



City of Cockburn

Annual Report 2023-2024

# Financial Report



**Cockburn**, the best place to be

[www.cockburn.wa.gov.au](http://www.cockburn.wa.gov.au)



# Auditor General

## INDEPENDENT AUDITOR'S REPORT

2024

City of Cockburn

To the Council of the City of Cockburn

### Opinion

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the City for the year ended 30 June 2024 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

### Basis for opinion

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

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

### Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

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

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

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

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

The Chief Executive Officer (CEO) of the City is responsible for:

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

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

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

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

## **Auditor's responsibilities for the audit of the financial report**

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

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

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

## **My independence and quality management relating to the report on the financial report**

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

## **Matters relating to the electronic publication of the audited financial report**

This auditor's report relates to the financial report of the City of Cockburn for the year ended 30 June 2024 included in the annual report on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the City to confirm the information contained in the website version.

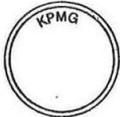
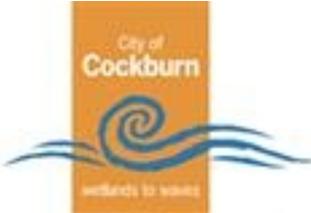
Grant Robinson  
Assistant Auditor General Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
5 December 2024

# City of Cockburn

FINANCIAL REPORT  
for the year ended 30 June 2024

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*The best place to be.*



# Financial Report

for the year ended 30 June 2024

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Contents	Page
<b>Statement by Chief Executive Officer</b>	<b>2</b>
<b>Primary Financial Report</b>	
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Statement of Financial Activity	7
<b>Notes to the Financial Statements</b>	<b>8</b>
<b>Independent Auditor's Report</b>	<b>60</b>

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## Content Overview

The City of Cockburn conducts the operations of a local government with the following community vision:

*Cockburn the best place to be.*

Principal place of business:  
Spearwood, WA



# Financial Report

for the year ended 30 June 2024

*Local Government Act 1995*

*Local Government (Financial Management) Regulations 1996*

## Statement by Chief Executive Officer

The accompanying financial report of the City of Cockburn has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024

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

Signed on the 3rd day of December 2024



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**Chief Executive Officer**

**Daniel Simms**

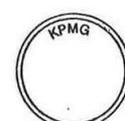


## Statement of Comprehensive Income

for the year ended 30 June 2024

	Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Revenue</b>				
Rates	25,2a	126,686,660	125,755,000	118,612,440
Grants, subsidies and contributions	2a	15,145,589	15,844,563	16,662,701
Fees and charges	2a	44,147,051	38,827,375	40,111,409
Service charges	2a	1,099,718	500,000	–
Interest revenue	2a	12,523,953	8,530,280	6,885,421
		<u>199,602,971</u>	<u>189,457,218</u>	<u>182,271,971</u>
<b>Expenses</b>				
Employee costs	2b	(77,448,367)	(78,353,050)	(67,734,209)
Materials and contracts	2b	(48,992,784)	(53,534,119)	(42,462,847)
Utility charges	2b	(6,215,523)	(6,318,958)	(6,119,968)
Depreciation	10a	(49,187,641)	(42,037,630)	(41,632,262)
Finance costs	2b	(1,525,396)	(400,883)	(1,553,169)
Insurance	2b	(2,722,823)	(2,197,970)	(3,483,761)
Other expenditure	2b	(14,151,411)	(11,404,389)	(14,104,349)
		<u>(200,243,945)</u>	<u>(194,246,999)</u>	<u>(177,090,565)</u>
<b>Operating result from continuing operations</b>		<u>(640,974)</u>	<u>(4,789,781)</u>	<u>5,181,406</u>
Capital grants, subsidies and contributions	2a	25,328,715	8,525,098	33,832,352
Profit on asset disposals	10c	124,912	142,580	458,884
Loss on asset disposals	10c	(1,744,029)	–	–
Fair value adjustments to financial assets at fair value through profit or loss	2c	3,363	7,372	7,372
Distributions from former investment in associate		1,494,920	–	–
Adjustment to borrowings	2c	–	–	(38,023)
		<u>25,207,881</u>	<u>8,675,050</u>	<u>34,260,585</u>
<b>Net result for the period</b>		<u>24,566,907</u>	<u>3,885,269</u>	<u>39,441,991</u>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	17	–	–	183,638,397
<b>Total other comprehensive income for the period</b>	17	<u>–</u>	<u>–</u>	<u>183,638,397</u>
<b>Total comprehensive income for the period</b>		<u>24,566,907</u>	<u>3,885,269</u>	<u>223,080,388</u>

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

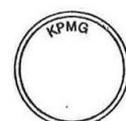


## Statement of Financial Position

as at 30 June 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	12,990,274	13,592,531
Trade and other receivables	5	17,930,653	10,746,609
Other financial assets	4a	157,000,000	183,000,000
Inventories	6	34,392	27,313
Other assets	7a	3,359,234	5,639,702
<b>Total current assets</b>		<b>191,314,553</b>	<b>213,006,155</b>
<b>Non-current assets</b>			
Trade and other receivables	5	1,422,960	1,362,704
Other financial assets	4b	77,951,928	38,512,037
Property, plant and equipment	8	392,217,272	385,563,117
Infrastructure	9	1,252,805,531	1,257,205,920
Right of use assets	11a	1,190,613	503,232
<b>Total non-current assets</b>		<b>1,725,588,304</b>	<b>1,683,147,010</b>
<b>Total assets</b>		<b>1,916,902,857</b>	<b>1,896,153,165</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	18,323,045	20,009,067
Other liabilities	13	3,512,697	1,211,130
Lease liabilities	11b	179,976	100,625
Borrowings	14	2,500,000	2,500,000
Employee related provisions	15	9,886,824	9,313,188
<b>Total current liabilities</b>		<b>34,402,542</b>	<b>33,134,010</b>
<b>Non-current liabilities</b>			
Trade and other payables	12	2,192,268	1,356,582
Other liabilities	13	12,387,362	15,407,476
Lease liabilities	11b	1,035,261	405,458
Borrowings	14	2,500,000	5,000,000
Employee related provisions	15	1,816,599	1,598,227
Other provisions	16	36,109,614	37,359,107
<b>Total non-current liabilities</b>		<b>56,041,104</b>	<b>61,126,850</b>
<b>Total liabilities</b>		<b>90,443,646</b>	<b>94,260,860</b>
<b>Net assets</b>		<b>1,826,459,211</b>	<b>1,801,892,305</b>
<b>Equity</b>			
Retained surplus		627,671,912	608,923,235
Reserve accounts	28	215,393,944	209,575,714
Revaluation surplus	17	983,393,355	983,393,355
<b>Total equity</b>		<b>1,826,459,211</b>	<b>1,801,892,305</b>

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

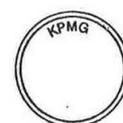


## Statement of Changes in Equity

for the year ended 30 June 2024

	Note	Retained Surplus \$	Reserve Accounts \$	Revaluation Surplus \$	Total Equity \$
Balance as at 1 July 2022		597,992,472	181,064,488	799,754,957	1,578,811,917
<b>Comprehensive income for the period</b>					
<b>Net result for the period</b>		39,441,991	–	–	39,441,991
<b>Other comprehensive income for the period</b>					
Increase in asset revaluation surplus	17	–	–	183,638,397	183,638,397
<b>Other comprehensive income for the period</b>		–	–	183,638,397	183,638,397
<b>Total comprehensive income for the period</b>		<b>39,441,991</b>	<b>–</b>	<b>183,638,397</b>	<b>223,080,388</b>
Transfers from reserve accounts	28	24,202,020	(24,202,020)	–	–
Transfers to reserve accounts	28	(52,713,248)	52,713,248	–	–
<b>Balance as at 30 June 2023</b>		<b>608,923,235</b>	<b>209,575,716</b>	<b>983,393,355</b>	<b>1,801,892,305</b>
Balance as at 1 July 2023		608,923,235	209,575,716	983,393,355	1,801,892,305
<b>Comprehensive income for the period</b>					
<b>Net result for the period</b>		24,566,907	–	–	24,566,907
<b>Total comprehensive income for the period</b>		<b>24,566,907</b>	<b>–</b>	<b>–</b>	<b>24,566,907</b>
Transfers from reserve accounts	28	41,162,701	(41,162,701)	–	–
Transfers to reserve accounts	28	(46,980,931)	46,980,931	–	–
<b>Balance as at 30 June 2024</b>		<b>627,671,912</b>	<b>215,393,944</b>	<b>983,393,355</b>	<b>1,826,459,211</b>

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

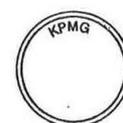


## Statement of Cash Flows

for the year ended 30 June 2024

	Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Cash flows from operating activities</b>				
<b>Receipts</b>				
Rates		126,519,825	125,755,000	118,912,965
Grants, subsidies and contributions		17,250,996	15,344,563	14,227,446
Fees and charges		44,147,051	38,827,375	40,111,409
Service charges		1,099,718	500,000	–
Interest revenue		12,523,953	8,530,280	6,885,421
Goods and services tax received		2,475,359	500,000	2,620,071
Distributions from investment in associates		1,494,920	–	–
<b>Total receipts</b>		<b>205,511,822</b>	<b>189,457,218</b>	<b>182,757,312</b>
<b>Payments</b>				
Employee costs		(76,656,359)	(78,353,050)	(67,481,493)
Materials and contracts		(51,029,724)	(54,393,536)	(42,098,651)
Utility charges		(6,215,523)	(6,318,958)	(6,119,968)
Finance costs		(1,525,396)	(400,883)	(1,553,169)
Insurance paid		(2,722,823)	(2,197,970)	(3,483,761)
Goods and services tax paid		(9,250,239)	1,000,000	(7,060,437)
Other expenditure		(12,047,336)	(11,404,389)	(14,104,349)
<b>Total payments</b>		<b>(159,447,400)</b>	<b>(152,068,786)</b>	<b>(141,901,828)</b>
<b>Net cash provided by operating activities</b>	18b	<b>46,064,422</b>	<b>37,388,432</b>	<b>40,855,484</b>
<b>Cash flows from investing activities</b>				
<b>Payments</b>				
Payments for financial assets at amortised cost		(13,436,528)	(6,611,951)	(26,648,917)
Payments for purchase of property, plant & equipment	8a	(18,600,931)	(17,501,271)	(9,948,835)
Payments for construction of infrastructure	9a	(15,717,471)	(26,370,617)	(28,933,138)
<b>Receipts</b>				
Capital grants, subsidies and contributions		3,120,034	9,327,282	19,879,068
Proceeds from sale of property, plant & equipment		650,783	1,149,500	1,721,548
<b>Net cash used in investing activities</b>		<b>(43,984,113)</b>	<b>(40,007,057)</b>	<b>(43,930,274)</b>
<b>Cash flows from financing activities</b>				
<b>Payments</b>				
Repayment of borrowings	27a	(2,500,000)	(2,500,000)	(3,972,088)
Payments for principal portion of lease liabilities	27b	(182,566)	–	(138,113)
<b>Receipts</b>				
Net receipts/(refund) of bonds		–	–	–
<b>Net cash used in financing activities</b>		<b>(2,682,566)</b>	<b>(2,500,000)</b>	<b>(4,110,201)</b>
<b>Net decrease in cash held</b>		<b>(602,257)</b>	<b>(5,118,625)</b>	<b>(7,184,991)</b>
Cash at beginning of year		13,592,531	10,300,000	20,777,520
<b>Cash and cash equivalents at the end of the year</b>	18a	<b>12,990,274</b>	<b>5,181,375</b>	<b>13,592,529</b>

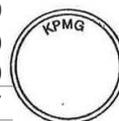
This statement is to be read in conjunction with the accompanying notes.



## Statement of Financial Activity

for the year ended 30 June 2024

	Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	25	126,080,608	125,200,000	117,997,674
Rates excluding general rates	25	606,052	555,000	614,766
Grants, subsidies and contributions		15,145,589	15,844,563	16,662,701
Fees and charges		44,147,051	38,827,375	40,111,409
Service charges		1,099,718	500,000	–
Interest revenue		12,523,953	8,530,280	6,885,421
Profit on asset disposals		124,912	142,580	458,884
Fair value adjustments to financial assets at fair value through profit or loss	4b	3,363	7,372	7,372
Adjustment to borrowings		–	–	(38,023)
		<b>199,731,246</b>	<b>189,607,170</b>	<b>182,700,204</b>
<b>Expenditure from operating activities</b>				
Employee costs		(77,448,367)	(78,353,050)	(67,734,209)
Materials and contracts		(48,992,784)	(53,534,119)	(42,462,847)
Utility charges		(6,215,523)	(6,318,958)	(6,119,968)
Depreciation		(49,187,641)	(42,037,630)	(41,632,262)
Finance costs		(1,525,396)	(400,883)	(1,553,169)
Insurance		(2,722,823)	(2,197,970)	(3,483,761)
Other expenditure		(14,151,411)	(11,404,389)	(14,104,349)
Loss on asset disposals		(1,744,029)	–	–
		<b>(201,987,974)</b>	<b>(194,246,999)</b>	<b>(177,090,565)</b>
Non-cash amounts excluded from operating activities	26	46,691,904	41,887,678	43,963,510
<b>Amount attributable to operating activities</b>		<b>44,435,176</b>	<b>37,247,849</b>	<b>49,573,149</b>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		25,328,715	8,525,098	33,832,352
Proceeds from disposal of assets		650,783	1,149,500	1,721,548
Distributions from former investments in associates		1,494,920	–	–
		<b>27,474,418</b>	<b>9,674,598</b>	<b>35,553,900</b>
<b>Outflows from investing activities</b>				
Purchase of property, plant and equipment	8a	(18,590,028)	(17,501,271)	(9,948,835)
Purchase and construction of infrastructure	9a	(34,916,939)	(26,370,617)	(44,595,022)
		<b>(53,506,967)</b>	<b>(43,871,888)</b>	<b>(54,543,857)</b>
Non-cash amounts excluded from investing activities	26	–	802,184	–
<b>Amount attributable to investing activities</b>		<b>(26,032,549)</b>	<b>(33,395,106)</b>	<b>(18,989,957)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Transfers from reserve accounts	28	41,162,701	23,628,044	24,202,020
		<b>41,162,701</b>	<b>23,628,044</b>	<b>24,202,020</b>
<b>Outflows from financing activities</b>				
Repayment of borrowings	27a	(2,500,000)	(2,500,000)	(3,972,088)
Payments for principal portion of lease liabilities	27b	(182,566)	–	(138,113)
Transfers to reserve accounts	28	(46,980,931)	(26,717,943)	(52,713,249)
		<b>(49,663,497)</b>	<b>(29,217,943)</b>	<b>(56,823,450)</b>
<b>Amount attributable to financing activities</b>		<b>(8,500,796)</b>	<b>(5,589,899)</b>	<b>(32,621,430)</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	26	<b>9,786,927</b>	<b>2,000,000</b>	<b>11,825,165</b>
Amount attributable to operating activities		44,435,176	37,247,849	49,573,149
Amount attributable to investing activities		(26,032,549)	(33,395,106)	(18,989,957)
Amount attributable to financing activities		(8,500,796)	(5,589,899)	(32,621,430)
<b>Surplus/(deficit) after imposition of general rates</b>	26	<b>19,688,761</b>	<b>262,844</b>	<b>9,786,927</b>



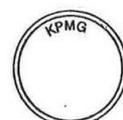
## Notes to the Financial Statements

for the year ended 30 June 2024

## Contents of the Notes to the Financial Report

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Note 1	Basis of preparation	9
Note 2	Revenue and expenses	11
Note 3	Cash and cash equivalents	16
Note 4	Other financial assets	16
Note 5	Trade and other receivables	18
Note 6	Inventories	19
Note 7	Other assets	20
Note 8	Property, plant and equipment	21
Note 9	Infrastructure	23
Note 10	Fixed assets	26
Note 11	Leases	30
Note 12	Trade and other payables	32
Note 13	Other liabilities	33
Note 14	Borrowings	35
Note 15	Employee related provisions	36
Note 16	Other Provisions	38
Note 17	Revaluation surplus	39
Note 18	Notes to the statement of cash flows	40
Note 19	Contingent liabilities	42
Note 20	Capital commitments	42
Note 21	Related party transactions	43
Note 22	Financial risk management	45
Note 23	Other Material Accounting Policies	48
Note 24	Function and activity	50
<b>Information required by legislation</b>		
Note 25	Rating information	53
Note 26	Determination of surplus or deficit	54
Note 27	Borrowing and lease liabilities	56
Note 28	Reserve accounts	58



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 1. Basis of preparation

The financial report of the City of Cockburn which is a Class 1 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations

**Local Government Act 1995 requirements**

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

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

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls; and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five year is a departure from AASB116: *Property, Plant and Equipment*, which would have required the City to assess at each reporting dated whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**Critical accounting estimates and judgements**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the

application of policies and reported amounts of assets and liabilities, income and expenses.

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment
  - Infrastructure
  - Expected credit losses on financial assets
  - Estimated useful life of intangible assets
  - Measurement of employee benefits
  - Measurement of provisions

Fair value hierarchy information can be found in Note 22(i).

**The local government reporting entity**

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

**Initial application of accounting standards**

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

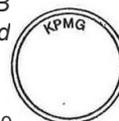
- *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

**New accounting standards for application in future years**

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

- *AASB 2014-10 Amendments to Australian Accounting Standards-Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *AASB 2020-1 Amendments to Australian Accounting Standards -Classification of Liabilities as Current or Non-current*
- *AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred*



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 1. Basis of preparation (continued)

*AASB 10 and AASB 128 amendments in AASB 2014-10 apply*

- *AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- *AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*

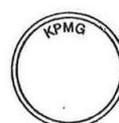
These amendments are not expected to have any material impact on the financial report on initial application.

- *AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- *AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2. Revenue and expenses

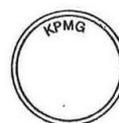
## (a) Revenue

**Contracts with customers**

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

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2. Revenue and expenses (continued)

## (a) Revenue (continued)

## Revenue Recognition

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

Nature	Contracts with customers	Capital grant/ contributions	Statutory Requirements	Other	Total
<b>For the year ended 30 June 2024</b>					
Rates	–	–	126,686,660	–	126,686,660
Grants, subsidies and contributions	2,382,477	–	–	12,763,112	15,145,589
Fees and charges	39,567,427	–	4,579,624	–	44,147,051
Service charges	–	–	1,099,718	–	1,099,718
Interest revenue	–	–	86,811	12,437,142	12,523,953
Capital grants, subsidies and contributions	–	8,088,113	–	17,240,602	25,328,715
<b>Total</b>	<b>41,949,904</b>	<b>8,088,113</b>	<b>132,452,813</b>	<b>42,440,856</b>	<b>224,931,686</b>
<b>For the year ended 30 June 2023</b>					
Rates	–	–	118,612,440	–	118,612,440
Grants, subsidies and contributions	2,435,255	–	–	14,227,446	16,662,701
Fees and charges	36,717,855	–	3,393,554	–	40,111,409
Interest revenue	–	–	231,627	6,653,794	6,885,421
Capital grants, subsidies and contributions	–	18,170,468	–	15,661,884	33,832,352
<b>Total</b>	<b>39,153,110</b>	<b>18,170,468</b>	<b>122,237,621</b>	<b>36,543,124</b>	<b>216,104,323</b>
			<b>2024 Actual</b>	<b>2024 Budget</b>	<b>2023 Actual</b>
			\$	\$	\$

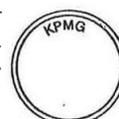
## Assets and services acquired below fair value

Contributed assets	19,188,565	–	15,661,884
	<b>19,188,565</b>	<b>–</b>	<b>15,661,884</b>

## Grants, subsidies and contributions

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

	2024 Actual	2024 Budget	2023 Actual
	\$	\$	\$
<b>(a) Operating grants, subsidies and contributions</b>			
Governance	224,485	421,790	508,964
General purpose funding	5,556,291	5,603,000	7,479,457
Law, order, public safety	383,074	323,800	377,875
Health	22,744	50,000	–
Education and welfare	7,070,109	7,154,184	6,633,944
Community amenities	935,873	623,711	989,877



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2. Revenue and expenses (continued)

## (a) Revenue (continued)

	2024 Actual \$	2024 Budget \$	2023 Actual \$
Recreation and culture	932,442	630,136	578,377
Transport	–	23,000	–
Economic services	–	2,000	–
Other property and services	20,571	1,012,942	94,207
	<u>15,145,589</u>	<u>15,844,563</u>	<u>16,662,701</u>

## (b) Non - operating grants, subsidies and contributions

General purpose funding	2,809,462	2,800,000	3,535,542
Community amenities	–	337,456	–
Recreation and culture	190,652	1,103,357	490,294
Transport	23,992,429	3,503,925	31,432,829
Other property and services	(1,663,828)	780,360	(1,626,313)
	<u>25,328,715</u>	<u>8,525,098</u>	<u>33,832,352</u>

## Interest revenue

Interest on reserve account funds	1,034,686	–	582,778
Other interest revenue	11,489,267	8,530,280	6,302,643
<b>Total interest earnings</b>	<u>12,523,953</u>	<u>8,530,280</u>	<u>6,885,421</u>

## Fees and charges

Governance	772,032	1,215,652	112,396
General purpose funding	229,504	232,520	216,269
Law, order, public safety	1,102,873	1,037,160	754,054
Health	2,242	337,000	1,934
Education and welfare	724,763	806,866	445,315
Community amenities	18,690,892	15,110,025	19,193,344
Recreation and culture	18,683,955	13,109,022	16,227,092
Transport	537,384	35,000	560,999
Economic services	1,572,021	3,154,770	1,213,608
Other property and services	1,831,385	3,789,360	1,386,398
	<u>44,147,051</u>	<u>38,827,375</u>	<u>40,111,409</u>

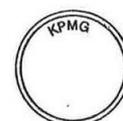
## SIGNIFICANT ACCOUNTING POLICY

Revenue arising from fees and charges is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.



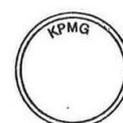
## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2. Revenue and expenses (continued)

## (b) Expenses

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Materials and contracts</b>			
<b>Auditors remuneration</b>			
- Audit of the annual financial report - OAG	87,590	90,000	84,300
<b>Total Auditors remuneration</b>	<b>87,590</b>	<b>90,000</b>	<b>84,300</b>
Materials	1,253,492	543,842	809,080
Contract expenses	25,144,951	29,629,355	21,409,571
Information technology	5,377,929	5,614,745	4,345,068
Other	17,128,822	17,656,177	15,814,828
<b>Total materials and contracts</b>	<b>48,992,784</b>	<b>53,534,119</b>	<b>42,462,847</b>
<b>Employee costs</b>			
Employee benefit costs	76,177,310	76,466,972	66,505,598
Other employee costs	1,271,057	1,886,078	1,228,611
<b>Total employee costs</b>	<b>77,448,367</b>	<b>78,353,050</b>	<b>67,734,209</b>
<b>Finance costs</b>			
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	27a 229,846	300,000	382,623
Lease liabilities	27b 25,340	883	5,155
Provisions: unwinding of discount	1,270,210	100,000	1,165,391
<b>Total</b>	<b>1,525,396</b>	<b>400,883</b>	<b>1,553,169</b>
<b>Other expenditure</b>			
Sundry expenses	1,416,334	1,259,696	1,163,250
Elected member remuneration	486,179	497,800	497,481
Donations	1,257,809	1,465,500	1,115,841
Landfill levy	9,711,733	6,637,603	10,121,487
Fuel issues	1,279,356	1,543,790	1,206,290
<b>Total Other expenditure</b>	<b>14,151,411</b>	<b>11,404,389</b>	<b>14,104,349</b>



Notes to the Financial Statements

for the year ended 30 June 2024

Note 2. Revenue and expenses (continued)

(b) Expenses (continued)

	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Other non-Operating result items</b>			
<b>(i) Fair value adjustments to financial assets at fair value through profit or loss</b>			
The significant expense/revenue relates to the reduction in the fair value of the Council's investments	3,363	7,372	7,372
	<u>3,363</u>	<u>7,372</u>	<u>7,372</u>
Adjustment to borrowings	-	-	(38,023)
	<u>-</u>	<u>-</u>	<u>(38,023)</u>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Cash and cash equivalents

		2024	2023
	Note	\$	\$
Cash at bank and on hand		7,990,274	6,592,531
Term deposits		5,000,000	7,000,000
<b>Total cash and cash equivalents</b>	18a	<b>12,990,274</b>	<b>13,592,531</b>
Held as			
- Unrestricted cash and cash equivalents		6,244,455	11,108,713
- Restricted cash and cash equivalents	18a	6,745,819	2,483,818
<b>Total</b>		<b>12,990,274</b>	<b>13,592,531</b>

**MATERIAL ACCOUNTING POLICIES****Cash and cash equivalents**

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

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

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

**Restricted financial assets**

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions.

Restrictions are specified in an agreement, contract or legislation.

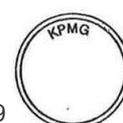
This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

## Note 4. Other financial assets

		2024	2023
		\$	\$
<b>(a) Current assets</b>			
Financial assets at amortised cost		157,000,000	183,000,000
<b>Total current financial assets</b>		<b>157,000,000</b>	<b>183,000,000</b>
<b>Financial assets at amortised cost</b>			
Term deposits		157,000,000	183,000,000
		<b>157,000,000</b>	<b>183,000,000</b>
Held as			
- Unrestricted other financial assets at amortised cost		12,798,814	8,120,857
- Restricted other financial assets at amortised cost		144,201,186	174,879,143
<b>Total</b>		<b>157,000,000</b>	<b>183,000,000</b>

**(b) Non current assets**

Financial assets at fair value through profit or loss		166,342	162,979
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## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 4. Other financial assets (continued)

	2024	2023
	\$	\$
Financial assets at amortised cost	77,785,586	38,349,058
<b>Total non-current financial assets</b>	<b>77,951,928</b>	<b>38,512,037</b>
<b>Financial assets at fair value through profit or loss</b>		
Units in Local Government House Trust	166,342	162,979
	<b>166,342</b>	<b>162,979</b>
<b>Financial assets at amortised cost</b>		
Term deposits	77,785,586	38,349,058
	<b>77,785,586</b>	<b>38,349,058</b>
<b>Financial assets at fair value through profit or loss</b>		
Units in Local Government House Trust - opening balance	162,979	155,607
Movement attributable to fair value increment	3,363	7,372
<b>Units in Local Government House Trust - closing balance</b>	<b>166,342</b>	<b>162,979</b>

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 26(a) as self supporting loans. Fair value of financial assets at fair value through profit and loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

## MATERIAL ACCOUNTING POLICIES

**Other financial assets at amortised cost**

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at a mortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierachy (see Note 22 (i)) due to the observable market rates.)

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

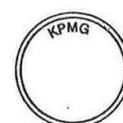
**Financial assets at fair value through profit or loss**

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

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

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 21.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Trade and other receivables

	2024	2023
	\$	\$
<b>Current</b>		
Rates and statutory receivables	2,136,208	1,923,204
Trade receivables	12,875,240	8,678,402
GST (payable)/receivable	2,919,205	145,003
	17,930,653	10,746,609
<b>Non-current</b>		
Pensioner's rates and ESL deferred	1,155,297	1,095,041
Accrued debtors	267,663	267,663
	1,422,960	1,362,704

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the City of Cockburn has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables, late payment and credit risk has been remained with the City of Country, therefore the City continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing as other loans at Note 14. The City considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

**MATERIAL ACCOUNTING POLICIES****Rates and statutory receivables**

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

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

**Trade and other receivables**

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

**Other Receivables**

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

**Measurement**

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

**Classification and subsequent measurement**

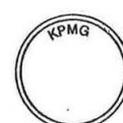
Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current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

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

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

**Impairment and risk exposure**

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 21.



Notes to the Financial Statements

for the year ended 30 June 2024

Note 6. Inventories

	2024	2023
	\$	\$
<b>Current</b>		
Fuel and materials	34,392	27,313
<b>Total current inventories</b>	<u>34,392</u>	<u>27,313</u>

The following movements in inventories occurred during the year:

<b>Balance at beginning of year</b>	27,313	49,805
Additions to inventory	7,079	–
Reduction to inventory	–	(22,492)
<b>Balance at end of year</b>	<u>34,392</u>	<u>27,313</u>

**MATERIAL ACCOUNTING POLICIES**

**General**

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

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



Notes to the Financial Statements

for the year ended 30 June 2024

Note 7. Other assets

	2024	2023
	\$	\$
<b>Other assets - current</b>		
Prepayments	1,108,354	670,706
Accrued income	2,250,880	4,968,996
<b>Total other assets - current</b>	<u>3,359,234</u>	<u>5,639,702</u>

**MATERIAL ACCOUNTING POLICIES**

**Other current assets**

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



## Notes to the Financial Statements

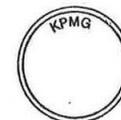
for the year ended 30 June 2024

## Note 8. Property, plant and equipment

## (a) Movements in balances

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

Note	Freehold Land \$	Buildings non-specialised \$	Total Property \$	Computer equipment \$	Plant and equipment Furniture and equipment \$	Plant and equipment \$	Total property, plant and equipment \$
<b>Balance at 1 July 2022</b>	84,959,200	248,109,780	333,068,980	3,104,677	621,466	11,694,357	348,489,480
Additions	1,680,000	5,031,172	6,711,172	476,620	6,269	2,754,774	9,948,835
Disposals	–	–	–	–	–	(1,262,664)	(1,262,664)
Revaluation increments transferred to revaluation surplus	2,095,980	35,986,101	38,082,081	–	–	–	38,082,081
Depreciation	–	(4,867,689)	(4,867,689)	(1,711,664)	(248,381)	(2,821,204)	(9,648,938)
Transfers	–	(66,229)	(66,229)	20,552	–	–	(45,677)
<b>Balance at 30 June 2023</b>	<b>88,735,180</b>	<b>284,193,135</b>	<b>372,928,315</b>	<b>1,890,185</b>	<b>379,354</b>	<b>10,365,263</b>	<b>385,563,117</b>
<b>Comprises:</b>							
Gross balance amount at 30 June 2023	88,735,180	401,240,018	489,975,198	11,291,344	2,370,050	24,985,918	528,622,510
Accumulated depreciation at 30 June 2023	–	(117,046,883)	(117,046,883)	(9,401,159)	(1,990,696)	(14,620,655)	(143,059,393)
<b>Balance at 30 June 2023</b>	<b>88,735,180</b>	<b>284,193,135</b>	<b>372,928,315</b>	<b>1,890,185</b>	<b>379,354</b>	<b>10,365,263</b>	<b>385,563,117</b>
<b>Balance at 1 July 2023</b>	<b>88,735,180</b>	<b>284,193,135</b>	<b>372,928,315</b>	<b>1,890,185</b>	<b>379,354</b>	<b>10,365,263</b>	<b>385,563,117</b>
Additions	–	11,277,545	11,277,545	2,552,356	457,700	4,313,330	18,600,931
Disposals	–	(1,744,029)	(1,744,029)	–	–	(525,871)	(2,269,900)
Depreciation	–	(5,597,507)	(5,597,507)	(1,076,947)	(104,570)	(2,908,757)	(9,687,781)
Transfers	–	17,174	17,174	–	(6,271)	–	10,903
<b>Balance at 30 June 2024</b>	<b>88,735,180</b>	<b>288,146,318</b>	<b>376,881,498</b>	<b>3,365,594</b>	<b>726,215</b>	<b>11,243,965</b>	<b>392,217,272</b>
<b>Comprises:</b>							
Gross balance amount at 30 June 2024	88,735,180	407,972,342	496,707,522	13,843,700	2,821,481	27,531,358	540,904,061
Accumulated depreciation at 30 June 2024	–	(119,826,024)	(119,826,024)	(10,478,106)	(2,095,266)	(16,287,393)	(148,686,789)
<b>Balance at 30 June 2024</b>	<b>88,735,180</b>	<b>288,146,318</b>	<b>376,881,498</b>	<b>3,365,594</b>	<b>726,215</b>	<b>11,243,965</b>	<b>392,217,272</b>



Notes to the Financial Statements

for the year ended 30 June 2024

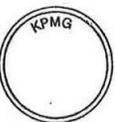
Note 8. Property, plant and equipment (continued)

(b) Carrying Amount Measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
<b>(i) Fair Value - as determined at the last valuation date</b>					
Land	Level 2 and 3	Market indexation approach using Current Replacement Cost	Independent Registered Valuer	June 2023	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.
Buildings - non-specialised	Level 2 and 3	Market indexation approach using Current Replacement Cost	Independent Registered Valuer	June 2023	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.



Notes to the Financial Statements

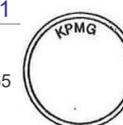
for the year ended 30 June 2024

Note 9. Infrastructure

(a) Movements in balances

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

	Infrastructure roads \$	Infrastructure drainage \$	Infrastructure footpaths \$	Infrastructure parks equipment \$	Infrastructure other \$	Other infrastructure – landfill \$	Other infrastructure – marina \$	Other infrastructure – coastal \$	Infrastructure Rehabilitation asset \$	Total infrastructure \$
<b>Balance as at 1 July 2022</b>	554,789,565	246,840,947	112,342,594	88,757,415	–	15,201,394	9,900,332	48,809,872	22,218,259	1,098,860,378
Additions *	26,087,270	6,069,102	2,943,878	4,082,651	240,195	4,350,819	898,356	147,495	–	44,819,766
Revaluation increments transferred to revaluation surplus	83,230,172	41,309,510	13,528,311	7,488,323	–	–	–	–	–	145,556,316
Depreciation	(15,106,164)	(3,102,524)	(3,341,604)	(6,449,258)	–	(1,460,808)	(222,224)	(606,081)	(1,562,808)	(31,851,471)
Transfers	66,917	–	(24,708)	243,661	(240,195)	–	(16,046)	16,046	–	45,675
Remeasurement	–	–	–	–	–	–	–	–	(224,744)	(224,744)
<b>Balance at 30 June 2023</b>	<b>649,067,760</b>	<b>291,117,035</b>	<b>125,448,471</b>	<b>94,122,792</b>	<b>–</b>	<b>18,091,405</b>	<b>10,560,418</b>	<b>48,367,332</b>	<b>20,430,707</b>	<b>1,257,205,920</b>
<b>Comprises:</b>										
Gross balance amount at 30 June 2023	1,011,516,072	357,479,648	178,087,703	133,417,516	–	53,170,984	14,263,754	55,295,683	40,476,025	1,843,707,385
Accumulated depreciation at 30 June 2023	(362,448,312)	(66,362,613)	(52,639,232)	(39,294,724)	–	(35,079,579)	(3,703,336)	(6,928,351)	(20,045,318)	(586,501,465)
<b>Balance at 30 June 2023</b>	<b>649,067,760</b>	<b>291,117,035</b>	<b>125,448,471</b>	<b>94,122,792</b>	<b>–</b>	<b>18,091,405</b>	<b>10,560,418</b>	<b>48,367,332</b>	<b>20,430,707</b>	<b>1,257,205,920</b>
<b>Balance as at 1 July 2023</b>	649,067,760	291,117,035	125,448,471	94,122,792	–	18,091,405	10,560,418	48,367,332	20,430,707	1,257,205,920
Additions *	16,133,961	7,873,547	3,832,485	5,897,262	–	2,394,162	1,013,158	281,164	–	37,425,739
Depreciation	(16,881,848)	(3,565,768)	(3,792,794)	(6,830,010)	–	(1,465,336)	(470,208)	(619,505)	(5,670,053)	(39,295,522)
Transfers	–	–	–	6,271	–	(17,174)	1,319,995	(1,319,995)	–	(10,903)
Remeasurement	–	–	–	–	–	–	–	–	(2,519,703)	(2,519,703)
<b>Balance at 30 June 2024</b>	<b>648,319,873</b>	<b>295,424,814</b>	<b>125,488,162</b>	<b>93,196,315</b>	<b>–</b>	<b>19,003,057</b>	<b>12,423,363</b>	<b>46,708,996</b>	<b>12,240,951</b>	<b>1,252,805,531</b>
<b>Comprises:</b>										
Gross balance amount at 30 June 2024	1,027,650,033	365,353,195	181,920,188	139,321,049	–	55,547,972	15,276,912	55,576,847	37,956,322	1,878,602,518
Accumulated depreciation at 30 June 2024	(379,330,160)	(69,928,381)	(56,432,026)	(46,124,734)	–	(36,544,915)	(2,853,549)	(8,867,851)	(25,715,371)	(625,796,987)
<b>Balance at 30 June 2024</b>	<b>648,319,873</b>	<b>295,424,814</b>	<b>125,488,162</b>	<b>93,196,315</b>	<b>–</b>	<b>19,003,057</b>	<b>12,423,363</b>	<b>46,708,996</b>	<b>12,240,951</b>	<b>1,252,805,531</b>
* Asset additions included gifted assets received at substantially less than fair value:										
As at 30 June 2024	9,912,198	5,617,277	2,465,186	1,193,904	–	–	–	–	–	19,188,565

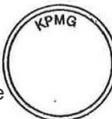


Notes to the Financial Statements  
for the year ended 30 June 2024

Note 9. Infrastructure (continued)

(b) Carrying Amount Measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
<b>(i) Fair Value - as determined at the last valuation date</b>					
Infrastructure - roads	3	Cost Approach Using Current Replacement Cost	Management Valuation	June 2023	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount
Infrastructure - footpaths	3	Cost Approach Using Current Replacement Cost	Management Valuation	June 2023	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount
Infrastructure - drainage	3	Cost Approach Using Current Replacement Cost	Management Valuation	June 2023	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount
Infrastructure - parks and ovals	3	Cost Approach Using Current Replacement Cost	Management Valuation	June 2023	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount
Other infrastructure - landfill	3	Cost Approach Using Current Replacement Cost	Independent Registered Valuer	June 2021	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount
Other infrastructure - marina	3	Cost Approach Using Current Replacement Cost	Independent Registered Valuer	June 2021	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount
Other infrastructure - coastal	3	Cost Approach Using Current Replacement Cost	Independent Registered Valuer	June 2021	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount



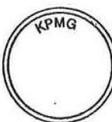
Notes to the Financial Statements  
for the year ended 30 June 2024

Note 9. Infrastructure (continued)

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
Infrastructure - rehabilitation asset	3	Cost Approach Using Current Replacement Cost	Independent Registered Valuer	June 2021	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount

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

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 10. Fixed assets

	Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>(a) Depreciation</b>				
Buildings - non-specialised	8a	5,597,507	4,890,711	4,867,689
Furniture and equipment	8a	104,570	77,628	248,382
Plant and equipment	8a	2,908,757	3,300,735	2,821,204
Computer equipment	8a	1,076,947	736,692	1,711,664
Infrastructure - roads	9a	16,881,848	15,605,184	15,106,164
Infrastructure - footpaths	9a	3,792,794	3,451,308	3,341,604
Infrastructure - drainage	9a	3,565,768	3,204,379	3,102,524
Infrastructure - parks and ovals	9a	6,830,010	6,660,984	6,449,258
Other infrastructure - landfill	9a	1,465,336	1,508,766	1,460,808
Other infrastructure - marina	9a	470,208	229,520	222,224
Other infrastructure - coastal	9a	619,505	625,978	606,081
Infrastructure - Rehabilitation asset	9a	5,670,053	1,626,288	1,562,808
Right-of-use assets - plant and equipment	11	204,338	119,457	131,852
<b>Total depreciation</b>		<b>49,187,641</b>	<b>42,037,630</b>	<b>41,632,262</b>

## Depreciation rates

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

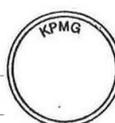
Asset Class	Useful life
Building - Non Specialised	5 to 100 years
Furniture and equipment	4 to 20 years
Plant and equipment	3 to 25 years
Computer equipment	5 years
Infrastructure - roads	10 to 100 years
Infrastructure - drainage	100 years
Infrastructure - footpaths	20 to 50 years
Infrastructure - parks equipment	5 to 100 years
Infrastructure - landfill	10 to 80 years
Infrastructure - marina	10 to 100 years
Infrastructure - coastal	10 to 100 years
Right of use assets - plant and machinery	Based on the remaining lease
Rehabilitation asset	Based on the remaining life of the Landfill

	2024 Actual \$	2023 Actual \$

## (b) Fully depreciated assets in use

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

Buildings - non-specialised	480,870	480,870
Furniture and equipment	9,499,077	2,116,627
Plant and equipment	6,019,996	5,025,761
	<b>15,999,943</b>	<b>7,623,258</b>



Notes to the Financial Statements

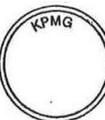
for the year ended 30 June 2024

Note 10. Fixed assets (continued)

(c) Disposal of assets

The following assets were disposed of during the year.

	Net book value			Sales price			Profit			Loss		
	2024 Actual \$	2024 Budget \$	2023 Actual \$									
<b>By asset class</b>												
<i>Property, plant and equipment</i>												
Buildings - non-specialised	1,744,029	–	–	–	–	–	–	–	–	(1,744,029)	–	–
Plant and equipment	525,871	1,006,920	1,262,664	650,783	1,149,500	1,721,548	124,912	142,580	458,884	–	–	–
<b>Total by asset class</b>	<b>2,269,900</b>	<b>1,006,920</b>	<b>1,262,664</b>	<b>650,783</b>	<b>1,149,500</b>	<b>1,721,548</b>	<b>124,912</b>	<b>142,580</b>	<b>458,884</b>	<b>(1,744,029)</b>	<b>–</b>	<b>–</b>
<b>By program</b>												
<i>Property, plant and equipment</i>												
Law, order, public safety	–	–	–	882	–	66,818	882	–	66,818	–	–	–
Education and welfare	–	–	–	–	70,000	–	–	70,000	–	–	–	–
Recreation and culture	1,744,029	–	–	–	–	–	–	–	–	(1,744,029)	–	–
Transport	400,942	770,892	929,722	439,372	780,000	1,261,428	38,430	9,108	331,706	–	–	–
Other property and services	124,929	236,028	332,942	210,529	299,500	393,302	85,600	63,472	60,360	–	–	–
<b>Total By program</b>	<b>2,269,900</b>	<b>1,006,920</b>	<b>1,262,664</b>	<b>650,783</b>	<b>1,149,500</b>	<b>1,721,548</b>	<b>124,912</b>	<b>142,580</b>	<b>458,884</b>	<b>(1,744,029)</b>	<b>–</b>	<b>–</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 10. Fixed assets (continued)

## MATERIAL ACCOUNTING POLICIES

**Initial recognition**

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the City's revaluation policy, are recognised at cost and disclosed as being at reportable value.

**Measurement after recognition**

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses.

**Reportable Value**

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

**Revaluation**

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework *Local*

*Government (Financial Management) Regulation 17A(4A)*.

This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the City.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the City to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

**Depreciation**

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

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

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

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

**Depreciation on revaluation**

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

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

**Impairment**

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the City is not required to comply with *AASB136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are



## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 10. Fixed assets (continued)

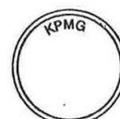
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land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### **Gains or losses on disposal**

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 11. Leases

## (a) Right of use assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year

	Note	Plant & Equipment \$	Total \$
<b>2023</b>			
<b>Balance at 1 July 2022</b>		105,539	105,539
Additions		529,545	529,545
Depreciation	10a	(131,852)	(131,852)
<b>Balance at 30 June 2023</b>		503,232	503,232
Gross balance amount at 30 June 2023		1,746,686	1,746,686
Accumulated depreciation at 30 June 2023		(1,243,454)	(1,243,454)
<b>Balance at 30 June 2023</b>		503,232	503,232
<b>2024</b>			
<b>Balance at 1 July 2023</b>		503,232	503,232
Additions		891,719	891,719
Depreciation	10a	(204,338)	(204,338)
<b>Balance at 30 June 2024</b>		1,190,613	1,190,613
Gross balance amount at 30 June 2024		2,638,405	2,638,405
Accumulated depreciation at 30 June 2024		(1,447,792)	(1,447,792)
<b>Balance at 30 June 2024</b>		1,190,613	1,190,613

## Amounts included in the statement of comprehensive income related to leases

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

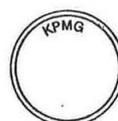
	Note	2024 Actual \$	2023 Actual \$
<b>Expenses</b>			
Depreciation on right-of-use assets	10a	(204,338)	(131,852)
Finance charge on lease liabilities	27b	(25,340)	(5,155)
Short-term lease payments recognised as expense		–	(138,113)
<b>Total amount recognised in the statement of comprehensive income</b>		(229,678)	(275,120)
<b>Total cash outflow from leases</b>		–	(143,268)

## (b) Lease liabilities

Current		179,976	100,625
Non-current		1,035,261	405,458
<b>Total lease liabilities</b>	27b	1,215,237	506,083

## Secured liabilities and assets pledged as security

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



## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 11. Leases (continued)

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#### **MATERIAL ACCOUNTING POLICIES**

##### **Leases**

At inception of a contract, the City assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

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

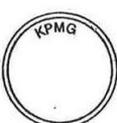
Details of individual borrowings required by regulations are provided at Note 26(a).

##### **Right-of-use assets - valuation**

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

##### **Right-of-use assets - depreciation**

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 12. Trade and other payables

	2024	2023
	\$	\$
<b>Current</b>		
Sundry creditors	13,057,374	15,087,235
Prepaid rates	2,320,390	2,213,965
ATO liabilities	299,835	–
Bonds and deposits held	2,495,324	2,483,818
Other prepaid income	150,122	224,049
<b>Total current trade and other payables</b>	<b>18,323,045</b>	<b>20,009,067</b>
<b>Non-current</b>		
Bonds and deposits held	2,192,268	1,356,582
<b>Total non-current trade and other payables</b>	<b>2,192,268</b>	<b>1,356,582</b>

**MATERIAL ACCOUNTING POLICIES****Financial liabilities**

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

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

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

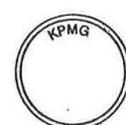
**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services.

The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

**Prepaid rates**

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 13. Other liabilities

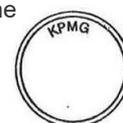
	2024 \$	2023 \$
<b>(a) Other liabilities</b>		
<b>Current</b>		
Contract liabilities	3,512,697	1,211,130
	<u>3,512,697</u>	<u>1,211,130</u>
<b>Non-current</b>		
Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity	12,387,362	15,407,476
	<u>12,387,362</u>	<u>15,407,476</u>
<b>Total other liabilities</b>	<u>15,900,059</u>	<u>16,618,606</u>
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	16,618,606	18,693,587
Additions	573,167	2,919,730
Revenue from contracts with customers included as a contract liability at the start of the period	(1,291,714)	(4,994,711)
	<u>15,900,059</u>	<u>16,618,606</u>
The City expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
Opening balance	16,618,606	18,693,587
Additions	12,135,647	19,496,583
Revenue from capital grant/contributions held as a liability at the start of the period	(12,854,194)	(21,571,564)
	<u>15,900,059</u>	<u>16,618,606</u>
<b>Expected satisfaction of capital grant/contribution liabilities</b>		
Less than 1 year	3,593,281	1,211,130
1 to 2 years	5,000,000	1,000,000
2 to 3 years	2,000,000	3,000,000
3 to 4 years	3,000,000	6,788,870
4 to 5 years	500,000	3,000,000
> 5 years	1,806,778	1,618,606
	<u>15,900,059</u>	<u>16,618,606</u>

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

**MATERIAL ACCOUNTING POLICIES****Contract Liabilities**

Contract liabilities represent the the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

**Capital grant/contribution liabilities**

## Notes to the Financial Statements

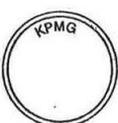
for the year ended 30 June 2024

### Note 13. Other liabilities (continued)

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Capital grant/contribution liabilities represent the City's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the City which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.



Notes to the Financial Statements

for the year ended 30 June 2024

Note 14. Borrowings

Note	2024			2023		
	Current \$	Non-current \$	Total \$	Current \$	Non-current \$	Total \$
<b>Secured</b>						
Bank loans	2,500,000	2,500,000	5,000,000	2,500,000	5,000,000	7,500,000
<b>Total secured borrowings</b>	27a 2,500,000	2,500,000	5,000,000	2,500,000	5,000,000	7,500,000

**Secured liabilities and assets pledged as security**

Bank loans are secured by a floating charge over the assets of the City of Cockburn.

The City of Cockburn has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 years.

**MATERIAL ACCOUNTING POLICIES**

**Borrowing costs**

The City has elected to recognise borrowings costs as an expense when incurred regardless of how the borrowings are applied.

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Information regarding exposure to risk can be found at Note 21.

Details of individual borrowings required by regulations are provided at Note 26(a).



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 15. Employee related provisions

	2024	2023
	\$	\$
<b>(a) Employee related provisions</b>		
<b>Current provisions</b>		
<b>Employee benefit provisions</b>		
Annual leave	4,783,341	4,643,393
Long service leave	5,103,483	4,669,795
	<u>9,886,824</u>	<u>9,313,188</u>
<b>Total current employee related provisions</b>	<u>9,886,824</u>	<u>9,313,188</u>
<b>Non-current provisions</b>		
Long service leave	1,816,599	1,598,227
	<u>1,816,599</u>	<u>1,598,227</u>
<b>Total non-current employee related provisions</b>	<u>1,816,599</u>	<u>1,598,227</u>
<b>Total employee related provisions</b>	<u>11,703,423</u>	<u>10,911,415</u>

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

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

	2024	2023
	\$	\$
<b>Amounts are expected to be settled on the following basis:</b>		
Less than 12 months after the reporting date	9,886,824	9,313,188
More than 12 months from reporting date	1,816,599	1,598,227
	<u>11,703,423</u>	<u>10,911,415</u>

**MATERIAL ACCOUNTING POLICIES****Employee benefits**

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

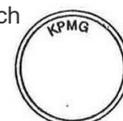
**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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



## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 15. Employee related provisions (continued)

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 16. Other Provisions

	Provision for rehabilitation of landfill	Total
<b>Opening balance at 1 July 2023</b>		
Current provisions	–	–
Non-current provisions	37,359,107	37,359,107
	<u>37,359,107</u>	<u>37,359,107</u>
Additional provision	(3,635,530)	(3,635,530)
Amounts used	1,115,827	1,115,827
Unused amounts reversed	–	–
Charged to profit or loss		
- unwinding of discount	1,270,210	1,270,210
	<u>36,109,614</u>	<u>36,109,614</u>
<b>Balance at 30 June 2024</b>		
<b>Comprises</b>		
Current	–	–
Non-current	36,109,614	36,109,614
	<u>36,109,614</u>	<u>36,109,614</u>

**Other provisions**

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

**Provision for remediation costs**

Under the licence for the operation of the City of Cockburn waste landfill site, the City has a legal obligation to restore the site.

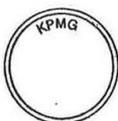
The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

**Provisions**

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

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



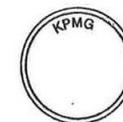
## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 17. Revaluation surplus

	2024	2024	2024	Total	2024	2023	2023	2023	Total	2023
	Opening	Revaluation	Revaluation	Movement on	Closing	Opening	Revaluation	Revaluation	Movement on	Closing
	Balance	Increment	(Decrement)	Revaluation	Balance	Balance	Increment	(Decrement)	Revaluation	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land	111,732,899	–	–	–	111,732,899	109,636,919	2,095,980	–	2,095,980	111,732,899
Revaluation surplus - Buildings - non-specialised	56,294,831	–	–	–	56,294,831	20,308,730	35,986,101	–	35,986,101	56,294,831
Revaluation surplus - Infrastructure - roads	412,381,094	–	–	–	412,381,094	329,150,922	83,230,172	–	83,230,172	412,381,094
Revaluation surplus - Infrastructure - footpaths	108,468,650	–	–	–	108,468,650	94,940,339	13,528,311	–	13,528,311	108,468,650
Revaluation surplus - Infrastructure - drainage	222,980,596	–	–	–	222,980,596	181,671,086	41,309,510	–	41,309,510	222,980,596
Revaluation surplus - Infrastructure - parks equipment	46,928,597	–	–	–	46,928,597	39,440,274	7,488,323	–	7,488,323	46,928,597
Revaluation surplus - Infrastructure - landfill	40,533	–	–	–	40,533	40,532	–	–	–	40,533
Revaluation surplus - Infrastructure - coastal	24,566,155	–	–	–	24,566,155	24,566,155	–	–	–	24,566,155
	<b>983,393,355</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>983,393,355</b>	<b>799,754,957</b>	<b>183,638,397</b>	<b>–</b>	<b>183,638,397</b>	<b>983,393,355</b>
	<b>983,393,355</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>983,393,355</b>	<b>799,754,957</b>	<b>183,638,397</b>	<b>–</b>	<b>183,638,397</b>	<b>983,393,355</b>

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 18. Notes to the statement of cash flows

**(a) Reconciliation of cash**

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

	Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Cash and cash equivalents</b>	3	<u>12,990,274</u>	<u>5,181,374</u>	<u>13,592,531</u>

**Restrictions**

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

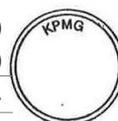
- Cash and cash equivalents	3	6,745,819	4,859,214	2,483,818
- Financial assets at amortised cost		215,407,618	201,147,800	210,774,244
		<u>222,153,437</u>	<u>206,007,014</u>	<u>213,258,062</u>

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

Restricted reserve accounts	28	215,496,544	181,765,048	209,678,314
Contract liabilities	13	3,512,697	24,241,966	1,211,130
Bonds & deposits		2,192,268	–	1,356,582
Financial assets at fair value through profit and loss		166,342	–	162,979
Restricted non-current investment		785,586	–	849,058
<b>Total restricted financial assets</b>		<u>222,153,437</u>	<u>206,007,014</u>	<u>213,258,062</u>

**(b) Reconciliation of Net Result to Net Cash Provided By Operating Activities**

Net result		24,566,907	3,885,270	39,441,991
Non-cash items:				
Depreciation/amortisation		49,187,641	42,037,630	41,632,262
Adjustments to fair value of financial assets at fair value through profit or loss		(3,363)	(7,372)	(7,372)
(Profit)/loss on sale of asset		1,619,117	(142,580)	(458,884)
Population adjustment to long term borrowings		–	–	38,023
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		(7,244,300)	–	(2,836,475)
(Increase)/decrease in inventories		(7,079)	–	22,492
(Increase)/decrease in other assets		2,280,468	–	(915,545)
Increase/(decrease) in trade and other payables		(850,336)	140,583	351,801
Increase/(decrease) in employee related provisions		792,008	–	262,478
Increase/(decrease) in other provisions		(1,249,493)	–	940,646
Increase/(decrease) in other liabilities		2,301,567	802,183	(3,783,581)
Capital grants, subsidies and contributions		(25,328,715)	(9,327,282)	(33,832,352)
<b>Net cash provided by/(used in) operating activities</b>		<u>46,064,422</u>	<u>37,388,432</u>	<u>40,855,484</u>



Notes to the Financial Statements

for the year ended 30 June 2024

Note 18. Notes to the statement of cash flows (continued)

	<b>2024</b>	<b>2023</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>(c) Undrawn borrowing facilities credit standby arrangements</b>		
Credit card limit	350,000	350,000
Credit card balance at balance date	(109,493)	(109,363)
<b>Total amount of credit unused</b>	<b>240,507</b>	<b>240,637</b>

		<b>2024</b>	<b>2023</b>
	Note	<b>\$</b>	<b>\$</b>
<b>Loan facilities</b>			
Loan facilities - current	14	2,500,000	2,500,000
Loan facilities - non-current	14	2,500,000	5,000,000
<b>Total facilities in use at balance date</b>		<b>5,000,000</b>	<b>7,500,000</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 19. Contingent liabilities

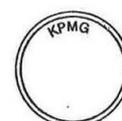
In compliance with the *Contaminated Sites Act 2003*, the City has listed sites to be possible sources of contamination. Details of those sites are:

- Dubove Park
- Poole Reserve
- Malabar Park BMX
- Dixon Reserve
- Pistol Club and Rose Shanks Reserve

Until the City conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the City is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

## Note 20. Capital commitments

	2024	2023
	\$	\$
<b>(a) Capital expenditure commitments</b>		
<b>Contracted for:</b>		
Capital expenditure projects	4,225,081	18,531,672
Hammond Road branch to Bartram	–	3,272,956
Land acquisition - Cockburn Coast Oval	10,801,926	10,089,480
Plant & equipment purchases	5,022,476	10,391,100
Henderson Redevelopment	1,885,496	2,126,293
Cockburn ARC Expansion	12,815,475	–
Santich Park - parking and new lightings	1,328,298	–
Stratton Street upgrade	922,410	–
Malabar Park BMX facility	702,213	–
<b>Total capital expenditure commitments</b>	<b>37,703,375</b>	<b>44,411,501</b>
<b>Payable:</b>		
- not later than one year	21,273,831	13,190,375
- later than one year but not later than five years	16,429,544	31,221,126
<b>Total capital expenditure commitments</b>	<b>37,703,375</b>	<b>44,411,501</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 21. Related party transactions

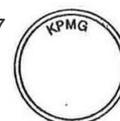
	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>(a) Council Member Remuneration</b>			
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
Mayor's annual allowance	93,380	93,380	91,997
Mayor's meeting attendance fees	49,435	49,435	48,704
Mayor's other expenses	78	1,500	599
Mayor's annual allowance for ICT expenses	3,500	3,500	2,783
Mayor's travel and accommodation expenses	8,319	–	–
<b>Total</b>	<b>154,712</b>	<b>147,815</b>	<b>144,083</b>
Deputy Mayor's annual allowance	23,345	23,345	22,999
Deputy Mayor's child care expenses	3,989	–	6,010
Deputy Mayor's other expenses	–	–	1,021
Deputy Mayor's meeting attendance fees	32,960	32,960	32,470
Deputy Mayor's annual allowance for ICT expenses	3,500	3,500	3,500
Deputy Mayor's travel and accommodation expenses	332	–	683
<b>Total</b>	<b>64,126</b>	<b>59,805</b>	<b>66,683</b>
All other council member's meeting attendance fees	253,736	263,680	248,233
All other council member's annual allowance for ICT expenses	25,945	28,000	25,831
All other council member's travel and accommodation expenses	4,483	23,500	5,288
All other council member's child care expenses	–	–	4,109
All other council member's expenses	607	–	3,254
<b>Total</b>	<b>284,771</b>	<b>315,180</b>	<b>286,715</b>
<b>Total council member remuneration</b>	<b>503,609</b>	<b>522,800</b>	<b>497,481</b>

	2024 Actual \$	2023 Actual \$
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**(b) Key management personnel****Key Management Personnel (KMP) Compensation**

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

Short-term employee benefits	2,195,002	1,783,110
Post-employment benefits	247,393	209,672
Employee - other long-term benefits	771,544	480,366
Council member costs	503,609	497,481
<b>Total</b>	<b>3,717,548</b>	<b>2,970,629</b>
Total KMP	8	7



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 21. Related party transactions (continued)

*Short-term employee benefits*

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

*Post-employment benefits*

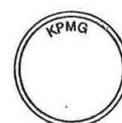
These amounts are the current-year's estimated cost of providing for the City's superannuation contributions made during the year.

*Other long-term benefits*

These amounts represent long service benefits accruing during the year.

*Council member costs*

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 22. Financial risk management

## Financial risk management

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

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

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

Financial risk management is carried out by the finance department under policies approved by the Council. The finance department identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

## (a) Interest rate risk

## Cash and cash equivalents

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted average interest rate %	Carrying amounts \$	Fixed interest rate \$	Variable interest rate \$	Non interest bearing \$
<b>2024</b>					
Cash and cash equivalents	4.98%	12,990,274	–	12,990,274	–
Financial assets at amortised cost - term deposits	4.76%	234,785,586	234,785,586	–	–
<b>2023</b>					
Cash and cash equivalents	1.02%	13,592,531	7,000,000	6,592,531	–
Financial assets at amortised cost - term deposits	3.07%	221,349,058	221,349,058	–	–



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 22. Financial risk management (continued)

**Sensitivity**

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

	2024	2023
	\$	\$
Impact of a 1% movement in interest rates on profit or loss and equity *	129,903	65,925

(\*) Holding all other variables constant

**Borrowings**

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 28(a).

**(b) Credit risk****Trade and Other Receivables**

The City's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies.

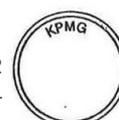
The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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

The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2023 or 1 July 2024 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2024 and 30 June 2023 was determined as follows for trade and other receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	\$	\$	\$	\$	\$
<b>30 June 2024</b>					
<b>Trade receivables</b>					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	11,071,938	691,731	898,357	213,213	12,875,239
Loss allowance	–	–	–	–	–
<b>Other receivables</b>					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,740,229	209,380	348,967	2,756,838	5,055,414
Loss allowance	–	–	–	–	–
<b>30 June 2023</b>					
<b>Trade receivables</b>					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	8,156,600	28,990	337,409	155,403	8,678,402
Loss allowance	–	–	–	–	–



continued on next page ...

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 22. Financial risk management (continued)

	Current \$	More than 30 days past due \$	More than 60 days past due \$	More than 90 days past due \$	Total \$
<b>Other receivables</b>					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,017,728	162,604	77,179	810,695	2,068,206
Loss allowance	–	–	–	–	–

## (c) Liquidity risk

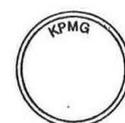
**Payables and borrowings**

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

Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 20(c).

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
<b>2024</b>					
Trade and other payables	18,323,045	2,192,268	–	20,515,313	18,323,045
Borrowings	2,500,000	2,500,000	–	5,000,000	5,000,000
Lease liabilities	179,976	1,035,261	–	1,215,237	1,215,237
	<b>21,003,021</b>	<b>5,727,529</b>	<b>–</b>	<b>26,730,550</b>	<b>24,538,282</b>
<b>2023</b>					
Trade and other payables	19,042,759	22,090,875	–	41,133,634	20,009,067
Borrowings	2,500,000	5,000,000	–	7,500,000	7,500,000
Lease liabilities	934	–	–	934	506,083
	<b>21,543,693</b>	<b>27,090,875</b>	<b>–</b>	<b>48,634,568</b>	<b>28,015,150</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 23. Other Material Accounting Policies

**a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Interest revenue**

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

**i) Fair value hierarchy**

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

**Level 1**

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

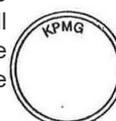
**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 23. Other Material Accounting Policies (continued)

or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**j) Impairment of assets**

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

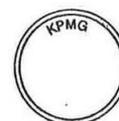
Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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

In accordance with FM Reg 17(4C), the City is not required to comply with AASB 136 Impairment of Assets to determine the recoverable amounts of its nonfinancial assets that are land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values. In other circumstances where it has been assessed that one or more nonfinancial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.



Notes to the Financial Statements

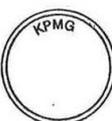
for the year ended 30 June 2024

Note 24. Function and activity

(a) Service objectives and descriptions

City operations as disclosed in these financial statements encompass the following service orientated functions and activities.

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



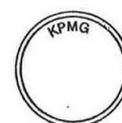
## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 24. Function and activity (continued)

## (b) Income and expenses

	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Income excluding grants, subsidies and contributions</b>			
Governance	649,999	1,215,652	54,710
General purpose funding	142,003,278	135,024,892	125,727,046
Law, order, public safety	1,316,396	1,037,160	943,922
Health	332,192	337,000	335,821
Education and welfare	1,200,213	877,146	709,531
Community amenities	19,109,325	15,110,025	19,450,952
Recreation and culture	12,107,166	13,109,022	12,693,487
Transport	38,423	44,108	594,534
Economic services	3,334,427	3,154,770	1,924,749
Other property and services	4,245,129	3,852,832	3,602,752
	<u>184,336,548</u>	<u>173,762,607</u>	<u>166,037,503</u>
<b>Grants, subsidies and contributions</b>			
Governance	347,385	421,790	143,885
General purpose funding	8,309,826	8,403,000	10,777,041
Law, order, public safety	431,112	323,800	633,870
Health	22,557	50,000	17,181
Education and welfare	7,015,457	7,154,187	6,509,099
Community amenities	825,763	961,167	1,189,418
Recreation and culture	690,680	1,733,493	2,818,509
Transport	23,943,053	3,526,922	29,448,037
Economic services	8,558	2,000	945
Other property and services	(1,120,087)	1,793,302	(1,042,932)
	<u>40,474,304</u>	<u>24,369,661</u>	<u>50,495,053</u>
<b>Total income</b>	<u>224,810,852</u>	<u>198,132,268</u>	<u>216,532,556</u>
<b>Expenses</b>			
Governance	(17,419,848)	(21,244,161)	(15,844,437)
General purpose funding	(678,716)	(709,103)	(944,414)
Law, order, public safety	(8,240,882)	(7,966,385)	(7,399,526)
Health	(3,017,129)	(3,221,077)	(2,529,468)
Education and welfare	(16,192,068)	(16,864,593)	(14,522,389)
Community amenities	(47,643,507)	(42,301,504)	(39,976,726)
Recreation and culture	(55,510,219)	(52,237,221)	(50,061,183)
Transport	(41,143,698)	(38,713,045)	(36,483,729)
Economic services	(3,232,673)	(3,336,739)	(2,818,142)
Other property and services	(7,165,205)	(7,653,171)	(6,510,551)
	<u>(200,243,945)</u>	<u>(194,246,999)</u>	<u>(177,090,565)</u>
<b>Net result for the period</b>	<u>24,566,907</u>	<u>3,885,269</u>	<u>39,441,991</u>



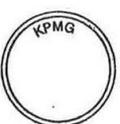
Notes to the Financial Statements

for the year ended 30 June 2024

Note 24. Function and activity (continued)

(c) Total assets

	<b>2024</b>	<b>2023</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
Governance	31,907,587	38,701,450
General purpose funding	251,233,707	238,195,664
Law, order, public safety	811,003	897,652
Health	997,065	1,038,615
Education and welfare	1,177,962	1,287,396
Community amenities	17,780,493	16,889,905
Recreation and culture	184,473,781	183,581,114
Transport	1,064,102,302	1,059,802,169
Economic services	243,538	263,615
Other property and services	364,175,419	355,495,585
<b>Total assets</b>	<b><u>1,916,902,857</u></b>	<b><u>1,896,153,165</u></b>



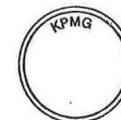
Notes to the Financial Statements  
for the year ended 30 June 2024

Note 25. Rating information

Rate type	Basis of valuation	Rate in \$	Number of properties	2023/24 Actual Rateable value \$	2023/24 Actual Rate revenue \$	2023/24 Actual Interim rates \$	2023/24 Actual Total revenue \$	2023/24 Budget rate revenue \$	2023/24 Budget interim rate \$	2023/24 Budget total revenue \$	2022/23 Actual Total revenue \$
<b>General Rates</b>											
<b>Rate Description</b>											
Improved Commercial/Industrial - Gross rental valuation	Gross rental valuation	0.08750	2,801	368,609,819	32,253,359	–	32,253,359	32,253,359	–	32,253,359	30,092,061
Improved Commercial - Caravan Park	Gross rental valuation	0.08307	2	2,658,240	220,820	–	220,820	220,820	–	220,820	210,178
Improved Residential	Gross rental valuation	0.07791	33,349	796,102,930	62,024,369	–	62,024,369	62,024,379	–	62,024,379	56,119,569
Vacant	Gross rental valuation	0.09531	1,662	33,648,026	3,206,993	–	3,206,993	3,206,993	–	3,206,993	3,112,569
Rural Vacant Land	Unimproved valuation	0.00453	45	56,125,000	254,246	–	254,246	254,246	–	254,246	240,775
Rural General - Unimproved valuation	Unimproved valuation	0.00294	59	49,505,000	145,545	–	145,545	145,545	–	145,545	152,754
Improved Commercial / Industrial - Split valuation	Split valuation	–	–	–	–	–	–	–	–	–	13,640
Rural General - Split valuation	Split valuation	–	–	–	–	–	–	–	–	–	1,363
Part Year Rating - GRV & UV	Split valuation	–	–	–	–	1,858,266	1,858,266	–	1,123,320	1,123,320	1,239,237
Ex-gratia rates	Split valuation	–	–	–	4,830,255	–	4,830,255	4,647,754	15,000	4,662,754	4,354,396
<b>Total general rates</b>			<b>37,918</b>	<b>1,306,649,015</b>	<b>102,935,587</b>	<b>1,858,266</b>	<b>104,793,853</b>	<b>102,753,096</b>	<b>1,138,320</b>	<b>103,891,416</b>	<b>95,536,542</b>
<b>Minimum payment</b>											
Improved Commercial/Industrial	Gross rental valuation	863.00	176	1,421,549	151,888	–	151,888	151,888	–	151,888	167,688
Improved Residential	Gross rental valuation	1,478.00	14,059	231,208,622	20,779,202	–	20,779,202	20,779,202	–	20,779,202	22,013,152
Vacant	Gross rental valuation	780.00	1,536	9,416,633	1,198,080	–	1,198,080	1,198,080	–	1,198,080	1,155,365
Rural Vacant Land	Unimproved valuation	1,051.00	1	13,000	1,051	–	1,051	1,051	–	1,051	16,016
Rural General	Unimproved valuation	1,051.00	4	14,280	4,204	–	4,204	4,204	–	4,204	4,004
<b>Total minimum payments</b>			<b>15,776</b>	<b>242,074,084</b>	<b>22,134,425</b>	<b>–</b>	<b>22,134,425</b>	<b>22,134,425</b>	<b>–</b>	<b>22,134,425</b>	<b>23,356,225</b>
<b>Total general rates and minimum payments</b>			<b>53,694</b>	<b>1,548,723,099</b>	<b>125,070,012</b>	<b>1,858,266</b>	<b>126,928,278</b>	<b>124,887,521</b>	<b>1,138,320</b>	<b>126,025,841</b>	<b>118,892,767</b>
<b>Specified Area Rate</b>											
Port Coogee Special Maintenance		–	–	–	428,709	–	428,709	400,000	–	400,000	397,061
Port Coogee Waterways		–	–	–	112,625	–	112,625	100,000	–	100,000	105,245
Cockburn Coast Special Maintenance		–	–	–	64,718	–	64,718	55,000	–	55,000	48,426
Specified Area Rates - Bibra Lake Sewer Stage 1		–	–	–	–	–	–	–	–	–	64,035
<b>Total amount raised from rates (excluding general rates)</b>			<b>–</b>	<b>–</b>	<b>606,052</b>	<b>–</b>	<b>606,052</b>	<b>555,000</b>	<b>–</b>	<b>555,000</b>	<b>614,767</b>
Concessions							(847,670)			(825,841)	(895,093)
<b>Total rates</b>							<b>126,686,660</b>			<b>125,755,000</b>	<b>118,612,440</b>
Rate instalment interest							(3)			–	489,259
Rate overdue interest							86,811			100,000	231,627

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

(\*) Rateable Value at time of raising of rate.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 26. Determination of surplus or deficit

	2023/24	2023/24	2022/23
	30 June 2024	Budget 30 June 2024	30 June 2023
Note	Carried Forward	Carried Forward	Carried Forward
	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	(124,912)	(142,580)	(458,884)
Less: Movement in liabilities associated with restricted cash	(3,020,114)	–	1,708,600
Less: Fair value adjustments to financial assets at fair value through profit or loss	(3,363)	(7,372)	(7,372)
Add: Loss on disposal of assets	1,744,029	–	–
Add: Depreciation	10a 49,187,641	42,037,630	41,632,262
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(60,256)	–	(25,488)
Employee benefit provisions	218,372	–	135,723
Other provisions	(1,249,493)	–	940,646
Add: Adjustment to borrowings	–	–	38,023
<b>Non-cash amounts excluded from operating activities</b>	<b>46,691,904</b>	<b>41,887,678</b>	<b>43,963,510</b>
<b>(b) Non-cash amounts excluded from investing activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to investing activities</b>			
Movement in non-current capital grant/contribution liability	–	802,184	–
Infrastructure received for substantially less than fair value	9a 19,188,565	–	15,661,884
Non cash Capital grants, subsidies and contributions	(19,188,565)	–	(15,661,884)
<b>Non-cash amounts excluded from investing activities</b>	<b>–</b>	<b>802,184</b>	<b>–</b>

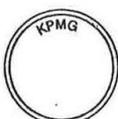


## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 26. Determination of surplus or deficit (continued)

		2023/24	2023/24	2022/23
		30 June 2024	Budget 30 June 2024	30 June 2023
	Note	Carried Forward	Carried Forward	Carried Forward
		\$	\$	\$
<b>(c) Surplus/(deficit) after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
<b>Adjustments to net current assets</b>				
Less: Reserve accounts	28	(215,496,544)	(181,765,048)	(209,678,314)
Less: Bonds and deposits		(2,192,268)	(3,700,000)	(1,356,587)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14	2,500,000	–	2,500,000
- Current portion of lease liabilities	11b	179,976	–	100,625
- Financial assets - restricted - non current		77,785,586	860,700	38,349,058
<b>Total adjustments to net current assets</b>		<b>(137,223,250)</b>	<b>(184,604,348)</b>	<b>(170,085,218)</b>
<b>Net current assets used in the Statement of Financial Activity</b>				
Total current assets		191,314,553	215,997,775	213,006,155
Less: Total current liabilities		(34,402,542)	(31,130,583)	(33,134,010)
Less: Total adjustments to net current assets		(137,223,250)	(184,604,348)	(170,085,218)
<b>Surplus or deficit after imposition of general rates</b>		<b>19,688,761</b>	<b>262,844</b>	<b>9,786,927</b>



Notes to the Financial Statements

for the year ended 30 June 2024

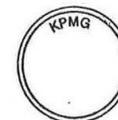
Note 27. Borrowing and lease liabilities

(a) Borrowings

Purpose	Note	Principal at 1 July 2022	New loans During 2022-23 (Population adjustment)	Principal repayments During 2022-23	Actual Principal at 30 June 2023	New loans During 2023-24	Principal repayments During 2023-24	Actual Principal at 30 June 2024	Principal at 1 July 2023	Budget		Principal at 30 June 2024
										New Loans During 2023-24	Principal repayments	
To assist fund the Cockburn ARC recreation facility		10,000,000	–	(2,500,000)	7,500,000	–	(2,500,000)	5,000,000	7,500,000	–	(2,500,000)	5,000,000
Portion of SMRC borrowings for RRRC waste recycling project repayable by the City		1,434,065	38,023	(1,472,088)	–	–	–	–	–	–	–	–
<b>Total</b>		<b>11,434,065</b>	<b>38,023</b>	<b>(3,972,088)</b>	<b>7,500,000</b>	<b>–</b>	<b>(2,500,000)</b>	<b>5,000,000</b>	<b>7,500,000</b>	<b>–</b>	<b>(2,500,000)</b>	<b>5,000,000</b>
<b>Total Borrowings</b>	14	<b>11,434,065</b>	<b>38,023</b>	<b>(3,972,088)</b>	<b>7,500,000</b>	<b>–</b>	<b>(2,500,000)</b>	<b>5,000,000</b>	<b>7,500,000</b>	<b>–</b>	<b>(2,500,000)</b>	<b>5,000,000</b>

Borrowing Finance Cost Payments

Purpose	Loan number	Institution	Interest Rate	Function and activity	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
Portion of SMRC borrowings for RRRC waste recycling project repayable by the City	N/A	WATC	0.00%	Community amenities	30/06/23	–	–	(39,654)
To assist fund the Cockburn ARC recreation facility	8	WATC	2.96%	Recreation and culture	30/06/26	(229,846)	(300,000)	(342,969)
<b>Total</b>						<b>(229,846)</b>	<b>(300,000)</b>	<b>(382,623)</b>
<b>Total Finance Cost Payments</b>						<b>(229,846)</b>	<b>(300,000)</b>	<b>(382,623)</b>



Notes to the Financial Statements

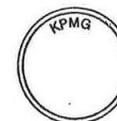
for the year ended 30 June 2024

Note 27. Borrowing and lease liabilities (continued)

(b) Lease liabilities

Purpose	Note	Actual						Budget				
		Principal at 1 July 2022	New leases During 2022-23	Principal repayments During 2022-23	Principal at 30 June 2023	New leases During 2023-24	Principal repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New leases During 2023-24	Principal repayments During 2023-24	Principal at 30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Shark Barrier		35,601	-	(35,601)	-	-	-	-	-	-	-	-
Cisco Network Switches Unified		29,886	-	(29,886)	-	-	-	-	-	-	-	-
Multi Functional devices (MFD's)		49,164	-	(49,164)	-	32,219	(24,120)	8,099	-	-	-	-
Shark Barrier - New Contract		-	529,545	(23,463)	506,083	(55)	(99,677)	406,352	-	-	-	-
Cockburn ARC Gym Lease		-	-	-	-	859,555	(58,769)	800,786	-	-	-	-
<b>Total lease liabilities</b>	11b	<b>114,651</b>	<b>529,545</b>	<b>(138,114)</b>	<b>506,083</b>	<b>891,719</b>	<b>(182,566)</b>	<b>1,215,237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Purpose	Lease number	Institution	Lease interest rate	Function and activity	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease term
						\$	\$	\$	
Cisco Network Switches Unified	E6N0162330	Maia Financial	1.49%	Governance	31/03/23	-	-	(186)	45 Months
Shark Barrier	C100468	Maia Financial	1.47%	Other property and services	30/11/22	-	-	(133)	41 Months
Shark Barrier - New Contract	C100928	Maia Financial	3.40%	Other property and services	31/03/28	(15,620)	-	(4,430)	60 months
Multi Functional devices (MFD's)	E6N016202/E6N0162166	Maia Financial	1.49%	Governance	01/10/2024	(241)	-	(406)	60 Months
Cockburn ARC Gym lease	C101002	Maia Finance Pty Ltd	3.40%	Other property and services	01/10/2028	(9,479)	-	-	60 Months
<b>Total Finance Cost Payments</b>						<b>(25,340)</b>	<b>-</b>	<b>(5,155)</b>	



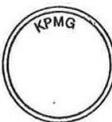
Notes to the Financial Statements  
for the year ended 30 June 2024

Note 28. Reserve accounts

	2024 Opening Balance Actual \$	2024 Transfer to Actual \$	2024 Transfer (from) Actual \$	2024 Closing Balance Actual \$	2024 Opening Balance Budget \$	2024 Transfer to Budget \$	2024 Transfer (from) Budget \$	2024 Closing Balance Budget \$	2023 Opening Balance Actual \$	2023 Transfer to Actual \$	2023 Transfer (from) Actual \$	2023 Closing Balance Actual \$
<b>Restricted by council</b>												
(a) Staff Payments & Entitlements	1,762,036	–	–	1,762,036	762,036	–	–	762,036	762,036	1,000,000	–	1,762,036
(b) Plant & Vehicle Replacement	12,489,426	3,297,903	(3,883,917)	11,903,412	11,463,666	3,085,500	(4,272,367)	10,276,799	12,190,360	1,991,408	(1,692,342)	12,489,426
(c) Information Technology	3,147,908	1,500,000	(117,628)	4,530,280	1,647,908	1,500,000	(405,000)	2,742,908	1,674,702	1,500,000	(26,794)	3,147,908
(d) Major Building Refurbishment	20,348,071	1,500,000	–	21,848,071	18,001,558	1,500,000	–	19,501,558	18,113,555	2,350,000	(115,484)	20,348,071
(e) Waste & Recycling	17,965,167	7,013,363	(2,773,033)	22,205,497	16,172,610	3,822,443	(2,519,000)	17,476,053	16,226,330	6,133,456	(4,394,619)	17,965,167
(f) Land Development and Investment Fund	4,041,642	1,584,000	(3,129,483)	2,496,159	4,138,758	500,000	(800,000)	3,838,758	8,173,172	963,272	(5,094,802)	4,041,642
(g) Roads & Drainage Infrastructure	16,796,728	3,061,211	(2,555,685)	17,302,254	16,272,199	3,000,000	(3,552,071)	15,720,128	11,747,017	5,500,000	(450,289)	16,796,728
(h) Naval Base Shacks	1,291,186	150,000	–	1,441,186	1,291,186	150,000	–	1,441,186	1,261,186	30,000	–	1,291,186
(i) Community Infrastructure	39,902,481	737,758	(3,010,658)	37,629,581	30,633,329	–	(1,602,893)	29,030,436	31,702,223	10,000,000	(1,799,742)	39,902,481
(j) Insurance	2,109,607	–	(112,512)	1,997,095	1,832,364	–	–	1,832,364	2,391,204	–	(281,597)	2,109,607
(k) Greenhouse Action Fund	1,108,938	200,000	–	1,308,938	1,108,938	200,000	–	1,308,938	908,938	200,000	–	1,108,938
(l) Aged and Disabled Asset Replacement	476,874	17,250	–	494,124	474,343	–	–	474,343	465,834	11,040	–	476,874
(m) Welfare Projects Employee Entitlements	858,113	17,717	–	875,830	1,062,585	–	(20,629)	1,041,956	1,053,457	158,923	(354,267)	858,113
(n) HWRP Post Closure Management & Contaminated Sites	4,871,959	3,932,535	(383,953)	8,420,541	4,825,769	2,000,000	(60,000)	6,765,769	3,385,769	1,500,000	(13,810)	4,871,959
(o) Municipal Elections	301,420	150,000	(300,000)	151,420	151,420	150,000	(300,000)	1,420	151,420	150,000	–	301,420
(p) Port Coogee Special Maintenance - SAR	2,119,576	511,548	(371,715)	2,259,409	2,141,025	400,000	(251,681)	2,289,344	2,040,979	445,140	(366,543)	2,119,576
(q) Port Coogee Waterways - SAR	307,268	129,217	–	436,485	305,370	100,000	–	405,370	194,765	112,503	–	307,268
(r) Community Surveillance	936,514	300,000	(770,087)	466,427	780,350	300,000	(909,000)	171,350	987,870	200,000	(251,356)	936,514
(s) Waste Collection	9,920,005	532,368	(233,040)	10,219,333	9,920,005	2,000,000	(1,165,500)	10,754,505	8,312,856	1,607,149	–	9,920,005
(t) Family Day Care Accumulation Fund	–	–	–	–	11,812	–	–	11,812	11,600	275	(11,875)	–
(u) Community Infrastructure (DCA 13)	924,399	940,582	(133,762)	1,731,219	803,799	3,000,000	(2,925,602)	878,197	820,306	243,049	(138,956)	924,399
(v) Naval Base Shack Removal	881,216	81,862	(1,628)	961,450	876,537	50,000	(20,000)	906,537	826,130	55,086	–	881,216
(w) Environmental Offset	248,759	–	–	248,759	248,759	–	–	248,759	248,759	–	–	248,759
(x) Bibra Lake Management Plan	15,267	–	–	15,267	15,267	–	–	15,267	15,267	–	–	15,267
(y) Restricted Grants & Contributions	7,448,743	5,827,483	(6,084,693)	7,191,533	1,303,584	–	(19,878)	1,283,706	5,388,608	6,528,551	(4,468,416)	7,448,743
(z) CIHCF Building Maintenance	12,119,212	1,263,715	(208,580)	13,174,347	12,406,747	1,000,000	(323,769)	13,082,978	11,706,747	565,221	(152,756)	12,119,212
({) Cockburn ARC Building Maintenance	8,175,048	1,500,000	(417,236)	9,257,812	6,675,048	1,500,000	(1,770,000)	6,405,048	6,675,048	1,500,000	–	8,175,048
( ) Carry Forward Projects	15,701,406	8,759,609	(10,419,568)	14,041,447	11,224,088	–	(2,059,117)	9,164,971	12,322,168	7,414,128	(4,034,890)	15,701,406
(}) Port Coogee Marina Assets Replacement	2,298,541	300,000	(156,708)	2,441,833	1,897,071	300,000	(177,000)	2,020,071	2,084,887	300,000	(86,346)	2,298,541
(~) Port Coogee Waterways - WEMP	1,042,501	38,857	(66,270)	1,015,088	592,954	–	(75,000)	517,954	1,075,185	25,921	(58,605)	1,042,501
(_) Cockburn Coast SAR	124,974	70,800	(12,534)	183,240	128,358	55,000	(22,323)	161,035	85,406	50,931	(11,363)	124,974
(€) Coogee Beach Foreshore Management	118,334	1,062,185	–	1,180,519	117,706	1,000,000	–	1,117,706	–	118,334	–	118,334
() Developer Contribution Plans	14,652,325	2,023,829	(6,020,011)	10,656,143	14,241,877	1,105,000	(377,214)	14,969,663	12,981,170	1,942,630	(271,475)	14,652,325
(.) POS Reserve	5,172,673	477,139	–	5,649,812	5,146,123	–	–	5,146,123	5,182,134	116,232	(125,693)	5,172,673
	<b>209,678,314</b>	<b>46,980,931</b>	<b>(41,162,701)</b>	<b>215,496,544</b>	<b>178,675,149</b>	<b>26,717,943</b>	<b>(23,628,044)</b>	<b>181,765,048</b>	<b>181,167,088</b>	<b>52,713,249</b>	<b>(24,202,020)</b>	<b>209,678,314</b>

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

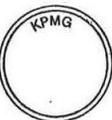
In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:



Notes to the Financial Statements  
for the year ended 30 June 2024

Note 28. Reserve accounts (continued)

Name of Reserve	Purpose of the reserve
<b>Name of Reserve</b>	
(a) Staff Payments & Entitlements	This Reserve provides for payment of various staff entitlements including separation, bonus, awards and other payments made to Staff either through contractual or statutory entitlement, other than leave liabilities already provided for within the City's net asset position.
(b) Plant & Vehicle Replacement	This Reserve provides for the orderly replacement of plant and vehicles. Annual transfers into this Reserve are based on the estimated depreciation charge for plant each year. Funds are drawn as required to meet annual plant replacement costs.
(c) Information Technology	This Reserve is used to provide for the capital cost of upgrading/replacement of Council's computer hardware and software.
(d) Major Building Refurbishment	This Reserve provides funding for future major refurbishment of Council buildings as they become necessary. Annual transfers are usually made to this Reserve from any end of year surplus.
(e) Waste & Recycling	This Reserve provides funding for capital costs associated with the development and management of a waste disposal site. Transfers to this Reserve are made based on planned future capital funding requirements for waste management.
(f) Land Development and Investment Fund	This Reserve is to accommodate and facilitate the purchase, development and disposal of land under the Council's land development strategies with the ability to loan funds on an interest payable basis to other reserve accounts of the City.
(g) Roads & Drainage Infrastructure	The purpose of this Reserve 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.
(h) Naval Base Shacks	This Reserve provides funds for the development & refurbishment of the Naval Base shacks site. It will also fund rehabilitation costs 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 shacks.
(i) Community Infrastructure	This Reserve funds 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.
(j) Insurance	This Reserve is used to minimise and smooth annual budgetary impacts from the City's performance based insurance schemes, including deductibility levels.
(k) Greenhouse Action Fund	This Reserve will be used to purchase carbon offsets and fund projects to support energy efficiency, waste management and renewable energy installations.
(l) Aged and Disabled Asset Replacement	This Reserve is fully funded from the operating government grants received by the services and has no budgetary impact on Municipal funds.
(m) Welfare Projects Employee Entitlements	This Reserve is fully funded from the operating government grants received by the services and has no budgetary impact on Municipal funds.
(n) HWRP Post Closure Management & Contaminated Sites	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.
(o) Municipal Elections	This Reserve provides funding to cover election expenses during election years to smooth out annual budgetary impacts.
(p) Port Coogee Special Maintenance - SAR	This Reserve is used to manage funds raised through the specified area rate (SAR) for the Port Coogee development. These funds are required for the specialised maintenance requirements of the development.
(q) Port Coogee Waterways - SAR	This Reserve is used to manage funds raised through the specified area rate (SAR) for the Port Coogee development on land directly adjacent to the waterways. These funds are required for the maintenance of the waterways surrounding Port Coogee marina and associated infrastructure.
(r) Community Surveillance	This Reserve funds activities in relation to Community Surveillance.
(s) Waste Collection	This reserve provides funding for future capital requirements related to the Waste Collection service.
(t) Family Day Care Accumulation Fund	This Reserve is fully funded from the operating government grants received by the services and has no budgetary impact on Municipal funds.
(u) Community Infrastructure (DCA 13)	This reserve is used to account for funds generated from the Community Infrastructure Development Contributions Scheme (DCP13) established under the City's Town Planning Scheme No. 3.
(v) Naval Base Shack Removal	Established for the purposes of the future removal of leasehold dwellings at Reserve 24308, Naval Base. All funds raised are to be accounted for on a property lease by lease basis, and not on who paid the actual payment at the time of the payment. Funds raised will be reimbursed to leaseholders when dwelling is removed and the site rehabilitated to its prior state.
(w) Environmental Offset	This Reserve is used to manage funds required to undertake environmental rehabilitation of land associated with road construction as approved by the relevant government agency.
(x) Bibra Lake Management Plan	This Reserve is used to manage funding to implement the Bibra Lake Management Plan as adopted by Council.
(y) Restricted Grants & Contributions	This Reserve is used to quarantine monies received for restricted purposes across financial years.
(z) CIHCF Building Maintenance	This Reserve is used to manage funding for major building maintenance of the Cockburn Integrated Health and Community Facility (CIHCF).
{ Cockburn ARC Building Maintenance	This Reserve is used to manage funding for the major building maintenance of the Cockburn ARC recreation facility.
(l) Carry Forward Projects	This reserve is used to manage municipal funding for incomplete projects carried forward to the following financial year.
{ Port Coogee Marina Assets Replacement	This Reserve provides for the replacement of marina infrastructure assets. Funding is provided from pen fees to reflect estimated depreciation costs.
(-) Port Coogee Waterways - WEMP	This Reserve is used 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 waterways.
( ) Cockburn Coast SAR	This Reserve is used to manage funds raised through the specified area rate (SAR) providing funding to ensure that the parks and public areas (including custom street lighting) within the Cockburn Coast Development are maintained in accordance with the higher standards agreed to between the City and the Developer.
€ Coogee Beach Foreshore Management	This Reserve is used for management of Coogee Beach Foreshore
{ Developer Contribution Plans	This Reserve is used for the management of contributions and costs with respect to Development Contribution Areas as established by and in accordance with Town Planning Scheme 3.
.) POS Reserve	This Reserve is used to manage Public Open Space payments received from developers.





## City of Cockburn

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This information is available in alternative formats upon request.

Bibra Lake

