



TOWN *of*
EAST FREMANTLE

ANNUAL REPORT 2019/20

Inclusive community,
balancing growth and lifestyle





The 2019/20 Annual Report can be downloaded from the Town of East Fremantle website at eastfremantle.wa.gov.au.

The Town produces a limited number of hard copies of the Annual Report, in line with its ongoing commitment to sustainability.

These may be viewed by the public at the Town's administration office in the East Fremantle Town Hall at 135 Canning Highway.

Cover photo courtesy of Perth Festival, "Highway to Hell" March 2020 featuring a performance by Dom Mariani and the Tommyhawks. Image: Tashi Hall/Perth Festival.

OUR VISION

“Inclusive community, balancing growth and lifestyle”

Created in 1897, when it separated from the City of Fremantle to become an independent local authority, the Town of East Fremantle now boasts a population of approximately 7,900. It is 3.2 square kilometres in area, bounded to the north and west by the Swan River. To the east it shares a common boundary with the City of Melville, to the south and west with the City of Fremantle.

The Town has a rich history. The local Aboriginal people known as Nyungar/Whadjuk obtained food and drinking water from the river foreshore and open grassy areas.

The track that linked the fledgling Swan River Colony based in Fremantle to the future city centre of Perth in 1831 is documented traversing along the East Fremantle cliff edge finishing at the river ferry crossing at Preston Point.

Early European settlement of the area consisted of large farm holdings, however as the colony prospered during the 1890s gold rush the nature of settlement altered dramatically, rapidly changing to a residential area.

The Plympton precinct today contains many charming worker’s cottages which were established largely between 1890 and 1910; Riverside precinct was established by the merchant elite of Fremantle and is perched high on the cliffs overlooking the river. Gracious homes, some from the goldrush era, are dotted along the escarpment.

Further northwards, the Preston Point area was developed in the 1950s with houses typical of the period also enjoying the expansive views over the river.

The Woodside and Richmond precincts contain many homes dating from 1900–1940 exhibiting a distinct and unique character within the Town.

ACKNOWLEDGEMENT OF COUNTRY

In preparation of this document, the Town of East Fremantle acknowledges the Whadjuk Nyungar people, who are the traditional custodians of the land in the region and pay respect to their elders past, present and emerging. The Town also acknowledges other Aboriginal language groups in the area.

FROM THE MAYOR



On behalf of the Town of East Fremantle I am pleased to present our Annual Report for 2019/20.

In the first half of the financial year, we prepared for two exciting events in our Town. Our East Fremantle Festival in George Street was held in December 2019, and as always was a big success.

I thank everyone who was involved in organising and supporting it. Then, in March 2020, we co-hosted the "Highway to Hell" event which was an outstanding success. Canning Highway was filled with thousands of music lovers who witnessed a showcase of national and international talent who paid tribute to ACDC.

The local nearby connection is well known as Fremantle was the former home of front man Bon Scott. Bon's face can be seen in a mural under the Stirling Bridge in East Fremantle. The vibrancy and energy this event brought to our Town was electric (as were the guitars!).

Closely following 'Highway to Hell', our Town faced with one of the most challenging public health crises ever confronted. The Town and our community faced this unprecedented emergency with generosity and resilience. Hopefully, if the situation arises again we will be able to again address the challenge together. We showed what a compassionate community we are through lifting our efforts to support the vulnerable people among us. Thank you to everyone who – safely and respectfully – checked in on neighbours, started new networks in their streets, and took extra steps to ensure that no one was left isolated.

On behalf of the elected officials and the broader community I would like to thank our CEO Gary Tuffin and his team of dedicated staff who guided our Town during this difficult period and continued to deliver the services our community needs without disruption.

During COVID-19, the benefits to health from walking and cycling became even more important with children and their parents at home together due to the closure of schools and other early learning centres. To assist everyone in maintaining healthy and active lifestyles, the Town has continued improvements to our parks, paths and cycle ways and infrastructure improvements such as Riverside Road and Niergarup Track, to name a few. It was pleasing to see so many of you out and about walking, jogging and cycling and making the most of our public spaces and river with your families.

This is a reminder of how important it is to care for our environment. Key to our commitment to sustainability is reducing our waste, and one year on, the implementation of our new three bin waste management system is generating good results, with far less rubbish ending up in landfill. As you know, we were the first Perth metropolitan Council to embrace a full FOGO service. I thank everyone for supporting this change in a positive spirit. These processes take a little time to adjust to, and I am proud of how our community has adapted to these new services.

During 2019/20 we laid the groundwork for developing our Climate Action Reference Group, reflecting the importance of this issue in our community. With the help of this group, we will become more efficient in how we manage our energy and water as well as our parks, reserves and waterways, applying this sustainability lens to all our policies and decisions.

Another important commitment we have made is to reconciliation. Crucial steps were made this year towards the formation of our Reconciliation Action Plan, and a commitment from myself, elected members and staff to reconciliation.

As Mayor, I am very pleased to work with our professional and skilled administration, our dedicated elected members and a supportive, focused and engaged community that enables the Town to continue to improve the provision of services every year.

I thank our CEO and staff for their ongoing support on policy and strategic matters to ensure we remain focused on achieving the best we can for the people of the Town of East Fremantle and as Mayor I am proud to represent such a fantastic and caring community.

A handwritten signature in black ink, appearing to read "Jim O'Neill".

Mayor Jim O'Neill

FROM THE CHIEF EXECUTIVE OFFICER



I am pleased to present an Annual Report for the 2019/20 financial year that highlights the commitment of Council and staff to delivering quality services to the community, despite the challenges we have faced.

Our small size gifts us the ability to be nimble and agile in the way we plan for and adapt to community priorities and changes in our regulatory environment, and it enables

us to drive innovation. This means that our residents, property owners and local businesses know and trust us, and rely on us to advocate for their interests.

On your behalf, the Town has secured positive outcomes on many important matters including:

- Scaling back the height proposed for the redevelopment of the Royal George Hotel;
- Collaborative partnerships with government and private industry to deliver exciting developments in the Town and;
- Major upgrade to Canning Highway crossing near the Town Hall, to name a few.

Our primary focus is to be of service to our community, and the importance of this was highlighted during the COVID-19 pandemic that affected our Town towards the end of the financial year. We took the strategic decision to close the Town Hall in April 2020 and retained complete service delivery with all staff working remotely. This was only made possible through the Town's prior commitment to excellence in systems and the investment we made in professional development for our dedicated and resilient team, who worked hard to care for our community.

In a busy year, other highlights include:

- Implementation of three-bin (FOGO) waste system.
- Upgrades to the Town's website and social media presence and enhanced capacity in community engagement.
- Delivering on our commitment to sustainability and efficiency through business improvements.
- Implementation of the Town's Corporate Business Plan 2019 – 2023 and Strategic Resource Plan (Long Term Financial Plan) 2019.

Although our Town is rich in heritage, connections to our stunning waterways and has a vibrant commercial sector, we have a shortfall in public open space.

To address this, we have refined the vision for the East Fremantle Oval, which remains a major priority project for us going forward, and I thank the sporting clubs and community groups and residents who have contributed much to this process from the beginning.

In addition, we are developing and finalising strategies in these important areas:

- Preston Point Road North Recreation Precinct Masterplan.
- Integrated Traffic Management and Movement Strategy.
- Urban Streetscape and Public Realm Style Guide.

The Town has built constructive and beneficial partnerships with regional bodies including the South West Group Alliance; the South Metropolitan Regional Council (SMRC); neighbouring local governments, the cities of Fremantle and Melville; WALGA, LGPRO and the Department of Local Government, as well as with our State and Federal Government counterparts and agencies. These partnerships allow us to showcase the good work we have done, capitalise on new opportunities, learn from their experiences and access industry-leading expertise.

"A continued emphasis on collaboration remains a priority for the Town of East Fremantle. Now more than ever we need to take the lead and work closely with others to achieve quality outcomes and establish meaningful relationships that enhance community engagement and activation"

I thank our Mayor and Councillors for their leadership and continuing support. Sincere thanks also to my team who have shown the strength of their commitment to their work, to this community and to each other in what has been a challenging year for everyone. Finally, thank you to our community who contribute so much to making East Fremantle the vibrant, progressive, welcoming and thriving community that it is.

A handwritten signature in black ink, appearing to read 'Gary Tuffin'. The signature is fluid and cursive, written over a white background.

Gary Tuffin
Chief Executive Officer

HIGHLIGHTS 2019/20

Vibrant and Progressive Community



Highway to Hell Brings Heaven for Lovers of Live Music

In March 2020, the Town of East Fremantle co-hosted an event that will live forever in the memories of our residents.

The streets of our Town rang with the driving hard rock sounds of ACDC to the delight of the many thousands of people who came out, decked in rock memorabilia old and new to watch this remarkable event. Since the event was held, it has received many national accolades, and the Town is thankful to the Perth Festival for their vision and creativity in bringing this event to life, which was enjoyed by all in great spirit.

East Fremantle's George Street Festival

Another successful George Street Festival was held in December 2019, a tradition begun in the late 1980s. In 2019, the event was coordinated in-house to ensure a focus on local people and services as well as on sustainability:

- 16% of suppliers from East Fremantle, 30% from the greater Fremantle region).
- 44% of stall holders were local, 22% regional, a marked increase of previous years.
- 9,200+ people attended the festival, of whom 28% were local.
- 9,000 reuse items with 350kg of waste collected and 375 litres of water used in re-fill stations.

Patrons enjoyed the day with support expressed for "food, entertainment and music" at the event.

Public Art Initiatives

During the year under review the Public Art Panel adopted a four-year Art Programme that in 2019/20 included:

- Concepts for Richmond Raceway Turnstile Booths (delivered and installed in August 2020)
- East Fremantle's George Street Festival Art Exhibition, to name a few. More exciting installations for the future are now being planned..

Waste and Recycling

First Year of FOGO

- In 2019 Town became the first local government in the Perth Metro area to roll out a Food Organics Garden Organics (FOGO) waste service to its residents. In the first year the Regional Resource Recovery Centre recovered over 669 tonnes of Organic Waste. Therefore preventing 669 tonnes CO₂e-1 being emitted into the environment.

During 2019/20

- 816 tonnes of recycling were recovered
- 203 tonnes of green waste and 21 tonnes of bulk waste were diverted from landfill.

HIGHLIGHTS 2019/20

Good Governance



Management of COVID-19 pandemic

By far the greatest achievement in customer service came about during the COVID-19 pandemic when the Town Hall closed its doors and our customer service staff, as well as the Town's entire administrative team, worked remotely throughout the shutdown.

This was only made possible through the Town's leadership and prior commitment to resourcing cutting-edge digital systems. During the remote work period, a record number of planning and building applications were received, as well as hundreds of requests for support from the vulnerable members of our community. Despite these challenging circumstances, the Town's staff maintained their professionalism and retained the complete range of services for our community. The health implications were enormous, and the Town's Principal Environmental Health Officer, supported by Operations, rapidly responded to ensure social distancing was observed, playgrounds and water fountains were shut off, and local businesses had COVID-19 safe plans. The Town retained its entire staff complement throughout the pandemic.

Elections October 2019

The Town of East Fremantle elections held in October 2019 returned a delightful mix of the familiar and the new. Newly-elected Councillor Kerry Donovan has brought a warmth and vigour to her new role. Cr Cliff Collinson, and Cr Tony Natale were returned to office unopposed. Cr Dean Nardi retained his seat following a vibrant campaign on local issues. These three Councillors have continued their ongoing focus on the Town's commitments to excellence in town planning, sustainability and reconciliation. We thank all of our elected members for their hard work and diligence that is rendered in a spirit of collaboration at all times.

HIGHLIGHTS 2019/20

Delivering on Major Projects



East Fremantle Oval – Vision Emerging

Major progress has been made in developing the future plan for the redevelopment of East Fremantle Oval, which remains the Town's highest priority major project. The Town enlisted the assistance of Brad Paatsch (Paatsch Group) to take the community needs expressed during the vision process and, with these, create a viable business case. This project has only been made possible through the contribution made by our community over many years. The Town thanks everyone who has had input so far, especially the Working Group and tenant clubs for lawn bowls, croquet and WAFL. The Town looks forward to progressing with the redevelopment without delay and is actively seeking support and commitment from our State Government partners.

Preston Point Road North Master Planning

The MasterPlan for the recreational precinct at Preston Point Road has now been finalised, and was endorsed by Council on 16 June 2020. The finalised MasterPlan was co-created with the help of public submissions – over 40 were received in early 2020. Your input will ensure that we meet our objective of creating the precinct into a diverse sporting and active recreation hub that meets the needs of the community, now and into the future. High on the list of priority items to be addressed included parking, pathways and pedestrian and cyclist access, the amenity of the precinct as well as landscaping and environmental issues. The MasterPlan was developed through a successful funding application (Department of Local Government, Sport and Cultural Industries), we thank them for their support.

Upgrades to Riverside Road and Niergarup Track

During the year the Town planned and began implementation on major upgrades to two of the Town's best-loved and most used recreational spaces. Riverside Road, which winds along the Swan River and links visitors with key destinations including local cafes, boat ramps and leisure club facilities, received a major upgrade – the total project value being \$1.9 million. The improvements were planned and designed commencing in November 2019 and provided for a major overhaul of the road surface and massive improvements to access and enjoyment by pedestrians and cyclists. The final phase of the upgrades includes landscaping works, the plans of which were shared with our community, and are scheduled to be completed in late 2020. Improvements were also made to Niergarup Track, including the re-sheeting of the limestone path and a programme of pruning and weed control that will be followed by new native plantings in the coming year. We hope everyone enjoys these upgrades and makes use of these wonderful places to walk, cycle and enjoy scenic river views.

Upgrades to River Beach at John Tonkin Reserve

The Town's Operations team continued to deliver upgrades to the river beach front at John Tonkin Reserve, near Zephyr Cafe. Done in collaboration with the Department of Biodiversity, Conservation and Attractions, the works included the removal of the old rock headland, the construction of the new headland, incorporating a drainage upgrade and the importation of 200 cubic metres of sand plus some minor revegetation works. Completed in October 2020, we know our residents will enjoy these upgrades when they visit our very own patch of beach.

HIGHLIGHTS 2019/20

Building the Town of the Future

During 2019/20 the Town's Regulatory and Planning Services team made major headway on several important strategic pieces of work that will guide and shape the Town's built environment into the future, including the George St Designated Heritage Area Policy that was adopted in October 2019. Also under development are:

- Urban Public Realm and Streetscape Style Guide;
- Integrated Traffic Management and Movement Strategy;
- Review of the Local Planning Strategy.

It is expected these three strategies will be implemented by early to mid-2021.

Leeuwin Barracks Divestment

In late 2019, the Department of Defence via a market sounding process, sought feedback from the property development industry to gauge the potential for the site's future sale and development. Doing so is the latest step towards realising the Leeuwin Vision Plan endorsed by Council in 2017. This Vision will inform an amendment to the Town Planning Scheme that will ultimately come to the Town for assessment. The Market Sounding process indicated that there would be both interest in and the capacity for creating a mixed-use site which contributes to housing, community amenity, public open space and small scale local commercial businesses whilst protecting heritage values, consistent with the Leeuwin Vision Plan. Defence is continuing to work collaboratively with the Town of East Fremantle and the Western Australian Government to ensure that an outcome is achieved which is appropriate to the neighbourhood and delivers the objectives listed above. The Town and Defence look forward to re-engaging with the community and stakeholders.

Hall & Prior's proposal for former Woodside Maternity Hospital to become an aged care facility

Aged care provider Hall & Prior is proposing to repurpose the former Woodside Maternity Hospital into "a world-class health and aged care precinct." Hall & Prior advise: "The Woodside heritage homestead, which has been closed since 2006, will be refurbished to its former glory. The site is being redeveloped to include high quality care accommodation; a wellness centre, a café, resident recreation areas, and beautiful open spaces that the whole community can enjoy." Hall & Prior continue to engage with community on the plans for the site.

Amendment 14 – Roofing 2000 (site location)

In 2018 the Council adopted Amendment No. 14 to its Planning Scheme for the Roofing 2000 site, located at 91-95 Canning Highway. The owner proposed that the site be developed for high density residential and commercial uses, so the Amendment was required to introduce building and parking development controls relating to building height and setbacks, floor space, land use, overshadowing, vehicle parking and other matters. Substantial changes were made to the Amendment by the Western Australian Planning Commission, directly addressing Council's concerns.

Amendment No. 15 – Local Planning Scheme No. 3 – Royal George Hotel Site

In 2018 Council adopted Amendment No. 15 to its Planning Scheme for the Royal George Hotel site, to control development on the vacant land at the rear, considering the site's location, heritage value and the character of the area. It limited redevelopment to a maximum height equivalent of six storeys (including basement car parking), ensured restoration of the Hotel and respected residential amenity. In January 2019, the Town advertised the modifications for public comment and received 233 submissions. Council then considered the submissions in August 2019 and forwarded the endorsed recommendation to the WAPC. In line with Council's recommendation, in March 2020 the Minister for Planning restricted the height to 45 metres AHD (Australian Height Data) which was lower than the original scale of the proposed building profile. The Minister agreed with the Town's position, delivering an outcome that is in keeping with community values and sentiment. At the time of writing, a building permit has been issued and the restoration work on this stunning local icon is now underway.

HIGHLIGHTS 2019/20

Enhancing Safety and Amenity



Upgraded Canning Highway Crossing

Pedestrian safety is critically important in East Fremantle, and to reflect the importance of this issue for the Town, we successfully lobbied Main Roads to deliver a comprehensive upgrade to the main pedestrian crossing on Canning Highway, just up from our historic Town Hall. The improvements, delivered at no cost to the Town, are worth \$750,000 and have already delivered safer crossings for those using the highway.

Glasson Park – new facilities and visual features

Glasson Park continues to be a key hub for the young people in our Town, as well as their parents, grandparents, carers and friends, and to service their needs, a public/ universally accessible toilet was installed in October 2019. A new mural for the wall adjacent to the basketball hoop in the park has also been commissioned by the Town's Public Art Panel, and will be delivered in late 2020, featuring a montage of key visual features of the Town, including submissions from our community.



HIGHLIGHTS 2019/20

Serving Our Community



Customer Service Improvements

During 2019, the Town of East Fremantle was rated during our community perceptions survey as the second-highest rating local government administration. This year, we forged ahead with improvements including:

- E-services including online payments for rates, infringements and dog and cat registration renewals as well as building applications lodged and tracked online;
- Mobility devices for staff to undertake activities whilst in the field including parking management, dog and cat registration enquiries, lodgement of maintenance requests (via Snap, Send Solve) and service requests;
- Customer service management reports that better understand the nature of service enquiries from residents and ratepayers, and to assess the Town's performance in meeting agreed service levels.

Aged Care Services - Town of East Fremantle Neighbourhood Link

In October 2019, Council endorsed a Business Plan considering future service delivery options under the Commonwealth Home Support Program (CHSP). The Town of East Fremantle has been delivering basic support and maintenance services to frail aged people, younger people with disabilities, and their carers under the Home and Community Care (HACC) program since 1989.

Eligibility for CHSP services is determined by 'My Aged Care' through a consistent, needs-based assessment process.

Aged care reforms will have significant implications for local government and the Town is developing strategies to ensure continuity of care for approximately 200 clients, 50 of whom are East Fremantle residents. Marketing and promotion of social services has commenced, with a view of growing the client base and providing greater access to services

Business Development

The Town continued an extensive outreach programme with our local business community that included:

- Regular communication with our local business list via email.
- Personalised facilitation undertaken with those organisations who register an interest.
- Expansion of the Business List to include commercial properties in order to engage property owners
- Facilitation of quarterly Business-to-Business Networking sessions (prior to COVID-19)
- With the Small Business Development Corporation, maintenance of Small Business Friendly Local Government status through liaison and submission of bi-annual reports.
- Look Local area promotion campaign.
- COVID 19 support, including provision of free business assistance sessions.

COMMUNICATION AND COMMUNITY ENGAGEMENT

The Town provides opportunities for all members of the community to participate in our decision-making processes, which are key to fulsome and participatory democratic local government best practice and International Association for Public Participation (IAP2)'s best practice guidelines.

In 2019, the Town engaged Catalyse to prepare a Communications and Engagement Strategy (endorsed by Council in August 2020) that recommended the recruitment of a Communications and Marketing Officer and the re-crafting of a new role – Community Engagement Coordinator. Implemented during 2019-20 the strategy has scaled up the quality and quantity of the Town's communications, marketing and community engagement.

E-Newsletter

The e-newsletter is produced and circulated to more than 2,000 subscribers regularly. The e-news provides information and links to relevant and timely information on the Town's website. You can subscribe to the E-Newsletters via the website or email the Town and ask to be included on the email list.

Website

The Town's website was reviewed in 2019-2020, with substantial improvements made and a major overhaul planned in 2020-21. The website provides a broad range of information and enables online payments, engaging on consultation processes (including making submissions on community and building/planning/development matters), at eastfremantle.wa.gov.au

Social media

During 2019-2020, the Town made significant enhancements to its capacity in the social media space. Management of the Town's social media accounts are now resourced and managed in-house.

- Facebook – regular posts on the Town's Facebook page provides up to date information about events, issues that may be of interest to residents and the community.
- Instagram – the Town launched its new Instagram feed in May 2019, and has a strong following, particularly among local residents, businesses and community/sporting clubs and associations as well as influencers, allied agencies and media.



- LinkedIn – the Town's LinkedIn profile shares our innovative policies and shares corporate achievements, as well as sourcing high quality candidates for recruitment purposes.
- YouTube - the Town now has its own YouTube channel and is committed to commissioning videos on important content that is of interest to our residents.

Town of East Fremantle Notice Boards – the Town has three (3) notice boards – one located at the Town Hall, one at Zephyr Café and one at the East Fremantle Primary Kindergarten next to Glasson Park. These help inform and update the community.

Community engagement - "a dynamic relational process that facilitates communication, interaction, involvement, and exchange between an organisation and a community for a range of social and organisational outcomes."

ENVIRONMENT, HEALTH AND SAFETY

Public Health Plan

Prioritising Healthy People and Community, Healthy Places and Spaces and Healthy Partnerships including:

- East Fremantle Cricket Club/Fremantle City Football Club received \$4,000 grant from Healthway.
- A Smoke Free Playground Audit Report completed in August 2019 with anti-smoking signage installed at Richmond Raceway Park, John Tonkin Park and Norm McKenzie Park, with follow up works already underway.
- An audit of asbestos in the Town, with a schedule of remediation actions.

Pandemic Response – Health Aspects

The global coronavirus pandemic and declared state of emergency in March 2020 triggered the development of a Pandemic Plan incorporated into an updated Business Continuity Plan (BCP). Council took these actions:

- Weekly BCP meetings to cover:
 - Closure of Council buildings, playgrounds, public toilets and drinking fountains;
 - Arranging for staff who could do so working from home.
- Council and committee meetings held online.
- Local Emergency Management Committee meetings were held remotely on a weekly basis.
- Enhanced support services for the homeless and vulnerable.
- Flu vaccinations for staff.
- Social distancing and hand sanitizer, Perspex screens and distance markings at Town buildings.
- Shutdown of most East Fremantle's clubs, pubs and restaurants in March 2020.
- Liaison with food premises on closing and reopening with inspections were carried out, Foodsafe Online training.

Waste and Sustainability

The Town appointed a new Waste Education Officer who ran an educational campaign about the three-bin system (FOGO) system that was rolled out on 1 July 2019.

The campaign commenced in mid-May 2019, promoting correct waste management and encouraging sustainable practices. Since then, the Town has done targeted education to minimise confusion on bin use. The Town now has 96% of its residential properties using FOGO with rollouts underway with community groups and commercial properties. To further reduce waste, bin tagging was undertaken in early 2019 and non-contamination rates improve from 85% to 92% by week four of the programme.

Action on Climate Change

On 19 November 2019 at the Ordinary Council meeting, the Town of East Fremantle recognised the Climate Emergency and on 17 March 2020 called for the Town to develop a Community Climate Action Plan (CCAP) guided by a Climate Action Reference Group (CARG). The CCAP will be developed collaboratively with the community and be guided by local priorities and expertise to develop actions and strategies for the reduction of community wide greenhouse gas emissions and find ways to prepare the community and Council to mitigate and adapt to the impacts of climate change. The Town is also refining its business practices with the aim of reaching Gold status as a Waterwise Council by 2021.

Act Belong Commit

The Town continued to support and share the Act Belong Commit guidelines for positive mental health and introduced guest speakers for a staff morning tea during mental health week. The speaker was well received and an opportunity for all staff to mingle and network, breaking down the barriers. A 'Feel Good February' Calendar was developed for Town staff.

Community First Responder – External Defibrillators

Council has embarked on a partnership with St John Ambulance and the Town's community facilities and sporting clubs to relocate defibrillators to an external position. East Fremantle now has fifteen defibrillators registered with St John Ambulance, nine of which are external defibrillators (accessible 24/7). This equates to one registered defibrillator per 524 East Fremantle residents.

ELECTED MEMBERS 2019/20



Mayor Jim O'Neill

*Mayor 2017 - 2021
(From 2013)*

☎ 0413 211 873

✉ mayor.oneill@eastfremantle.wa.gov.au



Councillor Michael McPhail

*(Deputy Mayor 2017-2019)
Councillor 2017-2021 (from 2013)*

Preston Point Ward

☎ 0404 979 273

✉ cr.mcphail@eastfremantle.wa.gov.au



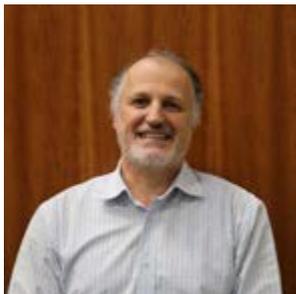
Councillor Dean Nardi

*Councillor
2019 - 2023 (From 2015)*

Richmond Ward

☎ (08) 9339 5632

✉ cr.nardi@eastfremantle.wa.gov.au



Councillor Tony Natale

*Councillor
2019-2023 (From 2017)*

Preston Point Ward

☎ 0419 929 825

✉ cr.natale@eastfremantle.wa.gov.au



Councillor Andrew McPhail

*Councillor
2017-2021
(From 2015)*

Richmond Ward

☎ 0412 936 772

✉ cr.ajmcp@mail@eastfremantle.wa.gov.au

ELECTED MEMBERS 2019/20



Councillor Jenny Harrington

*(Deputy Mayor 2019-)
Councillor 2017-2021 (From 2013)*

Plympton Ward

☎ 0418 911 777

✉ cr.harrington@eastfremantle.wa.gov.au



Councillor Cliff Collinson

*Councillor
2019-2023 (From 2007)*

Plympton Ward

☎ (08) 9339 6452

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Councillor Tony Watkins

*Councillor
2017-2021 (From 2013)*

Woodside Ward

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Councillor Kerry Donovan

Councillor 2019-2023

Woodside Ward

3A Oakover Street
East Fremantle WA 6158

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Councillor Andrew White

*Councillor
2015- 2019*

Woodside Ward

ELECTED MEMBERS MEETING ATTENDANCE 2019/20

Elected Member	Council Meetings	Town Planning Committee Meetings	Audit Committee Meetings	Concept Forum	Electors' Meeting
Mayor O'Neill	17	11	4	9	1
Cr C Collinson	16	11	Not a member	8	1
Cr K Donovan (From 19/10/19)	12	Not a member	Not a member	6	1
Cr J Harrington	16	11	3 (Member since 22/10/19)	8	1
Cr A McPhail	16	Not a member	3	8	1
Cr M McPhail	10	Not a member	1	6	-
Cr D Nardi	16	11	Not a member	9	1
Cr A Natale	17	11	4	10	1
Cr A Watkins	17	7 (Member since 22/10/19)	4	10	1
Cr A White (To 19/10/19)	4	4	1	4	-



HOW OUR STRATEGIC COMMUNITY PLAN IS USED

The Strategic Community Plan outlines the vision for the Town of East Fremantle and identifies community priority areas for the next 10 years.

Strategic Priority Areas



Within each of the key result areas are the following elements to give the overall blueprint for the Town.

Vision

A descriptive statement of the future desired position for the Town of East Fremantle.

Objectives

What we are trying to put in place and achieve.

Strategies

High level statements about how we will achieve the objectives.

Measures

Specific data that will allow us to see how well we have implemented the Strategic Community Plan.

Monitoring

We will also monitor other key data that we, as a local government need to be aware of and consider, but do not control.

The strategic direction of the Town is translated into services and projects that are delivered to our community through the Corporate Business Plan which is reviewed annually. This ensures strategic priorities are translated into real actions.

STRATEGIC PRIORITIES

Strategic Priority 1: *Social*

“ A socially connected, inclusive and safe community

1.1 Facilitate appropriate local services for the health and wellbeing of the community

1.1.1 Facilitate or partner to ensure a range of quality services are provided at a local level

1.1.2 Strengthen the sense of place and belonging through inclusive community interaction and participation.

1.2 Inviting open spaces, meeting places and recreational facilities

1.2.1 Provision of adequate recreational, sporting and social facilities

1.2.2 Activate inviting open spaces that encourage social connection

1.3 Strong community connection within a safe and vibrant lifestyle

1.3.1 Partner and educate to build a strong sense of community safety

1.3.2 Facilitate opportunities for people to develop community connections and foster local pride

1.3.3 Enrich identity, culture and heritage through programs, events and celebrations

1.3.4 Facilitate community group capacity building experience

Strategic Priority 2: *Economic*

“ Economic – Sustainable, locally focused and easy to do business with

2.1 Actively support new business activity and existing local businesses

2.1.1 Facilitate opportunities for business and community groups.

2.1.2 Investigate the development of business hubs and shared offices spaces.

2.1.3 Facilitate opportunities/ forums where local business people can meet and share ideas.

2.2 Continue to develop and revitalise local business activity centres

2.2.1 Facilitate local small business access for community and business growth

Strategic Priority 3: *Built Environment*

“ Accessible, well planned built landscapes which are in balance with the Town's unique heritage and open space.

3.1 Facilitate sustainable growth with housing options to meet future community needs

3.1.1 Advocate for a desirable planning and community outcome for all major strategic development sites.

3.1.2 Plan for a mix of inclusive diversified housing options.

3.2 Maintaining and enhancing the Town's character

3.3.1 Continue to improve asset management practices

3.3 Plan and maintain the Town's assets to ensure they are accessible, inviting and well connected.

3.3.1 Continue to improve asset management practices

3.3.2 Optimal management of assets within resource capabilities

3.3.3 Plan and advocate for improved access and connectivity

STRATEGIC PRIORITIES



Strategic Priority 4: *Natural Environment*

“ *Maintaining and enhancing our River foreshore and other green, open spaces with a focus on environmental sustainability and community amenity* ”

4.1 *Conserve, maintain and enhance the Town’s open spaces.*

- 4.1.1 Partner with Stakeholders to actively protect, conserve and maintain the Swan River foreshore
- 4.1.2 Plan for improved streetscapes parks and reserves

4.2 *Enhance environmental values and sustainable natural resource use*

- 4.2.1 Reduce waste through sustainable waste management practices

4.3 *Acknowledge the change in our climate and understand the impact of those changes.*

- 4.3.1 Improve systems and infrastructure standards to assist with mitigating climate change impacts.

Strategic Priority 5: *Leadership and Governance*

“ *A proactive, approachable Council which values community consultation, transparency and accountability* ”

5.1 *Strengthen organisational accountability and transparency*

- 5.1.1 Strengthen governance, risk management and compliance
- 5.1.2 Ensure an effective engagement process is undertaken with community and stakeholders.
- 5.1.3 Improve the efficiency and effectiveness of services

5.2 *Proactively collaborate with the community and other stakeholders*

- 5.2.1 Foster and promote strategic collaborative relationships with neighbouring LGAs, State and Federal government representatives and agencies, NGOs

5.3 *Strive for excellence in leadership and governance*

- 5.3.1 Deliver community outcomes through sustainable finance and human resource management.
- 5.3.2 Improve organisational systems with a focus on innovation
- 5.3.3 Increased focus on strengthening and fostering a positive customer service experience.

STRATEGIC PRIORITY 1

SOCIAL

"A socially connected, inclusive and safe community."



Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
1.1 Facilitate appropriate local services for the health and wellbeing of the community	<p>1.1.1 Facilitate or partner to ensure a range of quality services are provided at a local level</p> <p>1.1.2 Strengthen the sense of place and belonging through inclusive community interaction and participation</p>	Community perception of value of services, inclusiveness and wellbeing

2019 / 20 Achievements

- Provided Commonwealth Home Support Program (CHSP) with enhanced service delivery for clients and for seniors including during COVID-19, plus home shopping, groceries, tele-health calls and referrals for other support services.
- Public Art Panel began implementing four-year Arts Program including:
 - Richmond Raceway Turnstile Booth artwork finalised
 - East Fremantle's George Street Festival Art Exhibition
 - Silas Street Roundabout installation process commenced
 - Ongoing support for Museum of Perth's "Streets of East Freo" historical project at Dovenby House.
- Public Health Plan 2018–2022 implemented: water fountains installed, Act-Belong-Commit partnership, defibrillators installed/monitored, Healthy Eating Grant partnerships (2), cigarette butt litter survey education.
- Disability Access and Inclusion Plan updated and revised for public comment/advertising.
- Strategies on Community Development, Age-friendly Communities and Reconciliation Action Plan.

1.2 Inviting open spaces, meeting places and recreational facilities	<p>1.2.1 Provision of adequate recreational, sporting and social facilities</p> <p>1.2.2 Activate inviting open spaces that encourage social connection</p>	Community perception of value of recreational facilities and meeting spaces
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2019 / 20 Achievements

- Progress on development of East Fremantle Oval Vision
- Consultant Brad Paatsch (Paatsch Group) appointed to develop Business Plan and Funding Document.
- Preston Point North Recreation Precinct Masterplan finalised following community consultation.
- Allocated over \$2.5m (including depreciation) towards Recreation and Cultural activities, including the Community Assistance Grants program.
- Asset Management Plans incorporated into Strategic Resource Plan drafted. New public health measures implemented to protect community assets including playgrounds and water fountains during COVID-19 and report on asbestos.
- Development of new Silas Street Reserve fenced dog park including fencing and seating as well as landscaping to create an inviting space for pets and their owners.

STRATEGIC PRIORITY 1

SOCIAL (CONT.)

"A socially connected, inclusive and safe community."



Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
1.3 Strong community connection within a safe and vibrant lifestyle	1.3.1 Partner and educate to build a strong sense of community safety	Community perception of value of vibrancy and connectivity Increase community perception of safety Increase in community participation and satisfaction with events
	1.3.2 Facilitate opportunities for people to develop community connections and foster local pride	
	1.3.3 Enrich identity, culture and heritage through programs, events and celebrations	
	1.3.4 Facilitate community group capacity building	

2019 / 20 Achievements

- "Highway to Hell" event co-sponsorship with Cities of Perth, Fremantle and Melville, LotteryWest and TourismWA as part of Perth Festival 2020.
- East Fremantle Festival held in December 2019.
- Heritage and Bridal Trails promoted to residents as part of COVID-19 compliant healthy exercise options.
- LOOK Local advertising campaign, business networking fora held, plus 1:1 meetings with community groups/clubs.
- Continued major sponsorship to the Glyde-In Community Centre worth \$87k per annum.
- New brochures developed on parking, customer service charter, welcome packs and new community facilities map.
- Community-led initiatives: Halloween 2019 – Mint Realty, Ukulele Sundays – Zephyr Café, Fairy Gardens & Street Libraries, Gordon-View Verge – View Terrace.

Community Assistance Grants

- East Fremantle Bowling Club: \$450 to upgrade reticulation system.
- East Fremantle Cricket Club: \$2,880 to enhance viewing area for spectators and players.
- East Fremantle Junior Cricket Club: \$2,085 for new playing equipment.
- East Fremantle Lacrosse Club: \$1,250 to install a defibrillator.
- East Fremantle Lawn Tennis Club: \$1,500 for courtside seating.
- East Fremantle Probus Club: \$944 to purchase display equipment.
- Fremantle Swan Dragon Boat Club: \$900 to purchase boat covers to keep equipment in good order.
- Hurricane Dragon Boat & Outrigger Canoe Club: \$1,350 for canoe covers to protect and preserve these assets.
- Lions of East Fremantle: \$998 for establishment funding for their Sunday markets at Glasson Park.
- Tingira Association Australia: \$2,000 allocated to support the Tingira Leeuwin Diamond Reunion, July 2020.

Note: some of these funding allocations were not claimed due to COVID-19 restrictions.

STRATEGIC PRIORITY 2

ECONOMIC

"Sustainable, 'locally' focused and easy to do business with."



Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
<p>2.1 Actively support new business activity and existing local businesses</p>	<p>2.1.1 Facilitate opportunities for business and community groups</p> <p>2.1.2 Investigate the development of business hubs and shared offices spaces</p> <p>2.1.3 Facilitate opportunities / forums where local business people can meet and share ideas</p>	<ul style="list-style-type: none"> • Increased participation in attendance at business forums held in the Town • Community perception of value of support provided to business
<p>2.2 Continue to develop and revitalise local business activity centres</p>	<p>2.2.1 Facilitate local small business access for community and business growth</p>	

2019 / 20 Achievements

- Hosted a number of small business forums in partnership with the Small Business Development Corporation.
- Active member of the Fremantle Chamber of Commerce, sharing information on events, business development.
- Partnership with South West Group of Local Governments to explore economic opportunities for the sub region.
- Assisted local businesses, sporting clubs, churches, community groups and tenants of Town buildings with COVID-19 Safety Plan prior to reopening and providing advice during pandemic to assist with compliance.
- Enhanced engagement with local business through Town of East Fremantle's LinkedIn profile and social media.
- Updates to community business directory via Town of East Fremantle website
- Examination of buy local content for inclusion in Town procurement for action in 2020-21.

STRATEGIC PRIORITY 3

BUILT ENVIRONMENT

"Accessible, well planned built landscapes which are in balance with the Town's unique heritage and open spaces."

Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
3.1 Facilitate sustainable growth with housing options to meet future community needs	3.1.1 Advocate for a desirable planning and community outcome for all major strategic development sites	Community perception of value of strategic development site outcomes
	3.1.2 Plan for a mix of inclusive diversified housing options	
2019 / 20 Achievements <ul style="list-style-type: none"> Draft Local Planning Strategy developed, and now being reviewed by the Department of Planning, Lands & Heritage Facilitating Leeuwin Barracks Divestment with Department of Defence and consultants to deliver Vision Plan. Major planning developments underway including: <ul style="list-style-type: none"> Royal George Hotel – restoration and redevelopment. Former Woodside Maternity Hospital (Dalgety Street) – restoration and transformation into high quality aged care. Roofing 2000 – development proposal to provide new housing and commercial opportunities. 		
3.2 Maintaining and enhancing the Town's character	3.2.1 Ensure appropriate planning policies to protect the Town's existing built form	Community perception of value of the Town's preservation of character
2019 / 20 Achievements <ul style="list-style-type: none"> Scheme Amendment 14 – Roofing 2000 site (91-93 Canning Highway) – Council endorsed modifications and are awaiting final outcome from Minister for Planning. Advertisement of Scheme Amendment 15 – Council supported the Scheme Amendment with modification to reflect the Town's position, guiding future development. Draft Local Planning Strategy finalised and submitted for endorsement to advertise. Heritage Precinct status implemented for George Street to protect the area's unique character. 		
3.3 Plan and maintain the Town's assets to ensure they are accessible, inviting and well connected	3.3.1 Continue to improve asset management practices	<ul style="list-style-type: none"> Asset Sustainability Ratio: 2.05 Asset Consumption Ratio: 0.98 Asset Renewal Funding Ratio: 1.43 Ratios indicate all Town assets are well maintained and in good order
	3.3.2 Optimal management of assets within resource capabilities	
	3.3.3 Plan and advocate for improved access and connectivity	
2019 / 20 Achievements <ul style="list-style-type: none"> Strategic Resource Plan (Long Term Financial Plan – 15 yrs) under implementation. Funding strategies under development for delivery of capital works such as redevelopment of East Fremantle Oval. Development of Integrated Traffic Management and Movement Strategy Urban Streetscape and Public Realm Style progressed with finalisation expected in late 2020. 		

STRATEGIC PRIORITY 4

NATURAL ENVIRONMENT

"Maintaining and enhancing our River foreshore and other green, open spaces with a focus on environmental sustainability and community amenity."



Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
4.1 Conserve, maintain and enhance the Town's open spaces	4.1.1 Partner with stakeholders to actively protect, conserve and maintain the Swan River foreshore 4.1.2 Plan for improved streetscapes, parks and reserves	<ul style="list-style-type: none"> • Community perception of value of the Town's conservation and management • Recycling Rates – kilogram per capita (maintain and aim to improve) • Waste to landfill – kilograms per capita (maintain or decrease)
4.2 Enhance environmental values and sustainable natural resource use	4.2.1 Reduce waste through sustainable waste management practices	
4.3 Acknowledge the change in our climate and understand the impact of those changes	4.3.1 Improve systems and infrastructure standards to assist with mitigating climate change impacts	

2019 / 20 Achievements

- John Tonkin Reserve headlands works done with State Government (DBCA), including replacement/construction of new rock headland, upgraded drainage and importation of 200 cubic metres of sand, plus new revegetation.
- Waste Education Officer managed successful rollout of three bin FOGO system –first Perth municipality to do so.
- SMRC awarded tender for waste-to-energy – Town considering participation within contract.
- Continued waste management partnership with SMRC.
- Key targets met, including:
 - Green waste collection diversion rate of 100%.
 - Diversion rate of mixed solid waste was 65% of total waste (State's waste diversion target of 65% of all waste by 2020).
 - Recycling diversion rate was 84%, well above the diversion target.
- Action on Climate Change:
 - Climate emergency recognised on 19 November 2019.
 - Climate Action Reference Group (formed August 2020) to develop an action plan to mitigate climate change effects to integrate climate change mitigating adaptations into all Council decisions and policies.

STRATEGIC PRIORITY 5

LEADERSHIP & GOVERNANCE

"Accessible, well planned built landscapes which are in balance with the Town's unique heritage and open spaces."



Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
<p>5.1 Strengthen organisational accountability and transparency</p>	<p>5.1.1 Strengthen governance, risk management and compliance</p> <p>5.1.2 Ensure an effective engagement process is undertaken with community and stakeholders</p> <p>5.1.3 Improve the efficiency and effectiveness of services</p>	<ul style="list-style-type: none"> • Achieve an unqualified audit • Community perception of value of the Town's communication and consultation processes • Community satisfied with Town's responsiveness • % of customer requests/enquiries responded to within target timeframes • Financial ratio levels for benchmarking of local governments
<p>5.2 Proactively collaborate with the community and other stakeholders</p>	<p>5.2.1 Foster and promote strategic collaborative relationships with neighbouring LGAs, State and Federal government representatives and agencies, NGO</p>	
<p>5.3 Strive for excellence in leadership and governance</p>	<p>5.3.1 Deliver community outcomes through sustainable finance and human resource management</p> <p>5.3.2 Improve organisational systems with a focus on innovation</p> <p>5.3.3 Increased focus on strengthening and fostering a positive customer service experience</p>	

STRATEGIC PRIORITY 5

LEADERSHIP & GOVERNANCE

"Accessible, well planned built landscapes which are in balance with the Town's unique heritage and open spaces."



2019 / 20 Achievements

Business System Improvements and Continuity Assured

The Town has continued its strong record of financial management with an unqualified Audit expected in 2019/20.

Enhancements have been made to governance including review/endorsement of Delegated Authority Register May 2020. Implementation of year one of the Town's new Record Keeping Improvement Plan and Business Improvement Program including new payroll system under development for delivery in 2020-21.

Business Continuity Plan developed/ implemented during COVID-19 including remote working arrangements and online services provided during Town Hall closure (March – June 2020).

Improvements Services for residents

Customer Service Improvement Project well underway with good results already achieved including:

- Review of customer service systems, standards, monitoring & performance plus development of Customer Service Charter.
- Implementation/integration of Snap Send Solve app for reporting of external maintenance requests in the Town.
- New Fact Sheets covering 22 content areas – now available in hard copy and online.
- New three-year Library Services Agreement with City of Fremantle underway - new Library opening in March 2021.
- Online services and payments including e-rates, pet registration renewals, building application lodgements and tracking.
- Ongoing enhancements for Town Business Enterprise System and internal reporting mechanisms.
- Customer service system improvements have resulted in First Call Resolutions rising from 56% to 74%.

Advocacy and leadership

Continued collaboration with SWG and SMRC on waste management, business systems, environmental and river management and key transport issues including the Swan River Crossings project plus Smart Cities technology.

Building and developing a strong team

- Workforce Plan reviewed in March/April 2020 - Waste Education Officer/Planning Officer now permanent.
- Redesign of roles/upscaling of capacity in communications and engagement.
- New policy on Training and Personal Development for Elected Members and CEO adopted May 2020.
- Training in governance, cultural awareness and legal matters.
- Implementation of E-Learning Platform LEARN RITE, including online performance appraisals.

Working the RITE way – embedding workplace safety and health and our values of Respect, Integrity, Teamwork, Empathy

- Project Plan to embed Town's corporate values across all aspects of the organisation and with community.
- OSH Committee prioritised reflecting new workplace health and safety challenges re: COVID-19/business continuity.

OVERVIEW 2019/20

3,263



RESIDENTIAL DWELLINGS

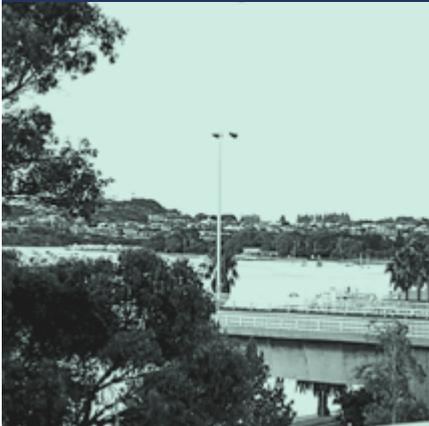


7,936

(+76)



POPULATION



5,597

(-8)



ELECTORS



\$8.049M

(+54K)



TOTAL RATES



\$11.664M

(794K+)



TOTAL REVENUE



55 STAFF

(including full and part-time and casual staff) Entire team retained during and after COVID-19



FAST FACTS



114
+\$18,483,880
Development
Applications



122
= \$15,892,642
Building
Approvals



30
Citizenship
Granted



23
Public Swimming
Pool Samples



60
Food
Recalls



10
River
Samples



90
Food Premises
Inspections



1106
Registered
Dogs



296
Registered
Cats



90
Street Trees
Planted



82
Mattresses
Collected for
Recycling



103
Trees in Parks &
Reserves Planted

16,590 Phone Calls
Answered

74% Issues
Resolved on
First Contact



816
tonnes of
recycling
recovered

STATUTORY REPORTING



Record Keeping Plan (RKP)

The Town undertook the 5-year statutory review of the RKP in 2018, which was approved by State Records in November 2018. The RKP includes a 5-year improvement plan, which has commenced. The RKP will be benchmarked against the Western Australian Auditor General Report of Record Management in Local Government (April 2019).

The RKP addresses the six recordkeeping principles each of which contains minimum compliance requirements:

- Principle One: Proper and Adequate Records
- Principle Two: Policies and Procedures
- Principle Three: Language Control
- Principle Four: Preservation
- Principle Five: Retention and Disposal
- Principle Six: Compliance

National Competition Policy

The Competition Principles Agreement is an Inter-government Agreement between the Commonwealth and State/Territory Governments that sets out how government will apply National Competition Policy principles to public sector organisations within their jurisdiction.

The State Government released a Policy Statement effective from 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 apply to Local Government. The provisions of Clause 7 of the Competition Principles Agreement require local government to report annually as to the implementation, application and effects of the Competition Policy.

The Competition Principles Agreement, under Clause 7, specifies three broad areas of reporting. These are:

- Competitive Neutrality
- Structural Review of Public Monopolies
- Legislative Review

In accordance with the requirements of the National Competition Policy (NCP), the Town of East Fremantle makes the following disclosures for 2019/20.

Competitive Neutrality

The objective of competitive neutrality is introducing measures which effectively remove any net competitive advantages arising as a result government ownership of a business entity. The Town of East Fremantle has previously assessed its operations and considers that it does not have any business activity that would be classed as significant under the current guidelines. The Town of East Fremantle does not operate a business enterprise that has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or Public Financial Enterprise.

All activities within the Town are continually being examined to identify opportunities to generate efficiency improvements. This must be balanced with the type and level of service provision and statutory requirements.

The number of activities to which competitive neutrality principles have been applied in the reporting period is zero. The number of activities to which competitive neutrality principles have been considered but not applied in the reporting period is zero.

During the reporting period the Town did not become aware of any allegations of non-compliance with the competitive neutrality principles made by a private entity against the Town.

STATUTORY REPORTING (CONT.)

Legislative Review

All local laws have been reviewed for compliance with NCP and all amendments to existing, and all future local laws are monitored to ensure no anti-competitive practices are included. In the year under review the Town undertook no activities that met the financial benchmark.

Structural Reform of Public Monopolies

The Town of East Fremantle is not classified as a natural monopoly nor does it conduct any business activities that could be classified as public monopolies.

Freedom of Information

The Freedom of Information Act 1992 allows the public the right to apply for access to information held by the Town of East Fremantle. The Act requires the adoption of a Freedom of Information Statement to be reviewed annually. A copy of the current statement is available on the Town website.

The Town submitted its annual Information Return to the Information Commissioner which stated the Town had received 2 applications.

Disability Access and Inclusion Plan 2016-2020

The Disability Access and Inclusion Plan was reviewed beginning in April 2020. Due to COVID-19, community was consulted via an online survey that was advertised broadly. A scan was done of Council correspondence over the last four years to identify accessibility issues, as was the 2019 Community Perceptions Survey. The Department of Communities reported that they were satisfied with the Town's progress. While the Town has an ongoing positive history of access improvements over the last 5 years, it will now focus on greater awareness of inclusion for people with all levels of disability and training for staff, Councillors and contractors is now included in the new DAIP Implementation Plan 2020-2025. The review also identified a gap in disability access and inclusion is within private property for access to shopping centres, and privately owned public buildings such as restaurants, cafes, and gyms, and this will be attended to as a forward item.

Register of Complaints (Rules of Conduct)

Minor breaches of the rules of conduct or a local law adopted in accordance with the Local Government Act 1995 by Council members and any action taken are recorded in a register of complaints. No complaints pursuant to the Rules of Conduct were received by the Town in the year under review.

Employee Remuneration

In accordance with Regulation 19B of the Local Government (Administration) Regulations 1996 the Town is required to disclose the number of employees with an annual cash salary of more than \$100,000. The number of employees with an annual salary entitlement that falls within each band for 2019/20 is as follows:

\$100,000 - \$109,000 - 1

\$120,000 - \$129,999 - 2

\$140,000 - \$149,999 - 1

\$180,000 - \$190,999 - 1

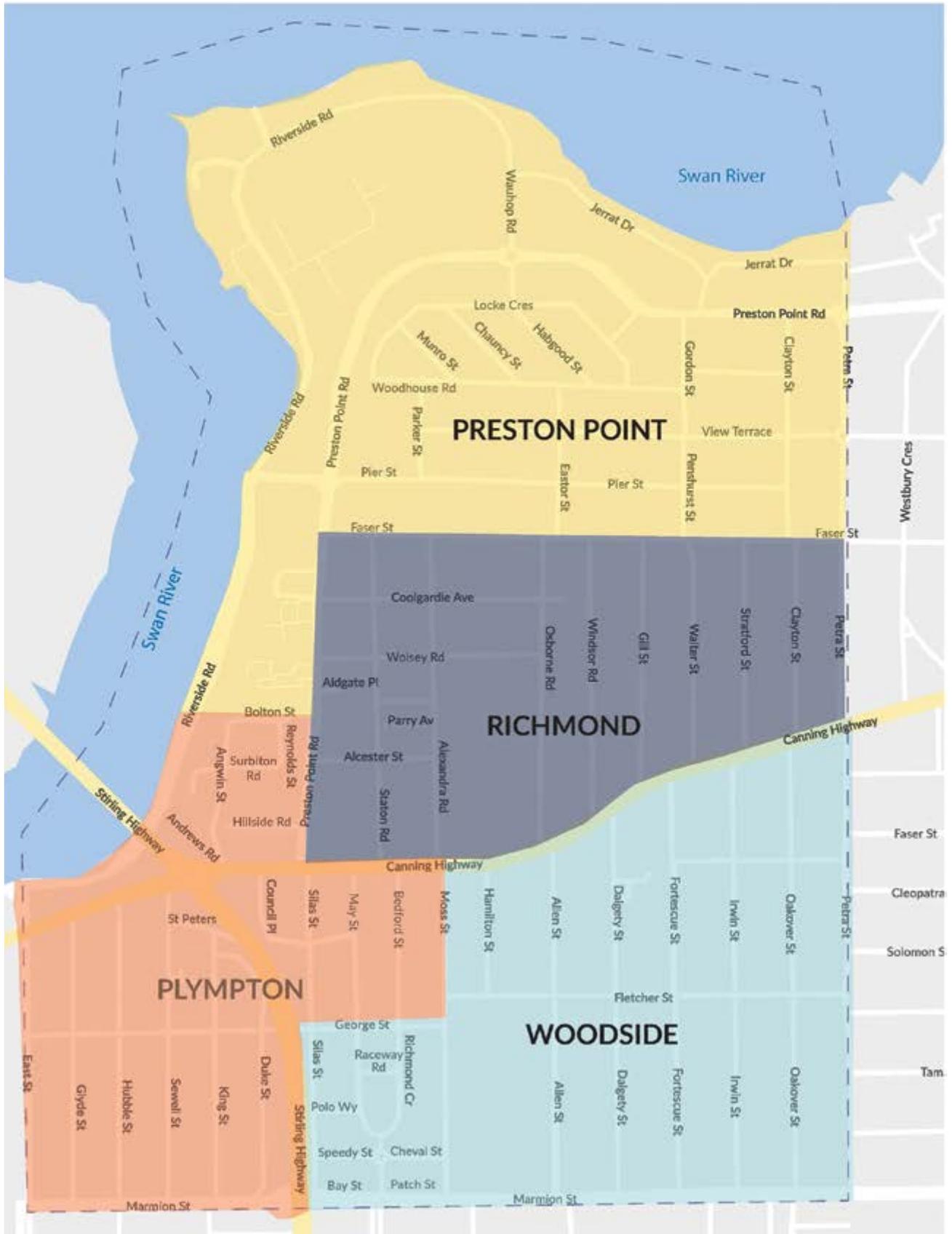
Local Laws

The Town currently has nine (9) Local Laws:

- Waste Local Law 2017
- Waste Amendment Local Law 2017
- Meeting Procedure Local Law 2016
- Public Places and Local Government Property Local Law 2016
- Cat Local Law 2016
- Dog Local Law 2016
- Parking Local Law 2016
- Penalty Units Local Law 2016
- Fencing Local Law 2016

In the year under review 1147 infringements and 3279 cautions were issued in relation to breaches of local laws.

WARD MAP



2019/20 FINANCIAL CONTENT

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COMMUNITY VISION

“Inclusive community, balancing growth and lifestyle”

STATEMENT BY CHIEF EXECUTIVE OFFICER

TOWN OF EAST FREMANTLE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Town of East Fremantle for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Town of East Fremantle at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 17th day of DECEMBER 2020



Chief Executive Officer
GARY TUFFIN

Name of Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Restated \$
Revenue				
Rates	25(a)	8,049,151	8,045,480	7,994,644
Operating grants, subsidies and contributions	2(a)	1,254,252	1,171,341	1,183,356
Fees and charges	2(a)	1,204,084	1,124,467	1,216,317
Interest earnings	2(a)	139,330	221,000	227,465
Other revenue	2(a)	58,296	62,275	100,278
		10,705,113	10,624,563	10,722,060
Expenses				
Employee costs		(4,482,185)	(4,126,285)	(4,073,458)
Materials and contracts		(4,088,907)	(4,427,824)	(3,809,913)
Utility charges		(304,475)	(320,000)	(342,298)
Depreciation on non-current assets	10(b)	(1,804,235)	(2,472,904)	(1,575,681)
Interest expenses	2(b)	(24,169)	0	(20,402)
Insurance expenses		(178,282)	(167,605)	(218,414)
Other expenditure		(551,454)	(626,824)	(631,588)
		(11,433,707)	(12,141,442)	(10,671,754)
		(728,594)	(1,516,879)	50,306
Non-operating grants, subsidies and contributions	2(a)	958,842	881,867	147,436
Profit on asset disposals	10(a)	2,210	7,700	12,632
(Loss) on asset disposals	10(a)	(37,165)	0	(21,190)
Share of net profit of associate accounted for using the equity method	22(a)	21,238	0	(158,181)
(Loss) on revaluation of furniture and equipment	8(a)	0	0	(28,503)
		945,125	889,567	(47,806)
Net result for the period		216,531	(627,312)	2,500
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	5,789,215	0	246,820
Share of other comprehensive income of associate accounted for using the equity method	22(a)	140,704	0	(43,075)
Total other comprehensive income for the period		5,929,919	0	203,745
Total comprehensive income for the period		6,146,450	(627,312)	206,245

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

STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Restated \$
Revenue				
	2(a)			
Governance		10,107	10,000	1,905
General purpose funding		8,522,541	8,451,394	8,525,993
Law, order, public safety		31,003	33,700	36,184
Health		14,826	14,400	14,966
Education and welfare		885,563	819,933	909,973
Housing		82,093	85,140	91,593
Community amenities		192,596	194,000	153,657
Recreation and culture		413,971	502,184	312,564
Transport		406,317	360,744	525,030
Economic services		84,024	79,000	86,827
Other property and services		62,072	74,068	63,368
		10,705,113	10,624,563	10,722,060
Expenses				
	2(b)			
Governance		(1,295,064)	(1,256,860)	(1,322,253)
General purpose funding		(245,822)	(161,878)	(104,773)
Law, order, public safety		(161,607)	(173,561)	(169,364)
Health		(187,211)	(191,298)	(200,647)
Education and welfare		(1,064,095)	(1,043,896)	(1,100,192)
Housing		(37,517)	(50,200)	(45,155)
Community amenities		(2,853,772)	(2,854,492)	(2,334,587)
Recreation and culture		(2,503,568)	(3,590,406)	(2,573,625)
Transport		(2,678,934)	(2,544,657)	(2,503,015)
Economic services		(109,235)	(121,878)	(120,479)
Other property and services		(272,713)	(152,316)	(177,262)
		(11,409,538)	(12,141,442)	(10,651,352)
Finance Costs				
	2(b)			
Community amenities		(15,311)	0	(20,402)
Recreation and culture		(8,858)	0	0
		(24,169)	0	(20,402)
		(728,594)	(1,516,879)	50,306
Non-operating grants, subsidies and contributions	2(a)	958,842	881,867	147,436
Profit on disposal of assets	10(a)	2,210	7,700	12,632
(Loss) on disposal of assets	10(a)	(37,165)	0	(21,190)
Share of net profit of associate accounted for using the equity method	22(a)	21,238	0	(158,181)
(Loss) on revaluation of furniture and equipment	8(a)	0	0	(28,503)
		945,125	889,567	(47,806)
		216,531	(627,312)	2,500
Net result for the period				
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	5,789,215	0	246,820
Share of other comprehensive income of associate accounted for using the equity method	22(a)	140,704	0	(43,075)
		5,929,919	0	203,745
		6,146,450	(627,312)	206,245

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	NOTE	2020 \$	2019 Restated \$	1 July 2018 Restated
CURRENT ASSETS				
Cash and cash equivalents	3	3,316,938	4,191,260	3,478,644
Trade and other receivables	6	646,018	498,553	460,909
Other assets	7	34,570	17,852	4,579
TOTAL CURRENT ASSETS		3,997,526	4,707,665	3,944,132
NON-CURRENT ASSETS				
Trade and other receivables	6	73,901	65,838	52,590
Other financial assets	5(a)	71,221	71,221	71,221
Investment in associate	22(a)	1,094,618	932,676	1,133,932
Property, plant and equipment	8	33,495,255	27,916,901	28,143,314
Infrastructure	9	49,031,948	46,917,089	46,658,511
Right of use assets	11(a)	319,009	0	0
TOTAL NON-CURRENT ASSETS		84,085,952	75,903,725	76,059,568
TOTAL ASSETS		88,083,478	80,611,390	80,003,700
CURRENT LIABILITIES				
Trade and other payables	13	2,080,598	926,318	472,301
Lease liabilities	14(a)	36,635	0	0
Borrowings	15(a)	177,797	110,709	122,997
Employee related provisions	16(a)	698,807	635,317	603,309
TOTAL CURRENT LIABILITIES		2,993,837	1,672,344	1,198,607
NON-CURRENT LIABILITIES				
Lease liabilities	14(a)	286,288	0	0
Borrowings	15(a)	204,842	345,836	427,423
Employee related provisions	16(a)	99,022	63,518	54,224
TOTAL NON-CURRENT LIABILITIES		590,152	409,354	481,647
TOTAL LIABILITIES		3,583,989	2,081,698	1,680,254
NET ASSETS		84,499,489	78,529,692	78,323,446
EQUITY				
Retained surplus		34,273,282	33,030,480	33,139,521
Reserves - cash backed	4	991,251	2,194,176	2,082,634
Revaluation surplus	12	49,234,956	43,305,036	43,101,291
TOTAL EQUITY		84,499,489	78,529,692	78,323,446

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2018		23,375,471	2,082,634	43,101,291	68,559,396
Correction of error	30	9,764,050	0	0	9,764,050
Restated total equity at the beginning of the financial year		33,139,521	2,082,634	43,101,291	78,323,446
Comprehensive income					
Net result for the period (restated)		2,501	0	0	2,501
Other comprehensive income	12	0	0	203,745	203,745
Total comprehensive income		2,501	0	203,745	206,246
Transfers from reserves	4	727,352	(727,352)	0	0
Transfers to reserves	4	(838,894)	838,894	0	0
Balance at 30 June 2019 (restated)		33,030,480	2,194,176	43,305,036	78,529,692
Change in accounting policy	29(c)	(176,653)	0	0	(176,653)
Restated total equity at 1 July 2019		32,853,827	2,194,176	43,305,036	78,353,039
Comprehensive income					
Net result for the period		216,531	0	0	216,531
Other comprehensive income	12	0	0	5,929,919	5,929,919
Total comprehensive income		216,531	0	5,929,919	6,146,450
Transfers from reserves	4	1,239,407	(1,239,407)	0	0
Transfers to reserves	4	(36,482)	36,482	0	0
Balance as at 30 June 2020		34,273,282	991,251	49,234,956	84,499,489

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

RARE SETTING STATEMENT

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	26 (b)	775,201	758,451	785,888
		775,201	758,451	785,888
Revenue from operating activities (excluding rates)				
Governance		12,317	10,000	1,905
General purpose funding		473,390	405,914	531,349
Law, order, public safety		31,003	33,700	43,906
Health		14,826	14,400	14,966
Education and welfare		885,563	819,933	909,973
Housing		82,093	85,140	91,593
Community amenities		192,596	194,000	156,884
Recreation and culture		413,971	509,884	312,564
Transport		406,317	360,744	526,713
Economic services		84,024	79,000	86,827
Other property and services		83,310	74,068	63,368
		2,679,410	2,586,783	2,740,048
Expenditure from operating activities				
Governance		(1,295,064)	(1,256,860)	(1,322,253)
General purpose funding		(245,822)	(161,878)	(104,773)
Law, order, public safety		(161,607)	(173,561)	(169,364)
Health		(187,211)	(191,298)	(200,647)
Education and welfare		(1,064,095)	(1,043,896)	(1,100,192)
Housing		(37,517)	(50,200)	(45,155)
Community amenities		(2,869,083)	(2,854,492)	(2,354,989)
Recreation and culture		(2,512,426)	(3,590,406)	(2,580,034)
Transport		(2,678,934)	(2,544,657)	(2,517,796)
Economic services		(109,235)	(121,878)	(120,479)
Other property and services		(309,878)	(152,316)	(363,946)
		(11,470,872)	(12,141,442)	(10,879,628)
Non-cash amounts excluded from operating activities	26(a)	1,869,546	2,465,204	1,792,012
Amount attributable to operating activities		(6,146,715)	(6,331,004)	(5,561,680)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	958,842	881,867	147,436
Proceeds from disposal of assets	10(a)	36,398	37,700	115,227
Purchase of property, plant and equipment	8(a)	(829,272)	(871,705)	(556,075)
Purchase and construction of infrastructure	9(a)	(2,910,889)	(2,945,152)	(970,202)
Amount attributable to investing activities		(2,744,921)	(2,897,290)	(1,263,614)
FINANCING ACTIVITIES				
Repayment of borrowings	15(b)	(98,059)	0	(105,954)
Payments for principal portion of lease liabilities	14(b)	(35,511)	0	0
Transfers to reserves (restricted assets)	4	(36,482)	(60,000)	(838,894)
Transfers from reserves (restricted assets)	4	1,239,407	1,242,814	727,352
Amount attributable to financing activities		1,069,354	1,182,814	(217,496)
Surplus/(deficit) before imposition of general rates		(7,822,282)	(8,045,480)	(7,042,790)
Total amount raised from general rates	25(a)	8,049,151	8,045,480	7,994,644
Surplus/(deficit) after imposition of general rates	26(b)	226,869	0	951,854

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		7,911,771	8,045,480	7,905,254
Operating grants, subsidies and contributions		1,254,252	1,171,341	1,183,356
Fees and charges		1,777,528	1,124,467	1,348,768
Interest received		151,816	221,000	216,312
Goods and services tax received		619,268	0	582,573
Other revenue		58,296	62,275	103,278
		11,772,930	10,624,563	11,339,541
Payments				
Employee costs		(4,432,636)	(4,126,285)	(4,004,931)
Materials and contracts		(4,189,481)	(4,427,824)	(3,935,002)
Utility charges		(304,475)	(320,000)	(342,298)
Interest expenses		(24,169)	0	(17,043)
Insurance paid		(178,282)	(167,605)	(218,414)
Goods and services tax paid		(112,418)	0	(129,765)
Other expenditure		(527,301)	(626,824)	(609,904)
		(9,768,762)	(9,668,538)	(9,257,357)
Net cash provided by (used in) operating activities	17	2,004,168	956,025	2,082,184
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	8(a)	(829,272)	(871,705)	(556,075)
Payments for construction of infrastructure	9(a)	(2,910,889)	(2,945,152)	(970,202)
Non-operating grants, subsidies and contributions	2(a)	958,842	881,867	147,436
Proceeds from sale of property, plant & equipment	10(a)	36,398	37,700	115,227
Net cash provided by (used in) investment activities		(2,744,921)	(2,897,290)	(1,263,614)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	15(b)	(98,059)	0	(105,954)
Payments for principal portion of lease liabilities	14(b)	(35,511)	0	0
Net cash provided by (used in) financing activities		(133,570)	0	(105,954)
Net increase (decrease) in cash held		(874,322)	(1,941,265)	712,616
Cash at beginning of year		4,191,260	4,251,040	3,478,644
Cash and cash equivalents at the end of the year	17	3,316,938	2,309,775	4,191,260

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

INDEX NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF PREPARATION

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

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Prior to 1 July 2019, Regulation (Reg) 15 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control of management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Town. This was not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant & Equipment paragraph 7.

From 1 July 2019, the Town has applied AASB 16 Leases which requires leases to be included by lessees in the statement of financial position. Also, the Local Government (Financial Management) Regulations 1996 have been amended to specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessional leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is vested improvements on concessional land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Town to measure any vested improvements at zero cost.

Therefore, the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

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

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 Service Concession Arrangements - Grantors
- AASB 2018-7 Amendments to Australian Accounting Standards - Materiality

AASB 1059 Service Concession Arrangements - Grantors is not expected to impact the financial report.

Specific impacts of AASB 2018-7 Amendments to Australian Accounting Standards - Materiality, have not been identified.

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 which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Town 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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 31 to these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

1 REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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

Taxable Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates - general rates	General rates	Over time	Payment dates adopted by council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the funding body	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligation	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Bolting, planning, development and animal management, having the same nature as a licence regardless of naming	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment of the licence, registration or approval
Fees and charges - pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Fees and charges - other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Fees and charges - waste management collections	Kerbside collection service	Over time	Payment dates adopted by council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Fees and charges - property hire	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction	On entry or at conclusion of hire
Fees and charges for other goods and services	Reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by council through local law	When taxable event occurs	Not applicable	When fine notice is issued
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed
Fees & Charges Meeting Pen Fees	Leasing Meeting Pen	Single point in time	Payment in full in advance	Contract obligation	Adopted by Council annually	Based on timing of entry to facility	Returns limited to repayment of transaction on cancellation	On entry or at conclusion of hire
Fees & Charges - Property Leases	Leasing of Commercial or Residential Properties	Single point in time	Payment in full in advance	Contract obligation	Adopted by Council annually	Based on timing of entry to facility	Returns limited to repayment of transaction on cancellation	On entry or at conclusion of hire
Fees & Charges - Commonwealth Home Support Services	Aged Care Services	Single point in time	Payment in arrears for claimable event	None	Adopted by Council annually	Based on timing of provision of service	Not applicable	Output method based on provision of service or completion of works

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

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

Operating grants, subsidies and contributions

General purpose funding
Education and welfare
Community amenities
Recreation and culture
Transport

Non-operating grants, subsidies and contributions

Transport

Total grants, subsidies and contributions

Fees and charges

Governance
General purpose funding
Law, order, public safety
Health
Education and welfare
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating grants, subsidies and contributions			
General purpose funding	235,168	117,914	244,984
Education and welfare	759,088	722,683	807,264
Community amenities	28,923	51,000	0
Recreation and culture	157,803	249,000	34,906
Transport	73,270	30,744	96,202
	1,254,252	1,171,341	1,183,356
Non-operating grants, subsidies and contributions			
Transport	958,842	881,867	147,436
	958,842	881,867	147,436
Total grants, subsidies and contributions	2,213,094	2,053,208	1,330,792
Fees and charges			
Governance	157	0	406
General purpose funding	98,892	67,000	58,900
Law, order, public safety	31,003	33,700	36,184
Health	14,826	13,400	14,155
Education and welfare	126,475	97,250	102,529
Housing	80,153	81,640	88,512
Community amenities	163,673	143,000	153,657
Recreation and culture	237,548	241,029	225,254
Transport	332,327	330,000	426,822
Economic services	84,044	78,500	86,862
Other property and services	34,986	38,948	23,036
	1,204,084	1,124,467	1,216,317

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Contracts with customers and transfers for recognisable non-financial assets

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Town was recognised during the year for the following nature or types of goods or services:

Operating grants, subsidies and contributions

Fees and charges

Other revenue

Non-operating grants, subsidies and contributions

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Town is comprised of:

Other revenue from contracts with customers recognised during the year

Other revenue from performance obligations satisfied during the year

Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

Trade and other receivables from contracts with customers

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating grants, subsidies and contributions	984,156	1,022,683	904,194
Fees and charges	948,782	904,967	999,490
Other revenue	58,296	52,275	98,779
Non-operating grants, subsidies and contributions	958,842	881,867	147,436
	2,950,076	2,861,792	2,149,899
Other revenue from contracts with customers recognised during the year	1,991,234	1,979,925	2,002,463
Other revenue from performance obligations satisfied during the year	958,842	881,867	147,436
	2,950,076	2,861,792	2,149,899
Trade and other receivables from contracts with customers	82,765		

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates
Statutory permits and licences
Fines
Waste refuse charges (additional services)

	2020 Actual \$	2020 Budget \$	2019 Actual \$
General rates	8,049,151	8,045,480	7,994,644
Statutory permits and licences	61,424	58,000	63,661
Fines	180,621	130,400	239,144
Waste refuse charges (additional services)	94,985	94,500	94,266
	8,386,181	8,328,380	8,391,715
Assets and services acquired below fair value			
Grants, subsidies and contributions	270,097	148,658	279,162
	270,097	148,658	279,162
Other revenue			
Reimbursements and recoveries	46,822	60,775	76,922
Other	11,474	1,500	23,356
	58,296	62,275	100,278
Interest earnings			
Interest on reserve funds	29,939	60,000	53,779
Rates instalment and penalty interest (refer Note 25(b))	70,914	85,000	82,315
Other interest earnings	38,477	76,000	91,371
	139,330	221,000	227,465

Assets and services acquired below fair value

Grants, subsidies and contributions

Other revenue

Reimbursements and recoveries
Other

Interest earnings

Interest on reserve funds
Rates instalment and penalty interest (refer Note 25(b))
Other interest earnings

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

2. REVENUE AND EXPENSES

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

Borrowings
Lease liabilities

Other expenditure

Impairment loss on trade and other receivables from contracts with customers
Sundry expenses

Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
	41,384	35,000	30,000
	0	0	1,760
	41,384	35,000	31,760
15(b)	15,311	0	20,402
14(b)	8,858	0	
	24,169	0	20,402
	10,500	0	0
	540,954	626,824	631,588

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

3. CASH AND CASH EQUIVALENTS

	NOTE	2020 \$	2019 \$
Cash at bank and on hand		1,571,852	849,592
Term deposits		1,745,086	3,341,668
Total cash and cash equivalents		3,316,938	4,191,260
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents		991,251	2,194,176
		991,251	2,194,176
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Reserves - cash backed	4	991,251	2,194,176
Total restricted assets		991,251	2,194,176

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

	2020		2020		2020		2020		2020		2019		2019	
	Actual Opening Balance	Actual Transfer to	Budget Opening Balance	Budget Transfer to	Budget Closing Balance	Actual Opening Balance	Actual Transfer to	Budget Opening Balance	Budget Transfer to	Budget Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Closing Balance	
(a) Reserves cash backed - Vehicle, Plant and Equipment	171,247	0	250,150	0	179,530	259,150	0	179,530	0	179,530	259,150	(87,903)	171,247	
(b) Reserves cash backed - Non-current leave	10,000	0	10,000	0	10,000	407,665	0	10,000	0	10,000	407,665	(397,665)	10,000	
(c) Reserves cash backed - Office Equipment	0	0	0	0	0	9,121	0	0	0	0	9,121	(9,121)	0	
(d) Reserves cash backed - Unspent Grants and Restricted Cash	217,037	0	70,840	0	70,840	75,000	0	70,840	0	70,840	75,000	(75,000)	0	
(e) Reserves cash backed - HACCC	0	(40,234)	217,037	0	117,037	217,037	0	117,037	0	117,037	217,037	0	217,037	
(f) Reserves cash backed - Legal Funds	0	0	0	0	0	142,480	0	0	0	0	142,480	(142,480)	0	
(g) Reserves cash backed - Civic Buildings	0	0	0	0	0	15,183	0	0	0	0	15,183	(15,183)	0	
(h) Reserves cash backed - Strategic Asset Management	615,677	36,482	622,232	60,000	632,232	564,668	51,009	632,232	60,000	532,232	564,668	51,009	615,677	
(i) Reserves cash backed - Arts and Sculpture	192,022	0	192,022	0	117,022	192,022	0	117,022	0	117,022	192,022	0	192,022	
(j) Reserves cash backed - Waste	200,308	0	200,309	0	200,309	200,308	0	200,309	0	200,308	200,308	0	200,308	
(k) Reserves cash backed - Committed Works	737,885	0	737,885	0	0	737,885	0	0	0	0	737,885	0	737,885	
(l) Reserves cash backed - Commercial Precinct Development	50,000	0	50,000	0	50,000	50,000	0	50,000	0	50,000	50,000	0	50,000	
	2,194,176	36,482	2,359,475	60,000	1,176,661	2,359,475	838,894	1,176,661	60,000	2,082,634	2,082,634	(727,352)	2,194,176	

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Reserves cash backed - Vehicle, Plant and Equipment	Ongoing	To support the funding of vehicle, plant and equipment purchases.
(b) Reserves cash backed - Non-current leave	Ongoing	To fund the non-current liability amount of annual, sick and long service leave entitlements accrued in previous financial years beyond the amount provided for in the Provision for Leave current liability account
(c) Reserves cash backed - Office Equipment	30/06/2020	Reserve closed 30/06/2019. Balance transferred to the Strategic Asset Management Reserve
(d) Reserves cash backed - Unspent Grants and Restricted Cash	Ongoing	To retain surplus HACCC program funds for future periods.
(e) Reserves cash backed - HACCC	Ongoing	Reserve closed 30/06/2019. Balance transferred to the Strategic Asset Management Reserve.
(f) Reserves cash backed - Legal Funds	Ongoing	To fund the acquisition of new and renewal of existing Town infrastructure, buildings and other assets.
(g) Reserves cash backed - Civic Buildings	Ongoing	To provide for the commissioning and purchase of public art works in accordance with the Town's Public Arts Strategy.
(h) Reserves cash backed - Strategic Asset Management	Ongoing	To fund and support waste management services including but not limited to refuse collection, waste management initiatives and programs, infrastructure and buildings and legal expenses associated with waste management.
(i) Reserves cash backed - Arts and Sculpture	30/06/2020	To transfer unspent municipal expenditure on specific projects to enable identification of carryover expenditure in the next financial year.
(j) Reserves cash backed - Waste	Ongoing	To fund infrastructure, economic development programs, crime prevention programs, and business initiatives in the Town's commercial business precincts.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

5. OTHER FINANCIAL ASSETS

(a) Non-current assets

Financial assets at fair value through profit and loss

	2020 \$	2019 Restated \$	1 July 2018 Restated \$
	71,221	71,221	71,221
	71,221	71,221	71,221
Financial assets at fair value through profit and loss			
Units in Local Government House Trust	71,221	71,221	71,221
	71,221	71,221	71,221

Financial assets at fair value through profit and loss

Units in Local Government House Trust

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 27.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Allowance for impairment of receivables	
Loans receivable - clubs/institutions	

Non-current

Pensioner's rates and ESL deferred	
Loans receivable - clubs/institutions	

	2020	2019
	\$	\$
	320,511	265,114
	82,765	135,993
	250,242	97,264
	(10,500)	(2,818)
	3,000	3,000
	<u>646,018</u>	<u>498,553</u>
	52,901	44,838
	21,000	21,000
	<u>73,901</u>	<u>65,838</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 27.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

7. OTHER ASSETS

Other assets - current
Prepayments
Accrued income

2020	2019
\$	\$
31,324	2,120
3,246	15,732
34,570	17,852

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period. Accrued income is income that has been earned, but not yet received by the Town (i.e. interest).

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Land - Independent Valuation 2020 - Level 2	Total land 2020 - Level 2	Buildings - non- specialised - Independent valuation 2020 - Level 2	Buildings - non- specialised - Independent valuation 2020 - Level 3	Buildings - non- specialised - Independent valuation 2020 - Level 3	Total buildings 2020 - Level 3	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
Balance at 1 July 2018 - Restated	\$ 4,451,000	\$ 4,451,000	\$ 51,875	\$ 500,386	\$ 22,070,839	\$ 22,622,900	\$ 27,073,900	\$ 353,607	\$ 715,807	\$ 28,143,314
Additions	0	0	0	0	225,443	225,443	225,443	26,052	304,580	556,075
(Disposals)	0	0	0	0	0	0	0	0	(123,785)	(123,785)
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	0	0	0	0	0	0	0
Revaluation (loss) / reversals transferred to profit or loss	0	0	0	0	0	0	0	(28,503)	0	(28,503)
Impairment (losses) / reversals	0	0	0	0	0	0	0	(8,061)	(4,902)	(12,963)
Depreciation (expense)	0	0	(1,325)	(12,825)	(594,319)	(608,469)	(608,469)	(76,243)	(174,894)	(859,606)
Transfers	0	0	0	0	1,366	1,366	1,366	(1,366)	(4,451)	(4,451)
Carrying amount at 30 June 2019 Restated	\$ 4,451,000	\$ 4,451,000	\$ 50,350	\$ 487,561	\$ 21,703,329	\$ 22,241,240	\$ 26,692,240	\$ 265,486	\$ 959,175	\$ 27,916,901
Comprises:										
Gross carrying amount at 30 June 2019	4,451,000	4,451,000	53,000	513,000	22,287,648	22,863,648	27,314,648	265,486	959,175	28,539,309
Accumulated depreciation at 30 June 2019	0	0	(2,650)	(25,439)	(594,319)	(622,408)	(622,408)	0	0	(622,408)
Carrying amount at 30 June 2019 Restated	\$ 4,451,000	\$ 4,451,000	\$ 50,350	\$ 487,561	\$ 21,703,329	\$ 22,241,240	\$ 26,692,240	\$ 265,486	\$ 959,175	\$ 27,916,901
Additions	0	0	0	54,763	379,647	434,410	434,410	52,584	342,278	829,272
(Disposals)	0	0	0	0	(6,615)	(6,615)	(6,615)	0	(64,738)	(71,353)
Revaluation increments / (decrements) transferred to revaluation surplus	(120,100)	(120,100)	6,475	75,134	5,827,706	5,909,315	5,789,215	0	0	5,789,215
Depreciation (expense)	0	0	(1,325)	(13,459)	(603,187)	(617,971)	(617,971)	(45,970)	(291,360)	(955,301)
Transfers	0	0	0	0	(13,480)	(13,480)	(13,480)	0	0	(13,480)
Carrying amount at 30 June 2020	\$ 4,330,900	\$ 4,330,900	\$ 55,500	\$ 604,000	\$ 27,287,400	\$ 27,946,900	\$ 32,277,800	\$ 272,100	\$ 945,355	\$ 33,495,255
Comprises:										
Gross carrying amount at 30 June 2020	4,330,900	4,330,900	55,500	604,000	27,287,400	27,946,900	32,277,800	318,070	1,226,453	33,822,323
Accumulated depreciation at 30 June 2020	0	0	0	0	0	0	0	(45,970)	(281,098)	(327,068)
Carrying amount at 30 June 2020	\$ 4,330,900	\$ 4,330,900	\$ 55,500	\$ 604,000	\$ 27,287,400	\$ 27,946,900	\$ 32,277,800	\$ 272,100	\$ 945,355	\$ 33,495,255

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - Independent Valuation 2020 - Level 2	Level 2	Market approach using recent observable market data for similar properties/income approach using discount cash flow methodology.	Independent Registered Valuers	June 2020	Price per hectare / market borrowing rate.
Buildings - non-specialised - Independent valuation 2020 - Level 2	Level 2	Market approach using recent observable market data for similar properties/income approach using discount cash flow methodology.	Independent Registered Valuers	June 2020	Improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessment (level 3) inputs.
Buildings - non-specialised - Independent valuation 2020 - Level 3	Level 3	Improvements to land using cost approach of depreciated replacement cost.	Independent Registered Valuers	June 2020	Improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessment (level 3) inputs.
Buildings - specialised - Independent valuation 2020 - Level 3	Level 3	Improvements to land using cost approach of depreciated replacement cost.	Independent Registered Valuers	June 2020	Improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessment (level 3) inputs.
Furniture and equipment - Independent valuation 2019 - Level 3	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuers	June 2019	Purchase costs and current condition (level 2), residual values and remaining useful life assessment (level 3) inputs.
Plant and equipment - Independent valuation 2019 - Level 3	Level 2	Market approach using recent observable market data for similar items.	Independent Registered Valuers	June 2019	Price per item.

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

Following a change to Local Government (Financial Management) Regulations 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximate cost at the date of change.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE

(a) Movements in Carrying Amounts

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

	Infrastructure - roads	Infrastructure - Drainage	Infrastructure - Parks & Ovals	Infrastructure - Footpaths & Cycleways	Infrastructure - Car Parks	Infrastructure - Bus Shelters	Total Infrastructure
Balance at 1 July 2018 - Restated	\$ 30,262,253	\$ 1,891,566	\$ 5,996,066	\$ 5,295,493	\$ 3,107,182	\$ 115,931	\$ 46,658,511
Additions	434,265	36,126	103,289	349,968	44,554	0	970,202
Depreciation (expense)	(375,740)	(35,015)	(188,053)	(79,421)	(33,569)	(4,278)	(716,076)
Transfers			4,451				4,451
Carrying amount at 30 June 2019 Restated	30,320,778	1,894,677	5,905,774	5,566,040	3,118,167	111,653	46,917,069
Comprises:							
Gross carrying amount at 30 June 2019	30,696,517	1,929,692	6,093,826	5,645,461	3,151,736	115,931	47,633,163
Accumulated depreciation at 30 June 2019	(375,739)	(35,015)	(188,053)	(79,421)	(33,569)	(4,278)	(716,075)
Carrying amount at 30 June 2019 Restated	30,320,778	1,894,677	5,905,774	5,566,040	3,118,167	111,653	46,917,069
Additions	1,739,731	131,725	395,403	242,019	402,010	0	2,910,889
Depreciation (expense)	(444,106)	(38,148)	(199,100)	(90,430)	(33,448)	(4,278)	(809,509)
Transfers			13,480				13,480
Carrying amount at 30 June 2020	31,616,403	1,988,254	6,115,557	5,717,629	3,486,730	107,375	49,031,948
Comprises:							
Gross carrying amount at 30 June 2020	32,436,248	2,061,417	6,502,710	5,887,480	3,553,747	115,931	50,557,533
Accumulated depreciation at 30 June 2020	(819,845)	(73,163)	(387,153)	(169,851)	(67,017)	(9,556)	(1,525,585)
Carrying amount at 30 June 2020	31,616,403	1,988,254	6,115,557	5,717,629	3,486,730	107,375	49,031,948

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuation	June 2018	Construction cost and current condition (level 2), residual value and remaining useful life assessments (level 3) inputs.
Infrastructure - Drainage	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuation	June 2018	Construction cost and current condition (level 2), residual value and remaining useful life assessments (level 3) inputs.
Infrastructure - Parks & Ovals	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuation	June 2018	Construction cost and current condition (level 2), residual value and remaining useful life assessments (level 3) inputs.
Infrastructure - Footpaths & Cycleways	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuation	June 2018	Construction cost and current condition (level 2), residual value and remaining useful life assessments (level 3) inputs.
Infrastructure - Car Parks	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuation	June 2018	Construction cost and current condition (level 2), residual value and remaining useful life assessments (level 3) inputs.
Infrastructure - Bus Shelters	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuation	June 2018	Construction cost and current condition (level 2), residual value and remaining useful life assessments (level 3) inputs.

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Town includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least once every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Town.

At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management Regulation 17A (2))* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under roads - Prior to 1 July 2019

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

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

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

Whilst such treatment is inconsistent with the requirements of *AASB 1051, Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail. Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Town.

Land under roads from 1 July 2019

As a result of amendment to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with *AASB 1051* in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

Vested Improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A (2) (iv)* is a departure from *AASB 16* which would have required the Town to measure the vested improvements as part of the related right-of-use assets at zero cost.

Refer to Note 11 that details the significant accounting policies applying to leases (including right-of-use assets).

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

19. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
Buildings - specialized - Independent valuation 2020 - Level 3 Property, Plant and Equipment	\$ 6,615	\$ 0	\$ 0	\$ (6,615)	\$ 30,000	\$ 37,700	\$ 7,700	\$ 0	\$ 123,785	\$ 115,227	\$ 12,632	\$ (21,190)
	71,353	36,398	2,210	(37,166)	30,000	37,700	7,700	0	123,785	115,227	12,632	(21,190)

The following assets were disposed of during the year:

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
Property, Plant and Equipment				
Governance				
PEM259 - Volkswagen Passat Recreation and culture	18,699	20,908	2,210	0
PE272 - Toro Groundmaster Ride on Mower	18,500	9,067	0	(9,433)
PE270 - Toro Groundmaster Deckmower	27,480	6,422	0	(21,058)
Other property and services				
LB204 - Old Police Station - Carport	6,387	0	0	(6,387)
FE226 - New Key System Council Buildings	218	0	0	(218)
	71,353	36,398	2,210	(37,166)
	71,353	36,398	2,210	(37,166)

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

(b) Depreciation

	2020 Actual	2020 Budget	2019 Restated
	\$	\$	\$
Buildings - non-specialised - Independent valuation 2020 - Level 2	1,325	1,325	1,325
Buildings - non-specialised - Independent valuation 2020 - Level 3	13,459	12,825	12,825
Buildings - specialised - Independent valuation 2020 - Level 3	603,187	338,776	594,319
Furniture and equipment	45,970	76,788	76,243
Plant and equipment	291,360	175,425	174,894
Infrastructure - roads	444,106	375,740	375,740
Infrastructure - Drainage	38,148	35,015	35,015
Infrastructure - Parks & Ovals	199,100	1,339,742	188,053
Infrastructure - Footpaths & Cycleways	90,430	79,421	79,421
Infrastructure - Car Parks	33,448	33,569	33,569
Infrastructure - Bus Shelters	4,278	4,278	4,278
Right of use assets - Land - River Seabed	39,425	0	0
	1,804,235	2,472,904	1,575,661

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

Asset Class	Useful life	Asset Class	Useful life
Buildings	20 to 70 years	Parks and Ovals - minor structure polygon	50 to 65 years
Furniture and equipment	2 to 20 years	Parks and Ovals - playground polygon	5 to 35 years
Plant and equipment	3 to 12 years	Parks and Ovals - amenities	15 to 20 years
Plant and equipment - Motor Vehicles - Light Fleet	5 to 10 years	Parks and Ovals - bin	15 to 20 years
Plant and equipment - Motor Vehicles - Heavy Fleet	5 to 10 years	Parks and Ovals - lighting	20 years
Sealed roads, streets and carparks formation	not depreciated	Parks and Ovals - playground point	15 to 20 years
Sealed pavement (roads/carparks)	50 to 80 years	Parks and Ovals - playground lines	40 to 50 years
Sealed pavement - surface (roads/carparks)	14 to 25 years	Parks and Ovals - public art	15 to 25 years
Kerbing	60 years	Parks and Ovals - sign	15 to 20 years
Footpaths	60 years	Parks and Ovals - fence	30 to 40 years
Bus Shelter	20 to 30 years	Parks and Ovals - gate	30 to 40 years
Drainage - Pit	50 years	Parks and Ovals - irrigation	5 to 55 years
Drainage - Pipe	50 years	Parks and Ovals - turf***	not depreciated
Right-of-use (river seabed)	Based on the remaining lease	Parks and Ovals - minor structure	5 to 20 years
		Parks and Ovals - bore and pump	20 years

***Turf is assessed as a non-depreciable asset from 1 July 2018

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

11. LEASES

(a) Right of Use Assets

Movement in the carrying amounts of each class of right of use asset between the beginning and the end of the current financial year.

	Right of use assets - Land - property, plant and equipment \$	Right of use assets Total
Carrying amount at 30 June 2019	0	0
Recognised on initial application of AASB 16	350,517	350,517
Additions	7,918	7,918
Depreciation (expense)	(39,425)	(39,425)
Carrying amount at 30 June 2020	319,009	319,009
(b) Cash outflow from leases		
Interest expense on lease liabilities	8,858	8,858
Lease principal expense	35,511	35,511
Total cash outflow from leases	44,370	44,370

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

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

Refer to Note 10 for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

12. REVALUATION SURPLUS

	2020	2020	2020	2020	2019	2019	2019	2019	2019	2019
	Opening	Revaluation	Revaluation	Total	Opening	Revaluation	Revaluation	Revaluation	Total	2019
	Balance	Increment	(Decrement)	Movement on	Balance	Increment	(Decrement)	Movement on	Movement on	Closing
	\$	\$	\$	Revaluation	\$	\$	\$	Revaluation	Revaluation	Balance
Revaluation surplus - Land	3,961,000	0	(120,100)	(120,100)	3,840,900	0	0	0	0	3,961,000
Revaluation surplus - Buildings - Non Specialised	503,771	81,609	0	81,609	585,380	0	0	0	0	503,771
Revaluation surplus - Buildings - Specialised	5,330,703	5,827,706	0	5,827,706	11,158,409	0	0	0	0	5,330,703
Revaluation surplus - Plant and equipment	469,638	0	0	0	469,638	0	0	0	0	469,638
Revaluation surplus - Infrastructure - roads	23,839,041	0	0	0	23,839,041	0	0	0	0	23,839,041
Revaluation surplus - Infrastructure - Drainage	1,057,781	0	0	0	1,057,781	0	0	0	0	1,057,781
Revaluation surplus - Infrastructure - Parks & Ovals	3,852,171	0	0	0	3,852,171	0	0	0	0	3,852,171
Revaluation surplus - Infrastructure - Footpaths & Cycleways	2,593,889	0	0	0	2,593,889	0	0	0	0	2,593,889
Revaluation surplus - Infrastructure - Car Parks	1,369,047	0	0	0	1,369,047	0	0	0	0	1,369,047
Revaluation surplus - Share of other comprehensive income of associate	327,995	140,704	0	140,704	468,699	0	0	0	(43,075)	327,995
	43,305,036	6,050,019	(120,100)	5,929,919	49,234,956	43,101,291	246,820	(43,075)	203,745	43,305,036

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

13. TRADE AND OTHER PAYABLES

Current

Sundry payables
Prepaid rates
Accrued salaries and wages
ATO liabilities
Bonds and deposits held

2020	2019
\$	\$
1,449,718	748,842
102,733	0
23,695	105,664
145,316	71,812
359,136	0
2,080,598	926,318

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

Prepaid rates

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

14. LEASE LIABILITIES

	2020	2019
(a) Lease Liabilities		
Current	\$ 36,635	\$ 0
Non-current	286,268	0
	322,923	0

(b) Movements in Carrying Amounts

Purpose	Institution	Lease Interest Rate	Lease Term (Months)	30 June 2020		30 June 2020		30 June 2020		30 June 2019		30 June 2019	
				Actual	CPI Adjustment Increase	Actual	Lease Principal	Actual	Lease Principal	Actual	Lease Principal	Actual	Lease Interest
Recreation and culture	Department of Transport	2.60%	110	350,517	7,918	35,511	302,923	302,923	0	0	0	0	0
River seabed (mooring pens)				350,517	7,918	35,511	302,923	302,923	0	0	0	0	0

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

15. INFORMATION ON BORROWINGS

	2020	2019
(a) Borrowings	\$	\$
Current	177,797	110,709
Non-current	204,842	345,836
	382,639	456,545

(b) Repayments - Borrowings

Particulars	30 June 2020			30 June 2020			30 June 2019			30 June 2019		
	Actual Principal	Adjustment to Principal	Actual Interest repayments	Actual Principal	Adjustment to Principal	Actual Interest repayments	Actual Principal	Adjustment to Principal	Actual Interest repayments	Actual Principal	Adjustment to Principal	Actual Interest repayments
SMRC - Regional Resource Recovery Centre Loan	408,305	98,050	16,311	305,779	(4,467)	15,311	502,180	105,954	20,402	408,305	12,079	20,402
SMRC - Administration Building (8 Aldous Place, Booragoon) Loan	48,240	0	28,620	76,860	28,620	0	48,240	0	0	48,240	0	0
	456,545	98,050	44,931	382,639	24,153	15,311	550,420	105,954	20,402	456,545	12,079	20,402

*Share of SMRC Loan Liability is adjusted annually based on proportional population of member local governments.

** There is an obligation between the Town of East Fremantle and the Southern Metropolitan Regional Council (SMRC) to pay its share of the loan liability to the SMRC which will eventually be paid to the Western Australian Treasury Corporation via the SMRC. A loan payable is to be recorded in the financial statements of the Town with the corresponding entry as an investment in associate. This determination is based on the Charge Agreement, with the Town's share of loan payment to SMRC formally established. In the event of default by the SMRC, the Town guarantees to pay its share of loan directly to the Western Australian Treasury Corporation.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

15. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2019/20

The Town of East Fremantle did not undertake any new borrowings in the reporting period.

(d) Unspent Borrowings

The Town of East Fremantle did not have any unspent borrowings as at the reporting date.

	2020	2019
	\$	\$
(e) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit	1,000,000	100,000
Bank overdraft at balance date	0	0
Credit card limit	20,000	20,000
Credit card balance at balance date	(577)	0
Total amount of credit unused	1,019,423	120,000
Loan facilities		
Loan facilities - current	177,797	110,709
Loan facilities - non-current	204,842	345,836
Lease liabilities - current	36,635	0
Lease liabilities - non-current	286,288	0
Total facilities in use at balance date	705,562	456,545
Unused loan facilities at balance date	Nil	Nil

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risk

Information regarding exposure to risk can be found at Note 27.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

16. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Leave	Provision for Rostered Days Off	Provision for Long Service Leave	Total
	\$		\$	\$
Opening balance at 1 July 2019				
Current provisions	345,274	36,612	253,431	635,317
Non-current provisions	0	0	63,518	63,518
	345,274	36,612	316,949	698,835
Additional provision	73,405	17,619	7,970	98,994
Balance at 30 June 2020	418,679	54,231	324,919	797,829
Comprises				
Current	418,679	54,231	225,897	698,807
Non-current	0	0	99,022	99,022
	418,679	54,231	324,919	797,829
	2020		2019	
Amounts are expected to be settled on the following basis:	\$		\$	
Less than 12 months after the reporting date	267,110		262,258	
More than 12 months from reporting date	530,719		436,577	
Expected reimbursements from other WA local governments				
	797,829		698,835	

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends. The Town has a policy with regards to employees being able to accrue no more than three Rostered Days Off. It is expected that all accrued Rostered Days Off will be settled within a 12 month period.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at

Other long-term employee benefits (Continued) rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Town's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Town does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions. As such 100% of Annual Leave entitlements are deemed to be current.

Provisions

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

17. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2020 Actual \$	2020 Budget \$	2019 Restated \$
Cash and cash equivalents	3,316,938	2,309,775	4,191,260
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	216,531	(627,312)	2,500
Non-cash flows in Net result:			
Population adjustment to share of SMRC loan liability	24,152	0	12,079
Depreciation on non-current assets	1,804,235	2,472,904	1,575,681
(Profit)/loss on sale of asset	34,956	(7,700)	8,558
Share of profit of associate	(21,238)	0	158,181
Loss on revaluation of fixed assets	0	0	28,503
Loss on assets expensed	0	0	12,964
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(155,528)	0	(64,165)
(Increase)/decrease in other assets	(16,718)	0	0
Increase/(decrease) in payables	977,627	0	454,017
Increase/(decrease) in provisions	98,994	0	41,302
Non-operating grants, subsidies and contributions	(958,842)	(881,867)	(147,436)
Net cash from operating activities	2,004,168	956,025	2,082,184

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	Restated \$
Governance	9,128,977	5,568,791
General purpose funding	2,707,675	2,334,842
Law, order, public safety	3,000	23,441
Health	29,500	29,925
Education and welfare	1,329,836	1,399,924
Housing	230,000	226,100
Community amenities	1,426,993	1,363,698
Recreation and culture	24,795,559	22,235,403
Transport	47,256,977	46,255,671
Economic services	50,000	50,000
Other property and services	1,125,161	1,123,595
	<u>88,083,478</u>	<u>80,611,390</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

19. CONTINGENT LIABILITIES

(a) Regional Resource Recovery Centre (RRRC) - Lending Facility

The Town is a participant in the RRRC. 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 RRRC facility was funded by borrowings from the Western Australian Treasury Corporation (WATC). A \$40m lending facility was initially set up for this purpose (repayable over a term of 20 years) and this facility has since been extended to a total of \$55m. The SMRC administer the borrowings with the project participants making quarterly contributions equal to the repayment costs of these borrowings.

The Town's estimated share of the project funding is based on population percentages as derived from the Australian Bureau of Statistics census. These are now revised yearly over the life of the lending facility.

As at 30 June 2019, the balance outstanding against the lending facility stood at \$13,086,683 with the Town's share of this liability being \$408,305 (3.12%).

As at 30 June 2020, the balance outstanding against the lending facility stood at \$9,913,250 with the Town's share of this liability being \$306,319 (3.09%).

Liability Share	\$	2020 306,319	2019 408,305
Liability Sharing Ratio	%	3.09	3.12

The Town has no reason to believe the SMRC would be unable to meet its future obligations in relation to the payment of the loan facility and does not currently expect to make any payments in relation to the loan facility. Should a payment be required there is no possibility of any reimbursement.

(b) Southern Metropolitan Regional Council (SMRC) - Office Project

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 \$2m.

As at 30 June 2019, the balance outstanding against the lending facility stood at \$1.8m with the Town's share of this liability being \$48,240 (2.68%).

As at 30 June 2020, the balance outstanding against the lending facility stood at \$1.8m with the Town's share of this liability being \$76,320 (4.24%).

Liability Share	\$	2020 76,320	2019 48,240
Liability Sharing Ratio	%	4.24	2.68

The Town has no reason to believe the SMRC would be unable to meet its future obligations in relation to the payment of the loan facility and does not currently expect to make any payments in relation to the loan facility. Should a payment be required there is no possibility of any reimbursement.

(c) Bank Guarantee

The Town has provided a bank guarantee in favour of the Department of Parks and Wildlife for the amount of \$41,676. The bank guarantee has been issued in accordance with the requirements of the Riverbed lease for the boat pens in the Swan River, East Fremantle.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

20. COMMITMENTS

(a) Capital Expenditure Commitments

	2020 \$	2019 \$
Contracted for:		
- capital expenditure projects	155,000	280,940
	155,000	280,940
Payable:		
- not later than one year	155,000	280,940
Capital expenditure projects outstanding at the end of the current reporting period are:		
RFT-04 2019-20 Riverside Road Rehabilitation	155,000	

(b) Operating Expenditure Commitments

- (i) The Town of East Fremantle is a member of the South West Group which operates under an agreed charter to collaborate on resource sharing and regional advocacy. Payments made to the South West Group are considered as a normal transaction with the Host Council (City of Melville). There is an annual fixed fee payable under the Charter, as detailed below:

	2020 \$	2019 \$
Payable:		
- not later than one year	53,287	53,435
	53,287	53,435

- (ii) The Town of East Fremantle is a member of the Southern Metropolitan Regional Council (SMRC). Under the Establishment Agreement, member local governments are required to provide an annual contribution towards the operating expenses of the SMRC, covering the following activities; Governance, Office Project, Research and Development, Communication and Education.

	2020 \$	2019 \$
Payable:		
- not later than one year	28,312	28,103
- later than one year but not later than five years	113,248	113,247
- later than five years		
	141,560	141,350

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

21. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
The following fees, expenses and allowances were paid to council members and/or the Mayor.			
Meeting fees	144,281	149,000	149,532
Mayor's allowance	25,000	28,000	25,000
Deputy Mayor's allowance	6,418	7,000	6,250
Telecommunications allowance	25,000	27,000	23,500
	<u>200,699</u>	<u>211,000</u>	<u>204,282</u>

Key Management Personnel (KMP) Compensation Disclosure

	2020 Actual	2019 Actual
	\$	\$
The total of remuneration paid to KMP of the Town during the year are as follows:		
Short-term employee benefits	595,531	556,200
Post-employment benefits	95,333	88,443
Other long-term benefits	65,009	61,412
	<u>755,873</u>	<u>706,055</u>

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

21. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

Transactions between related parties and the Town are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

The following transactions occurred with related parties:

	2020 Actual \$	2019 Actual \$
Sale of goods and services	0	0
Purchase of goods and services	706,073	684,777
Loan Repayments plus interest and Guarantee Fees	112,317	124,789
Annual contribution towards operating expenditure	25,738	25,548
Short term employee benefits -other related parties	0	0
Amounts payable to related parties:		
Trade and other payables	11,686	1,376

Related Parties

The Town's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

Key management personnel for the Town include Elected Members, the Chief Executive Officer, the Executive Manager Corporate and Community Services, the Executive Manager Regulatory Services and the Operations Manager.

ii. Entities subject to significant influence by the Town

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

The Town of East Fremantle is a participant in the Canning Vale Regional Resource Recovery Centre (RRRC). The RRRC is controlled by a regional local government established in accordance with the Local Government Act 1995. The regional local government, being the Southern Metropolitan Regional Council, consists of four local governments which are participants in the Canning Vale RRRC. Participating local governments are required to contribute an annual fee 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. Transactions between parties are on normal commercial terms.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

22. INVESTMENT IN ASSOCIATE

The Southern Metropolitan Regional Council (SMRC) is a statutory local government authority established in 1991 by the local governments of Canning, Cockburn, Fremantle, East Fremantle, Kwinana, Melville and Rockingham.

Contractual sharing arrangements exist between the Town and the Southern Metropolitan Regional Council (SMRC), a legal constituted regional local government entity, for the provision of waste services. Control of the SMRC rests with the SMRC Council, which is comprised of a member from each participant Council.

According to clause 8.4 of the Establishment Agreement, a decision to proceed with a project, by project participants, is required to be unanimous. All other decisions of the SMRC require a simple majority, with the exception of decisions requiring an absolute majority in accordance with the Local Government Act 1995 and the decision to consider a project proposal.

As the Town currently has 20% voting rights in the SMRC, it is considered to have significant influence over the SMRC and meets the definition of an associate under AASB 128.3. Investment in the SMRC as an associate is required by AASB 128.16 to be accounted for using the Equity Method.

Member local governments may participate in regional projects that are governed by a Participants Project Agreement. There are two core projects, being:

1. The Regional Resource Recovery Centre (RRRC) Project, and
2. The Office Accommodation Project

Both projects were established through separate project participants' agreements. In addition to the above two projects, the support activities of the SMRC such as Administrative activities, Education and Marketing, Research and Development, are referred to as Existing Undertakings.

Over the period the following local governments have since withdrawn from the Regional Council: City of Canning in June 2010, City of Rockingham in June 2012 and the City of Cockburn in June 2019.

(a) Existing Undertakings

The historical annual contributions made by Participants to the Existing Undertakings are used to determine the proportional contribution percentage of each Participant to the Existing Undertakings.

The Town's share as at 30 June 2020:

SMRC Existing Undertakings Proportional Equity Share	4.39%	(2019: 2.88%)
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(b) Regional Resource Recovery Centre (RRRC) Project

RRRC Project Participants shall make an annual contribution towards the acquisition of any asset of a capital nature required by the Project, plus pay gate fees for each tonne of waste they deliver to the facility to cover the operating costs.

The annual contribution shall be an amount which bears the same proportion to the cost of the acquisition disclosed in the Project Budget for the financial year as the Population of the Project Participant bears to the total of the Populations of all Project Participants.

The capital costs for each participating Local Government member is based on the Australian Bureau of Statistics population statistics. Each project participant will develop equity in the project equal to the relevant proportion of the total capital loan repayments made by that project participant.

The Town's share as at 30 June 2020:

RRRC Project Proportional Equity Share	5.34%	(2019: 5.33%)
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(c) Office Accommodation Project

The Office Accommodation Project pertains to SMRC's Office located at 9 Aldous Place, Booragoon, Western Australia.

The Town's equity share of the project is based on proportional population.

The Town's share as at 30 June 2020:

Office Accommodation Project Proportional Equity Share	4.37%	(2019: 2.84%)
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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

22. INVESTMENT IN ASSOCIATE (cont.)

	2020	2019
	\$	\$
(a) Carrying amount of investment in associate		
Current assets	765,029	800,463
Non current assets	1,323,444	652,861
Total assets	2,088,473	1,453,324
Current liabilities	488,466	425,902
Non current liabilities	888,028	551,291
Total liabilities	1,376,494	977,193
Net assets	711,979	476,131
Net increase/(decrease) in share of associate entity's net assets	235,848	456,545
- Share of associate profit/(loss) from ordinary activities	21,238	(158,181)
- Share of associate other comprehensive income arising during the period	140,704	(43,075)
- Share of associate total comprehensive income arising during the period	161,942	(201,256)
Carrying amount at beginning of period	932,676	1,133,932
- Share of associate total comprehensive income arising during the period	161,942	(201,256)
Carrying amount at end of period	1,094,618	932,676

SIGNIFICANT ACCOUNTING POLICIES

Investment in associates

An associate is an entity over which the Town has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Town's share of net assets of the associate. In addition, the Town's share of the profit or loss of the associate is included in the Town's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Town's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment in associates (Continued)

Profits and losses resulting from transactions between the Town and the associate are eliminated to the extent of the Town's interest in the associate. When the Town's share of losses in an associate equals or exceeds its interest in the associate, the Town discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Town will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

23. MAJOR LAND TRANSACTIONS

The Town of East Fremantle did not participate in any major land transactions during the reporting period.

24. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The Town of East Fremantle did not participate in any trading undertakings or major trading transactions during the reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

25. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	06 Sep 2019	0.00	0.00%	11.00%
Option Two				
First instalment	06 Sep 2019	0.00	5.50%	11.00%
Second instalment	10 Jan 2020	16.50	5.50%	11.00%
Option Three				
First instalment	06 Sep 2019	0.00	5.50%	11.00%
Second instalment	8 Nov 2019	16.50	5.50%	11.00%
Third instalment	10 Jan 2020	16.50	5.50%	11.00%
Fourth instalment	11 Mar 2020	16.50	5.50%	11.00%

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates	34,564	45,000	45,726
Interest on instalment plan	36,350	40,000	36,589
Charges on instalment plan	40,854	42,000	41,349
	111,768	127,000	123,664

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

26. RATE SETTING STATEMENT INFORMATION

Note	2019/20 (30 June 2020 Carried Forward) \$	2019/20 Budget (30 June 2020 Carried Forward) \$	2019/20 (1 July 2019 Brought Forward) \$	2018/19 (30 June 2019 Carried Forward) \$		
(a) Non-cash amounts excluded from operating activities						
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .						
Adjustments to operating activities						
	Less: Profit on asset disposals	10(a)	(2,210)	(7,700)	(12,632)	(12,632)
	Less: Share of net profit of associate accounted for using the equity method		(21,238)	0	158,181	158,181
	Population adjustment to SMRC Loan Balance		24,153	0	12,079	12,079
	Movement in pensioner deferred rates (non-current)		(8,063)	0	(16,248)	(16,248)
	Movement in receivables (non-current)		0	0	3,000	3,000
	Movement in employee benefit provisions (non-current)		35,504	0	9,294	9,294
	Add: Loss on disposal of assets	10(a)	37,165	0	21,190	21,190
	Add: Loss on revaluation of fixed assets	9(a)	0	0	28,503	28,503
	Add: Loss on assets expensed		0	0	12,964	12,964
	Add: Depreciation on non-current assets	10(b)	1,804,235	2,472,904	1,575,681	1,575,681
	Non cash amounts excluded from operating activities		1,869,546	2,465,204	1,792,012	1,792,012
(b) Surplus/(deficit) after imposition of general rates						
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.						
Adjustments to net current assets						
	Less: Reserves - cash backed	4	(991,251)	(1,176,661)	(2,194,176)	(2,194,176)
	Add: Current liabilities not expected to be cleared at end of year					
	- Current portion of borrowings	15(a)	177,797	0	110,709	110,709
	- Current portion of lease liabilities		36,635	0	0	0
	Total adjustments to net current assets		(776,819)	(1,176,661)	(2,083,467)	(2,083,467)
Not current assets used in the Rate Setting Statement						
	Total current assets		3,997,526	2,632,300	4,707,665	4,707,665
	Less: Total current liabilities		(2,993,837)	(1,455,639)	(1,848,997)	(1,672,344)
	Less: Total adjustments to net current assets		(776,819)	(1,176,661)	(2,083,467)	(2,083,467)
	Net current assets used in the Rate Setting Statement		226,870	0	775,201	951,854
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards						
	Total current assets at 30 June 2019				4,707,665	
	- Contract assets	29(a)			0	
	Total current assets at 1 July 2019				4,707,665	
	Total current liabilities at 30 June 2019				(1,672,344)	
	- Rates paid in advance	29(a)			(176,653)	
	Total current liabilities at 1 July 2019				(1,848,997)	

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

27. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2020					
Cash and cash equivalents	0.44%	3,316,938	1,745,086	893,690	678,162
2019					
Cash and cash equivalents	2.14%	4,191,260	3,341,668	652,052	197,540

Sensitivity

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

	2020 \$	2019 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	8,937	6,521

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Town manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Town does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 15(b).

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

27. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

The loss allowance as at 30 June 2020 and 1 July 2019 was determined as follows for rates receivable. No expected credit loss was forecast on 1 July 2019 or 30 June 2020 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

While all reasonable efforts are made to recover aged debts, there are some, which for practical purposes will have to be written off. Section 6.12 (1) of the Act allows for debts to be written off by Council, and the Infringement Debt Management Policy gives delegated authority to the Chief Executive Officer to write off any uncollectable bad debts and advise Council accordingly.

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade and other receivables.

	Current	More than 1 years past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020					
Parking Infringement receivables					
Expected credit loss	0.00%	0.00%	78.14%	0.00%	
Gross carrying amount	31,209	22,527	13,438	0	67,173
Loss allowance	0	0	10,500	0	10,500
30 June 2019					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	12,260	0	622	2,710	15,592
30 June 2019					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	62.44%	
Gross carrying amount	106,418	0	25,062	4,513	135,993
Loss allowance	0	0	0	2,818	2,818

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

27. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk - that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Town manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 13(c).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2020					
Payables	2,080,598	0	0	2,080,598	2,080,598
Borrowings	177,797	204,842	0	382,639	382,639
Lease liabilities	44,651	178,604	141,395	364,650	322,923
	<u>2,303,046</u>	<u>383,446</u>	<u>141,395</u>	<u>2,827,887</u>	<u>2,786,160</u>
2019					
Payables	926,318	0	0	926,318	926,318
Borrowings	110,709	345,836	0	456,545	456,545
	<u>1,037,027</u>	<u>345,836</u>	<u>0</u>	<u>1,382,863</u>	<u>1,382,863</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

28. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Town of East Fremantle is not aware of any material events occurring after the end of the reporting period that may impact these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

29. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

During the current year, the Town adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

The Town adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Town adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):

(a) AASB 1058: Income For Not-For-Profit Entities

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

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB 1058 as compared to AASB 118: Revenue and AASB 1004: Contributions before the change:

Note	AASB 118 and AASB 1004 carrying amount	Reclassification	AASB 1058 carrying amount
	30 June 2019		01 July 2019
	\$	\$	\$
Trade and other payables			
Rates paid in advance	13	0	(176,653)
Adjustment to retained surplus from adoption of AASB 1058	29(c)	0	(176,653)

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

29. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

	Note	2020 \$	\$ Adjustment due to application of AASB 15 and AASB 1058	2020 \$ Compared to AASB 118 and AASB 1004
	Note	As reported under AASB 15 and AASB 1058		
Statement of Comprehensive Income				
Revenue				
Rates	25(a)	8,049,151	102,733	8,151,884
Operating grants, subsidies and contributions	2(a)	1,254,252	0	1,254,252
Fees and charges	2(a)	1,204,084	0	1,204,084
Non-operating grants, subsidies and contributions	2(a)	958,842	0	958,842
Net result		216,531	102,733	319,264
Statement of Financial Position				
Trade and other payables	13	2,080,598	(102,733)	1,977,865
Net assets		84,499,489	102,733	84,602,222
Statement of Changes in Equity				
Net result		216,531	102,733	319,264
Retained surplus		34,273,282	102,733	34,376,015

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

(b) AASB 16: Leases

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

	Note	2020 \$
Discount applied using incremental borrowing rate		350,517
Lease liability recognised as 1 July 2019 discounted using the Town's incremental borrowing rate of 2.60%	14(b)	350,517
Lease liability - current		34,358
Lease liability - non-current		316,159
Right-of-use assets recognised at 1 July 2019		350,517

In applying AASB 16 for the first time, the Town has used the following practical expedient permitted by the standard.
- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(c) Impact of New Accounting Standards on Retained Surplus

The impact on the Town's retained surplus due to the adoption of AASB 15, AASB 1058 and AASB 16 as at 1 July 2019 was as follows:

	Note	Adjustments \$	2019 \$
Retained surplus - 30 June 2019		0	33,030,480
Adjustment to retained surplus from adoption of AASB 16	29(b)	0	0
Adjustment to retained surplus from adoption of AASB 1058	29(a)	(176,653)	(176,653)
Retained surplus - 1 July 2019		(176,653)	32,853,827

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

30. CORRECTION OF ERROR

1. During a review of leased properties the Town recognised buildings constructed by the lessee on two leased properties that had not previously been recognised as assets of the Town. On expiration of the leases all assets on the properties will revert to being under the care and control of the Town and the buildings meet the recognition criteria of AASB 116 Property, Plant and Equipment. The Town benefits from the risk and reward associated with ownership through the increase in market rent arising from market rent reviews from the improvements on the land.

The buildings were valued by an independent valuer as at 30 June 2019 and again as at 30 June 2020, the value is considered material to the Town's Annual Financial Report. The valuers also valued a number of infrastructure improvements at the leased properties premises, which the Town has recognised as infrastructure assets.

The Town has corrected the error by retrospectively restating the opening balance of assets and equity for the period ended 30 June 2019 to recognise the buildings and infrastructure improvements. Depreciation expense relating to the buildings has also been recognised in the restated 2018/19 statement of comprehensive income.

Property, plant and equipment	01-Jul-18
Buildings - Specialised	8,882,832
Infrastructure	
Parks & Ovals	809,997
Depreciation	30-Jun-19
PPE - Buildings - Specialised	(254,832)
Infrastructure - Parks & Ovals	(31,197)

2. The Town holds units in the Local Government House Trust (LGHT), these were not recognised in prior years and as such have been recognised as at 1 July 2018 as a non-current financial asset (at fair value).

Other financial assets	01-Jul-18
Financial assets at fair value through profit and loss	71,221

3. The Town held turf on its balance sheet at a written down value of \$0. Turf is determined to be a non-depreciable asset and therefore the Town has reversed the depreciation on turf in the 2018/19 and 2019/20 financial years.

Infrastructure	30-Jun-19
Parks & Ovals	1,184,212
Depreciation	
Infrastructure - Parks & Ovals	1,184,212

Statement of Financial Position (Extract)	30 June 2019	Increase/ (Decrease)	30 June 2019 (Restated)	30 June 2018	Increase/ (Decrease)	01 July 2018 (Restated)
	\$	\$	\$	\$	\$	\$
Property, plant and equipment	19,288,901	8,628,000	27,916,901	19,260,482	8,882,832	28,143,314
Infrastructure	44,954,078	1,963,011	46,917,089	45,848,514	809,997	46,658,511
Other financial assets	0	71,221	71,221	0	71,221	71,221
Net assets	67,867,460	10,662,232	78,529,692	68,559,396	9,764,050	78,323,446

Statement of Comprehensive Income (Extract)	2019	(Increase)/ Decrease	2019 (Restated)
	\$	\$	\$
<i>By Nature or Type</i>			
Expenses			
Depreciation on non-current assets	(2,473,863)	898,183	(1,575,680)
<i>By program</i>			
Expenses			
Recreation and culture	(3,471,807)	898,183	(2,573,624)
Net result for the period	(895,682)	898,183	2,501
Total comprehensive loss for the period	(891,937)	898,183	206,246

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

31. TRUST FUNDS

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	1 July 2019	Amounts Received	Amounts Paid	Amounts transferred to Municipal fund	30 June 2020
	\$	\$	\$	\$	\$
Developer Bonds and Deposits	205,351	132,550	(98,193)	(239,707)	0
Developer Cash in Lieu	413,866	5,063	(42,265)	0	376,663
Mooring Pen Deposits	49,330	30,388	(25,258)	(54,460)	0
Other Bonds and Deposits	6,632	7,660	(9,019)	(5,274)	0
Unclaimed Monies	59,500	195	0	(59,695)	0
	734,679	175,855	(174,735)	(359,136)	376,663

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

32. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

AASB 113 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

33. ACTIVITIES/PROGRAMS

Town operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources.</p>	Includes the activities of members of Council and the administrative support available assisting elected members and ratepayers on matters which do not concern specific council services but are strategic in nature.
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the allocation to services.</p>	Rating, general purpose government grants and interest revenue.
<p>LAW, ORDER, PUBLIC SAFETY To provide services to ensure bushfire prevention, animal control and community safety.</p>	Supervision and enforcement of various local laws and acts relating to fire prevention, animal control and other aspects of public safety including emergency services.
<p>HEALTH To provide an operational framework for environmental and community health.</p>	Inspection of food outlets and their control, food quality testing, pest control, noise control, waste disposal compliance and child health services.
<p>EDUCATION AND WELFARE To provide assistance to senior citizens welfare and home and community care.</p>	Provision and maintenance of home and community care programs including in home care, home maintenance, senior outings, respite and holiday programs.
<p>HOUSING To assist with housing for staff and the community.</p>	Provision and maintenance of residential rental properties.
<p>COMMUNITY AMENITIES To provide community amenities and other infrastructure as required by the community.</p>	Rubbish collection, recycling and disposal, joint maintenance of SMRC waste management facility, administration of Town Planning Schemes, heritage protection and townscapes, maintenance of urban stormwater drainage and protection of the environment.
<p>RECREATION AND CULTURE To plan, establish and efficiently manage sport and recreation infrastructure and resources which will help the social well being and health and community.</p>	The provision and maintenance of various community infrastructure including public halls, recreation grounds, sports pavilions, playgrounds, parks, gardens, beaches and the joint operation of the City of Fremantle Library.
<p>TRANSPORT To provide safe, effective and efficient transport infrastructure to the community.</p>	Construction and maintenance of streets, roads, footpaths, depots, cycleways, street trees, parking facilities, traffic control, cleaning and lighting of streets.
<p>ECONOMIC SERVICES To help promote the Town and improve its economic wellbeing.</p>	The regulation and provision of tourism, area promotion activities and building control.
<p>OTHER PROPERTY AND SERVICES To monitor and control plant and depot operations, and to provide other property services not included elsewhere.</p>	Private works operation, plant operating costs, depot operations and unclassified property functions.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

34. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	1.00	1.50	1.55
Asset consumption ratio	0.98	0.98	0.97
Asset renewal funding ratio	1.43	1.70	0.83
Asset sustainability ratio	2.05	0.90	1.13
Debt service cover ratio	9.58	11.48	21.66
Operating surplus ratio	(0.08)	(0.02)	(0.03)
Own source revenue coverage ratio	0.82	0.89	0.85

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$

INDEPENDENT AUDIT REPORT

FOR THE YEAR ENDED 30 JUNE 2020



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Town of East Fremantle

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Town of East Fremantle which comprises the Statement of Financial Position as at 30 June 2020, and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the Town of East Fremantle:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Town for the year ended 30 June 2020 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Town in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matters – Basis of Accounting

I draw attention to Notes 1 and 10 to the annual financial report, which describe the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Town's financial reporting responsibilities under the Act, including the Local Government (Financial Management) Regulations 1996 (Regulations). My opinion is not modified in respect of these matters:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 *Leases* which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

INDEPENDENT AUDIT REPORT

FOR THE YEAR ENDED 30 JUNE 2020

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

The Chief Executive Officer (CEO) of the Town is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of the annual financial report that is free from material misstatement, whether due to fraud or error. In preparing the annual financial report, the CEO is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Town.

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

Auditor's Responsibility for the Audit of the Financial Report

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

A further description of my responsibilities for the audit of the annual financial report is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This includes the identification and assessment of the risk of material misstatement due to fraud arising from management override of controls. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

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

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the Town:
 - a. The Operating Surplus Ratio as reported in Note 34 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries' standard for the past three financial years.
- (ii) The following material matter indicating non-compliance with Part 6 of the *Local Government Act 1995*, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law was identified during the course of my audit:
 - a. Access controls over a key application of the Town were inadequate to contribute to appropriate segregation of duties. This could lead to inappropriate use of the application, however our audit testing did not identify any such instances.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

INDEPENDENT AUDIT REPORT

FOR THE YEAR ENDED 30 JUNE 2020

Other Matter

The financial ratios for 2018 in Note 34 of the annual financial report were audited by another auditor when performing their audit of the Town for the year ended 30 June 2018. The auditor expressed an unmodified opinion on the annual financial report for that year.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the Town of East Fremantle for the year ended 30 June 2020 included on the Town's website. The Town's management is responsible for the integrity of the Town's website. This audit does not provide assurance on the integrity of the Town's website. The auditor's report refers only to the annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited annual financial report to confirm the information contained in this website version of the annual financial report.



SANDRA LABUSCHAGNE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
22 December 2020

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