

City of Cockburn

Annual Report 2024-2025

Financial Report



Cockburn, the best place to be

www.cockburn.wa.gov.au

December 2025

CITY OF COCKBURN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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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:
9 Coleville Crescent, Spearwood

**CITY OF COCKBURN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

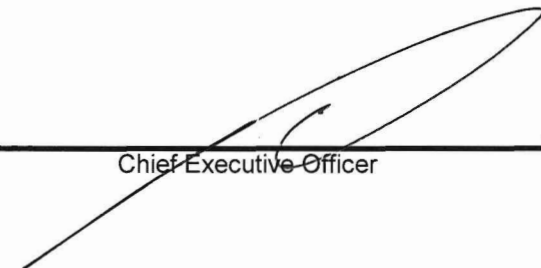
*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

Statement by CEO

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 2025 and the financial position as at 30 June 2025.

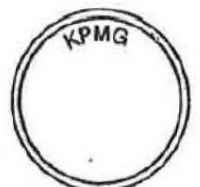
At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 26th day of November 2025



Chief Executive Officer

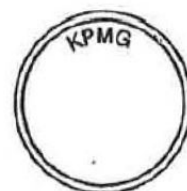
Daniel Simms



CITY OF COCKBURN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),25	134,997,008	134,416,025	126,686,660
Grants, subsidies and contributions	2(a)	13,622,806	15,340,964	15,145,589
Fees and charges	2(a)	42,788,518	40,088,009	44,147,051
Service charges	2(a)	275,054	220,000	1,099,718
Interest revenue	2(a)	12,511,595	12,835,100	12,523,953
		204,194,981	202,900,098	199,602,971
Expenses				
Employee costs	2(b)	(81,531,983)	(82,696,329)	(77,448,367)
Materials and contracts		(47,656,295)	(56,178,433)	(48,992,784)
Utility charges		(6,552,846)	(6,521,338)	(6,215,523)
Depreciation		(51,104,142)	(46,190,627)	(49,187,641)
Finance costs	2(b)	(1,579,695)	(260,312)	(1,525,396)
Insurance		(2,737,076)	(2,570,579)	(2,722,823)
Other expenditure	2(b)	(13,896,234)	(12,682,412)	(14,151,411)
		(205,058,271)	(207,100,030)	(200,243,945)
		(863,290)	(4,199,932)	(640,974)
Capital grants, subsidies and contributions	2(a)	35,877,284	11,600,128	25,328,715
Profit on asset disposals		2,109,968	(406,184)	124,912
Loss on asset disposals		0	0	(1,744,029)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(7,103)	0	3,363
Distributions from former investments in associate		0	0	1,494,920
		37,980,149	11,193,944	25,207,881
Net result for the period	24(b)	37,116,859	6,994,012	24,566,907
Total comprehensive income for the period		37,116,859	6,994,012	24,566,907

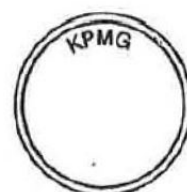
This statement is to be read in conjunction with the accompanying notes.



CITY OF COCKBURN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents	3	17,004,551	12,990,274
Trade and other receivables	5	14,795,966	17,930,653
Other financial assets	4(a)	143,000,000	157,000,000
Inventories	6	31,283	34,392
Other assets	7	3,911,187	3,359,234
TOTAL CURRENT ASSETS		178,742,987	191,314,553
NON-CURRENT ASSETS			
Trade and other receivables	5	4,734,842	1,422,960
Other financial assets	4(b)	100,898,787	77,951,928
Property, plant and equipment	8	406,441,514	392,217,272
Infrastructure	9	1,271,839,975	1,252,805,531
Right-of-use assets	11(a)	2,319,503	1,190,613
TOTAL NON-CURRENT ASSETS		1,786,234,621	1,725,588,304
TOTAL ASSETS		1,964,977,608	1,916,902,857
CURRENT LIABILITIES			
Trade and other payables	12	21,715,039	18,323,045
Contract liabilities	13	2,583,223	3,512,697
Lease liabilities	11(b)	634,094	179,976
Borrowings	14	2,500,000	2,500,000
Employee related provisions	15	10,184,509	9,886,824
TOTAL CURRENT LIABILITIES		37,616,865	34,402,542
NON-CURRENT LIABILITIES			
Trade and other payables	12	2,456,724	2,192,268
Contract liabilities	13	15,612,103	12,387,362
Lease liabilities	11(b)	1,732,808	1,035,261
Borrowings	14	0	2,500,000
Employee related provisions	15	1,771,051	1,816,599
Other provisions	16	42,211,988	36,109,614
TOTAL NON-CURRENT LIABILITIES		63,784,674	56,041,104
TOTAL LIABILITIES		101,401,539	90,443,646
NET ASSETS		1,863,576,069	1,826,459,211
EQUITY			
Retained surplus		648,003,917	627,671,912
Reserve accounts	28	232,178,797	215,393,944
Revaluation surplus	17	983,393,355	983,393,355
TOTAL EQUITY		1,863,576,069	1,826,459,211

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



CITY OF COCKBURN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Retained surplus	Reserve accounts	Revaluation surplus	Total equity
		\$	\$	\$	\$
Balance as at 1 July 2023		608,923,235	209,575,714	983,393,355	1,801,892,304
Comprehensive income for the period					
Net result for the period		24,566,907	0	0	24,566,907
Total comprehensive income for the period		24,566,907	0	0	24,566,907
Transfers from reserve accounts	28	41,162,701	(41,162,701)	0	0
Transfers to reserve accounts	28	(46,980,931)	46,980,931	0	0
Balance as at 30 June 2024		627,671,912	215,393,944	983,393,355	1,826,459,211
Comprehensive income for the period					
Net result for the period		37,116,859	0	0	37,116,859
Total comprehensive income for the period		37,116,859	0	0	37,116,859
Transfers from reserve accounts	28	59,895,890	(59,895,890)	0	0
Transfers to reserve accounts	28	(76,680,744)	76,680,743	0	(1)
Balance as at 30 June 2025		648,003,917	232,178,797	983,393,355	1,863,576,069

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

CITY OF COCKBURN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		132,742,835	126,519,825
Grants, subsidies and contributions		15,918,073	17,250,996
Fees and charges		31,654,591	44,147,051
Service charges		275,054	1,099,718
Interest revenue		12,511,595	12,523,953
Goods and services tax received		11,892,411	2,475,359
Distributions from investment in associates		0	1,494,920
		<u>204,994,559</u>	<u>205,511,822</u>
Payments			
Employee costs		(81,206,691)	(76,656,359)
Materials and contracts		(37,552,368)	(51,029,724)
Utility charges		(6,552,846)	(6,215,523)
Finance costs		4,522,679	(1,525,396)
Insurance paid		(2,737,076)	(2,722,823)
Goods and services tax paid		(4,696,391)	(9,250,239)
Other expenditure		(14,950,825)	(12,047,336)
		<u>(143,173,518)</u>	<u>(159,447,400)</u>
Net cash provided by operating activities	18(b)	61,821,041	46,064,422
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost		(8,953,962)	(13,436,528)
Payments for purchase of property, plant & equipment	8(a)	(27,578,310)	(18,600,931)
Payments for construction of infrastructure		(33,486,851)	(15,717,471)
Proceeds from capital grants, subsidies and contributions		10,122,086	3,120,034
Proceeds from sale of property, plant & equipment		5,050,326	650,783
Net cash (used in) investing activities		<u>(54,846,711)</u>	<u>(43,984,113)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(2,500,000)	(2,500,000)
Payments for principal portion of lease liabilities	27(b)	(460,053)	(182,566)
Net cash (used in) financing activities		<u>(2,960,053)</u>	<u>(2,682,566)</u>
Net increase (decrease) in cash held		4,014,277	(602,257)
Cash at beginning of year		12,990,274	13,592,531
Cash and cash equivalents at the end of the year	18(a)	<u>17,004,551</u>	<u>12,990,274</u>

Non-cash investing and financing movements are disclosed at note 18.(c)

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

CITY OF COCKBURN
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	25	134,342,684	133,800,000	126,080,608
Rates excluding general rates	25	654,324	616,025	606,052
Grants, subsidies and contributions		13,622,806	15,340,964	15,145,589
Fees and charges		42,788,518	40,088,009	44,147,051
Service charges		275,054	220,000	1,099,718
Interest revenue		12,511,595	12,835,100	12,523,953
Profit on asset disposals		2,109,968	0	124,912
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(7,103)	0	3,363
		206,297,846	202,900,098	199,731,246
Expenditure from operating activities				
Employee costs		(81,531,983)	(82,696,329)	(77,448,367)
Materials and contracts		(47,656,295)	(56,178,433)	(48,992,784)
Utility charges		(6,552,846)	(6,521,338)	(6,215,523)
Depreciation		(51,104,142)	(46,190,627)	(49,187,641)
Finance costs		(1,579,695)	(260,312)	(1,525,396)
Insurance		(2,737,076)	(2,570,579)	(2,722,823)
Other expenditure		(13,896,234)	(12,682,412)	(14,151,411)
Loss on asset disposals		0	(406,184)	(1,744,029)
		(205,058,271)	(207,506,214)	(201,987,974)
Non-cash amounts excluded from operating activities	26(a)	54,970,962	46,596,811	46,691,904
Amount attributable to operating activities		56,210,537	41,990,695	44,435,176
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		35,877,284	11,600,128	25,328,715
Proceeds from disposal of assets		5,050,326	1,071,100	650,783
Distributions from investments in associates		0		1,494,920
		40,927,610	12,671,228	27,474,418
Outflows from investing activities				
Right of use assets received - non cash	11(a)	(1,611,717)	0	0
Acquisition of property, plant and equipment	8(a)	(27,578,310)	(23,576,711)	(18,590,028)
Acquisition of infrastructure	9(a)	(59,242,049)	(30,151,199)	(34,916,939)
		(88,432,076)	(53,727,910)	(53,506,967)
Non-cash amounts excluded from investing activities	26(b)	1,611,717	0	0
Amount attributable to investing activities		(45,892,749)	(41,056,682)	(26,032,549)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new leases - non cash	27(b)	1,611,718	0	0
Transfers from reserve accounts	28	59,895,890	45,325,540	41,162,701
		61,507,608	45,325,540	41,162,701
Outflows from financing activities				
Repayment of borrowings	27(a)	(2,500,000)	(2,500,000)	(2,500,000)
Payments for principal portion of lease liabilities	27(b)	(460,053)	0	(182,566)
Transfers to reserve accounts	28	(76,578,143)	(44,459,553)	(46,980,931)
		(79,538,196)	(46,959,553)	(49,663,497)
Non-cash amounts excluded from financing activities	26(c)	(1,611,718)	0	0
Amount attributable to financing activities		(19,642,306)	(1,634,013)	(8,500,796)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(d)	19,688,761	1,000,000	9,786,927
Amount attributable to operating activities		56,210,537	41,990,695	44,435,176
Amount attributable to investing activities		(45,892,749)	(41,056,682)	(26,032,549)
Amount attributable to financing activities		(19,642,306)	(1,634,013)	(8,500,796)
Surplus or deficit after imposition of general rates	26(d)	10,364,243	300,000	19,688,761

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

CITY OF COCKBURN
FOR THE YEAR ENDED 30 JUNE 2025
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CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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 years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the City to assess at each reporting date 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 - Note 8
 - Infrastructure - Note 9
- Measurement of employee benefits - Note 15
- Measurement of provisions - Note 16

Fair value hierarchy information can be found in Note 23

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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 28 of the 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 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
- AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
- AASB 2023-3 Amendments to Australian Accounting Standards
 - Disclosure of Non-current Liabilities with Covenants: Tier 2
- AASB 2024-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements: Tier 2 Disclosures
- AASB 2023-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements

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 certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

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 2024-4b Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability
- AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 Amendments to Australian Accounting Standards
 - Classification and Measurement of Financial Instruments
- AASB 2024-3 Amendments to Australian Accounting Standards
 - Annual Improvements Volume 11

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

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
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.

Revenue recognition

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.

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

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	134,997,008	0	134,997,008
Grants, subsidies and contributions	0	0	0	13,622,806	13,622,806
Fees and charges	0	0	3,999,624	38,788,894	42,788,518
Service charges	0	0	275,054	0	275,054
Interest revenue	0	0	142,775	12,368,820	12,511,595
Capital grants, subsidies and contributions	0	10,057,654	0	25,819,630	35,877,284
Total	0	10,057,654	139,414,461	90,600,150	240,072,265

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	126,686,660	0	126,686,660
Grants, subsidies and contributions	2,382,477	0	0	12,763,112	15,145,589
Fees and charges	0	0	4,579,624	39,567,427	44,147,051
Service charges	0	0	1,099,718	0	1,099,718
Interest revenue	0	0	86,811	12,437,142	12,523,953
Capital grants, subsidies and contributions	0	8,088,113	0	17,240,602	25,328,715
Total	2,382,477	8,088,113	132,452,813	82,008,283	224,931,686

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2025 Actual	2024 Actual
	\$	\$
Assets and services acquired below fair value		
Contributed assets	25,755,198	19,188,565
	<u>25,755,198</u>	<u>19,188,565</u>
Interest revenue		
Interest on reserve account	1,048,356	1,034,686
Other interest revenue	11,463,239	11,489,267
	<u>12,511,595</u>	<u>12,523,953</u>

(b) Expenses

Auditors remuneration		
- Audit of the Annual Financial Report - Office of the Auditor General (OAG)	100,500	87,590
	<u>100,500</u>	<u>87,590</u>
Employee Costs		
Employee benefit costs	80,245,927	76,177,310
Other employee costs	1,286,056	1,271,057
	<u>81,531,983</u>	<u>77,448,367</u>
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	168,743	229,846
Provisions: unwinding of discount	1,336,056	1,270,210
Lease liabilities	74,896	25,340
	<u>1,579,695</u>	<u>1,525,396</u>
Other expenditure		
Sundry expenses	1,029,260	1,416,334
Elected member remuneration	553,602	486,179
Donations	1,530,717	1,257,809
Landfill levy	9,486,346	9,711,733
Fuel issues	1,296,309	1,279,356
	<u>13,896,234</u>	<u>14,151,411</u>

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

3. CASH AND CASH EQUIVALENTS

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

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

Note	2025	2024
	\$	\$
	7,004,551	7,990,274
	10,000,000	5,000,000
18(a)	17,004,551	12,990,274
	6,801,976	6,244,455
18(a)	10,202,575	6,745,819
	17,004,551	12,990,274

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.

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Held as

- Unrestricted other financial assets at amortised cost
- Restricted other financial assets at amortised cost

(b) Non-current assets

Financial assets at amortised cost
Financial assets at fair value through profit or loss

Financial assets at amortised cost

Term deposits

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance
Movement attributable to fair value increment
Units in Local Government House Trust - closing balance

Note	2025	2024
	\$	\$
	143,000,000	157,000,000
	143,000,000	157,000,000
	143,000,000	157,000,000
	143,000,000	157,000,000
	15,824,592	12,798,814
18(a)	127,175,408	144,201,186
	143,000,000	157,000,000
18(a)	100,739,548	77,785,586
	159,239	166,342
	100,898,787	77,951,928
	100,739,548	77,785,586
	100,739,548	77,785,586
	166,342	162,979
	(7,103)	3,363
	159,239	166,342

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 amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 23 (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 classifies 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 City has 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 22.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

5. TRADE AND OTHER RECEIVABLES

Current

Rates and statutory receivables
Trade receivables
GST receivable

Non-current

Rates and statutory receivables
Trade receivables

Note	2025	2024
	\$	\$
	2,029,658	2,136,208
	11,134,420	12,875,240
	1,631,888	2,919,205
	14,795,966	17,930,653
	1,184,843	1,155,297
	3,549,999	267,663
	4,734,842	1,422,960

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 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 or for the construction of recognisable non financial assets as part of the ordinary course of business.

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 22.

6. INVENTORIES

Current

Fuel and Materials

Note	2025	2024
	\$	\$
	31,283	34,392
	31,283	34,392
	34,392	27,313
	1,054,591	7,079
	(1,057,700)	0
	31,283	34,392

The following movements in inventories occurred during the year:

Balance at beginning of year

Additions to inventory
Inventories expensed during the year

Balance at end of year

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.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

7. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Prepayments	926,804	1,108,354
Accrued income	2,984,383	2,250,880
	3,911,187	3,359,234

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.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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.

	Assets not subject to operating lease			Total property			Plant and equipment			Total property, plant and equipment
	Note	Land	Buildings	Land	Buildings	Total property	Furniture and equipment	Plant and equipment	Computer equipment	
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023		88,735,180	284,193,135	88,735,180	284,193,135	372,928,315	379,356	10,365,263	1,890,185	385,563,119
Additions		0	11,277,545	0	11,277,545	11,277,545	457,700	4,313,330	2,552,356	18,600,931
Disposals		0	(1,744,029)	0	(1,744,029)	(1,744,029)	0	(525,871)	0	(2,269,900)
Depreciation	10(a)	0	(5,597,507)	0	(5,597,507)	(5,597,507)	(104,570)	(2,908,757)	(1,076,947)	(9,687,781)
Transfers		0	17,174	0	17,174	17,174	(6,271)	0	0	10,903
Balance at 30 June 2024		88,735,180	288,146,318	88,735,180	288,146,318	376,881,498	726,215	11,243,965	3,365,594	392,217,272
Comprises:										
Gross balance amount at 30 June 2024		88,735,180	407,972,342	88,735,180	407,972,342	496,707,522	2,821,481	27,531,358	13,843,700	540,904,061
Accumulated depreciation at 30 June 2024		0	(119,826,024)	0	(119,826,024)	(119,826,024)	(2,095,266)	(16,287,393)	(10,478,106)	(148,686,789)
Balance at 30 June 2024	8(b)	88,735,180	288,146,318	88,735,180	288,146,318	376,881,498	726,215	11,243,965	3,365,594	392,217,272
Additions		0	19,787,075	0	19,787,075	19,787,075	569,145	6,776,164	445,926	27,578,310
Disposals		(2,629,125)	0	(2,629,125)	0	(2,629,125)	0	(311,233)	0	(2,940,358)
Depreciation	10(a)	0	(5,837,217)	0	(5,837,217)	(5,837,217)	(170,825)	(3,313,853)	(1,157,157)	(10,479,052)
Transfers		0	65,342	0	65,342	65,342	0	0	0	65,342
Balance at 30 June 2025		86,106,055	302,161,518	86,106,055	302,161,518	388,267,573	1,124,535	14,395,043	2,654,363	406,441,514
Comprises:										
Gross balance amount at 30 June 2025		86,106,055	427,824,759	86,106,055	427,824,759	513,930,814	3,390,627	31,951,638	14,289,626	563,562,705
Accumulated depreciation at 30 June 2025		0	(125,663,241)	0	(125,663,241)	(125,663,241)	(2,266,092)	(17,556,595)	(11,635,263)	(157,121,191)
Balance at 30 June 2025	8(b)	86,106,055	302,161,518	86,106,055	302,161,518	388,267,573	1,124,535	14,395,043	2,654,363	406,441,514

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
				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
Land - market value								
		86,106,055	88,735,180					
Total land	8(a)	86,106,055	88,735,180					
				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								
		302,161,518	288,146,318					
Total buildings	8(a)	302,161,518	288,146,318					

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

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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 - footpath	Infrastructure - parks equipment	Infrastructure - landfill site	Infrastructure - marina	Infrastructure - coastal	Rehabilitation asset	Total infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	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	0	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	0	0	0	6,271	(17,174)	1,319,995	(1,319,995)	0	(10,903)
Remeasurement	0	0	0	0	0	0	0	(2,519,703)	(2,519,703)
Balance at 30 June 2024	648,319,873	295,424,814	125,488,162	93,196,315	19,003,057	12,423,363	46,708,996	12,240,951	1,252,805,531
Comprises:									
Gross balance 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)
Balance at 30 June 2024	648,319,873	295,424,814	125,488,162	93,196,315	19,003,057	12,423,363	46,708,996	12,240,951	1,252,805,531
Additions	14,030,836	16,031,489	3,054,350	12,567,155	7,395,942	56,690	1,339,269	0	54,475,731
Depreciation	(17,482,524)	(3,633,619)	(3,885,597)	(7,157,468)	(1,680,660)	(549,574)	(621,773)	(5,131,048)	(40,142,263)
Transfers	(30,000)	0	0	(35,342)	0	0	0	0	(65,342)
Remeasurement	0	0	0	0	0	0	0	4,766,318	4,766,318
Balance at 30 June 2025	644,838,185	307,822,684	124,656,915	98,570,660	24,718,339	11,930,479	47,426,492	11,876,221	1,271,839,975
Comprises:									
Gross balance at 30 June 2025	1,041,650,869	381,384,684	184,974,539	151,852,862	62,943,914	15,333,602	56,916,116	42,722,640	1,937,779,226
Accumulated depreciation at 30 June 2025	(396,812,684)	(73,562,000)	(60,317,624)	(53,282,202)	(38,225,575)	(3,403,123)	(9,489,624)	(30,846,419)	(665,939,251)
Balance at 30 June 2025	644,838,185	307,822,684	124,656,915	98,570,660	24,718,339	11,930,479	47,426,492	11,876,221	1,271,839,975

* Asset additions included gifted assets received at substantially less than fair value

As at 30 June 2025	8,846,034	9,314,038	1,626,740	5,968,386	0	0	0	0	25,755,198
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CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
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 - 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 - footpath	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 equipment	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 - landfill site	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
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
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
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

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset class	Useful life
Buildings - 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 site	10 to 80 years
Infrastructure - marina	10 to 100 years
Infrastructure - coastal	10 to 100 years
Rehabilitation asset	Based on the remaining life of the landfill
Leased assets	Based on the remaining lease

(b) Fully depreciated assets in use

2025	2024
\$	\$

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	51,000	480,870
Furniture and equipment	11,335,988	9,499,077
Plant and equipment	6,857,038	6,019,996
	18,244,026	15,999,943

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 being their reportable value.

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

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

Depreciation on revaluation

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

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; or
- (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 *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are 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.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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.

	Right-of-use assets - plant and equipment	Total right-of-use assets
Note	\$	\$
Balance at 1 July 2023	503,232	503,232
Additions	891,719	891,719
Depreciation	(204,338)	(204,338)
Balance at 30 June 2024	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)
Balance at 30 June 2024	1,190,613	1,190,613
Additions	1,619,816	1,619,816
Disposals	(8,099)	(8,099)
Depreciation	(482,827)	(482,827)
Balance at 30 June 2025	2,319,503	2,319,503
Gross balance amount at 30 June 2025	3,008,862	3,008,862
Accumulated depreciation at 30 June 2025	(689,359)	(689,359)
Balance at 30 June 2025	2,319,503	2,319,503

* Right of use asset additions are non-cash additions. Refer to note 18(c).

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

	2025 Actual	2024 Actual
	\$	\$
Depreciation on right-of-use assets	(482,827)	(204,338)
Finance charge on lease liabilities	(74,896)	(25,340)
Total amount recognised in the statement of comprehensive income	(557,723)	(229,678)
Total cash outflow from leases	(534,949)	(207,906)
(b) Lease liabilities		
Current	634,094	179,976
Non-current	1,732,808	1,035,261
27(b)	2,366,902	1,215,237

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 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 term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease. Details of individual lease liabilities required by regulations are provided at Note 27(b).

Right-of-use assets - measurement

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

Right-of-use assets - depreciation

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

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 ATO liabilities
 Bonds and deposits held
 Other prepaid income

Non-current

Sundry bonds and deposits

	2025	2024
	\$	\$
	16,393,285	13,057,374
	2,289,213	2,320,390
	372,990	299,835
	2,493,449	2,495,324
	166,102	150,122
	21,715,039	18,323,045
	2,456,724	2,192,268
	2,456,724	2,192,268

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.

Statutory liabilities

Statutory liabilities, are amounts owed to regulatory authorities due to statutory obligations such as FBT and PAYG. GST payable is offset against GST receivable and any net GST payable is included as a statutory liability.

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.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

13. OTHER LIABILITIES

	2025	2024
	\$	\$
Current		
Contract liabilities	2,583,223	3,512,697
	2,583,223	3,512,697
Non-current		
Contract liabilities from transfers for recognisable non financial assets	15,612,103	12,387,362
	15,612,103	12,387,362
Reconciliation of changes in contract liabilities		
Opening balance	3,512,697	4,231,244
Additions	2,583,223	573,167
Revenue from contracts with customers included as a contract liability at the start of the period	(3,512,697)	(1,291,714)
	2,583,223	3,512,697
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	12,387,362	12,387,362
Additions	15,612,103	11,562,480
Revenue from capital grant/contributions held as a liability at the start of the period	(12,387,362)	(11,562,480)
	15,612,103	12,387,362
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	2,583,223	80,584
1 to 2 years	2,000,000	5,000,000
2 to 3 years	3,000,000	2,000,000
3 to 4 years	500,000	3,000,000
4 to 5 years	1,806,778	500,000
> 5 years	5,522,102	1,806,778
	15,412,103	12,387,362

The comparative information for the year ended 30 June 2024 has been amended to correct a disclosure error relating to the description of Contract Liabilities and Capital Grant Liabilities in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The correction does not impact the amounts reported in the Statement of Financial Position, Statement of Comprehensive Income or Statement of Cash Flows. It relates solely to the presentation of note disclosures, in this Note 13.

Comparative balances have therefore been updated to correctly reflect the movement and reconciliation of Contract Liabilities and Capital Grant Liabilities respectively.

MATERIAL ACCOUNTING POLICIES

Contract liabilities

Contract liabilities represent 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.

CITY OF COCKBURN
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2025

14. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank loans		2,500,000	0	2,500,000	2,500,000	2,500,000	5,000,000
Total secured borrowings	27(a)	2,500,000	0	2,500,000	2,500,000	2,500,000	5,000,000

MATERIAL ACCOUNTING POLICIES

Borrowing costs

The City has elected to recognise borrowing 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 hierachy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 27(a). Information regarding exposure to risk can be found at Note 22.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

15. EMPLOYEE RELATED PROVISIONS

Employee related provisions

	2025	2024
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	4,919,482	4,783,341
Long service leave	5,265,027	5,103,483
	10,184,509	9,886,824
Total current employee related provisions	10,184,509	9,886,824
Non-current provisions		
Employee benefit provisions		
Long service leave	1,771,051	1,816,599
	1,771,051	1,816,599
Total non-current employee related provisions	1,771,051	1,816,599
Total employee related provisions	11,955,560	11,703,423

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

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

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date
More than 12 months from reporting date

Note	2025	2024
	\$	\$
	10,184,509	9,886,824
	1,771,051	1,816,599
	11,955,560	11,703,423

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.

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.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

16. OTHER PROVISIONS

	Provision for rehabilitation of landfill	Total
	\$	\$
Opening balance at 1 July 2024		
Non-current provisions	36,109,614	36,109,614
	36,109,614	36,109,614
Additional provision	6,933,740	6,933,740
Unused amounts reversed	(2,167,422)	(2,167,422)
Charged to profit or loss		
- unwinding of discount	1,336,056	1,336,056
Balance at 30 June 2025	42,211,988	42,211,988
Comprises		
Non-current	42,211,988	42,211,988
	42,211,988	42,211,988

Other provisions

Amounts which are 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.

MATERIAL ACCOUNTING POLICIES

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.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

17. REVALUATION SURPLUS

	2025 Opening balance	Total Movement on revaluation	2025 Closing balance	2024 Opening balance	Total Movement on revaluation	2024 Closing balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land	111,732,899	0	111,732,899	111,732,899	0	111,732,899
Revaluation surplus - Buildings	56,294,831	0	56,294,831	56,294,831	0	56,294,831
Revaluation surplus - Infrastructure - roads	412,381,094	0	412,381,094	412,381,094	0	412,381,094
Revaluation surplus - Infrastructure - drainage	222,980,596	0	222,980,596	222,980,596	0	222,980,596
Revaluation surplus - Infrastructure - footpath	108,468,650	0	108,468,650	108,468,650	0	108,468,650
Revaluation surplus - Infrastructure - parks equipment	46,928,597	0	46,928,597	46,928,597	0	46,928,597
Revaluation surplus - Infrastructure - landfill site	40,533	0	40,533	40,533	0	40,533
Revaluation surplus - Infrastructure - coastal	24,566,155	0	24,566,155	24,566,155	0	24,566,155
	983,393,355	0	983,393,355	983,393,355	0	983,393,355

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

18. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

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

	Note	2025 Actual	2024 Actual
		\$	\$
Cash and cash equivalents	3	17,004,551	12,990,274

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	10,202,575	6,745,819
- Financial assets at amortised cost	4	227,914,956	215,407,618
		238,117,531	222,153,437

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

Restricted reserve accounts	28	232,178,797	215,496,544
Contract liabilities	13	2,583,223	3,512,697
Bonds & deposits		2,456,724	2,192,268
Financial assets at fair value through profit and loss		159,239	166,342
Restricted non-current investment		739,548	785,586
Total restricted financial assets		238,117,531	222,153,437

(b) Reconciliation of net result to net cash provided by operating activities

Net result		37,116,859	24,566,907
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		7,103	(3,363)
Depreciation/amortisation		51,104,142	49,187,641
(Profit)/loss on sale of asset		(2,109,968)	1,619,117
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(177,195)	(7,244,300)
(Increase)/decrease in other assets		(551,953)	2,280,468
(Increase)/decrease in inventories		3,109	(7,079)
Increase/(decrease) in trade and other payables		3,656,450	(850,336)
Increase/(decrease) in employee related provisions		252,137	792,008
Increase/(decrease) in other provisions		6,102,374	(1,249,493)
Increase/(decrease) in other liabilities		2,295,267	2,301,567
Capital grants, subsidies and contributions		(35,877,284)	(25,328,715)
Net cash provided by/(used in) operating activities		61,821,041	46,064,422

(c) Borrowing facilities

Credit standby arrangements

Bank overdraft limit			
Bank overdraft at balance date			
Credit card limit		350,000	350,000
Credit card balance at balance date		(81,624)	(109,493)
Total amount of credit unused		268,376	240,507

Loan facilities

Loan facilities - current		2,500,000	2,500,000
Loan facilities - non-current		0	2,500,000
Total facilities in use at balance date		2,500,000	5,000,000

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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
- 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.

20. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
- Capital expenditure projects	4,035,355	4,225,081
- Beale Park Redevelopment	398,397	0
- Waterbuttons Park - New Playground	336,421	0
- Land acquisition - Cockburn Coast Oval	11,093,578	10,801,926
- Henderson Redevelopment	0	1,885,496
- Cockburn ARC Expansion	392,827	12,815,475
- Santich Park - parking and new lighting	0	1,328,298
- Stratton Street upgrade	0	922,410
- Malabar Park BMX facility	0	702,213
- Plant & equipment purchases	5,769,907	5,022,476
	22,026,485	37,703,375
Payable:		
- not later than one year	22,026,485	21,273,831
- later than one year but not later than five years	0	16,429,544
	22,026,485	37,703,375

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

21. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

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

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Mayor's annual allowance	97,115	97,115	93,380
Mayor's meeting attendance fees	51,411	51,412	49,435
Mayor's other expenses	0	0	78
Mayor's annual allowance for ICT expenses	3,500	3,750	3,500
Mayor's travel and accommodation expenses	6,175		8,319
	158,201	152,277	154,712
Deputy Mayor's annual allowance	24,279	24,279	23,345
Deputy Mayor's meeting attendance fees	31,422	34,278	32,960
Deputy Mayor's child care expenses	0	0	3,989
Deputy Mayor's annual allowance for ICT expenses	3,500	3,750	3,500
Deputy Mayor's travel and accommodation expenses	307	0	332
	59,508	62,307	64,126
All other council member's meeting attendance fees	274,224	274,224	253,736
All other council member's child care expenses	4,140	0	0
All other council member's expenses	1,204	10,192	607
All other council member's annual allowance for ICT expenses	28,000	30,000	25,945
All other council member's travel and accommodation expenses	4,303	15,000	4,483
	311,871	329,416	284,771
21(b)	529,580	544,000	503,609

(b) 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	2,223,104	2,195,002
Post-employment benefits	252,925	247,393
Employee - other long-term benefits	657,902	771,544
Employee - termination benefits	21,850	0
Council member costs	529,580	503,609
21(a)	3,685,361	3,717,548

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

(c) Transactions with related parties

Outside of normal citizen type transactions with the City, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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

The 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 Strategic Finance Team 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
	%	\$	\$	\$	\$
2025					
Cash and cash equivalents	4.22%	17,004,551	10,000,000	7,004,551	0
Financial assets at amortised cost - term deposits	4.94%	243,739,548	243,739,548	0	0
2024					
Cash and cash equivalents	4.98%	12,990,274	0	12,990,274	0
Financial assets at amortised cost - term deposits	4.76%	234,785,586	234,785,586	0	0

Sensitivity

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

	2025	2024
	\$	\$
Impact of a 1% movement in interest rates on profit or loss and equity*	70,046	129,903

* 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 27(a).

CITY OF COCKBURN
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22. FINANCIAL RISK MANAGEMENT (Continued)

(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 Financial Instruments 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 2024 or 1 July 2025 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 2025 and 30 June 2024 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
30 June 2025					
Trade receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	10,895,131	27,300	299	211,690	11,134,420
Loss allowance	0	0	0	0	0
Other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	446,017	203,086	338,477	2,673,966	3,661,546
Loss allowance	0	0	0	0	0
30 June 2024					
Trade receivables					
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	0	0	0	0	0
Other receivables					
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	0	0	0	0	0

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

22. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The loss allowances for trade, other receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Trade receivables		Other receivables		Contract assets	
	2025 Actual	2024 Actual	2025 Actual	2024 Actual	2025 Actual	2024 Actual
Opening loss allowance as at 1 July	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Increase in loss allowance recognised in profit or loss during the year	0	0	0	0	0	0
Receivables written off during the year as uncollectible	0	(6,611)	0	0	0	0
Unused amount reversed	0	6,611	0	0	0	0
Closing loss allowance at 30 June	0	0	0	0	0	0

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

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

Contract assets

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

CITY OF COCKBURN
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22. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The 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 18(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 amounts, 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 amount
2025	\$	\$	\$	\$	\$
Trade and other payables	21,715,040	2,456,724	0	24,171,764	21,715,039
Borrowings	2,500,000	0	0	2,500,000	2,500,000
Lease liabilities	634,094	1,732,808	0	2,366,902	2,366,902
	<u>24,849,134</u>	<u>4,189,532</u>	<u>0</u>	<u>29,038,666</u>	<u>26,581,941</u>
2024					
Trade and other payables	18,323,045	2,192,268	0	20,515,313	18,323,045
Borrowings	2,500,000	2,500,000	0	5,000,000	5,000,000
Lease liabilities	179,976	1,035,261	0	1,215,237	1,215,237
	<u>21,003,021</u>	<u>5,727,529</u>	<u>0</u>	<u>26,730,550</u>	<u>24,538,282</u>

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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 that an input that is significant to the measurement can be categorised into as follows:

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

The 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, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

**CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

24. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

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

Objective	Description
Governance To provide a decision-making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and 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.
General purpose funding To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
Health To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home care programs and youth services.
Community amenities To provide services required by the community.	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.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.	Maintenance of public halls, civic centres, 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.
Transport To provide safe, effective and efficient transport services to the community.	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.
Economic services To help promote the local government and its economic wellbeing.	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.
Other property and services To monitor and control operating accounts.	Private works operation, plant repair and costs.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

24. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

	2025 Actual	2024 Actual
	\$	\$
Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions		
Governance	317,523	649,999
General purpose funding	148,006,052	142,003,278
Law, order, public safety	789,171	1,316,396
Health	344,654	332,192
Education and welfare	930,869	1,200,213
Community amenities	18,191,936	19,109,325
Recreation and culture	14,122,874	12,107,166
Transport	312,488	38,423
Economic services	3,593,703	3,334,427
Other property and services	6,065,768	4,245,129
	192,675,038	184,336,548
Grants, subsidies and contributions and capital grants, subsidies and contributions		
Governance	155,394	347,385
General purpose funding	7,152,863	8,309,826
Law, order, public safety	376,816	431,112
Health	18,591	22,557
Education and welfare	6,703,212	7,015,457
Community amenities	598,926	825,763
Recreation and culture	997,034	690,680
Transport	32,046,278	23,943,053
Economic services	0	8,558
Other property and services	1,450,978	(1,120,087)
	49,500,092	40,474,304
Total income	242,175,130	224,810,852
Expenses		
Governance	(13,418,215)	(17,419,848)
General purpose funding	(600,861)	(678,716)
Law, order, public safety	(9,960,059)	(8,240,882)
Health	(3,257,579)	(3,017,129)
Education and welfare	(16,929,911)	(16,192,068)
Community amenities	(49,460,014)	(47,643,507)
Recreation and culture	(58,390,798)	(55,510,219)
Transport	(43,644,100)	(41,143,698)
Economic services	(3,109,301)	(3,232,673)
Other property and services	(6,287,433)	(7,165,205)
Total expenses	(205,058,271)	(200,243,945)
Net result for the period	37,116,859	24,566,907

(c) Assets

Governance	34,277,915	31,907,587
General purpose funding	264,117,840	251,233,707
Law, order, public safety	476,819	811,003
Health	1,034,422	997,065
Education and welfare	1,420,607	1,177,962
Community amenities	14,148,751	17,780,493
Recreation and culture	202,338,438	184,473,781
Transport	1,074,784,444	1,064,102,302
Economic services	253,631	243,538
Other property and services	372,124,741	364,175,419
Total assets	1,964,977,608	1,916,902,857

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

25. RATING INFORMATION

(a) General rates

				2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
RATE TYPE		Rate in \$	Number of properties								
Rate description	Basis of valuation										
Improved Commercial/Industrial - Gross rental valuation	Gross rental valuation	0.09231	2,849	373,731,276	34,499,134		34,499,134	34,499,134		34,499,134	32,253,359
Improved Commercial - Caravan Park	Gross rental valuation	0.08764	2	2,658,240	232,968		232,968	232,968		232,968	220,820
Improved Residential	Gross rental valuation	0.08103	34,300	818,933,210	66,358,173		66,358,173	66,358,143		66,358,143	62,024,369
Vacant	Gross rental valuation	0.09960	1,606	34,703,596	3,456,478		3,456,478	3,456,478		3,456,478	3,206,993
Rural Vacant Land	Unimproved valuation	0.00403	40	57,920,000	233,418		233,418	233,418		233,418	254,246
Rural General	Unimproved valuation	0.00269	60	60,635,000	163,108		163,108	163,108		163,108	145,545
Part Year Rating - GRV & UV	Split valuation					1,975,394	1,975,394		1,475,503	1,475,503	1,858,266
Total general rates			38,857	1,348,581,322	104,943,279	1,975,394	106,918,673	104,943,249	1,475,503	106,418,752	99,963,598
Minimum payment											

*Rateable Value at time of raising of rate.

26. DETERMINATION OF SURPLUS OR DEFICIT

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CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal at 1 July 2023	New loans during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
To assist funding the Cockburn ARC recreation facility		7,500,000	-	(2,500,000)	5,000,000		(2,500,000)	2,500,000	5,000,000	-	(2,500,000)	2,500,000
Total		7,500,000	0	(2,500,000)	5,000,000	-	(2,500,000)	2,500,000	5,000,000	0	(2,500,000)	2,500,000
Total borrowings	14	7,500,000	0	(2,500,000)	5,000,000	-	(2,500,000)	2,500,000	5,000,000	0	(2,500,000)	2,500,000

Borrowing finance cost payments

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
To assist funding the Cockburn ARC recreation facility	8	WATC*	2.96%	30/06/2026	\$ (168,743)	\$ (160,000)	\$ (229,846)
Total					(168,743)	(160,000)	(229,846)
Total finance cost payments					(168,743)	(160,000)	(229,846)

* WA Treasury Corporation

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) Lease liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2023	New leases during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New leases during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New leases during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Multifunctional devices (MFD's)		0	32,219	(24,120)	8,099	(8,099)	0	0	0	0	0	0
Shark Barrier - New Contract		506,083	(55)	(99,677)	406,351	21,284	(104,357)	323,278	100,000	0	0	100,000
Cockburn ARC Gym Lease		0	859,555	(58,769)	800,787	0	(170,941)	629,846	0	0	0	0
Dell 1 Staff Replacement Devices		0	0	0	0	1,555,353	(182,272)	1,373,081	0	0	0	0
Dell 2 Staff Replacement Devices		0	0	0	0	43,180	(2,483)	40,697	0	0	0	0
Total lease liabilities	11(b)	506,083	891,719	(182,566)	1,215,237	1,611,718	(460,053)	2,366,902	100,000	0	0	100,000

Lease finance cost payments

Purpose	Lease number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	Lease term
					\$	\$	\$	
Multifunctional devices (MFD's)	E6N016202/E6N0162166	Maia Financial	1.49%	1/10/2024	0	0	(15,620)	60 months
Shark Barrier - New Contract	C100928	Eco Shark Barrier Pty Ltd	3.40%	31/03/2028	(12,941)	(312)	(241)	60 months
Cockburn ARC Gym Lease	C101002	CHG Meridian	3.40%	1/10/2028	(24,579)	0	(9,479)	60 months
Dell 1 Staff Replacement Devices	009-7891885-001	Dell Financial Services	5.00%	1/04/2029	(36,858)	0	0	48 months
Dell 2 Staff Replacement Devices	009-7891885-002	Dell Financial Services	4.90%	1/07/2029	(518)	0	0	48 months
Total finance cost payments					(74,896)	(312)	(25,340)	

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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28. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council												
(a) Staff Payments & Entitlements	-	-	-	-	-	-	-	-	1,762,036	-	-	1,762,036
(b) Plant & Vehicle Replacement	-	-	-	-	-	-	-	-	12,489,426	3,297,903	(3,883,917)	11,903,412
(c) Information Technology	-	-	-	-	-	-	-	-	3,147,908	1,500,000	(117,628)	4,530,280
(d) Major Building Refurbishment	-	-	-	-	-	-	-	-	20,348,071	1,500,000	-	21,848,071
(e) Waste & Recycling	-	-	-	-	-	-	-	-	17,965,167	7,013,363	(2,773,033)	22,205,497
(f) Land Development and Investment Fund	-	-	-	-	-	-	-	-	4,041,642	1,584,000	(3,129,483)	2,496,159
(g) Roads & Drainage Infrastructure	-	-	-	-	-	-	-	-	16,796,728	3,061,211	(2,555,685)	17,302,254
(h) Naval Base Shacks	-	-	-	-	-	-	-	-	1,291,186	150,000	-	1,441,186
(i) Community Infrastructure	-	-	-	-	-	-	-	-	39,902,481	737,758	(3,010,658)	37,629,581
(j) Insurance	-	-	-	-	-	-	-	-	2,109,607	-	(112,512)	1,997,095
(k) Greenhouse Action Fund	-	-	-	-	-	-	-	-	1,108,938	200,000	-	1,308,938
(l) Aged and Disabled Asset Replacement	-	-	-	-	-	-	-	-	476,874	17,250	-	494,124
(m) Welfare Projects Employee Entitlements	-	-	-	-	-	-	-	-	858,113	17,717	-	875,830
(n) HWRP Post Closure Management & Contaminated Sites	-	-	-	-	-	-	-	-	4,871,959	3,932,535	(383,953)	8,420,541
(o) Municipal Elections	-	-	-	-	-	-	-	-	301,420	150,000	(300,000)	151,420
(p) Port Coogee Special Maintenance - SAR	-	-	-	-	-	-	-	-	2,119,576	511,548	(371,715)	2,259,409
(q) Port Coogee Waterways - SAR	-	-	-	-	-	-	-	-	307,268	129,217	-	436,485
(r) Community Surveillance	-	-	-	-	-	-	-	-	936,514	300,000	(770,087)	466,427
(s) Waste Collection	-	-	-	-	-	-	-	-	9,920,005	532,368	(233,040)	10,219,333
(t) Community Infrastructure (DCA 13)	-	-	-	-	-	-	-	-	924,399	940,582	(133,762)	1,731,219
(u) Naval Base Shack Removal	-	-	-	-	-	-	-	-	881,216	81,862	(1,628)	961,450
(v) Environmental Offset	-	-	-	-	-	-	-	-	248,759	-	-	248,759
(w) Bibra Lake Management Plan	-	-	-	-	-	-	-	-	15,267	-	-	15,267
(x) Restricted Grants & Contributions	-	-	-	-	-	-	-	-	7,448,743	5,827,483	(6,084,693)	7,191,533
(y) CIHCF Building Maintenance	-	-	-	-	-	-	-	-	12,119,212	1,263,715	(208,580)	13,174,347
(z) Cockburn ARC Building Maintenance	-	-	-	-	-	-	-	-	8,175,048	1,500,000	(417,236)	9,257,812
(aa) Carry Forward Projects	-	-	-	-	-	-	-	-	15,701,406	8,759,609	(10,419,568)	14,041,447
(ab) Port Coogee Marina Assets Replacement	-	-	-	-	-	-	-	-	2,298,541	300,000	(156,708)	2,441,833
(ac) Port Coogee Waterways - WEMP	-	-	-	-	-	-	-	-	1,042,501	38,857	(66,270)	1,015,088
(ad) Cockburn Coast SAR	-	-	-	-	-	-	-	-	124,974	70,800	(12,534)	183,240
(ae) Coogee Beach Foreshore Management	-	-	-	-	-	-	-	-	118,334	1,062,185	-	1,180,519
(af) Developer Contribution Plans - Various	-	-	-	-	-	-	-	-	14,652,325	2,023,829	(6,020,011)	10,656,143
(ag) POS Cash in Lieu	-	-	-	-	-	-	-	-	5,172,673	477,139	-	5,649,812
(ah) Open Space Infrastructure	2,957,823	8,300,000	(5,686,779)	5,571,044	2,854,162	7,300,000	(6,513,520)	3,640,642	-	-	-	-
(ai) Plant & Equipment	11,903,412	3,488,313	(5,560,174)	9,831,551	10,000,000	3,000,500	(4,249,400)	8,751,100	-	-	-	-
(aj) Technology	4,996,707	500,000	(394,206)	5,102,501	4,942,908	500,000	(705,000)	4,737,908	-	-	-	-
(ak) Building Infrastructure	81,909,811	16,443,763	(17,716,245)	80,637,329	74,974,045	12,719,811	(15,802,654)	71,891,202	-	-	-	-
(al) Commercial Landfill	30,626,038	7,195,122	(5,314,386)	32,506,774	23,980,088	3,897,332	(3,727,250)	24,150,170	-	-	-	-
(am) Land Management	2,496,160	1,070,800	(104,448)	3,462,512	1,723,601	384,000	-	2,107,601	-	-	-	-
(an) Roads Infrastructure	17,551,013	17,500,000	(8,339,582)	26,711,431	12,506,559	12,500,000	(13,021,396)	11,985,163	-	-	-	-
(ao) Naval Base Shacks	1,441,186	200,000	(113,137)	1,528,049	1,441,186	200,000	(150,000)	1,491,186	-	-	-	-
(ap) Risk	2,148,515	-	(268,344)	1,880,171	2,193,041	-	-	2,193,041	-	-	-	-
(aq) Climate Change Mitigation	1,308,938	1,280,000	(11,330)	2,577,608	1,308,938	500,000	(257,500)	1,551,438	-	-	-	-
(ar) Aged and Disabled Asset Replacement	865,226	7,455	-	872,681	792,477	34,406	-	826,883	-	-	-	-
(as) Welfare Projects Employee Entitlements	504,729	7,614	(512,342)	1	-	-	-	-	-	-	-	-
(at) Port Coogee Special Maintenance SAR	2,259,408	558,214	(396,359)	2,421,263	2,017,895	440,750	(263,075)	2,195,570	-	-	-	-
(au) Port Coogee Waterways SAR	436,484	143,192	-	579,676	417,767	113,263	-	531,030	-	-	-	-
(av) POS Cash in Lieu	5,649,812	438,130	-	6,087,942	9,216,639	-	-	9,216,639	-	-	-	-

CITY OF COCKBURN
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FOR THE YEAR ENDED 30 JUNE 2025

28. RESERVE ACCOUNTS (continued)

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council												
(aw) Waste Management	10,219,333	3,727,679	(2,153,373)	11,793,639	280,004	2,000,000	-	2,280,004	-	-	-	-
(ax) Naval Base Shack Removal	961,449	87,660	(17,179)	1,031,930	100,000	50,000	-	150,000	-	-	-	-
(ay) Restricted Funding	7,191,532	3,907,909	(5,889,665)	5,209,776	1,628,092	251,490	(62,601)	1,816,981	-	-	-	-
(az) Project Contingency	14,041,447	6,448,893	(5,536,102)	14,954,238	8,169,041	-	(549,078)	7,619,963	-	-	-	-
(ba) Port Coogee Marina	2,441,833	505,989	(40,000)	2,907,822	2,020,071	505,989	-	2,526,060	-	-	-	-
(bb) Port Coogee Waterways WEMP	1,015,087	40,033	(328,241)	726,879	800,000	-	-	800,000	-	-	-	-
(bc) Cockburn Coast SAR	183,240	83,891	(95,254)	171,877	163,151	62,012	(24,066)	201,097	-	-	-	-
(bd) Developer Contribution Plans - Various	12,387,361	4,643,486	(1,418,744)	15,612,103	23,345,470	-	-	23,345,470	-	-	-	-
	215,496,544	76,578,143	(59,895,890)	232,178,797	184,875,135	44,459,553	(45,325,540)	184,009,148	209,678,317	46,980,931	(41,162,701)	215,496,544

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:

	Name of reserve account	Purpose of the reserve account
	Restricted by legislation/agreement	
(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.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

28. RESERVE ACCOUNTS (continued)

	Name of reserve account Restricted by legislation/agreement	Purpose of the reserve account
(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)	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.
(u)	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.
(v)	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.
(w)	Bibra Lake Management Plan	This Reserve is used to manage funding to implement the Bibra Lake Management Plan as adopted by Council.
(x)	Restricted Grants & Contributions	This Reserve is used to quarantine monies received for restricted purposes across financial years.
(y)	CIHCF Building Maintenance	This Reserve is used to manage funding for major building maintenance of the Cockburn Integrated Health and Community Facility (CIHCF).
(z)	Cockburn ARC Building Maintenance	This Reserve is used to manage funding for the major building maintenance of the Cockburn ARC recreation facility.
(aa)	Carry Forward Projects	This reserve is used to manage municipal funding for incomplete projects carried forward to the following financial year.
(ab)	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.
(ac)	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.
(ad)	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.
(ae)	Coogee Beach Foreshore Management	This Reserve is used for management of Coogee Beach Foreshore.
(af)	Developer Contribution Plans - Various	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.
(ag)	POS Cash in Lieu	This Reserve is used to manage Public Open Space payments received from developers.
(ah)	Open Space Infrastructure	Provides funding for new, renewal and upgrade of the City's open space infrastructure and equipment (parks, reserves, coastal, natural areas), as determined through asset management planning and the City's integrated planning approach.
(ai)	Plant & Equipment	Provides funding for the capital management of the City's fleet of plant and vehicles, as well as major capital equipment requirements.
(aj)	Technology	Provides funding for the City's Information, Communication and Technology assets and projects.
(ak)	Building Infrastructure	Provides funding for asset renewal and upgrade requirements of the City's building assets as determined by Asset Management Plans. This Reserve will also provide funding for new community and recreation facilities, driven by the City's integrated planning approach aiming for intergenerational equity.

CITY OF COCKBURN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

28. RESERVE ACCOUNTS (continued)

	Name of reserve account Restricted by legislation/agreement	Purpose of the reserve account
(al)	Commercial Landfill	Provides funds management for capital and other costs associated with the development, management and rehabilitation of a commercial landfill site.
(am)	Land Management	Enables the financial planning and funding of the City's land management and development strategies, including the purchase, development, leasing and disposal of land. Provides funding for asset renewal and upgrade requirements of the City's roads infrastructure assets (roads, drainage, paths), as determined by the City's asset management planning. Will also provide matching funding for delivery of new roads infrastructure identified through the City's integrated planning approach.
(an)	Roads Infrastructure	
(ao)	Naval Base Shacks	Provides funding for the development & refurbishment of the Naval Base shacks site.
(ap)	Risk	Provides funding to mitigate annual budgetary impacts from unforeseen risks and events, including the City's performance-based insurances
(aq)	Climate Change Mitigation	Provides funding for the City to mitigate the impact of climate change on its services and asset delivery, including renewable energy and carbon offset projects.
(ar)	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.
(as)	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.
(at)	Port Coogee Special Maintenance SAR	Management of funds raised through the specified area rate (SAR) for the Port Coogee development for the purpose of specialised maintenance requirements within the development.
(au)	Port Coogee Waterways SAR	Management of funds raised through the specified area rate (SAR) for the Port Coogee development on land directly adjacent to the waterways for the purpose of maintaining the waterways surrounding the marina and associated infrastructure.
(av)	POS Cash in Lieu	Quarantines and manages POS cash in lieu contributions received by the City under section 20C of the Town Planning Development Act.
(aw)	Waste Management	Provides funding for future capital requirements relating to the City's waste management services.
(ax)	Naval Base Shack Removal	Provides funding for the removal of the Naval Base shacks.
(ay)	Restricted Funding	This Reserve is used to quarantine and manage funds received for restricted purposes across financial years.
(az)	Project Contingency	Provides contingency funding for the City's project delivery program.
(bb)	Port Coogee Waterways WEMP	Manages funding received from the developer upon handover to maintain the Port Coogee marina waterways in accordance with the Waterways Environmental Management Plan (WEMP).
(bc)	Cockburn Coast SAR	Management of funds raised through the specified area rate (SAR) levied within the Cockburn Coast Development for the purpose of ensuring parks and public areas (including custom street lighting) are maintained at the higher standards adopted at handover from the Developer.
(bd)	Developer Contribution Plans - Various	Provides for the management of contributions and costs with respect to Development Contribution Areas as established by and in accordance with Town Planning Scheme 3.



City of Cockburn

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City of Cockburn LinkedIn: www.linkedin.com/company/city-of-cockburn



This information is available in alternative formats upon request.



Independent Auditor's Report

To the Auditor General for Western Australia

Qualified Opinion

We have audited the **Financial Report** of City of Cockburn (*the City*).

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion section of our report, the accompanying Financial Report presents fairly, in all material respects, the financial position of City of Cockburn as at 30 June 2025, and of its financial performance and its cash flows for the year then ended, in accordance with the basis of preparation described in Note 1 to the Financial Report.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2025
- Statement of comprehensive income, Statement of changes in equity, Statement of cash flows and Statement of financial activity for the year then ended
- Notes, including material accounting policies
- Statement by the CEO

Basis for qualified opinion

Note 1 to the Financial Report discloses that the Financial Report comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and *Australian Accounting Standards* (as they apply to local government and not for profit entities) and Interpretations of the Australian Accounting Standards Board. The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Accordingly, the financial statements are not general purpose financial statements, but rather are special purpose financial statements. The Financial Report does not adequately disclose this matter. Notes 1 and 10 to the Financial Report disclose the material departures from the *Australian Accounting Standards*.

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the City in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the *Financial Report* in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of Matter – Basis of preparation and restriction on use and distribution

We draw attention to Note 1 to the Financial Report, which describes the basis of preparation.



The Financial Report has been prepared for the purpose of fulfilling the City's financial reporting responsibilities under the Act, including the *Local Government (Financial Management) Regulations 1996* (Regulations).

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Auditor General for Western Australia and should not be used by or distributed to other parties. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any other person or for any other purpose than that for which it is prepared.

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

The Chief Executive Officer is responsible for:

- the preparation and fair presentation of the Financial Report and have determined that the basis of preparation described in Note 1 to the Financial Report is appropriate to meet the needs of the Council of the City of Cockburn for the purpose of fulfilling the City's financial reporting responsibilities under the Act, including the *Local Government (Financial Management) Regulations 1996* (Regulations).
- implementing necessary internal control to enable the preparation of a Financial Report that is free from material misstatement, whether due to fraud or error.
- assessing the City's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they, the Council or the State Government either intend to liquidate the City or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

KPMG
Perth, Western Australia
26 November 2025