672             | 1,357     | 13,382             |  |
| Business Vacant         | 4,470            | 0.14380    | 137       | 625                     | 643                | 139              |             | 24        | 21                      | 26                 | 4,609               | 161       | 669                |  |
| Mandurah Ocean Marina:  |                  |            |           |                         |                    |                  |             |           |                         |                    |                     |           |                    |  |
| - Residential Improved  | -                | 0.08250    | 1         | -                       | -                  | -                |             | -         | -                       | -                  | -                   | 1         | -                  |  |
| - Vacant                | -                | 0.00000    | -         | -                       | -                  | -                |             | -         | -                       | -                  | -                   | -         | -                  |  |
| - Business Improved     | -                | 0.00000    | -         | -                       | -                  | -                |             | -         | -                       | -                  | -                   | -         | -                  |  |
| Interim Rates           |                  |            |           |                         |                    |                  |             |           |                         |                    |                     |           |                    |  |
| Back Rates              |                  |            |           |                         |                    |                  |             |           |                         |                    |                     |           |                    |  |
| Prepaid Rates Movement  |                  |            |           |                         |                    |                  |             |           |                         |                    |                     |           |                    |  |
| Sub Total General Rates | 782,727          |            | 37,098    | 68,669                  | 67,400             | 83,892           |             | 8,606     | 11,093                  | 8,970              | 866,620             | 45,704    | 77,969             |  |
| Specified Area Rates    |                  |            |           |                         |                    |                  |             |           |                         |                    |                     |           |                    |  |
| Port Mandurah           |                  | 0.00340    |           | 79                      | 79                 |                  |             |           |                         |                    |                     |           | 79                 |  |
| Waterside               |                  | 0.00000    |           | -                       | -                  |                  |             |           |                         |                    |                     |           | -                  |  |
| Mandurah Ocean Marina   |                  | 0.01610    |           | 378                     | 365                |                  |             |           |                         |                    |                     |           | 365                |  |
| Mandurah Quay           |                  | 0.00150    |           | 10                      | 11                 |                  |             |           |                         |                    |                     |           | 11                 |  |
| Port Bouvard Eastport   |                  | 0.00160    |           | 12                      | 12                 |                  |             |           |                         |                    |                     |           | 12                 |  |
| Port Bouvard Northport  |                  | 0.00640    |           | 42                      | 41                 |                  |             |           |                         |                    |                     |           | 41                 |  |
| Mariners Cove           |                  | 0.00120    |           | 12                      | 10                 |                  |             |           |                         |                    |                     |           | 10                 |  |
| Sub Total               | -                |            |           | 533                     | 518                |                  |             |           |                         |                    |                     |           | 518                |  |
| Rates Concessions       |                  |            |           |                         |                    |                  |             |           |                         |                    |                     |           |                    |  |
| TOTAL RATES             |                  |            |           | 69,202                  | 67,918             |                  |             |           | 11,093                  | 8,970              |                     |           | 78,487             |  |
|                         |                  |            |           |                         |                    |                  |             |           |                         |                    |                     |           | 74,780             |  |

Concessions totalling \$181,316 were provided during the 18/19 financial year.



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**21. Rating information (continued)**

**Characteristics Forming the Basis of Rates**

Council utilises differential rating based on zoning, and properties' improved or unimproved nature.

**Objects and Reasons for Differential Rates**

**Differential Rates**

|                                            |                             |
|--------------------------------------------|-----------------------------|
| Residential Improved                       | Rate in the dollar \$0.0825 |
| Mandurah Ocean Marina Residential Improved |                             |

Residential properties are the predominant property type in the City. The rate calculated reflects Council's policy of ensuring that residential properties contribute significantly to the services and infrastructure which the City provides.

|                                         |                             |
|-----------------------------------------|-----------------------------|
| Business Improved                       | Rate in the dollar \$0.0879 |
| Mandurah Ocean Marina Business Improved |                             |
| Urban Development                       | Rate in the dollar \$0.1039 |
| Business Vacant                         | Rate in the dollar \$0.1438 |

Rates on other improved properties are levied at similar rates to reflect the fact that these types make the same relative contribution as the residential improved category.

|                                          |                             |
|------------------------------------------|-----------------------------|
| Residential Vacant                       | Rate in the dollar \$0.1438 |
| Mandurah Ocean Marina Residential Vacant |                             |

These rates have been set as an interim measure as part of the City's plan to reflect the change in vacant land values over a three year period.

**Minimum Rates**

Council set differentiating minimum rates so that all properties make a reasonable contribution to the cost of services regardless of low property gross rental values.

|                                            |          |
|--------------------------------------------|----------|
| Residential Improved                       | \$ 1,081 |
| Mandurah Ocean Marina Residential Improved | \$ 1,081 |
| Business Improved                          | \$ 1,081 |
| Marina Business                            | \$ 1,081 |
| Residential Vacant                         | \$ 895   |
| Business Vacant                            | \$ 1,081 |
| Urban Development                          | \$ 1,081 |
| Mandurah Ocean Marina Vacant               | \$ 1,081 |

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. Interest charges and instalments**

Instalment options offered for payment of rates were:

| <b>Option</b>     | <b>Payment dates</b>                                                                                                                       |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Payment in full   | 24 August 2018                                                                                                                             |
| Two instalments   | 24 August 2018<br>7 January 2019                                                                                                           |
| Four instalments  | 24 August 2018<br>24 October 2018<br>7 January 2019<br>7 March 2019                                                                        |
| Equal instalments | Payment by twelve equal instalments from April 2018 to March 2019. Continuation of instalments from April as advance payments for 2019/20. |

|                                      |       | <b>2018/19<br/>Actual<br/>\$'000</b> | <b>Un-audited<br/>2018/19<br/>Budget<br/>\$'000</b> | <b>2017/18<br/>Actual<br/>\$'000</b> |
|--------------------------------------|-------|--------------------------------------|-----------------------------------------------------|--------------------------------------|
| Interest on unpaid rates             | 7%    | 344                                  | 260                                                 | 327                                  |
| Interest on instalment plan          | 5.50% | 375                                  | 375                                                 | 357                                  |
| Charges on instalment plan           | \$3   | 355                                  | 398                                                 | 344                                  |
| (for two and four instalment option) |       | <u>1,074</u>                         | <u>1,033</u>                                        | <u>1,028</u>                         |

**23. Specified Area Rates**

| <b>Rating<br/>Category</b>    | <b>Specified Area Rates</b> |                         |                          |                  |                                          |                         |
|-------------------------------|-----------------------------|-------------------------|--------------------------|------------------|------------------------------------------|-------------------------|
|                               | Reserves<br>B/fwd<br>\$     | Revenue<br>Raised<br>\$ | Interest<br>Earned<br>\$ | Expended<br>\$   | Contribution<br>from City<br>of Mandurah | Reserves<br>C/fwd<br>\$ |
| Port Mandurah                 | 447,596                     | 79,721                  | 10,295                   | (181,261)        | 9,084                                    | 365,435                 |
| Waterside                     | 103,959                     | -                       | 2,391                    | (5,963)          | 2,683                                    | 103,070                 |
| Mandurah Quay                 | 178,248                     | 10,984                  | 4,100                    | (5,639)          | -                                        | 187,693                 |
| Mandurah Ocean Marina         | 67,802                      | 364,920                 | 1,559                    | (434,281)        | -                                        | -                       |
| Mariners Cove                 | 14,856                      | 10,609                  | 342                      | (7,306)          | -                                        | 18,501                  |
| Port Bouvard Canals Northport | 73,764                      | 42,528                  | 1,697                    | (20,295)         | -                                        | 97,694                  |
| Port Bouvard Canals Eastport  | 12,244                      | 12,888                  | 281                      | (2,000)          | -                                        | 23,413                  |
| <b>Total</b>                  | <b>898,469</b>              | <b>521,650</b>          | <b>20,665</b>            | <b>(656,745)</b> | <b>11,767</b>                            | <b>795,806</b>          |

The specified area rates are imposed for the purpose of maintaining and managing the canals at Waterside, Port Mandurah, Mandurah Quay, Port Bouvard and the canals, open space and marina at Mandurah Ocean Marina. The designated areas are identified within council's objects and reasons.

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**23. Specified Area Rates (continued)**

Waterside Canals

0.000c in the dollar

This is levied on all canal frontage properties located within the "Waterside Canals" for owners to make a reasonable contribution toward maintaining and managing the canals in accordance with the Artificial Waterways Policy – Canals and the Core Management Group. For the year ended 30 June 2019 there were sufficient funds in the Reserve Fund to fund maintenance costs.

The area has been identified within the Government Gazette published 23rd June 1995 as Schedule B in the City of Mandurah (Specified Area) Order No. 1 and is commonly known as the "Waterside Canals".

Port Mandurah Canals

0.34c in the dollar

This is levied on all canal frontage properties located within the "Port Mandurah Canals" for owners to make a reasonable contribution toward maintaining and managing the canals in accordance with the Artificial Waterways Policy - Canals and the Core Management Group. The area has been identified within the Government Gazette published 23rd June 1995 as Schedule A in the City of Mandurah (Specified Area) Order No. 1 and is commonly known as "Port Mandurah Canals".

Mandurah Ocean Marina

1.61c in the dollar

This rate is levied on all properties within the Mandurah Ocean Marina Outline Development Plan. The purpose of this rate is to ensure that all owners within the precinct contribute to the operating costs of the marina.

Mandurah Quay

0.15c in the dollar

This is levied on all properties within the Mandurah Quay subdivision. The purpose is to ensure the maintenance of the marina, i.e. water body and walls, and is levied at a level to cover the life cycle expenses of the marina.

Port Bouvard - Northport

0.64c in the dollar

This is levied on all canal frontages on the Northport canals. The purpose is to recoup the costs of litter removal from the canal waterbody together with the costs of water quality testing, management, surveying and minor maintenance.

Port Bouvard - Eastport

0.16c in the dollar

This is levied on all canal frontages on the Eastport canals. The purpose is to recoup the costs of litter removal from the canal waterbody together with the costs of water quality testing, management, surveying and minor maintenance.

Mariners Cove

0.12c in the dollar

This is levied on all properties within the Mariners Cove subdivision. The purpose is to ensure the maintenance of the marina, i.e. water body and walls, and is levied at a level to cover the life cycle expenses of the marina.

**24. Service charges**

The City of Mandurah did not impose any service charges during the reporting period.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

25. Borrowings

(a) Movement in unspent loan fund for the year ended 30 June 2019

| Date<br>Loan<br>Funded | Loan No. | Particulars                          | Unspent Balance<br>1 July 2018 |                      | New loans raised    |                                   | Loans utilised      |                                   | Balance 30 June 2019 |                      |
|------------------------|----------|--------------------------------------|--------------------------------|----------------------|---------------------|-----------------------------------|---------------------|-----------------------------------|----------------------|----------------------|
|                        |          |                                      | Actual                         | Un-audited<br>Budget | Actual<br>2018/2019 | Un-audited<br>Budget<br>2018/2019 | Actual<br>2018/2019 | Un-audited<br>Budget<br>2018/2019 | Actual               | Un-audited<br>Budget |
|                        |          |                                      |                                |                      | \$                  | \$                                | \$                  | \$                                | \$                   | \$                   |
| 30/03/04 303           |          | Brighton Lane                        | 43,022                         | 43,022               | -                   | -                                 | -                   | -                                 | 43,022               | 43,022               |
| 30/03/04 304           |          | Brighton Plaza                       | 14,115                         | 14,115               | -                   | -                                 | -                   | -                                 | 14,115               | 14,115               |
| 14/06/13 333(ii)       |          | Parks Construction                   | 171,963                        | 171,963              | -                   | -                                 | (171,963)           | -                                 | -                    | 171,963              |
| 22/04/15 337           |          | New SES Facility                     | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 22/04/15 339           |          | Roads                                | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 10/01/16 341           |          | MARC Stage 2                         | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 10/01/16 342           |          | Roads                                | -                              | 200,000              | -                   | -                                 | -                   | (200,000)                         | -                    | -                    |
| 10/01/16 343           |          | WMC Tims Thicket                     | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 10/01/16 344           |          | Eastern Foreshore Wall               | 150,000                        | 323,435              | -                   | -                                 | (114,214)           | (323,435)                         | 150,000              | -                    |
| 5/05/17 345            |          | MARC Stage 2                         | 114,214                        | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 5/05/17 346            |          | Road Construction                    | 150,842                        | -                    | -                   | -                                 | (150,842)           | -                                 | -                    | -                    |
| 5/05/17 347            |          | MARC Carpark                         | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 5/05/17 348            |          | MPAC Forecourt                       | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 5/05/17 349            |          | Waste Water Reuse                    | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 5/05/17 350            |          | Halls Head Ablution Block            | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 5/05/17 351            |          | Falcon Bay Seawall                   | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 9/05/18 352            |          | Mandurah Marina                      | 75,438                         | 200,000              | -                   | -                                 | (75,438)            | (200,000)                         | -                    | -                    |
| 9/05/18 353            |          | MARC Solar Plan                      | 185,994                        | 185,000              | -                   | -                                 | -                   | (185,000)                         | 185,994              | -                    |
| 9/05/18 354            |          | MARC Carpark                         | 11,593                         | -                    | -                   | -                                 | (11,593)            | -                                 | -                    | -                    |
| 9/05/18 355            |          | Novara Foreshore Stage 2             | 76,854                         | 100,000              | -                   | -                                 | (76,854)            | (100,000)                         | -                    | -                    |
| 9/05/18 356            |          | Falcon Bay Foreshore Development     | 234,064                        | 290,000              | -                   | -                                 | (234,064)           | (290,000)                         | -                    | -                    |
| 9/05/18 357            |          | Mandurah Foreshore Boardwalk Renewal | 447,597                        | 450,000              | -                   | -                                 | (447,597)           | (450,000)                         | -                    | -                    |
| 9/05/18 358            |          | Mandjar Square Development           | -                              | -                    | -                   | -                                 | -                   | -                                 | -                    | -                    |
| 9/05/18 359            |          | New Road Construction                | 259,934                        | 200,000              | -                   | -                                 | (31,406)            | -                                 | 228,528              | 200,000              |
| 9/05/18 360            |          | Lakelands DOS                        | 2,800,000                      | 2,760,000            | -                   | -                                 | (2,000,000)         | (2,760,000)                       | 800,000              | -                    |
| 9/05/18 361            |          | Smokebush Retreat                    | 100,000                        | 100,000              | -                   | -                                 | (100,000)           | (100,000)                         | -                    | -                    |
| 21/06/19 39            |          | Falcon Seawall                       | -                              | -                    | 500,000             | 500,000                           | (500,000)           | (500,000)                         | -                    | -                    |
| 21/06/19 40            |          | Mandurah Foreshore Boardwalk Stage 3 | -                              | -                    | 500,000             | 500,000                           | (356,074)           | (500,000)                         | 143,926              | -                    |
| 21/06/19 41            |          | Civic Building                       | -                              | -                    | 500,000             | 500,000                           | (325,064)           | (500,000)                         | 174,936              | -                    |
| 21/06/19 42            |          | Mandjar Square Stage 3 & 4           | -                              | -                    | 1,000,000           | 1,000,000                         | (1,000,000)         | (1,000,000)                       | -                    | -                    |
| 21/06/19 43            |          | Novara Foreshore Stage 3             | -                              | -                    | 200,000             | 200,000                           | (200,000)           | (200,000)                         | -                    | -                    |
| 21/06/19 44            |          | Coodanup Drive                       | -                              | -                    | 100,000             | 100,000                           | (100,000)           | (100,000)                         | -                    | -                    |
| - N/A                  |          | Shark Mitigation Project             | -                              | -                    | -                   | 400,000                           | -                   | (400,000)                         | -                    | -                    |
| 21/06/19 45            |          | Pinjarra Road Carpark                | -                              | -                    | 200,000             | 200,000                           | (16,892)            | (200,000)                         | 183,108              | -                    |
| 21/06/19 46            |          | New Road Construction                | -                              | -                    | 1,650,000           | 1,550,000                         | (1,507,790)         | (1,550,000)                       | 142,210              | -                    |
| <b>Totals</b>          |          |                                      | <b>4,835,630</b>               | <b>5,037,535</b>     | <b>4,650,000</b>    | <b>4,950,000</b>                  | <b>(7,419,791)</b>  | <b>(9,558,435)</b>                | <b>2,065,839</b>     | <b>429,100</b>       |



**CITY OF MANDURAH**  
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**FOR THE YEAR ENDED 30 JUNE 2019**

**25. Borrowings (continued)**

(b) Loan liability summary for the year ended 30 June 2019

|                             | Principal Liability       |                                         | New Loans Taken Out     |                                       | Refinance Cost 18/19    |                                       | Interest Paid in Year   |                                       | Principal Paid in Year  |                                       | Principal Liability        |                                          |
|-----------------------------|---------------------------|-----------------------------------------|-------------------------|---------------------------------------|-------------------------|---------------------------------------|-------------------------|---------------------------------------|-------------------------|---------------------------------------|----------------------------|------------------------------------------|
|                             | Actual<br>1/07/2018<br>\$ | Un-audited<br>Budget<br>1/07/2018<br>\$ | Actual<br>2018/19<br>\$ | Un-audited<br>Budget<br>2018/19<br>\$ | Actual<br>2018/19<br>\$ | Un-audited<br>Budget<br>2018/19<br>\$ | Actual<br>2018/19<br>\$ | Un-audited<br>Budget<br>2018/19<br>\$ | Actual<br>2018/19<br>\$ | Un-audited<br>Budget<br>2018/19<br>\$ | Actual<br>30/06/2019<br>\$ | Un-audited<br>Budget<br>30/06/2019<br>\$ |
| Law, Order, Public Safety   | 25,319                    | 25,329                                  | -                       | -                                     | 865                     | -                                     | 1,887                   | 1,424                                 | 10,905                  | 12,256                                | 15,279                     | 13,073                                   |
| Education & Welfare         | -                         | -                                       | -                       | -                                     | -                       | -                                     | -                       | -                                     | -                       | -                                     | -                          | -                                        |
| Community Amenities         | 725,162                   | 880,749                                 | -                       | 900,000                               | 18,289                  | -                                     | 39,228                  | 60,279                                | 121,796                 | 247,327                               | 621,655                    | 1,533,422                                |
| Recreation                  | 15,794,862                | 18,080,014                              | 1,700,566               | 1,700,000                             | 355,413                 | -                                     | 791,542                 | 571,967                               | 2,285,370               | 2,535,983                             | 15,565,471                 | 17,244,031                               |
| Transport                   | 9,537,585                 | 10,465,831                              | 2,450,815               | 1,850,000                             | 259,542                 | -                                     | 555,825                 | 370,765                               | 1,600,004               | 1,413,548                             | 10,647,938                 | 10,902,283                               |
| Economic Services           | -                         | -                                       | -                       | -                                     | -                       | -                                     | -                       | -                                     | -                       | -                                     | -                          | -                                        |
| Other Property and Services | 3,122,105                 | 4,065,259                               | 500,167                 | 500,000                               | 111,222                 | -                                     | 200,269                 | 151,936                               | 719,150                 | 842,899                               | 3,014,344                  | 3,722,360                                |
| <b>Total</b>                | <b>29,205,033</b>         | <b>33,517,182</b>                       | <b>4,651,548</b>        | <b>4,950,000</b>                      | <b>745,331</b>          | <b>-</b>                              | <b>1,588,750</b>        | <b>1,156,371</b>                      | <b>4,737,225</b>        | <b>5,052,013</b>                      | <b>29,864,687</b>          | <b>33,415,169</b>                        |

Comparison with detailed loan schedule may reveal rounding differences.

| Principal    | Actual<br>30/06/19<br>\$'000 | Actual<br>30/06/18<br>\$'000 |
|--------------|------------------------------|------------------------------|
| Current      | 4,961                        | 4,841                        |
| Non-Current  | 24,904                       | 24,364                       |
| <b>Total</b> | <b>29,865</b>                | <b>29,205</b>                |

| Interest                                        | Actual<br>30/06/19<br>\$'000 | Actual<br>30/06/18<br>\$'000 |
|-------------------------------------------------|------------------------------|------------------------------|
| Interest and Guarantee Fee paid during the year | 1,791                        | 1,257                        |
| Interest accrued at reporting date              | 0                            | 81                           |
| Reversal of interest accrued in prior period    | (81)                         | (72)                         |
| <b>Interest expense</b>                         | <b>1,710</b>                 | <b>1,266</b>                 |

## CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

## 25. Borrowings (continued)

| Particulars                             | Term (years) | New loans taken up 2019/20 | Total up to 30/06/18 | Refinance of Loans Opening Balance (i) | Rate of interest | Lender  | Month & year of maturity | Principal liability 1/07/2018 | Refinance Cost 18/19 | Interest paid in year | Principal paid in year | Refinance of Loans Closing Balance (i) | Principal liability 30/06/2019 | Principal Reimbursed |
|-----------------------------------------|--------------|----------------------------|----------------------|----------------------------------------|------------------|---------|--------------------------|-------------------------------|----------------------|-----------------------|------------------------|----------------------------------------|--------------------------------|----------------------|
| <b>Law Order, Public Safety</b>         |              |                            |                      |                                        |                  |         |                          |                               |                      |                       |                        |                                        |                                |                      |
| 316(v) Surf Life Saving Club            | 10           | -                          | 100,000              | -                                      | 6.39             | WATC    | FEB. 2019                | 25,319                        | -                    | 1,059                 | 3,187                  | (22,132)                               | -                              | -                    |
| 316(v) Surf Life Saving Club            | 10           | -                          | <b>100,000</b>       | <b>22,132</b>                          | <b>3.91</b>      | Westpac | JUN. 2020                | <b>25,319</b>                 | <b>865</b>           | <b>1,887</b>          | <b>10,905</b>          | <b>(22,132)</b>                        | <b>15,279</b>                  | -                    |
| <b>Community Amenities</b>              |              |                            |                      |                                        |                  |         |                          |                               |                      |                       |                        |                                        |                                |                      |
| 336 Waste Trailers & Dolly              | 10           | -                          | 495,000              | -                                      | 4.02             | WATC    | FEB. 2019                | 320,255                       | -                    | 8,237                 | 8,915                  | (311,340)                              | -                              | -                    |
| 336 Waste Trailers & Dolly              | 10           | -                          | -                    | 311,340                                | 4.11             | Westpac | JUN. 2024                | -                             | 14,950               | 18,212                | 31,171                 | (215,863)                              | 295,119                        | -                    |
| 349 Waste Water Reuse                   | 5            | -                          | 300,000              | -                                      | 2.50             | WATC    | FEB. 2019                | 242,944                       | -                    | 4,110                 | 27,061                 | (215,863)                              | -                              | -                    |
| 349 Waste Water Reuse                   | 5            | -                          | -                    | 215,863                                | 4.11             | Westpac | MAY. 2022                | -                             | 2,003                | 3,597                 | 21,985                 | (143,922)                              | 195,921                        | -                    |
| 350 Halls Head Abutment Block           | 5            | -                          | 200,000              | -                                      | 2.50             | WATC    | FEB. 2019                | 161,963                       | -                    | 2,101                 | 1,543                  | (161,963)                              | -                              | -                    |
| 350 Halls Head Abutment Block           | 5            | -                          | -                    | 143,922                                | 4.11             | Westpac | MAY. 2022                | -                             | 1,326                | 1,772                 | 1,543                  | (143,922)                              | 130,615                        | -                    |
|                                         |              | -                          | <b>995,000</b>       | <b>671,145</b>                         |                  |         |                          | <b>725,162</b>                | <b>18,286</b>        | <b>39,228</b>         | <b>121,796</b>         | <b>(671,145)</b>                       | <b>621,655</b>                 | -                    |
| <b>Recreation</b>                       |              |                            |                      |                                        |                  |         |                          |                               |                      |                       |                        |                                        |                                |                      |
| 316(iii) Alnut Reserve Bowling Facility | 10           | -                          | 468,000              | -                                      | 6.39             | WATC    | FEB. 2019                | 118,493                       | -                    | 4,614                 | 24,431                 | (94,062)                               | -                              | -                    |
| 316(iii) Alnut Reserve Bowling Facility | 10           | -                          | -                    | 94,062                                 | 3.91             | Westpac | JUN. 2020                | -                             | 4,047                | 4,219                 | 26,605                 | (38,731)                               | 71,504                         | -                    |
| 316(vii) Town Beach Ablutions           | 10           | -                          | 200,000              | -                                      | 6.39             | WATC    | FEB. 2019                | 50,639                        | -                    | 1,900                 | 11,908                 | (38,731)                               | -                              | -                    |
| 316(vii) Town Beach Ablutions           | 10           | -                          | -                    | 38,731                                 | 3.91             | Westpac | JUN. 2020                | -                             | 1,729                | 1,875                 | 9,903                  | (628,959)                              | 30,557                         | -                    |
| 318(iii) Rushton Park Redevelopment     | 10           | -                          | 2,000,000            | -                                      | 5.54             | WATC    | FEB. 2019                | 718,308                       | -                    | 23,192                | 89,349                 | (628,959)                              | -                              | -                    |
| 318(iii) Rushton Park Redevelopment     | 10           | -                          | -                    | 628,959                                | 4.04             | Westpac | FEB. 2021                | -                             | 30,228               | 33,413                | 109,812                | (509,157)                              | 549,375                        | -                    |
| 318(iii) Meadow Springs Pavilion        | 10           | -                          | 1,500,000            | -                                      | 5.54             | WATC    | FEB. 2019                | 538,732                       | -                    | 18,775                | 29,575                 | (509,157)                              | -                              | -                    |
| 318(iii) Meadow Springs Pavilion        | 10           | -                          | -                    | 509,157                                | 4.04             | Westpac | JUN. 2021                | -                             | 24,470               | 27,049                | 121,595                | (95,566)                               | 412,032                        | -                    |
| 320 Mandurah Rugby Club                 | 10           | -                          | 300,000              | -                                      | 5.54             | WATC    | FEB. 2019                | 107,747                       | -                    | 5,515                 | 17,361                 | (95,566)                               | -                              | -                    |
| 320 Mandurah Rugby Club                 | 10           | -                          | -                    | 95,566                                 | 4.04             | Westpac | JUN. 2021                | -                             | 4,594                | 5,515                 | 17,361                 | (31,862)                               | 82,842                         | -                    |
| 321 Mandurah Cricket Club               | 10           | -                          | 100,000              | -                                      | 5.54             | WATC    | FEB. 2019                | 35,916                        | -                    | 1,175                 | 4,064                  | (31,862)                               | -                              | -                    |
| 321 Mandurah Cricket Club               | 10           | -                          | -                    | 31,862                                 | 4.04             | Westpac | JUN. 2021                | -                             | 1,531                | 1,838                 | 5,782                  | (266,223)                              | 27,611                         | -                    |
| 324 Mandurah Football & Sporting        | 10           | -                          | 650,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 291,435                       | -                    | 6,850                 | 25,212                 | (266,223)                              | -                              | -                    |
| 324 Mandurah Football & Sporting        | 10           | -                          | -                    | 266,223                                | 4.11             | Westpac | JUN. 2022                | -                             | 8,724                | 11,807                | 32,651                 | (20,478)                               | 242,296                        | -                    |
| 325 Mandurah Rugby Club                 | 10           | -                          | 50,000               | -                                      | 4.01             | WATC    | FEB. 2019                | 22,418                        | -                    | 527                   | 1,939                  | (20,478)                               | -                              | -                    |
| 325 Mandurah Rugby Club                 | 10           | -                          | -                    | 20,478                                 | 4.11             | Westpac | JUN. 2022                | -                             | 671                  | 908                   | 2,513                  | (1,814,208)                            | 18,637                         | -                    |
| 326 Alnut Reserve Bowling Facility      | 10           | -                          | 4,430,000            | -                                      | 4.01             | WATC    | FEB. 2019                | 1,986,247                     | -                    | 46,294                | 172,039                | (1,814,208)                            | -                              | -                    |
| 326 Alnut Reserve Bowling Facility      | 10           | -                          | -                    | 1,814,208                              | 4.11             | Westpac | JUN. 2022                | -                             | 59,256               | 71,152                | 232,254                | (143,542)                              | 1,641,210                      | -                    |
| 328(i) Ablutions - Netball Centre       | 10           | -                          | 350,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 156,928                       | -                    | 3,637                 | 13,386                 | (143,542)                              | -                              | -                    |
| 328(i) Ablutions - Netball Centre       | 10           | -                          | -                    | 143,542                                | 4.11             | Westpac | JUN. 2022                | -                             | 4,632                | 6,272                 | 17,705                 | (141,747)                              | 130,469                        | -                    |
| 328(v) Parks Construction               | 10           | -                          | 346,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 155,133                       | -                    | 3,637                 | 13,386                 | (141,747)                              | -                              | -                    |
| 328(v) Parks Construction               | 10           | -                          | -                    | 141,747                                | 4.11             | Westpac | JUN. 2022                | -                             | 4,632                | 6,272                 | 17,403                 | (353,115)                              | 128,976                        | -                    |
| 331 Halls Head Bowling Club Upgrade     | 15           | -                          | 450,000              | -                                      | 4.71             | WATC    | FEB. 2019                | 333,267                       | -                    | 16,359                | 5,722                  | (353,115)                              | -                              | -                    |
| 331 Halls Head Bowling Club Upgrade     | 15           | -                          | -                    | 353,115                                | 4.11             | Westpac | APR. 2028                | -                             | 33,066               | 28,663                | 16,628                 | (102,485)                              | 344,004                        | -                    |
| 333(i) Parks - Falcon Bay Reserve       | 10           | -                          | 200,000              | -                                      | 4.00             | WATC    | FEB. 2019                | 109,869                       | -                    | 2,744                 | 7,383                  | (102,485)                              | -                              | -                    |
| 333(i) Parks - Falcon Bay Reserve       | 10           | -                          | -                    | 102,485                                | 4.11             | Westpac | APR. 2028                | -                             | 4,349                | 5,258                 | 9,740                  | -                                      | 97,095                         | -                    |

## CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

## 25. Borrowings (continued)

## (c) Loan Liability Statement for the year ended 30 June 2019 (continued)

| Particulars                             | Term (years) | New loans taken up 2018/19 | Total up to 30/06/18 | Refinance of Loans Opening Balance (i) | Rate of interest | Lender  | Month & year of maturity | Principal liability 10/7/2018 | Refinance Cost 18/19 | Interest paid in year | Principal paid in year | Refinance of Loans Closing Balance | Principal liability 30/06/2019 | Principal Reimbursed |
|-----------------------------------------|--------------|----------------------------|----------------------|----------------------------------------|------------------|---------|--------------------------|-------------------------------|----------------------|-----------------------|------------------------|------------------------------------|--------------------------------|----------------------|
| <b>Recreation continued</b>             |              |                            |                      |                                        |                  |         |                          |                               |                      |                       |                        |                                    |                                |                      |
| 338 Aquatic & recreation Centre         | 10           | -                          | 1,400,000            | -                                      | 2.79             | WATC    | FEB. 2019                | 1,019,924                     | -                    | 22,048                | 49,904                 | (970,020)                          | -                              | -                    |
| 339 Aquatic & recreation Centre         | 10           | -                          | -                    | 970,020                                | 4.11             | Westpac | APR. 2025                | -                             | 16,571               | 16,750                | 63,988                 | -                                  | 922,603                        | -                    |
| 340 Aquatic & recreation Centre Stage 1 | 10           | -                          | 775,000              | -                                      | 2.05             | WATC    | FEB. 2019                | 635,878                       | -                    | 10,959                | 31,989                 | (603,989)                          | -                              | -                    |
| 341 Aquatic & recreation Centre Stage 2 | 10           | -                          | 2,000,000            | -                                      | 4.11             | Westpac | JUN. 2026                | 1,640,976                     | 4,052                | 12,764                | 25,159                 | -                                  | 582,882                        | -                    |
| 342 Aquatic & recreation Centre Stage 2 | 10           | -                          | -                    | 603,989                                | 2.05             | Westpac | FEB. 2019                | -                             | -                    | 21,800                | 72,283                 | (1,558,605)                        | -                              | -                    |
| 343 Aquatic & recreation Centre Stage 2 | 10           | -                          | -                    | 1,558,603                              | 2.05             | WATC    | FEB. 2019                | -                             | 10,466               | 18,312                | 53,985                 | (1,009,247)                        | 1,494,077                      | -                    |
| 344 Eastern Foreshore Wall              | 10           | -                          | 1,295,000            | -                                      | 2.65             | WATC    | FEB. 2019                | 1,062,532                     | -                    | 6,770                 | 20,523                 | (1,870,987)                        | -                              | -                    |
| 345 Eastern Foreshore Wall              | 10           | -                          | -                    | 1,009,247                              | 4.11             | Westpac | JUN. 2026                | -                             | -                    | 38,224                | 234,526                | -                                  | 973,173                        | -                    |
| 346 Eastern Foreshore Wall              | 10           | -                          | 2,600,000            | -                                      | 2.50             | WATC    | FEB. 2019                | 2,105,513                     | -                    | 15,348                | 45,101                 | (359,805)                          | -                              | -                    |
| 347 Eastern Foreshore Wall              | 10           | -                          | -                    | 1,870,987                              | 4.11             | Westpac | MAY 2022                 | -                             | 17,364               | 7,351                 | 36,243                 | -                                  | 326,901                        | -                    |
| 348 Eastern Foreshore Wall              | 10           | -                          | 500,000              | -                                      | 2.50             | WATC    | FEB. 2019                | 404,906                       | -                    | 5,430                 | 16,243                 | (196,820)                          | -                              | -                    |
| 349 Eastern Foreshore Wall              | 10           | -                          | 200,000              | -                                      | 3.18             | WATC    | FEB. 2019                | 200,000                       | -                    | 4,677                 | 3,180                  | (393,639)                          | -                              | -                    |
| 350 Eastern Foreshore Wall              | 10           | -                          | 400,000              | -                                      | 3.18             | WATC    | FEB. 2019                | 400,000                       | -                    | 9,353                 | 6,351                  | (393,639)                          | -                              | -                    |
| 351 Eastern Foreshore Wall              | 10           | -                          | 400,000              | -                                      | 3.18             | WATC    | FEB. 2019                | 400,000                       | -                    | 9,353                 | 6,351                  | (393,639)                          | -                              | -                    |
| 352 Eastern Foreshore Wall              | 10           | -                          | 400,000              | -                                      | 3.18             | WATC    | FEB. 2019                | 400,000                       | -                    | 10,785                | 20,815                 | (492,049)                          | -                              | -                    |
| 353 Eastern Foreshore Wall              | 10           | -                          | 500,000              | -                                      | 3.18             | WATC    | FEB. 2019                | 500,000                       | -                    | 11,692                | 7,951                  | (492,049)                          | -                              | -                    |
| 354 Eastern Foreshore Wall              | 10           | -                          | 2,800,000            | -                                      | 4.11             | Westpac | FEB. 2022                | 2,800,000                     | -                    | 6,720                 | 45,926                 | (2,755,475)                        | -                              | -                    |
| 355 Eastern Foreshore Wall              | 10           | -                          | -                    | 2,755,475                              | 4.11             | Westpac | MAY 2028                 | -                             | 75,494               | 80,167                | 165,968                | -                                  | 2,665,001                      | -                    |
| 356 Eastern Foreshore Wall              | 10           | -                          | -                    | -                                      | 3.09             | Westpac | FEB. 2022                | -                             | -                    | 332                   | -                      | -                                  | 1,000,332                      | -                    |
| 357 Eastern Foreshore Wall              | 10           | -                          | -                    | -                                      | 3.09             | Westpac | FEB. 2022                | -                             | -                    | 67                    | -                      | -                                  | 200,067                        | -                    |
| 358 Eastern Foreshore Wall              | 10           | -                          | 23,914,000           | -                                      | 6.39             | WATC    | FEB. 2019                | 379,281                       | -                    | 14,656                | 80,486                 | (298,785)                          | -                              | -                    |
| 359 Eastern Foreshore Wall              | 10           | -                          | -                    | 298,785                                | 3.91             | Westpac | JUN. 2020                | -                             | 12,953               | 13,618                | 82,864                 | -                                  | 228,874                        | -                    |
| 360 Eastern Foreshore Wall              | 10           | -                          | 110,000              | -                                      | 6.39             | WATC    | FEB. 2019                | 27,853                        | -                    | 1,086                 | 5,721                  | (22,132)                           | -                              | -                    |
| 361 Eastern Foreshore Wall              | 10           | -                          | 5,000,000            | -                                      | 3.91             | Westpac | JUN. 2020                | 1,795,773                     | 951                  | 58,533                | 208,400                | (1,587,373)                        | 16,807                         | -                    |
| 362 Eastern Foreshore Wall              | 10           | -                          | -                    | 1,587,373                              | 5.54             | WATC    | FEB. 2019                | -                             | 76,289               | 84,528                | 29,627                 | (1,373,439)                        | -                              | -                    |
| 363 Eastern Foreshore Wall              | 10           | -                          | 500,000              | -                                      | 5.54             | WATC    | FEB. 2019                | 179,579                       | -                    | 7,197                 | 7,955                  | (149,752)                          | 137,345                        | -                    |
| 364 Eastern Foreshore Wall              | 10           | -                          | -                    | 149,752                                | 4.04             | Westpac | JUN. 2021                | -                             | 7,197                | 7,955                 | 19,604                 | -                                  | 137,345                        | -                    |
| 365 Eastern Foreshore Wall              | 10           | -                          | 750,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 336,272                       | -                    | 7,915                 | 29,134                 | (307,140)                          | -                              | -                    |
| 366 Eastern Foreshore Wall              | 10           | -                          | 250,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 112,090                       | -                    | 13,651                | 37,647                 | -                                  | 279,574                        | -                    |
| 367 Eastern Foreshore Wall              | 10           | -                          | 100,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 44,837                        | -                    | 2,567                 | 9,449                  | (102,641)                          | -                              | -                    |
| 368 Eastern Foreshore Wall              | 10           | -                          | 57,000               | -                                      | 4.01             | WATC    | FEB. 2019                | 25,556                        | -                    | 4,428                 | 12,720                 | (40,900)                           | -                              | -                    |
| 369 Eastern Foreshore Wall              | 10           | -                          | 75,000               | -                                      | 4.01             | WATC    | FEB. 2019                | 33,627                        | -                    | 1,845                 | 4,985                  | (40,900)                           | -                              | -                    |
| 370 Eastern Foreshore Wall              | 10           | -                          | -                    | 23,194                                 | 4.11             | WATC    | FEB. 2019                | -                             | 817                  | 1,070                 | 3,537                  | (23,194)                           | -                              | -                    |
| 371 Eastern Foreshore Wall              | 10           | -                          | -                    | 30,477                                 | 4.01             | WATC    | FEB. 2019                | -                             | 1,090                | 1,476                 | 3,150                  | (30,477)                           | -                              | -                    |
| 372 Eastern Foreshore Wall              | 10           | -                          | 895,000              | -                                      | 4.00             | Westpac | FEB. 2019                | 490,566                       | -                    | 12,902                | 33,009                 | (466,880)                          | -                              | -                    |
| 373 Eastern Foreshore Wall              | 10           | -                          | -                    | 466,880                                | 4.11             | Westpac | JUN. 2022                | -                             | 19,418               | 23,225                | 52,768                 | -                                  | 433,530                        | -                    |
| <b>Transport</b>                        |              |                            |                      |                                        |                  |         |                          |                               |                      |                       |                        |                                    |                                |                      |
| 316(i) Road Construction                | 10           | -                          | 1,498,000            | -                                      | 6.39             | WATC    | FEB. 2019                | 379,281                       | -                    | 14,656                | 80,486                 | (298,785)                          | -                              | -                    |
| 316(ii) Road Construction               | 10           | -                          | -                    | 298,785                                | 3.91             | Westpac | JUN. 2020                | -                             | 12,953               | 13,618                | 82,864                 | -                                  | 228,874                        | -                    |
| 316(iii) Road Construction              | 10           | -                          | 110,000              | -                                      | 6.39             | WATC    | FEB. 2019                | 27,853                        | -                    | 1,086                 | 5,721                  | (22,132)                           | -                              | -                    |
| 316(iv) Road Construction               | 10           | -                          | 5,000,000            | -                                      | 3.91             | Westpac | JUN. 2020                | 1,795,773                     | 951                  | 58,533                | 208,400                | (1,587,373)                        | 16,807                         | -                    |
| 316(v) Road Construction                | 10           | -                          | -                    | 1,587,373                              | 5.54             | WATC    | FEB. 2019                | -                             | 76,289               | 84,528                | 29,627                 | (1,373,439)                        | -                              | -                    |
| 316(vi) Road Construction               | 10           | -                          | 500,000              | -                                      | 5.54             | WATC    | FEB. 2019                | 179,579                       | -                    | 7,197                 | 7,955                  | (149,752)                          | 137,345                        | -                    |
| 316(vii) Road Construction              | 10           | -                          | -                    | 149,752                                | 4.04             | Westpac | JUN. 2021                | -                             | 7,197                | 7,955                 | 19,604                 | -                                  | 137,345                        | -                    |
| 316(viii) Road Construction             | 10           | -                          | 750,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 336,272                       | -                    | 7,915                 | 29,134                 | (307,140)                          | -                              | -                    |
| 316(ix) Road Construction               | 10           | -                          | 250,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 112,090                       | -                    | 13,651                | 37,647                 | -                                  | 279,574                        | -                    |
| 316(x) Road Construction                | 10           | -                          | 100,000              | -                                      | 4.01             | WATC    | FEB. 2019                | 44,837                        | -                    | 2,567                 | 9,449                  | (102,641)                          | -                              | -                    |
| 316(xi) Road Construction               | 10           | -                          | 57,000               | -                                      | 4.01             | WATC    | FEB. 2019                | 25,556                        | -                    | 4,428                 | 12,720                 | (40,900)                           | -                              | -                    |
| 316(xii) Road Construction              | 10           | -                          | 75,000               | -                                      | 4.01             | WATC    | FEB. 2019                | 33,627                        | -                    | 1,845                 | 4,985                  | (40,900)                           | -                              | -                    |
| 316(xiii) Road Construction             | 10           | -                          | -                    | 23,194                                 | 4.11             | WATC    | FEB. 2019                | -                             | 817                  | 1,070                 | 3,537                  | (23,194)                           | -                              | -                    |
| 316(xiv) Road Construction              | 10           | -                          | -                    | 30,477                                 | 4.01             | WATC    | FEB. 2019                | -                             | 1,090                | 1,476                 | 3,150                  | (30,477)                           | -                              | -                    |
| 316(xv) Road Construction               | 10           | -                          | 895,000              | -                                      | 4.00             | Westpac | FEB. 2019                | 490,566                       | -                    | 12,902                | 33,009                 | (466,880)                          | -                              | -                    |
| 316(xvi) Road Construction              | 10           | -                          | -                    | 466,880                                | 4.11             | Westpac | JUN. 2022                | -                             | 19,418               | 23,225                | 52,768                 | -                                  | 433,530                        | -                    |

## CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

## 25. Borrowings (continued)

(c) Loan Liability Statement for the year ended 30 June 2019 (continued)

| Particulars                               | Term (years) | New loans taken up 2018/19 | Total up to 30/06/18 | Refinance of Loans Opening Balance (i) | Rate of Interest | Lender  | Month & year of maturity | Principal liability 1/07/2018 | Refinance Cost 18/19 | Interest paid in year | Principal paid in year | Refinance of Loans Closing Balance | Principal liability 30/06/2019 | Principal Reimbursed |
|-------------------------------------------|--------------|----------------------------|----------------------|----------------------------------------|------------------|---------|--------------------------|-------------------------------|----------------------|-----------------------|------------------------|------------------------------------|--------------------------------|----------------------|
| <b>Transport continued</b>                |              |                            |                      |                                        |                  |         |                          |                               |                      |                       |                        |                                    |                                |                      |
| 335 New Pedestrian Bridge Construction    | 10           | -                          | 1,000,000            | -                                      | 4.02             | WATC    | FEB. 2019                | 646,980                       | -                    | 16,641                | 18,010                 | (628,970)                          | -                              | -                    |
| 336 New Pedestrian Bridge Construction    | 10           | -                          | 1,000,000            | 628,970                                | 2.75             | Westpac | FEB. 2019                | -                             | 30,201               | 35,722                | 35,722                 | 628,970                            | 596,197                        | -                    |
| 337 New Road Construction                 | 10           | -                          | 1,000,000            | -                                      | 2.75             | WATC    | FEB. 2019                | 728,517                       | -                    | 17,745                | 32,845                 | (692,872)                          | -                              | -                    |
| 339 New Road Construction                 | 10           | -                          | 1,000,000            | 692,872                                | 4.11             | Westpac | APR. 2025                | -                             | 11,836               | 14,704                | 42,853                 | (779,341)                          | 661,855                        | -                    |
| 342 New Road Construction                 | 10           | -                          | 1,000,000            | -                                      | 2.65             | WATC    | FEB. 2019                | 820,488                       | -                    | 14,140                | 41,147                 | (779,341)                          | -                              | -                    |
| 343 WMC Tims Thicket                      | 10           | -                          | 150,000              | 779,341                                | 4.11             | Westpac | JUN. 2026                | -                             | 5,228                | 16,471                | 32,461                 | (116,901)                          | 752,108                        | -                    |
| 343 WMC Tims Thicket                      | 10           | -                          | 150,000              | -                                      | 2.65             | WATC    | FEB. 2019                | 123,073                       | -                    | 2,121                 | 6,172                  | (116,901)                          | -                              | -                    |
| 346 Road Construction                     | 5            | -                          | 790,000              | 116,901                                | 4.11             | Westpac | JUN. 2026                | -                             | 784                  | 2,471                 | 4,872                  | (968,492)                          | 112,813                        | -                    |
| 346 Road Construction                     | 5            | -                          | 790,000              | -                                      | 2.50             | WATC    | FEB. 2019                | 639,752                       | -                    | 11,614                | 71,260                 | (968,492)                          | -                              | -                    |
| 347 MARC Carpark                          | 5            | -                          | 600,000              | 568,492                                | 4.11             | Westpac | MAY. 2022                | -                             | 5,276                | 8,576                 | 54,122                 | (431,766)                          | 515,930                        | -                    |
| 347 MARC Carpark                          | 5            | -                          | 600,000              | -                                      | 2.50             | WATC    | FEB. 2019                | 485,888                       | -                    | 8,821                 | 54,122                 | (431,766)                          | -                              | -                    |
| 348 MPAC Forecourt                        | 5            | -                          | 250,000              | 431,766                                | 4.11             | Westpac | MAY. 2022                | -                             | 4,007                | 3,675                 | 22,590                 | (179,903)                          | 391,846                        | -                    |
| 348 MPAC Forecourt                        | 5            | -                          | 250,000              | -                                      | 2.50             | WATC    | FEB. 2019                | 202,453                       | -                    | 1,670                 | 18,303                 | (179,903)                          | -                              | -                    |
| 352 Mandurah Marina                       | 10           | -                          | 200,000              | 179,903                                | 4.11             | Westpac | MAY. 2022                | -                             | 1,670                | 2,714                 | 18,303                 | (196,820)                          | 163,270                        | -                    |
| 352 Mandurah Marina                       | 10           | -                          | 200,000              | -                                      | 3.18             | WATC    | MAY. 2028                | 200,000                       | -                    | 5,382                 | 14,709                 | (196,820)                          | -                              | -                    |
| 354 MARC Carpark                          | 10           | -                          | 300,000              | 196,820                                | 4.11             | Westpac | MAY. 2028                | -                             | 5,382                | 7,015                 | 4,771                  | (295,229)                          | 191,804                        | -                    |
| 354 MARC Carpark                          | 10           | -                          | 300,000              | -                                      | 3.18             | WATC    | FEB. 2019                | 300,000                       | -                    | 10,775                | 15,609                 | (442,844)                          | 287,709                        | -                    |
| 357 Mandurah Foreshore Boardwalk Renewal  | 10           | -                          | 450,000              | 295,229                                | 4.11             | WATC    | FEB. 2019                | 450,000                       | -                    | 10,522                | 7,156                  | (442,844)                          | -                              | -                    |
| 357 Mandurah Foreshore Boardwalk Renewal  | 10           | -                          | 450,000              | -                                      | 3.18             | Westpac | MAY. 2028                | -                             | 12,133               | 16,163                | 23,414                 | (98,410)                           | 431,563                        | -                    |
| 361 Smokeshed Retreat                     | 10           | -                          | 100,000              | 442,844                                | 4.11             | WATC    | FEB. 2019                | 100,000                       | -                    | 2,338                 | 1,590                  | (98,410)                           | -                              | -                    |
| 361 Smokeshed Retreat                     | 10           | -                          | 100,000              | -                                      | 3.18             | Westpac | MAY. 2028                | -                             | 2,696                | 3,592                 | 5,206                  | (1,392,499)                        | 95,900                         | -                    |
| 359 New Road Construction                 | 10           | -                          | 1,415,000            | 98,410                                 | 4.11             | WATC    | FEB. 2019                | 1,415,000                     | -                    | 33,087                | 22,501                 | (1,392,499)                        | -                              | -                    |
| 42 New Boardwalks 191/19                  | 10           | -                          | -                    | 1,392,499                              | 4.11             | Westpac | MAY. 2028                | -                             | 38,151               | 167                   | 83,764                 | -                                  | 1,346,886                      | -                    |
| 46 Coodanup Drive - Road Rehabilitation   | 10           | 500,167                    | -                    | -                                      | 3.09             | Westpac | FEB. 2022                | -                             | -                    | 34                    | -                      | -                                  | 500,167                        | -                    |
| 46 Coodanup Drive - Road Rehabilitation   | 10           | 100,034                    | -                    | -                                      | 3.09             | Westpac | FEB. 2022                | -                             | -                    | 67                    | -                      | -                                  | 100,034                        | -                    |
| 46 Coodanup Drive - Road Rehabilitation   | 10           | 200,067                    | -                    | -                                      | 3.09             | Westpac | FEB. 2022                | -                             | -                    | 134                   | -                      | -                                  | 200,067                        | -                    |
| 39 New Road Construction 181/19           | 10           | 1,459,815                  | -                    | -                                      | 3.09             | Westpac | FEB. 2022                | -                             | -                    | 52                    | -                      | -                                  | 1,459,815                      | -                    |
|                                           |              | 2,459,815                  | 16,488,000           | 8,853,321                              |                  |         |                          | 9,537,585                     | 258,892              | 555,824               | 1,599,354              | (8,853,321)                        | 10,647,938                     | -                    |
| <b>Other Property and Services</b>        |              |                            |                      |                                        |                  |         |                          |                               |                      |                       |                        |                                    |                                |                      |
| 272 Office Building                       | 20           | -                          | 2,500,000            | -                                      | 6.20             | WATC    | FEB. 2019                | 597,220                       | -                    | 29,529                | 58,563                 | (538,657)                          | -                              | -                    |
| 316(i) Office Building                    | 20           | -                          | 100,000              | 538,657                                | 4.01             | Westpac | APR. 2021                | -                             | 33,418               | 21,283                | 111,252                | (22,132)                           | 460,823                        | -                    |
| 316(i) Information Systems                | 10           | -                          | 100,000              | -                                      | 6.20             | WATC    | FEB. 2019                | 25,319                        | -                    | 1,086                 | 3,187                  | (22,132)                           | -                              | -                    |
| 316(vi) IT Server Room Upgrade            | 10           | -                          | 270,000              | 22,132                                 | 3.91             | Westpac | JUN. 2020                | 68,361                        | 864                  | 801                   | 7,718                  | (65,330)                           | 15,278                         | -                    |
| 316(vi) IT Server Room Upgrade            | 10           | -                          | 400,000              | 55,330                                 | 3.91             | Westpac | FEB. 2019                | 143,660                       | 2,335                | 2,382                 | 16,413                 | (119,802)                          | 41,252                         | -                    |
| 318(i) IT Communications Equipment        | 10           | -                          | 102,000              | 119,802                                | 4.04             | Westpac | JUN. 2021                | 45,732                        | 5,757                | 6,365                 | 15,685                 | (41,795)                           | 109,874                        | -                    |
| 323(vii) IT Equipment                     | 10           | -                          | 102,000              | -                                      | 4.01             | WATC    | FEB. 2019                | -                             | 1,363                | 1,070                 | 3,154                  | (41,795)                           | -                              | -                    |
| 323(vii) IT Equipment                     | 10           | -                          | 5,000,000            | 2,047,868                              | 4.01             | WATC    | FEB. 2019                | 2,411,813                     | -                    | 52,692                | 193,945                | (2,047,868)                        | 38,021                         | -                    |
| 380 Land Purchase                         | 10           | -                          | -                    | 2,047,868                              | 4.11             | WATC    | JUN. 2022                | -                             | 67,111               | 75,038                | 266,050                | (2,047,868)                        | 1,848,929                      | -                    |
| 43 Civic Building - Tuckey Room Extension | 10           | 500,167                    | -                    | -                                      | 3.09             | Westpac | FEB. 2022                | -                             | -                    | 167                   | -                      | -                                  | 500,167                        | -                    |
|                                           |              | 500,167                    | 8,372,000            | 2,825,584                              |                  |         |                          | 3,322,105                     | 110,848              | 200,269               | 718,775                | (2,825,584)                        | 3,014,344                      | -                    |
| Total all loans                           |              | 4,651,548                  | 49,969,000           | 27,216,692                             |                  |         |                          | 29,295,032                    | 745,332              | 1,988,750             | 4,737,226              | (27,216,692)                       | 29,864,687                     | -                    |

(i) During the year, the City refinanced its borrowings previously held with Western Australian Treasury Corporation to Westpac Bank.



CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

26. Reserves - asset revaluations

|                                   | Opening<br>balance<br>1 July 2018<br>\$'000 | Increase<br>during year<br>\$'000 | Decrease<br>during year<br>\$'000 | Closing<br>balance<br>30 June 2019<br>\$'000 |
|-----------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|----------------------------------------------|
| Land                              | 74,246                                      | 289                               |                                   | 74,535                                       |
| Buildings                         | 68,849                                      | 163                               |                                   | 69,012                                       |
| Furniture and fittings            | 364                                         | 489                               |                                   | 853                                          |
| Plant and machinery               | 73                                          | 115                               |                                   | 188                                          |
| Bridges                           | 16,837                                      | -                                 |                                   | 16,837                                       |
| Parks                             | 212,239                                     |                                   |                                   | 192,735                                      |
| Drainage                          | 89,115                                      | 8,041                             | (19,504)                          | 97,156                                       |
| Roads, footpaths, kerbs and seals | 210,360                                     | 6,661                             |                                   | 217,021                                      |
| Coastal                           | 35,083                                      | 6,280                             |                                   | 41,363                                       |
| Cultural Centre                   | 17,691                                      | -                                 |                                   | 17,691                                       |
|                                   | <u>724,857</u>                              | <u>22,038</u>                     | <u>(19,504)</u>                   | <u>727,391</u>                               |

## CITY OF MANDURAH

### NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

#### 27. Reserves - cash backed

##### Purpose of cash backed reserves

|                                                                      |                                                                                                                    |
|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| (a) Building                                                         | Future building construction requirements.                                                                         |
| (b) Parking                                                          | Provide additional parking areas.                                                                                  |
| (c) Asset management                                                 | Maintenance and upgrade of current infrastructure.                                                                 |
| (d) Cultural Centre                                                  | Equipment/plant replacement for Mandurah Performing Arts Centre.                                                   |
| (e) Museum                                                           | Operation of museum.                                                                                               |
| (f) Property acquisition                                             | Future property purchases.                                                                                         |
| (g) Sustainability                                                   | Development of Mandurah as a sustainable city.                                                                     |
| (h) Aquatic and recreation centre                                    | Future reconstruction of Mandurah Aquatic & Recreation Centre and additional swimming space.                       |
| (i) Sanitation                                                       | Future waste treatment initiatives.                                                                                |
| (j) Community improvements                                           | Provision of community facilities.                                                                                 |
| (k) Traffic bridge                                                   | Replacement of Mandurah traffic bridge.                                                                            |
| (l) Tims Thicket septage                                             | Future site restoration.                                                                                           |
| (m) Tims Thicket inert                                               | Future site restoration and development.                                                                           |
| (n) Inert landfill                                                   | Future site restoration and development.                                                                           |
| (o) Road network                                                     | Future road improvement schemes                                                                                    |
| (p) Arts & crafts centre                                             | Provision of a new art and craft facility.                                                                         |
| (q) Sand pit restoration                                             | Costs associated with closure of Red Road site.                                                                    |
| (r) Interest free loans                                              | Interest-free loans to sporting & community groups for minor capital projects.                                     |
| (s) CLAG                                                             | Contiguous Local Authority Group for control of mosquitoes.                                                        |
| (t) Emergency relief fund                                            | Capital grants to local emergency service groups. Availability of funds for emergencies/disaster in Mandurah.      |
| (u) Mandurah Ocean Marina                                            | Future maintenance/asset replacement at Mandurah Ocean Marina.                                                     |
| (v) Waterways                                                        | Future maintenance/asset replacement of specific waterways infrastructure.                                         |
| (w) Interest on investments                                          | Allocation for one-off purposes.                                                                                   |
| (x) Port Mandurah canals Stage 2                                     | Future maintenance of canals.                                                                                      |
| (y) Mariners Cove canals maintenance                                 | Future maintenance of canals.                                                                                      |
| (z) Port Bouvard canals maintenance                                  | Future maintenance of canals.                                                                                      |
| (aa) Soccer club rooms refurbishment                                 | Club contributions to maintain presentation and functionality of this facility.                                    |
| (ab) Cash in lieu POS Contributions                                  | Contributions received in accordance with Planning & Development Act.                                              |
| (ac) Unspent grants and contributions                                | Operating and non-operating grants and contributions tied to future expenditure.                                   |
| (ad) Long service leave                                              | To fund long service leave liability of Council staff.                                                             |
| (ae) Carbon offset                                                   | To fund initiatives which provide an offset to the environmental impact of the City's waste management activities. |
| (af) Bushland acquisition                                            | For purchase and protection of bushland within the City.                                                           |
| (ag) Equipment replacement - Port Bouvard Surf Life Saving Clubhouse | To maintain presentation and functionality of the soccer club house.                                               |
| (ah) Coastal Storm Contingency                                       | To fund restoration of storm damaged coastal infrastructure.                                                       |
| (ai) Equipment replacement - Bortolo Pavilion                        | Club contributions to maintain presentation and functionality of this facility.                                    |
| (aj) Equipment replacement - Rushton Park                            | Club contributions to maintain presentation and functionality of this facility.                                    |
| (ak) Equipment replacement - Meadow Springs Pavilion                 | Club contributions to maintain presentation and functionality of this facility.                                    |
| (al) Digital Futures                                                 | To fund rapid response to develop, investigate or commission digital technology initiatives.                       |
| (am) Decked car park                                                 | WA Government contribution to development of decked parking facility in the CBD.                                   |
| <i>Specified Area Rates (SAR):</i>                                   |                                                                                                                    |
| (an) Waterside canals SAR                                            | Maintenance of canals.                                                                                             |
| (ao) Port Mandurah canals SAR                                        | Maintenance of canals.                                                                                             |
| (ap) Mandurah Quay canals SAR                                        | Maintenance of canals.                                                                                             |
| (aq) Mandurah Ocean Marina SAR                                       | Maintenance/asset replacement at Mandurah Ocean Marina.                                                            |
| (ar) Port Bouvard canals SAR                                         | Maintenance of canals.                                                                                             |
| (as) Specified Area Rates - Mariners Cove                            | Maintenance of canals.                                                                                             |
| (at) Specified Area Rates - Eastport                                 | Maintenance of canals.                                                                                             |
| (au) Sports Club Maintenance Levy                                    | Maintenance of sports clubs.                                                                                       |
| (av) Business Activation                                             | Development of Project that facilitate Economic growth                                                             |
| (aw) City Centre Land Acquisition Reserve                            | For future property purchases within the City Centre area.                                                         |

**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

|                                               | <b>2018/19<br/>ACTUAL<br/>\$'000</b> | <b>Un-audited<br/>2018/19<br/>BUDGET<br/>\$'000</b> | <b>2017/18<br/>ACTUAL<br/>\$'000</b> |
|-----------------------------------------------|--------------------------------------|-----------------------------------------------------|--------------------------------------|
| <b>27. Reserves - cash backed (continued)</b> |                                      |                                                     |                                      |
| <b>(a) Building</b>                           |                                      |                                                     |                                      |
| Opening balance                               | 2,288                                | 1,563                                               | 2,481                                |
| Amount set aside / Transfer to Reserve        | 678                                  | 200                                                 | 600                                  |
| Amount used / Transfer from Reserve           | <u>(1,493)</u>                       | <u>(1,340)</u>                                      | <u>(793)</u>                         |
|                                               | <u>1,473</u>                         | <u>423</u>                                          | <u>2,288</u>                         |
| <b>(b) Parking</b>                            |                                      |                                                     |                                      |
| Opening balance                               | 465                                  | 465                                                 | 465                                  |
| Amount set aside / Transfer to Reserve        | -                                    | -                                                   | -                                    |
| Amount used / Transfer from Reserve           | <u>-</u>                             | <u>-</u>                                            | <u>-</u>                             |
|                                               | <u>465</u>                           | <u>465</u>                                          | <u>465</u>                           |
| <b>(c) Asset Management</b>                   |                                      |                                                     |                                      |
| Opening balance                               | 2,300                                | 2,250                                               | 3,627                                |
| Amount set aside / Transfer to Reserve        | -                                    | -                                                   | 600                                  |
| Amount used / Transfer from Reserve           | <u>(1,309)</u>                       | <u>(990)</u>                                        | <u>(1,927)</u>                       |
|                                               | <u>991</u>                           | <u>1,260</u>                                        | <u>2,300</u>                         |
| <b>(d) Cultural Centre</b>                    |                                      |                                                     |                                      |
| Opening balance                               | 9                                    | -                                                   | 241                                  |
| Amount set aside / Transfer to Reserve        | 250                                  | -                                                   | -                                    |
| Amount used / Transfer from Reserve           | <u>(31)</u>                          | <u>-</u>                                            | <u>(232)</u>                         |
|                                               | <u>228</u>                           | <u>-</u>                                            | <u>9</u>                             |
| <b>(e) Museum</b>                             |                                      |                                                     |                                      |
| Opening balance                               | 160                                  | 160                                                 | 160                                  |
| Amount set aside / Transfer to Reserve        | -                                    | -                                                   | -                                    |
| Amount used / Transfer from Reserve           | <u>-</u>                             | <u>(160)</u>                                        | <u>-</u>                             |
|                                               | <u>160</u>                           | <u>-</u>                                            | <u>160</u>                           |
| <b>(f) Property Acquisition</b>               |                                      |                                                     |                                      |
| Opening balance                               | 6,501                                | 5,358                                               | 5,257                                |
| Amount set aside / Transfer to Reserve        | 827                                  | 200                                                 | 1,422                                |
| Amount used / Transfer from Reserve           | <u>(3,238)</u>                       | <u>(3,090)</u>                                      | <u>(178)</u>                         |
|                                               | <u>4,090</u>                         | <u>2,468</u>                                        | <u>6,501</u>                         |
| <b>(g) Sustainability</b>                     |                                      |                                                     |                                      |
| Opening balance                               | 1,010                                | 710                                                 | 710                                  |
| Amount set aside / Transfer to Reserve        | -                                    | 200                                                 | 300                                  |
| Amount used / Transfer from Reserve           | <u>(206)</u>                         | <u>(385)</u>                                        | <u>-</u>                             |
|                                               | <u>804</u>                           | <u>525</u>                                          | <u>1,010</u>                         |
| <b>(h) Aquatic and Recreation Centre</b>      |                                      |                                                     |                                      |
| Opening balance                               | -                                    | 8                                                   | 908                                  |
| Amount set aside / Transfer to Reserve        | -                                    | -                                                   | -                                    |
| Amount used / Transfer from Reserve           | <u>-</u>                             | <u>-</u>                                            | <u>(908)</u>                         |
|                                               | <u>-</u>                             | <u>8</u>                                            | <u>-</u>                             |
| <b>(i) Sanitation</b>                         |                                      |                                                     |                                      |
| Opening balance                               | 1,238                                | 919                                                 | 1,119                                |
| Amount set aside / Transfer to Reserve        | 1,098                                | -                                                   | 464                                  |
| Amount used / Transfer from Reserve           | <u>(817)</u>                         | <u>(898)</u>                                        | <u>(345)</u>                         |
|                                               | <u>1,519</u>                         | <u>21</u>                                           | <u>1,238</u>                         |

**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

|                                               | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|-----------------------------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>27. Reserves - cash backed (continued)</b> |                             |                                           |                             |
| <b>(j) Community Improvements</b>             |                             |                                           |                             |
| Opening balance                               | 228                         | 200                                       | 228                         |
| Amount set aside / Transfer to Reserve        | 5                           | -                                         | -                           |
| Amount used / Transfer from Reserve           | (136)                       | (200)                                     | -                           |
|                                               | <u>97</u>                   | <u>-</u>                                  | <u>228</u>                  |
| <b>(k) Traffic Bridge</b>                     |                             |                                           |                             |
| Opening balance                               | 319                         | 500                                       | 319                         |
| Amount set aside / Transfer to Reserve        | 177                         | -                                         | -                           |
| Amount used / Transfer from Reserve           | -                           | (500)                                     | -                           |
|                                               | <u>496</u>                  | <u>-</u>                                  | <u>319</u>                  |
| <b>(l) Tims Thicket Septage</b>               |                             |                                           |                             |
| Opening balance                               | 74                          | 74                                        | 74                          |
| Amount set aside / Transfer to Reserve        | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve           | -                           | -                                         | -                           |
|                                               | <u>74</u>                   | <u>74</u>                                 | <u>74</u>                   |
| <b>(m) Tims Thicket Inert</b>                 |                             |                                           |                             |
| Opening balance                               | 102                         | 102                                       | 102                         |
| Amount set aside / Transfer to Reserve        | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve           | -                           | -                                         | -                           |
|                                               | <u>102</u>                  | <u>102</u>                                | <u>102</u>                  |
| <b>(n) Inert Landfill</b>                     |                             |                                           |                             |
| Opening balance                               | 40                          | 40                                        | 40                          |
| Amount set aside / Transfer to Reserve        | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve           | -                           | -                                         | -                           |
|                                               | <u>40</u>                   | <u>40</u>                                 | <u>40</u>                   |
| <b>(o) Road Network</b>                       |                             |                                           |                             |
| Opening balance                               | -                           | -                                         | -                           |
| Amount set aside / Transfer to Reserve        | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve           | -                           | -                                         | -                           |
|                                               | <u>-</u>                    | <u>-</u>                                  | <u>-</u>                    |
| <b>(p) Arts and Craft Centre</b>              |                             |                                           |                             |
| Opening balance                               | 230                         | 230                                       | 230                         |
| Amount set aside / Transfer to Reserve        | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve           | -                           | -                                         | -                           |
|                                               | <u>230</u>                  | <u>230</u>                                | <u>230</u>                  |
| <b>(q) Sand Pit Restoration</b>               |                             |                                           |                             |
| Opening balance                               | 67                          | 67                                        | 67                          |
| Amount set aside / Transfer to Reserve        | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve           | -                           | -                                         | -                           |
|                                               | <u>67</u>                   | <u>67</u>                                 | <u>67</u>                   |
| <b>(r) Interest Free Loans</b>                |                             |                                           |                             |
| Opening balance                               | 144                         | 156                                       | 155                         |
| Amount set aside / Transfer to Reserve        | 35                          | -                                         | 29                          |
| Amount used / Transfer from Reserve           | (20)                        | -                                         | (40)                        |
|                                               | <u>159</u>                  | <u>156</u>                                | <u>144</u>                  |
| <b>(s) CLAG</b>                               |                             |                                           |                             |
| Opening balance                               | 23                          | 11                                        | 17                          |
| Amount set aside / Transfer to Reserve        | 4                           | -                                         | 6                           |
| Amount used / Transfer from Reserve           | -                           | -                                         | -                           |
|                                               | <u>27</u>                   | <u>11</u>                                 | <u>23</u>                   |
| <b>(t) Emergency Relief Fund</b>              |                             |                                           |                             |
| Opening balance                               | 3                           | 3                                         | 3                           |
| Amount set aside / Transfer to Reserve        | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve           | -                           | -                                         | -                           |
|                                               | <u>3</u>                    | <u>3</u>                                  | <u>3</u>                    |



## CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

|                                                     | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|-----------------------------------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>27. Reserves - cash backed (continued)</b>       |                             |                                           |                             |
| <b>(u) Mandurah Ocean Marina</b>                    |                             |                                           |                             |
| Opening balance                                     | 230                         | 231                                       | 241                         |
| Amount set aside / Transfer to Reserve              | 5                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | (90)                                      | (11)                        |
|                                                     | <u>235</u>                  | <u>141</u>                                | <u>230</u>                  |
| <b>(v) Waterways</b>                                |                             |                                           |                             |
| Opening balance                                     | -                           | -                                         | -                           |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>-</u>                    | <u>-</u>                                  | <u>-</u>                    |
| <b>(w) Interest on Investments</b>                  |                             |                                           |                             |
| Opening balance                                     | 13                          | 13                                        | 13                          |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>13</u>                   | <u>13</u>                                 | <u>13</u>                   |
| <b>(x) Port Mandurah Canals Stage 2 Maintenance</b> |                             |                                           |                             |
| Opening balance                                     | 80                          | 80                                        | 80                          |
| Amount set aside / Transfer to Reserve              | 2                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>82</u>                   | <u>80</u>                                 | <u>80</u>                   |
| <b>(y) Mariners Cove Canals Maintenance</b>         |                             |                                           |                             |
| Opening balance                                     | 72                          | 72                                        | 72                          |
| Amount set aside / Transfer to Reserve              | 2                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>74</u>                   | <u>72</u>                                 | <u>72</u>                   |
| <b>(z) Port Bouvard Canals Maintenance</b>          |                             |                                           |                             |
| Opening balance                                     | 226                         | 226                                       | 226                         |
| Amount set aside / Transfer to Reserve              | 5                           | -                                         | -                           |
| <b>Amount used / Transfer from Reserve</b>          | -                           | -                                         | -                           |
|                                                     | <u>231</u>                  | <u>226</u>                                | <u>226</u>                  |
| <b>(aa) Soccer Club Rooms Refurbishment</b>         |                             |                                           |                             |
| Opening balance                                     | 29                          | 29                                        | 29                          |
| <b>Amount set aside / Transfer to Reserve</b>       | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>29</u>                   | <u>29</u>                                 | <u>29</u>                   |
| <b>(ab) Cash in Lieu POS Contributions</b>          |                             |                                           |                             |
| Opening balance                                     | 1,575                       | 1,359                                     | 2,356                       |
| Amount set aside / Transfer to Reserve              | 12                          | -                                         | 99                          |
| Amount used / Transfer from Reserve                 | (50)                        | (50)                                      | (880)                       |
|                                                     | <u>1,537</u>                | <u>1,309</u>                              | <u>1,575</u>                |
| <b>(ac) Unspent Grants &amp; Contributions</b>      |                             |                                           |                             |
| Opening balance                                     | 3,371                       | 8,423                                     | 4,041                       |
| Amount set aside / Transfer to Reserve              | 8,992                       | -                                         | 3,624                       |
| Amount used / Transfer from Reserve                 | (6,994)                     | (1,056)                                   | (4,294)                     |
|                                                     | <u>5,369</u>                | <u>7,367</u>                              | <u>3,371</u>                |
| <b>(ad) Long Service Leave</b>                      |                             |                                           |                             |
| Opening balance                                     | 4,452                       | 3,691                                     | 4,140                       |
| Amount set aside / Transfer to Reserve              | 434                         | -                                         | 312                         |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>4,886</u>                | <u>3,691</u>                              | <u>4,452</u>                |

## CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

|                                                     | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|-----------------------------------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>27. Reserves - cash backed (continued)</b>       |                             |                                           |                             |
| <b>(ae) Carbon Offset</b>                           |                             |                                           |                             |
| Opening balance                                     | 132                         | 45                                        | 132                         |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | (45)                                      | -                           |
|                                                     | <u>132</u>                  | <u>-</u>                                  | <u>132</u>                  |
| <b>(af) Bushland Acquisition</b>                    |                             |                                           |                             |
| Opening balance                                     | 2,497                       | 2,448                                     | 1,997                       |
| Amount set aside / Transfer to Reserve              | 557                         | 500                                       | 500                         |
| Amount used / Transfer from Reserve                 | (340)                       | -                                         | -                           |
|                                                     | <u>2,714</u>                | <u>2,948</u>                              | <u>2,497</u>                |
| <b>(ag) Port Bouvard Surf Life Saving Clubrooms</b> |                             |                                           |                             |
| Opening balance                                     | 18                          | 18                                        | 18                          |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>18</u>                   | <u>18</u>                                 | <u>18</u>                   |
| <b>(ah) Coastal Storm Contingency</b>               |                             |                                           |                             |
| Opening balance                                     | 250                         | 250                                       | 250                         |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>250</u>                  | <u>250</u>                                | <u>250</u>                  |
| <b>(ai) Refurbishment Bortolo Pavilion</b>          |                             |                                           |                             |
| Opening balance                                     | 6                           | 6                                         | 6                           |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>6</u>                    | <u>6</u>                                  | <u>6</u>                    |
| <b>(aj) Refurbishment Rushton Park</b>              |                             |                                           |                             |
| Opening balance                                     | 13                          | 13                                        | 13                          |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>13</u>                   | <u>13</u>                                 | <u>13</u>                   |
| <b>(ak) Refurbishment Meadow Springs Pavilion</b>   |                             |                                           |                             |
| Opening balance                                     | 8                           | 8                                         | 8                           |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>8</u>                    | <u>8</u>                                  | <u>8</u>                    |
| <b>(al) Digital Futures</b>                         |                             |                                           |                             |
| Opening balance                                     | 116                         | 125                                       | 116                         |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | (24)                        | (50)                                      | -                           |
|                                                     | <u>92</u>                   | <u>75</u>                                 | <u>116</u>                  |
| <b>(am) Decked Car Park</b>                         |                             |                                           |                             |
| Opening balance                                     | 975                         | 975                                       | 975                         |
| Amount set aside / Transfer to Reserve              | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                 | -                           | -                                         | -                           |
|                                                     | <u>975</u>                  | <u>975</u>                                | <u>975</u>                  |
| <b>(an) Specified Area Rates - Waterside Canals</b> |                             |                                           |                             |
| Opening balance                                     | 104                         | 122                                       | 108                         |
| Amount set aside / Transfer to Reserve              | 2                           | -                                         | 3                           |
| Amount used / Transfer from Reserve                 | (3)                         | (5)                                       | (7)                         |
|                                                     | <u>103</u>                  | <u>117</u>                                | <u>104</u>                  |

## CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

|                                                          | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|----------------------------------------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>27. Reserves - cash backed (continued)</b>            |                             |                                           |                             |
| <b>(ao) Specified Area Rates - Port Mandurah Canals</b>  |                             |                                           |                             |
| Opening balance                                          | 447                         | 484                                       | 369                         |
| Amount set aside / Transfer to Reserve                   | 77                          | -                                         | 88                          |
| Amount used / Transfer from Reserve                      | (159)                       | -                                         | (10)                        |
|                                                          | <u>365</u>                  | <u>484</u>                                | <u>447</u>                  |
| <b>(ap) Specified Area Rates - Mandurah Quay Canals</b>  |                             |                                           |                             |
| Opening balance                                          | 178                         | 144                                       | 165                         |
| Amount set aside / Transfer to Reserve                   | 9                           | -                                         | 15                          |
| Amount used / Transfer from Reserve                      | -                           | -                                         | (2)                         |
|                                                          | <u>187</u>                  | <u>144</u>                                | <u>178</u>                  |
| <b>(aq) Specified Area Rates - Mandurah Ocean Marina</b> |                             |                                           |                             |
| Opening balance                                          | 68                          | 316                                       | 131                         |
| Amount set aside / Transfer to Reserve                   | 2                           | -                                         | 382                         |
| Amount used / Transfer from Reserve                      | (69)                        | -                                         | (445)                       |
|                                                          | <u>1</u>                    | <u>316</u>                                | <u>68</u>                   |
| <b>(ar) Specified Area Rates -Port Bouvard Canals</b>    |                             |                                           |                             |
| Opening balance                                          | 74                          | 20                                        | 59                          |
| Amount set aside / Transfer to Reserve                   | 24                          | -                                         | 44                          |
| Amount used / Transfer from Reserve                      | -                           | -                                         | (29)                        |
|                                                          | <u>98</u>                   | <u>20</u>                                 | <u>74</u>                   |
| <b>(as) Specified Area Rates -Mariners Cove</b>          |                             |                                           |                             |
| Opening balance                                          | 15                          | 10                                        | 19                          |
| Amount set aside / Transfer to Reserve                   | 4                           | -                                         | 11                          |
| Amount used / Transfer from Reserve                      | -                           | -                                         | (15)                        |
|                                                          | <u>19</u>                   | <u>10</u>                                 | <u>15</u>                   |
| <b>(at) Specified Area Rates -Eastport</b>               |                             |                                           |                             |
| Opening balance                                          | 12                          | -                                         | 12                          |
| Amount set aside / Transfer to Reserve                   | 11                          | -                                         | 12                          |
| Amount used / Transfer from Reserve                      | -                           | -                                         | (12)                        |
|                                                          | <u>23</u>                   | <u>-</u>                                  | <u>12</u>                   |
| <b>(au) Sports clubs Maintenance Levy</b>                |                             |                                           |                             |
| Opening balance                                          | 93                          | -                                         | -                           |
| Amount set aside / Transfer to Reserve                   | 28                          | -                                         | 93                          |
| Amount used / Transfer from Reserve                      | (15)                        | -                                         | -                           |
|                                                          | <u>106</u>                  | <u>-</u>                                  | <u>93</u>                   |
| <b>(av) Business Activation</b>                          |                             |                                           |                             |
| Opening balance                                          | -                           | 100                                       | -                           |
| Amount set aside / Transfer to Reserve                   | -                           | -                                         | -                           |
| Amount used / Transfer from Reserve                      | -                           | -                                         | -                           |
|                                                          | <u>-</u>                    | <u>100</u>                                | <u>-</u>                    |
| <b>(aw) City Centre Land Acquisition Reserve</b>         |                             |                                           |                             |
| Opening balance                                          | -                           | -                                         | -                           |
| Amount set aside / Transfer to Reserve                   | 3,000                       | 3,000                                     | -                           |
| Amount used / Transfer from Reserve                      | -                           | -                                         | -                           |
|                                                          | <u>3,000</u>                | <u>3,000</u>                              | <u>-</u>                    |
| <b>Total Cash Backed Reserves</b>                        | <b>31,591</b>               | <b>27,015</b>                             | <b>30,005</b>               |
| <b>Total Summary</b>                                     |                             |                                           |                             |
| Opening Balance                                          | 30,255                      | 32,024                                    | 30,871                      |
| Transfer to Reserves                                     | 16,240                      | 4,100                                     | 8,604                       |
| Transfer from Reserves                                   | (14,904)                    | (8,859)                                   | (9,220)                     |
| Closing Balance                                          | <u>31,591</u>               | <u>27,265</u>                             | <u>30,255</u>               |

**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

|                                                                                                                                                                                                                                                                                                                              | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>27. Reserves - cash backed (continued)</b>                                                                                                                                                                                                                                                                                |                             |                                           |                             |
| All of the above reserve fund accounts are supported by money held in financial institutions and match the amounts included as restricted cash in Note 5. Minor specific asset replacement/maintenance reserves have been merged into the Asset Management Reserve. No time period has been set for the use of the reserves. |                             |                                           |                             |
| <b><u>Summary of transfers to cash-backed reserves</u></b>                                                                                                                                                                                                                                                                   |                             |                                           |                             |
| Building                                                                                                                                                                                                                                                                                                                     | 678                         | 200                                       | 600                         |
| Parking                                                                                                                                                                                                                                                                                                                      | -                           | -                                         | -                           |
| Asset management                                                                                                                                                                                                                                                                                                             | -                           | -                                         | 600                         |
| Cultural Centre                                                                                                                                                                                                                                                                                                              | 250                         | -                                         | -                           |
| Museum                                                                                                                                                                                                                                                                                                                       | -                           | -                                         | -                           |
| Property acquisition                                                                                                                                                                                                                                                                                                         | 827                         | 200                                       | 1,422                       |
| Sustainability                                                                                                                                                                                                                                                                                                               | -                           | 200                                       | 300                         |
| Aquatic and recreation centre                                                                                                                                                                                                                                                                                                | -                           | -                                         | -                           |
| Sanitation                                                                                                                                                                                                                                                                                                                   | 1,098                       | -                                         | 464                         |
| Community improvements                                                                                                                                                                                                                                                                                                       | 5                           | -                                         | -                           |
| Traffic bridge                                                                                                                                                                                                                                                                                                               | 177                         | -                                         | -                           |
| Tims Thicket septage                                                                                                                                                                                                                                                                                                         | -                           | -                                         | -                           |
| Tims Thicket inert                                                                                                                                                                                                                                                                                                           | -                           | -                                         | -                           |
| Inert landfill                                                                                                                                                                                                                                                                                                               | -                           | -                                         | -                           |
| Road network                                                                                                                                                                                                                                                                                                                 | -                           | -                                         | -                           |
| Arts & crafts centre                                                                                                                                                                                                                                                                                                         | -                           | -                                         | -                           |
| Sand pit restoration                                                                                                                                                                                                                                                                                                         | -                           | -                                         | -                           |
| Interest free loans                                                                                                                                                                                                                                                                                                          | 35                          | -                                         | 29                          |
| CLAG                                                                                                                                                                                                                                                                                                                         | 4                           | -                                         | 6                           |
| Mandurah Ocean Marina                                                                                                                                                                                                                                                                                                        | 5                           | -                                         | -                           |
| Waterways                                                                                                                                                                                                                                                                                                                    | -                           | -                                         | -                           |
| Interest on Investments                                                                                                                                                                                                                                                                                                      | -                           | -                                         | -                           |
| Port Mandurah canals maintenance Stage 2                                                                                                                                                                                                                                                                                     | 2                           | -                                         | -                           |
| Mariners Cove canals maintenance                                                                                                                                                                                                                                                                                             | 2                           | -                                         | -                           |
| Port Bouvard canals maintenance                                                                                                                                                                                                                                                                                              | 5                           | -                                         | -                           |
| Soccer club rooms refurbishment                                                                                                                                                                                                                                                                                              | -                           | -                                         | -                           |
| Cash in lieu POS contributions                                                                                                                                                                                                                                                                                               | 12                          | -                                         | 99                          |
| Unspent grants and contributions                                                                                                                                                                                                                                                                                             | 8,992                       | -                                         | 3,624                       |
| Long Service Leave                                                                                                                                                                                                                                                                                                           | 434                         | -                                         | 312                         |
| Carbon Offset                                                                                                                                                                                                                                                                                                                | -                           | -                                         | -                           |
| Bushland Acquisition                                                                                                                                                                                                                                                                                                         | 557                         | 500                                       | 500                         |
| Port Bouvard surf club rooms                                                                                                                                                                                                                                                                                                 | -                           | -                                         | -                           |
| Coastal storm contingency                                                                                                                                                                                                                                                                                                    | -                           | -                                         | -                           |
| Refurbishment Bortolo Pavilion                                                                                                                                                                                                                                                                                               | -                           | -                                         | -                           |
| Refurbishment Rushton Park Pavilion                                                                                                                                                                                                                                                                                          | -                           | -                                         | -                           |
| Refurbishment Meadow Springs Pavilion                                                                                                                                                                                                                                                                                        | -                           | -                                         | -                           |
| Digital Futures                                                                                                                                                                                                                                                                                                              | -                           | -                                         | -                           |
| Decked Car Park                                                                                                                                                                                                                                                                                                              | -                           | -                                         | -                           |
| Specified Area Rate Waterside canals                                                                                                                                                                                                                                                                                         | 2                           | -                                         | 3                           |
| Specified Area Rate Port Mandurah canals                                                                                                                                                                                                                                                                                     | 77                          | -                                         | 88                          |
| Specified Area Rate Mandurah Quay canals                                                                                                                                                                                                                                                                                     | 9                           | -                                         | 15                          |
| Specified Area Rate Mandurah Ocean Marina                                                                                                                                                                                                                                                                                    | 2                           | -                                         | 382                         |
| Specified Area Rate Port Bouvard canals                                                                                                                                                                                                                                                                                      | 24                          | -                                         | 44                          |
| Specified Area Rate Mariners Cove                                                                                                                                                                                                                                                                                            | 4                           | -                                         | 11                          |
| Specified Area Rate Eastport                                                                                                                                                                                                                                                                                                 | 11                          | -                                         | 12                          |
| Sport clubs Maintenance Levy                                                                                                                                                                                                                                                                                                 | 28                          | -                                         | 93                          |
| Business Activation                                                                                                                                                                                                                                                                                                          | -                           | -                                         | -                           |
| City Centre Land Acquisition Reserve                                                                                                                                                                                                                                                                                         | 3,000                       | 3,000                                     | -                           |
|                                                                                                                                                                                                                                                                                                                              | <u>16,240</u>               | <u>4,100</u>                              | <u>8,604</u>                |



## CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

|                                                              | 2018/19<br>ACTUAL<br>\$'000 | Un-audited<br>2018/19<br>BUDGET<br>\$'000 | 2017/18<br>ACTUAL<br>\$'000 |
|--------------------------------------------------------------|-----------------------------|-------------------------------------------|-----------------------------|
| <b>27. Reserves - cash backed (continued)</b>                |                             |                                           |                             |
| <b><u>Summary of transfers from cash-backed reserves</u></b> |                             |                                           |                             |
| Building                                                     | (1,493)                     | (1,340)                                   | (793)                       |
| Asset management                                             | (1,309)                     | (990)                                     | (1,927)                     |
| Cultural Centre                                              | (31)                        | -                                         | (232)                       |
| Museum                                                       | -                           | (160)                                     | -                           |
| Property acquisition                                         | (3,238)                     | (3,090)                                   | (178)                       |
| Sustainability                                               | (206)                       | (385)                                     | -                           |
| Sanitation                                                   | (817)                       | (898)                                     | (345)                       |
| Community improvements                                       | (136)                       | (200)                                     | -                           |
| Traffic bridge                                               | -                           | (500)                                     | -                           |
| Interest free loans                                          | (20)                        | -                                         | (40)                        |
| Mandurah Ocean Marina                                        | -                           | (90)                                      | (11)                        |
| Cash in lieu POS contributions                               | (50)                        | (50)                                      | (880)                       |
| Unspent grants and contributions                             | (6,994)                     | (1,056)                                   | (4,294)                     |
| Long Service Leave                                           | -                           | -                                         | -                           |
| Carbon Offset                                                | -                           | (45)                                      | -                           |
| Bushland Acquisition                                         | (340)                       | -                                         | -                           |
| Digital Futures                                              | (24)                        | (50)                                      | -                           |
| Decked Car Park                                              | -                           | -                                         | -                           |
| Specified Area Rate Waterside canals                         | (3)                         | (5)                                       | (7)                         |
| Specified Area Rate Port Mandurah canals                     | (159)                       | -                                         | (10)                        |
| Specified Area Rate Mandurah Quay canals                     | -                           | -                                         | (2)                         |
| Specified Area Rate Mandurah Ocean Marina                    | (69)                        | -                                         | (445)                       |
| Specified Area Rate Port Bouvard canals                      | -                           | -                                         | (29)                        |
| Specified Area Rate Mariners Cove                            | -                           | -                                         | (15)                        |
| Specified Area Rate Eastport                                 | -                           | -                                         | (12)                        |
| Sport clubs Maintenance Levy                                 | (15)                        | -                                         | -                           |
|                                                              | <u>(14,904)</u>             | <u>(8,859)</u>                            | <u>(9,220)</u>              |

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**28. Commitments for expenditure**

(a) Capital expenditure commitments

At the reporting date, the City had the following contract commitments for capital projects (which have not been provided for elsewhere in the financial statements) and are due for payment within one year:

|                                                | <b>30 June<br/>2019<br/>\$'000</b> | <b>30 June<br/>2018<br/>\$'000</b> |
|------------------------------------------------|------------------------------------|------------------------------------|
| Road construction                              | 486                                | 1,006                              |
| Drainage construction                          | 59                                 | 509                                |
| Street Lighting Upgrades                       | 86                                 | 175                                |
| Heavy Vehicles & Equipment                     | 945                                | 662                                |
| Mandurah Performing Arts Centre upgrades       | -                                  | 125                                |
| Halls Head Ablution Block                      | -                                  | -                                  |
| Park and Reserve Upgrades                      | 290                                | 283                                |
| Light Vehicles                                 | 17                                 | -                                  |
| Upgrades to North Mandurah Community Centre    | -                                  | 5                                  |
| Boardwalk Renewal                              | 75                                 | 476                                |
| Visitor Centre Upgrades                        | -                                  | -                                  |
| Halls Cottage Conservation Stage 3             | -                                  | -                                  |
| Port Bouvard Surf Club                         | 41                                 | 64                                 |
| Building Construction                          | 261                                | 28                                 |
| Mandurah Aquatic and Recreation Centre upgrade | 7                                  | 7                                  |
| Bridge Construction                            | -                                  | 196                                |
| Cambria Island Repair Retaining Wall           | -                                  | -                                  |
| Geothermal Heating System                      | -                                  | -                                  |
| Waste Management Centre Upgrades               | -                                  | 805                                |
| Lakelands DOS                                  | 252                                | 206                                |
| Falcon Bay Foreshore & Seawall Upgrades        | -                                  | 101                                |
| CCTV Infrastructure                            | -                                  | 108                                |
| Museum Courtroom Interpretation Project        | 12                                 | 55                                 |
| Eastern Foreshore Wall                         | 4                                  | -                                  |
| Old Mandurah Bridge                            | 500                                | -                                  |
| Waterfront Design Project                      | 115                                | -                                  |
|                                                | <b><u>3,150</u></b>                | <b><u>4,811</u></b>                |

(b) Lease commitments

**Non-cancellable operating lease payments:**

Future operating lease rentals of plant and equipment not provided for in the financial statements and subject to return at the end of lease term:

|                                                |                     |                     |  |
|------------------------------------------------|---------------------|---------------------|--|
| Payable                                        |                     |                     |  |
| - not later than 1 year                        | 1,695               | 1,410               |  |
| - later than 1 year but not later than 5 years | 1,770               | 1,643               |  |
| - later than 5 years                           | 455                 | -                   |  |
|                                                | <b><u>3,920</u></b> | <b><u>3,053</u></b> |  |

**Non-cancellable operating lease receivables:**

Future operating lease rental income for generally sporting and cultural activities with lease terms of between 1 and 42 years. Lease have periodic review clauses linked to market values, consumer price index or participant numbers.

|                                                |                      |                      |  |
|------------------------------------------------|----------------------|----------------------|--|
| Receivable                                     |                      |                      |  |
| - not later than 1 year                        | 1,738                | 1,670                |  |
| - later than 1 year but not later than 5 years | 4,121                | 5,206                |  |
| - later than 5 years                           | 8,524                | 12,347               |  |
|                                                | <b><u>14,383</u></b> | <b><u>19,223</u></b> |  |

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**29. Bonds and deposits**

|                                 | <b>Balance<br/>1/07/18<br/>\$'000</b> | <b>Amounts<br/>Received<br/>\$'000</b> | <b>Amounts<br/>Paid<br/>\$'000</b> | <b>Balance<br/>30/06/19<br/>\$'000</b> |
|---------------------------------|---------------------------------------|----------------------------------------|------------------------------------|----------------------------------------|
| Marina pen key deposits         | 5                                     | -                                      | -                                  | 5                                      |
| Maintenance bonds               | 758                                   |                                        | (25)                               | 733                                    |
| Public open space contributions | 693                                   | 40                                     |                                    | 733                                    |
| Outstanding works               | 686                                   | 18                                     |                                    | 704                                    |
| Kerb/verge deposits             | 858                                   |                                        | (6)                                | 852                                    |
| Deposits/refunds                | 277                                   |                                        | (4)                                | 273                                    |
| MARC hall deposits              | 43                                    |                                        | (8)                                | 35                                     |
| Senior Citizens Centre          | 3                                     | -                                      | -                                  | 3                                      |
| Rates refunds                   | 1                                     | -                                      | -                                  | 1                                      |
| Loan guarantee funds            | -                                     | -                                      | -                                  | -                                      |
| Contributions to works          | 276                                   | -                                      | -                                  | 276                                    |
| Hall/key deposits               | 24                                    | -                                      | -                                  | 24                                     |
| Reserve/key deposits            | -                                     | -                                      | -                                  | -                                      |
| Ranger equipment hire deposits  | 1                                     | -                                      | -                                  | 1                                      |
| Library deposits                | 2                                     | -                                      | -                                  | 2                                      |
| Accommodation deposits          | 2                                     | -                                      | -                                  | 2                                      |
| Nomination Deposits             | -                                     |                                        |                                    | -                                      |
| <b>TOTALS</b>                   | <b>3,629</b>                          | <b>58</b>                              | <b>(43)</b>                        | <b>3,644</b>                           |

**30. Trust funds**

The City has \$12,558 held in trust for consignment and travel payments relating to monies received for bookings and sale of consignment goods by the Mandurah Visitor Centre.

| <b>Opening<br/>Balance<br/>1 July 2018<br/>\$'000</b> | <b>Receipts<br/>\$'000</b> | <b>Paid Out<br/>\$'000</b> | <b>Closing<br/>Balance<br/>30 June 2019<br/>\$'000</b> |
|-------------------------------------------------------|----------------------------|----------------------------|--------------------------------------------------------|
| 21                                                    | 213                        | (221)                      | 13                                                     |

**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**31. Performance measures - financial ratios**

|                                       | 30 June<br>2019 | 30 June<br>2018 | 30 June<br>2017 |
|---------------------------------------|-----------------|-----------------|-----------------|
| (a) Current ratio                     | 1.05            | 1.11            | 0.93            |
| (b) Asset consumption ratio           | 0.73            | 0.73            | 0.72            |
| (c) Asset renewal funding ratio       | 1.08            | 1.42            | 1.42            |
| (d) Asset sustainability ratio        | 0.61            | 0.54            | 1.12            |
| (e) Debt service cover ratio          | 2.77            | 2.25            | 3.04            |
| (f) Operating surplus ratio           | (0.17)          | (0.09)          | (0.11)          |
| (g) Own source revenue coverage ratio | 0.82            | 0.87            | 0.84            |

The above ratios are calculated as follows:

|                                       |                                                                                                                                        |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| (a) Current ratio                     | $\frac{\text{Current assets minus restricted assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$ |
| (b) Asset consumption ratio           | $\frac{\text{Depreciated replacement cost of depreciable assets}}{\text{Current replacement cost of depreciable assets}}$              |
| (c) Asset renewal funding ratio       | $\frac{\text{NPV of planned capital renewals over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$                |
| (d) Asset sustainability ratio        | $\frac{\text{Capital renewal and replacement expenditure}}{\text{Depreciation expense}}$                                               |
| (e) Debt service cover ratio          | $\frac{\text{Annual operating surplus before interest and depreciation}}{\text{Principal and interest}}$                               |
| (f) Operating surplus ratio           | $\frac{\text{Operating revenue minus operating expense}}{\text{Own source operating revenue}}$                                         |
| (g) Own source revenue coverage ratio | $\frac{\text{Own source operating revenue}}{\text{Operating expense}}$                                                                 |

**32. Contingent liabilities**

The City has no identified contingent liabilities at the reporting date.



**CITY OF MANDURAH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**33. Major land transactions**

**(a) Details**

The City is sub-dividing land at Lots 1197 and 1200 Leisure Way, Halls Head. This development is the subject of a Business Plan approved in March 2007, a copy of which is available on request from the City's Administration Office. Preliminary design works commenced in 2006/07 and \$3.11 million has been spent for development costs to 30 June 2019.

**(b) Current year transactions**

|                                | <b>Original<br/>Project<br/>\$'000</b> | <b>2018/2019<br/>Actual<br/>\$'000</b> | <b>Cumulative to<br/>30 June 2019<br/>\$'000</b> |
|--------------------------------|----------------------------------------|----------------------------------------|--------------------------------------------------|
| <u>Income</u>                  | 13,977                                 | 1,451                                  | 4,931                                            |
| <u>Expenditure</u>             |                                        |                                        |                                                  |
| Materials & contracts          |                                        |                                        |                                                  |
| Advertising                    | -                                      | -                                      | (38)                                             |
| Project management             | (345)                                  | -                                      | (476)                                            |
| Surveying                      | -                                      | -                                      | (2)                                              |
| Development and administration | (3,775)                                | (6)                                    | (2,443)                                          |
| Selling costs and settlement   | (482)                                  | (42)                                   | (154)                                            |
| Interest charges               | (300)                                  | -                                      | -                                                |
| Fees and taxes                 | (125)                                  | -                                      | (20)                                             |
| <b>Surplus</b>                 | <b>8,950</b>                           | <b>1,403</b>                           | <b>1,798</b>                                     |
| <u>Assets</u>                  |                                        |                                        |                                                  |
| Land - at fair value           |                                        |                                        | 2,155                                            |
| <u>Liabilities</u>             |                                        | Nil                                    | Nil                                              |

**(c) Expected future cash flows**

|                              | <b>2019/20<br/>\$'000</b> | <b>2020/21<br/>\$'000</b> |
|------------------------------|---------------------------|---------------------------|
| <u>Cash Inflows</u>          |                           |                           |
| Land sales                   | 850                       | 600                       |
| GST refund                   | -                         | -                         |
|                              | <u>850</u>                | <u>600</u>                |
| <u>Cash Outflows</u>         |                           |                           |
| Project management           |                           |                           |
| Development & administration |                           |                           |
| Selling costs                | (79)                      | (54)                      |
| Other Costs                  | (14)                      | (10)                      |
|                              | <u>(93)</u>               | <u>(64)</u>               |
| <b>Net Cash Flows</b>        | <b>757</b>                | <b>536</b>                |

**34. Events after the reporting date**

There have been no subsequent events of a material nature to report since the end of the financial year.

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**35. Financial instruments**

City activities expose it to financial risks including price risk, credit risk, liquidity risk and interest rate risk. The overall risk management strategy is focused on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the City's financial performance.

The City does not engage in foreign currency transactions, therefore has no exposure to foreign currency risk.

Financial risk management is carried out by Financial Services section of the City's administration in accordance with policies approved by the council which provide written principles on interest rate risk, credit risk and the investment of excess liquidity.

The City held the following financial instruments as at the reporting date:

|                              | Carrying value |        | Fair Value |        |
|------------------------------|----------------|--------|------------|--------|
|                              | 2019           | 2018   | 2019       | 2018   |
|                              | \$'000         | \$'000 | \$'000     | \$'000 |
| <b>Financial assets</b>      |                |        |            |        |
| Cash and cash equivalents    | 45,553         | 49,081 | 45,553     | 49,081 |
| Receivables                  | 8,678          | 8,239  | 8,678      | 8,239  |
| Other financial assets       | 513            | -      | 513        | -      |
| Loans and other receivables  | -              | 588    | -          | 588    |
|                              | 54,744         | 57,908 | 54,744     | 57,908 |
| <b>Financial liabilities</b> |                |        |            |        |
| Payables                     | 9,026          | 9,367  | 9,026      | 9,367  |
| Borrowings                   | 29,865         | 29,205 | 29,865     | 29,205 |
| Other financial liabilities  | 490            | -      | 490        | -      |
|                              | 39,381         | 38,572 | 39,381     | 38,572 |

(a) Interest rate risk management

The Council is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The risk to cash and cash equivalents is that movements in interest rates will affect returns. The City manages this risk by diversifying investments with a range of maturities and types.

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. This risk is managed by borrowing over long terms and fixing the interest rate to the situation considered the most advantageous to council at the time of negotiation.

(b) Interest rate sensitivity analysis

The table below represents a summary of the interest rate sensitivity of the City's financial assets and financial liabilities at year end on the (loss)/surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

|                              | Carrying | -1% Change     |                  | +1% Change     |                  |
|------------------------------|----------|----------------|------------------|----------------|------------------|
|                              | \$'000   | Loss<br>\$'000 | Equity<br>\$'000 | Loss<br>\$'000 | Equity<br>\$'000 |
| <b>2019</b>                  |          |                |                  |                |                  |
| <b>Financial assets</b>      |          |                |                  |                |                  |
| Cash                         | 15,418   | (154)          | (154)            | 154            | 154              |
| Deposits                     | 30,135   | (301)          | (301)            | 301            | 301              |
| Other financial assets       | 513      | (5)            | (5)              | 5              | 5                |
|                              | 46,066   | (460)          | (460)            | 460            | 460              |
| <b>Financial liabilities</b> |          |                |                  |                |                  |
| Borrowings                   | 29,865   | 299            | 299              | (299)          | (299)            |
| Other financial liabilities  | 490      | (1,077)        | (1,077)          | 1,077          | 1,077            |
|                              | 30,355   | (778)          | (778)            | 778            | 778              |
| Total (Increase)/Decrease    | 76,421   | (1,238)        | (1,238)          | 1,238          | 1,238            |
| <b>2018</b>                  |          |                |                  |                |                  |
| <b>Financial assets</b>      |          |                |                  |                |                  |
| Cash                         | 7,192    | (72)           | (72)             | 72             | 72               |
| Deposits                     | 41,899   | (419)          | (419)            | 419            | 419              |
| Other financial assets       | -        | -              | -                | -              | -                |
|                              | 49,081   | (491)          | (491)            | 491            | 491              |
| <b>Financial liabilities</b> |          |                |                  |                |                  |
| Borrowings                   | 29,205   | 292            | 292              | (292)          | (292)            |
| Other financial liabilities  | -        | -              | -                | -              | -                |
|                              | 29,205   | 292            | 292              | (292)          | (292)            |
| Total (Increase)/Decrease    | 78,286   | (199)          | (199)            | 199            | 199              |

(c) Security price market risk management

Security price market risk is the risk that the capital value of an investment may fluctuate due to changes in market prices whether these changes are caused by factors specific to individual financial instruments or their issuers or factors affecting similar instruments traded in a market.

The City manages this risk to its cash and cash equivalents by diversifying its portfolio, only purchasing investments with high credit ratings or capital guarantees.

The City entered into a long-term borrowing at a variable(floating) rate and swapped into a fixed rate lower than the variable rate available if the City borrowed at a fixed rate directly at the time.

Interest rate swaps currently in place total 40% of the variable loan principal (in 2018 there were neither interest rate swaps or borrowings at a variable rate). The fixed interest rate of the swap is 2.05% and the variable rate of the loan at the end of the reporting period was 1.595% which was 0.595% above the 90 day bank bill rate which was 1.0% at the end of the reporting period.

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**35. Financial instruments (continued)**

(d) Credit risk management

Credit risk is the risk of financial loss to the City if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The risk arises principally from cash, cash equivalents, trade and other receivables.

(e) Cash and cash equivalents

The City manages the risk to its cash and cash equivalents by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

(f) Trade Receivables

The City's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies.

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2018 or 1 July 2019 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for rates receivable. No expected credit loss was forecast on 1 July 2018 or 30 June 2019 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

|                       | Current | More than 1<br>year past due | More than 2<br>years past due | More than 3<br>years past due | Total     |
|-----------------------|---------|------------------------------|-------------------------------|-------------------------------|-----------|
| <b>30 June 2019</b>   |         |                              |                               |                               |           |
| Rates receivable      |         |                              |                               |                               |           |
| Expected credit loss  | 0.00%   | 0.00%                        | 0.00%                         | 0.00%                         | 0.00%     |
| Gross carrying amount | 293,146 | 258,970                      | 248,585                       | 2,494,377                     | 3,295,078 |
| Loss allowance        | 0       | 0                            | 0                             | 0                             | 0         |
| <b>01 July 2018</b>   |         |                              |                               |                               |           |
| Rates receivable      |         |                              |                               |                               |           |
| Expected credit loss  | 0.00%   | 0.00%                        | 0.00%                         | 0.00%                         | 0.00%     |
| Gross carrying amount | 258,970 | 248,585                      | 246,538                       | 2,181,829                     | 2,935,922 |
| Loss allowance        | 0       | 0                            | 0                             | 0                             | 0         |

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for sundry receivables.

|                       | Current    | Less than 30<br>days past due | Less than 60<br>days past due | Less than 90<br>days past due | More than 90<br>days past due | Total        |
|-----------------------|------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------|
| <b>30 June 2019</b>   |            |                               |                               |                               |                               |              |
| Sundry Receivables    |            |                               |                               |                               |                               |              |
| Expected credit loss  | 0.42%      | 2.18%                         | 7.04%                         | 11.24%                        | 100%                          |              |
| Gross carrying amount | \$ 679,670 | \$ 43,225                     | \$ 27,926                     | \$ 3,586                      | \$ 77,237                     | \$ 831,644   |
| Loss allowance        | \$ 2,855   | \$ 942                        | \$ 1,966                      | \$ 403                        | \$ 77,237                     | \$ 83,403    |
| <b>01 July 2018</b>   |            |                               |                               |                               |                               |              |
| Sundry Receivables    |            |                               |                               |                               |                               |              |
| Expected credit loss  | 1.30%      | 3.96%                         | 6.69%                         | 10.07%                        | 100%                          |              |
| Gross carrying amount | \$ 642,757 | \$ 114,808                    | \$ 17,741                     | \$ 23,157                     | \$ 215,929                    | \$ 1,014,393 |
| Loss allowance        | \$ 8,336   | \$ 4,548                      | \$ 1,187                      | \$ 2,332                      | \$ 215,929                    | \$ 232,332   |

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**35. Financial instruments (continued)**

(g) Liquidity risk management

Liquidity risk is the risk that there are insufficient funds on hand to meet payment obligations as they fall due.

Payables and borrowings are both subject to this risk. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms may be extended if required.

Liquidity and interest risk table

The following table sets out the carrying amount, by maturity, of the City's financial instruments that are exposed to interest rate and liquidity risk:

|                                    | 2019 | Weighted<br>average rate<br>% | Floating<br>interest rate<br>\$'000 | Fixed Interest Rate Maturity  |                        |                                | Non interest<br>bearing<br>\$'000 | Total<br>\$'000 |
|------------------------------------|------|-------------------------------|-------------------------------------|-------------------------------|------------------------|--------------------------------|-----------------------------------|-----------------|
|                                    |      |                               |                                     | Less than 1<br>year<br>\$'000 | 1 to 5 years<br>\$'000 | More than 5<br>years<br>\$'000 |                                   |                 |
| <b>Financial assets</b>            |      |                               |                                     |                               |                        |                                |                                   |                 |
| Cash and cash at bank              |      | 0.75                          | 15,147                              | -                             | -                      | -                              | 12                                | 15,159          |
| Deposits                           |      | 2.25                          | 259                                 | 28,976                        | 1,159                  | -                              | -                                 | 30,394          |
| Receivables                        |      | -                             | -                                   | -                             | -                      | -                              | 8,678                             | 8,678           |
| Other financial assets             |      | -                             | -                                   | -                             | -                      | -                              | 513                               | 513             |
| <b>Total financial assets</b>      |      |                               | <b>15,406</b>                       | <b>28,976</b>                 | <b>1,159</b>           | <b>-</b>                       | <b>9,203</b>                      | <b>54,744</b>   |
| <b>Financial liabilities</b>       |      |                               |                                     |                               |                        |                                |                                   |                 |
| Borrowings                         |      | 3.51                          | 29,865                              | -                             | -                      | -                              | -                                 | 29,865          |
| Payables                           |      | -                             | -                                   | -                             | -                      | -                              | 9,026                             | 9,026           |
| Other financial liabilities        |      | -                             | -                                   | -                             | -                      | -                              | 490                               | 490             |
| <b>Total financial liabilities</b> |      |                               | <b>29,865</b>                       | <b>-</b>                      | <b>-</b>               | <b>-</b>                       | <b>9,516</b>                      | <b>39,381</b>   |
| <b>2018</b>                        |      |                               |                                     |                               |                        |                                |                                   |                 |
| <b>Financial assets</b>            |      |                               |                                     |                               |                        |                                |                                   |                 |
| Cash at bank                       |      | 0.95                          | 6,894                               | -                             | -                      | -                              | 21                                | 6,915           |
| Deposits                           |      | 2.52                          | 533                                 | 41,633                        | -                      | -                              | -                                 | 42,166          |
| Receivables                        |      | -                             | -                                   | -                             | -                      | -                              | 8,239                             | 8,239           |
| Loans and other receivables        |      | -                             | -                                   | -                             | -                      | -                              | 588                               | 588             |
| <b>Total financial assets</b>      |      |                               | <b>7,427</b>                        | <b>41,633</b>                 | <b>-</b>               | <b>-</b>                       | <b>8,848</b>                      | <b>57,908</b>   |
| <b>Financial liabilities</b>       |      |                               |                                     |                               |                        |                                |                                   |                 |
| Borrowings                         |      | 3.62                          | -                                   | -                             | 16,075                 | 13,130                         | -                                 | 29,205          |
| Payables                           |      | -                             | -                                   | -                             | -                      | -                              | 9,367                             | 9,367           |
| Other financial assets             |      | -                             | -                                   | -                             | -                      | -                              | -                                 | -               |
| <b>Total financial liabilities</b> |      |                               | <b>-</b>                            | <b>-</b>                      | <b>16,075</b>          | <b>13,130</b>                  | <b>9,367</b>                      | <b>38,572</b>   |

(h) Fair value of financial instruments

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and the notes to the financial statements.



**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

**36. Fair value measurements**

**(i) Assets measured at Fair Value**

| Fair Value as at 30 June 2019     | Note | Level 1<br>(Significant<br>observable<br>inputs) | Level 2<br>(Significant<br>other<br>observable<br>inputs) | Level 3<br>(Significant<br>unobservable<br>inputs) | Total     |
|-----------------------------------|------|--------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|-----------|
| Non-Financial Assets              | 12   | \$'000                                           | \$'000                                                    | \$'000                                             | \$'000    |
| Land                              |      | -                                                | 76,015                                                    | 16,680                                             | 92,695    |
| Buildings                         |      | -                                                | 1,037                                                     | 153,957                                            | 154,994   |
| Furniture and fittings            |      | -                                                | -                                                         | 2,268                                              | 2,268     |
| Plant and Machinery               |      | -                                                | 6,301                                                     | 6,278                                              | 12,579    |
| Bridges                           |      | -                                                | -                                                         | 64,290                                             | 64,290    |
| Parks                             |      | -                                                | -                                                         | 162,718                                            | 162,718   |
| Roads, footpaths, kerbs and seals |      | -                                                | -                                                         | 344,148                                            | 344,148   |
| Drainage                          |      | -                                                | -                                                         | 137,062                                            | 137,062   |
| Marina                            |      | -                                                | -                                                         | -                                                  | -         |
| Coastal & Estuary                 |      | -                                                | -                                                         | 53,364                                             | 53,364    |
| Land improvements                 |      | -                                                | 5,775                                                     | -                                                  | 5,775     |
| <b>Total</b>                      |      | -                                                | 89,128                                                    | 940,765                                            | 1,029,893 |

There were no transfers between Levels 1, 2 or 3 during the period.

**(ii) Valuation techniques to derive Level 2 fair values**

The fair value of the City's Land, Buildings, Furniture and Fittings and Plant and Machinery has been arrived at on the basis of a valuation carried out by Griffin Valuation Advisory independent valuers. They have appropriate qualifications and recent experience in the valuation of properties in the relevant locations.

Level 2 fair values of Land, Buildings and Plant and Machinery are derived using the market approach that reflects recent transaction prices for similar assets. This method of valuation takes into consideration factors such as location, zoning, land area, development potential, topography, and current market conditions. In estimating the fair value of the properties, the highest and best use of the properties is their current use. The most recent valuation was performed in June 2019.

**(iii) Valuation techniques to derive Level 3 fair values**

In the absence of market based evidence due to the specialised nature of some non-financial assets, these assets are considered to be at Level 3 of the fair value hierarchy using a cost approach or market approach adjusted for restrictions. These restrictions have been placed on their use and disposal when they are not determined to be surplus requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service and the Local Government Act 1995.

The fair value of the City's unit rates for Roads, footpaths, kerbs and seals, Drainage, Parks, Bridges and Coastal and Estuary assets have been arrived at on the basis of a valuation carried out by Aquenta Consulting Pty Ltd ("Aquentia"). They have appropriate qualifications and recent experience in the valuation of infrastructure assets. The most recent valuation was performed in June 2018.

**(iv) Valuation process**

There were no changes to the valuation techniques during the period.

No transfers between the different levels of the fair value hierarchy have occurred. Transfers between levels will occur where inputs used in making individual asset and liability fair value measurements no longer satisfy the current level of classification.

Fair values for specialised Buildings, Plant and Equipment and Infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, that is depreciated replacement cost. The depreciated replacement cost approach considers the cost to reproduce or replace similar assets with an asset in new condition, less an amount for depreciation in the form of accrued physical wear and tear, economic and functional obsolescence.

Fair value for land is based on market value, by either using market evidence of sales of comparable land that is unrestricted less restoration costs to return the site to a vacant and marketable condition (low restricted use land), or comparison with market evidence for land with low level utility (high restricted use land).

Significant level 3 inputs used by the City are derived and evaluated as follows:

Costs per square metre floor area (m2)

Costs ascribed to various building components have been based on Rawlinsons Australian Construction Handbook and the Ralph Beattie Bosworth Compendium. All building and improvement values have been calculated from a Perth based construction rate with an appropriate district allowance applied to each location.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**36. Fair value measurements (continued)**

Consumed economic benefit/obsolescence of asset

These are estimated by Griffin Valuation Advisory, Aquenta Consulting, the City's in-house civil engineers and technical staff.

Land with restricted utility

Fair value for land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low utility are selected by Griffin Valuation Advisory.

Master unit rates

Fair value of Parks, Drainage, Roads, Footpaths, Kerbs and Seals are estimated using current replacement cost based on master unit rates. The rates were determined by independent valuers Aquenta Consulting Pty Ltd during the most recent valuation. The assets were disaggregated to an appropriate component level to ensure reliable measure of cost and service capability and deterioration of estimated useful Life.

Aquenta derived its rates from its internal database, rates for construction of similar assets and supplier quotations where required. The rates were increased by an appropriate percentage to allow for project overheads.

**(iv) Information about significant unobservable inputs (Level 3) in fair value measurements**

| Description and fair value as at 30 June 2019 \$'000 | Valuation Technique(s)       | Significant unobservable inputs                                                                    | Range of significant unobservable inputs (weighted average)                                                                                             | Relationship of unobservable inputs to fair value                                                                                                     |
|------------------------------------------------------|------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Land (\$16,680)                                      | Market Approach              | Selection of Land similar approximate utility                                                      | \$4.59 - \$993.38 per square metre                                                                                                                      | Higher value of similar land increases estimated fair value.                                                                                          |
| Buildings (\$153,957)                                | Depreciated Replacement Cost | Historical cost per square metre floor area<br><br>Consumed economic benefit/obsolescence of asset | The diversity of the various assets in this class make it difficult to provide meaningful information in a summarised format. (a)<br><br>2.83% per year | Higher historical cost per m2 increases fair value<br><br>Greater consumption of economic benefit or increased obsolescence lowers the fair value.    |
| Furniture and fittings (\$2,268)                     | Depreciated Replacement Cost | Historical cost per unit<br><br>Consumed economic benefit/obsolescence of asset                    | Individual rates per item over a wide range of items - \$1,500 - \$100,000<br><br>7.79% per year                                                        | Higher historical cost per unit increases fair value.<br><br>Greater consumption of economic benefit or increased obsolescence lowers the fair value. |
| Plant and Machinery (\$6,278)                        | Depreciated Replacement Cost | Historical cost per unit<br><br>Consumed economic benefit/obsolescence of asset                    | Individual rates per item over a wide range of items - \$1,500 - \$450,000<br><br>9.21% per year                                                        | Higher historical cost per unit increases fair value.<br><br>Greater consumption of economic benefit or increased obsolescence lowers the fair value. |

**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**36. Fair value measurements (continued)**

| <b>Description and fair value as at 30 June 2018 \$'000</b> | <b>Valuation Technique(s)</b> | <b>Significant unobservable inputs</b>                                                               | <b>Range of significant unobservable inputs (weighted average)</b>                                                                                                                                                                                                               | <b>Relationship of unobservable inputs to fair value</b>                                                                                             |
|-------------------------------------------------------------|-------------------------------|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bridges (\$64,290)                                          | Depreciated Replacement Cost  | Aqunta Consulting valuation cost per unit (i)<br><br>Consumed economic benefit/obsolescence of asset | Individual rates per item over a range of items \$150,000 - \$44,000,000<br><br>1.01% per year                                                                                                                                                                                   | Higher historical cost per unit increases fair value<br><br>Greater consumption of economic benefit or increased obsolescence lowers the fair value. |
| Parks (\$162,720)                                           | Depreciated Replacement Cost  | Aqunta Consulting Valuation unit rates (i)<br><br>Consumed economic benefit/obsolescence of asset    | The diversity of the various assets in this class make it difficult to provide meaningful information in a summarised format. (a)<br><br>4.96% per year                                                                                                                          | Higher unit rates increases fair value.<br><br>Greater consumption of economic benefit or increased obsolescence lowers the fair value.              |
| Roads, Footpaths, Kerbs and Seals (\$344,148)               | Depreciated Replacement Cost  | Aqunta Consulting Valuation unit rates (i)<br><br>Consumed economic benefit/obsolescence of asset    | Road pavement - \$34.92 per square metre<br><br>Road surface/seal - \$4.09 - \$99.40 per square metre<br><br>Kerb - \$38.76 - 45.34 per lineal metre<br><br>Footpaths - \$37.43 - \$2,498.10 per square metre<br><br>Bus stop shelters - measured at cost.<br><br>1.86% per year | Higher unit rates increases fair value.<br><br>Greater consumption of economic benefit or increased obsolescence lowers the fair value.              |

**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

**36. Fair value measurements (continued)**

| Description and fair value as at 30 June 2018 \$'000 | Valuation Technique(s)       | Significant unobservable inputs                                                                                   | Range of significant unobservable inputs (weighted average)                                                                                                                                                                                  | Relationship of unobservable inputs to fair value                                                                                                       |
|------------------------------------------------------|------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Drainage (\$137,062)                                 | Depreciated Replacement Cost | Aqunta Consulting Valuation unit rates (i)<br><br><br><br><br><br>Consumed economic benefit/obsolescence of asset | Pipes - \$126.32 - \$934.05 per lineal metre<br><br>Access chambers - \$277.48 - \$345.16 per square metre<br><br>Collection pits - \$285.99 - \$8,318.37 per item<br><br>Water quality devices - \$46,381.50 per item<br><br>1.25% per year | Higher unit rates increases fair value.<br><br><br><br><br><br>Greater consumption of economic benefit or increased obsolescence lowers the fair value. |

| Description and fair value as at 30 June 2018 \$'000 | Valuation Technique(s)       | Significant unobservable inputs                                                                                   | Range of significant unobservable inputs (weighted average)                                                                                                                                                                                             | Relationship of unobservable inputs to fair value                                                                                                       |
|------------------------------------------------------|------------------------------|-------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Coastal & Estuary (\$53,364)                         | Depreciated Replacement Cost | Aqunta Consulting Valuation unit rates (i)<br><br><br><br><br><br>Consumed economic benefit/obsolescence of asset | Boat Ramps - \$1,429.88 - \$2,394.78 per square metre<br><br>Jetties - \$993.54 - \$4,226.17 per square metre<br><br>Boardwalks - \$886.63 - \$2,498.10 per square metre<br><br>Seawalls - \$899.44 - \$5,186.53 per lineal metre<br><br>2.20% per year | Higher unit rates increases fair value.<br><br><br><br><br><br>Greater consumption of economic benefit or increased obsolescence lowers the fair value. |

(i) The Aqunta unit rates utilised a number of inputs that require judgement and are therefore unobservable including number of labour hours, material and plant usage quantities and estimates of overheads.

(a) The diversity of the numerous assets in these classes make it difficult to provide meaningful information in a summarised format. Parks comprises of outdoor playing surfaces, irrigation (bores and reticulation), park furniture, play grounds, sculptures, art, shelters, fencing, garden beds, landscaping, signage and lighting. These assets have multiple components comprising different unit rates and useful lives and as such, an average could be misleading.

Buildings comprises of toilet blocks, community and town halls, administration buildings, theatres and heritage buildings. These assets have multiple components comprising different unit rates and useful lives and as such, an average would be misleading. If estimated costs used in level 3 fair value calculations were 10% higher or lower, the fair value of these assets would increase or decrease by :

| Description                       | \$'000 |
|-----------------------------------|--------|
| Land                              | 1,668  |
| Buildings                         | 15,396 |
| Furniture and fittings            | 227    |
| Plant and machinery               | 628    |
| Bridges                           | 6,429  |
| Parks                             | 16,272 |
| Roads, footpaths, kerbs and seals | 34,415 |
| Drainage                          | 13,706 |
| Coastal & Estuary                 | 5,336  |



**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

**36. Fair Value Measurements (continued)**

**(vi) Fair value measurement using significant unobservable inputs (Level 3)**

|                                                                                                                                   | Land   | Buildings | Furniture and fittings | Plant and machinery | Parks    | Drainage | Roads, footpaths, kerbs and seals | Bridges | Marina  | Coastal and Estuary | Total    |
|-----------------------------------------------------------------------------------------------------------------------------------|--------|-----------|------------------------|---------------------|----------|----------|-----------------------------------|---------|---------|---------------------|----------|
|                                                                                                                                   | \$'000 | \$'000    | \$'000                 | \$'000              | \$'000   | \$'000   | \$'000                            | \$'000  | \$'000  | \$'000              | \$'000   |
| Opening balance 1 July 2018                                                                                                       | 15,180 | 153,175   | 1,845                  | 7,561               | 186,805  | 130,308  | 338,655                           | 64,993  | 1,347   | 47,308              | 947,177  |
| Additions                                                                                                                         |        | 6,488     | 1,450                  | 2,462               | 8,135    | 1,128    | 9,424                             | 232     |         | 1,138               | 30,457   |
| Revaluation increments/(decrements) recognised in Profit and Loss                                                                 |        | -         |                        | -                   | -        | -        | -                                 | -       | -       | -                   | -        |
| Revaluation increments/(decrements) recognised in Other Comprehensive Income                                                      | 1,676  | (811)     | (562)                  | (214)               | (19,504) | 8,041    | 6,661                             | -       | (1,347) | 7,627               | 1,567    |
| Transfer (to)/from Level 2                                                                                                        |        | 265       | -                      | (2,897)             | -        | -        | -                                 | -       | -       | -                   | (2,632)  |
| Reclassification                                                                                                                  |        | (327)     | -                      | 345                 | -        | -        | (133)                             | (197)   | -       | -                   | (312)    |
| Disposals                                                                                                                         | (176)  | (118)     | (20)                   | (442)               | (1,134)  | (72)     | (629)                             | -       | -       | (310)               | (2,901)  |
| Depreciation expense                                                                                                              |        | (4,715)   | (445)                  | (537)               | (11,584) | (2,342)  | (9,830)                           | (738)   | -       | (2,399)             | (32,590) |
| Fair value at end of period                                                                                                       | 16,680 | 153,957   | 2,268                  | 6,278               | 162,718  | 137,062  | 344,148                           | 64,290  | -       | 53,364              | 940,766  |
| Total gains or losses for the period included in profit or loss, under "Other gains"                                              |        | -         |                        | -                   | -        | -        | -                                 | -       | -       | -                   | -        |
| Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period |        | -         | -                      | -                   | -        | -        | -                                 | -       | -       | -                   | -        |

Revaluation is recognised in the current year as infrastructure additions are valued at current unit rates based on current valuations.

**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

**37. Related Party Transactions**

**(a) Subsidiaries**

The City has no subsidiaries, joint venture or associate investments.

**(b) Key management personal compensation**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel (KMP). Details of persons holding the position of Councillors or other members of key management personnel at any time during the year are:

**Councillors**

|                   |           |
|-------------------|-----------|
| Rhys Williams     | Full Year |
| Fred Riebeling JP | Full Year |
| Darren Lee        | Full Year |
| Lynn Rodgers      | Full Year |
| Merv Darcy        | Full Year |
| Shane Jones       | Full Year |
| Ron Wortley       | Full Year |
| Caroline Knight   | Full Year |
| Peter Jackson     | Full Year |
| Dave Schumacher   | Full Year |
| Matt Rogers       | Full Year |
| Peter Rogers      | Full Year |
| Tahlia Jones      | Part Year |

**Chief Executive Officer and other Key Management Personnel**

| Position                                          | Name           |
|---------------------------------------------------|----------------|
| Chief Executive Officer                           | Mark Newman    |
| Director Works & Services                         | Allan Claydon  |
| Director Sustainable Development                  | Tony Free      |
| Executive Manager Strategy & Business Performance | Graeme Davies  |
| Executive Manager Finance and Governance          | David Prattent |
| Executive Manager Development & Compliance        | Brendan Ingle  |
| Executive Manager Strategic Recreation & Events   | Craig Johnson  |
| Executive Manager Engineering Services            | Matthew Hall   |

**(c) Key management personal compensation**

The total remuneration paid to KMP during the year is as follows:

|                              | 2019         | 2018         |
|------------------------------|--------------|--------------|
| Description                  | \$'000       | \$'000       |
| Short Term Economic Benefits | 2,365        | 1,948        |
| Post-Employment Benefits     | 194          | 158          |
| Long-Term Benefits           | 46           | 26           |
| Termination Benefits         | -            | 512          |
| <b>Total</b>                 | <b>2,605</b> | <b>2,644</b> |

**Short-term employee benefits**

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP including details in respect to fees and benefits paid to elected members which may also be found at Note 18.

**Post-employment benefits**

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

**Other long-term benefits**

These amounts represent long service benefits including the non-current entitlement to LSL accruing during the year.

**Termination benefits**

These amounts represent termination benefits paid to KMP during the year.

**CITY OF MANDURAH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

**(d) Transactions with other related parties**

| Description                                                                             |  | 2019<br>\$'000 | 2018<br>\$'000 |
|-----------------------------------------------------------------------------------------|--|----------------|----------------|
| Fees and charges charged to associates                                                  |  | -              | -              |
| # Fees and charges charged to entities controlled by key management personnel           |  | 1              | 2              |
| Infrastructure contributions from entities controlled by key management personnel       |  | -              | -              |
| Employee expenses for close family members of key management personnel                  |  | -              | -              |
| Purchase of materials and services from entities controlled by key management personnel |  | -              | -              |

#The City leases a house to Westaus Crisis and Welfare Inc., a not-for-profit organisation over which some of the Council's key management personnel have significant influence. The charges to Westaus were consistent with Council's schedule of fees for community organisation.

**(e) Outstanding balances**

The City has no balances currently outstanding for key management personnel or other related parties

**(f) Loan and Guarantees to/from related parties**

The City does not make loans to or receive loans from related parties. No guarantees have been provided.

**(g) Commitments to/from other related parties**

The City has no outstanding commitments to/from other related parties

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

**38. New accounting standards and interpretations for application in future years**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the City.

This note explains management's assessment of the new and amended pronouncements that are relevant to the City, the impact of the adoption of AASB 15 *Revenue from Contracts with Customers*, AASB 16 *Leases* and AASB 1058 *Income for Not-for-Profit Entities*. These standards are applicable to future reporting periods and have not yet been adopted.

**(a) Revenue from Contracts with Customers**

The City will adopt AASB 15 *Revenue from Contracts with Customers* (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the City will adopt the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments are expected to be made to the amounts recognised in the Statement of Financial Position at the date of initial application (1 July 2019):

|                                                         | Note  | AASB 118<br>carrying amount<br>30 June 2019<br>\$'000 | Reclassification<br>\$'000 | AASB 15<br>carrying amount<br>01 July 2019<br>\$'000 |
|---------------------------------------------------------|-------|-------------------------------------------------------|----------------------------|------------------------------------------------------|
| <b>Contract assets</b>                                  |       | -                                                     | -                          | -                                                    |
| <b>Contract liabilities - current</b>                   |       |                                                       |                            |                                                      |
| Unspent grants, contributions and reimbursements        |       | -                                                     | 3,530                      | 3,530                                                |
| Adjustment to retained surplus from adoption of AASB 15 | 38(d) |                                                       | (3,530)                    | 3,530                                                |

The reclassification arises due to result of the City not meeting the specific performance obligations as required in AASB 15, consequently the amount is recognised in liabilities rather than revenue.

**(b) Leases**

The City will adopt AASB 16 retrospectively from 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions of AASB 16, the City has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying the AASB 16 under the specific transition provisions chosen, the City will not restate comparatives for prior reporting periods.

On adoption of AASB 16, the City will recognise lease liabilities in relation to leases which had previously been classified as an operating lease applying AASB 117. These lease liabilities will be measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019. The weighted average lessee's incremental borrowing rates applied to the lease liabilities on 1 July 2019 is 4%.

|                                                                    | Note  | 2019<br>\$'000 |
|--------------------------------------------------------------------|-------|----------------|
| Operating lease commitments disclosed as at 30 June 2019           |       | 3,920          |
| Lease liability recognised as at 1 July 2019                       |       |                |
| Discounted using the City's incremental borrowing rate of 4%.      | 38(d) | 3,053          |
| Right-of-use asset recognised as at 1 July 2019                    |       | 3,053          |
| Low-value leases recognised on a straight-line basis as an expense |       | 537            |

On adoption of AASB 16, the City will recognise a right-of-use asset in relation to a lease which had previously been classified as an 'operating lease' applying AASB 117. The right of use of asset is to be measured at the carrying amount of lease liability as of 1st July 2019, being the date of initial application. Property, plant and equipment increases by \$3.05 million on 1 July 2019 resulting in no impact on retained earnings on 1 July 2019.

On adoption of AASB 16 *Leases* (issued February 2016), for leases which had previously been classified as an 'operating lease' when applying AASB 117, the City is not required to make any adjustments on transition for leases for which the underlying asset is of low 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).

In applying AASB 16 for the first time, the City will use the following practical expedient permitted by the standard.

"- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application. "

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019

**38. New accounting standards and interpretations for application in future years**

**(c) Income For Not-For-Profit Entities**

The City will adopt AASB 1058 *Income for Not-for-Profit Entities* (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire will adopt the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods shall not be restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes will occur to the following financial statement line items by application of AASB 1058 as compared to AASB 1004 Contributions before the change:

| Note                                                      | AASB 1004<br>carrying amount<br>30 June 2019 | Reclassification | AASB 1058<br>carrying amount<br>01 July 2019 |
|-----------------------------------------------------------|----------------------------------------------|------------------|----------------------------------------------|
| Trade and other payables                                  | \$ 9,026                                     | \$ 3,231         | \$ 12,257                                    |
| Adjustment to retained surplus from adoption of AASB 1058 | 38(d)                                        | (3,231)          |                                              |

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance give rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates will be recognised as a financial asset and a related amount recognised as a financial liability and no income recognised by the City. When the taxable event occurs the financial liability will be extinguished and the City will recognise income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the City to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

Volunteer Services in relation to Volunteer Fire Services will be recognised in budgeted revenue and expenditure as the fair value of the services can be reliably estimated and the services would have been purchased if they had not been donated.

**(d) Impact of changes to Retained Surplus**

The impact on the City of the changes as at 1 July 2019 is as follows:

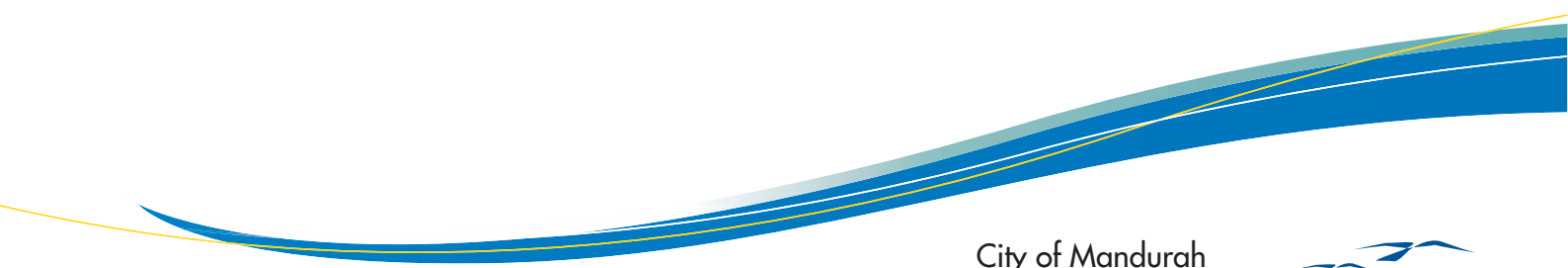
| Note                                                      | Adjustments    | 2019<br>\$'000 |
|-----------------------------------------------------------|----------------|----------------|
| Retained surplus - 30 June 2019                           |                | 276,818        |
| Adjustment to retained surplus from adoption of AASB 15   | 38 (a) (3,530) |                |
| Adjustment to retained surplus from adoption of AASB 16   | 38 (b) -       |                |
| Adjustment to retained surplus from adoption of AASB 1058 | 38 (c) (3,231) | (6,761)        |
| Retained surplus - 01 July 2019                           |                | 270,057        |

**39. Change in accounting policy**

On the 26 June 2018 Paragraph 17A (5) was inserted into Local Government (Financial Management) Regulations 1996. The regulation stated an asset is to be excluded from the assets of a local government if the fair value of the asset at the date of acquisition by the local government is under \$5,000.

The adoption of the regulation constitutes a change in accounting policy. Due to the effect on the financial statements not being material, the City did not retrospectively apply the changes in accounting policy arising from the new regulations and has not restated the comparative figures.





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