

City of Cockburn Annual Report 2007/08

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180

Index

Mayor's Message		2
Report of the Chief Executive Officer		3
Our Mission		4
Measuring Our Performance		5
Demographic Data		11
The Year Ahead		12
National Competition Statement		13
Community Services Division		14
Engineering and Works Division		26
Planning and Development Division		31
Finance and Corporate Services Division		38
Financial Statements		46

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Mayor's Message

The City of Cockburn is serious about working towards a Better Tomorrow for the residents and businesses that make up the Cockburn community.

Last year the City announced its first ever green budget. This year we have gone one step further, by committing 1% of the City's operating budget solely on sustainable initiatives.

We are investing \$500.000 in education programs for local schools and businesses, buying only eco-friendly green power for the City's offices and public lighting and have dedicated staff working internally and externally on sustainable initiatives.

In addition to this the City has planted thousands of native seedlings through school and community planting days; Council is reviewing policies with a focus on achieving sustainable outcomes; and the City has invested \$120,000 on natural resource management in the 2008-09 budget.

We are auditing and educating our industrial sector in accordance with environmental guidelines, hosting courses that assist residents identify ways to reduce their carbon footprint and launched an inaugural Sustainability Awards program that seeks to promote and reward those in the community that have made sustainable achievements.

I congratulate the Cockburn community for its role in the protection and conservation of our environment. The City's fortnightly recycling collection is being utilised to such an extent that trials are now in place to consider changing the collections to a weekly rotation.

More than 4,000 tonnes of waste is delivered weekly to the Henderson Waste Recovery Park, a large portion of which is sorted on site and recycled to processing plants to be reused. This recycling effort not only reduces the amount of waste accumulating at the Recovery Park but also saves tonnes of natural resources from being depleted.

This waste recovery and recycling service will be boosted further by the establishment of a \$95,000 recycling shop that will soon be established at the site.

In addition to these environmental initiatives the City is forging ahead with major recreational and social projects including the establishment of a centrally-located seniors centre, a rejuvenation of the Coolbellup Community Hub and a new sporting complex to be built in Hammond Park.

I would like to take this opportunity to thank our residents and staff that have made changes to their homes and businesses in a bid to join the City in ensuring a 'Better Tomorrow' for Cockburn and urge the Cockburn community to act now to reduce your carbon footprint and protect our precious environment.

I am proud to be a part of this new era for Cockburn and acknowledge the wonderful support and input from all Elected Members and Staff at the City of Cockburn

I am pleased to present the City's 2008 Annual Report and as always would encourage you to contact myself or any Elected Member should you wish to discuss anything in this report.

Mayor Stephen Lee

Report of the Chief Executive Officer

The recently released 2006 Census data has confirmed that the City of Cockburn remains one of Perth's fastest growing and culturally diverse cities. It also confirmed that the City's economic growth is strong and we are achieving a greater level of self-sufficiency in employment.

The past year has seen the fabric of the City change in so many ways. On the development front many milestone projects were completed or commenced that seek to improve our liveability, employment and tourism. These included:

- · Completion of the Southern Suburbs Railway within the district and opening of the new bus interchange at Cockburn Central
- The completion of the marina seawalls and first land sales in Port Coogee. The realigned Cockburn Road has also been opened
- Construction of a new Youth Centre and refurbishment of Memorial Hall. Both of these projects will be completed in 2008
- Expansion of Phoenix Park Shopping Centre and Cockburn Gateways Shopping City, the latter included an expansion of the Success Library
- Significant construction of new businesses in the Cockburn, Yangebup and Jandakot Business Parks. The Australian Marine Complex also had significant construction commence and the State Government announced a further \$174m of infrastructure projects would be developed in this precinct
- Latitude 32, the new name of Hope Valley Wattleup industrial area, was also launched. This area will tie in with the proposed Fremantle Outer Harbour and create a major logistics gateway into the State

Complementing these, the City also introduced improvements to its business systems and processes. A new planning system was implemented, which will eventually allow electronic lodgement of planning applications. The City also partnered four other Local Governments in the development of an Electronic Lodgement System for building approvals. We achieved key aspects of our Strategic Plan; finalising a Library Strategy, expanding the Community Events program, improving our Financial capacity, adopting Sustainability and Transport Strategies.

These efforts did not go with without recognition. The City was presented with numerous awards throughout the year, but most significantly we won a national Local Government Award for the City's Community Development Strategy, Business Partnership with Alcoa.

The role of our Council has been pivotal in providing the strategic guidance required by the staff. But it has been through the commitment of my staff that the Council has been able to see its vision come to fruition. I remain justifiably proud to be a member of a great team. Throughout the next year we will all be looking for other new ways to achieve our Mission 'To make the City the best place to live, work and visit in the Perth metropolitan area'

Stephen Cain Chief Executive Officer

Our Mission

Our mission is to make the City of Cockburn the most attractive place to live, work and visit in the Perth Metropolitan area.

The Corporate Strategic Plan identifies seven Vision Statements, each of which has a set of complementary objectives for achieving our Mission and having the most influence on steering our development through to 2018:

D Demographics Planning

I Infrastructure Development

LI Lifestyles and Aspirations Achievement

G Governance Excellence

E Employment and Economic Development

N Natural Environment Management

T Transport Optimisation

These factors take into account, our planned population growth and the diverse social needs of our residents; the support required for the business community and growth of educational opportunities; a requirement to conserve and preserve our natural resources, while providing good community leadership and stewardship. These developmental factors were identified as being those that would most influence the development of the City and are included in Councils Plan for the Future of the District 2008 - 2018.

Measuring Our Performance

To ensure that the initiatives in the Strategic Plan form part of the core business of Council, we have identified both Service Commitments and Measures of Success. Any item of business coming before Council will be related to the Service Commitments. Council will also report on the achievement of the strategies identified in the Plan in this Annual Report.

NITIATIVE OUTCOME	SERVICE COMMITMENTS	MEASURES
Demographic Planning	To ensure the planning of the City is based on an approach that has the potential to achieve high levels of convenience and prosperity for its citizens. To ensure development will enhance the levels of amenity currently enjoyed by the community.	Business Pla an annual B June 2008. Processing T and Building times for buil applications Annual Repo and Council Planning Building Demographi publish data rate and soc Community See table Pa Ratepayer/R – Communit

ACTUAL 48%

8 0

OF SUCCESS

Ian – Council will adopt Business Plan. Adopted

Times for Planning

ng – Average processing uilding and planning s will be reported in the bort against statutory I targets.

CTUAL	TARGET
32 Days	28 Days
28 Days	25 Days

hic Data - The City will a on the annual growth cial composition of our *i* in its Annual Report. Page 8.

Resident Satisfaction

Community satisfaction
 with Planning Services and
 Neighbourhood Amenity to be
 reported in the Annual Report and
 meet Council's targets.

TARGET 70%

NITIATIVE OUTCOME	SERVICE COMMITMENTS	MEASURES OF SUCCESS	INITIATIVE OUTCOME	SERVICE COMMITMENTS	MEASUR
rastructure	To construct and maintain community facilities that meet community needs. To construct and maintain parks and bushland reserves that are convenient and safe for public use, and do not compromise environmental management. To provide an appropriate range of recreation areas that meet the needs of all age groups within the community.	Plan for the District – Adopted in June 2008. This Plan will be adopted by Council and updated every two years. [To meet the requirement of s5.56 of the Local Govt Act.]Land and Investment Strategy – Annual activities to develop and expand the City's investment activities will be detailed in the Annual Business Plan. Noted in the Review of the Annual Business Plan 2008.Asset Management – Council will adopt a management policy and provide details of projects, expenditure and targets in the Annual Business Plan.Adopted May 2007.Customer Satisfaction – An annual survey of regular facility users will be undertaken to determine customer satisfaction.Festivals achieved booking service75.0% 84.0%Community facility hire & booking service85.8% 82.0%Parks and Gardens82.0%Ratepayer/Resident Satisfaction with Recreation Facility development to be reported in the Annual Report and meet council's targets.ACTUALTARGET 90%	OUTCOME Lifestyle and Aspiration Achievement	 To foster a sense of community spirit within the district generally and neighbourhoods in particular. To facilitate and provide an optimum range of community services and events. To deliver our services and to manage resources in a way that is cost effective without compromising quality. To conserve the character and historic value of the human and built environment. To identify community needs, aspirations, expectations and priorities for services that are required to meet the changing demographics of the district. 	Commun - The co commun developr Conduct Commun of events participa program Report. was 33, Services of the Ci the Plan See Plan Commun reported Commun reported ACTUAL 64% Greenin Plan is t porate a reserves the plan Busines Ratepay Commu Services Annual Youth Seniors Disabilit Animal Control Bushfire Control

S OF SUCCESS

Development Strategy Survey uct of a triennial survey of aspirations and desires to guide nt of the City. in May 2008.

7

Events Participation – Details nd the number of residents g in the City's Summer Events to be reported in the Annual endance 2007/08 financial year 0 people.

ogram – Details of development s services are to be included in the District.

or the District - June 2008.

Safety - Details of the safety program are to be the Council website and atisfaction measured and the Annual Report.

> TARGET 80%

rogram – The City's Greening be reviewed biennially and incorgreening' activities (parks, road umps & streetscapes). Details of e to be reported in the Annual lan. To be reviewed 2008/09.

Resident Satisfaction -

satisfaction for Community ovision to be reported in the port and meet Council's targets.

ACTUAL	TARGET
51%	75%
57%	75%
59%	75%
68%	80%
69%	90%
0378	5078
70%	80%

INITIATIVE OUTCOME	SERVICE COMMITMENTS	MEASURES OF SUCCESS	INITIATIVE OUTCOME	SERVICE COMMITMENTS	MEASURES
Governance Excellence	To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices. To provide effective monitoring and regulatory services that administer relevant legislation and local laws in a fair and impartial way. To maintain a professional, well-trained and healthy workforce that is responsive to the community's needs. To maximise use of technology that contributes to the efficient delivery of Council's services. To develop and maintain a financially sustainable City.	Information Accessibility – The City is to provide access to all Council plans, policies and other important documents available online to the community. Refer to Council website: www.cockburn.wa.gov.au Community Communications – Strategies and policies are to be reviewed annually to encourage greater community awareness, and participation in the City's affairs. Communication Strategy completed in December 2006. Budget Management – A mid-year progress report on achievement of the Annual Business Plan is to be presented to Council. Reviewed in Business Plan is to be presented to Council. Reviewed in trategy is to be reviewed annually with targets and achievement of performance measures to be reported in the Business Plan and Annual Report. See Financial Statements. Ratenante. Ratenante: Definition are to be reported in the Annual Report and meet Council's argets. Definition are to be reported in the Annual Report and meet Council's argets. Definition are to be reported in the Annual Report and meet Council's argets. Definition are to be reported in the Annual Report and meet Council's argets. Definition are to be reported in the Annual Report and meet Council's argets. Definition are to be reported in the Annual Report and meet Council's argets.	Natural Environmental Management	To conserve, preserve and where required, remediate the quality, extent and uniqueness of the natural environment that exists within the district. To ensure development of the district is undertaken in such a way that the balance between the natural and human environment is maintained. To manage the City's waste stream to achieve sustainable resource management, in an environmentally acceptable manner.	Environmenta Environmenta adopted by Co year program remediation w reported annu To be conside Contaminated Sites Manager adopted by Co contaminated boundaries rep State Governm To be consider Sustainability incorporate su criteria into its processes. Pol Coastal Manag Management r and used to m City's coastline future develop To be consider Waste Strateg Management S by Council and of household v Annual Report An annual surv determined the satisfaction: Rubbish colled Recycling serv Ratepayer/Res Community sa Environmental reported in the meet Council's ACTUAL 72%

3.1

MEASURES OF SUCCESS

Environmental Strategy – An Environmental Strategy is to be adopted by Council and include a fiveyear program of revegetation and other remediation works, with these to be reported annually in the Business Plan. To be considered 08 – 09.

Contaminated Sites – A Contaminated Sites Management Strategy is to be adopted by Council and details of all contaminated sites within the City's boundaries reported publicly via a State Government website. **To be considered 08 – 09**.

Sustainability Measures – The City will ncorporate sustainability performance criteria into its decision-making processes. Policy adopted June, 2006.

Coastal Management – A Coastal Management model is to be developed and used to monitor changes in the City's coastline and guide strategy for uture development. **To be considered 2008/09**.

Waste Strategy – A Waste Management Strategy is to be adopted by Council and the diversion rate of household waste reported in the Annual Report. **Completed June 2007**.

An annual survey of the community letermined the following levels of

ection	91%
rvices	83%

Ratepayer/Resident satisfaction – Community satisfaction with Natural

Environmental management to be eported in the Annual Report and neet Council's targets.

TARGET80%

	SERVICE COMMITMENTS To ensure the City develops	MEASURES OF SUCCESS Transport Network Model – Transport modelling will be	Demographic Data Source – Australian Bureau of Statistics, 200 www.abs.gov.au/websitedbs/d3310114.nsf/Ho	
	a transport network that provides maximum utility for	undertaken every five years	Person Characteristics	Cockbu
	its users, while minimising	and reported to Council. This	Total persons (excluding overseas visitors)	74,472
	environmental and social impacts.	information will be used to update the Transport Plan in the Plan	Males	37,052
	To construct and maintain roads which are convenient	for the District. See plan for the district 2008-2018.	Females	37,420
	and safe for vehicles, cyclists and pedestrians. To achieve provision of an	Lobbying and External Funding – Targets for external funding for road construction are to be included in the Plan for the District,	Indigenous person (Aboriginal and Torres Strait Islanders)	1,256
	effective public transport system that provides	with the success of the City's	Age	
	maximum amenity,	lobbying efforts measured by the	Age Groups:	Cockbu
	connectivity and integration	approved construction programs in the annual Business Plan. To be	0-4	5,222
	for the community.	considered in 08 - 09.	5-14	10,736
		Ratepayer/Resident satisfaction	15-24	10,430
		- Community satisfaction with	25-54	33,471
		roads, footpaths and cycleway	55-64	7,119
		maintenance to be reported in the Annual Report and meet Council's	65 years and over	7,493
		targets.	Median age of persons	34
		ACTUAL TARGET	Selected Characteristics	Cockbu
		Road 73% 80%	Australian citizenship	63,325
		Maintenance	Persons born overseas	21,411
4		Footpaths69%80%Cycleways63%80%	Overseas visitors (excluded from all other classifications)	515
			Country of birth Main responses in selected region)	Cockbu
			Australia	47,950
			England	5,543
			Italy	1,679
			New Zealand	1,483
			Croatia	1,246
			Portugal	1,086

% of total persons
-
49.8%
50.2%
1.7%

Cockburn 5,222 10,736 10,430 33,471 7,119 7,493 34

Cockburn 63,325 21,411 515

Cockburn

7.0%
14.4%
14.0%
44.9%
9.6%
10.1%

85.0%	
28.8%	
0.7%	

64.4%
7.4%
2.3%
2.0%
1.7%
1.5%



The Year Ahead

A 'Plan for the District' was adopted by Council in late June 2008 and identified major projects for 2008/09 and beyond. Council will continue to fund the same services provided for the 2007/08 financial year, with the following projects being of particular note:

- · Significant expenditure will see the commencement of work on sporting facilities (netball, tennis and playing fields) in Success
 - Design work will be undertaken for the construction of a library and civic facilities at Cockburn Central
 - Commencement of consolidation of a Community Hub in Coolbellup
 - Refurbishment of Civic Centre to a Seniors Centre
 - Completion of Spearwood Avenue (to Cockburn Road)
 - Extension of Beeliar Drive to Stock Road
 - Construction of community/sporting facilities in Aubin Grove

National Competition Statement

The Competition Policy Statement

The Competition Principles Agreement is an intergovernmental agreement between the Commonwealth and State/Territory governments that sets out how governments will apply national Competition Policy Principles to public sector organisations within their jurisdiction.

The State Government released a policy statement effective July 1996, called the Clause 7 Statement, which forms part of the Competition Principles Agreement. The Clause 7 Policy document sets out nominated principles from the agreement that now applies to Local Government. The provisions of Clause 7 within the Competition Principles Agreement require Local Government to report annually on the implementation, application and effects of Competition Policy.

Competition Policy does not require contracting out or competitive tendering. It does not preclude Local Government from continuing to subsidise its significant business activities from general revenue, nor does it require privatisation of government functions. It does require Local Governments to identify their significant business activities and apply competitive disciplines to those businesses practices which compete with private business.

A number of the City's services are exempt from Competition Policy, as it applies only to business activities that generate income in excess of \$200,000 from fee revenue that is directly generated from external users. Activities undertaken by the City which have previously been considered for market testing owing to the competitive nature of the service are:

- South Lake Leisure Centre
- Waste Collection
- Waste Disposal Site

The City has resolved to retain the in-house provision of the leisure centre and its domestic waste collection.

Council has awarded approximately 50% of its waste disposal site operation to the private sector.

Legislative Review

Under the Clause 7 Statement of the Competition Principles Agreement, Local Governments must review their Local Laws to ensure that they do not unnecessarily restrict competition.

Under the Clause 7 statement, a Local Government must ensure that its Local Laws do not unnecessarily restrict competition unless it can be demonstrated that:

- The benefits of the restriction outweigh the costs to the community
- · The objective of the law can only be achieved through such a restriction

The City of Cockburn has completed a review of its Local Laws to ensure compliance with the National Competition Policy.



City of Cockburn Annual Report 2008

Community Services Division



Recreation Services

The Youth Active Program continues to provide benefits to the junior sporting community within Cockburn. The Program over the winter 2007 and summer 2008 seasons has provided 284 juniors with opportunities to engage in local sporting clubs. The success of the program has seen the City win an award from the Heart Foundation that was presented in November 2007.

In line with the strong population growth on the Eastern Side of the City, significant work has been completed in planning for new recreation reserves and facilities in Success and Aubin Grove. Council has approved work for the Success Regional Recreation Facilities which includes active reserves, netball courts, tennis courts and Club Rooms with Community Facilities. Construction will start in the coming year.

South Lake Leisure Centre

The South Lake Leisure Centre installed a Spin Cycling Room in September of last year in order to complement the facilities on offer at the Centre. The Spin Room has proved to be a popular addition to the facility and has added great variety to the fitness class programs on offer.

Cultural Services

Over 6,500 people attended the Cockburn Rotary Spring fair and enjoyed a Croatian theme as the City celebrated its relationship with its Sister City Split in Croatia.

The City's premier art exhibition Show Off 4 this year saw 38 local artists participate and the exhibition was the first major event in the newly refurbished Memorial Hall complex that was opened by the governor of WA Dr Ken Michael in March 2008.

A part time museum's officer has seen the Azelia Ley museum undertake a number of different activities such as a successful holiday program for children.

The City participated in the state-wide Artopia 'Living Artists' program where a number of artist workshops were organised in the Spearwood Library along with local community exhibitions in Spearwood and South Lake and open studios at selected artists residences throughout the City.

Community Development

A program of Volunteer Organisation Training Events was launched in March 2008, a series of monthly training opportunities targeting volunteers and volunteer organisations.

Approximately 280 guests attended the Inspirational Volunteer Awards Dinner in December 2007 acknowledging 94 award nominees.

The regional network of community organisations, including residents, parents and seniors groups has undergone a period of review and consolidation. Initiatives driven by the representative groups include:

- The Very Important Volunteer Card program, a Cockburn Community Development Group initiative, offers more than 1200 volunteers discounts at 68 businesses across the City
- The Community Bulletin promoting community group meetings and events
- The Happening Seniors program, a Regional Seniors Group initiative, delivers a range of activities, workshops and an Active Living Expo

Aboriginal Community Development

An Aboriginal Dance Group for girls has been established, through funding from Alcoa Grants. The group, known as 'Mooditj Midgies', completed rehearsals and provided some public performances for the City of Cockburn and the City of Armadale.

The Aboriginal Reference Group commissioned 6 banners to be made with art work from a local Aboriginal artist, Sharyn Egan. These were designed to provide a portable identity at events and meetings, and promote the Reference Group out in the community.

A database of Aboriginal residents within the City of Cockburn is being developed, in order to improve communication channels with the Aboriginal community by sending out information on events, activities and projects being held within the City.

NAIDOC celebrations were held within the City of Cockburn to celebrate Indigenous culture. A Flag Raising Ceremony was held at Council and a free Family Day event was provided for all the Community to attend.

Disability Services

The City of Cockburn is committed to ensuring that Cockburn is an accessible and inclusive place for people with disabilities, their families and carers to live in. The City recognises that people with disabilities are valued members of the community who make a variety of contributions to local social, economic and cultural life.

The City has developed a Disability Access and Inclusion Plan (DAIP), a legislative requirement of the Disability Services Act (1993). The City of Cockburn's DAIP 2007 -2012 was endorsed by Council in July 2007 and has since been approved by the Disability Services Commission (DSC). In July 2008, the City submitted its first Local Government Authority Progress Report to DSC so that the achievements on the DAIP outcomes can be monitored.

Disability Access and Inclusion Plan

Over the past year, the City implemented the six desired outcomes of its DAIP across all Service Divisions to ensure that people with a disability will have equal access to its services, events, buildings, facilities and information. The DAIP also outlines strategies on how to be inclusive of people with disabilities in regards to customer requests, complaints handling and public consultations.

The six DAIP outcome areas provide a framework for translating the principles and objectives of the Disability Services Act into tangible and achievable results;

Outcome 1

People with disabilities have opportunities to access the services of, and any event organised by, the City of Cockburn.

- Celebrate Ability Day attracted over 500 people who came together to celebrate the International Day of People with Disability. This whole of family event was held in December 2007 at Manning Park, Hamilton Hill. The City funded event showcased a range of activities designed to be inclusive for children, families and residents of all abilities.
- The Supported Wage Crew Scheme is a partnership between the City and employment agency South Metropolitan Personnel (SMP). This scheme has resulted in 12 young people with disabilities gaining employment at the City in order to provide assistance to Executive Services and to Parks and Gardens Services. This scheme has increased the visibility of people with varying abilities in the community and within the Council workplace, as well as developing skills and positive self esteem within the SMP Crew.

- Cockburn Community Care, situated at the Jean Willis Centre in Hamilton Hill, delivers services to the frail aged, young people with disabilities and their carers. Services available range from centre based day care, counselling, domestic assistance, home maintenance, personal care, respite, social support and transport. These services are supported by the City and funded through the Home and Community Care (HACC) and Community Aged Care Packages (CACP) programs.
- Child Care Services has access to Inclusion Support Workers to assist children with disabilities to participate in After School Care and Vacation Care programs. This service is supported by the City and funded by Communicare.
- Children's Services offers the Cockburn Early Education Program where playgroups and individualised home visits are inclusive of children with developmental delays and disabilities. These services provide significant support and information for parents and young children.
- · Recreation Services run the Cockburn Junior Travel Assistance Program, a travel grant for young people living in the City. In August 2008, the grant was awarded to a Hamilton Hill resident who is representing Australia in the 2008 Beijing Paralympics. She will compete in the wheelchair race for the 100m, 200m and 4x100m relay at the Games.
- Youth Services provide the Youth Outrage School Holiday Program which includes young people of varying abilities in recreational and social activities and opportunities. Previously this Program was funded by DSC but has now been incorporated into Council's annual budget. ParticipATE and IlluminATE were a series of community art workshops run by Youth Services with an emphasis on young people with a disability. In 2007, 15 young people were involved in the ATE series. The new purpose built Cockburn Youth Centre will continue this series with ActivATE arts workshops.
- 'Spring into Sculpture' is a series of community arts workshop for people with intellectual disabilities that live in DSC supported home accommodation in Cockburn. The sculptures created were part of the Great Spring Fair Treasure Hunt at the Cockburn Rotary Spring Fair in October 2007. These workshops are a component of the Lost Generation Project coordinated by DADAA (Disability in the Arts, Disadvantage in the Arts) which involves a partnership with the City of Cockburn and other Councils.

Outcome 2

People with a disability have the same opportunities as other people to access the buildings and other facilities of the City of Cockburn.

- · An Access Audit of the City's buildings and facilities as well as parks and reserves has been completed. The guidelines used in the Access Audit followed the provisions of the Building Code of Australia and the technical specifications found in the series of Australian Standards AS 1428. The recommendations will be incorporated in the City's newly established Property Management System.
- Building Maintenance Services continue with the modification of kerbs; footpath replacement and upgrades; installation of several ramps in various areas; adjustments of all hand rails in identified accessible toilets; re-markings of various access car parking bays and upgrades of signage, in particular entrance signage to buildings.

- · Administration Centre at the City of Cockburn has undergone a refurbishment to accommodate the increasing number of staff. As part of the renovations, accessibility for people with disabilities has been a priority. The building now has a lift to the 1st floor Council Chambers and Function area; toilets with Braille signage on all levels; an accessible toilet on the ground floor; a lowered counter at reception; and additional ACROD parking bays.
- Jandakot Community Hall and Naval Base Holiday Accommodation Units now have been refurbished with accessible toilets and ramps including a concrete path for easy wheelchair access.
- South Lake Leisure Centre is equipped with several facilities that increase access for people with disabilities. The entry of the building has a ramp and the swimming pool also has a ramp as well as a hoist. A waterproof wheelchair has been provided through Youth Advisory Council fundraising.
- The Beach Trekker is a modified wheelchair made available to the public at the Coogee Beach Surf Lifesaving Club during the summer season. It can transport people with disabilities and the frail along the beach as well as into the water. It was purchased by the City from TADWA (Technology Assisting Disability WA).
- Universal Playground at Manning Park in Hamilton Hill provides a place for socialising and fun for all children, enabling children with a disability to participate in more physical activities. 70% of the equipment has subtle modifications that result in a big difference for a child with a disability.
- ACROD parking bays at Phoenix Shopping Centre have a cooperative policing strategy in place which was negotiated by the City and Phoenix Management.

Outcome 3

People with a disability receive information from the City of Cockburn in a format that will enable them to access the information as readily as other people are able to access it.

- The City provides printed material available to the public in alternative formats on request. This includes promotional items and brochures as well as ongoing publications such as the Annual Report, Cockburn Soundings magazine and Cockburn Update email newsletter. All publications, communications, events and promotions display the text 'Information available in alternative formats on request'.
- The City's website displays the 'International Access' symbol on the top right corner of the homepage as a link to the information page on the services available from the Customer Contact Centre. Several of the website banners display photos of people with disabilities interacting with the community.
- Library Services have a 10 year plan to develop an inclusive and accessible library environment. At present all the City's libraries provide the following assistive technologies and materials - Zoom Text screen magnification; large character keyboards; Tracball mouse substitute; large print and talking books. Other services include a Home Library Service that delivers books and other materials on loan to readers who are housebound and a fortnightly bus that brings readers to the Success Library.

- Coolbellup Library includes an Adaptive Technology Centre, full wheelchair access and specific facilities for people with a disability. It provides a number of resources that can help people access a computer such as Kurzweil Omni that converts text to speech using a scanner, Starview magnification viewer and a speech synthesiser.
- Hearing Loop system is available in the Council Chambers, Function Area and Dining Room. This system assists people using hearing aids to hear more clearly by cutting out background noise.
- Cockburn's Disability Reference Group has monthly meetings where information on services and upcoming events in the City and other disability agencies are disseminated for broader distribution across Cockburn.

Outcome 4

People with a disability receive the same level of quality service from the staff of the City of Cockburn as other people do.

- Disability Access & Inclusion Officer's position has increased from two days per week to full time as of September 2008. Council's decision was based on the need to ensure a high standard of Disability Services and meet the outcomes of the DAIP. The Officer will continue to work with Council and the community on disability related matters, deliver Disability Awareness Training to all City of Cockburn staff and monitor the implementation of the DAIP.
- Human Resources Business Unit delivers an induction to all new staff which includes an outline of the City's commitment to improving services for people with disabilities by implementing its Disability Access and Inclusion Plan 2007-2011.
- Disability Awareness Training for the City's staff has been developed and piloted in July 2008. The training is designed to provide information and knowledge to assist staff in understanding the needs, and offering a more responsive service to people with a disability. This allows people to access and participate more fully in their community.
- Building Services continues to encourage their Surveyors to attend training sessions from Department of Housing and Works (DHW) and Australian Institute of Building Surveyors (AIBS) to keep up to date with the Disability Access standards.
- Contractors who provide a service to the City that directly involves the public or facilities used by the public have to comply with the City's DAIP. Clauses about the DAIP are included in the contract documentation where appropriate. A DAIP Contractor Report is required for Request for Tender, Request for Quotations and Consultancy Agreements over \$50,000.

Outcome 5

People with a disability have the same opportunity as other people to make complaints to the City of Cockburn

 The City's Customer Request System has been set up for Officers to respond to complaints within 7 days. Customer requests or complaints can be directed to the Customer Contact Centre on 9411 3444 or emailed through to customer@cockburn.wa.gov.au.

- National Relay Service (NRS) is a phone solution for people who are deaf or have a • hearing or speech impairment which is available at the City. Customers can use the NRS if they have access to the internet or a special phone called a TTY. The City's Customer Contact Centre has NRS trained staff familiar with the procedures of communication with the customer via a relay officer.
- Auslan signing interpreters who can assist people with a hearing impairment can be provided by the City upon request and prior arrangement.

Outcome 6

People with a disability have the same opportunity as other people to participate in public consultation by the City of Cockburn.

- Cockburn's Disability Reference Group (DRG) is facilitated by the City to give a voice to people with disabilities and make their needs known to Council. This proactive group is made up of consumers, industry representatives, Elected Members and Council staff, and plays a valuable advisory role as well as raising recommendations to Council. Membership is open to all residents and service providers in Cockburn.
- Representatives from the Disability Reference Group (DRG) currently sit on the City's 'Cockburn Community Development Group' and Australand's 'Port Coogee People and Places Working Committee'. Their role is to ensure that barriers to disability access and inclusion are addressed appropriately in future developments in Cockburn.
- The City's Disability Access and Inclusion Plan (DAIP) included extensive public consultation with the City's staff, Councillors, Disability Services Commission (DSC) staff, individuals and groups of people with a disability, DRG members, and clients from the Cockburn Community Care.
- The DAIP is a public document, which is available on the City's website and in other formats, with feedback encouraged from the community.
- A Community Needs Study for the City was conducted in January 2008 to evaluate perceptions of the quality of life in the local area and determine what the City can do to minimise the adverse impacts of change, to protect and enhance liveability in the area in future years. 14% of out of 403 residents who completed the survey had a disability or impairment.
- A Community Perceptions Survey of the City's residents was conducted in April 2008 to evaluate and monitor performance across a range of services & facilities. 13% out of 405 residents that participated in the study had a disability or impairment.
- Planning and Development Services have conducted face to face individualised consultations with persons with a visual impairment upon the customers' request. The Integrated Local Area Planning (ILAP) community consultation workshops for two new subdivisions in the City also included people with disabilities.

Family and Children's Services

Children's Development

The inaugural 'Hello Baby' event was held in early 2008, welcoming new babies into the Cockburn Community. Parents were presented with a parenting calendar developed by Council staff.

A Parent Database was created, to be used to inform families via newsletter of upcoming events, services and programs within the City of Cockburn. This assists City of Cockburn's Children's Services and Family Support Services to engage early with new parents in our region, ensuring they are well supported and provided with parenting information right from the start.

A Children's Interest Group has met quarterly throughout 2007/08, providing a forum for early childhood school staff and other children's services providers, to discuss issues of interest and plan for the provision of early years' activities and programs in schools.

Support Services

The core business of the support service team is to provide support, through counselling, information, advocacy, options and referrals, to individuals living in the City Cockburn.

As well as offering casework, in 2007/08 the support services focused their broader activities to encompass a range of community groups. Events were organized around such issues as living in harmony, celebrating families, awareness of Homelessness and Poverty, and making a stand against domestic violence.

Other team initiatives were undertaken to meet the presenting needs of the community included the Lifeskills program, BBQ and a Blanket, Mothers' groups for those struggling with post natal depression and isolation, Health and wellbeing programs, Parenting teens, and outreach to schools and community centres.

The support service team often works in collaboration with other community programs to maximise the potential of the projects.

Childcare services

Family Day Care: There has been an excellent annual recruitment of 24 State Licensed Care Providers against an attrition of 8 Care Providers. Over 1,000 children are cared for each week. The National Quality Assurance Accreditation process, including Validation Visit and Moderation, resulted in 'High Quality' assessment in each of the 6 Areas of Quality.

Outside School Hours Care: City of Cockburn has 5 State Licensed and Commonwealth Accredited Outside School Hours Care Centres operating to full capacity. This is made up of 1 Before School Care, 5 After School Care Programs, 5 Vacation Care Programs, with approximately 320 children in care.

In Home Child Care Program: This service is developing well with 19 Care Providers, 56 children with an Equivalent Full Time number of 32.

Library Service

The external review of 2007 continues to inform the direction the service is following. Work continued on planning for both the Coolbellup Hub and Cockburn Central projects. Success Library was engaged with yet another move, but to a much better location within Cockburn Gateway Shopping City. It provided, with the assistance of a specialist interior designer, a far better opportunity to show to best effect the service's new colour scheme and branding. Visitors' reactions have been even more positive than before.

Programs for adults, children and young people continue to occupy an important place in the calendar. The various book clubs, writing groups etc continue to function most satisfactorily and attendances have generally been good with a number fully booked. Children's activities attracted over 4700 participants with those for adults totalling almost 2100.

Technology continues to play a major part in enhancing services and improving the effectiveness of their delivery. The Spydus library system was upgraded with among other things the addition of self-issue at Success and Spearwood. Coolbellup will follow after redevelopment. Its ease of use means that it is an attractive and real option for borrowers. Public PC access was significantly enhanced by the service-wide introduction of the public PC booking and print management system. It has resulted in a more efficient allocation of public PCs, more flexibility, almost no wasted paper and an overall improved and positive user experience. <u>Computer School Tutorials, Good Reading, My Language</u> and <u>TumbleBooks</u> were added to the library's suite of online databases.

Cockburn Youth Services

City of Cockburn Youth Services (CYS) was established in 1994 to serve the rapidly growing Cockburn District. Through the provision of casework, information, advocacy, referral, group programs, facilitation and coordination of youth agencies and activities in the area, Cockburn Youth Services targets the needs of at risk young people aged 10 to 25 and their families. Our aim is to continually improve the service through innovative, sustainable and cost effective programming. The service maintains its relevance through consultation with as many young people and community members as possible. Programs are developed in response to needs that are identified through our casework and from consultation with the community.

The City has a core youth team of 5 staff to provide advice, information, advocacy and activities for young people aged 10 to 25 living in Cockburn. The City also employs contract staff through grant funds from time to time and currently employs a part-time youth project officer looking at access, inclusion and equity for young people with disabilities across the youth services programs.

The Service receives funding for the 2 youth work positions from the Department for Child Protection and Department of Corrective Services.

Casework: CYS continued to maintain a high quality service to young people and the community this year. With continued commitment to working both with the young person and their family the service has been able to increasingly identify and assist with the complexity of underlying issues. Referrals made to the service by local schools have increased. This is significant to the service as it indicates that schools are more aware of our service and more importantly that they are more proactive in addressing the needs of young people.

The appointment of two contract staff for six months for the latter part of the financial year allowed the service to identify gaps and lay the foundations for work in areas of need such as working with young men and with young people from Culturally and Linguistically Diverse Backgrounds.

Young Women's Group (Soul): Soul Young Women's group was run for four terms in 2007/08. Young women from Port School, Lakelands SHS, Hamilton SHS and Emmanuel Catholic College participated. Activities included healthy cooking, informal self esteem building and healthy lifestyle information provision, hair and make up workshop, group games, bowling and dinner outings. The program has been running for a number of years now and has been extremely successful with maximum numbers and high participation rates.

Youth Outrage School Holiday Program: This inclusive holiday program continues to be extremely popular with young people throughout the City. The Youth Workers continue to support this program by attending one day each per program. Whilst the program is for mainstream young people, the program receives many referrals from Department for Corrective Services and Department for Child Protection. Positive links are made with young people participating in the program, which is run four times each year.

Schools: CYS recognises the importance of forming good ties with both the primary and high schools within the City of Cockburn. With the development of these networks CYS hopes to ease the transition from primary to high school and reduce the levels of risk behaviour.

CYS also works closely with School Psychologists to assist students and their families in times of difficulty to promote the importance of participation in education and training for future personal and professional development.

Detention pre-release: Detention pre-release program is another CYS initiative to ensure an effective transition from custody back into the community. In collaboration with the Department of Corrective Services, CYS aims to provide support to local young people in detention and continue this support when the young person is released.

Cockburn Youth Centre

City of Cockburn Annual Report 2008

The City of Cockburn Youth Centre is a purpose-built centralised regional youth centre, catering for the diverse needs of young people in the District and the South Metropolitan Region (identified as Melville, East Fremantle, Fremantle, Cockburn, parts of Canning, Gosnells and Armadale). The proposed service model and building design is based on information gathered through an extensive youth and community consultation process which reviewed services and facilities in the City as well as youth facilities and centres throughout Western Australia and interstate.

The City of Cockburn aims to address both the specific and universal needs of our residents and ratepayers through the provision of infrastructure and property services; recreation and cultural facilities; health services; community services and youth services. Establishment of the Cockburn Youth Centre will continue the City's tradition of acknowledging and supporting young people within the community. Many young people have had the opportunity to have input into the design and development of both the building and the activities that will be run from the Centre.

City of Cockburn Annual Report 2008

The integrated youth centre will provide young people with highly accessible, appropriate youth support services, from Cockburn Youth Services, Youthreach South, Strong Families and other organisations providing outreach from the Centre. The Centre will provide access to skills development (educational, social and personal) through organised programs and activities. It will also provide access to a safe and supported neutral environment where young people can "drop in", meet informally and have the opportunity to pursue and showcase their skills and talents through a wide range of recreational activities and programs. For example the activity areas will include space for provision of a wide variety of new groups and activities as well as those currently run by the City of Cockburn Youth Services.

Boasting contemporary music recording and performance capabilities the vision for the Centre is that it become a regional icon for young people, capable of accommodating conferences and expos, large music events, radio broadcasts, school graduations and concerts.

The involvement and expertise of other local agencies and organisations from both government and non-government sectors will be actively pursued to run a range of innovative and specialised activities and workshops for young people. Activities and workshops could include computer training, homework groups, employment and training, life-skills, music and art workshops and more. Spaces within the Centre will be available for hire, ensuring the relevance of such hire to young people and their needs and wants.

The ground floor areas include:

- Multipurpose performance space/indoor recreation, inclusive of accessible stage
- Hang out/chill out informal lounge area
- Multi-use activity space/creche
- Training/computer room
- Multimedia space
- Jam/music room
- Downstairs office
- Kitchen
- Storage areas
- Male/female toilets
- Accessible toilet
- Parents room with nappy change facilities
- Outdoor area
- Amphitheatre for outdoor events and performances
- Barbecue area
- Landscaping



The building has been designed to ensure best practice standards are met in relation to Disability Access. For example the first floor has an accessible lift, automatic front doors, universal access toilet facilities, general disability access requirements such as accessible door furniture, and the multi-purpose performance space will have an accessible stage. Accessible parking bays will be located at the entrance to the building and in areas where close access is required.

The parking area is sufficient to meet Public Building requirements and Universal Access requirements.

The Centre was officially opened in September 2008.

25

Engineering & Works Division



The Engineering and Works Directorate was responsible for the cash expenditure of approximately \$74.5 million, with some \$68.1 million provided from rates and reserve funds and \$6.4 million from State and Federal Grants, fees, charges and contributions. The Directorate was very busy during the 2007/08 year, and was involved in maintaining and acquiring a wide range of significant and minor assets and projects throughout the district.

Asset Development	\$ 000's
Roads, Footpath & Drainage	9,500
Vested Subdivision Roads, Footpaths & Drainage	39,645
Parks & Environment	2,100
Buildings	11,900
Landfill Site	2,520
Plant Purchase & Disposal	2,546
Total	68,211

Operational Activities	
Roads, Footpaths & Drainage Maintenance.	
Land Acquisition for Roads	
Parks & Environment Maintenance	
Waste Disposal	
Waste Collection	
Waste Recycling	
Facilities Maintenance	
Total	

Achievements

- A major road upgrade and rehabilitation upgrade for Hammond Rd between Wentworth Pde and Branch Circus in Success was completed
- Road rehabilitation work was completed in Miguel Rd between Sudlow Rd and **Barrington St**
- Blackspot remedial works were completed on the approaches to the Hamilton Rd/ Spearwood Ave and Rockingham Rd/Yangebup Rd roundabouts
- The traffic signals and intersection operation at Rockingham Rd/Phoenix Rd were modified to address a Blackspot problem
- The construction of the Spearwood Ave extension from Hamilton Rd to Cockburn Rd was substantially commenced
- · The realignment with a dual carriageway of Russell Rd between Ashendon Bld and Hammond Rd in Success was substantially commenced
- Major pavement rehabilitation and resurfacing works were completed in Barrington St between Stock Rd and Rockingham Rd
- Major road resurfacing works were completed in Marvel Ave between Barrington St and Rockingham Rd, and in Osprey Dr between North Lake Rd and Mudlark Way
- Street lighting was installed in various locations including Spearwood Ave between Yangebup Rd and Mainsail Tce
- An underground stormwater soakage system was installed to replace the open stormwater sump at the Healy Rd/Frederick St intersection, allowing development of a flat public space
- 24km of road and 15km of footpath were gained by the City due to subdivision developments



\$ 000's
3,759
1,980
9,600
3,200
5,000
1,510
3,940
28,989

27

Infrastructure Services

Achievements

- Administration Building major refurbishment completed
- Hamilton Hill Memorial Hall refurbishment and extension completed and officially opened by the Governor on 20 March 2008
- Major progress on design and construction of the new Cockburn Youth Centre at Success



- Advancement in the development of Council's Asset Management Strategy, including selection of asset management software and staff training in the development of Asset Management Plans and other key asset management focus areas
- Purchase of two new road sweepers, three new waste collection trucks, two ride-on and one tractor mounted mower and nine other new trucks for roads, parks and waste services, and 23 replacement and new light vehicle and bus purchases

Parks and Environment

The parks construction team implemented \$3million worth of projects for the development and improvement of streetscapes and parks throughout the City. The capital works projects are identified through a long term plan of asset creation and replacement and from resident requests for items such as playgrounds, infield irrigation, lighting, park furniture, tree planting, new park developments and drainage sump landscape refurbishments. Some projects of note for this year were:

- Completion of the four-year program of works in South Lake for upgrading parks, roads and transmission line reserves surrounding Broadwater and Berrigan Lakes, Impsom Gardens and Thomas Street
- A Living Stream project to the North Lake Road drain into Lake Yangebup
- Completion of the third stage public domain improvements to Southwell in conjunction with the Department for Housing and Works
- First stage of 'Friendship Way' along Spearwood Avenue, commemorating the Sister City relationship with Spilt, Croatia
- Improvements to Rotary Park, Coogee

Environment continues to work closely with Perth NRM Region (previously the Swan Catchment Council), through such programs as Coastwest and the Perth Biodiversity Project.

Bushland Management

The City is responsible for 82 conservation areas comprising 1022 hectares of bushland and wetlands. In the past financial year, large scale weed control and rubbish removal, together with general maintenance, has been undertaken in 28 of these locations comprising 860 hectares. In addition, friends and community groups, schools, staff and contractors planted approximately 16,269 seedlings, 20,376 sedges and 30m² of sedge blocks.

City of Cockburn Annual Report 2008

Bushland Condition Mapping was undertaken in 23 conservation reserves. Condition mapping allows us to assess the condition of the bushland and develop suitable management programs to maintain and enhance our bushland and wetland areas.

Dieback control as an aerial spray treatment was undertaken in Denis De Young to control dieback. A helicopter was used to spray Phosphite in areas affected by dieback. Monitoring to assess the effectiveness of this type of treatment against traditional methods continues.

Cities for Climate Protection (CCP)

The Council is continuing with the implementation of measures to reduce greenhouse emissions within the organisation and the district. To this end, in the past financial year the City:

- Has finalised the 2005/06 inventory of Council energy consumption and carbon emissions throughout all operations and has commenced the 2007/08 review. The 2005/06 review indicates that Councils emissions have risen slightly but this can be accounted for in growth
- Through the Regional Community Greenhouse Program Action Plan 2004-2007, a further Living Smart course was held for the general public. These courses allow residents to be informed about how they can reduce their environmental footprint and also save money
- Continued to implement the successful Climate Actions project a behaviour change project offering free and confidential service to local businesses, to assist them to develop initiatives to reduce their energy consumption and subsequent greenhouse emissions. An awards night was held where local businesses were recognised for their participation in the project
- A Sustainable Street Lighting Strategy has been prepared which identifies the existing street lights and makes recommendations for changes to more efficient lighting
- Identified a number of suitable sites for installation of photo voltaic cells. The final site is yet to be determined but it is expected that the cells will be installed in the chosen location in early 2009
- The 2007/08 measures report has been finalised. This report details what Council has done to reduce our carbon emissions. It shows we are steadily reducing our carbon emissions through a number of initiatives
- Council has committed to purchase 100% natural power for the administration building. Other facilities are to follow next financial year
- Council has committed to the Cities for Climate Change Water Campaign and priority areas where water use can be reduced are currently being identified

Sustainability

As well as the initiatives being implemented through the Cities for Climate Protection Program, the City has developed and commenced implementation of the Sustainability Policy and the Sustainability Strategy. This will have many positive benefits in terms of the way Cockburn undertakes its day to day business.

Some initiatives are:

- Development of a Sustainable Procurement Policy
- Environmental Education Program in Schools



Building Energy Audits •

30

- Review of Fleet Purchasing policy
- Phoenix Central Revitalisation •
- Biofuel use for Council fleet program •
- Purchasing of energy efficient computers in updating program •
- School education initiatives developed that are available to schools dealing with themes . as Greenhouse, Resource Use and Liveable communities

Wetland Management

- The City undertook continuous monitoring of 10 wetlands and four constructed water • bodies, as part of its comprehensive midge and water quality management program
- Extensive revegetation was also conducted throughout many of the wetlands •
- The City offers incentives to landowners through the Landowner Biodiversity Grants to assist them to maintain and retain wetlands
- The City continued to work closely with the World Wide Fund for Nature Wetland Watch Program





Environmental Health

Environmental Health Services

The City's Health Services Unit has continued to develop strategic initiatives for the Cockburn community. Significant attention is being given to work with the WA Department of Health to address the epidemic of lifestyle diseases including obesity, heart disease and diabetes.

Healthy Lifestyle Programs

Smoking: Partnering with and using funds from the South Metropolitan Public Health Unit, the City developed two policies aimed at reducing the number of smokers and reducing residents' exposure to passive smoke in public places. The Smoke Free Environment Policy is one the most comprehensive policies to be adopted by a Local Council in WA. Using signs at many locations including playgrounds, bus stops, beach access points and Council buildings it asks smokers to keep at least 10m away from non smokers especially children. For the first time, Quit smoking courses are available to our residents at a convenient local venue and the Live Smart - Don't Start message will be spread throughout the city.

Physical Activity: Using grant funds of \$30,000 from the Premiers Physical Activity Taskforce the Be-Active Cockburn Physical Activity program was launched in April. Displays promoting the benefits of regular physical activity have been seen regularly in shopping centres and other venues. Similar promotional information has been delivered through the

city's newsletter and through local media including newspapers and local radio. A pram walking group is operating out of the Cockburn Gateway Shopping City. Pedometers are available for loan from the library. Local walking groups have received substantial support and promotion. Attention is being given to the improvement of bike and foot paths and walking trails throughout the city.

Environmental Health Programs

Industrial Premises Program: Partnering with and using funds from the Perth NRM Region (previously the Swan Catchment Council), this new program-which commenced in April 2008-involves audits of all industrial premises in the City. Starting with 70 premises in the Cockburn Central and Cutler Road area our Industrial Premises Officer is ensuring that all sites comply with a wide range of minimum standards. Illegal activities such as sand blasting and/or spray painting in open yards, unauthorised wash down areas, pollution of stormwater, inadequate paving and draining of yards, poor housekeeping, and nuisances are being targeted for early compliance. Industry operators are being provided with assistance relating to sustainability including recycling, cleaner production, and preparation for climate change.

Contaminated Sites

The City's Contaminated Sites strategy for Council owned properties was adopted in February 2008. Like many other councils in Perth, most of these properties are old waste disposal sites which remain as recreation reserves with no immediate threat to health. All potential contaminated sites owned or vested in the City have been reported to the Department of Environment and we are progressing with detailed inspections of these sites.

Food

The 'Safe Food Handler Training Course', conducted monthly, has trained 150 employees from 35 premises in 2007/08. This course helps food businesses meet their legislative requirement by ensuring their employees have "adequate skills and knowledge commensurate with their duties in the food business". The course will become even more relevant for businesses with the introduction of the new Food Act 2008.

Enforcement/compliance action: City's Health Service successfully prosecuted the former operator of Club Oz Adult Pool Parties, for non-compliance with Public Building regulations and noise emissions. City of Cockburn was awarded \$16,000 in fines and penalties.

An Environmental Protection Notice was served on Sims Metals for breaches of assigned noise levels and creating a noise nuisance. Sims were operating at an unapproved site and impacting upon Yangebup residents.

A Clontarf Road (Hamilton Hill) resident has been served several notices in relation to hoarding, potential harbourage of rodents and untidy property. The resident has been required to clean up his property in several stages to minimise any health risk to adjoining neighbours.

Legal action has been commenced against the operators of two sub-standard food premises and the installer of a noisy domestic air conditioner.

Unusual cases

The City's Environmental Health Officers worked closely with officers from CALM and Department of Environment to quickly close the beach at Woodman Point for 2 weeks

following the deaths of more than 200 seagulls in the area. To date the cause of death remains unconfirmed and officers continue to maintain higher levels of surveillance in the area.

Building

The City was not able to achieve rapid turn-around times for approvals this year, due to the heavy workload resulting from the large number and more complex building applications received. Increase in interest rates has started to affect the number of residential building licences issued. The City has experienced major growth in the number of building licences issued for commercial work (34.6% increase).

The number of applications for permits received in the year decreased slightly (5.5%) and the income received increased by 7.9%. This is due to the substantial increase in large complex high value commercial developments that were approved. Because of high demand within the industry, building costs have also increased since last year, as supply tightens. As a result fees have also increased, which are based on the estimated cost of construction.

In view of current market conditions it is likely the growth experienced in the last four years will start to moderate.

Building approvals 2007/08 are as follows, as compared with the previous five years:

Year Ending	Permits	Value\$	Fee\$	Residential	Commercial	Industrial	Other ancillary buildings
30/6/2003	2550	156.1m	572,000	844	30	20	1656
30/6/2004	3070	206.5m	714,000	1262	93	11	1705
30/6/2005	3069	245m	813,000	1227	84	9	1749
30/6/2006	3172	322.5m	1.2m	1172	115	3	1882
30/7/2007	3226	540m	1.525m	1161	199	5	1871
30/7/2008	3046	537m	1.646m	1068	268	5	1705

Planning

City of Cockburn – Masterview Application Tracking

The implementation of the Masterview Application Tracking System has been eagerly received by Builders, Developers and Ratepayers in helping them to track the progress of their respective Planning Applications and Building Licences at the City of Cockburn. Our Call Centre team has found this a useful tool and is able to instruct the caller on how to access this service if they are not already familiar with the product. The inclusion of an email link for any queries that the user may have, has also proven popular and has helped to reduce the amount of phone calls received.

We are also rapidly approaching the release of Masterplan Enquirer, which will reduce the number of phone calls even more and give the User further control on accessing relevant information relating to possible permitted uses on their property and the steps needed to lodge a Planning Application.

The benefits experienced to date from this system are:

- Provides internet access to the status of Development Applications
- Reduces phone calls
- Provides improved Customer Service
- · Enhances productivity of the Planning Department
- Provides fast & efficient access to vital information for the public
- · Provides expedient delivery of relevant statistics and reports to Council

During the year the Strategic Planning Team processed 11 amendments to the Town Planning Scheme and 11 structure plans which is similar to the previous year.

Major activities of the Strategic Planning Team for the year were as follows:

Metropolitan Region Scheme (MRS)

The Council continued to participate in regional planning through the Southwest District Planning Committee of the Western Australian Planning Commission (WAPC).

Cockburn Central

The parking strategy was completed and construction within the Cockburn Central Town Centre commenced. Railway operations commenced in December 2007 highlighting a major shortage in parking. As a result the City has initiated investigations into the development of a multi story public car park. The project was awarded the Ministers Award for Excellence at the recent Planning Institute of Australia awards night.

Cockburn Coast Redevelopment

In May 2005 the Vision for the Cockburn Coast Dialogue resulted in the community voicing their aspirations to redevelop the industrial area between South Beach and Port Coogee developments as a vibrant sustainable residential area. As a result, the Minister for Planning and Infrastructure requested the Western Australian Planning Commission to prepare a district structure plan for the area to accommodate some 20,000 persons. The City was a member of the steering committee and project working group working with the consultant team appointed by the Western Australian Planning Commission to prepare a structure plan for the area. Workshops with the stakeholder reference group were held in late 2006 through to 2007. The Cockburn Coast draft district structure plan was recently released for public comment.

Coogee Surf Life Saving Club

The City has been working with Surf Club members to satisfy the conditions of the Development Approval issued by the Western Australian Planning Commission. This has involved liaising with the environmental consultant and Department of Environment and Conservation and modifying the site plan accordingly. Much of the offset rehabilitation planting has now been completed.

Southwell New Living Project

The Department of Housing and Works appointed the Satterley Group to manage the Southwell New Living Project, which will see the refurbishment of all Homeswest houses and the sale of some houses and units, thus reducing the extent of public housing in the area to around 10%. Agreement was finalised with BP regarding the landscaping of their pipeline reserve and works have now been completed as proposed in the adopted Master Plan. Investigations and preliminary designs are now underway in respect to the road linkages and traffic management proposals.

Muriel Court Structure Plan – Cockburn Central

The draft district structure plan and relevant amendments for the development of the Muriel Court area were adopted by Council in December 2007 and were subsequently advertised for public comment. The plan is in the process of being finalised.

Branch Circus Structure Plan – Success

The draft district structure plan was endorsed by Council in March 2008 and subsequently advertised for public comment. Submissions are currently being assessed.

Phoenix Central Revitalisation Project

Following initial consultation with the community through surveys and a Community Vision Forum, proposals were prepared for the revitalisation of the Phoenix town centre area including the Council administration site and the wider area to the Roe Hwy, Stock Road and Manning Park. The Plan was widely advertised and two consultation forums were held. The Council has already made decisions in respect to major community concerns involving transport/road proposals and development of a portion of MacFaull Park. The balance of the issues raised during the advertising period are currently being investigated and will be the subject of a future report to Council.

Latitude 32 (Hope Valley/Wattleup redevelopment area)

Landcorp have recently initiated a review of Latitude 32 industrial area structure plan. Officers are on the Technical Reference Group and involved in the workshops with the appointed consultants. Upon completion the revised structure plan will be advertised for public comment.

Port Coogee Marina and South Beach

Development of these projects is well underway. The planning and design of the projects are continuously monitored, reviewed and structure plans modified if necessary to produce better outcomes.

Finance and Corporate Services is the provider of internal services for the City's administration. In that the Division provides accounting, budgeting, human resources, information services, management reporting and payroll resources to the other divisions, so providing them with the ability to meet the needs of the community.

Future Planning

The City updated its 2006 to 2016 ten year financial plan in 2007/08 titling it 2008 to 2018. The financial plan contains all known infratstructure projects both hard and soft, potential rating other income sources as well as expenditure estimates for the ten year period. The biggest recurrent expenditure over the ten years is payroll. Over the ten years, the City will spend \$190m on community infrastructure and \$310m on road and other capital projects. At the same time recurrent expenditure is projected at \$892m over the ten year period based on the current assumptions being the same.

Awards for Planning 2007-08











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This is to certify that LandCorp – Developer Cardno BSD – Planning Consultant

were presented with the

Planning Institute Australia

WA Planning Minister's Award

for Cockburn Central

9 November 2007 Date

City of Cockburn Annual Report 2008

Finance and Corporate Services Division



Financial Performance

The final budget surplus for 2007/08 came in at \$217,715. This figure is below the \$1,500,000 estimated and used for the 2008/09 budget. A factor for this variance was the adoption of the budget in June. This required an early call on the surplus and the amount estimated was within the range of Council's prior year results. However, large end of year accruals and a change to the accounting treatment for employee provisions had an adverse impact on the surplus. It should be noted that maintaining a surplus in a \$140m plus budget demonstrates effective financial management practices.

The City will not face a shortfall in its funding program for the adopted 2008/09 Budget as a result of the larger than anticipated carry forward expenditure program. The funding to replace the money's allocated to the carry forwards will come from additional interest income and interim rates revenue as well as savings in general operating expenditures. At this stage additional funds will be less than 1% of total outlays for the City during 2008/09.

The attached schedule proposes that this reduction in surplus and the additional amount required for carried forwards, be funded from a reduction in the transfer to the Community Infrastructure Reserve Fund of \$1,347,203. The 2008/09 budget currently shows a transfer of \$5,700,000 into this Reserve with a closing balance of \$1,707,337.

For the financial period under review, the City of Cockburn residential rates and waste management charges increased by 5.4% and 4.8% respectively. The average residential rate increased from \$572 to \$602. The minimum rate for residential properties was increased from \$480 to \$506. Waste management charges increased from \$229 to \$240.

The City maintained the 5% early payment discount as well as lowering the interest on rates instalments from two per cent to one per cent.

Working Capital Ratio

The City's ability to meet its financial commitments is calculated by measuring the current assets on the balance sheet against its current liabilities.

The City's ratio is 2.78:1. This indicates that the City has a sound financial position to meet its ongoing financial commitments. Put another way the City has \$2.78 in cash and current assets for every one dollar of its liabilities.

Cashflow

For the financial year under review, the City had a net cash flow from operating activities of \$11.0m compared with a budgeted inflow of \$7.4m and \$14.9m for 2006/07. The changes were due to higher receipts for fees, rates and general income but also coupled with lower than budgeted material costs.

The investing activities of the City were the capital works program. The City invested \$27.8m, which was under the budgeted amount of \$45.9m. The balance was carried forward into the 2008/09 financial year. One comment on the under-spend was the state of WA's overheated economy and the competition for all forms of resources. This should ease in 2008/09. As a result, the City did not have to borrow the budget \$6.2m in loans as it had sufficient cash reserves to meet it current level of activity.

Return of Investments

The following table indicates the performance of the City's funds over the period July 2007 to June 2008:

Portfolio Performance	Benchmark	Portfolio
Last twelve months	7.3%	5.2%
Weighted Avg Funds	\$52,404,274	

The performance for the financial year ending 30 June 2008 was 5.2% as against a benchmark 90 day BBSW (Bank Bill Swap Rate) published by UBS of 7.3%. This is a lower rate than the benchmark rate by 2.1%. As at 30 June 2008, the current portfolio is earning a rate of 8.39%.

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The predominant cause of this shortfall in achieving the benchmark was the City's investments in managed funds. These are funds held by Fund Managers and invested in a range of investments including Australian equities. The sudden downturn in the equities markets in January 2008 saw no gain in the capital invested. After three months of monitoring the performance of the managed funds part of the overall portfolio, the City redeemed all funds without loss of capital. These funds were then placed into fixed interest term deposits and bank bills earning between 7.5% to 7.9%.

It is stressed that investment action is always initiated by the City with the advice of Council's independent financial advisor, Oakvale Capital.

All other products invested in by the City including CDOs, Bank Floating Rate Notes, Term deposits, bank bills and mortgage backed securities continue to pay interest as and when it falls due. The World Financial position has changed significantly in the last three months and this will impact on the City's structured financial investments. The impact is not known, but it is hoped that the fiscal stimulus initiated by world governments and their respective central banks including Australia's RBA will stimulate economic activity.

Uncompleted and Carried Forward Works

Uncompleted Works and Projects from the 2007/08 Budget totalling \$22.4m and associated income of \$19.2m have been carried forward in the 2008/09 Budget. As a guide, priority will be given by the City to the completion of carried forward works and projects.

Internal Audit Program

The Finance team work with the City's internal auditors, Stamfords, to undertake a comprehensive internal audit program. For 2007/08, the work was completed by KPMG, the City's former internal auditors.

This initiative provides an increased level of confidence in the City's business controls and operational performance. The program is under the control of the Manager of Finance under the auspice of the Council's Audit Committee. Issues that were reviewed in 2007/08 were:

System compliance

- Internal controls
- Identification of possible risks
- Operational efficiencies and effectiveness, with an emphasis on those areas with greater risk exposure
- Compliance with approved policies and procedures, regulations and relevant legislation

Financial

- Revenue
- Payroll
- Fixed Assets
- Procurement
- Payments
- Annual Report/Plan for the Future

Non-Financial

- Local Laws
- **Commercial Activities**
- Elections
- Council Meetings and Administration
- Delegations of Authority
- Disclosures of Financial Interests

The level of compliance in 2007/08 was regarded as high with a number of areas requiring additional follow-up to ensure completion of target initiatives.

Audit Independence

The City employs an external firm of accountants to audit its financial statements every year and report its audit directly to the Audit Committee and Council. The City changed its auditors in 2007/08 after seven years with Macri and Partners. The tender was awarded to Grant Thornton who has assigned Michael Hillgrove to be the the City of Cockburn's audit partner.

The scope of the statutory audit of the financial statements is reviewed each year by the Audit Committee prior to the commencement of the adoption of the financial statements by the Council and presentation of the financial statements to the Annual Meeting of Electors.

Audit Committee

The Audit Committee is a formally appointed committee of the Council and is responsible to that body. As part of Council's governance obligations to the community, Council has constituted the Audit Committee to facilitate:

- Enhancement of the credibility and objectivity of internal and external financial reporting
- Effective management of financial and other risks, and protection of the City's assets
- The effectiveness of the internal audit program and function .

Membership of the committee consists of the Mayor and four elected members. Advisors to the committee are the CEO, the Director of Finance and Corporate Services, the Managers of Finance and Management Accounting and Budgeting. Internal and external auditors are also invited to report to the committee.

Budgeting and Management Reporting

This department has functional responsibility for all of the City's budgeting including the mid-year budget reviews, preparation of the annual budget as well as the preparation of the statutory financial statements. In addition, the department prepares all management accounting and reporting involving the monthly reporting and review, grant acquittals, asset recording and disposal, financial system integrity and improvement.

The year under review was extremely busy as the team aimed to produce financial and management reports in less than five working days. This target was achieved approximately 75% of the time. One initiative implemented in 2007/08 was the introduction of the

'snapshot' monthly report produced within 2 days post monthly closure. This provided the opportunity for senior management to see the progress of the City in light of the annual budget. Although not the final management report it did allow for an immediate action if issues were raised as a result of the snapshot.

A number of other projects have been completed by the BMR team including:

- Revaluation of Infrastructure and Building Assets
- Sale and lease back of the City's personal computer fleet
- Implementation of Tech One payroll review and e-Training module
- Timesheet costing function
- Transfer of Bonds and Deposits to Proclaim Financial System

Financial Services

The Financial Services team comprises financial accounting including management and control of the City's investment portfolio, purchasing, rating, accounts payable and receivable as well as transactional money functions. This is the team that ensures all external stakeholders are paid and billed to ensure the City has sufficient financial resources to meet its many financial commitments including payment of tax and superannuation liabilities.

A number of big projects were initiated during 2007/08 including the electronic scanning of all incoming invoices and distribution of them across the many departments and locations (both internal and external) for matching, authorisation and payment. The principle aim was to remove the amount of paper that is distributed and potentially lost or delayed. This in turn placed responsibility back to the originating departments to ensure their suppliers were paid promptly. The system was rolled out across the City with assistance from the Budget and Management Reporting Team.

A review was also undertaken by the Rates team of all Unimproved Valuation classified/ rated properties in the City to ensure the status of such properties is warranted. The outcome was that the development of the City required a number of properties to be reclassified as Gross Rental Value based properties through an application to the Department of Local Government. In addition, a number of properties thought to be rural in nature were actually commercial, industrial or vacant. The impact of this review would be expected in 2008/09. Further reviews were expected in 2008/09 as the City continues its rapid expansion.

Information Services

Like most modern business and government agencies the dependency on information systems and technology is growing at a rapid rate and this does not exclude the City of Cockburn. Information systems is comprised of three teams supplying parts of that system/technology to ensure the City meets the needs of its employees in providing modern services to the community. Those teams include:

Business Systems

Maintains the main systems of the City including the financial system. In all, BS maintains over 100 different software systems. This also includes a comprehensive

City of Cockburn Annual Report 2008

help desk team providing support by way of email, direct access to PC's and face to face support both in the IT department and at the employees work station. This year saw the introduction of stage one of the help desk system - Sysaid. The BS team has had considerable success in the year under review and a number of the projects are highlighted below.

I.T

This department of I.S. is the area that makes the software systems go. It is the hardware, printers, PC's, routers, servers and other back office equipment which is normally out of sight and forgotten until it breaks down. 2007/08 saw the roll out of new PC's across the City including outstations and remote locations. This is seen as necessary, as software makers continually upgrade the complexity of their relevant programs requiring more "grunt" from the PC's and the supporting infrastructure networks.

Geographic Information System (GIS)

The City has been at the cutting edge of GIS for a considerable number of years due to its preparedness to invest in both people and systems. Other councils have now caught up to the City after receiving the benefits of the City's experience over that period of time. 2007/08 was very much a year in review and strategic plan preparation as the City moves from a pure mapping system to a GIS system that provides business solutions rather than just the excellent mapping function.

Some key projects undertaken by the I.S. team during 2007/08:

- Commenced design and commissioning of the City wide high speed and bandwidth network
- Upgraded PABX to enable VOIP technology
- Completed RFQ and commenced rollout of a new printer/photocopy strategy
- Virtualisation project of clustered servers
- Upgraded Finance One
- GIS redesign of the fire break system
- Commenced studies of the Technology One Works and Asset Management Module

Records and Data Management

The records function within the City's administration records the movement of all correspondence including the attachment of documents. As with many organisations bound by the requirements of specific legislation, the City is required to retain many documents for long periods of time. With this in mind the City has been working to scan all files and documents so as to make them available in a digital format. As the City can trace its foundations back some years, the projects of scanning and then storing the old paper based documents to be a sizeable undertaking. Funds have been placed on the 2007/08 budget to complete this project.

Human Resource Management

The Human Resources Department performs two significant functions. First is the provision of strategic advice to the City's management as to the management of the City's significant workforce. This part also recruitment, coordination of training, industrial relations, occupational health and safety and enterprise bargaining.

The second and by it very nature more transactional is the payroll function. This team ensures that every employee is paid and the additional payments such as superannuation, annual leave and long service leave are paid/accrued in accordance with the relevant agreements/ legislation.

A number of projects were undertaken by the HRM team during 2007/08. These included:

- Employee opinion survey providing for all staff to tell the City what they like and don't like about working for the City. Included in the survey was the opportunity to suggest changes and what they would like the management to give priority to fix
- Update payroll procedures the payroll department have prepared an inclusive manual of all payroll related procedures. This is important given the rapid changes to staff across the City but also to ensure a consistent approach to all payroll matters in a transparent and accountable nature
- Complete leave accruals on the Finance One leave system the introduction of the new Finance One system several years ago did not include a stable platform to maintain electronic records for all leave entitlements but rather rely on the old manual card system. With the assistance of the Budgeting and Management Reporting team, payroll have been able to gradually change to the electronic format
- Prepare and implement an employee Attraction and Retention strategy the Manager, HRM has prepared and is gradually implementing an overall attraction and retention strategy with aim to lower the high turnover rate impacting the City over the last three years
- Complete the 2007 2009 union collective agreement providing for a minimum 13% pay increase over three years
- Continuous benchmarking of salaries with other councils preparation of a comprehensive set of tables highlighting the progress of the City's pay structures when compared with a range of councils surrounding or competing with the City of Cockburn's existing employees or potentially new workforce

2008 City of Cockburn Annual Report 2008

80



Financial Statements

Understanding the Financial Statements	47
Statement by the CEO	48
Independent Auditor's Report	50
Balance Sheet	51
Statement of Changes in Equity	52
Income Statement	53
Cash Flow Statement	54
Rate Setting Statement	55
Notes to the Accounts	
1. Significant Accounting Policies	57
2. Revenues and Expenses	57
a. Statement of Objective	63
b. Control over Contributions	64
c. Assets Classified by Function	65
d. Disposal of Assets	66
e. Income Statement Disclosed by Nature & Type	67
f. Changes in Net Assets	68
3. Cash & Cash Equivalents	69
4. Investments	70
5. Trade & Other Receivables	70
6. Inventories	70
7. Payables	10
a. Trade & Other Payables	71
b. Interest Bearing Liabilities	71
8. Provisions	71
9. Property, Infrastructure, Plant and Equipment	72
10. Information on Property, Infrastructure, Plant and Equipment	12
a. Movements in Carrying Amounts	73
b. Recognition of Gifted Development Assets	74
c. Revaluation of Infrastructure Assets	74
11. Reserves	75
12. Superannuation	81
13. Capital & Leasing Commitments	82
14. Notes to Cash Flow Statement	83
15. Interests in Joint Venture Entities (Unaudited)	84
16. Fees & Charges	85
17. Other Expenses	86
18. Financial Ratios	87
19. Discounts, Incentives, Concessions, & Write Offs	88
20. Interest Charges, Administration Fees and Instalments	88
21. Service Charges	
a. Prescribed Service Charges	89
b. Other Service Charges	89
22. Statement of Rating Information	90
23. Net Current Asset Position	91
24. Contingent Liabilities	91
25. Financial Risk Management	
a. Risk Assessment - Cash & Cash Equivalents and Investments	92
b. Receivables	93
c. Payables & Borrowings	94
d. Interest Rate Risk Profile	94
e. Impairment of Investment	95
26. Major Land Transactions	
a. Lot 5, Bartram Road	96
b. Lot 7, Cockburn Central	96
27. Employeees	
a. Remuneration of Senior Employees	97
b. Number of Employees	97
28. Economic Dependency	97
29. Opening & Closing Funds used in the Rate setting Statement	
a Determination of Opening Funds	98
b. Determination of Closing Funds	98
30. Events Subsequent to Balance Date	99

Understanding the Financial Statements

Introduction

The Financial Statements show how the Council performed financially during the 2007/08 financial year and presents the financial position as at the 30th June 2008.

Council is required to prepare its' financial statements in accordance with the Australian Accounting Standards, the Local Government Act 1995 and the associated Local Government Regulations. As Council is a "not-for-profit" organisation in the public sector, some of the generally recognised terms used in private sector reports are not ideally transferable to the Local Government environment.

Cockburn Council is mindful of its role of acting in the public interest and it is in this context that this guide is provided to assist readers in understanding and analysing the financial statements.

What is contained in the Financial Statements?

Council's Financial Statements has two sections, namely:

- The principal Financial Statements
- The Notes to and Forming Part of the Financial Statements.

There are five (5) principal Financial Statements and twenty eight (28) Notes to the Accounts. These are prepared by Council staff, audited by an independent Auditor, presented to Council's Audit Committee and then accepted by full Council as part of the Annual Report.

The five Principal Financial Statements comprise the following:

Balance Sheet

Statement of Changes in Equity

Income Statement

Cash Flow Statement

Rate Setting Statement

The Notes to the Accounts include the accounting policies that were applied in preparing the financial statements, as well as more detailed information relating to specific items and values disclosed within the statements.

Balance Sheet

This statement is a snap shot of the financial position of the Council as at 30 June 2008. It shows what Council owns as assets and what it owes as liabilities. The bottom line of this statement is the net assets and is equivalent to the net worth of the Council that has built up since inception.

The assets and liabilities are separated into those that are Current and Non Current. Current means those assets and liabilities, which are likely to be consumed or extinguished within the next 12 months. Non Current refers to assets and liabilities with an economic life extending beyond 12 months.

Statement of Changes in Equity

From one year to the next, the value of and composition of equity (as reported within the Balance Sheet) changes. Equity can be defined as being the net worth of Council or its net assets (Assets less Liabilities).

Council's equity is comprised of Cash Backed Reserves, Asset Revaluation Reserve (non cash) and the Accumulated Surplus. Net surpluses (or deficits) from Council's operations (as disclosed in the Income Statement), will change the overall total of equity (via the accumulated surplus). Asset revaluations also impact Council's net worth position.

Transfers to and from cash backed reserves, whilst not impacting the overall total of equity, demonstrate the consumption of or accumulation of savings for future purposes.

Income Statement

The Income Statement shows:

- The sources of Council's Revenue under various Program Headings
- The expenses incurred in running the Council during the year under Program Headings

These expenses relate only to the operations and do not include the costs associated with the purchase or the building of assets. While asset purchase costs are not included as expenses, there is a charge for depreciation. This amount reflects the annual consumption of assets based on their useful lives.

Cash Flow Statement

48

The Cash Flow Statement summarises Council's cash payments and cash receipts for the year. This statement is presented according to a very specific accounting standard and needs some care and analysis. The values in the Cash Flow Statement differ from those shown in the Income Statement, as it is prepared on a cash basis, whereas the Income Statement is prepared on an accruals basis.

Cash in this statement refers to bank deposits and other forms of highly liquid investments that can be readily converted to cash.

Council's cash arises from and is used in three main areas:

- Operating activities
- Investing activities this term relates to assets such as infrastructure, plant, land and other long-term revenue producing assets
- Financing activities this is used to record the receipt and repayment of external financing such as loans and leases

The bottom line of the Cash Flow Statement shows the cash held at the end of the financial year.

Rate Setting Statement

The inclusion of a Rate Setting Statement in the annual statements is a requirement of the Local Government (Financial Management) Regulations 1996. The format for this statement is prescribed within the regulations and is the same as that included in the annual budget.

As the name suggests, the Rate Setting Statement sets out the total amount of general rates proposed in the budget and the amount actually raised during the reporting year. To arrive at these, the statement reconciles all sources and application of funds and the closing surplus or deficit (less any opening balances). This includes all operational revenue and expenses (as included in the Income Statement) together with all capital acquisitions made, transfers to and from cash-backed reserves and transactions associated with borrowings.

The Rate Setting Statement provides a more complete picture of the council's financial activities during the reporting year compared to the Income Statement (which reports only on the operational activities).

Notes to the Accounts

The notes are a very important and informative section of the Report. They provide additional meaning to and information in support of the principal statements.

The Significant Accounting Policies at note 1 provide the reader with the policies and parameters used in preparing the Statements. In other words, these are the ground rules that form the basis for proparing the statements.

Apart from the Accounting Policies, the other notes provide the details behind many of the summarised figures contained within the statements. Where there is a direct correlation between amounts, the applicable note number is disclosed beside the relevant item in the statements.

The notes should be read in conjunction with the principal Financial Statements to get a clearer understanding of Council's financial position.

Auditor's Report & CEO's Statement

The independent Audit Report provides an external and independent opinion on the Financial Statements. It provides the reader with the scope of the audit work undertaken and expresses an audit opinion formed on this basis. The audit opinion relates to the fairness aspects and the statutory compliance of the Financial Statements.

The Statement by the Chief Executive Officer serves as a written undertaking by management to the correctness and fairness of the statements.

Statement by Chief Executive Officer

The attached financial report of the City of Cockburn, being the Annual Financial Report and supporting notes and other information for the financial year ended 30 June 2008, are in my opinion, properly drawn up to present fairly the financial position of the City of Cockburn at 30 June 2008 and the results of the operations for the financial year then ended, in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 28th day of November 2008

& Cain

Chief Executive Officer

Independent Auditor's Report to the Ratepayers	
of the City of Cockburn	

Report on the Financial Report

We have audited the accompanying financial report of the City of Cockburn, which comprises the balance sheet as at 30 June 2008, and the income statement, statements of changes in equity, and statements of cash flows for the year ended 30 June 2008, a summary of significant accounting policies and other explanatory notes, and the Chief Executive Officer's statement.

Councils' responsibility for the financial report

The Council of the City of Cockburn is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We Conducted on randiti in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor report, whether due to frade of error. In making those fisk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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42

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Disagreement with Management on the presentation and valuation of an investment in accordance with nting Standard AASB 139 - Financial Instruments: Recognition and Valuation

Included in the investments of \$10.62 million referred to above is an amount of \$ 6,000,000 shown as an investment in Argon Capital Public Limited Company Series 105 Capital Protected Notes (Argon notes).

The investment in Argon notes is the result of the City accepting a restructure proposal. Details concerning the restructure proposal and composition of the Argon notes inve s contained in Note 30(4).

The Council's Management is of the opinion, as stated in Note 30(4), that the City has a purchase price/estimated fair value on the Argon investment of \$ 6 million, comprising the \$4 million payment for the underlying CBA Bonds in Argon and the \$2 million purchase price for the Helium investment. It believes that there has been no impairment loss on the combined \$6 million due to the principal protection afforded as a result of the

The Audit Certificate provided to us by Austraclear Limited, the custodians of the City's investments, confirms that the City has 4,000,000 units in Argon Capital Protected Notes and does not confirm that the City still holds the original 2,000,000 units in Helium Capital Limited Notes Series 70. We have thus seen evidence of ownership for only an investment of \$4 million, being the amount paid to Argon Capital Public Ltd for the Series 105 Notes. The City's original investment of \$2 million in Helium is now effectively owned by Argon.

According to the investment report provided by the City's independent financial advisor, the total investment of \$6 million in the Argon Notes including the cost of the original investment in the Helium had an estimated fair value of \$4,137,924 at 30 June 2008. The capital protection afforded by the Argon Notes is limited to the \$4 million additional investment in the Argon Notes. In the event of a default of the Helium Notes on or before the maturity of the Argon Notes, the City's ability to recover its Helium investment of \$2 million is dependent on the outcome of various events and the resulting future actions being taken by Argon which may or may not result in the recovery of the full amount of the

We are therefore unable to satisfy ourselves of the appropriateness of carrying forward the City's investment in Argon Notes at \$6 million a 30 June 2008 as there is objective evidence of impairment at balance date and a significant impairment loss has been incurred on the City's original investment of \$2 million in the Helium Notes at 30 June 2008, indicated by the downgrading of the investment and further supported by the fair value estimate at 30 Jue 2008 provided by the International and third supported by the fait rate commercial so June 2008 provided by the Citry's independent financial advisor. The ability of the Citry to recover the full amount of \$6 million is dependent on future events and/or actions that may be taken by Argon both of which are not necessarily under the control of the Council's management. It is therefore, our opinion that a provision for impairment charge should have been recognised at 30 June 2008 in accordance with AASB 139.

Qualified Auditor's opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to obtain adequate evidence to satisfy ourselves as to recoverable amount of the inv

Version



We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995 and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the City of Cockburn's financial position and of the performance.

In conducting our audit, we followed applicable independence requirements of Australian rofessional ethical prone

Basis for Qualified Auditor's Opinion

Financial Assets

A limitation in scope of our work exists for the reasons described below:

Since July 2007, global financial markets have experienced a period of high volatility led by events in the US housing markets, particularly sub prime loans, which has impacted the value, recoverability, liquidity, cash flows and rates of return of many financial ass including Collateralised Debt Obligations and Credit Linked Investment Notes.

At 30 June 2008, the City of Cockburn held Collateralised Debt Obligations and Credit Linked Investment Notes with a cost of \$12.5 million and carrying values totalling \$10.62 million. These investments are classified as being held to maturity. Since year end, \$1 million of this balance has been recovered in full leaving a remaining carrying value of investments made at 30 June 2008 of \$9.62 million.

Most of these investments have been impacted by this market volatility. The impact on individual securities varies depending on their degree of exposure to affected marke

Many of these securities do not have market values that are independently quoted and they are not currently widely traded. Independent market valuations are not readily available The recoverability is assessed based on estimates from issuers and /or evaluation models for which there is limited market evidence currently available to verify their reasonablenes Further, the ongoing volatility of financial markets creates greater uncertainty to the valuation process

For securities carried at amortised cost there is insufficient evidence to ascertain whether principal and interest amounts will be fully recovered and therefore whether adequate provision has been made for impairment charges.

These circumstances have resulted in our inability to obtain sufficient appropriate audit evidence to satisfy ourselves as to the fair value and recoverability of \$9.62 million of the Council's investments in Collateralised Debt Obligations and Credit Linked Investm Notes though the City is continuing to receive interest on these invest

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- the financial report gives a true and fair view of the City of Cockburn's financial position as at 30 June 2008 and of its performance for the financial year ended 30 June 2008, and
- complies with Australian Accounting Standards (including the Australian (ii) Accounting Interpretations).
- are prepared in accordance with the requirements of the Local Government Act (iii) 1995 (as amended) and Regulations under that Act.

Emphasis of Matter - Significant Uncertainties Arising due to Events ent to Balance Date Relating to the Value of Invest

We draw attention to Note 30 on Events Subsequent to Balance Date. Due to the volatile and reliable market valuations, there is significant uncertainty as to whether the entity would be able to recover in full the carrying values of its investments as they may incur significant impairment. The quantum of these impairment losses cannot be presently determ

(part Thomas (WA) Parhada GRANT THORNTON (WA) PARTNERSHIP

M J Hillgrove Partner Perth 28 November 2008 City of Cockburn Annual Report 2008

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Balance Sheet				
Dulante		Actual	Budget	Actual
As at 30 June 2008		2007/08	2007/08	2006/07
As at 50 suite 2000	Notes	\$	\$	\$
CURRENT ASSETS				
Investments	4	3,402,472	-	16,110,595
Cash and Cash Equivalents	3	27,288,378	31,103,688	40,128,428
Trade & Other Receivables	5	4,660,565	4,101,410	4,226,548
Inventories	6	22,503	52,573	47,066
Intellet				
Total Current Assets		35,373,918	35,257,671	60,512,637
CURRENT LIABILITIES				
Trade & Other Payables	7a	4,991,888	1,200,329	4,807,360
Provisions	8	3,494,975	3,027,121	3,103,101
			2	
Total Current Liabilities		8,486,863	4,227,450	7,910,461
NET CURRENT ASSETS		26,887,055	31,030,221	52,602,176
NON CURRENT ASSETS				
Investments	4	15,998,670	-	-
Other Receivables	5	451,331	405,301	415,228
Property, Plant, & Infrastructure	9, 10	651,441,398	346,206,160	500,662,115
Total Non Current Assets		667,891,399	346,611,461	501,077,343
NON CURRENT LIABILITIES				
Interest Bearing Liabilities	7b	-	6,184,105	-
Other Payables	3, 7a	3,647,648	4,489,410	4,413,443
Provisions	8	556,784	783,315	717,033
Total Non Current Liabilities		4,204,432	11,456,830	5,130,476
NET ASSETS		690,574,022	366,184,852	548,549,043
EQUITY				
Accumulated Surplus		319,777,594	278,802,271	268,667,013
Reserves - Cash/Investment Backed	11	28,495,585	24,121,844	36,385,808
Reserves - Asset Revaluation	11	342,300,844	63,260,737	243,496,222
TOTAL EQUITY		690,574,022	366,184,852	548,549,043
		a semiconving noto	c	

The Balance Sheet should be read in conjunction with the accompanying notes.

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City of Cockburn Annual Report 2008.

Statement of Changes in Equity

	Actual	Budget	Actua
For the year ended 30 June 2008	2007/08	2007/08	2006/07
Not	es \$	\$	\$
RESERVES CASH/INVESTMENT BACKED			
Balance at beginning of year	36,385,808	36,159,683	37,355,367
Transfer from accumulated surplus	13,860,639	12,568,787	16,233,141
Transfer to accumulated surplus	(19,870,862)	(24,606,626)	(17,202,699)
Impairment of Investment Provision	(1,880,000)	-	
Balance at end of reporting period 11	28,495,585	24,121,844	36,385,808
RESERVES - ASSET REVALUATION			
Balance at beginning of year	243,496,222	63,260,737	63,260,737
Revaluation Increments during year	98,804,622	-	180,235,486
Balance at end of reporting period 11	342,300,844	63,260,737	243,496,222
TOTAL RESERVES	370,796,429	87,382,581	279,882,030
ACCUMULATED SURPLUS			
Balance at beginning of year	268,667,013	250,766,814	241,929,191
Change in Net Assets 2e	43,220,357	15,997,618	25,768,263
Transfer from reserves	19,870,862	24,606,626	17,202,699
Transfer from reserves - Impairment	1,880,000	-	-
Transfer to reserves	(13,860,639)	(12,568,787)	(16,233,141)
Balance at end of reporting period	319,777,594	278,802,271	268,667,013
TOTAL EQUITY	690,574,022	366,184,852	548,549,043

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

ncome Statement			A . t !
	Actual	Budget	Actual
or the year ended 30 June 2008	2007/08	2007/08	2006/07
Notes	\$	\$	\$
EVENUES			
evenue From Ordinary Activities			00.006.010
General Purpose Funding	33,805,714	34,149,109	32,206,810
Governance	109,269	76,950	85,249
Law Order & Public Safety	2,437,693	2,288,396	2,293,634
Health	182,322	126,300	129,872
Education & Welfare	4,106,260	4,083,805	3,921,075
Community Amenities	19,057,999	18,395,577	16,410,404
Recreation & Culture	2,680,845	2,487,116	2,571,115
	307,591	407,000	510,840
Transport Economic Services	2,069,899	1,977,180	1,909,879
Other Property & Services	743,578	605,679	778,079
	65,501,171	64,597,112	60,816,956
TOTAL OPERATING REVENUES			
EXPENSES	(1,214,371)	(1,049,048)	(814,029)
General Purpose Funding	(6,081,342)	(5,254,756)	(3,951,664)
Governance	(3,726,330)	(3,789,395)	(3,369,322)
Law Order & Public Safety	(1,340,415)	(1,209,635)	(958,954)
Health	(5,071,050)	(6,219,135)	(5,699,841)
Education & Welfare	(15,479,717)	(15,366,884)	(12,684,381)
Community Amenities	(14,642,218)	(14,804,478)	(13,100,779)
Recreation & Culture	(18,131,539)	(13,343,288)	(9,171,756)
Transport	(1,607,630)	(1,308,542)	(1,126,172)
Economic Services	(1,793,050)	(2,717,309)	(2,743,808)
Other Property & Services	(69,087,660)	(65,062,470)	(53,620,705)
TOTAL OPERATING EXPENDITURE 2e	(69,087,0007	(00,002)	
CHANGE IN NET ASSETS RESULTING FROM OPERATING ACTIVITIES	(3,586,489)	(465,358)	7,196,251
GRANTS/CONTRIBUTIONS TOWARDS ASSETS	FC 192		-
Governance	56,183		17,087
Law Order & Public Safety	-	101,700	10,693
Education & Welfare	24,080	205,486	25,471
Community Amenities	120,836	2,029,709	161,666
Recreation & Culture	2,873,338		4,253,151
Transport	2,731,192	9,962,385	3,128,839
Other Property & Services	2,107,484		7,596,906
	7,913,113		9,896,606
Gifted and Previously Unrecognised Assets	39,945,083		9,890,000
Impairment Charge for Non-Current Investments	(1,880,000)	-	
PROFIT/(LOSS) ON DISPOSAL OF ASSETS			0 100 07
Proceeds from Sale	1,971,016		2,100,97
Book Value	(1,142,365		(1,022,473
2f	828,651		
TOTAL CHANGE IN NET ASSETS 2e, 1-	43,220,35	7 15,997,618	25,768,26

The Income Statement should be read in conjunction with the accompanying notes.

80

City of Cockburn Annual Report 2008

Cash Flow Statement

	Actual	Budget	Actual
For the year ended 30 June 2008	2007/08	2007/08	2006/07
Notes	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Cost	(24,322,204)	(24,194,683)	(21,680,107)
Materials and Contracts	(23,339,801)	(28,367,573)	(17,870,923)
Utilities	(2,120,959)	(950,588)	(1,876,546)
Insurances	(1,145,193)	(1,024,978)	(996,025)
Other Expenses	(2,841,355)	(2,994,785)	(2,509,783)
GST on Payments	(5,328,879)	(4,000,000)	(4,095,357)
	(59,098,391)	(61,532,607)	(49,028,740)
Receipts			
Rates	28,611,643	28,179,491	25,536,226
Fees and Charges	26,153,279	24,516,936	22,116,527
Contributions, Donations and Reim- bursements	471,595	1,535,253	5,414,680
Interest Received	2,440,882	3,877,970	4,729,568
Grants - Operating	6,050,293	6,481,562	6,075,549
Other Revenue/Income	324,202	5,900	55,689
GST on Receipts	1,804,217	1,350,000	1,626,450
Net GST Refunded	3,983,301	2,650,000	2,315,340
	69,839,411	68,597,112	67,870,029
NET CASH FLOWS PROVIDED BY/(USED IN) 14a	05,055,411	00,007,112	07,070,025
OPERATING ACTIVITIES	10,741,021	7,064,505	18,841,289
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale on Non Current 2d	1 071 016	1 004 407	0 100 070
Assets	1,971,016	1,934,437	2,100,973
Purchase Furniture and Equipment	(608,502)	(327,348)	(502,241)
Purchase Computer Equipment	(148,727)	(1,207,926)	(604,321)
Purchase & Construction of Infrastructure Assets	(12,202,916)	(19,574,698)	(11,211,750)
Purchase Plant and Machinery	(2,442,086)	(3,504,313)	(2,133,374)
Purchase & Development of Land	(2,199,324)	(2,358,401)	(2,429,831)
Purchase & Construction of Buildings	(10,219,178)	(19,018,891)	(6,631,548)
Grants & Contributions for the	(10,213,170)	(19,010,091)	(0,001,040)
Development of Assets	7,913,113	15,170,700	3,666,823
Net Movement in Investments	(4,878,670)	-	(4,548,490)
NET CASH FLOWS PROVIDED BY/(USED IN INVESTING) ACTIVITIES	(22,815,276)	(28,886,440)	(22,293,760)
CASH FLOWS FROM FINANCING ACTIVITIES			2
Increase/(Decrease in Bonds Held)	(765,794)	-	1,328,347
Proceeds from New Borrowings	-	6,184,105	_
NET CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES	(765,794)	6,184,105	1,328,347
Net Increase/(Decrease) in Cash during Year	(12,840,049)	(15,637,830)	(2,124,124)
Cash At Beginning of Year	40,128,428	46,741,518	42,252,552
CASH & CASH EQUIVALENTS AT END OF 3,14b REPORTING PERIOD	27,288,378	31,103,688	40,128,428
	27,200,070	01,100,000	10,120,420

The Cash Flow Statement should be read in conjunction with the accompanying notes.

Rate Setting Statement

For the year ended 30 June 2008

For the year ended 30 June 2008			
For the year and		Actual	
		2007/08	
N	otes	\$	
Operating Revenue			
General Purpose Funding		5,124,911	5
(Excluding Rates)		116,098	
Governance		2,437,693	2
Law, Order and Public Safety		182,322	_
Health		4,124,437	4
Education and Welfare		19,057,999	18
Community Amenities		2,427,522	1
Recreation and Culture	· · ·	830,405	
Transport		2,069,899	
Economic Services		1,277,733	
Other Property and Services			3
Total Operating Revenue		37,649,018	5
Operating Expenditure		(2 004 271)	(1
General Purpose Funding		(3,094,371)	(!
Governance		(6,081,342)	
Law, Order and Public Safety		(3,726,330)	(3
Health		(1,340,415)	(
Education and Welfare		(5,071,050)	(1
Community Amenities		(15,479,717)	(1
Recreation and Culture		(14,642,218)	(1
Transport		(18,131,539)	(1
Economic Services		(1,607,630)	(
Other Property and Services		(1,793,050)	10
Total Operating Expenditure		(70,967,660)	(6
Change in Net Assets Resulting from Operation	ons before Rates	(33,318,642)	(2
Less Non-Cash Expenses and Income			
(Profit)/Loss on Assets Disposals	2d	(828,651)	
Depreciation on Assets	2e	14,648,790	
Movement in Non-Current Employee	e Benefit	(160,249)	
Provisions		(19,658,751)	
		(15,050,751)	
Less Capital Expenses		(13,349,749)	
Purchase of Land and Buildings		(51,216,753)	
Purchase of Infrastructure Assets		(2,442,086	
Purchase of Plant and Machinery		(2,442,000	
Purchase of Furniture and Equipment		(608,502)
Purchase of Computer Equipment		(148,727)
Transfer to Reserves	11	(13,860,639)
		(101,285,207)

180

55

Budget 2007/08 \$ 5,969,618 76,950 2,288,396 126,300 4,100,344 18,395,577 2,487,116 715,436 1,977,180 1,572,980 37,709,897 (1,049,048) (5,254,756) (3,789,395) (1,209,635) (6,219,135) 15,366,884) (14,804,478) (13,343,288) (1,308,542) (2,717,309) (65,062,470) (27,352,573) (1,292,276) 7,529,863 -(21,114,986) (21,301,757) (19,650,233) (3,504,313) (327,348) (1,207,926) (12,568,787)

(79,675,350)

		Actual	Budget	
		2007/08	2007/08	
	Notes	\$	\$	
Add Funding from				
Contributions/Grants for the devel- opment of Assets		47,858,196	15,170,700	
Proceeds on Sale of Assets	2d	1,971,016	1,934,437	
Reserves	11	21,750,862	24,606,626	
Deferred Pensioner Rates Move- ment		(36,103)	-	
Proceeds from New Loans		-	6,184,105	
		(29,741,236)	(31,779,482)	
Adjustments				
Net movement in unspent grants & contributions		(403,072)	-	
Net movement in cash-backed leave provisions		(2,835,373)	248,377	
		(32,979,681)	(31,531,105)	
Add: Opening Funds	29a	7,713,298	4,114,233	
Less: Closing Funds	29b	(3,414,420)	(762,619)	
Amount Raised from Rates	2e	(28,680,803)	(28,179,491)	

The Rate Setting Statement should be read in conjunction with the accompanying notes.

NOTES TO THE ACCOUNTS

1. Significant Accounting Policies

The significant accounting policies which have been adopted in the preparation of this financial report are:

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

The report has also been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of noncurrent assets.

Critical Accounting Estimates

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

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

Compliance with IFRSs

International Financial Reporting Standards ("IFRSs") form the basis of Australian Accounting

Standards adopted by the AASB, being AIFRSs. The financial report of the City of Cockburn complies with IFRSs and interpretations adopted by the International Accounting Standards Board except as follows:

- AIFRSs include specific provisions relating to notfor-profit entities. These are not included in IFRSs.
- Australian Accounting Standards AAS 27 Financial Reporting by Local Governments also applies and there is no equivalent standard in IFRSs.

The principle areas of non-compliance with IFRSs include:

- The recognition of non-reciprocal revenue
- The definition of value in use for the purpose of estimating the recoverable amount of impaired assets
- The offsetting of asset revaluation increments and decrements on a class of asset basis rather than individual asset basis

(b) The Local Government Reporting Entity

All Funds through which the Council 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) Goods and Services Tax

(d) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the balance sheet.

(e) Trade and Other Receivables

Trade receivables, which generally have 30 - 90 day terms, are recognised at fair value and interest is not charged on overdue amounts.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. Due to the materially insignificant value of bad debts, no provision for doubtful debts is made.

The credit terms relating to rate debtors are in accordance with the legislative requirements of the Local Government Act 1995 and are detailed separately at note 20.

(f) Inventories

General

Inventories are valued 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.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Balance Sheet are stated inclusive of applicable GST.

interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the Income Statement as at the time of signing a binding contract of sale.

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

(g) Fixed Assets

Initial Recognition

All non-current assets are recognised in accordance with the relevant Accounting standards.

Assets purchased or constructed that have a value above the council's prescribed threshold level are recorded as non-current assets. Assets with a value below the threshold level are treated as expenditure in the year of purchase.

The following categories are used to classify non-current assets owned or controlled by the City. The following capitalisation threshold levels have been applied to the recognition of non-current assets. Where a quantity of assets is purchased and they are under the threshold limit, aggregation of these assets may apply and be capitalised accordingly.

Asset Class		\$
Land & Buildings		-
Furniture & Equipment / Computer Equipment		1,000
Plant & Machinery		3,000
Infrastructure Assets	Ph	5,000
Software		20,000

* Revaluation

Subsequent to initial recognition of assets, and with the exception of the asset categories noted below, non-current assets are measured at fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arm's length transaction. For those assets carried at revalued amount, revaluations are made with sufficient regularity to ensure that the carrying amount of each class of noncurrent asset does not differ materially from its fair value at the reporting date. Annual assessments of fair value are made by Council, supplemented by independent assessments where required.

For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future economic benefits.

Non-current assets carried at cost (including deemed cost) are:

- Plant and Machinery
- Furniture and Equipment
- Computer Equipment

Land under Roads

Land under roads is excluded from infrastructure in accordance with the transition arrangements available under AASB 1045 and in accordance with the Local Government (Financial Management) Regulations.

(h) Depreciation of Non-Current Assets

Non current assets (excluding infrastructure) are depreciated over their useful lives on a straight-line basis.

Infrastructure assets are depreciated on a basis that reflects their consumed economic benefit, which is reviewed each reporting period. Assets are depreciated from the date of acquisition, or in respect of internally constructed assets, from the time an asset is completed and held ready for use.

Depreciation is recognised, as follows:

Property, Plant and Equipment

Buildings	30-50 years
Furniture and Equipment	3-10 Years
Computer Equipment	4-5 years
Plant & Machinery	3-10 years
Infrastructure Assets	<i>x</i>
Infrastructure – Footpaths	50 years
Infrastructure – Drainage	30-75 years
Infrastructure – Roads	20-50 years
Infrastructure – Bridges	30-50 years
Infrastructure – Parks	10-30 years
Bus Shelters	20 Years

(i) Investments and Other Financial Assets

Classification

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

City of Cockburn Annual Report 2008

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as noncurrent assets. Loans and receivables are included in trade and other receivables in the balance sheet.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in noncurrent assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend

income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for availablefor-sale financial assets, the cumulative loss- measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as availablefor-sale are not reversed through the income statement.

(i) Estimation of Fair Value

for disclosure purposes.

sheet date

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(k) Impairment

indication they may be impaired.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance 60

with AASB 136 'Impairment of Assets' and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

(I) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually settled within 30 days of recognition.

(m) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

(ii) Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(n) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date

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.

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(q) Joint Venture

The municipality's interests in joint ventures have been disclosed in Note 15.

(r) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government 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.

Where 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 2(b). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

(s) Superannuation

The Council is a member of the Western Australian Local Government Superannuation Plan (WALGSP). This is a Defined Contributions Plan and Council contributes at the rate of 9% for the Superannuation Guarantee Charge, plus additional matching contributions of up to 4% where agreed.

(t) Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar for display purposes. However, total lines are calculated using the unrounded amounts.

(u) Comparative Figures

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

(v) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months.

Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as noncurrent based on Council's intentions to release for sale.

(w) Budget Information

Budget figures shown in the financial statements have been disclosed for information purposes only. Where necessary, budget information has been recast to comply with current presentation requirements. The budget figures have been drawn from Council's adopted budget for the reporting year.

(x) Prior Period Adjustment

In recognition of Council's direct investments being held to maturity and valued at amortised cost, these have been classified as current or non-current in the balance sheet depending on the redemption date. This treatment has identified the need to restate investments held totalling \$16.1m as at 30 June 2007. These have been reclassified from cash equivalents to current held to maturity investments .

This has resulted in a reduction of the cash reported in the Cash Flow Statement and Balance Sheet for 30 June 2007, reflecting this change of classification to held to maturity investments.

(y) New Accounting Standards and Interpretations

annual reporting period ending 30 June 2008.

Council's assessment of these new standards and interpretations is set out below:

Title and Topic	Issued	Applicable (*)	Impaci
AASB-I 12 Service Conces- sion Arrangements, AASB 2007-1 Amendments to Australian Accounting Standards arising from AASB Interpretation 12, revised UIG 4 Determining whether an Arrangement contains a Lease and revised UIG 129 Service Concession	February 2007	1 January 2008	Nil – Council Concession A
AASB 8 Operating Segments and AASB 2007-3 Amend- ments to Australian Account- ing Standards arising from AASB 8	February 2007	1 January 2009	Nil – The Sta for-profit enti
Revised AASB 123 Borrow- ing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising form AASB 123 (AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	June 2007	1 January 2009	Nil – The rev option to exp when adopted tion of all be able to the a production of be no impace Council as t borrowing of

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the

> is not party to any Service rrangements.

andard is not applicable to nottities.

vised Standard has removed the pense all borrowing costs and, ted, will require the capitalisaorrowing costs directly attributacquisition, construction or of a qualifying asset. There will ict on the financial report of the the council already capitalises costs relating to qualifying assets.

AASB-I 13 Customer Loyalty Programmes	August 2007	1 July 2008	
AASB-I 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	August 2007	1 January 2008	Nil – The Interpretation provides guidance on the maximum amount that may be recognised as an asset in defined benefit plans. Council does not currently contribute to any defined benefit plans. Consequently, there is not expected to be any impact on the financial statements.
Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101	September 2007 and December 2007	1 January 2009	Nil – The revised Standard requires the presentation of a Statement of comprehensive income and makes changes to the Statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If Council has made a prior period adjustment or has reclassified items in the financial statements, it is likely it will need to disclose a third balance sheet (Statement of financial position), being as at the beginning of the comparative period.
AASB 1049 Whole of Government and General	October 2007	1 July 2008(+)	Nil – The Standard is not applicable to Local Governments.
AASB 1050 Administered Items: AASB 1051 Land Under Roads, AASB 1052 Disaggregated Disclosures, revised AASB 1004 Contributions, AASB 2007-9 Amendments to Australian Accounting Standards arising from the review of AAS 27, AAS 29 and AAS 31 and revised interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities	December 2007	1 July 2008(+)	 AASB 1050 is only applicable to Government departments and will have no impact on Council. AASB 1051 will allow Council to recognise or not recognise land under roads acquired before 30 June 2008. Land under roads acquired after 30 June 2008 will be recognised unless precluded by legislation. AASB 1052 requires disclosure of financial information by function or activity. Council already provides this information so there will be no additional impact on the financial statements. AASB 2007-09: This Standard will have a significant impact on the Council's financial statements. AASB 1004 requires contributions made to Council to be recognised at fair value when they are controlled and to be appropriately disclosed. Council already accounts for contributions in this manner so there will be no additional impact on the financial statements.

Notes:

11

(*) - Applicable to reporting periods commencing on or after the given date. (+) - Applicable to not-for-profit and/or public sector entities only.

City of Cockburn Annual Report 2008

2. Revenues and Expenses

(a) Statement of Objective

MISSION STATEMENT

Our mission is to make the district of the City of Cockburn the most attractive place to live, work and visit in the Perth metropolitan area.

The City of Cockburn has adopted the program/ activity structure outlined in Schedule 1 of the Local Government (Financial Management) Regulations. The City has incorporated the allocation of internal service provision costs throughout the various programs/ activities.

Council operations as disclosed in this budget encompass the following service orientated programs/ activities:

General Purpose Funding

The collection of general-purpose revenue including rates and penalties, general-purpose grants and interest on investments. This provides the funding for much of the City's programs/ activities.

Governance

The administration and operation of facilities and services to the elected members of Council. Also includes other corporate type costs that are not related to the specific service areas covered under the other programs.

Law, Order And Public Safety

Provision of community safety services including supervision of various by-laws, animal and dog control, a security patrol service, fire prevention and voluntary emergency services.

Health

The provision of environmental health services including food quality and pest control.

Education and Welfare

The provision of support services to families and children, the aged and disabled and senior citizens. The provision of pre-schools and services and facilities for the youth.

Community Amenities

Refuse collection, recycling and disposal, the operation of the Henderson Landfill site, protection of the environment, administration of the town planning scheme and maintenance of bus shelters.

Recreation and Culture

The provision and operation of community halls and recreation centres, parks and ovals, beach reserves and swimming areas and library facilities. The development and provision of arts and cultural events.

Transport

This program includes road, drainage and footpath construction and maintenance. The provision and maintenance of streetscapes is also included, as is the purchase of heavy plant and the operations of the council works depot

Economic Services

activity within the city and the provision of facilities and services that encourage tourism.

Other Property and Services

Includes private works and engineering overheads and plant operating costs (both of which are allocated to the City's works program).

Activities associated with the control of building

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(b) Control Over Contributions

64

	Actual	Actual
	2007/08	2006/07
Grants & contributions which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended for specified purposes but have yet to be applied in that manner at the reporting date were:	\$	\$
Road Construction & Development	563,550	1,729,287
Footpath Development	7,280	-
Public Open Space Development	1,815,740	-
Funded Projects & Social Services	1,065,525	1,120,749
Security Service Charges	435,295	295,988
	3,887,390	3,146,024
Grants & contributions which were recognised as revenues in the previous reporting periods and which were obtained on the condition that they be expended for specified purposes but have not yet been applied in that manner at the reporting date were:		
Road Construction & Development	773,145	796,855
Footpath Development	743,779	807,862
Public Open Space Development	1,377,257	1,627,759
Drainage Development	383,492	383,492
Midge Research	20,500	20,500
Bibra Lake Development	142,509	142,509
	3,440,682	3,778,977
otal Unapplied Contributions	7,328,072	6,925,001
Grants & contributions which were recognised as revenues in a previous reporting period and were expended during the current reporting period on the burposes specified by the contributor/grantor were:		
Road Construction & Development	1,752,997	44,643
ootpath Development	64,083	155,657
ublic Open Space Development	250,501	223,050
lidge Research	-	5,000
unded Projects & Social Services	1,120,749	1,284,564
ecurity Service Charges	295,988	152,958
	3,484,318	1,865,872

City of Cockburn Annual Report 2008

(c) Assets Classified by Function

Property Plant, Infrastructure and Depreciation Classified by Function and Activity

	CARRYING AMOU	NTS	DEPRECIATION R	AISED	
	Actual	Actual	Actual	Budget	Actual
	2007/08	2006/07	2007/08	2007/08	2006/07
	\$	\$	\$	\$	\$
Governance	12,617,953	14,140,487	336,214	303,142	492,077
Law, Order and Public Safety	934,201	1,104,268	126,247	114,030	112,976
Health	1,780,211	737,297	9,588	1,962	2,087
Education and Welfare	3,913,821	1,759,794	16,784	13,978	20,872
Community Amenities	8,588,716	5,289,767	34,114	8,056	9,939
Recreation and Culture	66,793,250	50,684,300	1,286,725	1,079,636	949,812
Transport	412,697,538	372,659,784	10,176,452	3,911,982	3,405,757
Economic Services	152,035	237,906	1,920	1,920	1,921
Other Property and Services	143,963,673	54,048,513	2,660,745	2,095,157	1,979,415
Total	651,441,398	500,662,115	14,648,790	7,529,863	6,974,856

Total Assets Classified by Function and Activity

	Actual
	2007/08
	\$
General Purpose Funding	7,772,139
Governance	16,564,142
Law, Order and Public Safety	1,369,496
Health	1,780,211
Education and Welfare	6,339,550
Community Amenities	29,668,293
Recreation and Culture	74,708,391
Transport	417,076,118
Economic Services	452,576
Other Property and Services	147,534,401
Total	703,265,317

80

Actual
2006/07
\$
8,994,196
23,219,296
1,400,256
737,297
5,335,883
27,632,019
57,164,111
380,132,790
528,444
56,445,688
561,589,980

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(d) Disposal of Assets

	NET BOOK	VALUE		SALE PRICE			PROFIT/(LOSS)		
	Actual	Budget	Actual	Actual	Budget	Actual	Actua	Budget	Actua
	2007/08	2007/08	2006/07	2007/08	2007/08	2006/07	2007/08	2007/08	2006/07
	\$	\$	\$	\$	\$	\$	\$	\$	\$
BY FUNCTION	ON								
Governance	172,899	-	-	179,727	-	-	6,828	-	-
Education and Welfare	14,095	51,461	-	32,272	68,000	13,409	18,177	16,539	13,409
Recreation and Culture	253,324	-	-	-	-	-	(253,324)	-	-
Transport	24,309	168,264	87,012	547,123	476,700	362,309	522,814	308,436	275,298
Economic Services	-	-	16,277	-	-	-	-	- -	(16,277)
Other Property and Services	677,739	422,436	919,185	1,211,894	1,389,737	1,725,255	534,155	967,301	806,070
Total	1,142,365	642,161	1,022,473	1,971,016	1,934,437	2,100,973	828,651	1,292,276	1,078,500

BY ASSET CLASSIFICATION

21

Land	424,296	200,000	595,640	948,545	1,040,737	1,322,727	524,249	840,737	727,087
Buildings	270,849	-	16,277	-	-	-	(270,849)	-	(16,277)
Infrastruc- ture - Parks Equipment	26,205		-	-	-	-	(26,205)	-	-
Furniture and Equipment	2,290	-	2,833	227	-	100	(2,062)		(2,733)
Computers	186,993	-	-	195,475	-	-	8,481	-	-
Plant and Equipment	231,733	442,161	407,724	826,768	893,700	778,146	595,036	451,539	370,422
Total	1,142,365	642,161	1,022,473	1,971,016	1,934,437	2,100,973	828,651	1,292,276	1,078,500

(e) Income Statement disclosed by Nature and Type

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
	\$	\$	\$
OPERATING REVENUE			
Rates	28,680,803	28,179,491	25,448,411
Fees and Charges	26,912,784	24,516,936	23,023,143
Grants and Subsidies	6,379,028	6,481,562	6,075,549
Contributions, Donations and Reimbursements	471,595	1,535,253	1,484,597
Interest Earnings	2,732,759	3,877,970	4,729,568
Other revenue and Income	324,202	5,900	55,689
Total Operating Revenue	65,501,171	64,597,112	60,816,956
OPERATING EXPENDITURE			
Employee Cost	24,553,829	24,194,683	21,689,955
Materials and Contracts	23,777,534	28,367,573	19,573,542
Utilities	2,120,959	950,588	1,876,546
Interest Expenses	-		
Insurances	1,145,193	1,024,978	996,025
Other Expenses	2,841,355	2,994,785	2,509,783
Depreciation on Non Current Assets	14,648,790	7,529,863	6,974,856
Total Operating Expenditure	69,087,660	65,062,470	53,620,705
CHANGE IN NET ASSETS RESULTING FROM OPERATING ACTIVITIES	(3,586,489)	(465,358)	7,196,251
NON-OPERATING ACTIVITIES			
Capital Grants & Subsidies	2,495,311	4,596,361	3,666,823
Contributions - Asset Development	45,362,884	10,574,339	13,826,690
Impairment Charge - Non current Investments	(1,880,000)	-	
Profit/(Loss) on Sale of Assets	828,651	1,292,276	1,078,50
Total Non-Operating Activities	46,806,847	16,462,976	18,572,01
TOTAL NET CHANGE IN ASSETS	43,220,357	15,997,618	25,768,263

Budget

\$

2007/08

Actual

\$

2006/07

• 5

Actual

\$

2007/08

3. Cash & Cash Equivalents

	Actual	
	2007/08	
	\$	
Cash	1,277,450	
Cash on Hand (Petty Cash)	9,370	
Cash Investments	26,001,559	30
	27,288,378	31
Restricted	20,070,163	33
Unrestricted	7,218,215	(2,
	27,288,378	31
SUMMARY OF RESTRICTED CASH		
Bonds, Deposits & Contributions		
General Deposits	68,933	
Quarry Bonds	458,626	
Footpath Construction Bonds	131,996	
Retention Bonds	298,291	
Hall/Reserve Hire Bonds	15,482	
Maintenance Bonds	950,927	
Incomplete Works Bonds	1,452,366	
Environmental Rehabilitation Bonds	271,028	
Roads Construction and Development	773,145	1
Bibra Lake Development	142,509	
Drainage Development	383,492	
Footpaths Development	751,059	
Public Open Space Development	3,192,998	
Midge Research	20,500	
Unspent Grant Funding	1,629,075	
Security Service Levy Charges Unspent	435,295	
Sub-total	10,975,721	
Less:		
Funds held in current & non-current investments	(3,027,621)	
	7,948,100	
Cash Backed Reserves		
Council Funded	20,160,159	1
Externally Funded	794,113	
Development Contribution Plans	7,541,313	
Sub-total	28,495,585	2
Less:		
Funds held in current & non-current investments	(16,373,521)	
	12,122,064	2
TOTAL RESTRICTED CASH	20,070,163	3

The change in net assets resulting from Operations was arrived at after charging/crediting the following items:	
AFTER CHARGING	

then.

Depreciation			
Buildings	1,749,099	1,115,160	784,888
Plant and Machinery	1,475,731	1,520,073	1,389,059
Furniture and Equipment	540,276	418,666	638,873
Infrastructure - Roads	7,280,170	3,288,335	2,809,207
Infrastructure - Drainage	2,118,577	375,056	370,686
Infrastructure - Footpaths	772,476	243,978	220,560
Infrastructure - Parks Equipment	712,461	568,595	761,583
	14,648,790	7,529,863	6,974,856
Interest on Borrowings			
Profit/(Loss) on Sale of Assets			
Proceeds from Disposal of Non Current Assets	1,971,016	1,934,437	2,100,973
Carrying Amount of Non Current Assets	(1,142,365)	(642,161)	(1,022,473)
	828,651	1,292,276	1,078,500
AFTER CREDITING			
Interest Earnings			
Interest received on Reserve Funds	630,416	1,954,970	2,959,930
Interest received on Other Funds	2,102,343	1,923,000	1,769,639
	2,732,759	3,877,970	4,729,568

(f) Change in Net Assets

81

Budget	Actual		
2007/08	2006/07		
\$	\$		
587,200	1,612,382		
11,270	9,320		
30,505,218	38,506,725		
31,103,688	40,128,428		
33,351,092	35,613,657		
(2,247,404)	4,514,771		
31,103,688	40,128,428		
596,153	567,588		
579,469	582,048		
224,450	145,537		
28,727	28,727		
12,832	13,635		
3,047,779	1,095,997		
5,047,775	1,725,938		
	253,971		
1,396,855	796,855		
1,390,855			
	142,509		
383,492	383,492		
963,519	807,862		
1,827,963	1,627,759		
25,500	20,500		
-	2,850,036		
-	295,988		
9,229,248	11,338,443		
-	(4,000,000)		
9,229,248	7,338,443		
15,617,331	29,665,937		
770,027	723,553		
7,734,486	5,996,318		
24,121,844	36,385,808		
-	(12,110,595)		
24,121,844	24,275,213		
33,351,092	31,613,657		
• 5

4. Investments

	Actual 2007/08	Budget 2007/08	Actual 2006/07
CURRENT	\$	\$	\$
Held to Maturity Investments maturing within 12 mths of reporting period NON CURRENT	3,402,472	-	16,110,595
Held to Maturity Investments maturing later than 12 mths from reporting period	17,878,670	-	-
Less: Provision for Impairment Charge [1]	(1,880,000)	· _	-
	15,998,670	-	-

All funds held within Current & Non-Current Investments are restricted in nature (see note 3).

[1] This amount has been included as a separate line item in the Income Statement. Further information on Investments can be found in notes 25 & 30.

5. Trade & Other Receivables

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
CURRENT	\$	\$	\$
Rates Outstanding	102,593	195,938	69,536
Rubbish Charges Outstanding	94,905	87,254	78,447
Sundry Debtors	4,046,963	2,815,461	3,303,916
GST Receivable	402	860,854	564,178
Prepayments	415,703	141,903	210,471
6	4,660,565	4,101,410	4,226,548
NON CURRENT			
Rates Outstanding - Pensioners	451,331	405,301	415,228
	451,331	405,301	415,228

6. Inventories

21

	Actual	Budget	Actual
<i>x</i>	2007/08	2007/08	2006/07
	\$	\$	\$
Depot Store	22,503	52,573	47,066

7. Payables

(a) Trade & Other Payables Actual 2007/08 \$ CURRENT 4,891,357 1 Creditors 96,627 Income Received in Advance 3,904 GST Payable 4,991,888 1 NON CURRENT 4 3,647,648 Sundry Deposits and Bonds

(b) Interest Bearing Liabilities

(b) Interest bearing Lassing	Actual 2007/08	Budget 2007/08	Actual 2006/07	
NON CURRENT	\$	C 194 10	\$	\$
Secured by Floating Charge - Debenture	-	6,184,10	5	

8. Provisions

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
	\$	\$	\$
CURRENT Provision for Annual Leave	2,203,547	1,952,073	1,858,645
Provision for Long Service Leave	1,291,428	1,075,048	1,244,456
Provision for Long Service Leave	3,494,975	3,027,121	3,103,101
NON CURRENT Provision for Long Service Leave	556,784	783,315	550,489 166,544
Provision for Annual Leave	556,784	783,315	717,033

Budget	Actual
2007/08	2006/07
\$	\$
,000,261	4,272,956
47,304	425,363
152,764	109,041
,200,329	4,807,360
1,489,410	4,413,443

9. Property, Infrastructure, Plant and Equipment

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
	\$	\$	\$
INFRASTRUCTURE - ROADS			
At valuation	319,242,203	168,294,513	305,650,491
LESS Accumulated Depreciation	97,058,604	22,187,410	89,778,434
	222,183,599	146,107,103	215,872,057
INFRASTRUCTURE - DRAINAGE			
At valuation	184,388,863	30,109,781	156,621,187
LESS Accumulated Depreciation	49,657,860	3,946,788	47,539,283
	134,731,004	26,162,993	109,081,904
INFRASTRUCTURE - FOOTPATHS			
At valuation	40,455,084	12,828,455	38,456,346
LESS Accumulated Depreciation	9,239,051	1,562,388	8,466,575
	31,216,033	11,266,067	29,989,771
INFRASTRUCTURE - PARKS EQUIPMENT			
At cost	12,141,130	12,881,886	10,822,654
LESS Accumulated Depreciation	3,443,229	3,409,282	2,743,035
	8,697,901	9,472,604	8,079,619
INFRASTRUCTURE - PARKS LANDSCAPING			
At cost	9,678,807	10,633,328	9,134,506
	9,678,807	10,633,328	9,134,506
REFUSE SITE			
At cost	7,868,265	12,792,578	7,868,265
	7,868,265	12,792,578	7,868,265
LAND			
At valuation	153,265,455	60,261,378	58,729,089
	153,265,455	60,261,378	58,729,089
BUILDINGS			
At valuation	95,789,473	72,493,794	75,844,430
LESS Accumulated Depreciation	43,257,383	12,260,431	33,018,982
	52,532,090	60,233,363	42,825,448
FURNITURE AND EQUIPMENT			
At cost	3,046,400	2,582,102	2,512,413
LESS Accumulated Depreciation	1,674,359	1,668,979	1,567,541
	1,372,041	913,123	944,872
COMPUTERS			
At cost	2,545,274	4,249,579	3,058,565
LESS Accumulated Depreciation	1,967,644	2,390,585	2,079,908
	577,630	1,858,994	978,657
PLANT AND MACHINERY			
At cost	10,275,128	10,857,132	9,654,577
LESS Accumulated Depreciation	4,114,336	4,352,503	4,262,998
	6,160,791	6,504,629	5,391,579

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
	\$	\$	\$
WORKS IN PROGRESS			
At cost	23,157,782	-	11,766,347
ALCOST .	23,157,782	-	11,766,347
TOTAL PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT			
Gross Book Value	861,853,864	397,984,526	690,118,871
LESS Accumulated Depreciation	210,412,466	51,778,366	189,456,756
NET BOOK VALUE	651,441,398	346,206,160	500,662,115

10. Information on Property, Infrastructure, Plant and Equipment

(a) Movements in Carrying Amounts

The following table reconciles the carrying amount at the beginning and end of the current financial year for each class of non-current assets:

	Carrying	add:	add:	add / (less)	less:	less:	Carrying
2007/08	amount at beginning of the year	Acquisitions	Gifted Development Assets (note 10b.)	Revaluation increments/ (decrements)	Disposals & Write Offs	Depreciation	amount at end of the year
Plant & Machinery	5,391,579	2,534,675	-	-	(231,733)	(1,475,731)	6,218,791
Furniture & Equipment	944,872	606,532	-	-	(2,290)	(177,073)	1,372,041
Computer Equipment	978,657	149,170	-	-	(186,993)	(363,203)	577,630
Buildings	42,825,448	7,488,740	-	4,237,850	(270,849)	(1,749,099)	52,532,090
Freehold Land	58,824,544	2,980	300,000	94,566,772	(424,296)	-	153,270,000
Tip Site Infrastructure	7,868,265	-	-	-	-	-	7,868,265
Footpaths Infrastructure	29,989,771	361,673	1,637,065	-	-	(772,476)	31,216,033
Drainage Infrastructure	109,081,904	351,584	27,416,092	·	. I-	(2,118,577)	134,731,004
Roads Infrastructure	215,872,057	2,999,786	10,591,926		-	(7,280,170)	222,183,599
Parks & Gardens Infrastructure	9,134,506	544,301	-	-	-		9,678,807
Parks Equipment	8,079,619	1,356,949	-	·	(26,205)	(712,461)	8,697,901
Sub-Total Fixed Assets Register	488,991,223	16,396,390	39,945,083	98,804,622	(1,142,365)	(14,648,790)	628,346,162
Works in Progress	11,670,892	11,424,344		-	-	-	23,095,236
Total	500,662,115	27,820,734		98,804,622	(1,142,365)	(14,648,790)	651,441,398

1.1

(b) Recognition of Gifted Development Assets

Council was gifted infrastructure assets as a result of new subdivisions constructed by developers.

The impact of recognising these assets in the accounts is an increase in the carrying amount of the city's infrastructure assets and the recognition of commensurate revenue within the income statement (reflecting that these assets were contributions received for no consideration). As these entries are of a non-cash nature, they do not impact adversely on the city's current financial position. However, they will result in increased depreciation expense charges for future accounting periods, reflecting the fact that these assets will, in time, need to be maintained and replaced.

The values for these assets were calculated based on current replacement cost adjusted for depreciation to date as follows:

New Road Assets Recognised	\$10,591,926
New Footpath Assets Recognised	\$1,637,065
New Drainage Assets Recognised	\$27,416,092
New Land Assets Recognised	\$300,000
Revenue Recognised	\$39,945,083

(c) Revaluation of Infrastructure Assets

During the reporting year, the City engaged the services of John Harvey AAPI (Val) (P&M) MRICS from AVP Valuers to carry out a desk top valuation review for the Land and Buildings asset classes on the basis of Fair Value.

The Roads, Drainage and Footpaths asset classes are stated at management valuations conducted as at 30 June 2007 and adjusted for depreciation to 30 June 2008. These reflect written down replacement costs.

The following table shows the impact of these revaluations on the Asset Revaluation Reserve:

Asset Revaluati	on Reserve Recond	iliation				
1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	Land	Building	Roads	Drainage	Footpaths	Total
Opening Balance 1 July 2007	s3,578,778	13,230,767	74,288,481	83,866,406	18,531,791	243,496,223
Revaluation Increment/ (Decrement)	94,566,772	4,237,850	0	0	0	98,804,622
Closing Balance 30 June 2008	148,145,550	17,468,617	74,288,481	83,866,406	18.531.791	342,300,844

11. Reserves

	Actual	
	2007/08	
	\$	
CASH BACKED RESERVES		
Staff Payments & Entitlements		
Opening Balance	2,835,373	
Transfer from Accumulated Surplus - Interest	49,729	
Transfer from Accumulated Surplus	100,000	
Transfer to Accumulated Surplus		
Transfer to Accumulated Surplus-Impairment	(254,626)	
	2,730,476	

This Reserve provides for payment of staff entitlements including leave, separation, be payments made to Staff either through contractual or statutory entitlement. The purp broadened during the reporting year from its previous purpose of providing only for Le

Plant & Vehicle Replacement		
Opening Balance	3,174,572	
Transfer from Accumulated Surplus - Interest	61,583	
Transfer from Accumulated Surplus	1,419,500	
Transfer to Accumulated Surplus	(1,663,000)	
Transfer to Accumulated Surplus-Impairment	(255,270)	
Transier to Accumulated Surplus Impairment	2,737,385	
	-1 1	

This Reserve provides for the orderly replacement of plant and vehicles. Annual transfers into this Reserve are equivalent to the depreciation charge for plant each year. Funds are drawn as required to meet annual plant replacement costs.

Information Technology			
	1,185,046	1,114,224	991,730
Opening Balance		70,078	78,472
Transfer from Accumulated Surplus - Interest	19,757	70,078	,
Transfer from Accumulated Surplus	38,165	-	422,300
	(29,675)	(1,044,758)	(307,455)
Transfer to Accumulated Surplus		(1)0	
Transfer to Accumulated Surplus-Impairment	(103,493)	-	
	1,109,801	139,544	1,185,046

This Reserve Fund was set up to provide for the upgrading/replacement of Council's computer hardware and software depreciated over five years. An amount equivalent to the annual depreciation charge for computers is transferred to the Reserve each year. Funds are drawn as required to cover capital computer replacement costs.

Budget	Actual
2007/08	2006/07
\$	\$
2,835,111	2,526,938
198,377	200,193
100,000	108,243
(50,000)	
-	-
3,083,488	2,835,373
bonus, awards a pose of this Rese _eave Liability.	nd other erve was
2,925,586	2,717,820
166,714	217,229
1,419,500	1,425,292
(2,419,647)	(1,185,768)
-	-
2,092,153	3,174,572
nsfers into this R red to meet annu	

• •

	Actual 2007/08	Budget 2007/08	Actual 2006/07
	\$	\$	\$
Major Building Refurbishment			
Opening Balance	3,342,263	3,386,423	2,113,262
Transfer from Accumulated Surplus - Interest	27,193	181,450	167,215
Transfer from Accumulated Surplus	924,068	-	3,206,149
Transfer to Accumulated Surplus	(3,629,170)	(2,996,216)	(2,144,363)
Transfer to Accumulated Surplus-Impairment	(56,669)	-	-
	607,684	571,657	3,342,263

This Reserve Fund was set up to provide funds for future major refurbishment requirements for Council buildings as they become necessary. The identified target balance for this Reserve is 10% of the insured value of buildings (\$7.5M). Annual transfers will be made to this Reserve (as able to be accommodated within any end of year surplus) in order to reach this target.

Waste & Recycling			
Opening Balance	7,248,026	6,626,229	8,231,908
Transfer from Accumulated Surplus - Interest	129,054	341,178	651,364
Transfer from Accumulated Surplus	400,000	400,000	400,000
Transfer to Accumulated Surplus	(4,053,401)	(2,918,917)	(2,035,245)
Transfer to Accumulated Surplus-Impairment	(317,626)	-	-
х. 	3,406,054	4,448,490	7,248,026

This Reserve Fund was initially set up for the funding of capital costs associated with the development of a rubbish disposal site. It was recognised that land would be expensive to purchase and the stringent environmental standards required would result in high development costs. Council has attained formal approval extending the operating licence for the landfill site until mid 2011. Transfers to this Reserve are made based on planned future capital funding requirements.

Land Development

1				
Opening Balance	2,397,175	2,532,275	3,358,134	
Transfer from Accumulated Surplus - Interest	24,247	123,972	265,718	
Transfer from Accumulated Surplus	268,545	840,737	552,727	
Transfer to Accumulated Surplus	(2,111,894)	(2,523,066)	(1,779,404)	
Transfer to Accumulated Surplus-Impairment	(49,309)	-	-	
	528,764	973,918	2,397,175	

* This Reserve Fund was set up for the disposal and purchase of land for Council use as required.

Roads & Drainage Infrastructure			
Opening Balance	2,263,159	2,177,022	2,487,666
Transfer from Accumulated Surplus - Interest	47,527	96,688	196,841
Transfer from Accumulated Surplus	1,320,202	1,268,000	450,000
Transfer to Accumulated Surplus	(1,314,502)	(3,477,952)	(871,348)
Transfer to Accumulated Surplus-Impairment	(197,585)	-	-
	2,118,800	63,758	2,263,159

The purpose of this Reserve Fund is to provide for the renewal and refurbishment of roads and drainage infrastructure and for the provision of matching funds for Federal & State Government road grants.

City of Cockburn Annual Report 2008

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
	\$	\$	\$
Naval Base Chalets			Commune C
Opening Balance	290,538	289,909	248,289
Transfer from Accumulated Surplus - Interest	4,924	20,008	19,646
Transfer from Accumulated Surplus	60,000	60,000	60,000
Transfer to Accumulated Surplus	(54,922)	(54,922)	(37,397)
Transfer to Accumulated Surplus-Impairment	(25,636)	-	-
	274,905	314,995	290,538

This Reserve Fund was initially set up to provide funds for the development & refurbishment of the Naval Base Chalet Resort. It is envisaged that it will also fund rehabilitation costs required to be incurred when the Park reverts back to the State Government. Annual transfers to this Reserve are fully funded by part of the lease income derived from the chalet sites.

Mobile Rubbish Bins			1 005 147
Opening Balance	1,084,681	1,084,577	1,005,147
Transfer from Accumulated Surplus - Interest	18,084	77,470	79,534
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus		-	-
Transfer to Accumulated Surplus-Impairment	(94,065)	-	-
	1,008,701	1,162,047	1,084,681

In 1989 Council introduced the use of Mobile Rubbish Bins for its waste collection service. In 1992, this reserve was established to provide for the replacement of the bins in due course. Based on current pricing for the bins, no additional transfers to this Reserve are required. Future interest earnings will maintain an adequate balance in this Reserve.

Community Infrastructure

Joininumity minastractare		1 0 1 1 0 1 0	7,366,266
Opening Balance	4,838,417	4,844,849	7,500,200
Transfer from Accumulated Surplus - Interest	100,970	92,975	582,868
Transfer from Accumulated Surplus	5,252,873	4,700,000	2,670,000
Transfer to Accumulated Surplus	(5,485,599)	(8,219,068)	(5,780,717)
Transfer to Accumulated Surplus-Impairment	(401,470)	-	-
Transier to Accumulated carpies implant	4.305.191	1,418,756	4,838,417

This Reserve Fund was set up to fund the provision of community and recreation facilities within the City as the need arises. The requirement for these facilities over the next five to ten years is significant due to the rapid rate of development within the city and the associated population growth. Accordingly, transfers to this Reserve need to be increased substantially in the future.

Youth Advisory Council Canberra Trip			7.005
Opening Balance	-	-	7,865
Transfer from Accumulated Surplus - Interest	-	-	378
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	(8,243)
	-	-	-

A management review of Reserve Funds has determined that this Reserve should be closed, as it is more practical to allow funding within the Municipal Budget when the need arises (every 2 years). The balance of this Reserve was transferred to the Staff Payments and Entitlements Reserve.

	Actual	Budget	Actual	
	2007/08	2007/08	7/08 2007/08 20	2006/07
	\$	\$	\$	
Community Bus				
Opening Balance	-	-	70,027	
Transfer from Accumulated Surplus - Interest	-	-	3,364	
Transfer from Accumulated Surplus	-	-	-	
Transfer to Accumulated Surplus	-	-	(73,392)	
	_	-		

A management review of Reserve Funds has determined that this Reserve should be closed, as the Plant & Vehicle Replacement Reserve sufficiently caters for this Reserve's purpose. The balance of this Reserve was transferred to the Plant & Vehicle Reserve.

Workers Compensation			
Opening Balance	178,831	178,813	165,718
Transfer from Accumulated Surplus - Interest	2,812	12,769	13,113
Transfer from Accumulated Surplus	41,342	-	-
Transfer to Accumulated Surplus	-	-	· -
Transfer to Accumulated Surplus-Impairment	(19,020)	-	· _
	203,965	191,582	178,831

Council's Workers Compensation cover is provided by Municipal Workcare, which is a self-insurance scheme. If at a future date claims exceed income, then Council will be required to contribute further funds towards any deficit. These funds are held so that any additional contribution that may be called for would not impact on the annual budget.

Green House Emissions Reductions			
Opening Balance	100,247	100,634	78,436
Transfer from Accumulated Surplus - Interest	1,288	4,850	6,206
Transfer from Accumulated Surplus	20,000	20,000	20,000
Transfer to Accumulated Surplus	(43,946)	(20,000)	(4,395)
Transfer to Accumulated Surplus-Impairment	(6,618)	-	-
	70,972	105,484	100,247

Council has resolved to allocate \$20,000 each year to this reserve fund. These funds will be used to undertake work that will result in a reduction in energy and greenhouse emissions.

Development Contribution Plans			
Opening Balance	5,996,318	6,619,637	4,898,205
Transfer from Accumulated Surplus - Interest	112,583	463,849	391,705
Transfer from Accumulated Surplus	2,896,730	1,393,080	3,641,000
Transfer to Accumulated Surplus	(1,464,318)	(742,080)	(2,934,593)
	7,541,313	7,734,486	5,996,318

This Reserve was established for the management of contributions and costs with respect to Development Contribution Areas as established by and in accordance with Town Planning Scheme 3.

City of Cockburn Annual Report 2008

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and the second	Actual	
	2007/08	
	\$	
Family Day Care Building Maintenance		
Opening Balance	36,984	
Transfer from Accumulated Surplus - Interest	617	
Transfer from Accumulated Surplus	-	
Transfer to Accumulated Surplus	-	
	37,600	

This is a Reserve Fund that applies to grant funded welfare services. It is fully funded from the operating grants received by the service and thus has no effect on the Municipal Fund.

Aged and Disabled Vehicles		
Opening Balance	124,889	
Transfer from Accumulated Surplus - Interest	2,340	
Transfer from Accumulated Surplus	78,799	
Transfer to Accumulated Surplus	-	
	206,027	

This is a Reserve Fund that applies to grant funded welfare services. It is fully funded from the operating grants received by the service and thus has no effect on the Municipal Fund.

Family Day Care Vehicle		
Opening Balance	30,288	
Transfer from Accumulated Surplus - Interest	505	
Transfer from Accumulated Surplus	The second second	
Transfer to Accumulated Surplus	-	
	30,793	

This is a Reserve Fund that applies to grant funded welfare services. It is fully funded from the operating gra received by the service and thus has no effect on the Municipal Fund.

Welfare Projects Employee Entitlements	a sale della se	
Opening Balance	531,392	
Transfer from Accumulated Surplus - Interest	8,735	
Transfer from Accumulated Surplus	-	
Transfer to Accumulated Surplus	(20,436)	
Transier to noodinate a super-	519,692	

This is a Reserve Fund that applies to grant funded welfare services. It is fully funded from the operating grants received by the service and thus has no effect on the Municipal Fund.

a statistical Management			
Bibra Lake Nutrient Management	140.054	142,943	109,305
Opening Balance	142,954		
Transfer from Accumulated Surplus - Interest	2,770	9,512	8,649
	25,000	25,000	25,000
Transfer from Accumulated Surplus	20,000		
Transfer to Accumulated Surplus		-	
Transfer to Accumulated Surplus-Impairment	(14,563)	-	-
Hansier to Accumulated Surplus 21	156,161	177,455	142,954

This Reserve Fund was established in 2002/03 to provide funds to manage the nutrients in Bibra Lake once an acceptable solution to the problem is found. An annual allocation of \$25,000 is made.

Budget	Actual
2007/08	2006/07
\$	\$
35,320	36,440
2,502	2,883
-	-
-	(2,340)
37,822	36,984

-		
	133,754	124,889
	-	-
	-	
	8,877	9,157
	124,877	115,731

30,285	28,067
2,150	2,221
-	-
-	-
32,435	30,288
ad from the opera	ting grants

526,342	518,413
39,674	41,017
-	10,000
-	(38,038)
566,016	531,392
ded from the one	rating grants

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
1	\$	\$	\$
Contaminated Sites			
Opening Balance	415,825	415,805	200,000
Transfer from Accumulated Surplus - Interest	11,569	29,914	15,825
Transfer from Accumulated Surplus	300,000	300,000	200,000
Transfer to Accumulated Surplus	-		-
Transfer to Accumulated Surplus-Impairment	(62,046)	-	-
	665,348	745,719	415,825

This Reserve is required to cover any costs associated with clean-up & remediation works at contaminated sites within the district as enforced by the Contaminated Sites Act.

Municipal Elections			
Opening Balance	166,330	166,322	80,000
Transfer from Accumulated Surplus - Interest	4,087	11,963	6,330
Transfer from Accumulated Surplus	85,000	85,000	80,000
Transfer to Accumulated Surplus	-	(140,000)	-
Transfer to Accumulated Surplus-Impairment	(21,787)	-	-
	233,630	123,285	166,330

This Reserve has been established to provide funding to cover election expenses during election years. An amount will be transferred into this reserve in non-election years.

DCD Redundancies Reserve			
Opening Balance	2,500	2,500	-
Transfer from Accumulated Surplus - Interest	42	-	-
Transfer from Accumulated Surplus	-	2,500	2,500
Transfer to Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus-Impairment	(217)	-	-
5.	2,325	5,000	2,500

This Reserve was created for the purpose of covering potential future redundancy costs for DCD funded services, as the funding agreement does not allow for these costs.

Port Coogee Special Maintenance - SAR			
Opening Balance		-	-
Transfer from Accumulated Surplus - Interest	-	-	-
Transfer from Accumulated Surplus	-	· -	-
Transfer to Accumulated Surplus	-	-	-
		_	

This Reserve was established this year to manage the funds raised through the specified area rate for the Port Coogee development. These funds are required for the specialised maintenance requirements of the development. The City will commence rating issued lots in 2008/09.

Port Coogee Waterways Reserve

8.1

Opening Balance
Transfer from Accumulated Surplus - Interest
Transfer from Accumulated Surplus
Transfer to Accumulated Surplus

and the set of the	,	• •
-		-
-	-	-
innae -	-	-

This Reserve was established this year to manage the funds paid by the developer of the Port Coogee marina development in accordance with the Waterways Environmental Management Plan (WEMP). The funds will be used to maintain and manage the marina when it comes under the City's control.

City of Cockburn Annual Report 2008

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
	\$	\$	\$
SUMMARY CASH BACKED RESERVES			
Opening Balance	36,385,808	36,159,683	37,355,367
Transfer from Accumulated Surplus - Interest	630,416	1,954,970	2,959,930
Transfer from Accumulated Surplus	13,230,224	10,613,817	13,273,211
Transfer to Accumulated Surplus	(19,870,862)	(24,606,626)	(17,202,699)
Transfer to Accumulated Surplus-Impairment	(1,880,000)	-	-
TOTAL CASH BACKED RESERVES	28,495,585	24,121,844	36,385,808
RESERVES OTHER			
Asset Revaluation Reserve			
Opening Balance	243,496,222	63,260,737	63,260,737
Revaluation increments made during the year	98,804,622	-	180,235,486
TOTAL RESERVES OTHER	342,300,844	63,260,737	243,496,222
TOTAL RESERVES	370,796,429	87,382,581	279,882,030

12. Superannuation

The Council contributes in respect to its employees to the WA Local Government Superannuation Plan ("the plan"), established for the purpose of all local governments in the state. In accordance with statutory requirements, the Council contributes to the plan amounts determined by the plan actuary.

As a defined contribution (accumulation) scheme, assets accumulate in the plan to meet members' benefits as they accrue. Therefore, Council has no liability at reporting date in respect of superannuation benefits for its employees.

employees.		
	Actual	Actual
	2007/08	2006/07
	\$	\$
Contributory	329,516	300,501
S.G. Occupational	1,647,446	1,500,236
	1,976,962	1,800,737

14. Notes to Cash Flow Statement

Actual 2007/08 \$

(a)

Reconciliation of Net Cash Used in Operating Activities to Change in Net Assets.

	43,220,357
Change in net assets	43,220,337
Add (Less) non-cash items:	
Depreciation	14,648,790
(Profit)/Loss on Sale of Assets	(828,651)
Employee entitlements provision	231,625
Impairment charge provision	1,880,000
Accrued investment income	(291,877)
Recognition of infrastructure assets previously not recognised	(39,945,083)
Less: Grants & Contributions for the Development of Assets	(7,913,113)
Change in Assets and Liabilities:	and the second second
[Increase)/Decrease in Rates Debtors & Deferred Rates	(69,160)
(Increase)/Decrease in Sundry Debtors	(179,271)
(Increase)/Decrease in Stock on Hand	24,563
Increase/(Decrease) in Creditors & Accruals	513,264
(Increase)/Decrease in Rubbish Debtors	(16,458)
Increase/(Decrease) on Income Received in Advance	(328,736)
(Increase)/Decrease in Prepayments	(205,232)
NET CASH USED IN OPERATING ACTIVITIES	10,741,021

(b)

Reconciliation of Cash

For the purpose of the Cash Flow Statement, the entity considers cash to include Cash on Hand and in Banks and investments in Money Market Instruments. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related item in the Balance Sheet as follows:

Cash at Bank	1,277,450	
Cash on Hand (Petty Cash)	9,370	
Cash Equivalent Investments	26,001,559	
Cash & Cash Equivalents at end of Reporting Period	27,288,378	

13. Capital & Leasing Commitments

Capital Commitments

At the reporting date, Council had the following commitments remaining for major purchases:

		\$
	Russell Rd (Freeway Franklin) Realignment Road Construction Services	2,465,968
	3x Refuse compactor trucks lveco Acco F2350G/260	963,850
	Cockburn Youth Centre Construction	578,678
	Spearwood Ave (Hamilton/Cockburn) Construct dual carriageway Street Lighting	329,680
	Coolbellup Community Hub Architectural services	261,800
	Hamilton Park local Sports Facility Architectural Services	232,320
	Aubin Grove Facility Architectural Services	225,808
	Memorial Hall Underground services	212,204
	Regional Sports Facilities Project Management	173,470
	Russell Rd (Freeway Franklin) Realignment Electrical services	118,195
	Regional Sports Facilities Civil Engineer	110,484
	Install Traffic Signals at the intersection of Cockburn Rd & Spearwood Ave	100,000
	Marketing Services Lot 5 Bartram/Tapper Rd Atwell	96,800
	Planning Services Tracking & Public Info Software	91,092
	Tree Lopping Services - Various street trees	87,206
	Memorial Hall Building Construction	71,939
	City Data Voice Network	63,001
	Consultancy Services - Cockburn Bike plan	61,911
	Weed Control Services	58,100
	Chairs & Tables for Youth Centre	53,770
	Youth Centre Switching	52,396
	Consultancy Services - Parks Development	46,908
	City Data Voice Network - Computer Hardware	46,800
	Spearwood Ave (Hamilton/Cockburn) Extension Earthworks	45,267
	Lot 5 Bartram/Tapper Rd Atwell - Electrical Services	40,829
1	Weed Control Services - Grass weed spraying in various reserves	40,385
	Jandakot Industrial Area Street Lighting Installations	36,542
	Memorial Hall Transformer	34,656
	Cockburn Signage Billboards design	34,566
	Consultancy sevices - Town Planning Studies	30,850
		6,765,474

Leasing Commitments

Operating Lease Commitments: non-cancellable operating leases contracted for but not capitalised in the accounts.

	Actual	Actual
	2007/08	2006/07
Payable:	\$	\$
Not later than 1 year	419,686	81,902
Later than 1 year but not later than 2 years	314,949	62,568
Later than 2 years but not later than 5 years	376,281	38,083
	1,110,916	182,553

Budget	Actual
2007/08	2006/07
\$	\$
15,997,618	25,768,263
7,529,863	6,974,856
(1,292,276)	(1,078,500)
c=0	9,848
-	(9,896,606)
15,170,700)	(3,666,823)
-	87,815
-	(721,175)
-	11,864
-	1,705,206
-	22,097
-	(335,836)
-	(39,720)
7,064,505	18,841,289

587,200	1,612,382
11,270	9,320
30,505,218	38,506,725
31,103,688	40,128,428

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15. Interests in Joint Venture Entities (Unaudited)

South West Group

The Council is a member participant of the South West Group along with the cities of Melville, Rockingham and Fremantle; and the towns of Kwinana & East Fremantle. Council's share in the net assets of the South West Group as at 30 June was:

	2007/08	2006/07
Amount of interest	\$73,416	\$62,835
Cost/profit sharing ratio	20.33%	21.12%

Southern Metropolitan Regional Council (SMRC)

General Funds

The Council is a member of the Southern Metropolitan Regional Council. SMRC was established in accordance with the Local Government Act 1995 and consist of seven local governments namely the cities of Canning, Cockburn, Fremantle, Melville, Rockingham and Towns of East Fremantle and Kwinana. Council's share in the net assets of the SMRC (excluding the RRRC project) as at 30 June was:

	2007/08	2006/07
Amount of interest	\$152,530	\$137,847
Cost/profit sharing ratio	18.75%	18.75%

The RRRC project is disclosed separately as it has a different cost/profit sharing ratio to that for the SMRC's general funds.

Regional Resource Recovery Centre (RRRC)

This project is undertaken on behalf of SMRC's five participating Councils being the cities of Canning, Cockburn, Fremantle, Melville and Town of East Fremantle. The venture was established through the SMRC as a major trading undertaking. The RRRC joint venture's principal activity is the development of a waste processing plant & recyclable & green waste facility at Canning Vale.

Participating Councils are required to make quarterly contributions to cover the capital cost in the establishment of the facility and pay gate fees for each tonne of waste they deliver to the facility to cover the operating costs. The required level of contribution for capital costs is based proportionately upon each participant's population as determined by the Australian Bureau of Statistics census. These are revised every 1 in 5 years over the life of the loan, with the next review due in the 2008/09 financial year. The ratio used for capital contributions is currently set at 25.24%

Each project participant develops equity in the project via the payments made towards capital and its' share of profits & losses made each year (calculated in accordance with the ratio of past capital contributions).

The Council's net interest in the RRRC joint venture as at 30 June was:

	2007/08	2006/07
Net Amount of Interest	\$1,286,036	\$1,345,134
Profit sharing ratio	24.95%	24.90%

Further information is provided in regard to the lending facility for the RRRC project under note 24. Contingent Liabilities.

16. Fees and Charges

	Actual	
	2007/08	
	\$	
General Purpose Funding		
Administration Fees	179,833	
Rate Search Fees	55,601	
Admin Fee - FESA	75,480	
Other Fees & Charges	60	
	310,974	
Governance		
Administration Service Charges	24,724	
Advertising Cockburn Soundings		
Other Fees & Charges	23,864	
	48,588	
Law, Order and Public Safety		
Dog Registration Fees	104,244	
Licences	6,732	
Impounding Fees	14,180	
Fines, Infringements & Penalties	88,157	
Security Patrol Levy	2,031,158	
Other Fees & Charges	7,870	
	2,252,340	
Health		
Administration, Application & Inspection Fees	13,580	
Administration Fees & Licences	79,838	
Fines & Penalties	16,251	
Sundry Sales	1,104	
Other Fees & Charges	1,148	
	111,922	
Education and Welfare		
Client Fees	438,079	
Lease / Rental Income	20,519	
Other Fees & Charges	20,942	
	479,540	
Community Amenities		
Planning Fees & Charges	1,167,254	
Rubbish Removal Charges	8,216,499	,
Rubbish Tipping Fees	8,997,468	5
Other Fees & Charges	616,816	5
	18,998,037	,

Budget	Actual
2007/08	2006/07
\$	\$
180,000	158,700
45,000	46,919
75,000	74,090
200	45
300,200	279,754
	00.400
21,400	23,490
-	3,200
12,050	4,308
33,450	30,997
97,000	89,997
8,000	6,675
21,800	26,956
53,100	79,896
1,860,196	1,896,034
3,000	3,288
2,043,096	2,102,846
13,800	11,545
70,000	75,293
37,000	38,805
2,700	2,196
2,800	2,033
126,300	129,872
373,697	400,946
37,295	45,162
35,790	22,447
446,782	468,555
807,650	818,802
8,107,192	7,483,702
7,879,545	6,875,154
281,550	288,329
17,075,937	15,465,987

	Actual	Budget	Actua
	2007/08	2007/08	2006/07
	\$	\$	\$
Recreation and Culture			
Client Fees	15,217	15,692	18,212
Hall Hires	181,398	155,122	160,933
Reserve Hires	138,199	75,100	125,968
Leasehold Rentals	21,979	28,328	34,145
Recreation Centre Charges	1,850,975	1,806,483	1,792,675
Other Fees & Charges	49,182	41,436	26,748
	2,256,951	2,122,161	2,158,681
Transport			
Reinstatements Revenue	3,945	5,000	3,920
Supervision Fees	155,986	300,000	342,650
Other Fees & Charges	34,087	12,000	9,911
	194,018	317,000	356,481
Economic Services			й.
Building Licences	1,671,983	1,562,500	1,480,897
Caravan Park Leases / Licences	305,217	308,680	294,409
Assessment & Application Fees	11,375	15,000	17,081
Swimming Pool Inspection Fees	54,625	55,000	50,913
Fines & Penalties	-	2,000	2,614
Other Fees & Charges	25,358	24,000	24,505
	2,068,558	1,967,180	1,870,418
Other Property and Services	Barris Maria		
Private Works Revenue	108,757	21,000	95,453
Lease / Rental Income	59,879	52,130	47,871
Other Fees & Charges	23,219	11,700	16,227
₹ ₃₅₁	191,855	84,830	159,552
TOTAL FEES AND CHARGES	26,912,784	24,516,936	23,023,143

¹⁷ 17. Other Expenses

	Actual	Budget	Actual
	2007/08	2007/08	2006/07
	\$	\$	\$
a. Councillor's Remuneration			
The following fees, expenses and allowances were paid to councillors and the mayor:			
Meeting Fees	77,000	100,000	77,000
Vehicle Mileage Claims	8,970	22,000	15,403
Mayoral/Deputy Mayoral Allowances	68,000	75,000	68,000
Communication Expenses	30,812	39,000	17,106
	184,781	236,000	177,509
b. Auditors Remuneration			
Audit Services	28,398	18,000	12,681
c. Rental - Operating Leases	260,021	230,155	• \$4,230

Financial Ratios 18.

	Actual	Actual	Actual
	2007/08	2006/07	2005/06
CURRENT Ratio (The Higher The Better)	2.78:1	2.52:1	2.97:1
DEBT Ratio (The Lower The Better)	1.80%	2.32%	2.93%
DEBT SERVICE Ratio (The Lower The Better)	n/a	n/a	n/a
RATE COVERAGE Ratio (The Higher The Better)	38.63%	36.62%	37.95%
OUTSTANDING RATES Ratio (The Lower The Better)	0.36%	0.27%	0.74%
GROSS DEBT TO REVENUE Ratio (The Lower The Better)	n/a	n/a	n/a
UNTIED CASH TO TRADE CREDITORS Ratio (The Higher The	1.48:1	1.99:1	3.17:1
Better)		-	2/2
GROSS DEBT TO ECONOMICALLY REALISABLE ASSETS Ratio (The Lower The Better)	n/a	n/a	n/a

The above ratios are calculated as follows:

CURRENT RATIO:

Current assets - Restricted Assets / Current liabilities - liabilities associated with restricted assets Purpose: To assess the adequacy of working capital and the ability to satisfy obligations in the short term.

DEBT RATIO:

Total liabilities / total assets

Purpose: To identify exposure to debt by measuring the proportion of assets funded by creditors.

DEBT SERVICE RATIO:

Debt service cost / Available operating revenue

Purpose: To assess the degree to which revenues are committed to the repayment of debt.

RATE COVERAGE RATIO:

Net rate revenue / operating revenue Purpose: To assess the degree of dependence upon revenue from rates.

OUTSTANDING RATES RATIO:

Rates outstanding / rates collectable Purpose: To assess the impact of uncollected rates on liquidity and the adequacy of recovery effort.

GROSS DEBT TO REVENUE RATIO:

Gross Debt /Total Revenue Purpose: To assess gross debt as a percentage of total revenue (excluding specific purpose grants).

UNTIED CASH TO TRADE CREDITORS RATIO:

Untied cash/unpaid trade creditors Purpose: To assess adequacy of cash available to meet trade creditors.

GROSS DEBT TO ECONOMICALLY REALISABLE ASSETS RATIO:

Purpose: To assess gross debt as a % of realisable assets (ie. total assets excluding infrastructure assets).

19. Discounts, Incentives, Concessions, & Write Offs

Discounts

A 5% discount on all current rates is allowed if the total amount levied (including any arrears) is paid in full within 35 days from the date of issue of the rates notice. The objective of offering a discount is to encourage ratepayers to pay all outstanding amounts by the specified date. This leads to a stronger cash position for Council and the opportunity to maximise investment earnings.

Discou	int Actual	Budget	Actual
	2007/08	2007/08	2006/07
	%	\$	\$
General Rates	5 819,052	640,500	720,528

Incentives

Council provides a number of incentives to encourage ratepayers to pay their rates within the 35 day discount period. Those ratepayers randomly selected by the computer, are invited to the council chambers for the major draw. The Mayor and the sponsors of the draw pull names out of a barrel to establish which ratepayers have won which prizes.

Prizes offered as early payment incentive:

City of Cockburn - 4 x Cash prizes of \$1000 each.

Best Western Hotels - Two nights accommodation for two at any Best Western Hotel.

Adventure World - 8 x General admission passes.

WASO - 2 x Double concert tickets

Stewarts Pest Control - Pest Management to the value of \$1200.

Aspen Parks - One night accommodation for 2 in a family cabin.

South Lakes Leisure Centre - 2 x fitness club membership for 3 months.

Bicton Travel - \$200 Travel Voucher.

Interest Charges, Administration Fees and Instalments 20.

		4	Interest Rate	Admin Fee	Actual	Budget	Actual	
		ton.	b		2007/08	2007/08	2006/07	
			%	\$	\$	\$	\$	
	Administration Fee			6.50	179,833	180,000	158,700	
ŧ,	Penalty Interest		11.00		120,393	105,000	110,946	
	Instalment Interest		1.00	-	27,297	80,000	61,339	

Payment by Instalments

Council offered instalment payment options of either two or four payments. The first instalment (inclusive of any arrears) had to be paid in full by the due date. Failure to pay the first instalment by the due resulted in the forfeiture of the instalment payment option. Ratepayers had the following options for paying their rates:

(a) Pay in full within 35 days & receive a 5% discount - due 11/9/07

(b) Pay in two instalments due:		1.	11/09/07	
		2.	15/01/08	
(c) Pay in four instalments due:		1.	11/09/07	
		2.	13/11/07	
	- i -	3.	15/01/08	
		4.	18/03/08	

Administration Fees

An administration charge of \$6.50 per instalment (excluding the first instalment) was payable during the year. The administration charge is made to cover the additional costs involved in administering the instalment scheme.

Special Payment Arrangements

Ratepayers who were unable to pay their account in full or according to the instalment plans offered were able to make special payment arrangements to extinguish their debt. A separate administration fee of \$20.00 was charged for these arrangements. Penalty interest was applied at the rate of 11% to any outstanding balance.

Instalment Interest

The Local Government Act allows for interest to be charged on overdue amounts. The Council charged interest at the rate of 1% on outstanding rates for the year under review. This charge covered the opportunity cost of lost income on investment that would otherwise be received had the instalment options not been exercised. The maximum rate of interest allowed to be imposed on outstanding amounts under S6.45(4)(e) of the Local Government Act is 5.5%

Penalty Interest - Rates

Penalty interest was levied where payment in full or the first instalment was not received within thirty-five days of the issue of the rate notice. The rate charged was 11% pa on the daily balance. The maximum rate of interest allowed to be imposed on overdue rates and service charges under S6.51(1) of the Local Government Act is 11%

Penalty Interest - FESA

The Minister for Emergency Services deemed the penalty interest rate for 2007/08 to be 11% on outstanding balances. Interest was levied where payment in full or the first instalment was not received within thirty-five days of the issue of the rate notice.

21. Service Charges

(a) Prescribed Service Charges

Property Surveillance & Security

Section 6.38 of the Local Government Act 1995 allows Council to impose service charges on owners or occupiers to meet the costs of providing a prescribed service in relation to the land. Section 54 of the Local Government (Financial Management) Regulations 1996 prescribes the provision of a security services as an allowable service charge.

In accordance with Section 6.32 of the Local Government Act 1995, Council imposed a whole of district security patrol service charge during the reporting year. Financial details for this charge are as follows:

Amount of each service charge:

Total amount of revenue collected from service charge for 2007/08:

Add: Amount of funds b/f from previous year for unspent service charges:

Less: Amount of total funds applied during the reporting year in meeting the costs of the service in a cost sharing arrangement with the City of Melville were:

Amount of funds un-applied as at 30 June 2008 (carried forward into the following year to meet future service costs):

(b) Other Service Charges

Private Swimming Pool Inspection Fees

Council resolved in accordance with the provisions of Section 245A (8) of the Local Government (Miscellaneous Provisions Act 1960) to impose a charge of \$13.75 (gst incl.) for the reporting year on those properties with private swimming pools. This is an annual charge that covers the cost of carrying out periodical inspections on all swimming pools

Domestic Refuse Charge

In accordance with the provisions of the Health Act 1911 Section's 344C and 112A(1)(b), Council imposed for the reporting year the following charges for the removal of house and trade refuse and other rubbish from premises:

Commercial, industrial and residential rubbish removal per 240 litre bin service:

\$57.00 \$2,031,158 \$295,988 \$1,891,850

\$435,295

\$240.00

		NON-MI	NIMUM				MINIMU	И				TOTALS				
	PARTICULARS	Qty	Rateable value	Rate in \$	Yield	Budget 2007-08	Qty	Rateable Value	Amount	Yield	Budget 2007-08	Qty	Rateable Value	Yield	Budget 2007-08	% of Ratebase
	GRV		\$	cents	\$			\$	\$	\$	-		\$	\$		
	Residential - Improved	17,749	180,386,640	6.482	11,691,760	11,643,233	9,916	67,513,380	506	5,017,496	5,015,978	27,665	247,900,020	16,709,256	16,659,211	59.70%
	Residential - Vacant	1,487	14,465,990	10.288	1,488,218	1,494,251	840	3,286,608	506	425,040	444,268	2,327	17,752,598	1,913,258	1,938,519	6.84%
	Commercial - Improved	210	30,004,789	6.824	2,047,557	2,047,557	68	453,250	794	53,992	53,992	278	30,458,039	2,101,549	2,101,549	7.51%
	Commercial - Vacant	26	524,800	10.831	56,843	56,843	6	11,120	794	4,764	4,764	32	535,920	61,607	61,607	0.22%
	Industrial - Improved	710	66,036,194	6.824	4,506,376	4,504,124	259	2,233,876	794	205,646	206,440	969	68,270,070	4,712,022	4,710,564	16.83%
	Industrial- Vacant	313	5,061,550	10.831	548,237	568,085	79	479,855	794	62,726	62,726	392	5,541,405	610,963	630,811	2.18%
	UFL Vacant Residential	2	103,000	9.259	9,537	9,537	-	-	506	-	· _	2	103,000	9,537	9,537	0.03%
	Total GRV	20,497	296,582,963		20,348,527	20,323,631	11,168	73,978,089		5,769,664	5,788,168	31,665	370,561,052	26,118,191	26,111,799	93.31%
	UV										··· ·					
_	UFL - Rural General	24	31,665,000		44,616	44,616	12	3,505,000	523	6,276	6,276	36	35,170,000	50,892	50,892	0.18%
0	Resource	635	347,925,000		544,503	541,999	3	915,000	523	1,569	2,092	638	348,840,000	546,072	544,091	1.95%
at	Resource-Industrial	8	15,380,000		24,070	24,070	3	13,720	523	1,569	2,092	11	15,393,720	25,639	26,162	0.09%
Ľ.	Resource-Commercial	6	5,165,000		8,083	8,083	£ -	-	523	-	-	6	5,165,000	8,083	8,083	0.03%
Information	Rural General	431	482,630,000		755,316	753,071	844	201,376,450	523	441,412	442,981	1,275	684,006,450	1,196,728	1,196,052	4.28%
la la	Rural General- Commercial	19	14,790,000		23,146	23,146	7	2,015,000	523	3,661	3,661	26	16,805,000	26,807	26,807	0.10%
Ę;	Rural General-Industrial	11	6,655,000		10,415	10,415	13	3,081,178	523	6,799	6,799	24	9,736,178	17,214	17,214	0.06%
Rating	Total UV	1,134	904,210,000		1,410,149	1,405,399	882	210,906,348		461,286	463,901	2,016	1,115,116,348	1,871,435	1,869,300	6.69%
of	Total Rates Levied													27,989,626	27,981,099	
	OTHER ITEMS															
Statement	Interim Rates				1,362,539	653,892								1,362,539	653,892	
en :	Less: Discount Allowed				(819,052)	(640,500)								(819,052)	(640,500)	
tat	Rate Interest				27,297	80,000								27,297	80,000	
S	Rate Penalty	2.5.8		1 M. E.	120,393	105,000		- ¹				244		120,393	105,000	
	Total Other Items	A			691,177	198,392								691,177	198,392	
22	TOTAL RATES	21,631	1,200,792,963		22,449,853	21,927,422	12,050	284,884,437	- 1	6,230,950	6,252,069	33,681	1,485,677,400	28,680,803	28,179,491	100%

*

23. Net Current Asset Position

The net current asset position balance (adjusted for Restricted assets) carried forward from the previous financial year for the purpose of the 2007/08 budget was \$4,114,234

The net current asset position balance (adjusted for Restricted assets) shown in the audited financial report as at 30 June 2007 was \$7,713,298

24. Contingent Liabilities

Regional Resource Recovery Centre- Lending Facility

Council is a participant in the Regional Resource Recovery Centre Joint Venture. The project was established through the Southern Metropolitan Regional Council (SMRC) and involves the cities of Canning, Cockburn, Fremantle, Melville and the Town of East Fremantle in the development of a waste processing plant and a recyclable and green waste facility at Canning Vale.

The capital construction of the facility is funded by borrowings from Western Australian Treasury Corporation. A \$40 million lending facility was initially set up for this purpose, repayable over a term of 20 years. This facility has since been extended to a total of \$55 million. The SMRC administer the borrowings and the project participants make quarterly contributions equal to the repayment costs of these borrowings.

The Council's estimated share of the project funding is based upon population percentages as derived from the Australian Bureau of Statistics census. These are revised every 1 in 5 years over the life of the loan. Council's share was increased in the 2003/04 year to 25.24% (previously 23.44%). This was due to an increase in the Council's population ratio relative to the other project participants. This ratio is due to be reviewed in 2008/09.

As at 30th June 2008, the balance outstanding against the lending facility stood at \$50,725,962 with Council's share of this liability being \$12,804,733 (calculated using the ratio of 25.24%).

Council's annual contribution towards the repayment of interest and principal on the lending facility is currently around \$1.15 million (approx. \$40 per household).

Council has guaranteed by way of agreement its share of the loan liability to the SMRC and the Western Australian Treasury Corporation (funding body).

SMRC Administration Building - Lending Facility

8 .

As a SMRC participant, Council has guaranteed by way of security to the Western Australian Treasury Corporation, a charge over its' general funds for its' share of any outstanding debenture borrowings provided for the SMRC administration building at 9 Aldous Place Booragoon. This facility has a limit of \$2 million.

As at 30th June 2008, the balance outstanding against this facility stood at \$1,800,000 with Council's share of this liability being \$337,500 (using the current cost/profit sharing ratio of 18.75%).

25. Financial Risk Management

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

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk. Financial risk management is carried out by the finance area under policies approved by the Council.

The Council held the following financial instruments at balance date:

	Carrying Value			
	Actual	Actual	Actual	Actual
2	2007/08	2006/07	2007/08	2006/07
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	27,288,378	40,128,428	27,288,378	40,128,428
Held-to-maturity investments	19,401,142	16,110,595	18,600,000	16,110,595
Receivables	5,111,896	4,641,776	5,111,896	4,641,776
	51,801,416	60,880,798	51,000,274	60,880,798
Financial Liabilities	A REAL PROPERTY.			
Payables	8,639,536	9,220,802	8,639,536	9,220,802

Fair value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables estimated to the carrying value which approximates net market value.
- Held-to-Maturity Investments based on quoted market prices at the reporting date or independent valuation.

The City holds a number of structured investment products, which have been affected by the volatility in the world credit markets. The structured investment products are mortgage and corporate backed securities. Oakvale Capital Limited, Council's independent financial advisor, had estimated the net fair value of the structured investments at balance date at \$4.25m compared with their face value of \$5.5m. The significant proportion (72%) of this 'diminution in net fair value' related to a structured investment named, Credit Linked Enhanced Asset repackaging PLC (CLEAR) due to be redeemed in 2012.

However, since balance date conditions in world financial markets have further deteriorated, resulting in Council making an impairment provision for two of the structured investments held [see notes 25 (e) and 30 for details].

As at November 2008, the City continued to receive interest coupons on all structured investment products including CLEAR with no credit defaults having been recorded. Since balance date, the City has seen one structured investment mature with the total amount invested of \$1m being recovered by the City (including all interest coupons).

In accordance with Australian Accounting Standards, the City has classified its current and non-current monetary investments as held to maturity in the balance sheet. The classification was required as the assets were acquired as part of the City's long term investment strategy and the intention to hold these investments to maturity.

(a) Risk Assessment - Cash & Cash Equivalents and Investments

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk – the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk – the risk that movements in interest rates could affect returns.

Another risk associated with cash and investments is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

Impact of a 5% (*) movement in price of investments.

- Equity

- Income Statement

Impact of a 0.5% (*) movement in interest rates on cash and investments:

- Equity

- Income Statement

(*) Sensitivity percentages based on management's expectation of future possible market movements. Recent market volatility has seen large market movements for certain types of investments.

(+) Maximum impact.

(b) Receivables

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

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. Council 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. Council carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Council's credit risk at balance date was:

Percentage of Rates and Annual Charges

- Current

- Overdue

Percentage of Other Receivables

- Current

- Overdue

Actual	Actual
2007/08	2006/07
\$	\$
1,000,000	1,250,000
,000,000 (+)	1,250,000 (+)
300,000	325,000
300,000 (+)	325,000 (+)

Actual	Actual
2006/07	2007/08
	Stor and the
74%	70%
26%	30%
85%	89%
15%	11%

(c) Payables & Borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Council did not have any borrowings as at 30 June 2008. The contractual undiscounted cash flows of Council's Payables are set out in the Liquidity Sensitivity Table below:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carying values
	\$	\$	\$	\$	\$
2008					
Payables 2007	4,991,888	3,647,648	-	8,639,536	8,639,536
Payables	4,807,360	4,413,443	-	9,220,802	9,220,802

(d) Interest Rate Risk Profile

The City is exposed to interest rate risk through primary financial assets and liabilities. The following table summaries interest rate risk for the City, together with the effective interest rates as at 30th June 2008.

2007/08	Average			nterest Rate Ma	aturity	Non-Interest	. Tota
	Interes Rate		less than 1	1 to 5 Years	More than 5 Years	Bearing	
	%	\$	\$	\$	\$	\$	\$
Financial Assets							-
Cash	5.50	1,277,450	-	-	-	9,370	1,286,820
Direct Securities	7.49	_	2,000,000	6,598,670	6,000,000	-	14,598,670
Managed Cash Funds	8.45	14,069,277	2	-	-	-	14,069,277
FRN's & TD's	8.00	-	13,334,753	3,400,000		-	16,734,753
Receivables	6.00	451,331	-	-	-	4,660,565	5,111,896
Total		15,798,058	15,334,753	9,998,670	6,000,000	4,669,935	51,801,416

Total		-	458,626	-	-	12,232,669	12,691,295
Employee Entitlements	-		-	-	-	4,051,759	4,051,759
Deposits/ Bonds	5.50	-	458,626	-	-	3,189,022	3,647,648
Accounts Payable	-	-	-	-	-	4,991,888	4,991,888

City of Cockburn Annual Report 2008

The following tab	le provide	s comparatives	as at 30th Jun	e 2007:			
2006/07	Average	-	Fixed I	nterest Rate Ma	aturity	Non-Interest	Total
	Interest Rate	Interest Rate	Less than 1 Year	1 to 5 Years	More than 5 Years	Bearing	
	%	\$	\$	\$	\$	\$	\$
Financial Assets							-
Cash	5.50	1,612,382	-	-	-	9,320	1,621,702
Direct Securities	7.49	16,110,595	-	-	-	-	16,110,595
Managed Cash Funds	5.87	29,383,295	-	-	-	-	29,383,295
Managed Balance Fund	15.78	9,123,430		-	-	-	9,123,430
Receivables	5.40	415,228	-	-	-	4,226,548	4,641,776
Total		56,644,930	- A. A. A	-	-	4,235,868	60,880,798
Financial Liabilit	ies		2263.3 				
Accounts Payable	-	100	- 11	-	-	4,807,360	4,807,360
Deposits/ Bonds	5.55		470,523	-	-	3,942,920	4,413,443
Employee Entitlements	-			-	-	3,820,134	3,820,134
Total			470,523	-	-	12,570,414	13,040,937

(e) Impairment of Investment

Impairment testing has shown the estimated fair values for two of the CDO (Asset Backed and Credit Linked) investments to be, significantly below their purchase values. However, the extent of any permanent diminution in the values of these investments cannot be reliably measured at present, as can the City's investments in term deposits with Australian banks. At the date of this report, all investments are paying interest and principal as and when it falls due.

The City has provided an impairment charge for two of its CDO's (Asset Backed and Credit Linked) investments in the 2007/08 financial statements as a result of volatility in world financial markets and the uncertain nature of measuring the value of the investments with any certainty. All future interest receipts will be recorded in the Income Statement for 2008/09 and the receipt of any capital in excess of the stated recoverable amounts will result in reversal of the impairment charges listed below in future periods (to the extent of the excess).

Investment	Carrying Amount	Impaired Mark as at 3	et Value 30/9/08	Impairment Charge 2007/08	Interest Rec'vd post 30 June as at 30/9/08
C.L.E.A.R. (Asset Backed)	\$1.00m	\$	0.08m	\$0.92m	\$22,474
Momentum (Credit	\$1.00m	41.010 ¢	0.04m	\$0.96m	\$22,277
linked) Total	\$1.00m \$2.00m	endency -	0.12m	\$1.88m	\$44,751

Major Land Transactions 26.

Council is required to prepare a business plan for the development & sale of any land that meets the definition of a 'major land transaction' under S3.59 of the Local Government Act 1995 and reg. 7 of the Local Government (Functions and General) Regulations 1996. Further, it is also required to disclose in the annual financial report, certain information regarding 'major land transactions' in accordance with regs. 46 & 47 of the Local Government (Financial Management) Regulations 1996.

Council has commenced the following major land transaction for the year:

(a) Development & Sale of Lot 5 Cnr Bartram Road and Tapper Road, Atwell.

In August 2006, Council resolved to subdivide, develop and sell its land holding at lot 5 Bartram Rd, Atwell. The following information summaries the forecast financial impact on the council:

Prior Year Actuals	Actual 2007/08	Whole of life Total
\$	\$	\$
-	-	-
(13,730)	(1,397,076)	(1,410,806)
(1,600,000)	(3,400,000)	(5,000,000)
(1,613,730)	(4,797,076)	(6,410,806)
	Actuals \$ - (13,730) (1,600,000)	Actuals \$ \$ (13,730) (1,397,076) (1,600,000) (3,400,000)

There were no liabilities in relation to this land as at 30 June 2008

Expected Future Cash Flows	2008/09
5	\$
Cash Outflows	
Development/Selling Costs	(832,122)
Cash Inflows	
Income from Sales	8,000,000
Net Cash Flows	7,167,878

(b) Lot 7 Cockburn Central - Purchase and Development

Council resolved to purchase lot 7 Cnr Linkage Avenue & Junction Boulevard, Jandakot to develop into a commercial, retail and civic complex in conjunction with Combined Equity Pty Ltd as determined by council.

Transaction Details	Prior Year Actuals	Actual 2007/08	Whole of life Total
1	\$	\$	\$
Income from Sales	-	-	-
Development Agreement Contributions	-	-	
Purchase of Land	(1,500,512)	(620,030)	(2,120,542)
Net Position	(1,500,512)	(620,030)	(2,120,542)
There were no liabilities in relation to this lan	id as at 20 luna 2000		

There were no liabilities in relation to this land as at 30 June 2008

Expected Future Cash Flows

Expected Future Gustiff	10113				
	2008/09	2009/10	2010/11	2011/12	Total
	\$	\$	\$	\$	\$
Cash Outflows					
Development Agreement					
Contributions	(7,000,000)	(25,300,000)	(14,500,000)	(5,000,000)	(51,800,000)
Loan Repayments - Interest	-	(390,000)	(1,152,000)	-	(1,542,000)
Loan Repayments - Principal	-	-	(27,800,000)	-	(27,800,000)

City of Cool human Annual Depart 2000

City of Cockburn An	nual Report 20	08			97
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	2008/09	2009/10	2010/11	2011/12	Total
	\$	\$	\$	\$	\$
Cash Inflows					
Loan Proceeds	-	18,300,000	9,500,000	-	27,800,000
Leasing Office Space	· -	· -	-	835,000	835,000
Sale Proceeds	2,120,000	-	27,800,000	-	29,920,000
Net Cash Flows	(4,880,000)	(7,390,000)	(6,152,000)	(4,165,000)	(22,587,000)

27. Employees

(a) Remuneration of Senior Employees

Regulation 19B of the Local Government (Administration) Regulations 1996 requires Council to disclose the number of employess entitled to an annual cash salary of \$100,000 or more:

		Actual		Actual
Annual Salary between:		2007/08		2006/07
	No.		No.	
\$100,000 and \$109,999		4		-
\$110,000 and \$119,999		2		2
\$120,000 and \$129,999		1		1
\$130,000 and \$139,999		-		1
\$140,000 and \$149,999		1		-
\$150,000 and \$159,999		2		-
\$160,000 and \$169,999				
\$170,000 and \$179,999		-		-
\$180,000 and \$189,999		-		-
\$190,000 and \$199,999		-		-
\$200,000 and \$209,999		-		-
\$210,000 and \$219,999		-		1
\$220,000 and \$229,999		- 11		
\$230,000 and \$239,999		1		-
	Total	11		5

(b) Number of Employees

		Actual		1	Actual
		2007/08		200	06/07
Number of full-time equivalent (FTE) employees as at balance date:	No.	319	No.		317

28. Economic Dependency

A significant portion of Council's revenue is received by way of grants from the State and Federal Government.



Actual	Actual
07/08	2006/07
\$	\$
1,340	9,742,371

29. Opening & Closing Funds used in the Rate Setting Statement

(a) Determination of Opening Funds

			Actual	Actual
			2007/08	2006/07
			\$	\$
	Current Ass	sets		
	Ca	sh & Cash Equivalents	40,128,428	42,252,552
	Inv	vestments Held to Maturity	16,110,595	11,562,105
	Tra	ade & Other Receivables	4,226,548	3,585,492
	Inv	ventories	47,066	58,930
			60,512,637	57,459,078
	Current Lia	bilities		
	Tra	ade & Other Payables	(4,807,360)	(3,437,990)
	Pro	ovisions	(3,103,101)	(3,026,971)
			(7,910,461)	(6,464,961)
		5		
	Net Current	t Assets	52,602,176	50,994,118
	Less: Re	stricted Cash - Reserve Funds	(36,385,808)	(37,355,367)
	Re	stricted Cash - Deposits & Bonds	(4,413,443)	(3,085,096)
	Co	mmitted Cash (unspent grants & contributions)	(6,925,001)	(5,315,631)
	-	* 2	4,877,925	5,238,024
	Add: Lea	ave Provisions - cash-backed	2,835,373	2,526,938
	Opening Fu	nds in Rate Setting Statement	7,713,298	7,764,962
_				

(b) Determination of Closing Funds

	Actual	Actual
	2007/08	2006/07
Current Assets	\$	\$
Cash & Cash Equivalents	27,288,378	40,128,428
Investments Held to Maturity	3,402,472	16,110,595
Trade & Other Receivables	4,660,565	4,226,548
Inventories	22,503	47,066
Current Liabilities	35,373,918	60,512,637
Trade & Other Payables	(4,991,888)	(4,807,360)
Provisions	(3,494,975)	(3,103,101)
	(8,486,863)	(7,910,461)
Net Current Assets	26,887,055	52,602,176
Less: Restricted Financial Assets - Reserve Funds	(28,495,585)	(36,385,808)
Restricted Financial Assets - Deposits & Bonds	(3,647,648)	(4,413,443)
Committed Financial Assets (unspent grants & contributions)	(7,328,072)	(6,925,001)
	(12,584,250)	4,877,925
Add: Restricted Financial Assets held in Non Current Investments	15,998,670	-
Add: Leave Provisions - cash-backed	and the state	2,835,373
Closing Funds in Rate Setting Statement	3,414,420	7,713,298

30. Events Subsequent to Balance Date

Global financial markets have experienced a period of high volatility led by a significant downturn in the US housing market resulting from a gross oversupply and poor lending practices of US and European banks, which has impacted the value, recoverability, liquidity, cash flows and rates of return of many financial securities including Asset Backed Securities (ABS's), Mortgaged Backed Securities (MBS's) and Floating Rate Notes (FRN's). The impact on individual securities varies depending on their degree of exposure to the affected market.

There is no specific secondary market for these securities like the ASX although a market can be made through the intervention of a financial intermediary linking a willing seller with a willing buyer. The intention of the City was to hold these securities till maturity thus matching long term investing with the long term nature of the cash holding and effectively receiving higher interest yields. As no independent secondary market is in place the Auditors do not have a means of obtaining independent valuations on the securities as they can for shares or other ASX listed securities. Valuations of the above noted securities have been provided by the City's independent financial adviser, Oakvale Capital Limited as they have done for the last three financial years. It is the City's understanding that Oakvale Capital assesses the values based on estimates from issuers and/or evaluation models for which there is limited market evidence available to verify their reasonableness in a "willing seller/willing buyer" model. Irrespective of the model chosen and the accuracy of static valuations, the ongoing volatility of financial markets creates greater uncertainty to the valuation process and subsequent outcome.

The estimated fair value of the City's cash and cash equivalent investments as supplied by the Oakvale Capital Limited, the City's independent financial adviser at 31 October 2008 were as follows:

Investment Class	Purchase Price	Estimated Fair Value [1]
Australian Bank Floating Rate Notes [2]	\$4.39m	\$4.09m
CDOs (Asset Backed and Credit Linked) [3]	\$5.50m	\$3.31m
CDOs (Asset Backed and Credit Linked) - Argon [4]	\$6.00m	\$6.00m
Mortgage Backed Investments	\$3.50m	\$3.33m
Australian Bank Term Deposits and Bank Bills	\$49.86m	\$50.43m

[1] Estimated Fair Value - As calculated by the City's independent financial advisor, Oakvale Capital Limited. [2] Aust Bank Floating Rate Notes - Issued by Australian banks - This is part of the respective banks debt capital structure.

[3] CDOs (Asset Backed and Credit Linked) - The estimated fair value for this investment class includes an impairment provision. Refer note 25(e)

[4] Argon Investment - The City had an investment of \$2m in Helium Capital Limited Notes Series 70 (Helium). Some time prior to 21 January 2008 the Helium notes were downgraded by Standard and Poors from AA to CCC- . This downgrading indicated a significant increase in risk of default of the Helium notes. On the basis of a restructure proposal from Merrill Lynch, which was recommended by the City's independent financial advisor, a further investment of \$4m was made to acquire 4,000,000 units in Argon Capital Public Limited Company Series 105 Capital Protected Notes (Argon) with a view to protecting the original investment in the Helium notes and mitigating the increased risk. The further investment of \$4m required under this restructure proposal was made in January 2008. In August 2008, the Council approved the action taken by the Management. The Argon restructure involved the Helium notes being transferred into Argon at zero value.

Argon comprises the City's original \$2m investment in the Helium notes, combined with \$2m of Puttable Floating Rate Notes and \$2m of Zero Coupon Bonds issued by the Commonwealth Bank of Australia (CBA). It is the City's understanding (and confirmed by Oakvale Capital Limited), that the structure of this investment offers principal protection to the Helium component via the CBA Puttable Notes. Should there be a part or full default in Helium at any time before maturity (January 2018), the amount of the default will be covered through exercising the put option on the Puttable Bond. At this time, the City will be repaid the amount of the default to the maximum value of \$2m. The risk to the City's original principal is therefore limited to CBA defaulting on its bonds, currently rated AA by respective rating's agency Standard and Poors. It is the opinion of the City that there is little likelihood of the CBA defaulting, given the strength of the bank and the Federal Government guarantee on all savings deposits.

The City has a purchase price/estimated fair value on the Argon investment of \$6m, comprising the \$4m payment for the underlying CBA Bonds and the \$2m purchase price for the Helium investment. There has been no impairment provision taken on the combined \$6m due to the principal protection afforded as a result of the abovementioned restructure. The City believes it has sufficient evidence to support the current estimated fair value of Argon/Helium at \$6m. Whilst Austraclear records only show the City holding the extra \$4m injection into Argon and not the \$2m associated with Helium, this is due to the legal nature of the transfer of assets under the restructure. The Supplemental Information Memorandum (SIM) for Argon clearly shows that the charged assets of the structure include the Helium notes as repackaged pass-through instruments (ABS CDO Notes). Income from these notes is linked to payments received from Helium, which the City is entitled to receive (and continues to receive) as a security holder in Argon.

Whilst no default has occurred in the Helium notes and the City continues to receive all income as it falls due, the City continues to support the above estimated fair value. Should there be a need to exercise the put option at any time before maturity; the income earning capacity of the Argon notes will effectively be diminished in pro rata terms to the level of the defaulting security. In this event, it will be necessary for the City to reflect the diminished earning capacity through an amortised cost adjustment to the carrying value of Argon.

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