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MAYOR'S MESSAGE

I am pleased to provide this, my second annual report statement to the ratepayers and residents of the City of Cockburn. The year under review saw the 30th anniversary status of the City celebrated with a variety of community events showcasing the multi cultural society that we call home.

The 'Summer of Fun' continued to be an outstanding success with record numbers attending the concerts, the inaugural Cockburn Idol competition, the Coogee Beach Festival, Hello Baby, Teddy Bears' Picnic and other events. The City's libraries, Wetlands Centre and Azelia Ley Homestead Museum continued to provide an exciting range of activities with the school holiday programs a highlight.

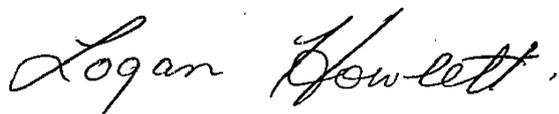
Arts, craft, theatre, history, heritage and cultural activities continued to provide a wealth of opportunities for people of all ages and abilities while the Seniors Centre and Youth Centre continued to grow in terms of membership and activities. The City received a delegation from its sister city in China, Yueyang in December 2009 and my wife Pat and I took the opportunity to visit our sister city in Split, Croatia earlier this year while on holiday.

Land sales, residential and commercial commencements showed a gradual improvement as confidence in the economy returned while the Australian Marine Complex continued its strong growth given developments in the north-west of our State. Outcomes from the City's 'Plan for the District' saw the opening of the Success Sport and Community facility, Aubin Grove Sport & Community facility and the Seniors Centre - all 'state of the art' projects provided to meet the expectations of a growing community. The launch of the new and highly visible Cockburn Safety & Security Service (CoSafe) in June received widespread support from across the community.

The continued promotion and practical application of sustainability within our City's buildings, our homes, workplaces, schools and the community remained a high priority with practical and innovative examples of protecting the environment and reducing our carbon footprint being demonstrated.

As you may be aware, Cockburn ratepayers voted against an amalgamation with the City of Fremantle in the referendum held in October 2009. The City will continue to actively promote to the State Government the fact that it is sustainable in its own right with the capacity to deliver efficient and effective services to its community as well as working in collaboration with its neighbouring local governments on strategic regional projects.

In closing, I thank the elected members, the executive group, other members of staff, our volunteers and the community that is Cockburn for the achievements made throughout the year to ensure that Cockburn is the best place to live, work, recreate and invest in the Perth metropolitan area.



Logan K Howlett, JP
MAYOR



Report of the Chief Executive Officer

The 2009/10 financial year turned out to be one of solid recovery for the City following the Global Financial Crisis. While that event is still impacting on much of the world's economy, our local economy and our population have both grown steadily this past year. Unemployment peaked at 6.2% in February 2010 and had fallen to 4.6% as at May 2010. The City's population is also now just shy of 90,000 people and has been expanding at around 3.6% percent per annum for the last five years.

The economic turnaround saw a steady improvement in building activity, especially for industrial and commercial property. New businesses commenced operating in all of the City's industrial areas and business parks. The City also granted rezoning and development approval for the Phoenix Business Park, which adds to the total land supply available for industrial expansion.

In March 2010 the Jandakot Airport Masterplan received final approval, with substantial construction activity now underway at that location. Likewise development of the Australian Marine Complex (AMC) was given a big boost with the completion of Chevron's Gorgon logistic base at the AMC. The new floating dock also brought considerable work into the AMC, including the first docking of a submarine at the Australian Submarine Corporation's maintenance facility.

All of this is critically important to the City as the development of the local economy is one of the key objectives in the City's Strategic Plan 2006 – 2016. Large and small enterprises create jobs and over the next twenty years the City is anticipating 20,000 new jobs to be created within the District.

The City's transportation strategy is another key enabler of this growth. Road projects completed during the year include the construction of dual carriageway at North Lake Road in Bibra Lake and Russell Road in Success, extension of Beeliar Drive through to Stock Road and commencement of the Spearwood Avenue extension through Bibra Lake. These improvements assist residents and business alike and will be enhanced through further investment of \$77M in new projects over the next ten years.

The livability of the City was also improved through our ongoing investment in community infrastructure. Work was completed on the \$10M Regional Sports Complex in Success, which now has active Rugby and Netball competitions. The Aubin Grove Community and Sports centre (\$3M) was also opened. At year's end the Coolbellup Community Hub (\$4.5M) was being completed and stage one of the Surf Life Saving club and beach node (\$2M) were under construction. New facilities opened the previous year, including the Youth and Senior Centre's have grown rapidly in their membership. Over the next decade the City will invest a further \$200M in community and civic buildings and facilities, bringing even more amenities to the community.

People remain at the heart of the City's plans. Growing the City's population from 90,000 to 130,000 residents requires the matching of infrastructure development with thoughtful planning. During the year final approval was granted for two important projects, the 'Phoenix Revitalisation' (Spearwood) project and Cockburn Coast District Structure Plan. Other projects, such as the Muriel Court and Packham North developments, continued to progress. With so many major projects underway a link was recently put on the City's website (www.cockburn.wa.gov.au) entitled "City Development", to allow the public better visibility of the status of all major developments.

Our commitment to 'sustainability' has also continued with new renewable energy systems fitted to six community facilities, the TravelSmart program being promoted widely within the community and the presentation of Sustainability Awards to leading business and community groups. These measures are part of an ongoing effort to manage our energy consumption and reduce our CO2 emissions.

There is still much to do if we are to achieve the objectives outlined in the Strategic Plan. But the future at Cockburn remains bright and the residents and businesses alike should know that Council and staff are working in partnership with the community for their overall benefit. After all, we have a shared mission to 'make the City the best place to live, work and visit in the Perth metropolitan area'.



Stephen Cain
Chief Executive Officer

Our Mission

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

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

- D** Demographics Planning
- I** Infrastructure Development
- LI** Lifestyles and Aspirations Achievement
- G** Governance Excellence
- E** Employment and Economic Development
- N** Natural Environment Management
- T** Transport Optimisation

These factors take into account our planned population growth and the diverse social needs of our residents; the support required for the business community and growth of educational opportunities; a requirement to conserve and preserve our natural resources, while providing good community leadership and stewardship. These developmental factors were identified as being those that would most influence the development of the City and are included in Council's Plan for the Future of the District 2010 - 2020, adopted in June 2010.



Initiative Outcome	Service Commitments	Measurements of Success															
Demographic Planning	<p>To ensure the planning of the City is based on an approach that has the potential to achieve high levels of convenience and prosperity for its citizens.</p> <p>To ensure development will enhance the levels of amenity currently enjoyed by the community.</p>	<p>Business Plan – Council will adopt an annual Business Plan. Adopted June 2010.</p> <p>Processing Times for Planning and Building - Average processing times for building and planning applications will be reported in the Annual Report against statutory and Council targets.</p> <table border="1" data-bbox="798 616 1396 761"> <thead> <tr> <th></th> <th>ACTUAL</th> <th>TARGET</th> </tr> </thead> <tbody> <tr> <td>Planning</td> <td>29.3 Days</td> <td>28 Days</td> </tr> <tr> <td>Building</td> <td>29 Days</td> <td>25 Days</td> </tr> </tbody> </table> <p>Demographic Data – The City will publish data on the annual growth rate and social composition of our Community in its Annual Report. See table Page 8.</p> <p>Ratepayer/Resident Satisfaction – Community satisfaction with Planning Services and Neighbourhood Amenity to be reported in the Annual Report and meet Council's targets.</p> <table border="1" data-bbox="798 1120 1396 1220"> <thead> <tr> <th></th> <th>ACTUAL</th> <th>TARGET</th> </tr> </thead> <tbody> <tr> <td></td> <td>74%</td> <td>70%</td> </tr> </tbody> </table>		ACTUAL	TARGET	Planning	29.3 Days	28 Days	Building	29 Days	25 Days		ACTUAL	TARGET		74%	70%
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Initiative Outcome	Service Commitments	Measurements of Success																
<p>Infrastructure Development</p>	<p>To construct and maintain community facilities that meet community needs.</p> <p>To construct and maintain parks and bushland reserves that are convenient and safe for public use, and do not compromise environmental management.</p> <p>To provide an appropriate range of recreation areas that meet the needs of all age groups within the community.</p>	<p>Plan for the District – Adopted in June 2010. This Plan will be adopted by Council and updated every two years. [To meet the requirement of s5.56 of the Local Govt Act]</p> <p>Land and Investment Strategy – Annual activities to develop and expand the City’s investment activities will be detailed in the Annual Business Plan.</p> <p>Asset Management – Council adopted management policy May 2007 and provides details of projects, expenditure and targets in the Annual Business Plan.</p> <p>Customer Satisfaction – An annual survey of regular facility users will be undertaken to determine customer satisfaction.</p> <table border="0"> <tr> <td>Festival and Events</td> <td style="text-align: right;">86.0%</td> </tr> <tr> <td>Library Services</td> <td style="text-align: right;">90.0%</td> </tr> <tr> <td>Community facilities hire</td> <td style="text-align: right;">94.0%</td> </tr> <tr> <td>Sports field hire</td> <td style="text-align: right;">84.0%</td> </tr> <tr> <td>Parks and Gardens</td> <td style="text-align: right;">88.0%</td> </tr> </table> <p>Ratepayer/Resident Satisfaction – Community satisfaction with Recreation Facility development to be reported in the Annual Report and meet Council’s targets.</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: right;">ACTUAL</th> <th style="text-align: right;">TARGET</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">75%</td> <td style="text-align: right;">90%</td> </tr> </tbody> </table>	Festival and Events	86.0%	Library Services	90.0%	Community facilities hire	94.0%	Sports field hire	84.0%	Parks and Gardens	88.0%		ACTUAL	TARGET		75%	90%
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<p>Lifestyle and Aspiration Achievement</p>	<p>To foster a sense of community spirit within the district generally and neighbourhoods in particular.</p> <p>To facilitate and provide an optimum range of community services and events.</p> <p>To deliver our services and to manage resources in a way that is cost effective without compromising quality.</p> <p>To conserve the character and historic value of the human and built environment.</p> <p>To identify community needs, aspirations, expectations and priorities for services that are required to meet the changing demographics of the district.</p>	<p>Community Development Strategy Survey – The conduct of a triennial survey of community aspirations and desires to guide development of the City. To be next conducted in May 2011.</p> <p>Community Events Participation – Details of events and the number of residents participating in the City’s Summer Events programs is to be reported in the Annual Report. Attendance 09/10 financial year was 46,270 people.</p> <p>Services Program – Details of development of the City’s services are to be included in the Plan for the District. See Plan for the District – June 2010.</p> <p>Community Safety – Details of the community safety program are to be reported on the Council website and customer satisfaction measured and reported in the Annual Report.</p> <table border="1" data-bbox="798 963 1388 1052"> <thead> <tr> <th></th> <th>ACTUAL</th> <th>TARGET</th> </tr> </thead> <tbody> <tr> <td></td> <td>72%</td> <td>80%</td> </tr> </tbody> </table> <p>Greening Program – The City’s Greening Plan is to be reviewed biennially and incorporate all “greening” activities (parks, road reserves, sumps & streetscapes). Details of the plan are to be reported in the Annual Business Plan. To be reviewed 2010/11. Ratepayer/ Resident Satisfaction – Community satisfaction for Community Services provision to be reported in the Annual Report and meet Council’s targets.</p> <table border="1" data-bbox="798 1478 1388 1814"> <thead> <tr> <th></th> <th>ACTUAL</th> <th>TARGET</th> </tr> </thead> <tbody> <tr> <td>Youth</td> <td>70%</td> <td>75%</td> </tr> <tr> <td>Seniors</td> <td>77%</td> <td>75%</td> </tr> <tr> <td>Disabilities</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>Animal Control</td> <td>71%</td> <td>80%</td> </tr> <tr> <td>Bushfire Control</td> <td>81%</td> <td>90%</td> </tr> <tr> <td>Customer Service</td> <td>79%</td> <td>80%</td> </tr> </tbody> </table>		ACTUAL	TARGET		72%	80%		ACTUAL	TARGET	Youth	70%	75%	Seniors	77%	75%	Disabilities	74%	75%	Animal Control	71%	80%	Bushfire Control	81%	90%	Customer Service	79%	80%
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<p>Governance Excellence</p>	<p>To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices.</p> <p>To provide effective monitoring and regulatory services that administer relevant legislation and local laws in a fair and impartial way.</p> <p>To maintain a professional, well-trained and healthy workforce that is responsive to the community's needs.</p> <p>To maximise use of technology that contributes to the efficient delivery of Council's services.</p> <p>To develop and maintain a financially sustainable City.</p>	<p>Information Accessibility – The City is to provide access to all Council plans, policies and other important documents available online to the community. Refer to Council website: www.cockburn.wa.gov.au</p> <p>Community Communications – Strategies and policies are to be reviewed annually to encourage greater community awareness, and participation in the City's affairs. Communication Strategy completed in December 2006.</p> <p>Budget Management – A mid-year progress report on achievement of the Annual Business Plan is to be presented to Council. Plan was reviewed in February 2009.</p> <p>Financial Reserves – The Financial Reserves development strategy is to be reviewed annually with targets and achievement of performance measures to be reported in the Business Plan and Annual Report. See Financial Statements.</p> <p>Ratepayer/Resident Satisfaction – Community satisfaction with governance oversight and community consultation are to be reported in the Annual Report and meet Council's targets.</p> <table border="1" data-bbox="836 1223 1433 1350"> <thead> <tr> <th></th> <th>ACTUAL</th> <th>TARGET</th> </tr> </thead> <tbody> <tr> <td>Governance</td> <td>59%</td> <td>70%</td> </tr> <tr> <td>Consultation</td> <td>56%</td> <td>70%</td> </tr> </tbody> </table>		ACTUAL	TARGET	Governance	59%	70%	Consultation	56%	70%
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Initiative Outcome	Service Commitments	Measurements of Success
<p>Employment and Economic Development</p>	<p>To plan and promote economic development that encourages business opportunities within the City.</p> <p>To pursue high value employment opportunities for our residents.</p> <p>To encourage development of educational institutions that provides a range of learning opportunities for the community.</p>	<p>Economic Development Strategy – A strategy is to be adopted by Council and reviewed annually.</p> <p>Regional Economic Profile – The regional profile for the South West metropolitan area is to include comprehensive information on the City, updated annually and be available on-line. Information available on South West Group website: www.southwestgroup.com.au</p> <p>Regional Forums – The major regional forums, WALGA South Metropolitan Zone, South West Group, Melville Cockburn Chamber of Commerce and South West Corridor Development and Employment Foundation are to be used to promote the City, its businesses and education opportunities. City of Cockburn is represented on each of these organisations.</p>

Initiative Outcome	Service Commitments
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Natural Environmental Management	<p>To conserve, preserve and where required, remediate the quality, extent and uniqueness of the natural environment that exists within the district.</p> <p>To ensure development of the district is undertaken in such a way that the balance between the natural and human environment is maintained.</p> <p>To manage the City’s waste stream to achieve sustainable resource management, in an environmentally acceptable manner.</p>
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Measurements of Success

Natural Area Management Strategy 2010-2020 – This strategy is currently being prepared by Environmental Services which includes a program of regeneration, re-remediation and enhancement works within natural areas. Key Performance Indicators outlined in the plan will be reported annually. To be considered 2010/11.

Contaminated Sites –The Contaminated Sites Management Strategy was reviewed in February 2009. Details of all contaminated sites within the City’s boundaries reported publicly via a State Government website. To be reviewed 2010/11.

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

Coastal Management – Initiatives undertaken over the past year to aid in coastal management and understanding potential threats from climate change (including sea level rise) have included the undertaking of, or participation in:

- Enhancement of our mapping data with accurate ground contour information, to assist with coastal mapping and management;
- Extreme weather event sea level inundation analysis;
- Project-related localised coastal vulnerability study;
- A number of risk assessments and the development of action and adaptation plans by Council of climate change threats, inc. coastal vulnerability;
- Liaison with neighbouring Councils and other stakeholder agencies on a shared vulnerability and risk assessment and adaptation plan study;
- Active knowledge-gathering of latest science and initiatives by Federal, State, Local Government and other agencies and groups on coastal management science and initiatives;
- Emphasis and comments on various planning studies and development proposals in regard to catering for potential climate change effects, including sea level rise.

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

An annual survey of the community determined the following levels of satisfaction:

Rubbish collection	96%
Recycling services	86%

Ratepayer/Resident satisfaction – Community satisfaction with Natural Environmental management to be reported in the Annual Report and meet Council’s targets.

	ACTUAL	TARGET
	75%	80%

Initiative Outcome	Service Commitments	Measurements of Success												
<p>Transport Optimisation</p>	<p>To ensure the City develops a transport network that provides maximum utility for its users, while minimising environmental and social impacts.</p> <p>To construct and maintain roads which are convenient and safe for vehicles, cyclists and pedestrians.</p> <p>To achieve provision of an effective public transport system that provides maximum amenity, connectivity and integration for the community.</p>	<p>Transport Network Model – Transport modelling will be undertaken every five years and reported to Council. This information will be used to update the Transport Plan in the Plan for the District. See plan for the district 2010-2020.</p> <p>Lobbying and External Funding – Targets for external funding for road construction are to be included in the Plan for the District, with the success of the City’s lobbying efforts measured by the approved construction programs in the annual Business Plan.</p> <p>Ratepayer/Resident satisfaction – Community satisfaction with roads, footpaths and cycleway maintenance to be reported in the Annual Report and meet Council’s targets.</p> <table border="1" data-bbox="794 922 1394 1102"> <thead> <tr> <th></th> <th>ACTUAL</th> <th>TARGET</th> </tr> </thead> <tbody> <tr> <td>Road Maintenance</td> <td>81%</td> <td>80%</td> </tr> <tr> <td>Footpaths</td> <td>78%</td> <td>80%</td> </tr> <tr> <td>Cycleways</td> <td>75%</td> <td>80%</td> </tr> </tbody> </table>		ACTUAL	TARGET	Road Maintenance	81%	80%	Footpaths	78%	80%	Cycleways	75%	80%
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Demographic Data

Source – Australian Bureau of Statistics, 2006 Census:
www.abs.gov.au/websitedbs/d3310114.nsf/Home/census

Personal Characteristics	Cockburn	% of total persons
Total persons (excluding overseas visitors)	74,472	–
Males	37,052	49.8%
Females	37,420	50.2%
Aboriginal and Torres Strait Islanders)	1,256	1.7%
Age		
Age Groups:	Cockburn	
0-4	5,222	7.0%
5-14	10,736	14.4%
15-24	10,430	14.0%
25-54	33,471	44.9%
55-64	7,119	9.6%
65 years and over	7,493	10.1%
Median age of persons	34	-
Selected Characteristics		
Australian citizenship	63,325	85.0%
Persons born overseas	21,411	28.8%
Overseas visitors (excluded from all other classifications)	515	0.7%
Country of birth (Main responses in selected region)		
Australia	47,950	64.4%
England	5,543	7.4%
Italy	1,679	2.3%
New Zealand	1,483	2.0%
Croatia	1,246	1.7%
Portugal	1,086	1.5%

National Competition Statement

The Competition Policy Statement

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

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

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

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

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

The City has resolved to retain the in-house provision of the leisure centre and its domestic waste collection. Council has awarded approximately 50% of its waste disposal site operation to the private sector.

Legislative Review

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

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

- The benefits of the restriction outweigh the costs to the community; and
- The objective of the law can only be achieved through such a restriction.
- The City of Cockburn has completed a review of its Local Laws to ensure compliance with the National Competition Policy.

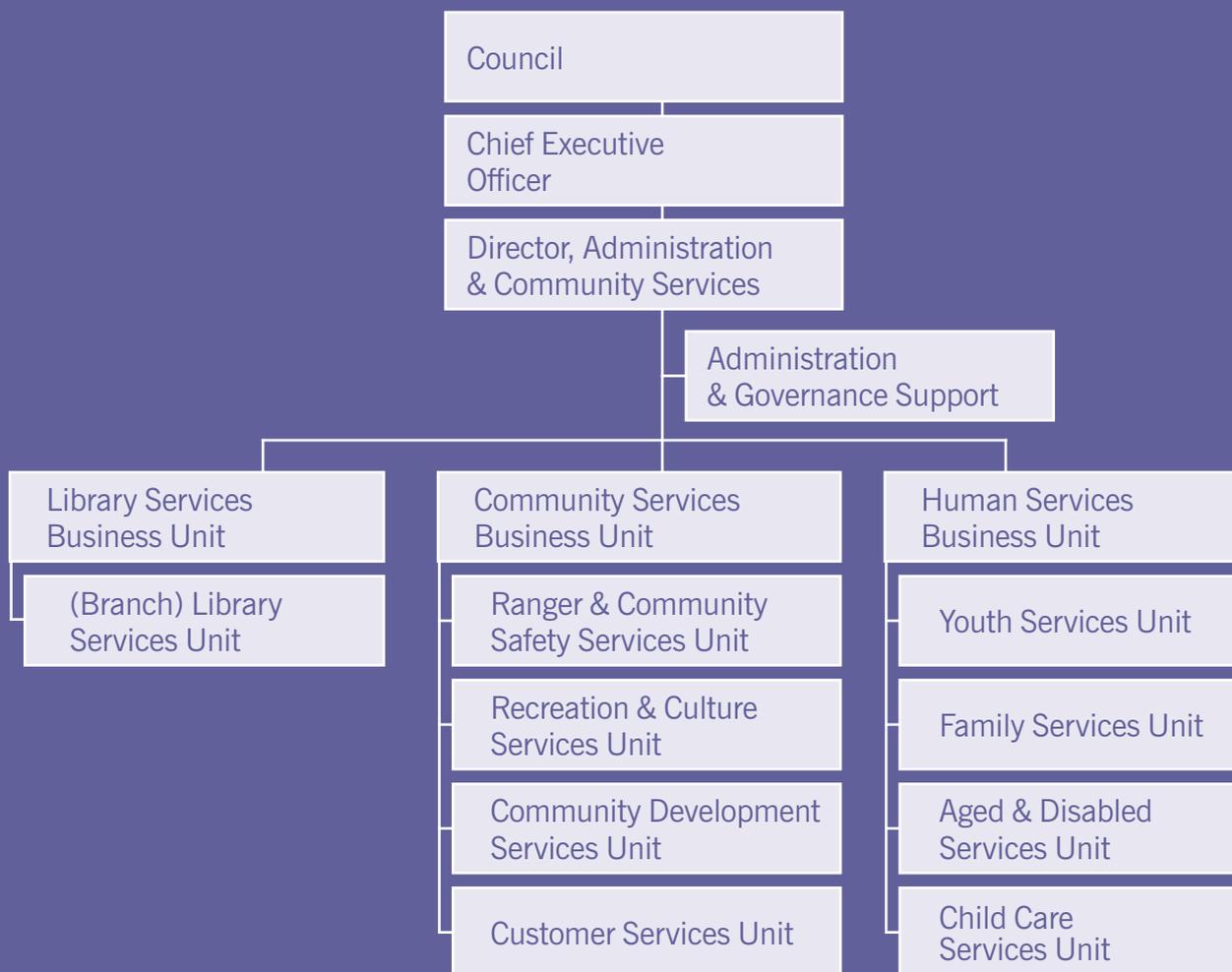
No complaints have been lodged pursuant to Sec. 5.121 of the Local Government Act during the year and accordingly no details are required to be entered into the complaints register established for this purpose.



The Year Ahead

A 'Plan for the District' was adopted by Council in late June 2010 and identified major projects for 2010/11 and beyond. Council will continue to fund these services for the 2010/2011 financial year, with the following projects being of particular note:

- Significant expenditure will see the commencement of work on a Surf Club and Community facilities at Coogee Beach.
- Work will be commenced for the construction of a GP Super Clinic, associated health / medical facilities, library and civic / community facilities at Cockburn Gateways (Wentworth Parade, Success.)
- Completion of a consolidated Community Hub in Coolbellup.
- Upgrades to Henderson Waste Park and Transfer Station.
- Construction of second carriageway Bartram Road, Success.
- Construction of second carriageway Dunraven Drive, Yangebup.
- Upgrade of community/sporting facilities in South Lake (Anning Park) and Munster (Santich Park.)



Community Services Division

Recreation Services

Over the past 12 months, Recreation Services has achieved some great milestones including the completion and adoption of the Sport and Recreation Strategic Plan. The plan has been used as a guiding document to support the Plan for the District and will see the City spend around \$70 million dollars on proposed sport and recreation infrastructure over the next 10-15 years.

Other projects completed include the opening of the Success Regional Sport and Community Facility and the Aubin Grove Sport and Community Facility. Both facilities are now home to local sporting clubs and have also provided space for new sports within Cockburn including the introduction of Rugby Union, Touch Rugby and a Netball Association at the Success Reserve. The new facilities also have community spaces available for hire for functions and activities.

The City of Cockburn has also been successful in receiving a grant from the Department of Sport and Recreation to roll out a club development program. This new and exciting club development program will start in late 2010 and will provide assistance to local sporting clubs within the Cockburn, Fremantle and Melville areas.

South Lake Leisure Centre

The centre achieved 395,000 visits for the year and experienced continued growth in sports halls and swimming programs areas via new programs and increased participation. The Group Fitness Timetables were also successfully expanded with new classes added.

Centre Memberships have remained fairly consistent between 1150-1200 members after the numbers reached 1200 for the first time in the previous 12 month period.

Disability access in and around the centre was improved with the installation of a new disabled access hoist in the family/disabled change rooms. The centre's water wheel-chair was also replaced with a heavier duty chair, allowing safer and easier access to the pool.

Art and Culture

Three artworks have been installed in the City. The iconic Sentential South on the corner of Cockburn Road and Spearwood Avenue is a tribute to our sister city relationship with Mobile in Alabama, USA and was created by Tony Jones. The other two important works are located at Jan Hammond Park in Success created by Warren East and Bridget Norton's work in Robb Park, Coolbellup fronting the City's boundary on Winterfold Road.

The City's Azelia Ley museum has benefitted from a major extension to its wagon house allowing for an expanded display of local farming artefacts to be housed. The City also co-hosted the very successful 2009 State History conference with the Historical Society of Cockburn showcasing many of the heritage icons of the City.

Community Development

The Community Development Service Unit completed its stakeholder consultation in the later part of 2009 to underpin the unit's strategic plan for 2010-2013. The planning phase concluded in early 2010 with a range of new programs made available, including:

- Cockburn Community Facebook – online networking for community organisations;
- Cockburn Community Resources – downloadable fact sheets, registers and information sheets;
- Cockburn Community Group News – four-page spread in the Cockburn Soundings to run in December and June annually;
- Cockburn Community Speed Networking – networking opportunity (twice yearly) for organisations across Cockburn; and
- On-The-Job Support – officer support for groups wishing to deliver a community project or experiencing sustainability or governance issues.



Ongoing programs throughout the 2009/2010 period included:

Supporting Community Initiatives:

- Seven Cockburn Community Training Events were hosted with a total of 119 attendees.
- Cockburn Community Development Group (a collective of resident groups) continued to meet bi-monthly. The group's Cockburn Community Sign project was launched in February 2010 – a pilot of 10 temporary use signs available to not-for-profits organisations.
- Cockburn Community Portal was revamped to operate as an online hub for Cockburn not-for-profit organisations, offering free websites and webmail.

Cockburn Volunteer Resource Centre:

- The Inspirational Volunteer Awards 2009 attracted 79 nominations, with 461 guests attending a magical evening picnic event at Manning Park on 5th December 2009.
- The Dive into Volunteering Youth Competition attracted 101 students from across Cockburn schools, with an exhibition featuring student artworks running from Monday 5th July to Friday 16th July.
- The Very Important Volunteer Card program was supported by 73 businesses with 1566 discount cards issued to community groups and volunteers.

Grants and Donations:

- The City's grants, donations and sponsorship program administered \$74,070 of Community Grants to 20 community groups and organisations for projects and activities;
- Sustainable Events Grants to five organisations for annual events; \$127,823 in donations to 17 organisations for ongoing operating costs; and \$30,000 in sponsorship to four organisations.
- Alcoa Cockburn Community Projects Fund concluded a five-year partnership which has seen the delivery of 33 community projects totalling \$192,702.50. The partnership has been reviewed with the fund to continue on an annual basis.
- Fremantle Ports Cockburn Community Projects Fund concluded a three-year partnership which has seen the delivery of seven projects totaling \$28,513.00. A new three year agreement will see the partnership through to 2013.
- The Cockburn Community Insurance Program provided public liability and volunteer accident cover for 29 groups.

Communications & Customer Services Department

Cockburn Council's Customer Services exists to ensure that all customers receive the highest standard of service and are kept well-informed about what's happening within the City. The City has a team of Customer Service Officers available to assist via telephone, email or face-to-face in the Customer Contact Centre and in the reception area of the Administration Building.

The Events team organise and support many events, including the popular Summer of Fun Concert series.

The other area of Customer Service promotes the services and facilities provided for ratepayers and people living in Cockburn through a variety of publications & promotions.

The employment of a full-time communications manager, media officer, public affairs officer and events coordinator ensures that the public is informed of matters up for public consultation, major decisions, planning matters events and anything of interest via the local media, promotional material and electronic media. Major publications that are coordinated by the Marketing and Customer Services Unit include:

- **Cockburn Soundings** - A 16-page full colour newsletter printed on recycled paper and sent to all households bi-monthly. This publication informs residents of current issues and developments within the City of Cockburn.
- **Cockburn Update** - Council's weekly update on page 4 of the 'Cockburn Gazette'
- **E-Newsletter** - sent out fortnightly.
- **The City of Cockburn Annual Report:** This Annual Report provides a Mayoral Report, Chief Executive Report and reports on each of Council's major divisions, as well as outlining the City's income and expenditure from the previous financial year.

Ranger and Community Safety Services

Ranger Services

The Ranger Services had a busy year with 4095 individual tasks dealt with by the Rangers. There were a 103 dog attacks and 433 parking jobs. And over 500 fire permits issued.

This year Rangers have carried out 3 combined operations with police on off road trail bikes resulting in several seizures of bikes and this has had a flow on effect in the form of information gathered to other police operations within the City resulting in several arrests.

The acquisition of two quad bikes as a result of a grant obtained from Landcorp has resulted in a large number of patrols being carried out in problematic bush land and beach areas. The Rangers have been trained by police and the bikes are also able to be utilized by police for land searches and increasing inter-service cooperation by police and local government.

Ranger Services has also taken on work experience people to encourage young people to look at careers within local government and in particular Ranger work.

Emergency Management

The City has recently conducted an Emergency Risk Management (ERM) analysis resulting in the City meeting its Emergency Management legislative commitment.

This was able to be done by obtaining a grant of \$30,000 from FESA by the Emergency Management Coordinator and is being held up by FESA as an example of how it ERM plans should be done.

Also in the Emergency Management area the new Local Emergency Management Arrangements have been finalized and will be published in November/December, completing the City's legislative requirements.

The City's Local Emergency Management Committee (LEMC), chaired by the City's Mayor continues to be a strong and effective body.

Community Security Service

This year was the final year of the Community Security Service operation in the City of Cockburn.

Upon Council determining the new direction of the City's commitment to security within the City of Cockburn, after an exhaustive review period it was decided to tender the Security Service rather than continue the shared service with the City of Melville.

Preparation and planning for the introduction of the City's new CoSafe Security Service was carried out during the year culminating in the establishment of the service.

The service commenced operation at 12:01am July 1st 2010 and can be contacted on 1300 267 233. 24 hours a day 7 days a week.

The service consists of 4 vehicles on the road at anyone time, twenty four hours a day seven days a week (24 hours 7 day) and will provide the service of responding to alarm callouts to council facilities, regular inspections and checks on the security of council facilities thus ensuring that all facilities have been locked and any damage identified is reported and action taken to ensure damage has been attended to.

The service also provides assistance to residents within the City to reports of anti social behaviour, suspicious activity, hooning activity and crime related activity in consultation with the local police service members.

The service has contracted Wilson Security to supply the officers and vehicles required to perform the service which is currently based on a 2 year contract with regular reviews of the KPI's in consultation with all parties involved.

The City has also employed a Coordinator of Security Services who will oversee the contract in place and act as a contact for the City with Wilson Security, as well as deal with any ongoing day to day issues as they arise in the general operation of security and safety related issues within the City of Cockburn.

Along with the Coordinator is another officer currently employed by the City as a CoSafe Community Safety Officer dealing with related issues such as Neighbourhood Watch, Security Subsidy programs, such as kerb and property markings as well as attending to group meetings on the service provided by the City in relation to security and safety. This officer also assists with the administrative running related to both the CoSafe service and the safety initiatives.

Community Safety

The following projects were undertaken by Community Safety

- Graffiti wipes project and grant acquittal.
- Youth centre CCTV project.
- Completion ERM plan/ community workshops.
- Electronic sign board grant application.
Project comprises 2 successful grant applications.

Over \$65,000 of grants were obtained from the Office of Crime Prevention to pay for the above projects.

Overall \$100,000 in grants were obtained by Ranger & Community Safety Services this year when including Emergency Management.

Aboriginal Community Development

The Aboriginal Community Development Officer supports the development and implementation of culturally-appropriate programs, events and projects for Aboriginal residents living in the City of Cockburn. This included:

- Acknowledgement of the anniversary of the Prime Minister's Apology to Aboriginal Australians;

- A 'Back to Country' bus trip during Harmony Week, developed in collaboration with the Walyalup Reconciliation Group, taking people on a day trip to Gnulla Mia, Wandering Mission;
- A Reconciliation Week event in June, taking both Aboriginal and non-Aboriginal seniors on a bus trip to visit significant Aboriginal sites across Cockburn and;
- Naidoc Flag Raising event at Council followed by an Aboriginal Art exhibition and performance by 'Mooditj Midgies' Aboriginal children's dance group.

The Officer is available via phone or home visits to assist Aboriginal residents who may require advice, information or support.

The 'My Time' Aboriginal Parent Support Group was established this year, providing parent and family support. Transport is provided for those that require it and this group has been well attended.

The Aboriginal Reference Group meets monthly to liaise and strengthen communication between the Aboriginal community and Council. Members of this group play a key role in engaging with the community and representing community views and ideas.

In November 2009 Council began the process of developing its Reconciliation Action Plan due for completion in 2010. Council signed a Statement of Commitment to create this Plan, followed by presentations being made to senior management, and staff attending Information forums. A number of actions will come out of this Plan which will be initiated over the next 2 years.



Disability Access and Inclusion Plan (DAIP)

The 6 DAIP outcome areas provide a framework for translating the principles and objectives of the Disability Services Act into achievable results:

Outcome 1

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

- The annual 'Celebrate Ability Day' acknowledging International Day of People with a Disability was successfully held for residents in December.
- The City trialed providing support for people with a disability at major events this year, providing a raised viewing area for people who were unable to stand; an Auslan interpreter and sign singer at the 'Hello Baby' event; and offering transport support for residents with a disability who can't access transport independently.
- The City, in partnership with employment agency South Metropolitan Personnel (SMP) provides ongoing employment via 4 Work Crews for 12 young people with disabilities in a supported team environment.
- Cockburn Community Care delivers services to the frail-aged, people with disabilities and their carers. In 2010, the Service received funding to upgrade facilities at the centre to create a more enjoyable environment.
- City of Cockburn's Childcare Services have access to Inclusion Support workers to assist children with disabilities to participate in after-school care and vacation care programs.
- Cockburn Early Years Program can provide support to families where either the parent, or child aged 0-6, have a disability or developmental delay. They deliver a home-visiting program and run parenting groups.
- Youth Outrage School Holiday Program includes young people of varying abilities in recreational and social activities. Cockburn Youth Centre also offers inclusive after-school arts and recreational-based programs for young people. In partnership with Challenger Tafe, the Youth Centre provides a venue for independent living skills programs and alternatives to employment programs for young people with a disability.
- The City has actively marketed opportunities for people with a disability to participate either as participant or volunteer in the Bibra Lake Fun run and Cockburn Community Bike Ride. This has been highly successful, raising the profile of people with disability in the community.

Outcome 2

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

- Modifications have been made to the accessible shower at Coogee Beach.
- South Lake Leisure Centre has had a new hoist installed in the family change room to improve access to the centre for people with a disability who are unable to transfer themselves.
- The Beach Trekker wheelchair is available to the public at the Coogee Beach Surf Lifesaving Club during the summer season.
- The Universal Playground at Manning Park includes a Liberty Swing, allowing children and adults who use a wheelchair to enjoy the use of a swing.
- Major upgrades which have been made to the facilities at Bibra Lake Regional Park include:

old concrete footpaths and cycle ways replaced with asphalt paths, eliminating trip hazards; installation of new paths to picnic shelters; new picnic furniture to accommodate those with limited mobility and in wheelchairs; drink fountains, waste and recycle bins installed adjacent to asphalt paths for easy access; and all turf areas levelled and top dressed to minimise trip hazards.

Outcome 3

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

- The City has adopted a Style Guide which includes guidelines on minimum font type, size and layout to improve accessibility.
- All publications include the text “Information available in alternative formats upon request”, and there have been a number of requests for large-sized print brochures and word versions of PDF documents. The City has trialed ‘Cockburn Soundings’ magazine in audio format for people with a print disability and it is now also available in word format. A database has been developed of residents who require information in an alternative format.
- The City’s website displays the “International Access” symbol on the top right corner of the homepage, as a link to the information page on the services available from the Customer Contact Centre.
- All the City’s libraries provide a range of assistive technology. Coolbellup Library includes an Adaptive Technology Centre, full wheelchair access and specific facilities for people with a disability. It offers resources that help people access a computer such as Kurzweil Omni that converts text to speech using a scanner; Starview magnification viewer; and a speech synthesiser.
- A Home Library Service delivers loaned books and other materials to those who are housebound and a fortnightly bus brings readers to Success Library.
- A specific augmented-hearing system has been installed in the Cockburn Seniors Centre which assists members with a range of hearing impairments.

Outcome 4

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

- The City employs a full-time Disability Access and Inclusion Officer.
- Human Resources delivers an induction to all new staff, including an outline of the City’s commitment to improving services for people with disabilities through its Disability Access and Inclusion Plan 2007-2011.
- Disability Awareness Training for all Council staff is delivered over a 3 year period, with 50% of staff having already received the training.
- Building Services continues to encourage their staff to attend training sessions from Department of Housing and Works, and Australian Institute of Building Surveyors to keep up-to-date with the Disability Access standards.
- Contractors who provide a service to the City that directly involves the public or facilities used by the public have to comply with the City’s DAIP. Clauses about the DAIP are included in the contract documentation where appropriate. A DAIP Contractor Report is required for Request for Tender, Request for Quotations and Consultancy Agreements over \$50,000.

Outcome 5

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

- The City's Customer Request System requires that officers respond to complaints within a designated time. Customer requests or complaints can be directed to the Customer Contact Centre on 9411 3444 or emailed through to customer@cockburn.wa.gov.au.
- The City provides the National Relay Service (NRS), a phone solution for people who are deaf or have a hearing or speech impairment. Customers can use the NRS if they have access to the internet or a special phone called a TTY. The City's Customer Contact Centre has NRS-trained staff familiar with the procedures of communication with the customer via a relay officer.
- Auslan signing interpreters who assist people with a hearing impairment can be provided by the City upon request and prior arrangement.
- The Disability Access and Inclusion Officer is available to provide support for people with a disability, their families and carers who wish to make complaints or requests to the City of Cockburn.

Outcome 6

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

- Council's Disability Reference Group (DRG) provides a voice to people with disabilities and makes their needs known to Council. Membership is open to all residents and service providers in Cockburn.
- Representatives from the DRG currently sit on the City's Cockburn Community Development Group and Australand's Port Coogee Working Committee. This ensures that barriers to disability access and inclusion are addressed appropriately in future developments across Cockburn.
- The City's Disability Access and Inclusion Plan (DAIP) included extensive public consultation with the City's staff, Elected Members, Disability Services Commission (DSC) staff, individuals and groups of people with a disability, DRG members, and clients from Cockburn Community Care. The DAIP is a public document available on the City's website and in other formats.
- Planning and Development Services continue to conduct face-to-face individualised consultations with people who have a visual impairment upon the customer's request. The Integrated Local Area Planning (ILAP) community consultation workshops for two new subdivisions in the City also included people with disabilities.

Family and Children's Services

Children's Development

This service continues to play a key role in community development relating to children and networking and advocating about children's issues and needs.

Annual meetings, such as the School Council Liaison Meeting, and ongoing network meetings (such as the South West Metro Children's Services Forum) continued to be run with a high level of participation. An Early Years network umbrella group, South West Early Years Metro Interest Group (SWEYMIG) was officially launched in 2010 with City of Cockburn playing an integral role in the formation and running of the group. The aim has been to amalgamate previous Cockburn early years groups into one, also covering Melville and Fremantle, and providing information sharing and action groups.

Events held annually, such as the Teddy Bears' Picnic for toddlers and Hello Baby for babies, continue to attract enormous support from the community and service providers. The second Hello Baby event was held in March 2010, welcoming new babies into the Cockburn community. Children's Development manages the database of parents with young children and hands out a parenting calendar, in partnership with child health nurses.

Cockburn Kids, an electronic newsletter, is sent out to families and service providers once a term, as a means of disseminating child and parent-related information to the public.

The Atwell 3 year old PlayClub has a new Playleader and is progressing well. It continues to attract full membership, with parents and their three year old children having the opportunity to play and learn together as a stepping stone to more formal schooling in the following year.

The process of reviewing and updating City of Cockburn's Children's Services Plan began during this year, working towards a revised 5 year Plan providing direction and outcomes for Children's Services from 2010 – 2015.

Buster the Fun Bus, the mobile activity van, provided 2 play sessions per week in outdoor settings for families and young children over the past year. The Manning Park session continued to be highly popular with very strong attendance, while the second session rotated between parks in identified areas of need and interest, particularly in the more rapidly growing suburbs of Cockburn

Support Services

The Support Services Team is made up of the City of Cockburn's two Financial Counselling Services and two Family Support Services. The core business of the support service team is to provide counselling, information, advocacy, options and referrals to individuals living in the City of Cockburn.

As well as offering casework, over the past 12 months the support services focused their broader activities to encompass a range of community groups. Events were organised around issues such as social inclusion, celebration of families, awareness of homelessness and poverty, and making a stand against domestic violence.

Other team initiatives were undertaken to meet the needs of the community, including the Lifeskills program, groups that aimed at minimising isolation, for instance: the Worldly Wise Womens' Group and Beeliar HUB cuppa and company, barbecue and a blanket, health and well-being programs and outreach to schools and community centres.

The support service team often works in collaboration and consultation with other City of Cockburn business units and community programs to maximise the potential of projects.

Child Care Services

Family Day Care (FDC): FDC is a not-for-profit Commonwealth Child Care Service with the Commonwealth providing partial funding and the remainder of operational cost being raised by fees for service. FDC operates with a Co-ordination Unit which is central to the quality standards of child care provision within the home based child care environment. FDC Providers who are self employed, accepted to membership of the Cockburn FDC Service following an extensive selection process. Scheme staff select applicants, providing training, guidance and resources to the care providers in order to support play based programs and quality child care. The FDC Service incorporates a wide area both within and outside the City of Cockburn.

Fifteen new FDC Providers were recruited in 2009-10. Around 70 FDC Providers care for approximately 1000 children each week.

Outside School Hours Care (OSHC): The City of Cockburn has five State Licensed and Commonwealth Accredited Outside School Hours Care Centres in which most continue to operate at full capacity. The five Centres operate on a not-for-profit, fee-for-service basis as one Before School Care and five After School Care Programs, five Vacation Care Programs, with over 300 children in care.

In Home Child Care Service (IHC): IHC is a not-for-profit Commonwealth Child Care Service which is provided for eligible families in the child's family home by an approved IHC Provider. The Commonwealth partially funds the service to target families who are unable to access existing child care services. All families need to meet one of the following eligibility criteria to be able to access this program:

- Parent(s) work shift work or non standard hours.
- Parent or child with illness or disability.
- Three or more children in the family not yet attending pre-school.
- The family lives in a rural or remote area.

The IHC Service, established in 2001, covers a wide area south of the river. The current Commonwealth established ceiling for the service of 65 Equivalent Full Time Children (EFT) in Care is nearing achievement. The IHC Service has requested a further increase to the ceiling to 100 EFT's which would allow the Service to continue to grow and thereby meet the needs of the communities it serves.

Library Services

This past year has been for the Library Service one of substantial activity. The services at Coolbellup Library were quickly affected by the building works associated with the Coolbellup Hub project. Progress overall has been good and it is expected that a changed and much improved library will reopen to the public in early August 2010. As well extensive planning work was begun for the new Success Library which is to be built on Wentworth Parade.

As expected loans and physical visits fell slightly by 3.13% and 6.13% respectively but website visits grew significantly by 31.87% to 156,092. The Home Library Service made 715 individual and 66 institutional visits and issued a total of 9,631 loans. 214 adult and 220 children's events and activities took place, 5665 new members were enrolled and the registered membership increased by 6.64% to 35287. The library's website, <http://library.cockburn.wa.gov.au> <<http://library.cockburn.wa.gov.au/>> was steadily changed and improved. It included the addition to the suite of the new online database, 'Popular Magazines'. The other important and useful addition to the website was 'Bookwall'. 'Bookwall' enables readers to browse and select new books from images of their covers. Investigations into new systems, networking and communication opportunities continued.

Cockburn Youth Services

Cockburn Centre

The centre caters for young people between the ages of 10 and 25. All programs, activities and events are supervised by qualified staff and programs and events are often run for specific age groups. Over the financial year the average number of young people who held memberships was 692, which entitles young people to access Youth Centre programs at discounted rates and gain discounts from shops at Cockburn Gateway Shopping City. Within the 2009/10 financial year 10,808 young people participated in programs, activities and events at the centre. Some of the most popular programs at the centre include private music lessons key board and guitar, skate jam and our cooking classes.

Young Parents' Group – NURTURE

Nurture is for young parents up to the age of 25 either living in the City of Cockburn or who have a strong link to the City. The main focus is to provide isolated parents with a place to come and talk with their peers, have access to a youth worker and child health nurse, so they can learn how to interact with their babies through different play activities and go on outings.

Young Women's Group - SOUL:

The young women's group is about providing an opportunity for young women to learn healthy cooking, budgeting, go on recreational outings such as bowling, learn self-defense and participate in hair and make-up workshops, among others. The program rotates to a different Cockburn high school each term.

Case work

City of Cockburn Youth Services was successful in once again receiving preferred service provider status with the Department for Child Protection' and, as such, receives funding for a full-time youth worker who is able to work with 12 individuals. The City of Cockburn is also pleased to have been selected as a preferred respondent for a Youth Diversion Service tender from the Department of Corrective Services. This service will employ two fulltime and 1 part-time staff members. The service will provide outreach case management, informal counseling and developmentally appropriate tailored groups to at risk young people aged between 10 and 18 years and their families who are referred from the Department of Corrections. The focus of these programs includes developing self esteem, team work, positive participation in and interactions within our local community, life skills and career path opportunities.

Youth Development

This Cockburn Youth Services continues to play a key role in community development relating to young people and networking.

During the financial year the Youth Development Officer has delivered the following programs: Youth Outrage School Holiday Program; Cultural and Linguistic Diverse Programs with Northlake Senior High School and the Cockburn Youth Centre; aerosol arts workshops; skate park competitions; fishing programs; afterschool recreation programs; skateboard coaching clinics; school holiday camps, the Youth FROSH Festival, coordination of the mobile youth activity bus, individual arts programs and assisting in all other areas of program development and delivery in the Cockburn Youth Services Team.

Youth Advisory Council (YAC)

Youth Service staff work to support the City of Cockburn's Youth Advisory Council representatives. There are 15 spaces available on the YAC for local young people aged 12 to 20 years. The aim of the YAC is to provide advice on Youth Issues to Cockburn Council and assist in the delivery of youth related programs, such as the FROSH Festival at the Cockburn Spring Fair.



Seniors Centre

The Cockburn Seniors Centre opened in August 2009 and was one of the strategies contained in the City of Cockburn Age Friendly Strategic Plan. In the first year the Centre has provided a quantum improvement in physical activity, healthy living and social connection opportunities available to local seniors.

The Centre is open 9:00am – 4:30pm Monday to Friday. There is a wide range of programs available including twice weekly outings. Two course nutritious meals are provided three days per week.

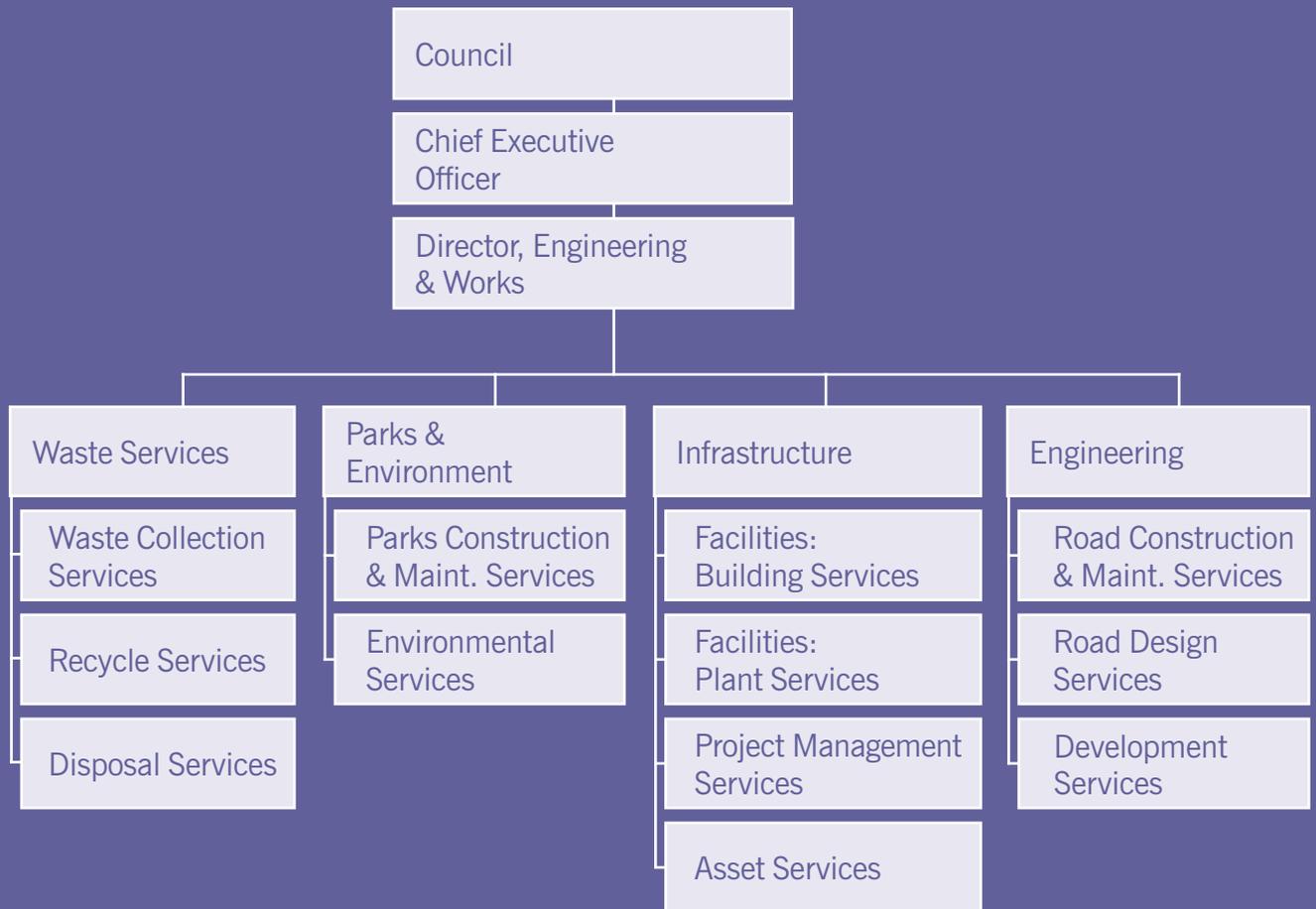
The Centre provides various social opportunities and has regional organised events. The Centre is a great resource for community organisations and is hired regularly.

The Centre provides occupation for a growing band of volunteers who run programs, work in the kitchen, meet and greet potential new members and drive members with impaired mobility. The Centre has two salons with a hairdresser, podiatrist and reflexologist which are rented at low cost so that fees are kept to a minimum.

The membership base reached over 760 people in the first year. The centre averaged 821 patrons per month during the first year with over 1000 patrons attending per month in the later months.

The Seniors Centre Coordinator also facilitates the Regional Seniors Group (RSG). The RSG provides an information forum for Cockburn Seniors recreational groups across the district.





Engineering and Works Division

The Engineering and Works Directorate is responsible for delivering and maintaining a safe road, cycleway and path system, developing and maintaining parks, landscaping the natural environment, collecting and disposing of waste from all properties in the district and providing and maintaining all buildings and other facilities on Council property for community use.

The Engineering and Works Directorate was directly responsible for the cash expenditure of approximately \$60 million. This expenditure was funded by State and Federal grants, fees, charges and other developer contributions with the balance coming from rates and the City's revenues.

The Directorate was very busy during the 2009-10 year, and was involved in maintaining and acquiring a wide range of significant and minor assets and projects throughout the district.

Asset Development	000s
Roads, Footpath & Drainage	5,304
Vested Subdivision Roads, Footpaths & Drainage	263
Contributed Assets Parks Infrastructure	106
Parks & Environment	3,810
Buildings	12,831
Landfill Site	107
Plant Maintenance	3,260
Total	25,681

Operational Activities	000s
Roads, Footpaths & Drainage Maintenance	5,153
Land Acquisition for Roads	0
Parks & Environment Maintenance	8,000
Waste Disposal	6,835
Waste Collection	7,900
Facilities Maintenance	3,370
Plant Maintenance	2,316
Total	33,574

Engineering Services

Achievements

- The completion of the Spearwood Ave / Barrington Streets intersection upgrade, preceding the traffic signal installation in 2010/11, and preparatory works for the extension of Spearwood Ave north toward Sudlow Road.
- The construction of the 2nd carriageway on North Lake Road between Bibra and Discovery Drives.
- The completion of the extension of Beeliar Avenue from Watson Road to Stock Road.
- Major pavement rehabilitation and resurfacing works were completed on Beeliar Drive (Spearwood Ave to Hammond Road), Forrest Road, (Sudlow Road to Stock Road), Southlake Drive and various other roads within the City.
- A major path and cycleway construction and rehabilitation program completed, including provision of an on-road cycleway along Forrest Road between Stock Road and Sudlow Road.
- Stormwater drainage works including sump rationalisation, landscaping and fencing.



Infrastructure Services

Achievements

In the Project Services area the following was achieved:

- The construction of the new Coolbellup Hub facility was brought to near completion. This major new building, which houses the Coolbellup Library, Family Day Care and Vocation Centre, was subsequently completed and officially opened in August 2010.
- Award of the contract and construction commencement of the civil works for the new Integrated Community Facility at Poore Grove, Coogee Beach. This first stage will create a much improved carpark and beach access node prior to the summer of 2010/11. Subsequent stages will include the construction of a new Coogee Beach Surf Lifesaving Clubhouse and kiosk.
- Completion and opening of the new Regional Sports Facilities on Hammond Road in Success.
- Completion and opening of the new Community and Sporting Facility at Aubin Grove.
- Refurbishment of the Coogee Beach Toilet Block, first stage.
- Completion of the corrosion protection works for Coogee Beach jetty.
- Replacement of the Scouts shed in Hope Road, Bibra Lake.

In the Asset Services area, ongoing implementation of Council's Asset Management Strategy, has included:

- Configuring the City's Works and Assets management software for our Fleet and Roads asset groups, staff training and system implementation.
- Asset data collection and configuration, with emphasis on road and building assets.
- Ongoing development of Asset Management Plans for a number of our asset groups.

In the Plant area, further refinement of our 10 Year Plant Acquisition and Replacement Program, with continued targeting for improved efficiency, environmental footprint and long term budget outcomes. Specific outcomes for the year included:

- In the major plant area, taking receipt of two new and five replacement parks' mowers, a replacement Roads' front end loader, two replacement road's tip trucks, five replacement and one new Waste compactor truck, nine trailers and four replacement crew cab vehicles for Parks and Roads operations crews.
- Purchase of 34 new and replacement cars, vans and utilities for the light fleet.
- Limited expansion of the fitting of vehicle-mounted GPS equipment in roads, parks and waste collection vehicles to assist with route planning and vehicle-use optimisation.

Waste Services

Henderson Waste Recovery Park

Our facility moved closer to its title in the last FY year by implementing significant recovery and carbon reduction initiatives.

- The HWRP provided a disposal site for 137,000 tonnes of waste for the industrial, commercial and domestic communities.
- The Business Unit also secured a strategic blueprint to allow the development of the business for another decade.
- Approval, in principal, from Cockburn Cement and WA Limestone was given for the rezoning of a portion of their land to “Resource Recovery”.
- Approval, in principal from the Department of Environment and Conservation for the rezoning of the “Resource Recovery” footprint for the Henderson Waste Recovery Park.
- The latitude 32 District Structure plan was released for comment with a revised footprint to suit the HWRP site expansion to the north.
- WAPC, DEC and Clearing Approvals issued for the construction of Cell 7.
- The Recycle Shop opened on 11 September 2009 and in 9.5 months diverted 133 tonnes from landfill and generated an income of \$120,000.
- Landfill staff were trained to tag and test electrical equipment for sale in the Recycle Shop.
- The program to upgrade the groundwater monitoring capability at the Henderson Waste Recovery Park (HWRP) and the resultant report was completed in April 2009.
- A 3rd generator was installed at the HWRP Methane Conversion Plant increasing the electricity generation capacity to 3.2Mw.
- Installation by the Research Institute for Sustainable Energy (RISE) of a Small Wind Turbine Testing Facility at the HWRP.

Waste Collection Services

The Unit manages the City’s 240 lt bin collection, junk and greenwaste program.

- Staff established an alternative to receive domestic recyclables for 5 member Councils following the demise of the Materials Recovery Facility at the SMRC.
- Information on waste collection opportunities is now provided to developers prior to the submission of a DA to assist in ensuring complex buildings allow for the safe and efficient collection of waste.
- Waste Collection rounds were modified in July 2009 to accommodate the growth in the district.
- The City adopted the Waste Minimisation, Storage and Collection in Multi Unit Developments Policy and this document has served as a blueprint for many new developments.
- Undertake “in house” park and litter bin service from July 2009.
- Roll out of the Dry Cell Battery Recycling Program across the South Metropolitan Region and the COC as a result of a grant from the Strategic Waste Initiatives Grant.

Parks and Environment

The design, construction and operational maintenance of the City's open space hierarchy are undertaken by a team of dedicated personnel. Specific expertise is required to manage areas of active and passive open space, streetscape enhancement, playground and park infrastructure as well as foreshore, natural areas and wetland systems. A diverse range of projects and programs have been completed throughout the year.

Parks Capital Works Program

The Parks Services team managed the planning, development and implementation of the following key projects:

- Construction of Aubin Grove Sporting Facility.
- Replacement of irrigation system at Bibra Lake picnic area.
- Upgrade and replacement of playgrounds at a range of locations including Perena Rochi North, Radonich Park and Spinnaker Heights.
- Implementation of Bibra Lake Management Plan projects.
- Upgrade of floodlighting at Tempest Park.

Parks Operations and Maintenance

A range of Parks operational and maintenance activities were achieved including:

- 600 street trees were planted within street verges with a further 150 mature trees planted at other locations including parks, reserves and areas of open space.
- A number of collection stations have been installed to monitor leachate and nutrient content to accurately determine appropriate fertilizer and irrigation application rates on open space areas.
- Monthly monitoring of ground water usage to comply with Department of Water requirements.
- Replacement and upgrading of irrigation systems and installation of water flow meters continues to demonstrate the City's commitment to best practice in groundwater management.
- Grounds maintenance of active and passive reserves continues to showcase the City's open space management for residents and visitors to the area.
- Parks infrastructure and playground inspection programs were undertaken throughout the year to ensure that all assets provided for use by the community are safe and well maintained.

Sustainability

Some of the key Sustainability initiatives achieved include:

- An inter-departmental sustainability committee was formed and is progressing sustainability throughout the organisation. Key initiatives have included the development of a staff program, engaging all employees in practical action on sustainability.
- A Sustainable Renters Guide has been developed to assist people that are renting to implement sustainability measures within the properties they are renting.
- A Better Tomorrow Sustainability Grants Program has replaced the Sustainability Award Program. This new program will actively support the implementation of sustainability initiatives within the City and more information can be found at www.cockburn.wa.gov.au/sustainability_grants

- The City has been increasingly incorporating sustainable design into its planning and development processes. These include the development of a residential design policy which incorporates elements of sustainable design.
- In its role as an ambassador organisation to the Days of Change state sustainability program, the City hosted a number of information sessions for residents on renewable energy, sustainable transport and waste.
- A number of tours of energy efficient buildings were organized to give staff insight into measures can be incorporated into building design to make them more efficient.

Greenhouse Gas Emission Reductions

The City is continuing with the implementation of measures to reduce greenhouse emissions within the organisation and the Local Government Area and these initiatives include:

- Completion of an inventory of energy consumption and carbon emissions within all City operations. Results indicate that the City's emissions have reduced.
- Installation of photovoltaic systems on five community buildings including the Spearwood Library, Coolbellup Community Hub, Jean Willis Centre, Henderson Waste Recovery Park and the Atwell Community Centre.
- Development of an interactive community information display on solar energy.
- Engagement with Research Institute of Renewable Energy (RISE) to develop a series of maps illustrating the wind power resource for small wind turbines in the City.
- Installation of wireless energy monitoring sensors in 6 buildings within the City.
- Facilitated a multi-criteria analysis of greenhouse gas abatement opportunities against sustainability criteria to help inform the City's emission reduction strategy.
- Facilitated 65 home energy and water assessments for City of Cockburn residents through the Save Water and Power Program.

Climate Change Adaptation

- SMRC Councils developed a regional climate change risk assessment action plan.
- The City has developed and internal Climate Change Adaptation Plan.

ICLEI Water Campaign

The ICLEI Water Campaign aims to improve water quality and promote water conservation within the City's internal operations. This has been achieved by:

- Completion of an inventory of City and community water use.
- Completion of an assessment of council and community water quality management practices.
- Achieved Milestone 1 of the ICLEI Water Campaign in December 2009.



SMRC ClimateWise Achievements

ClimateWise is an initiative between the Cities of Canning, Cockburn, Fremantle and Rockingham and Towns of East Fremantle and Kwinana who are part of the Southern Metropolitan Regional Council to help the community respond to climate change. Two community ClimateWise projects were facilitated and assisted in reducing greenhouse gas emissions in the City by 41.47 tonnes. These projects are:

- Fostering Sustainable Energy Practices in Homes (Climate Actions)
- Living Smart

Bushland and Wetland Management

Environmental Services has responsibility for 98 reserves comprising 1088 hectares of natural bushland and wetland across the city. 43 reserves are actively managed equating to 604 hectares. Management of reserves involves weed control, general repairs, assessments and installation of infrastructure.

- Reserves are prioritised to ensure that resources are allocated in a strategic manner so that financial and environmental value is maximised. Criteria for prioritisation include vegetation condition, rarity, ecological connectivity and community involvement.
- Many reserves are Bush Forever sites containing threatened flora and threatened ecological communities which are listed under the Environmental Protection and Biodiversity Conservation (EPBC) Act 1999 (Ecologia 2005).
- More than 2.3 hectares of revegetation occurred along the eastern edge of Bibra Lake where 49,000 plants were planted as part of the Bibra Lake Management Plan implementation program. Additional revegetation included 1.3 hectares along Progress Drive to facilitate the enhancement and protection of Quenda habitat.
- A number of clearing permits were obtained and offsets provided for North Lake Road duplication, Spearwood Avenue extension, Russell Road, the Coogee Beach Surf Life Saving Club and construction of Cell 7 at Henderson Waste Recovery Park.
- A range of projects required the submission and approval of offset packages which the City has committed to. This includes offsets of 5.4 hectares at Coogee Beach and 5.6 hectares for Spearwood Avenue.
- The City received grants funds through the Caring for Our Country and Coastwest grant schemes of \$20,000 and \$16,000 respectively. The funds were utilised in dune rehabilitation at Coogee Beach and to upgrade fencing and paths to the beach.

Vegetation and Weed mapping

To assist managing reserves, vegetation condition and weed mapping has again been conducted this year.

- 19 reserves comprising 53 hectares were mapped to establish their condition and 18 reserves comprising 201 hectares were mapped to identify the level of weed infiltration.
- Regular mapping allows the City to determine where to focus revegetation activities and also manage major weed infestations. As there are significant costs associated with weed control mapping, a targeted approach assists in minimising costs whilst maximising results.

Revegetation program

- More than 37,500 plants were planted in 10 conservation reserves to reinforce existing natural vegetation.
- Maintenance and weed control were undertaken in these areas and other revegetation sites and will continue until these areas are deemed self sustaining. Even with the poor rainfall experienced this year, survival rates are expected to be as high as 70%, which is an excellent outcome.

Volunteers and community events

- 9 community planting events were held this year at a number of different localities. Many more volunteers were involved in weed control activities at Coogee Beach and C. Y. O'Connor Reserve.
- Over 300 primary and secondary school students were also involved in planting at number of locations.

Midge Monitoring

- 10 wetlands and four constructed water bodies were again monitored this year.
- Reduced rainfall has resulted in wetlands drying out more regularly, which is reducing the prevalence of nuisance midge.
- Yangebup Lake was the only wetland that was treated during the 2009/10 midge season.

Landowner Biodiversity Conservation Grants

The grant program was recognised this year when the City won the 2010 Local Government Perth Biodiversity Award.

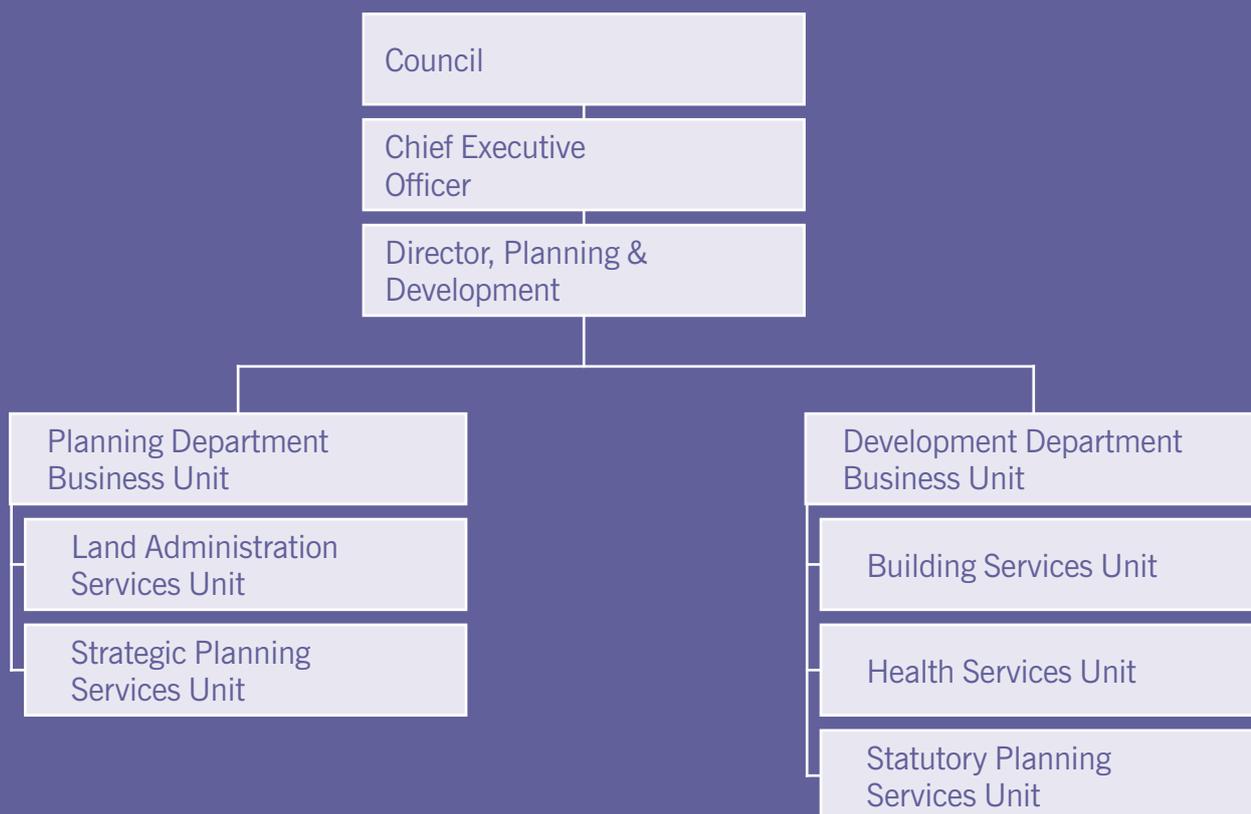
17 private property owners were provided with assistance to conserve and enhance bushland. \$25,000 worth of funds was distributed to landowners to undertake the following works:

- 12.5 hectares of weed control was undertaken to maintain good quality bushland and wetlands.
- Over 700 plants were planted in revegetation projects
- 0.5 hectares of bushland was treated for dieback

Environmental Education/Community Events

A number of educational programs and community events were delivered this year.

- 28 Wild about Wetland events were hosted in conjunction with the Cockburn Wetlands Education Centre. Event themes ranged from wetland and catchment management education, reptile awareness, aboriginal Noongar education, community planting, fauna friendly gardening and flora and fauna guided nature walks. More than 400 community people attended and were informed about our wonderful flora and fauna.
- Delivery of educational activities to schools including more than 30 incursions and excursions.
- Facilitated tours to the Henderson Waste Recovery Park for staff and schools.
- Hosted 2 Great Gardens Workshops.
- 1 x LivingSmart Workshop for Staff.
- 1 x LivingSmart Workshop for the Community.
- World Environment Day Schools festival to 6 local primary schools (150 students).



Planning and Development Division

Environmental Health Services

The City's Health Services Team has continued to develop strategic initiatives for the Cockburn community in partnership with the South Metropolitan Public Health Unit. Significant attention is being given to address the epidemic of lifestyle diseases including obesity, heart disease and diabetes. The new Travelsmart Cockburn program is proving to be successful.

Through a partnership with South Metropolitan Public Health Unit (SMPHU), the Be Active Cockburn website was extended to become a Healthy Lifestyles website including information on physical activity, TravelSmart initiatives, smoking cessation and prevention, alcohol and other drugs, nutrition, mental health and links to other health promoting sites. The City's Travelsmart Officer will deliver a joint presentation by SMPHU and City of Cockburn at the prestigious Public Health Association Conference in November 2010 to highlight the website.

The City's Smoke Free Environment Policy is one the most comprehensive policies to be adopted by a local council in WA and is almost entirely mirrored in the new State smoking legislation. Signs have been installed advising people not to smoke near playgrounds or within 10m of others on our beaches. The City received both the State and National Heart Foundation Awards for the Tobacco Action Plan. An award ceremony was held at the City of Cockburn in February 2010 attended by executives from the Heart Foundation, South Metropolitan Public Health Unit and staff and community members who had attended FreshStart Quit Smoking courses delivered by City of Cockburn Staff.

Physical Activity and TravelSmart

The TravelSmart program aims to reduce single occupant vehicle use through promotion of active transport including walking, cycling and public transport. Major components of the program in 2009/2010 included:

- Update and distribution of TravelSmart Guides (East and West) to all residences in City of Cockburn
- Development of a work plan for the TravelSmart program
- Development of the Workplace Action Plan, endorsed by Council in May 2010
- Assistance for 2 schools in Yangebup to develop TravelSmart Action Plans as part of the metro-wide TravelSmart to School pilot program
- Implementation of the TravelSmart pledge for Community members to promise to use their cars less
- Displays promoting the benefits of regular physical activity and reduction of car use at City of Cockburn events, libraries and the Cockburn Senior Centre and other community centres.
- Promotional information including promotion of new cycle paths, the TravelSmart Guides and the TravelSmart Pledge has been delivered through the city's Be Active Cockburn web site (www.beactivecockburn.wa.gov.au), via the quarterly Be Active Cockburn newsletter and through press articles and advertizing
- Entering the City of Cockburn into the TravelSmart Awards that resulted in Mayor Howlett winning the TravelSmart Champion of the Year Award
- Volunteer walk leaders have continued to run the Heart Foundation Walking and other walking groups. Three new Walk Organizers were trained and a new Pram Walking Group started in Spearwood
- Walk Week events included the pedometer challenge at Cockburn Rotary Spring Fair and a combined event with the City of Fremantle, the Fremantle Cockburn TravelSmart Trek
- Pedometer loans at City of Cockburn Libraries continue
- Bike Lockers for staff were installed at the Administration Centre
- A partnership with City of Melville and City of Fremantle was formed and funding secured to implement the Safe Speed Promise in 2010/2011

Environmental Health Programs

The City's Health Services Team continues to play a regulatory role to ensure that the minimum environmental health standards across the city are maintained.

Industrial Premises Program

The City's industrial premises program continued in its third year. The key milestones during this year have been a strengthening of the relationship between the City's Industrial Premises Officer and the Department of Environment (DEC) Kwinana office, and the discovery of significant number of unauthorised/illegal activities being carried out in premises without planning approval.

Our Industrial Premises Officer is ensuring that all sites comply with a wide range of minimum standards. Illegal activities such as sand blasting and/or spray painting in open yards, unauthorised wash down areas, pollution of stormwater, inadequate paving and draining of yards, poor housekeeping, and nuisances are being targeted for early compliance. In 2009/10 the program focused upon inspection of motor repair shops, spray painters and abrasive blasters throughout the City, and industrial premises in Henderson.

Contaminated Sites

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

Currently, there are ten sites in the City that have been reported, of these, the City's currently investigating six sites to varying degrees. These sites comprise land associated with McTaggart Cove in North Coogee, Dixon Reserve in Hamilton Hill, Bibra Lake Reserve – Bibra Lake, Howson Way - Bibra lake, Dubove Reserve –Spearwood, and Poole Reserve in Coogee. To date, no site has been determined to be a source site (ie, leaching contaminants off site) however, this may change as more detailed investigations are undertaken.

Food

The City prepared for the introduction of the new Food Act and Regulations which will see food hygiene legislation applied nationally for the first time. Assistance was given to operators of food premises to ensure the transition from the old Food Hygiene Regulations was as smooth as possible.

The main issue that has arisen is that the City is enabled to charge all food premises a risk based assessment fee. This will apply to many food premises that have not paid fees in the past through the old Eating House provisions of the Health Act and Local laws. The fees are very similar in amount to the Eating House fees and current licensed eating houses are unlikely to notice the difference.

Dust Management

The summer of 2009-10 was especially dry and windy and the City received a significant number of complaints about dust from development sites across Cockburn. Infringement penalties of \$500 per "dust event" were served on several developers totaling \$7500. The City has now adopted a zero tolerance when dealing with potentially dusty activities especially bulk earthworks on development sites. The City's moratorium is strictly enforced whereby bulk earthworks are not permitted between 1 October and 1 April without the special approval of Council. Local Government Act Notices are served in relation to each Dust Management Plan and failure to comply will result in a potential fine of \$25,000.

The City allocated additional funds towards the purchase of several dust deposition gauges to be installed to measure dust fall out. These gauges have been installed on residential premises near to Cockburn Cement as a part of a project for the WA Department of Health to measure dust impacts on residents.

Enforcement/compliance action

There were two prosecutions undertaken by the City against non compliant food premises. The first was taken against the Excelsior Chinese Restaurant for 17 offences under the Food Hygiene Regulations - mainly relating to the condition of the premises and standards of cleanliness – Costs granted \$2085.70 , Fine \$26500 Total \$28,585.70

The second prosecution was against Food Works for 8 offences under the new Food Act 2008 for date marking breaches. Costs \$1426.70 Fine \$28000.00 Total \$29,426.70.

Three infringement penalties of \$250 were issued for breaches of noise regulations. A hoarder with significant volumes of materials in his rear yard that harboured rats was fined \$6750.

Building Services

The City issued 3007 building licences for the year, an increase of 8.3% over the previous year. The increase in total building licences issued is commensurate with the surge in residential building licences issued. The increase was supported by the Federal Government's increased First Home Owner's Grant that ended on 31 December 2009.

Whilst there was an increase in the number of building licences issued, the total value of the works remained almost static. This was caused by a reduction in high value commercial and industrial building licences being issued throughout most of the year. This was due to the difficulty faced by developers in obtaining credit because of the affects of the global financial crisis.

The number of building applications received in 2009/2010 was 3146 which indicates there is underlying strength, as during the same period 3007 building licences were issued. The total value of the building applications is however slightly less than the value of the works issued with building licences during the same period.

In view of current world financial conditions, it is difficult to determine which direction the building industry will take in the short term. Recently there has however been an increase in the number of larger commercial projects being issued with Building Licence approval. Cautious optimism should be exercised based on Western Australia's unique position in the world, as a key resource/mineral producer, and the continued immigration of people to Western Australia. This scenario will likely underpin steady growth, which should result in building application numbers being commensurate with the past five years, as we move into the future.

Building approvals 2009/2010 are as follows, as compared with the previous five years:

Year Ending	Permits	Value	Fee	Residential	Commercial	Industrial	Other
30/6/05	3069	245m	813,000	1227	84	9	1749
30/6/06	3172	322.m	1.2m	1172	115	3	1882
30/6/07	3226	540m	1.525m	1161	199	5	1871
30/6/08	3046	537m	1.646m	1068	268	5	1705
30/06/09	2776	474m	1.432m	1021	188	5	1562
30/06/10	3007	475m	1.402m	1265	165	-	1577

Electronic Lodgment System (ELS)

The City issued 416 building licence approvals for single residential dwellings online in 2009-10, an increase of 58% over the previous year. Further enhancements were made to the system to enhance soft copy document handling and tracking.

Built Strata Title Applications

During the year, the Building Service issued 56 built strata title approvals.

Other Approvals

A total of 49 demolition licences were issued in 2009/10.

A total of 41 sign licences were issued in 2009/10.



Private Swimming Pool Inspection Program

The mandatory private swimming pool inspection program continued in 2009/10. The number of registered pools and spas within the City increased by 297 to an end-of-year total of 5374 – an increase of 5.84%. A total of 32 pools and spas were removed in 2010. A total of 1129 swimming pools were inspected throughout the year.

Statutory Planning Services

The core activities of the City's Statutory Planning team are focused in the following areas:

1. The assessment and determination of development applications.
2. The consideration of proposals for the subdivision of land. In respect of this, the team provides recommendations on individual proposals to the Western Australian Planning Commission.
3. The processing of Subdivision Clearance Requests in respect of land recently subdivided.
4. The preparation of Detailed Area Plans. These are designed to shape and guide the development of particular land parcels throughout the City.

For the 2009-10 financial year, the City received 1046 Development Applications, and determined 1039. In addition, 140 subdivision proposals were submitted for the City's consideration. This workload is broadly commensurate with that of the 2008-09 financial year, and this consistency is particularly noteworthy given the Global Financial Crisis that has ensued throughout this period.

The average turnaround times for the receipt, assessment and determination of Development Applications throughout the 2009-10 financial year was 34 days. This compares to a response rate of 29.3 days in the 2008-09 period, and remains commendable given the movement of staff into/out from the Team throughout the reporting period, coupled with the growing complexity of Development Proposals, especially in the developments along the Cockburn Coast at Port Coogee and within Cockburn Central. The 34 day average processing time remains competitive across the industry, where the statutory period for the determination of non advertised development applications is 60 days, and that for advertised proposals is 90 days.

As the City has grown, both physically and in terms of its diversity, and as it has become a destination of choice for residents and businesses alike, high quality development outcomes are now a critical prerequisite. In a concerted effort to ensure the delivery of such outcomes, the Statutory Planning Team ensures that development proposals are subject to a critical and robust assessment. Staff engage in pre-lodgment meetings to ensure that maximum benefit is derived from all significant development proposals. Whilst this process takes time, it is considered to be time well spent given the successful development outcomes that are increasingly evident throughout the City.

The Statutory Planning Team is also responsible for the preparation of zoning statements. Zoning statements provide comprehensive information relative to a particular property. Typically prepared for settlement agents, these statements form part of the information made available to purchasers as part of the property sales process.

The City provided 3234 zoning statements during the 2009-10 financial year, compared to 2645 for the same period in 2008-09. This represents a significant 22% increase, and is indicative of the strong interest in, and the obvious development potential of the City of Cockburn as a place to live, work and visit.

Online Lodgment (Master Plan)

The process of continual improvement associated with the City's online planning facilities has witnessed the delivery of significant enhancements in relation to the product, for the benefit of both customers of the service, and staff within the organization. This has included the introduction of an online planning application form, as well as the streamlining of the product to make it more user friendly.

This process will continue, with online payment functionality likely to be introduced in the coming financial year. In addition, the long term aspiration that the system integrate more effectively with the Councils property CI system, will be the subject of further investigation.

Strategic Planning Services and Land Administration Division has progressed and finalised a number of major projects throughout the year, covering a wide range of land use types throughout the City. These have ranged from residential through to commercial, industrial and conservation/recreation purposes, and continue to support the sustainable development and expansion of the City. In conjunction with this, the Strategic Planning Team has also been involved in providing key input into various State Government planning projects, including the new strategic plan for the Perth Metropolitan Area titled 'Directions 2031 and beyond'. The Strategic Planning Team has provided key input into this document especially recognising its influence upon all current and future planning activities within the City.

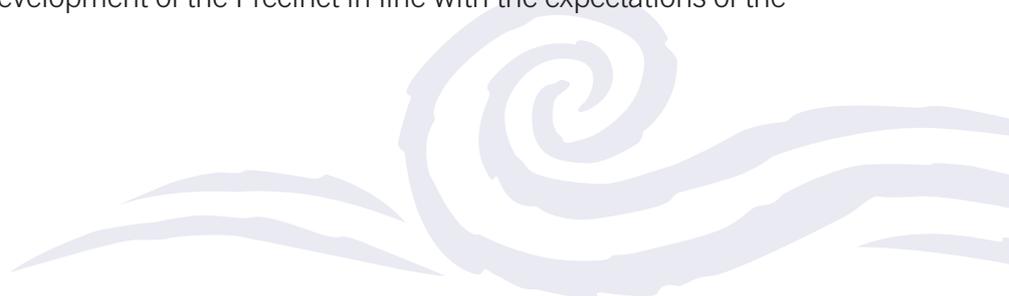
The following lists some of the major highlights which were achieved during the year:

Structure Plans / Management Plans

Management Plan for Lots 14 and 22 Progress Drive, Bibra Lake - The team prepared and achieved Council approval of the Management Plan for Lots 14 and 22 Progress Drive, Bibra Lake. The purpose of this Management Plan was to facilitate private recreation uses on the degraded portions of the subject land, while enhancing conservation values of the balance areas to be protected through a subdivision process. This is consistent with the endorsed Bibra Lake Management Plan, which identified the subject land as being within a leisure precinct.

Draft 2009 Jandakot Airport Master Plan - The team prepared a response on behalf of the City to the 2009 Jandakot Airport Master Plan. The Master Plan indicates both additional aviation and non-aviation development across the airport site, and will further evolve the airport as an important economic activity centre within the Perth Metropolitan Region. The City's submission on the 2009 Master Plan emphasised issues needing to be addressed including potential noise impacts on residents; the economic impact of the airport development; environmental issues needing to be adequately managed and; threats to the Jandakot Water Mound needing to be appropriately mitigated against.

Muriel Court Structure Plan - The Muriel Court Structure Plan received Western Australian Planning Commission approval during the year. This was a challenging Structure Plan for the team to prepare, noting the significant fragmentation of the land precinct and the need to capitalise fully on its location close to the Cockburn Activity Centre and Train Station. Associated with this, the team prepared and gained Council approval a Local Planning Policy which applied design guidelines to the Muriel Court Structure Plan area. This provides a robust planning instrument in which to guide development of the Precinct in line with the expectations of the Structure Plan.



Scheme Amendments

Scheme Amendment No. 74 - Council granted final approval to this amendment, covering Lots 512 to 515 Cockburn Road and adjacent portions of Kiesey Street and Beach Road, Coogee. This amendment was prepared by the staff, in response to the need to impose an appropriate planning regime to control the future development of the land. This landholding is a highly iconic and valued place within the City, comprising the historic Coogee Hotel and Post Office and being near the popular Coogee Beach. The new planning controls which are now in place provide the opportunity for an integrated development, focused on protection of cultural heritage values.

Scheme Amendment No. 76 - Council granted final approval to this amendment in order to commence implementation of the Phoenix Central Revitalisation Strategy, which was granted final approval by Council in early 2009. Key to this amendment was the comprehensive rezoning of residential allotments within the Phoenix Revitalisation area, from the current density of R20 to densities ranging from R30 through to R80 in accordance with the adopted Revitalisation Strategy. Associated with this was the preparation of a new Local Planning Policy to guide the redevelopment of residential properties throughout the City, and this has been referenced into the Scheme as part of this amendment.

Scheme Amendment No. 70 - Council granted final approval to this amendment, comprising some 75 lots located east of the Port Coogee development and bound by Cross Road, Mell Road, Rockingham Road and the 'Railways' reservation. These lots are owned by various landowners including George Weston Foods Ltd, the owner of the former Watsons Factory. With the Watsons factory closing down, this has provided the ability for the land to be urbanised and accordingly Scheme Amendment No. 70 was the important first step to put in place the planning controls to allow structure planning and subsequent subdivision and development to occur.

Cockburn Coast Redevelopment

The City commenced implementation of the Cockburn Coast District Structure Plan which was approved by the State Government during the year. The first task associated with this was the preparation of amendments to the Town Planning Scheme and new Local Planning Policy to ensure that development of the Newmarket Precinct was controlled in a way which was reflective of the endorsed District Structure Plan. This was a complex challenge, as existing landowners within the Precinct had existing urban development potential under the Town Planning Scheme. The key challenge was therefore creating a policy instrument that would ensure the key aspects of the Cockburn Coast District Structure Plan were comprehensively planned and incorporated - but in a way which would be respectful of the existing planning context.

Proposed Kwinana Intermodal Terminal

The City had previously prepared an alternative location for the Proposed Kwinana Intermodal Terminal. This was a result of concerns being raised by the City in respect of how traffic, noise and other amenity impacts could be managed in the location proposed by the State Government. The City considered the technical report by the Commission in response to the City's alternative location, which essentially did not support the alternative. Notwithstanding, the City provided a response to the State Government seeking assurances from the Department of Planning and LandCorp to ensure that the proposed intermodal terminal and associated freight village had no adverse impacts on any existing or future rural or residential areas, particularly those adjacent to access roads and rail links. It was also requested that once a final location had been endorsed, the State Government act immediately to acquire this land so as to not financially disadvantage landowners who would otherwise have short to medium term industrial development potential as part of Latitude 32.

Metropolitan Region Scheme

The City continued its participation in regional planning through the South West District Planning Committee of the Western Australian Planning Commission. A number of major proposals were successfully progressed through the South West District Planning Committee which related to the City. These included the endorsement of the Proposed Metropolitan Region Scheme Amendment for the Cockburn Coast District Structure Plan.

Southwell New Living Project

The City continued its working relationship with the Department of Housing and Satterley Property Group in relation to the Southwell New Living Project. This will see the refurbishment of all Homeswest houses, and the sale of some houses and units in order to reduce the extent of public housing in the area to around 10%.

Land Administration

The Land Administration section has also had a very productive year in terms of dealing with a variety of land development, leasing, acquisition and sales involving City owned land. A number of projects were facilitated throughout the year including:

- Project management and sale of various land holdings, netting income in excess of \$2.5M for the financial year. The income generated from these sales has been placed in reserve holdings, and will be used to fund the development of future community assets and other land holdings which the City owns;
- Project management of the subdivision of Lot 18 Grandpre Screcent, Hamilton Hill. This is set to commence construction in late 2010, allowing for finalisation and sales of land in the first half of 2011;

In terms of other substantial achievements, a number of road reservation and public accessways were rationalised where they no longer provided an intended function. This has allowed for otherwise unutilised land to be amalgamated with adjoining properties and utilised gainfully for the betterment of the amenity of surrounding areas.

The Future

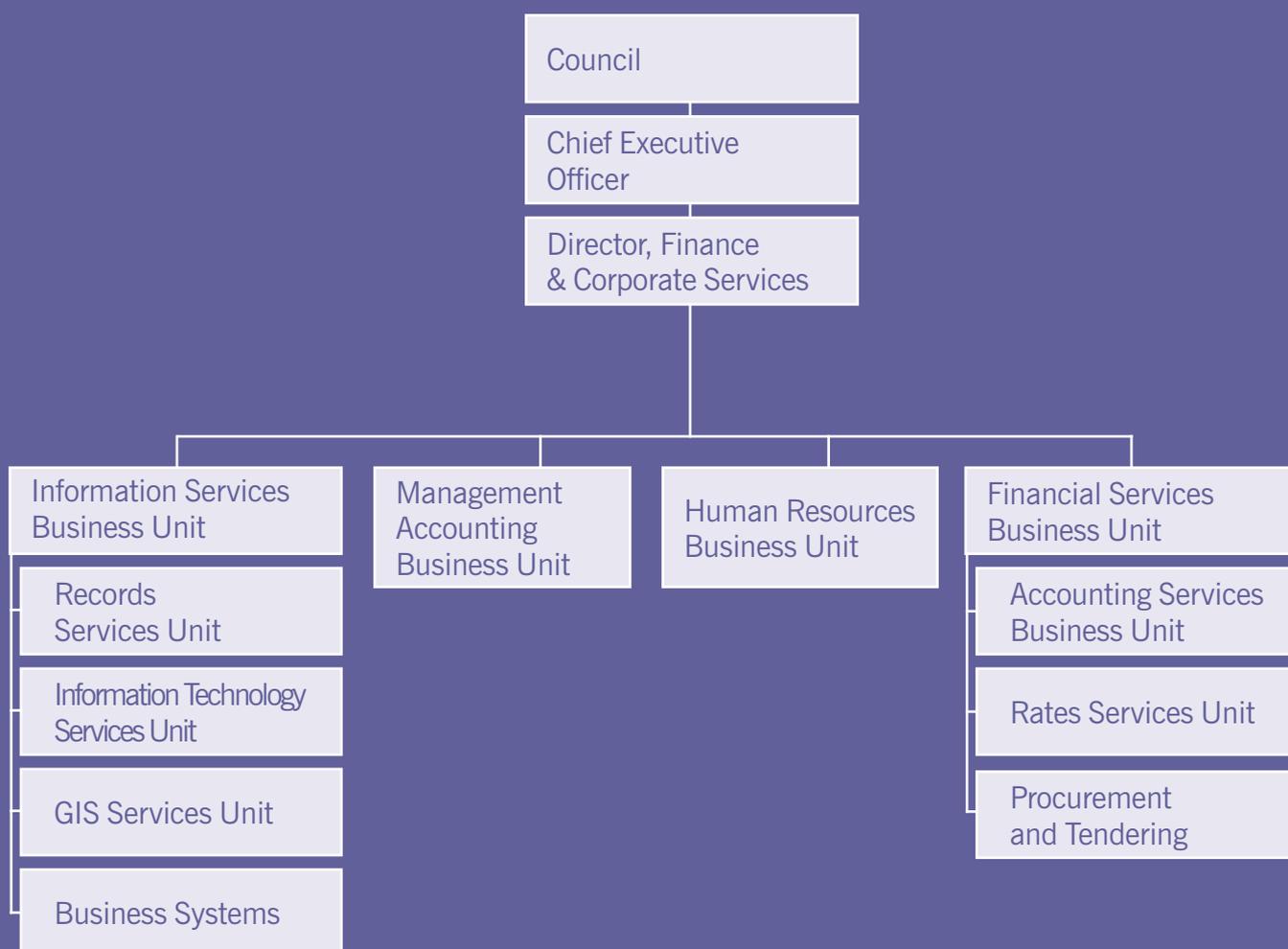
2010/11 will continue with an abundance of important strategic planning initiatives aiming to secure a prosperous and sustainable development future. The Strategic Planning and Land Administration is well placed to continue this work into the coming year.



City of Cockburn Awards and Achievements 2009 – 2010

YEAR	MONTH	AGENCY	AWARD/CATEGORY
2010	JUN	Heritage Council of WA	Finalist – Heritage Council Awards
2010	MAY	Department of Finance and Deregulation, Australian Government Information Management Office	Winner for VMware View Desktop Rollout in the Systems Architecture Category at the Excellence in e-Government Awards 2010
2009	DEC	National Heart Foundation	National Category Winner & State Category Winner for “Tobacco Action Plan” in the Heart Foundation Local Government Awards 2009
2009	DEC	Office of Crime Prevention	Australian Crime and Violence Prevention Award (Seniors Security Subsidy Program)
2009	NOV	WA Planning Institute of Australia	Winner for “City of Cockburn Online Planning Services” in the Urban Planning Achievement Category at the Planning Institute of Australia Awards for Planning Excellence 2009.
2009	NOV	Public Sector Commission WA	2009 Category Finalist for “Environmental Education Initiatives (EEI) Project” in the Managing the Environment Category at the Premier’s Awards for Excellence in Public Sector Management 2009
2009	OCT	Australian Institute of Criminology	Certificate of Merit for “SS x 2” Senior’s Security Subsidy Scheme, Australian Crime & Violence Prevention Awards 2009
2009	AUG	ICLEI Oceania	Award for commitment to the “Cities for Climate Protection Australia Program” and for producing a “Sustainable Public Lighting Action Plan”.
2009	AUG	National Heart Foundation	“Be Active Cockburn” campaign was Highly Commended in State Heart Foundation Local Government Awards 2009 in the Healthy Weight Category
2009	AUG	Civica	Civica Innovation Award
2009	JUL	Heritage Council of WA	Architecture Award for Hamilton Hill Memorial Hall





Finance & Corporate Services Division

The City recorded a budget surplus on the municipal fund of \$5.36m for the 2009-10 financial before providing for the funding of uncompleted carried forward works, reserve transfers and the early payment of the 2010-11 Financial Assistance Grant (received in June 2010 rather than the normal July). As is usual, budget surpluses are used to fund the following year's budget.

Adopted Budget Carry Forwards 2010/11 Capital	\$1,004,767
Adopted Budget Carry Forwards 2010/11 Non Capital	\$249,393
Total Carry Forwards from 2009/10 to 2010/11	\$1,254,160
Additional Carry Forwards 2010/11 Capital	\$1,150,846
Financial Assistance Grants for 2010/11 paid in 2009/10	\$743,129
Cash Required for opening funds in 2010/11	\$3,148,135
Cash available as per financial statements 30/6/10	\$5,368,555
Cash Allocated to Fund Balanced Budget 2010/11	\$2,220,420

The budget surplus was achieved without the need to borrow \$4 million as budgeted in the 2009-10 adopted budget. This was primarily due to a number of projects being delayed and the associated cash requirements also being delayed in addition to slightly lower outlays on the operating account of 2.5%. Receipts (operating and capital were in line with the full year amended budget).

For the year under review, rating income was \$41.9 million, 1.4% above budget. This increase was the result of the strong property market in the second half of the 2009-10 financial year, as a number of commercial and residential land releases came to market and were rated for the first time. The number of rateable properties increased over the 12 months in 2009-10 by 3.4%, in line with lot creation over the past 10 years. The number of sub-division applications however appear to have slowed down markedly in the last twelve months. Income from the Henderson Resource Recovery Park was up 3.6% on budget after prices for recycled metals rose, coupled with increasing volumes from commercial building waste and the new recycle shop. Interest income was 24.7% above budget as a result of higher official interest rates and a banking sector seeking cash deposits at higher than official interest rates. Income from other sources was in line with budget expectations.

Operating expenditures for 2009-10 were mixed with payroll coming in under budget by 1.0%. The significant cost increase for the financial year was the landfill levy paid to the State Government. This rose from \$1m in 2008-09 to \$3.2m in 2009-10. Depreciation was in line with budget but this is expected to increase in 2010-11 as a number of new facilities commence operation. The City continues to cash back its depreciation to enable it to provide cash for new capital expenditure projects. Insurance and utility costs were in line with the budget but higher than prior years.

Capital income was down on prior years as a result of lower capital grants and lower profits from asset sales. The latter was a result of land sales which did not eventuate. The City continues to acquire land for road construction and vest the land in the Crown.

Working Capital

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

The City's ratio is 1.46:1 (last year 1.65:1). This indicates that the City has a sound financial position to meet its ongoing financial commitments. So the City has \$1.46 in unrestricted cash and current assets to meet each \$1 of its current liabilities.

Cashflow

The City had a net cash flow from operating activities of \$17.2 million compared with a budgeted cashflow of \$15.3 million and \$14.3 million last year. This came about due to lower than budgeted cash payments including materials but higher asset sales.

Cash flow from investing (capital expenditure) was in line with 2008-09 with the City recording net capital expenditure of \$22.25 million as against \$21.3 million in 2008-09. The City also received \$6.4 million from the sale of land – predominantly land sales in Tapper Road, Atwell. Investments decreased by \$0.24 million. One point of interest was \$10.7 million in grants and contributions for the development of assets against \$5.3 million in 2008-09. Bonds also increased by \$0.4 million in 2009-10. The City had planned to borrow \$4.0 million in 2009-10 but strong cashflow enabled the City to postpone the borrowing of these loans. There were no borrowings planned for 2010-11.

Overall, the City's cash holding increased from \$27.8 million to \$34.9 million over the past 12 months.

Return on investments

The following table indicates the performance of the City's investment portfolio over the past two financial years, 2009-10 and 2008-09:

Financial Year	Average Cash Held During Financial Year	Benchmark Expectation	Portfolio Performance	Variance	Value \$
2008/09	\$49,645,021	4.80%	7.49%	2.69%	\$1,337,649
2009/10	\$54,089,008	3.67%	5.67%	2.00%	\$1,081,780

The performance of the City Monetary Investments was sound, given the rise in official cash rates. The past two years have seen big volatility in official interest rates which, in turn, leads to considerable variance in performance against relatively static benchmarks. The current investment portfolio of monetary assets is earning between 6% and 6.25% pa.

The City has a range of monetary investments as of 30th June 2010, including term deposits, floating rate notes in Australian Registered Banks, mortgage-backed securities and CDOs (collateralised debt obligations). The current position of the City's \$2.5m investment in CDOs (Ashwell) has gradually improved over the past 12 months, with the current market value being \$2.2 million (as of 31st August 2010 and \$1.1m as at 30 June 2009). The CDO, Obelisk of \$1 million matured in July 2010 (and has been repaid to the City) and the balance of \$2.5 million matures March 2011. Advice from Oakvale Capital, the City's independent financial adviser, is that values should increase as the strength of world economic recovery stabilises.

Uncompleted and Carried Forward Capital Works

Uncompleted works and projects from the 2009-10 budget totalling \$17.5 million and associated income of \$17.5 million have been carried forward to the 2010-11 budget. A full and detailed list was to be approved by Council at the October 2010 Ordinary Council Meeting.

Internal Audit Program

The 2009-10 financial year saw the continuation of a three-year internal audit program led by the Paxon Group. The areas covered in 2009-10 were reviews of:

- (1) Internal Audit Project - Follow-up Review;
- (2) Internal Audit Project No.15 – Records Management;
- (3) Internal Audit Project No.5 – Disposal site fees;
- (4) Internal Audit Project No.21 – Environmental Services Grant Allocation and Management;
- (5) Internal Audit Project No.22 – Community Services – Grants and Donations;
- (6) Internal Audit Project No.17 – Staff Security Cards;
- (7) Internal Audit Project No.16 - Long Service Leave Recoup Entitlements.
- (8) Internal Audit Project No.18 –Leave Entitlements;
- (9) Internal Audit Project No.9 – Property Leases;
- (10) Internal Audit Project No.14 –Credit Card Payments;
- (11) Internal Audit Project No.12 –Hiring of Halls, Recreational Facilities and Reserves;
- (12) Internal Audit Project No.13 –Library Services Fees and Charges;

- (13) Internal Audit Project No.23 –Termination Processes;
- (14) Internal Audit Project No.2 –Timesheets;
- (15) Internal Audit Project No.20 –Freedom of Information; and
- (16) Internal Audit Project – Jean Willis Centre.

Each audit was extensive and detailed and, as a result, has led to processes being either updated or new ones established to keep track of new systems and personnel.

For 2010-11, the internal auditors will commence a review of the audits undertaken to date with the specific aim to review the last 15 internal audit projects to ensure compliance and follow through with their original findings.

Audit Independence and Committee

The City has both an external auditor and an internal auditor. The former is to review and audit the statutory financial statements of the City. This function is performed by Mr Michael Hillgrove of Grant Thornton. The latter, the internal audit, is undertaken by the Paxon Group (formerly Stamfords). Both submit their reports to the Audit and Strategic Finance Committee. The external audit is then adopted by Council and is presented to the annual electors' meeting.

The Audit Committee is a formally-appointed committee of Council and is part of the governance obligations to the community. The Audit and Strategic Finance Committee is the only committee required to be formed under the Local Government Act. The Audit and Strategic Finance Committee is to facilitate:

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

Membership of the Audit and Strategic Finance Committee consists of the Mayor and four elected members. Cr Tony Romano is currently the Presiding Member of the Committee. Advisers to the committee are the CEO, Director, Finance and Corporate Services plus other staff as required or directed. Both the internal and external auditors may attend as required.

Human Resources

“Human Resources provides payroll, training, human resource management and health and safety services.”

Learning and Development initiatives resulted in many staff receiving skills training via nationally accredited supervisory and management courses, traineeships and a much improved employee development policy. A Diploma of Management Course and Certificate 3 in Frontline Management Course were conducted in-house.

The City was a finalist in the WA Department of Training and Workforce Development Employer of the Year Awards 2010 and finished second to global giant, Chevron.

A team comprising members from across the organisation competed in the Local Government Managers Association Management Challenge and performed very well. The Challenge had an underlying theme supporting the Year of Women in Local Government and fostered a great deal of cross department cooperation as well as generating ideas to apply in the workplace.

The City achieved a Gold Certificate from the Municipal WorkCare Scheme for its performance in the area of Occupational Health and Safety Management Systems. An extensive audit of a cross section of the organisation was conducted over a week to ascertain the City's OHS performance.

Attraction and retention strategies were promoted with wide take up of the subsidised gym memberships, training support, health assessments and salary sacrificing benefits. The City's turnover averaged 15% over the financial year which is significantly lower than in previous years.

A pulse survey was undertaken to gather information from employees to support the negotiation of the City's Enterprise Agreement to cover employment conditions from 2010 – 2013. The Agreement incorporated the significant changes to industrial relations with the introduction of the Fair Work Act and National Employment Standards. A new Agreement was accepted by a clear majority of staff and increased employment benefits applied once voting had taken place.

The payroll system was upgraded to incorporate the leave balances and leave accruals for staff. This was a significant project and along with other major changes occurring in the organisation resulted in HR deferring the standardisation of fortnightly pay periods.

Information Services

This group consists of Business Systems, Information Technology, Geographic Information Services (GIS) and Records Management.

Given the all-pervasive nature of information systems in today's society, the reach of this business unit is wide and far. Below is a brief description of the role each department plays in maintaining a modern information system so the City can undertake its role in the community.

Information Technology

This is the area of Information Services that supports and builds the IT infrastructure and also supports the users that use the equipment and software packages. This year saw the roll out of 200 VMware VMview Thin Clients and IP Telephony to all staff located in all buildings excluding the Administration office. This technology will be rolled out in the Administration office in 2011/12. As a result, the City received a national award from the Federal Government for the VM Ware rollout.

GIS

The City maintains a comprehensive suite of GIS maps and layers to assist City staff do their job efficiently and effectively. This year we have introduced Nearmaps aerial photography into the system. This provides the public and staff with a new aerial photo every couple of months. We have also upgraded our public mapping system to the latest version, providing new functionality and a simpler user interface.

Business Systems

This unit is responsible for implementing, upgrading and supporting all software packages that are used by the City. This unit is also responsible for development and updating of the City's website. This year the City's property system was upgraded enabling the Finance and Property system to now be one and have the same user interface. Social Network functionality was introduced on to the City's website. Online functionality will be introduced in the 2010/11 financial year. A new webpage and content management system will be launched in 2010/11 as part of an Information Systems Project.

Records Management

The records function within the City's administration records the movement of all correspondence, including the attachment of documents. The City is continuing to scan and digitally record all current records and mail coming into or leaving the City and will have all property documents in digital format at the completion of the 2010/11 financial year.

Financial Services

The City's Financial Services unit comprises several key service delivery functions, these being Management & Financial Accounting, Procurement & Tendering, and Property Rating. The year in review saw significant change come about in both methods of service delivery and the technological advancement of systems used. Some of the major highlights and achievements performed within the unit were:

The City successfully completed a major upgrade to its Land & Property Management software in conjunction with our software vendor, Technology One. This undertaking required a sustained effort from all staff within the Property Rating and Financial Accounting teams within a demanding time schedule.

Management Accounting reduced the monthly reporting cycle to three working days from month's end (previously five). This measure fosters better decision making and improved monitoring and control of financial performance.

The Accounting teams implemented process improvements and automation of transactional business processes, resulting in improved efficiencies and less wastage. The outcomes achieved were consistent with the 'paperless office' ideal.

The City's risk management initiatives were stepped up during the year through the completion of an extensive internal audit program. This entailed an unprecedented and detailed review of financial and other processes across the whole organisation.

The Procurement & Tendering team successfully introduced an e-Tendering service. This facilitates the electronic lodgment of tenders to the City via a hosted web interface and further demonstrates the City's commitment to the more sustainable 'paperless office' concept.

A new enterprise wide budgeting software tool was implemented by Management Accounting. This provided managers with a sophisticated interface that was intuitive and easy to use to prepare their annual budget submissions. A two year rolling budget concept was also established as part of the configuration.

The Property & Rating team achieved an outstanding 99% collection of the rates levied in 2009/10. This was achieved through a disciplined and highly effective debt management strategy.

The City continued to pursue a conservative investment strategy targeting high yielding term deposits with highly rated Australian banks. Through active management, the City was able to regularly outperform the UBS Warburg AUD Bank Bill Index (a common benchmark for short term cash investments).







Annual Financial Statements

for the Year Ended 30 June 2010

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Understanding the Financial Statements

Introduction

The Financial Statements show how the Council performed financially during the 2009/10 financial year and presents the financial position as at the 30th June 2010.

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

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

What is contained in the Financial Statements?

Council's Financial Statements has two sections, namely:

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

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

The five Principal Financial Statements comprise the following:

- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Comprehensive Income
- Cash Flow Statement
- Rate Setting Statement

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

Statement of Financial Position

This statement is a snap shot of the financial position of the Council as at 30 June 2010. It shows what Council owns as assets and what it owes as liabilities. The bottom line of this statement is the net assets and is equivalent to the net worth of the Council that has built up since inception.

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

Statement of Changes in Equity

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

Council's equity is comprised of Cash Backed Reserves, Asset Revaluation Reserve (non cash) and the Accumulated Surplus. Net surpluses (or deficits) from Council's operations (as disclosed in the Statement of Comprehensive Income), will change the overall total of equity (via the accumulated surplus). Asset revaluations also impact Council's net worth position. Transfers to and from cash backed reserves, whilst not impacting the overall total of equity, demonstrate the consumption of or accumulation of savings for future purposes.

Statement of Comprehensive Income

The Statement of Comprehensive Income shows:

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

These expenses relate only to the operations and do not include the costs associated with the purchase or the building of assets. While asset purchase costs are not included in expenses, there is an item for depreciation. This is the annual allocation of the cost of assets by reference to the remaining useful life of assets.

The key figure is the change in net assets resulting from operations and this year, it indicates that revenues exceeded expenses.

Cash Flow Statement

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

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

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

- Operating activities
- Investing activities – this term relates to assets such as infrastructure, plant, land and other long-term revenue producing assets.
- Financing activities – this is used to

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

Rate Setting Statement

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

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

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

Notes to the Accounts

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

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

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

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

Auditor's Report & CEO's Statement

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

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

Statement by Chief Executive Officer

The attached financial report of the City of Cockburn, being the Annual Financial Report and supporting notes and other information for the financial year ended 30 June 2010, are in my opinion, properly drawn up to present fairly the financial position of the City of Cockburn at 30 June 2010 and the results of the operations for the financial year then ended, in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 1st November 2010

S Cain
Chief Executive Officer

Independent Auditor's Report



10 Kings Park Road
West Perth WA 6005
PO BOX 570
West Perth WA 6872
T +61 8 9480 2000
F +61 8 9322 7767
E info.wa@au.gt.com
W www.grantthornton.com.au

INDEPENDENT AUDITOR'S REPORT TO THE RATEPAYERS OF THE CITY OF COCKBURN

Report on the Financial Report

We have audited the accompanying financial report of the City of Cockburn, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year ended 30 June 2010, a summary of significant accounting policies and other explanatory notes, and the Statement by the Chief Executive Officer.

Council's responsibility for the financial report

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Basis for Qualified Auditor's Opinion

Financial Assets

Since July 2007, global financial markets have experienced a period of high volatility led by events in the US housing markets, particularly sub prime loans, which has impacted the value, recoverability, liquidity, cash flows and rates of return of many financial assets including Collateralised Debt Obligations (CDO's) and certain other Managed Funds.

At 30 June 2010, the City of Cockburn held \$3,500,000 in Credit Link Note Securities (CDO's with Corporate Reference Entities) and \$3,427,905 in Mortgage Backed Securities ("MBS"). These securities are classified as being held to maturity.

These investments have been impacted by this market volatility. The impact on individual securities varies depending on their degree of exposure to the affected markets.

As referred to in Note 1(x) "Critical Accounting Estimates" many of these securities do not have market values that are independently quoted and they are not widely traded. For these securities which are held to maturity, there is insufficient external evidence to ascertain whether principal and interest amounts will be fully recovered. These circumstances have resulted in our inability to obtain sufficient appropriate audit evidence to satisfy ourselves as to the fair value and recoverability of \$3,500,000 in Credit Link Note Securities (CDO's with Corporate Reference Entities) and \$3,427,905 in Mortgage Backed Securities.

Qualified auditor's opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to recoverable amount of the investments and the allocation of any impairment in the value of investments to the statement of comprehensive income, the financial report:

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- (i) gives a true and fair view of the City of Cockburn's financial position as at 30 June 2010 and of its performance for the financial year ended 30 June 2010;
- (ii) complies with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (iii) is prepared in accordance with the requirements of the Local Government Act 1995 (as amended) and Regulations under that Act.

Statutory Compliance

We did not, during the course of our audit, become aware of any instances where the Council did not comply with the requirements of the Local Government Act, 1995 Part 6 (as amended) and Local Government (Financial Management) Regulations 1996 as they relate to the financial statements.

GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants

M J Hillgrove
Partner

Perth, 1 November 2010

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Statement of Financial Position

As at 30 June 2010

		Actual 2009/10	Budget 2009/10	Actual 2008/09
	Notes	\$	\$	\$
CURRENT ASSETS				
Investments	4	5,655,072	-	1,831,060
Cash and Cash Equivalents	3	45,224,495	32,766,751	34,937,049
Trade & Other Receivables	5	7,129,163	4,771,000	5,547,060
Inventories	6	38,759	30,000	2,418,022
Total Current Assets		58,047,489	37,567,751	44,733,190
CURRENT LIABILITIES				
Trade & Other Payables	7	7,357,243	1,801,000	5,406,075
Provisions	8	4,322,945	3,000,000	3,814,749
Total Current Liabilities		11,680,188	4,801,000	9,220,824
NET CURRENT ASSETS		46,367,301	32,766,751	35,512,366
NON CURRENT ASSETS				
Investments	4	8,372,414	-	11,952,414
Other Receivables	5	524,045	460,000	453,262
Property, Plant, & Infrastructure	9	669,235,006	686,224,225	654,193,764
Total Non Current Assets		678,131,465	686,684,225	666,599,440
NON CURRENT LIABILITIES				
Interest Bearing Liabilities		-	4,000,000	-
Other Payables	7	2,875,608	2,432,480	2,432,465
Provisions	8	701,273	550,000	596,086
Total Non Current Liabilities		3,576,881	6,982,480	3,028,551
NET ASSETS		720,921,885	712,468,496	699,083,255
EQUITY				
Accumulated Surplus		340,620,701	332,738,557	324,902,454
Reserves - Cash/Investment Backed	11	37,343,185	24,115,772	31,222,801
Reserves - Asset Revaluation	11	342,958,000	355,614,167	342,958,000
TOTAL EQUITY		720,921,885	712,468,496	699,083,255

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2010

		Actual	Budget	Actual
			2009/10	2008/09
	Notes	\$	\$	\$
RESERVES CASH/INVESTMENT BACKED				
Balance at beginning of year		31,222,801	30,975,664	28,495,585
Transfer from accumulated surplus		21,959,515	11,380,160	21,443,897
Transfer to accumulated surplus		(15,839,131)	(18,240,052)	(16,716,680)
Impairment of Investment Provision		-	-	(2,000,000)
Balance at end of reporting period	11	37,343,185	24,115,772	31,222,801
RESERVES - ASSET REVALUATION				
Balance at beginning of year		342,958,000	355,614,167	342,300,844
Revaluation Increments during year		-	-	657,156
Revaluation Decrements during year		-	-	-
Balance at end of reporting period	11	342,958,000	355,614,167	342,958,000
TOTAL RESERVES		380,301,184	379,729,939	374,180,801
ACCUMULATED SURPLUS				
Balance at beginning of year		324,902,454	317,657,356	319,777,594
Change in Net Assets		21,838,630	8,221,309	7,852,078
Transfer from reserves		15,839,131	18,240,052	16,716,680
Transfer from reserves - Impairment		-	-	2,000,000
Transfer to reserves		(21,959,515)	(11,380,160)	(21,443,897)
Balance at end of reporting period		340,620,701	332,738,557	324,902,454
TOTAL EQUITY		720,921,885	712,468,496	699,083,255

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



Statement of Comprehensive Income

For the year ended 30 June 2010

		Actual 2009/10	Budget 2009/10	Actual 2008/09
	Notes	\$	\$	\$
REVENUES				
Revenue From Ordinary Activities				
General Purpose Funding		48,133,696	46,424,750	45,237,668
Governance		165,220	94,096	107,579
Law Order & Public Safety		2,463,636	2,605,289	2,664,717
Health		256,478	177,250	238,599
Education & Welfare		5,140,713	4,947,003	4,476,067
Community Amenities		24,055,629	24,121,048	19,654,420
Recreation & Culture		2,847,308	2,639,721	2,849,638
Transport		194,600	134,242	142,808
Economic Services		1,897,645	1,710,600	1,897,534
Other Property & Services		762,320	369,400	931,396
TOTAL OPERATING REVENUES		85,917,244	83,223,399	78,200,425
EXPENSES				
General Purpose Funding		(1,018,525)	(1,106,436)	(1,096,225)
Governance		(6,124,219)	(6,873,705)	(6,847,033)
Law Order & Public Safety		(3,966,154)	(3,890,500)	(3,965,399)
Health		(1,673,169)	(1,611,395)	(1,400,023)
Education & Welfare		(8,406,252)	(7,660,753)	(7,314,808)
Community Amenities		(21,716,575)	(23,836,149)	(18,510,968)
Recreation & Culture		(17,683,181)	(17,278,027)	(16,474,789)
Transport		(18,317,327)	(19,269,999)	(21,613,010)
Economic Services		(1,713,238)	(1,515,037)	(1,707,741)
Other Property & Services		(2,046,675)	(1,782,387)	(1,431,754)
TOTAL OPERATING EXPENDITURE		(82,665,314)	(84,824,388)	(80,361,750)
Increase/(Decrease)		3,251,931	(1,600,989)	(2,161,325)
GRANTS/CONTRIBUTIONS TOWARDS ASSETS				
Governance		-	-	28,303
Law Order & Public Safety		-	-	110,141
Education & Welfare		-	104,000	-
Community Amenities		-	-	61,564
Recreation & Culture		6,750,198	4,564,000	1,795,232
Transport		2,857,107	3,805,476	2,690,366
Other Property & Services		1,106,639	1,248,500	639,462
		10,713,945	9,721,976	5,325,068
Gifted And Previously Unrecognised Assets		6,661,611	-	4,736,020
Impairment Charge on Investments		-	-	(2,000,000)
PROFIT/(LOSS) ON DISPOSAL OF ASSETS				
Proceeds from Sale		4,316,936	874,576	6,974,571
Book Value		(3,105,792)	(774,254)	(5,022,257)
		1,211,144	100,322	1,952,315
NET RESULT		21,838,630	8,221,309	7,852,077
OTHER COMPREHENSIVE INCOME				
Changes on revaluation of non-current assets	10	-	-	657,156
		-	-	657,156
TOTAL COMPREHENSIVE INCOME		21,838,630	8,221,309	8,509,233

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

Statement of Comprehensive Income by Nature or Type

	Notes	Actual 2009/10 \$	Budget 2009/10 \$	Actual 2008/09 \$
OPERATING REVENUE				
Rates		41,942,306	41,335,000	38,513,931
Fees and Charges		32,810,171	32,427,493	27,883,963
Grants and Subsidies		7,181,249	6,917,966	7,396,484
Contributions, Donations, Reimbursements		615,327	357,646	624,149
Interest Earnings		3,339,396	2,161,344	3,720,610
Other revenue and Income		28,794	23,950	61,290
TOTAL OPERATING REVENUE		85,917,244	83,223,399	78,200,425
OPERATING EXPENDITURE				
Employee Cost		(30,471,691)	(29,870,481)	(27,848,160)
Materials and Contracts		(24,824,749)	(27,451,876)	(29,225,466)
Utilities		(2,689,298)	(2,896,750)	(2,450,167)
Interest Expenses		-	-	-
Insurances		(1,511,080)	(1,348,220)	(1,312,800)
Other Expenses		(5,342,663)	(6,306,855)	(2,990,642)
Depreciation on Non Current Assets		(17,825,833)	(16,950,206)	(16,534,516)
TOTAL OPERATING EXPENDITURE		(82,665,314)	(84,824,388)	(80,361,750)
CHANGE IN NET ASSETS RESULTING FROM OPERATING ACTIVITIES		3,251,931	(1,600,989)	(2,161,325)
NON-OPERATING ACTIVITIES				
Capital Grants & Subsidies		8,350,253	8,077,476	3,854,028
Contributions - Asset Development		9,025,302	1,644,500	6,207,060
Impairment Charge - Non Current Investments		-	-	(2,000,000)
Profit/(Loss) on Sale of Assets		1,211,144	100,322	1,952,315
TOTAL NON-OPERATING ACTIVITIES		18,586,699	9,822,298	10,013,402
NET RESULT		21,838,630	8,221,309	7,852,077
OTHER COMPREHENSIVE INCOME				
Changes on revaluation of non-current assets	10	-	-	657,156
		-	-	657,156
TOTAL COMPREHENSIVE INCOME		21,838,630	8,221,309	8,509,233

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



Statement of Cashflows		Actual	Budget	Actual
For the year ended 30 June 2010		2009/10	2009/10	2008/09
	Notes	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee Cost		(29,858,308)	(29,870,481)	(27,489,084)
Materials and Contracts		(23,238,713)	(31,651,876)	(29,131,814)
Utilities		(2,689,298)	(2,896,750)	(2,450,167)
Insurances		(1,511,080)	(1,348,220)	(1,312,800)
Other Expenses		(5,342,663)	(6,306,855)	(2,990,642)
GST on Payments		(2,372,444)	-	(5,226,920)
		(65,012,505)	(72,074,182)	(68,601,426)
Receipts				
Rates		41,357,298	41,335,000	38,679,989
Fees and Charges		31,683,614	34,027,493	27,247,191
Contributions, Donations and Reimbursements		615,327	357,646	624,149
Interest Received		2,970,876	2,161,344	3,792,021
Grants - Operating		7,632,737	6,917,966	7,371,567
Other Revenue/Income		28,794	23,950	61,290
GST on Receipts		2,372,444	-	5,148,632
		86,661,090	84,823,399	82,924,838
NET CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES	14a	21,648,585	12,749,217	14,323,412
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale on Non Current Assets	2d	4,316,936	874,576	6,974,571
Purchase Furniture and Equipment		(100,102)	(113,000)	(131,851)
Purchase Computer Equipment		(564,698)	(339,975)	(587,793)
Purchase & Construction of Infrastructure Assets		(9,562,303)	(14,881,662)	(11,576,891)
Purchase Plant and Machinery		(3,458,656)	(5,022,100)	(2,665,129)
Purchase & Development of Land		(402,431)	(2,157,000)	(770,204)
Purchase & Construction of Buildings		(12,833,576)	(17,289,835)	(5,573,585)
Grants & Contributions for the Development of Assets		10,676,039	9,721,976	5,325,068
Net Movement in Investments		124,509	-	3,546,256
NET CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES		(11,804,281)	(29,207,020)	(5,459,559)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase/(Decrease in Bonds Held)		443,143	-	(1,215,183)
Proceeds from New Borrowings		-	4,000,000	-
NET CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES		443,143	4,000,000	(1,215,183)

		Actual 2009/10	Budget 2009/10	Actual 2008/09
	Notes	\$	\$	\$
Net Increase/(Decrease) In Cash during year		10,287,447	(12,457,803)	7,648,670
Cash At Beginning Of Reporting Period		34,937,048	42,624,554	27,288,378
CASH & CASH EQUIVALENTS AT END OF REPORTING PERIOD	3,14b	45,224,495	30,166,751	34,937,049

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



Rate Setting Statement

For the year ended 30 June 2010

		Actual 2009/10	Budget 2009/10
	Notes	\$	\$
OPERATING REVENUE			
General Purpose Funding (Excluding Rates)		6,191,390	5,089,750
Governance		165,220	94,096
Law, Order and Public Safety		2,465,457	2,605,289
Health		256,478	177,250
Education and Welfare		5,151,168	4,958,003
Community Amenities		24,055,629	24,121,048
Recreation and Culture		2,757,654	2,639,721
Transport		7,151,237	298,859
Economic Services		1,897,645	1,710,600
Other Property and Services		1,755,817	294,105
TOTAL OPERATING REVENUE		51,847,693	41,988,721
OPERATING EXPENDITURE			
General Purpose Funding		(1,018,525)	(1,106,436)
Governance		(6,124,219)	(6,873,705)
Law, Order and Public Safety		(3,966,154)	(3,890,500)
Health		(1,673,169)	(1,611,395)
Education and Welfare		(8,406,252)	(7,660,753)
Community Amenities		(21,716,575)	(23,836,149)
Recreation and Culture		(17,683,181)	(17,278,027)
Transport		(18,317,327)	(19,269,999)
Economic Services		(1,713,238)	(1,515,037)
Other Property and Services		(2,046,675)	(1,782,387)
TOTAL OPERATING EXPENDITURE		(82,665,314)	(84,824,388)
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS BEFORE RATES		(30,817,620)	(42,835,667)
Less Non-Cash Expenses and Income			
(Profit)/Loss on Assets Disposals	2d	(1,211,144)	(100,322)
Depreciation on Assets		17,825,833	16,950,206
Non-Current Accrued Debtors		(37,906)	-
Movement in Non-Current Employee Benefit Provisions		105,187	-
		(14,135,651)	(25,985,783)
Less Capital Expenses			
Purchase of Land and Buildings		(13,236,006)	(19,446,835)
Purchase of Infrastructure Assets		(16,223,913)	(14,881,662)
Purchase of Plant and Machinery		(3,458,656)	(5,022,100)
Purchase of Furniture and Equipment		(100,102)	(113,000)
Purchase of Computer Equipment		(564,698)	(339,975)
Transfer to Reserves	11	(21,959,515)	(11,380,160)
		(69,678,541)	(77,169,515)

		Actual 2009/10	Budget 2009/10
	Notes	\$	\$
Add Funding from			
Contributions/Grants for the development of Assets		10,713,945	9,721,976
Proceeds on Sale of Assets	2d	4,316,936	874,576
Reserves	11	15,839,131	18,240,052
Deferred Pensioner Rates Movement		(32,877)	-
Proceeds from New Loans		-	4,000,000
		(38,841,406)	(44,332,911)
Adjustments			
Net movement in unspent grants & contributions		(1,105,164)	849,021
		(39,946,570)	(43,483,890)
Add: Opening Funds	29a	3,247,413	2,148,890
Less: Closing Funds	29b	(5,243,148)	-
AMOUNT RAISED FROM RATES		(41,942,306)	(41,335,000)

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



1. Significant Accounting Policies

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

(a) Basis of Preparation

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

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

(b) The Local Government Reporting Entity

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

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

(c) Goods and Services Tax

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

(d) Cash and Cash Equivalents

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

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

(e) Trade and Other Receivables

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

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

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

(f) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

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

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

(g) Fixed Assets

Initial Recognition

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

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

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

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

Revaluation

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

For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future economic benefits. Non-current assets carried at cost (including deemed cost) are:

- Plant and Machinery
- Furniture and Equipment
- Computer Equipment

Land under Roads

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

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

(h) Depreciation of Non-Current Assets

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

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

Depreciation is recognised, as follows:

Property, Plant and Equipment	
Buildings	30-50 years
Furniture and Equipment	3-10 years
Computer Equipment	4-5 years
Plant & Machinery	3-10 years
Infrastructure Assets	
Infrastructure – Footpaths	50 years
Infrastructure – Drainage	30-75 years
Infrastructure – Roads	20-50 years
Infrastructure – Bridges	30-50 years
Infrastructure – Parks	10-30 years
Bus Shelters	20 years

(i) Investments and Other Financial Assets

Classification

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

i) Financial assets at fair value through profit and loss

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

ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets,

except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

iii) Held-to-maturity investments

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

iv) Available-for-sale financial assets

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

Recognition and derecognition

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

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

Subsequent measurement

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

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Impairment

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

(j) Estimation of Fair Value

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

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

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

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

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

(k) Impairment

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

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 'Impairment of Assets' and appropriate adjustments made.

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

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

(l) Trade and Other Payables

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

(m) Employee Benefits

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

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

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees

services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

ii) Long Service Leave (Long-term Benefits)

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

(n) Interest-bearing Loans and Borrowings

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

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

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

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(o) Provisions

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

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

(p) Leases

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

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

(q) Joint Venture

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

(r) Rates, Grants, Donations & Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(b). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

(s) Superannuation

The Council is a member of the Western Australian Local Government Superannuation Plan (WALGSP). This is a Defined Contributions Plan and Council contributes at

the rate of 9% for the Superannuation Guarantee Charge, plus additional matching contributions of up to 4% where agreed.

(t) Rounding Off Figures

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

(u) Comparative Figures

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

(v) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

(w) Budget Information

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

(x) Critical Accounting Estimates

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

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

The City of Cockburn utilises independent investment advisors Oakvale Capital Limited in assessing on a monthly basis the market value of interest bearing securities.

The advisors model valuations, which are based on future cashflows, are derived from a number of factors including information obtained from arrangers of individual securities and ratings agencies, reviews of the components of the relevant securities and also movements in applicable credit spreads.

As at 30 June 2010 and as part of its investment portfolio of interest bearing securities, the City held investments in Credit Link Note Securities (CDO's with Corporate Reference Entities and Mortgage Backed Securities ("MBS") totalling \$6,927,905. These are classified as 'held to maturity' investments and are carried at amortised cost. No impairment provision has been recognised in respect to these investments as at balance date. These securities carry ratings between AAA and CCC as assigned by Standard and Poors rating agency.

Whilst current estimates of market value for these investments show a small diminution in capital value, the City believes this to be a temporary condition and is satisfied as to the full recoverability of these investments. This assessment is framed on the latest evidence available to the City and includes the fact that \$1,000,000 of CDO's and \$450,930 of MBS were repaid in full in July 2010 and October 2010 respectively.

(y) New Accounting Standards & Interpretations

The following Australian Accounting Standards have been issued or amended and are applicable to the City but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

Council's assessment of these new standards and interpretations is set out on the next page.



	Title and Topic	Issued	Applicable (*)	Impact
(i)	Financial 9AASB Instruments	December 2009	01 January 2013	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
(ii)	AASB 124– Related Party Disclosures	December 2009	01 January 2011	Nil – It is not anticipated the Council will have any related parties as defined by the Standard.
(iii)	AASB 2009-5 - Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]	May 2009	01 January 2010	Nil – The revisions are part of the AASB’s annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs. It is not anticipated these will have any effect on the Council.
(iv)	AASB 2009-8 - Amendments to Australian Accounting Standards – Group Cash – Settled Share-based Payment Transactions [AASB 2]	July 2009	01 January 2010	Nil - The Council will not have applicable transactions.
(v)	AASB 2009-12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	December 2009	01 January 2010	Nil – The revisions embodied in this standard relate to standards which do not apply to local government (ie AASB8) or are largely editorial in nature and will have minimal effect (if any) on the accounting practices of the Council
(vi)	AASB 2009– 11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	December 2009	01 January 2010	Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (ii) above).
(vii)	AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1]	December 2009	01 January 2010	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.

	Title and Topic	Issued	Applicable (*)	Impact
	AASB 2010- 1 Amendment to Australian Accounting Standards – Limited Exemption from Comparative AASB 7 Disclosure for First-time Adopters [AASB 1 & AASB 7]	February 2010	01 July 2010	
	AASB 2009- 10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB132]	October 2009	01 February 2010	
	Interpretation 19– Extinguishing Financial Liabilities with Equity Instruments	December 2009	01 July 2010	
	AASB 2009– 14 Amendments to Australian Interpretations – Prepayments of a minimum Funding Requirement [AASB Interpretation 14]	December 2009	01 January 2011	

2. Revenues and Expenses

a. Statement of Objective

MISSION STATEMENT

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

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

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

General Purpose Funding

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

Governance

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

Law, Order and Public Safety

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

Health

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

Education and Welfare

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

Community Amenities

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

Recreation and Culture

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

Transport

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

Economic Services

Activities associated with the control of building activity within the city and the provision of facilities and services that encourage tourism.

Other Property and Services

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

2b. Control Over Contributions

	Actual 2009/10	Actual 2008/09
	\$	\$
Grants & contributions which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended for specified purposes but have yet to be applied in that manner at the reporting date were:		
Road Construction & Development funds	648,835	428,109
Footpath Development Funds	16,093	48,161
Public Open Space Development Funds	616,195	713,862
Funded Projects & Social Services	6,033,380	2,299,048
Security Service Charges	-	456,405
	7,314,503	3,945,585
Grants & contributions which were recognised as revenues in the previous reporting periods and which were obtained on the condition that they be expended for specified purposes but have not yet been applied in that manner at the reporting date were:		
Road Construction & Development funds	1,264,557	954,044
Footpath Development Funds	649,291	601,130
Public Open Space Development Funds	(616,195)	2,125,352
Drainage Development Funds	502,910	383,492
Midge Research	20,200	20,500
Bibra Lake Development funds	142,509	142,509
	1,963,272	4,227,025
Total Unapplied Contributions	9,277,775	8,172,610
Grants & contributions which were recognised as revenues in a previous reporting period and were expended during the current reporting period on the purposes specified by the contributor/grantor were:		
Road Construction & Development funds	428,109	563,550
Footpath Development Funds	-	149,929
Public Open Space Development Funds	2,819,788	1,067,646
Midge Research	1,500	-
Funded Projects & Social Services	2,318,473	521,824
Security Service Charges	456,405	435,295
	6,024,275	2,738,245

2c. Assets Classified by Function

Property Plant, Infrastructure and Depreciation Classified by Function and Activity

	CARRYING AMOUNTS		DEPRECIATION RAISED		
	Actual 2009/10	Actual 2008/09	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$	\$	\$
Governance	12,426,605	12,617,953	272,456	142,853	321,232
Law, Order and Public Safety	1,028,143	934,201	131,872	112,807	134,908
Health	1,972,876	1,780,211	4,374	4,474	4,517
Education and Welfare	2,147,466	3,913,821	44,001	30,234	26,965
Community Amenities	3,747,015	8,588,716	55,440	50,462	45,973
Recreation and Culture	93,153,849	66,793,250	2,290,129	1,659,697	1,615,554
Transport	416,709,720	412,697,538	11,544,082	11,576,632	11,136,110
Economic Services	211,517	152,035	1,921	1,920	1,921
Other Property and Services	137,837,815	143,963,673	3,481,558	3,371,127	3,247,336
Total	669,235,006	651,441,398	17,825,833	16,950,206	16,534,516

Assets Classified by Function and Activity

	Actual 2009/10	Actual 2008/09
	\$	\$
General Purpose Funding	11,062,026	7,410,394
Governance	18,995,881	19,163,616
Law, Order and Public Safety	1,225,319	1,426,273
Health	1,972,876	2,030,793
Education and Welfare	9,638,447	5,828,731
Community Amenities	24,956,014	21,526,107
Recreation and Culture	100,452,092	86,989,444
Transport	420,973,123	419,921,636
Economic Services	520,102	395,594
Other Property and Services	146,383,075	146,640,043
Total	736,178,954	711,332,631



2e. Change in Net Assets

	Actual 2009/10	Budget 2009/10	Actual 2008/09
The change in net assets resulting from Operations was arrived at after charging/crediting the following items:	\$	\$	\$
AFTER CHARGING			
Depreciation			
Buildings	2,625,573	2,564,562	2,529,868
Plant and Machinery	1,806,022	1,744,643	1,670,506
Furniture and Equipment	539,522	390,239	569,064
Infrastructure - Roads	8,231,398	8,196,145	7,857,603
Infrastructure - Drainage	2,473,139	2,533,768	2,459,468
Infrastructure - Footpaths	829,788	838,020	811,537
Infrastructure - Parks Equipment	1,320,390	682,829	636,470
	17,825,833	16,950,206	16,534,516
Interest on Borrowings			
Profit/(Loss) on Sale of Assets			
Proceeds from Disposal of Non Current Assets	4,316,936	874,576	6,974,571
Carrying Amount of Non Current Assets	(3,105,792)	(774,254)	(5,022,257)
	1,211,144	100,322	1,952,315
AFTER CREDITING			
Interest Earnings			
Interest received on Reserve Funds	1,283,810	811,344	1,482,988
Interest received on Other Funds	2,055,586	1,350,000	2,237,621
	3,339,396	2,161,344	3,720,610



3. Cash & Cash Equivalents

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
Cash	1,842,656	31,955,407	2,106,284
Cash on Hand (Petty Cash)	13,839	-	10,765
Cash Investments	43,368,000	811,344	32,820,000
	45,224,495	32,766,751	34,937,048
Restricted	35,469,081	35,199,231	28,044,402
Unrestricted	9,755,414	(2,432,480)	6,892,646
	45,224,495	32,766,751	34,937,048
SUMMARY OF RESTRICTED CASH			
Sundry Deposits and Bonds (Non Current Payables)	2,875,608	2,432,480	2,432,465
Infrastructure Contributions	9,277,775	8,650,979	8,172,610
Sub-total	12,153,382	11,083,459	10,605,075
Less:			
Funds held in current & non-current investments	(2,366,969)	-	(2,260,976)
	9,786,413	11,083,459	8,344,099
Cash/Investment Backed Reserves			
Council Funded	32,503,307	21,957,953	25,961,020
Externally Funded	806,212	776,081	927,282
Development Contribution Plans	4,033,666	1,381,738	4,334,499
Sub-total	37,343,185	24,115,772	31,222,801
Less:			
Funds held in current & non-current investments	(11,660,517)	-	(11,522,498)
	25,682,668	24,115,772	19,700,303
TOTAL RESTRICTED CASH	35,469,081	35,199,231	28,044,402

4. Investments

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
CURRENT			
Held to Maturity Investments maturing within 12 mths of reporting period	5,655,072	-	1,831,060
NON CURRENT			
Held to Maturity Investments maturing later than 12 mths from reporting period	8,372,414	-	12,872,414
Less: Provision for Impairment Charge [1]	-	-	(920,000)
	8,372,414	-	11,952,414

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

[1] Impairment charges are included as a separate line item in the Statement of Comprehensive Income. Further information on Investments can be found in note 25.

5. Trade & Other Receivables	Actual 2009/10	Budget 2009/10	Actual 2008/09
CURRENT	\$	\$	\$
Rates Outstanding	490,140	-	426,024
Rubbish Charges Outstanding	106,498	100,000	83,702
Sundry Debtors	5,498,526	3,571,000	4,694,817
GST Receivable	734,520	600,000	82,683
Prepayments	299,480	500,000	259,833
	7,129,163	4,771,000	5,547,060
NON CURRENT			
Rates Outstanding - Pensioners	486,139	460,000	453,262
Non Current Accrued Debtors	37,906	-	-
	524,045	460,000	453,262
6. Inventories	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
Depot Store	38,759	30,000	28,531
Land Held for Re-sale	-	-	2,389,491
	38,759	30,000	2,418,022
7. Payables	Actual 2009/10	Budget 2009/10	Actual 2008/09
(a) Trade & Other Payables			
CURRENT	\$	\$	\$
Creditors	6,474,484	1,651,000	4,838,573
Income Received in Advance	523,079	50,000	559,606
GST Payable	359,681	100,000	7,896
	7,357,243	1,801,000	5,406,075
NON CURRENT			
Sundry Deposits and Bonds	2,875,608	2,432,480	2,432,465
(b) Interest Bearing Liabilities	Actual 2009/10	Budget 2009/10	Actual 2008/09
NON CURRENT	\$	\$	\$
Secured by Floating Charge - Debenture	-	4,000,000	-
8. Provisions	Actual 2009/10	Budget 2009/10	Actual 2008/09
CURRENT	\$	\$	\$
Provision for Annual Leave	2,684,175	2,000,000	2,357,450
Provision for Long Service Leave	1,638,770	1,000,000	1,457,299
	4,322,945	3,000,000	3,814,749
NON CURRENT			
Provision for Long Service Leave	701,273	550,000	596,086
Provision for Annual Leave	-	-	-
	701,273	550,000	596,086

9. Property, Infrastructure, Plant and Equipment

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
INFRASTRUCTURE - ROADS			
At cost	341,801,208	344,381,635	332,727,204
LESS Accumulated Depreciation	(113,147,606)	(113,196,145)	(104,916,207)
	228,653,602	231,185,490	227,810,997
INFRASTRUCTURE - DRAINAGE			
At cost	185,521,322	191,528,594	185,402,552
LESS Accumulated Depreciation	(54,590,467)	(54,633,768)	(52,117,328)
	130,930,854	136,894,826	133,285,224
INFRASTRUCTURE - FOOTPATHS			
At cost	42,147,181	43,058,844	41,205,758
LESS Accumulated Depreciation	(10,880,375)	(11,538,020)	(10,050,588)
	31,266,806	31,520,824	31,155,170
INFRASTRUCTURE - PARKS EQUIPMENT			
At cost	24,352,925	17,787,529	22,991,446
LESS Accumulated Depreciation	(10,359,051)	(4,782,829)	(9,038,661)
	13,993,874	13,004,700	13,952,785
INFRASTRUCTURE - PARKS LANDSCAPING			
At cost	11,465,202	13,337,833	11,179,930
	11,465,202	13,337,833	11,179,930
REFUSE SITE			
At cost	12,881,981	13,732,340	12,827,936
	12,881,981	13,732,340	12,827,936
LAND			
At valuation	150,346,942	156,157,000	150,346,942
	150,346,942	156,157,000	150,346,942
BUILDINGS			
At cost	119,627,778	126,789,835	104,023,045
LESS Accumulated Depreciation	(48,404,804)	(47,934,562)	(45,885,150)
	71,222,974	78,855,273	58,137,895
FURNITURE AND EQUIPMENT			
At cost	2,712,911	3,033,000	2,902,621
LESS Accumulated Depreciation	(1,549,985)	(1,771,612)	(1,592,874)
	1,162,927	1,261,388	1,309,747
COMPUTERS			
At cost	3,595,883	3,419,975	3,107,376
LESS Accumulated Depreciation	(2,600,857)	(2,528,627)	(2,326,732)
	995,027	891,348	780,644

9. Property, Infrastructure, Plant and Equipment (continued)	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
PLANT AND MACHINERY			
At cost	13,415,658	13,662,245	11,672,623
LESS Accumulated Depreciation	(5,306,225)	(4,279,042)	(4,754,373)
	8,109,433	9,383,203	6,918,250
WORK IN PROGRESS			
At cost	8,205,385	-	6,488,244
	8,205,385	-	6,488,244
TOTAL PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT			
Gross Book Value	916,074,375	926,888,830	884,875,676
LESS Accumulated Depreciation	(246,839,370)	(240,664,605)	(230,681,912)
NET BOOK VALUE	669,235,006	686,224,225	654,193,764



10a. Movements in Carrying Amounts

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

2009/10	Carrying amount at beginning of the year	add: Acquisitions	add: Gifted Development Assets (note 10b.)	add / (less) Revaluation increments/ (decrements)	Less: Disposals & Write Offs	Less: Development Assets Depreciation	Less: Revaluation Depreciation	Less: Depreciation	Carrying amount at the end of the year
Plant & Machinery	6,918,250	3,464,239			(467,033)			(1,806,022)	8,109,433
Furniture & Equipment	1,309,747	83,781			(39,815)			(190,786)	1,162,927
Computer Equipment	780,644	563,498			(380)			(348,736)	995,027
Buildings	58,137,895	15,800,306			(89,654)			(2,625,573)	71,222,974
Freehold Land	150,346,942	119,418			(119,418)				150,346,942
Tip Site Infrastructure	12,827,936	54,044							12,881,981
Footpaths Infrastructure	31,155,170	941,423						(829,788)	31,266,806
Drainage Infrastructure	133,285,224	118,769						(2,473,139)	130,930,854
Roads Infrastructure	227,810,997	2,518,393	6,555,611					(8,231,398)	228,653,602
Parks & Gardens Infrastructure	11,179,930	285,273							11,465,202
Parks Equipment	13,952,785	1,255,479	106,000					(1,320,390)	13,993,874
Sub-Total Fixed Assets Register	647,705,520	25,204,624	6,661,611	0	(716,301)	0	0	(17,825,833)	661,029,621
Works in Progress	6,488,244	1,717,141							8,205,385
Total	654,193,764	26,921,765	6,661,611	0	(716,301)	0	0	(17,825,833)	669,235,006

10b. Recognition of Gifted Development Assets

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

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

The values for gifted/contributed assets were calculated based on current replacement cost adjusted for any depreciation to date as follows:

New Roads Infrastructure Recognised -	\$6,555,611
New Park Equipment Recognised -	\$106,000
Revenue Recognised -	\$6,661,611

10c. Revaluation of Infrastructure Assets

No asset revaluations were carried out during the 2009/10 financial year.

The City's parks equipment was subject to a management revaluation in 2008/09 and the current carrying values are deemed to reflect fair value.

Roads, Drainage & Footpaths infrastructure (last revalued in 2007) are currently undergoing data reviews as part of the City's wider asset management framework implementation project. It is envisaged that this will be completed during the 2010/11 financial year thus allowing for a revaluation exercise at the end of that year.

Infrastructure assets are stated at independent valuations conducted at 30 June 2008. These are planned to be revalued in 2010/11.

Asset Revaluation Reserve Reconciliation

	Land	Building	Roads	Drainage	Parks Equipment	Footpaths	Total
Opening Balance							
1 July 2009	148,145,550	17,468,617	74,288,481	83,866,406	657,156	18,531,791	342,958,000
Revaluation Increment/ (Decrement)							0
Closing Balance							
30 Jun 2010	148,145,550	17,468,617	74,288,481	83,866,406	657,156	18,531,791	342,958,000



11. Reserves

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$

CASH BACKED RESERVES

Staff Payments & Entitlements

Opening Balance	2,843,448	2,834,290	2,730,476
Transfer from Accumulated Surplus - Interest	121,041	85,000	154,900
Transfer from Accumulated Surplus	100,000	100,000	410,632
Transfer to Accumulated Surplus	(143,529)	(130,000)	(116,742)
Transfer to Accumulated Surplus-Impairment	-	-	(335,818)
	2,920,960	2,889,290	2,843,448

This Reserve provides for payment of staff entitlements including leave, separation, bonus, awards and other payments made to Staff either through contractual or statutory entitlement. The purpose of this Reserve was broadened during the reporting year from it's previous purpose of providing only for Leave Liability.

Plant & Vehicle Replacement

Opening Balance	2,817,226	2,805,013	2,737,385
Transfer from Accumulated Surplus - Interest	95,110	65,000	128,230
Transfer from Accumulated Surplus	1,565,000	1,565,000	1,607,886
Transfer to Accumulated Surplus	(2,049,386)	(3,546,024)	(1,431,533)
Transfer to Accumulated Surplus-Impairment	-	-	(224,741)
	2,427,950	888,989	2,817,226

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

Information Technology

Opening Balance	782,973	17,561	1,109,801
Transfer from Accumulated Surplus - Interest	30,073	30,000	58,033
Transfer from Accumulated Surplus	50,000	50,000	154,628
Transfer to Accumulated Surplus	(183,916)	(90,975)	(426,377)
Transfer to Accumulated Surplus-Impairment	-	-	(113,112)
	679,130	6,586	782,973

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

Major Building Refurbishment

Opening Balance	221,488	-	607,684
Transfer from Accumulated Surplus - Interest	3,228	10,000	24,474
Transfer from Accumulated Surplus	436,670	436,670	118,425
Transfer to Accumulated Surplus	(235,164)	(190,000)	(509,176)
Transfer to Accumulated Surplus-Impairment	-	-	(19,919)
	426,222	256,670	221,488

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

11. Reserves (continued)

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
Waste & Recycling			
Opening Balance	3,018,657	3,130,319	3,406,054
Transfer from Accumulated Surplus - Interest	125,205	120,000	169,593
Transfer from Accumulated Surplus	4,992,602	2,800,000	1,956,121
Transfer to Accumulated Surplus	(168,297)	(932,340)	(2,268,656)
Transfer to Accumulated Surplus-Impairment	-	-	(244,455)
	7,968,168	5,117,979	3,018,657

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

Transfers to this Reserve are made based on planned future capital funding requirements.

Land Development

Opening Balance	5,829,607	7,489,570	528,764
Transfer from Accumulated Surplus - Interest	286,907	180,000	49,754
Transfer from Accumulated Surplus	3,471,091	-	6,847,260
Transfer to Accumulated Surplus	(3,470,295)	(2,692,000)	(1,299,611)
Transfer to Accumulated Surplus-Impairment	-	-	(296,561)
	6,117,310	4,977,570	5,829,607

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

Roads & Drainage Infrastructure

Opening Balance	1,290,690	946,689	2,118,800
Transfer from Accumulated Surplus - Interest	53,860	20,800	92,949
Transfer from Accumulated Surplus	512,280	512,280	1,021,272
Transfer to Accumulated Surplus	(140,651)	(369,496)	(1,811,226)
Transfer to Accumulated Surplus-Impairment	-	-	(131,105)
	1,716,179	1,110,273	1,290,690

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

Naval Base Chalets

Opening Balance	248,636	243,741	274,905
Transfer from Accumulated Surplus - Interest	10,592	7,800	15,029
Transfer from Accumulated Surplus	60,000	60,000	86,673
Transfer to Accumulated Surplus	(10,643)	(15,000)	(99,135)
Transfer to Accumulated Surplus-Impairment	-	-	(28,836)
	308,585	296,541	248,636

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

11. Reserves (continued)

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
Mobile Rubbish Bins			
Opening Balance	839,193	846,404	1,008,701
Transfer from Accumulated Surplus - Interest	33,460	32,000	54,790
Transfer from Accumulated Surplus	-	-	102,335
Transfer to Accumulated Surplus	(239,492)	(274,000)	(216,000)
Transfer to Accumulated Surplus-Impairment	-	-	(110,632)
	633,162	604,404	839,193

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

Community Infrastructure

Opening Balance	6,241,420	7,347,349	4,305,191
Transfer from Accumulated Surplus - Interest	171,323	108,000	205,252
Transfer from Accumulated Surplus	4,000,000	4,000,000	6,000,220
Transfer to Accumulated Surplus	(6,268,235)	(7,752,367)	(3,944,683)
Transfer to Accumulated Surplus-Impairment	-	-	(324,560)
	4,144,508	3,702,982	6,241,420

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

Youth Advisory Council Canberra Trip

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

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

Community Bus

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

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

Workers Compensation

Opening Balance	289,396	289,657	203,965
Transfer from Accumulated Surplus - Interest	12,394	8,000	11,739
Transfer from Accumulated Surplus	-	-	99,822
Transfer to Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus-Impairment	-	-	(26,130)
	301,790	297,657	289,396

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

Green House Emissions Reductions

Opening Balance	120,263	116,310	70,972
Transfer from Accumulated Surplus - Interest	5,006	3,000	4,017
Transfer from Accumulated Surplus	80,000	80,000	68,163
Transfer to Accumulated Surplus	(19,672)	(20,000)	(14,064)
Transfer to Accumulated Surplus-Impairment	-	-	(8,825)
	185,597	179,310	120,263

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

Development Contribution Plans

Opening Balance	4,334,499	2,732,148	7,541,313
Transfer from Accumulated Surplus - Interest	215,411	62,485	400,764
Transfer from Accumulated Surplus	1,577,896	416,480	588,614
Transfer to Accumulated Surplus	(2,094,140)	(1,829,375)	(4,196,191)
	4,033,666	1,381,738	4,334,499

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

Family Day Care Building Maintenance

Opening Balance	95,444	120,100	37,600
Transfer from Accumulated Surplus - Interest	4,464	-	2,844
Transfer from Accumulated Surplus	-	-	55,000
Transfer to Accumulated Surplus	-	-	-
	99,908	120,100	95,444

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

Aged and Disabled Vehicles

Opening Balance	321,955	154,682	206,027
Transfer from Accumulated Surplus - Interest	13,712	-	16,895
Transfer from Accumulated Surplus	100,926	-	281,500
Transfer to Accumulated Surplus	(181,705)	(24,500)	(182,468)
	254,887	130,182	321,955

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

11. Reserves (continued)	Actual 2009/10	Budget 2009/10	Actual 2008/09
Family Day Care Vehicle			
Opening Balance	32,573	32,793	30,793
Transfer from Accumulated Surplus - Interest	1,946	-	1,780
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	-
	34,519	32,793	32,573

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

Welfare Projects Employee Entitlements

Opening Balance	477,310	456,747	519,692
Transfer from Accumulated Surplus - Interest	21,547	36,259	29,284
Transfer from Accumulated Surplus	-	-	2,600
Transfer to Accumulated Surplus	(81,959)	-	(74,266)
	416,898	493,006	477,310

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

Bibra Lake Nutrient Management

Opening Balance	188,649	190,661	156,161
Transfer from Accumulated Surplus - Interest	7,668	5,500	8,988
Transfer from Accumulated Surplus	25,000	25,000	43,506
Transfer to Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus-Impairment	-	-	(20,006)
	221,317	221,161	188,649

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

Contaminated Sites

Opening Balance	855,717	852,943	665,348
Transfer from Accumulated Surplus - Interest	35,553	25,000	38,083
Transfer from Accumulated Surplus	300,000	300,000	278,691
Transfer to Accumulated Surplus	(128,273)	(223,975)	(41,334)
Transfer to Accumulated Surplus-Impairment	-	-	(85,071)
	1,062,997	953,968	855,717

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

Municipal Elections

Opening Balance	244,612	226,385	233,630
Transfer from Accumulated Surplus - Interest	10,311	9,000	13,446
Transfer from Accumulated Surplus	90,000	90,000	112,686
Transfer to Accumulated Surplus	(150,000)	(150,000)	(85,219)
Transfer to Accumulated Surplus-Impairment	-	-	(29,931)
	194,923	175,385	244,612

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

DCD Redundancies Reserve

Opening Balance	2,441	2,302	2,325
Transfer from Accumulated Surplus - Interest	113	-	140
Transfer from Accumulated Surplus	-	-	275
Transfer to Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus-Impairment	-	-	(298)
	2,554	2,302	2,441

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

Port Coogee Special Maintenance - SAR

Opening Balance	126,604	140,000	-
Transfer from Accumulated Surplus - Interest	10,342	3,500	2,004
Transfer from Accumulated Surplus	155,481	133,386	124,600
Transfer to Accumulated Surplus	-	-	-
	292,427	276,886	126,604

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

Port Coogee Waterways Reserve

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

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

Public Open Space (POS) Cash in Lieu Trust

Opening Balance	-	-	-
Transfer from Accumulated Surplus - Interest	-	-	-
Transfer from Accumulated Surplus	2,702,353	-	-
Transfer to Accumulated Surplus	-	-	-
	2,702,353	-	-

This Reserve was established in 2009/10 for holding Council's public open space cash in lieu trust funds.

Community Surveillance Levy Reserve

Opening Balance	-	-	-
Transfer from Accumulated Surplus - Interest	14,546	-	-
Transfer from Accumulated Surplus	456,405	-	-
Transfer to Accumulated Surplus	(273,775)	-	-
	197,176	-	-

This Reserve was established this year to fund activities in relation to Community Surveillance.

Carbon Pollution Reduction Scheme Reserve (CPRS)

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

This reserve will contain funds that are levied for the purpose of CPRS including payments to the Federal Government.

11. Reserves (continued)

	Actual 2009/10	Budget 2009/10	Actual 2008/09
Community Infrastructure – Development Contributions Reserve			
Opening Balance	-	-	-
Transfer from Accumulated Surplus - Interest	-	-	-
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	-
	-	-	-

This reserve will contain funds that are levied for the purpose of CPRS including payments to the Federal Government.

NEW - Waste Collection Levy Surplus

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

This Reserve will be used to manage any surplus' generated from the annual waste collection levy versus the service costs.

SUMMARY CASH BACKED RESERVES

Opening Balance	31,222,801	30,975,664	28,495,585
Transfer from Accumulated Surplus - Interest	1,283,810	811,344	1,482,988
Transfer from Accumulated Surplus	20,675,704	10,568,816	19,960,909
Transfer to Accumulated Surplus	(15,839,131)	(18,240,052)	(16,716,680)
Transfer to Accumulated Surplus-Impairment	-	-	(2,000,000)

TOTAL CASH BACKED RESERVES

	37,343,185	24,115,772	31,222,801
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RESERVES OTHER

ASSET REVALUATION RESERVE

Opening Balance	342,958,000	355,614,167	342,300,844
Revaluation increments made during the year	-	-	657,156

TOTAL RESERVES OTHER

	342,958,000	355,614,167	342,958,000
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TOTAL RESERVES

	380,301,184	379,729,939	374,180,801
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12. Superannuation

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

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

	Actual 2009/10	Actual 2008/09
	\$	\$
Contributory	392,044	386,767
S.G. Occupational	2,143,509	1,935,542
	2,535,552	2,322,310

13. Capital & Leasing Commitments

Capital Commitments

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

	\$
Coogee Beach Surf Life Saving Clubhouse & Carpark Construction	1,477,767
Coolbellup Community Centre Facilities	389,081
Heavy Fleet-Waste Iveco F2350G/260 Rubbish Truck PL7551	376,836
Low Profile Rear Loading Waste Truck	202,693
SPEARWOOD AVE/BARRINGTON ST - Traffic signals	167,767
Spearwood Ave(Hamilton/Cockburn) Construct dual	100,000
Regional Recreation Facilities Success - Construction	92,173
865 Wentworth Pde Cockburn Central Development	78,000
Heavy Fleet - Roads Mits. FM65H1RFAE PL7092	77,688
Heavy Fleet Caterpillar Loader - Roads PL1222	75,910
Coolbellup Community Centre Facilities	72,858
Aubin Grove Facility Construction	67,882
865 Wentworth Pde Cockburn Central Development	65,000
Regional Recreation Facilities Success - Construction	62,889
Regional Recreation Facilities Success - Construction	56,930
RUSSELL RD [Freeway/Ashendon] - Construct dual cwy	52,296
Spearwood Ave(Sudlow/Barrington) Construct cwy	51,018
Cockburn Central Super Clinic - Feds Funded	42,887
Light Fleet Building Dept - Mike Ward PL2053	32,708
Coolbellup Community Centre Facilities	32,640
Subdivision Lot 18 Grandpre Cres & Reserve 42809 Heal St	32,500
Council Property Energy Efficiency Improvements	31,715
	3,639,238

Leasing Commitments

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

	Actual 2009/10	Actual 2008/09
Payable:	\$	\$
Not later than 1 year	554,077	499,332
Later than 1 year but not later than 2 years	478,312	372,802
Later than 2 years but not later than 5 years	397,320	402,640
	1,429,709	1,274,773



14. Notes to Cash Flow Statement

14a. Reconciliation of Net Cash Used in Operating Activities to Change in Net Assets Resulting from Operations.

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
Change in net assets resulting from Operating Activities	21,838,630	8,221,309	7,852,077
Add (Less) non-cash items:			
Depreciation	17,825,833	16,950,206	16,534,516
(Profit)/Loss on Sale of Assets	(1,211,144)	(100,322)	(1,952,315)
Impairment charge provision	-	-	2,000,000
Employee entitlements provision	613,383	-	359,076
Accrued investment income	(368,521)	-	71,411
Recognition of infrastructure assets previously not recognised	(6,661,611)	-	(4,736,020)
Less: Grants & Contributions for the Development of Assets	(10,713,945)	(9,721,976)	(5,325,068)
Change in Assets and Liabilities:			
[Increase)/Decrease in Rates Debtors & Deferred Rates	(585,008)	-	166,058
(Increase)/Decrease in Sundry Debtors	(1,455,546)	-	(730,136)
(Increase)/Decrease in Stock on Hand	(10,228)	-	(6,028)
Increase/(Decrease) in Creditors & Accruals	1,987,696	-	(48,792)
(Increase)/Decrease in Rubbish Debtors	(22,796)	-	11,203
Increase/(Decrease) on Income Received in Advance	451,488	-	(25,037)
(Increase)/Decrease in Prepayments	(39,647)	-	152,464
NET CASH USED IN OPERATING ACTIVITIES	21,648,585	15,349,217	14,323,412

14b. Reconciliation of Cash

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

Cash at Bank	1,842,656	31,955,407	2,106,284
Cash on Hand (Petty Cash)	13,839	-	10,765
Cash Equivalent Investments	43,368,000	811,344	32,820,000
CASH & CASH EQUIVALENTS AT END OF REPORTING PERIOD	45,224,495	32,766,751	34,937,048

15. Interests in Joint Venture Entities

South West Group

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

	2009/10	2008/09
Amount of interest	\$89,505	\$82,237
Cost/profit sharing ratio	21.31%	22.00%

Southern Metropolitan Regional Council (SMRC)

General Funds

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

	2009/10	2008/09
Amount of interest	\$117,385	\$116,593
Cost/profit sharing ratio	19.40%	19.40%

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

Regional Resource Recovery Centre (RRRC)

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

Participating Councils are required to make quarterly contributions to cover the capital cost in the establishment of the facility and pay gate fees for each tonne of waste they deliver to the facility to cover the operating costs. The required level of contribution for capital costs is based proportionately upon each participant's population as determined by the Australian Bureau of Statistics census. These are revised every 1 in 5 years over the life of the loan, with the next review due in the 2013/14 financial year. The ratio used for capital contributions is currently set at 26.95%

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

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

	2009/10	2008/09
Net Amount of Interest	\$774,883	\$1,190,928
Profit sharing ratio	26.95%	26.95%

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



16. Fees and Charges

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
General Purpose Funding			
Administration Fees	189,106	210,000	197,861
Rate Search Fees	78,049	50,000	59,221
Admin Fee - FESA	79,240	78,000	77,490
Other Fees & Charges	180	150	150
	346,574	338,150	334,722
Governance			
Administration Service Charges	23,847	21,000	22,881
Advertising Cockburn Soundings	-	-	-
Other Fees & Charges	24,875	15,320	17,542
	48,722	36,320	40,423
Law, Order and Public Safety			
Dog Registration Fees	85,819	100,000	86,900
Licences	12,451	12,100	11,701
Impounding Fees	15,044	24,000	16,538
Fines, Infringements & Penalties	142,357	126,900	107,691
Security Patrol Levy	1,911,989	2,100,000	2,211,006
Other Fees & Charges	3,642	2,000	2,853
	2,171,301	2,365,000	2,436,689
Health			
Administration, Application & Inspection Fees	103,614	16,000	15,707
Administration Fees & Licences	57,437	80,000	78,313
Fines & Penalties	44,836	15,000	35,324
Sundry Sales	334	1,400	356
Other Fees & Charges	1,668	2,600	1,947
	207,888	115,000	131,648
Education and Welfare			
Client Fees	519,995	595,243	514,238
Lease / Rental Income	58,335	44,130	39,284
Other Fees & Charges	551,798	398,291	99,593
	1,130,129	1,037,664	653,115
Community Amenities			
Planning Fees & Charges	1,136,283	925,500	948,949
Rubbish Removal Charges	12,098,979	11,735,738	9,207,330
Rubbish Tipping Fees	9,711,674	10,835,270	8,884,572
Other Fees & Charges	969,992	524,250	482,933
	23,916,929	24,020,758	19,523,784

16. Fees and Charges (continued)

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
Recreation and Culture			
Client Fees	9,860	10,000	11,073
Hall Hires	227,041	184,500	203,977
Reserve Hires	165,258	111,500	152,452
Leasehold Rentals	46,316	49,436	44,411
Recreation Centre Charges	2,200,138	2,065,576	2,080,105
Other Fees & Charges	74,285	70,530	63,522
	2,722,898	2,491,542	2,555,540
Transport			
Reinstatements Revenue	-	5,000	(523)
Supervision Fees	155,686	100,000	89,172
Other Fees & Charges	15,893	12,500	5,213
	171,579	117,500	93,862
Economic Services			
Building Licences	1,417,665	1,217,500	1,457,363
Caravan Park Leases / Licences	348,983	341,600	328,436
Assessment & Application Fees	3,190	2,000	11,562
Swimming Pool Inspection Fees	89,532	91,000	73,074
Fines & Penalties	5,975	2,000	320
Other Fees & Charges	26,379	25,000	24,989
	1,891,725	1,679,100	1,895,743
Other Property and Services			
Private Works Revenue	8,492	45,159	64,898
Lease / Rental Income	60,043	61,800	60,621
Other Fees & Charges	133,892	119,500	92,917
	202,427	226,459	218,437
TOTAL FEES & CHARGES	32,810,171	32,427,493	27,883,963



17. Other Expenses

	Actual 2009/10	Budget 2009/10	Actual 2008/09
	\$	\$	\$
a. Councillor's Remuneration			
The following fees, expenses and allowances were paid to councillors and the mayor:			
Meeting Fees	77,095	77,000	71,822
Vehicle Mileage Claims	20,490	17,000	9,839
Mayoral/Deputy Mayoral Allowances	65,750	39,000	48,788
Communication Expenses	33,328	39,000	28,298
	196,663	172,000	158,747
b. Auditors Remuneration			
Audit Services	25,550	27,000	28,430
c. Rental - Operating Leases			
	429,490	335,100	345,734

18. Financial Ratios

	Actual 2009/10	Actual 2008/09	Actual 2007/08	Actual 2006/07	Actual 2005/06
CURRENT Ratio (The Higher The Better)	1.46:1	1.61:1	2.78:1	2.52:1	2.97:1
DEBT Ratio (The Lower The Better)	2.08%	1.65%	1.80%	2.32%	2.93%
RATE COVERAGE Ratio (The Higher The Better)	42.83%	47.27%	38.63%	36.62%	37.95%
OUTSTANDING RATES Ratio (The Lower The Better)	1.17%	-0.17%	0.36%	0.27%	0.74%
UNTIED CASH TO TRADE CREDITORS Ratio (The Higher The Better)	1.50:1	1.42:1	1.48:1	1.99:1	3.17:1

The above ratios are calculated as follows:

CURRENT RATIO: Current assets - Restricted Assets / Current liabilities - liabilities associated with restricted assets.

Purpose: To assess the adequacy of working capital and the ability to satisfy obligations in the short term.

DEBT RATIO: Total liabilities / total assets.

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

DEBT SERVICE RATIO: Debt service cost / Available operating revenue

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

RATE COVERAGE RATIO: Net rate revenue / operating revenue

Purpose: To assess the degree of dependence upon revenue from rates.

OUTSTANDING RATES RATIO: Rates outstanding / rates collectable

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

GROSS DEBT TO REVENUE RATIO: Gross Debt / Total Revenue

Purpose: To assess gross debt as a percentage of total revenue (excluding specific purpose grants).

UNTIED CASH TO TRADE CREDITORS RATIO: Untied cash / unpaid trade creditors

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

GROSS DEBT TO ECONOMICALLY REALISABLE ASSETS RATIO: Purpose: To assess gross debt as a % of realisable assets (ie. total assets excluding infrastructure assets).

19. Discounts, Incentives, Concessions, & Write Offs

Discounts

The discount for the early payment of rates has been discontinued. Council is mindful that the majority of ratepayers prefer to pay by instalments rather than an one off up front payment. In taking this action, more ratepayers are now able to benefit from the lower rate increase of 3% (that would otherwise not be possible).

	Discount	Actual 2009/10	Budget 2009/10	Actual 2008/09
	%	\$	\$	\$
General Rates	0	0	0	642,375

Incentives

In view of the current economic conditions and the desire to produce a balanced budget, Council has suspended the offering of prize incentives for the early payment of rates. This initiative will be reviewed next year.



20. Interest Charges, Administration Fees and Instalments

	Interest Rate	Admin Fee	Actual 2009/10	Budget 2009/10	Actual 2008/09
	%	\$	\$	\$	\$
Administration Fee		5.00	189,126	210,000	197,861
Penalty Interest	8.00	-	114,537	102,000	174,366
Instalment Interest	4.00	-	169,792	150,000	195,948

Payment by Instalments

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

(a) Pay in full by 18 August 2009

(b) Pay in two instalments due:

1. 18 August 2009
2. 15 December 2009

(c) Pay in four instalments due:

1. 18 August 2009
2. 13 October 2009
3. 15 December 2009
4. 16 February 2010

Administration Fees

An administration charge of \$5.00 per instalment (excluding the first instalment) was payable during the year. The administration charge is made to cover the additional costs involved in administering the instalment scheme.

Special Payment Arrangements

Ratepayers who were unable to pay their account in full or according to the instalment plans offered were able to make special payment arrangements to extinguish their debt. A separate administration fee of \$20.00 was charged for these arrangements. Penalty interest was applied at the rate of 8% to any outstanding balance.

Instalment Interest

The Local Government Act allows for interest to be charged on overdue amounts. The Council charged interest at the rate of 5% on outstanding rates for the year under review. This charge covered the opportunity cost of lost income on investment that would otherwise be received had the instalment options not been exercised. The maximum rate of interest allowed to be imposed on outstanding amounts under S6.45(4)(e) of the Local Government Act is 5.5%

Penalty Interest - Rates

Penalty interest was levied where payment in full or the first instalment was not received within thirty-five days of the issue of the rate notice. The rate charged was 8% pa on the daily balance. The maximum rate of interest allowed to be imposed on overdue rates and service charges under S6.51(1) of the Local Government Act is 11%.

Penalty Interest - FESA

The Minister for Emergency Services deemed the penalty interest rate for 2009/10 to be 8% on outstanding balances. Interest was levied where payment in full or the first instalment was not received within thirty-five days of the issue of the rate notice.

21a. Prescribed Service Charges

Property Surveillance & Security

Section 6.38 of the Local Government Act 1995 allows Council to impose service charges on owners or occupiers to meet the costs of providing a prescribed service in relation to the land. Section 54 of the Local Government (Financial Management) Regulations 1996 prescribes the provision of a security services as an allowable service charge. In accordance with Section 6.32 of the Local Government Act 1995, Council imposed a whole of district security patrol service charge during the reporting year. Financial details for this charge are as follows:

Amount of each service charge:	\$50.00
Total amount of revenue collected from service charge for 2009/10:	\$1,926,535
Add: Amount of funds b/f from previous year for unspent service charges	\$456,405
Less: Amount of total funds applied during the reporting year in meeting the costs of the service in a cost sharing arrangement with the City of Melville were:	\$2,143,394
Amount of funds un-applied as at 30 June 2010 (carried forward into the following year to meet future service costs).	\$239,546

21b. Other Service Charges

Private Swimming Pool Inspection Fees

Council resolved in accordance with the provisions of Section 245A (8) of the Local Government (Miscellaneous Provisions Act 1960) to impose a charge of \$19.65 (gst incl.) for the reporting year on those properties with private swimming pools. This is an annual charge that covers the cost of carrying out periodical inspections on all swimming pools.

Domestic Refuse Charge

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

Commercial, industrial and residential rubbish removal per 240 litre bin service:	\$325.00
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22. Statement of Rating Information for Year Ended 30 June 2010

PARTICULARS	NON-MINIMUM				Budget 2009/10	Qty	Rateable Value
	Qty	Rateable value	Rate in \$	Yield			
		\$	cents	\$	\$		\$
GRV							
Residential - Improved	22,243	280,362,854	5.8692	16,455,118	16,454,248	8,006	65,878,018
Residential - Vacant	1,785	40,222,330	7.7250	3,107,176	3,173,671	27	131,010
Building WIP	1,170	16,245,161	5.8692	953,461	903,948	185	1,490,640
Commercial - Improved	303	20,749,918	7.0288	1,458,470	1,458,470	81	495,408
Commercial - Vacant	31	1,334,750	11.1563	148,909	148,909	7	19,145
Large Commercial - Improved	12	31,194,122	8.0588	2,513,872	2,513,872		
Industrial - Improved	1,100	74,821,799	7.0288	5,259,074	5,259,941	243	2,098,910
Large Industrial - Improved	30	33,109,256	8.0588	2,668,209	2,668,209		
Industrial- Vacant	382	10,437,400	11.1563	1,164,428	1,164,428	1	1,450
Specified Area Rate - Port Coogee Mtc	278	13,330,120	1.0000	133,301		1	9,600
Total GRV	27,334	521,807,710		33,862,018	33,745,696	8,551	70,124,181
UV							
UFL - Rural General	22	21,880,000	0.1612	35,271	35,271	2	1,000,000
Resource	565	319,585,000	0.1612	515,171	515,171	3	990,000
Resource - Industrial	9	24,200,000	0.1612	39,010	39,010	3	478,975
Resource - Commercial	15	14,360,000	0.1612	23,148	23,148	1	355,000
Resource - Vacant	65	40,610,000	0.2700	109,647	109,647	2	550,000
Rural General	271	200,655,000	0.1612	323,456	323,456	10	1,910,000
Rural General - Commercial	28	43,120,000	0.1612	69,509	69,509	4	1,725,000
Rural General - Industrial	13	23,790,000	0.1612	38,349	38,349	3	961,271
Rural General - Vacant	85	108,675,000	0.2700	293,423	293,423	3	407,350
Total UV	1,073	796,875,000		1,446,985	1,446,984	31	8,377,596
Total Rates Levied							
OTHER ITEMS							
Part Year Rating - Specified Area Rate (Port Coogee)				22,080	133,386		
Part Year Rating - Other				1,511,853	749,742		
Less: Discount Allowed				1,300			
Rate Interest				169,792	165,000		
Rate Penalty				114,537	280,000		
Total Other Items				1,819,561	1,328,128		
TOTAL RATES	28,407	1,318,682,710		37,128,564	36,520,808	8,582	78,501,777

MINIMUM			TOTALS					
Amount	Yield	Budget 2009/10	Qty	Rateable Value	Yield	Budget 2009/10	% of Ratebase	
\$	\$	\$	No.	\$	\$	\$		
550	4,403,300	4,403,300	30,249	346,240,872	20,858,418	20,857,548	51.99%	
550	14,850	15,400	1,812	40,353,340	3,122,026	3,189,071	7.78%	
550	101,750	101,750	1,355	17,735,801	1,055,211	1,005,698	2.63%	
818	66,258	66,258	384	21,245,326	1,524,728	1,524,728	3.80%	
818	5,726	5,726	38	1,353,895	154,635	154,635	0.39%	
818			12	31,194,122	2,513,872	2,513,872	6.27%	
818	198,774	198,774	1,343	76,920,709	5,457,848	5,458,715	13.60%	
818			30	33,109,256	2,668,209	2,668,209	6.65%	
818	818	818	383	10,438,850	1,165,246	1,165,246	2.90%	
100	100		279	13,339,720	133,401		0.33%	
	4,791,576	4,792,026	35,885	591,931,891	38,653,594	38,537,722	96.34%	
818	1,636	1,636	24	22,880,000	36,907	36,907	0.09%	
569	1,707	1,707	568	320,575,000	516,878	516,878	1.29%	
818	2,454	2,454	12	24,678,975	41,464	41,464	0.10%	
818	818	818	16	14,715,000	23,966	23,966	0.06%	
827	1,654	1,654	67	41,160,000	111,301	111,301	0.28%	
569	5,690	5,690	281	202,565,000	329,146	329,146	0.82%	
818	3,272	3,272	32	44,845,000	72,781	72,781	0.18%	
818	2,454	2,454	16	24,751,271	40,803	40,803	0.10%	
827	2,481	2,481	88	109,082,350	295,904	295,904	0.74%	
	22,166	22,166	1,104	805,252,596	1,469,151	1,469,150	3.66%	
					40,122,745	40,006,872		
					22,080	133,386		
					1,511,853	749,742		
					1,300	0		
					169,792	165,000		
					114,537	280,000		
					1,819,561	1,328,128		
	4,813,742	4,814,192	36,989	1,397,184,487	41,942,306	41,335,000	100%	

23. Net Current Asset Position

The net current asset position balance (adjusted for Restricted assets) carried forward from the previous financial year for the purpose of the 2009/10 budget was \$ 2,148,890

The net current asset position balance (adjusted for Restricted assets) shown in the audited financial report as at 30 June 2009 was \$ 3,247,413

24. Contingent Liabilities

Regional Resource Recovery Centre- Lending Facility

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

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

The Council's estimated share of the project funding is based upon population percentages as derived from the Australian Bureau of Statistics census. These are revised every 1 in 5 years over the life of the loan. Council's share in the 2009/10 year is 26.95%, the same as the previous year's.

As at 30th June 2010, the balance outstanding against the lending facility stood at \$51,329,631 with Council's share of this liability being \$13,834,470 (calculated using the ratio of 26.95%).

Council's annual contribution towards the repayment of interest and principal on the lending facility is currently around \$1.23 million (approx. \$41 per household).

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

SMRC Administration Building - Lending Facility

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

As at 30th June 2010, the balance outstanding against this facility stood at \$1,800,000 with Council's share of this liability being \$349,200 (using the current cost/profit sharing ratio of 19.40%).

25. Financial Risk Management

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

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

Financial risk management is carried out by the finance area under policies approved by the Council.

	Carrying Value		Est. Fair Value	
	Actual 2009/10	Actual 2008/09	Actual 2009/10	Actual 2008/09
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	45,224,495	34,937,049	45,224,495	34,937,049
Held-to-maturity investments	14,027,486	13,783,474	13,876,301	11,617,050
Receivables	7,653,209	6,000,332	7,653,209	6,000,332
	66,905,190	54,720,855	66,754,005	52,554,431
Financial Liabilities				
Payables	10,248,263	7,838,540	10,248,263	7,838,540

Fair value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.
- Borrowings, Held-to-Maturity Investments – estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

(i) For further commentary regarding the fair value determination of these financial assets please refer to note 1-j and 1-x.

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

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

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

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

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

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

	Actual 2009/10		Actual 2008/09
Impact of a 5% (*) movement in price of investments:	\$		\$
- Equity	3,290,421		2,938,004
- Income Statement	3,290,421	(+)	2,938,004
Impact of a 0.5% (*) movement in interest rates on cash and investments:			
- Equity	329,042		293,800
- Income Statement	329,042	(+)	293,800

(*) Sensitivity percentages based on management's expectation of future possible market movements.

Recent market volatility has seen large market movements for certain types of investments.

(+) Maximum impact.

(b) Receivables

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

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

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

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

	Actual 2009/10	Actual 2008/09
Percentage of Rates and Annual Charges		
- Current	45%	47%
- Overdue	55%	53%
Percentage of Other Receivables		
- Current	86%	67%
- Overdue	14%	33%

(c) Payables & Borrowings

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

	Due within 1 year \$	Due between 1 & 5 years \$	Total contractual cash flows \$
2010			
Payables	7,372,656	2,875,608	10,248,264
2009			
Payables	5,406,075	2,432,465	7,838,540

(d) Interest Rate Risk Profile

The City is exposed to interest rate risk through primary financial assets and liabilities. The following table summaries interest rate risk for the City, together with the effective interest rates as at 30th June 2010.

2009/10	Average Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturity			Non-Interest Bearing	Total
			Less than 1 Year	1 to 5 Years	More than 5 Years		
			%	\$	\$		
Financial Assets							
Cash	4.25	2,556,076					2,556,076
Direct Securities	5.81			6,927,905			6,927,905
FRN's & TD's	5.85		43,368,000	4,400,000	2,000,000		49,768,000
Receivables	5.51	486,139				7,167,070	7,653,209
Total		3,042,215	43,368,000	11,327,905	2,000,000	7,167,070	66,905,190
Financial Liabilities							
Accounts Payable						7,372,656	7,372,656
Deposits/Bonds	4.25		440,030			2,435,578	2,875,608
Total		-	440,030	-	-	9,808,234	10,248,263

The following table provides comparatives as at 30th June 2009:

2008/09	Average Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturity			Non-Interest Bearing	Total
			Less than 1 Year	1 to 5 Years	More than 5 Years		
			%	\$	\$		
Financial Assets							
Cash	3.00	2,448,109					2,448,109
Direct Securities	4.26		500,000	6,552,414			7,052,414
FRN's & TD's	6.36		32,820,000	4,400,000	2,000,000		39,220,000
Receivables	5.00	453,262				5,547,060	6,000,322
Total		2,901,371	33,320,000	10,952,414	2,000,000	5,547,060	54,720,845
Financial Liabilities							
Accounts Payable	-					5,406,075	5,406,075
Deposits/Bonds	6.36		486,913			1,945,552	2,432,465
Total		-	486,913	-	-	7,351,627	7,838,540



(e) Impairment of Investment

CLEAR PLC Series 34 (Asset Backed) CDO Security

The City provided an impairment charge for the CLEAR investment in the 2007/08 financial year and this remained in place as at 30 June 2009. The City was advised on 3 March 2010 by Oakvale Capital (our investment advisor) that the CLEAR security had defaulted. This resulted in the impairment provision being fully taken up and the remaining carrying value of \$80k written off against the income statement.

Financial details for the CLEAR security are as follows:

Investment	Purchase Value	Impairment Provision (made in 2007/08)	Carrying Amount at 1 July 2009	Written off to provision and income statement at 2009/10	Income received post impairment
	\$	\$	\$	\$	\$
C.L.E.A.R. (Asset Backed)	1,000,000	920,000	80,000	1,000,000	\$79,553
Total	1,000,000	920,000	80,000	1,000,000	\$79,553

Mortgage Backed Securities (MBS) & Collateralised Debt Obligations (CDO) Credit Linked Securities

The City did not make any further impairment provisions for investments during 2009/10.

Whilst current indications of market value for several mortgage backed and CDO securities are below that of carrying value, our best evidence indicates that these are not impaired and that the City will receive in full all of the capital amount invested. These continue to be classified as 'held to maturity' investments.

Supporting this view is the fact the City received back in full the \$1M invested in Obelisk CDO's in July 2010 and \$0.45m invested in Harvey Trust MBS in October 2010, the underlying relative strength of the Australian mortgage portfolios within the mortgage backed securities, and the remaining levels of subordination within the Ashwell credit linked CDO's and their short term to maturity (March 2011).

26. Major Land Transactions

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

The following details describe those major land transactions completed or outstanding as at 30 June 2010: “

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

In August 2006, Council resolved to subdivide, develop and sell its land holding at lot 5 Bartram Rd, Atwell. This major land transaction was conducted over several financial years and has now been finalised:

Transaction Details	Prior Year Actuals	Actual 2009/10	Whole of life Total
	\$	\$	\$
Income from Sales	6,519,136	3,471,091	9,990,227
Development/Selling Costs	(1,943,677)	(118,672)	(2,062,349)
Value of undeveloped land	(5,000,000)		(5,000,000)
Net Position	(424,541)	3,352,419	2,927,878

There were no liabilities in relation to this land as at 30 June 2010 and all financial transactions have been accounted for.

(b) Lot 7 Cockburn Central - Purchase and Development

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

Transaction Details	Prior Year Actuals	Actual 2009/10	Whole of life Total
	\$	\$	\$
Income from Sales	-	-	-
Development Agreement Contributions	(978,296)		(978,296)
Purchase of Land	(2,120,542)	-	(2,120,542)
Net Position	(3,098,838)	-	(3,098,838)

Due to the downturn in global economic conditions as a result of the GFC in recent years and the impact this has had on Perth’s property development sector, this project was assessed as unviable.

Consequently, Council and the contracted developer (Combined Equity) mutually agreed to abandon the project in its current form. As a result, development costs accumulated to 30 June 2009 totalling \$978,296 were written off to the Income Statement in the 2008/09 financial year. In the meantime, Lancorp have agreed for Council to retain ownership of the land whilst future options for its use are assessed.

Expected Future Cash Flows

Any further development proposals for this land will be subject to a new business plan with cash flow forecasts. Should Council decide to sell the land holding or be required to, it will receive the sale proceeds at the prevailing market value.

27a. Remuneration of Senior Employees

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

	Actual 2009/10		Actual 2008/09
Annual Salary between:	No.		No.
\$100,000 and \$109,999	3 (****)		3
\$110,000 and \$119,999	3		3
\$120,000 and \$129,999	-		-
\$130,000 and \$139,999	1		2
\$140,000 and \$149,999	1 (***)		2
\$150,000 and \$159,999	2 (**)		-
\$160,000 and \$169,999	-		-
\$170,000 and \$179,999	-		-
\$180,000 and \$189,999	-		-
\$190,000 and \$199,999	-		-
\$200,000 and \$209,999	-		-
\$210,000 and \$219,999	-		-
\$220,000 and \$229,999	1 (*)		1
\$230,000 and \$239,999	-		-
\$240,000 and \$249,999	-		-
Total	11		11

The above information does not include the payment of motor vehicle and other allowances of \$15,210 for 1 senior employee(****), \$20,475.78 for 1 senior employee(***), \$22,600 for 1 senior employee (**), and \$18,676 for 1 senior employee (*)

27b. Number of Employees

	Actual 2009/10	Actual 2008/09
Number of full-time equivalent (FTE) employees as at balance date:	No. 381	No. 364

28. Economic Dependency

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

	Actual 2009/10	Actual 2008/09
	\$	\$
The total of grant revenue from government sources:	15,531,502	11,250,631



29a. Determination of Opening Funds		Actual 2009/10	Actual 2008/09
		\$	\$
Current Assets			
	Cash & Cash Equivalents	34,937,048	27,288,378
	Investments Held to Maturity	1,831,060	3,402,472
	Trade & Other Receivables	5,547,060	4,660,565
	Inventories	2,418,022	22,503
		44,733,190	35,373,918
Current Liabilities			
	Trade & Other Payables	(5,406,075)	(4,991,888)
	Provisions	(3,814,749)	(3,494,975)
		(9,220,824)	(8,486,863)
Net Current Assets		35,512,366	26,887,055
Less:	Restricted Financial Assets - Reserve Funds	(31,222,801)	(28,495,585)
	Land Held for Re-sale	(2,389,491)	
	Restricted Financial Assets - Deposits & Bonds	(2,432,465)	(3,647,648)
	Committed Financial Assets (unspent grants & contributions)	(8,172,610)	(7,328,072)
		(8,705,001)	(12,584,250)
Add:	Restricted Financial Assets held in Non Current Investments	11,952,414	15,998,670
Add:	Leave Provisions - cash-backed		
	Opening Funds in Rate Setting Statement	3,247,413	3,414,420
29b. Determination of Closing Funds		Actual 2009/10	Actual 2009/10
	Cash & Cash Equivalents	45,224,495	34,937,049
	Investments Held to Maturity	5,655,072	1,831,060
	Trade & Other Receivables	7,129,163	5,547,060
	Inventories	38,759	2,418,022
		58,047,489	44,733,190
Current Liabilities			
	Trade & Other Payables	(7,357,243)	(5,406,075)
	Provisions	(4,322,945)	(3,814,749)
		(11,680,188)	(9,220,824)
Net Current Assets		46,367,301	35,512,366
Less:	Restricted Financial Assets - Reserve Funds	(37,343,185)	(31,222,801)
	Land Held for Re-sale	-	(2,389,491)
	Restricted Financial Assets - Deposits & Bonds	(2,875,608)	(2,432,465)
	Committed Financial Assets (unspent grants & contributions)	(9,277,775)	(8,172,610)
		(3,129,266)	(8,705,001)
Add:	Restricted Financial Assets held in Non Current Investments	8,372,414	11,952,414
Add:	Leave Provisions - cash-backed	-	-
	Closing Funds in Rate Setting Statement	5,243,148	3,247,413