



Budget

Statutory Statements and Notes for the year ending 30 June 2024

**THIS PAGE HAS BEEN LEFT BLANK
INTENTIONALLY**



TABLE OF CONTENTS

STATEMENT OF COMPREHENSIVE INCOME	3
STATEMENT OF CASH FLOWS	6
RATE SETTING STATEMENT	7
RATE SETTING STATEMENT	8
Notes to and forming part of the Budget	9
1. RATES	9
2. PAYMENT INCENTIVES, WAIVERS, CONCESSIONS AND WRITE-OFFS.....	15
4. RECONCILIATION OF CASH	20
4. RECONCILIATION OF CASH (CONTINUED)	21
5. FIXED ASSETS.....	22
5. FIXED ASSETS (CONTINUED)	23
6. ASSET DEPRECIATION AND AMORTISATION	25
7. INFORMATION ON BORROWINGS.....	27
8. CASH-BACKED RESERVES	29
9. PROGRAM INFORMATION.....	43
9. PROGRAM INFORMATION CONT.....	44
10. OTHER INFORMATION.....	45
11. ELECTED MEMBERS REMUNERATION	46
12. MAJOR LAND TRANSACTIONS	49
13. TRADING UNDERTAKING AND MAJOR TRADING UNDERTAKINGS	51
14. JOINT ARRANGEMENTS.....	51
15. TRUST FUNDS	51
16. FEES AND CHARGES	51
17. SIGNIFICANT ACCOUNTING POLICIES – OTHER INFORMATION	52

City of Gosnells
STATEMENT OF COMPREHENSIVE INCOME
for the year ending 30 June 2024

	Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	78,269,089	74,084,918	74,166,837
Operating grants, subsidies and contributions	9	6,810,168	3,349,192	6,289,555
Fees and charges	16	27,743,794	26,289,616	25,445,190
Interest earnings	10(a)	4,838,330	5,036,299	1,865,680
Other revenue	10(a)	2,000	38,351	500
		117,663,381	108,798,376	107,767,762
Expenses				
Employee costs		(56,989,851)	(50,457,574)	(54,005,358)
Materials and contracts		(37,923,467)	(34,185,366)	(32,375,158)
Utility charges		(5,215,652)	(4,227,739)	(4,979,272)
Amortisation and depreciation	6	(26,838,048)	(28,489,522)	(25,236,632)
Interest expenses	10(d)	(162,440)	(197,518)	(267,550)
Insurance expenses		(1,227,764)	(1,125,816)	(1,032,347)
Other expenses		(3,323,273)	(11,253,498)	(1,099,644)
		(131,680,496)	(129,937,033)	(118,995,961)
Net result		(14,017,115)	(21,138,657)	(11,228,199)
Capital grants, subsidies and contributions	9	13,656,584	18,831,358	15,665,013
Public Open Space – Cash in Lieu contributions	9	2,067,843	1,254,562	1,925,372
Profit on asset disposals	5(b)	781,427	1,537,432	1,000,964
Loss on asset disposals	5(b)	(108,819)	(782,110)	(156,208)
		16,397,035	20,841,242	18,435,141
Total comprehensive income		2,379,920	(297,415)	7,206,942

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

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

BASIS OF PREPARATION

The budget has been prepared in accordance with Australian Accounting Standards (as they apply to local government and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations. The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* 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 concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from *AASB 16 Leases* which would have required the City to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the budget has also 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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 15 to the budget.

2022/2023 Actual Balances

Balances shown in this budget as 2022/2023 Actual are estimates as forecast at the time of budget preparation and are subject to final adjustments.

CHANGES IN ACCOUNTING POLICIES

On 1 July 2023 no new accounting policies are to be adopted and no new policies are expected to impact the annual budget.

KEY TERMS AND DEFINITIONS – NATURE OR TYPE

REVENUE

Rates

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Excludes administration fees, interest on instalments and interest on arrears.

Operating Grants, Subsidies and Contributions

Amounts received as grants, subsidies and contributions that are not non-operating grants, subsidies and contributions.

Fees and Charges

Revenues from the use of facilities and charges made for local government services, rentals, hire charges, fee for service, licences, sale of goods or information, fines, penalties and administration fees.

Interest Earnings

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments and interest on rate arrears.

Other Revenue

Other revenue, which cannot be classified under the above headings, including discounts and rebates.

Capital Grants, Subsidies and Contributions

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

Profit on Asset Disposals

Profit on the disposal of assets includes gains on the disposal of land under development and developed land, and the City's fixed assets.

Loss on Asset Disposals

Loss on the disposal assets includes loss on disposal of land under development and developed land, and the City's fixed assets.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

BASIS OF PREPARATION (CONTINUED)

KEY TERMS AND DEFINITIONS – NATURE OR TYPE (CONTINUED)

EXPENSES

Employee Costs

All costs associated with the employment of staff including salaries, wages, allowances, benefits such as vehicle, superannuation, employment expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

Materials and Contracts

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, memberships, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

Utility Charges

Expenditures made to the respective agencies for the provision of power, gas or water. Excluding expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

Depreciation and Amortisation

Depreciation and amortisation expense raised on all classes of assets.

Interest Expenses

Interest and associated costs of finance for borrowings and refinancing expenses.

Insurance Expenses

All insurance other than worker's compensation. Worker's compensation insurance is included as a cost of employment.

Other Expenses

Statutory fees, taxes, provision for bad debts, member's fees and state taxes. Donations and subsidies made to community groups.

City of Gosnells
STATEMENT OF CASH FLOWS
for the year ending 30 June 2024

Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Cash Flows from Operating Activities			
Receipts			
Rates	79,631,570	71,903,864	74,680,080
Operating grants, subsidies and contributions	6,810,168	3,349,192	6,289,555
Fees and charges	28,752,066	26,764,809	25,670,180
Interest earnings	5,043,447	4,804,313	1,674,786
Goods and services tax	5,500,000	5,500,000	5,500,000
Other revenue	192,000	228,351	190,500
	<u>125,929,251</u>	<u>112,550,529</u>	<u>114,005,101</u>
Payments			
Employee costs	(56,589,851)	(50,140,564)	(53,605,358)
Materials and contracts	(37,424,362)	(34,383,602)	(32,089,122)
Utility charges	(5,215,652)	(4,227,739)	(4,979,272)
Interest expenses	(182,440)	(217,518)	(287,550)
Insurance expenses	(1,227,764)	(1,125,816)	(1,032,347)
Goods and services tax	(5,550,000)	(5,457,080)	(5,550,000)
Other expenses	(3,323,273)	(11,253,498)	(1,099,644)
	<u>(109,513,342)</u>	<u>(106,805,817)</u>	<u>(98,643,293)</u>
Net Cash provided by Operating Activities	4(b) <u>16,415,909</u>	<u>5,744,712</u>	<u>15,361,808</u>
Cash Flows from Investing Activities			
Payments for:			
Land under development and developed land	0	0	0
Purchase of property, plant & equipment	(19,536,731)	(11,707,254)	(14,755,596)
Construction of infrastructure assets	(22,076,797)	(25,327,625)	(25,327,625)
Non-operating grants, subsidies and contributions	18,408,448	19,456,269	18,431,256
Proceeds from sale of property, plant & equipment	1,588,000	1,588,800	1,588,800
Proceeds from matured term deposits	75,000,000	70,000,000	85,000,000
Investments in term deposits	(72,400,000)	(79,000,000)	(79,000,000)
Net Cash used in Investing Activities	<u>(19,017,080)</u>	<u>(24,989,810)</u>	<u>(14,063,165)</u>
Cash Flows from Financing Activities			
Repayment of loan facilities	7(a) (976,618)	(8,116,332)	(8,116,332)
Proceeds from new loan facilities	7(a) 2,546,616	0	2,349,312
Repayment of lease liability	(3,098)	(13,305)	(3,098)
Net Cash used in Financing Activities	<u>1,566,900</u>	<u>(8,129,637)</u>	<u>(5,770,118)</u>
Net Decrease in Cash Held	(1,034,271)	(27,374,735)	(4,471,475)
Cash at beginning of the year	47,252,302	74,627,037	65,314,266
Cash and Cash Equivalents at the End of the Year	4(a) <u>46,218,031</u>	<u>47,252,302</u>	<u>60,842,791</u>

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

City of Gosnells
RATE SETTING STATEMENT
for the year ending 30 June 2024

	Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
		\$	\$	\$
Operating Activities				
Revenue from operating activities excluding rates				
Rates	1(c)(d)	78,269,089	74,084,918	74,166,837
Operating grants, subsidies and contributions	9	6,810,168	3,349,192	6,289,555
Profit on asset disposals		781,427	1,537,432	1,000,964
Fees and charges		27,743,794	26,289,616	25,445,190
Interest earnings		4,838,330	5,036,299	1,865,680
Other revenue		2,000	38,351	500
		<u>118,444,808</u>	<u>110,335,807</u>	<u>108,768,726</u>
Expenditure from operating activities				
Employee costs		(56,989,851)	(50,457,574)	(54,005,358)
Materials and contracts		(37,923,467)	(34,185,366)	(32,375,158)
Utility charges		(5,215,652)	(4,227,739)	(4,979,272)
Loss on asset disposals		(108,819)	(782,110)	(156,208)
Depreciation and amortisation	6	(26,838,048)	(28,489,522)	(25,236,632)
Interest expenses		(162,440)	(197,518)	(267,550)
Insurance expenses		(1,227,764)	(1,125,816)	(1,032,347)
Other expenses		(3,323,273)	(11,253,498)	(1,099,644)
		<u>(131,789,315)</u>	<u>(130,719,144)</u>	<u>(119,152,169)</u>
Adjustments for cash budget requirements:				
Non-cash revenue and expenses				
(Profit)/Loss on asset disposals	5(b)	(672,608)	(755,322)	(844,756)
Depreciation and amortisation	6	27,027,623	28,489,522	25,433,858
		<u>26,355,015</u>	<u>27,734,200</u>	<u>24,589,102</u>
Net Cash revenue and expenditure from operating activities		<u>13,010,508</u>	<u>7,350,864</u>	<u>14,205,659</u>
Investing activities				
Revenue from Investing activities				
Contributions/grants for the construction of assets	5,9	13,656,584	18,831,358	15,665,013
Public Open Space - Cash in Lieu contributions		2,067,843	1,254,562	1,925,372
Proceeds from disposal of assets		1,408,800	2,500,161	1,588,800
		<u>17,133,227</u>	<u>22,586,082</u>	<u>19,179,185</u>
Expenditure from investing activities				
Purchase of property, plant & equipment		(19,536,731)	(11,707,254)	(14,755,596)
Purchase of infrastructure assets		(22,076,797)	(23,868,621)	(25,327,625)
Purchase of land held for resale		0	(39,788)	0
Purchase of investment properties		0	0	0
		<u>(41,613,528)</u>	<u>(35,615,663)</u>	<u>(40,083,221)</u>
Net cashflows from investing activities		<u>(24,480,301)</u>	<u>(13,029,582)</u>	<u>(20,904,036)</u>
Net cash revenue and expenditure		<u>(11,469,793)</u>	<u>(5,678,718)</u>	<u>(6,698,377)</u>

City of Gosnells
RATE SETTING STATEMENT
for the year ending 30 June 2024

	Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
		\$	\$	\$
Financing activities	7,8			
Cash flow from financing activities				
Proceeds from loan facilities		2,546,616	0	2,349,312
Transfers from reserves (restricted cash)		19,607,019	33,686,376	19,513,668
		<u>22,153,635</u>	<u>33,686,376</u>	<u>21,862,980</u>
Cash flow from financing activities				
Repayment of loan facilities		(976,618)	(8,116,332)	(8,116,332)
Transfers to reserves (restricted cash)		(9,981,126)	(23,308,134)	(7,643,419)
		<u>(10,957,744)</u>	<u>(31,424,466)</u>	<u>(15,759,751)</u>
Net cashflows from financing activities		<u>11,195,891</u>	<u>2,261,910</u>	<u>6,103,229</u>
Net current assets - surplus/(deficit) at:	3			
The start of the financial year		273,902	3,690,710	595,148
Net cash revenue and expenditure		(11,469,793)	(5,678,718)	(6,698,377)
Net cashflows from financing activities		11,195,891	2,261,910	6,103,229
Surplus/(deficit) remaining after the imposition of rates		(0)	273,902	(0)

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

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

1. RATES

(a) Rating Information

Rate Type	2023/24 Budget					2022/23		
	Rate in cents	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Total Revenue \$	Actual Revenue \$	Budget Revenue \$
Differential General Rate								
Gross Rental Value (GRV)								
Extractive Industry	12.889	3	355,000	45,756		45,756	55,734	55,734
General GRV	6.784	38,285	940,212,966	63,784,048	770,000	64,554,048	56,322,261	56,514,395
Rural GRV	8.141	829	21,439,346	1,745,377		1,745,377	1,677,385	1,678,897
Tenancy Agreements	7.284	51	2,426,624	176,755		176,755	202,246	179,098
Town Centre	7.801	61	8,126,475	633,946		633,946	664,635	664,635
Unimproved Value (UV)								
Rural UV	0.2996	24	34,895,000	104,545		104,545	87,299	87,300
Rural UV Agricultural Concession	0.2397	5	64,450,000	154,487		154,487	159,613	159,613
		39,258	1,071,905,411	66,644,914	770,000	67,414,914	59,169,173	59,339,672
Minimum Payment								
	\$							
Gross Rental Value (GRV)								
General GRV	1,044	9,958	130,367,091	10,396,152		10,396,152	14,411,496	14,411,547
Rural GRV	1,044	17	155,983	17,748		17,748	30,270	30,270
Tenancy Agreements	1,044	10	61,650	10,440		10,440	10,900	10,900
Town Centre	1,044	9	82,560	9,396		9,396	6,054	6,054
Unimproved Value (UV)								
Rural UV	1,044	2	337,000	2,088		2,088	2,018	2,018
		9,996	131,004,284	10,435,824	0	10,435,824	14,460,738	14,459,979
		49,254	1,202,909,695	77,080,738	770,000	77,850,738	73,629,911	73,799,651
Total Amount Raised from General Rates						77,850,738	73,629,911	73,799,651
Specified Area Rates (Note 1(d))						359,851	311,499	308,686
Ex Gratia Rates						58,500	78,765	58,500
Total Rates						78,269,089	74,020,174	74,166,837

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

1. RATES (CONTINUED)

(a) Rating Information (continued)

All land except exempt land in the City of Gosnells is rated according to its Gross Rental Value (GRV) if its use is predominantly non-rural or Unimproved Value (UV) in the rural area.

The differential general rates for the 2023/2024 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates, and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rate has been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the local government services/facilities.

SIGNIFICANT ACCOUNTING POLICIES

Rates Revenue

Rates revenue is recognised on commencement of the rating period. Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore, rates received in advance are recognised as income in advance as part of trade and other payables at Note 3.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

(b) Objectives and Reasons for Differential Rating

Objective

The objective of imposing a differential rate is to obtain fairness and equity in generating income from properties within the City. To meet the above objective, the following rate categories have been determined:

Rate Type	Characteristics	Reasons
Extractive Industry	Any land zoned, held or used solely for mining and/or having improvements erected on it.	A higher rate in the dollar at 190% of the rate imposed on improved land has been applied to Extractive Industries as Council considers it appropriate given the impact this activity has on the road infrastructure and the environment.
General GRV	Any land held or predominantly used for residential, commercial or industrial purposes and being vacant or having improvements erected on it.	The rate in the dollar is calculated to provide the shortfall in income required to enable Council to provide necessary works and services in the 2023/2024 financial year.
Rural GRV	Any land zoned rural but used predominantly for non-rural purpose and being vacant or having improvements erected on it.	A higher rate in the dollar at 120% of the rate imposed on improved land has been applied to Rural GRV because Gross Rental Values do not adequately take into consideration the value of large land holdings.
Tenancy Agreements	Council properties leased to organisations incorporated under the Associations Incorporation Act 1987.	The higher rate in the dollar of the rate imposed on improved land is calculated to recover the administration expenses associated with managing tenancies applicable to all organisations incorporated under the Associations Incorporation Act 1987 that tenant City property.
Town Centre	Properties within the Gosnells Town Centre Special Control Area as identified on the City's Town Planning Scheme No. 6 Scheme Map.	A higher rate in the dollar at 115% of the rate imposed on improved land is applicable to all commercial properties in the Gosnells Town Centre to recognise both the investment by the City in the Town Centre Revitalisation project and the additional operational expenses associated with the ongoing level of service provided.
Rural UV	Any land held or predominantly used for rural purposes and being vacant or having relevant buildings erected on it.	The rate in the dollar is calculated to provide the shortfall in income required to enable Council to provide necessary works and services in the 2023/2024 financial year.
Rural UV Agricultural Concession	Minimum lot area of 20,200 square meters and the resident owner derives his/her livelihood from uses including, but limited to grazing, dairying, tree farming and animal husbandry.	A concession of 20% off the Rural UV rate is offered to owners who have had continuous ownership since 1 July 1986 of the rural property and who meet the adjacent characteristics and criteria.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

1. RATES (CONTINUED)

(b) Objectives and Reasons for Differential Rating (continued)

Differential Minimum Payment

A uniform minimum rate is applied to all rate categories. The imposition of a minimum rate is in recognition that every property receives some minimum level of benefit from services provided. As such, Council has adopted an appropriate minimum rate to take this into consideration.

(c) Interest Charges, Administration Fees and Rate Payment Options

Interest Charges and Admin Fees

	Interest Interest Rate %	Admin Charge \$	2023/24 Budget \$	2022/23 Actual \$
Interest				
Four instalment payment plan	3.0%	N/A	206,000	200,921
Late payment	7.0%	N/A	311,000	354,440
Administration Fees				
Four instalment payment plan	N/A	16.50	254,500	230,222
Direct Debit payment arrangement	N/A	16.00	70,000	68,681

Rates Payment Options

The following payment options are offered for the payment of Rate Notices

	Due Date
Payment in full	1 September 2023
Payment by four instalment	
First instalment	1 September 2023
Second instalment	10 November 2023
Third instalment	12 January 2024
Fourth instalment	15 March 2024
Direct Debit payment arrangement	By individual arrangement (bank account only)

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

1. RATES (CONTINUED)

(c) Interest Charges, Administration Fees and Rate Payment Options (continued)

Description of Interest Charges and Payment Arrangement Plans:

Four Instalment Payment Plan

The four instalment arrangement plan incurs an administration fee (excluding registered Pensioners/Seniors with 100% equity) to recover the additional cost to the City to administer this plan. The four instalment plan attracts interest calculated on a daily basis. Arrears from previous years are included and payable in the first instalment and continue to attract late payment interest until paid.

Late Payment Interest

Late payment interest is imposed on all rates related fees and charges (current and arrears) including but not limited to general rates, specified area rates, refuse charges and swimming pool inspection fees (excluding registered Pensioners/Seniors with 100% equity). Interest will be charged on a daily basis on all arrears and current amounts that remain unpaid 35 days from the date of issue of the original rate notice.

Direct Debit Payment Plan

Weekly, fortnightly or four weekly payment arrangements can be made by way of Direct Debit (bank account only). An administration fee is charged (excluding registered Pensioners/Seniors with 100% equity) on each payment arrangement.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

1. RATES (CONTINUED)

(d) Specified Area Rates

Gross Rental Value (GRV)	2023/24				2022/23	
	Rate in cents	Number of Properties	Rateable Value \$	Budgeted Revenue \$	Actual Revenue \$	Budget Revenue \$
Bletchley Park	0.3980	1,635	38,587,360	153,578	140,146	137,357
Brookland Greens	0.2973	562	16,411,610	48,792	40,160	40,161
Sanctuary Waters	0.3147	691	17,880,475	56,270	50,858	50,858
The Avenues	0.3311	498	11,686,920	38,695	33,188	33,191
The Boardwalk	0.2401	627	19,284,313	46,302	34,924	34,923
The Reserve	0.1644	361	9,862,460	16,214	12,223	12,196
				359,851	311,499	308,686

Purpose

To recover in each Specified Area up to 17.5% of park maintenance costs incurred by the City as they are maintained to a higher standard.

Description of the areas in which rates are to be applied:

Bletchley Park and surrounds	Housing development known as "Bletchley Park"
Brookland Greens and surrounds	Housing development known as "Brookland Greens"
Sanctuary Waters	Housing development known as "Sanctuary Waters"
The Avenues	Housing development known as "The Avenues"
The Boardwalk and surrounds	Housing development known as "The Boardwalk"
The Reserve and surrounds	Housing development known as "The Reserve"

Plans of the Specified Area Rate areas are shown in the Supplementary Information.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

2. PAYMENT INCENTIVES, WAIVERS, CONCESSIONS AND WRITE-OFFS

Summary	Type	Discount	2023/24 Budget \$	2022/23 Actual \$
Rates				
Rates incentives	Incentive	N/A	5,000	5,000
Rates waivers	Waiver	N/A	88,373	100,890
Fees and Charges				
Don Russell Performing Arts Centre	Discount	Various	17,500	15,133
Facility Hire Charges	Discount	100%	3,671	3,585
Facility Hire Charges	Discount	75%	27,078	26,522
Facility Hire Charges	Discount	Various	614	2,448
Health Services	Discount	Various	10,500	9,257
Leisure Programs	Discount	Various	500	300
Leisure World	Discount	Various	55,000	50,000
Ranger Services	Discount	Various	26,500	25,828
Sundry Debtors Write-off	Write-Off	N/A	0	2,400

Incentives

Incentives for ratepayers to pay their rates in full by the due date are being offered as follows:

Westpac Banking Corporation will provide one \$2,000 and one \$1,500 savings account.

The City of Gosnells will fund five cash prizes of \$1,000 each. The prizes will be drawn on a random basis as an incentive for ratepayers to pay their rates in full by the due date.

Inclusion in the draw will be automatic for all ratepayers who have paid their rates in full by the advertised due date of the first instalment (refer to Note 1(c)). Winners will be notified.

Councillors and employees of the City of Gosnells are ineligible to enter.

Waivers

Council has granted specific waivers of Rates to community based organisations.

	2023/24 Budget \$	2022/23 Actual \$	2022/23 Budget \$
Gosnells Junior Football Club Inc	0	2,363	2,363
Grand Lodge of WA Freemasons Homes for The Aged Inc	75,804	74,966	75,600
Foothills Estate Syndicate Pty Ltd	2,088	2,018	2,018
Forest Lakes Family Centre	1,044	1,100	1,100
Serbian National Centre of Western Australia	7,261	20,442	0
	88,373	100,890	81,081

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

2. PAYMENT INCENTIVES, WAIVERS, CONCESSIONS AND WRITE-OFFS (CONTINUED)

Discounts

Don Russell Performing Art Centre

The following discounts on theatre hire and ticket prices are provided to enhance the financial viability of the program or show:

- 10% venue hire discount (2 or more shows in the same booking)
- 15% venue hire discount (general offer; more than 20 hours per week)
- 30% venue hire discount (3 or more bookings in a calendar year)
- 50% ticket discount (rush tickets)
- Group Bookings - 1 free ticket with every 10 purchased
- Adult ticket at child price - Children's events only
- City of Gosnells Councillors, Staff and Volunteers - Up to 25% ticket discount

Facility Hire Charges & Road Closure Fees

- The Returned Soldiers League (RSL) is not charged fees/bond for the RSL Hall hire or road closure applications for ANZAC Day.
- 100% discount – Park Run

Leisure World

Leisure World offers the following discounts to enhance the financial viability of the program:

- 5% Discount (second and subsequent children enrolled into term programs)
- 10% Discount (general offer)
- 15% Discount (general offer)
- 25% Discount (special offer)
- 33% Discount (special offer)
- 50% Discount (2 for 1 offer)
- 100% membership concession for Bush Fire Brigade Volunteers
- City of Gosnells Councillors, Staff & Volunteers - up to 25% discount. Except Staff employed under the Operations Centre Agreement - up to 40% discount.

Programs and Events

Programs and Events offers the City of Gosnells Councillors, Staff and Volunteers a discount of up to 25% to enhance the financial viability of the program.

Write-Offs

Unrecoverable Sundry Debtors are written off in accordance with Council's delegated authority.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

3. NET CURRENT ASSETS

	2023/24	2022/23	2022/23
Note	Budget	Actual	Budget
	\$	\$	\$
Composition of Estimated Net Current Assets			
Current Assets			
	4(a)		
Cash - unrestricted	19,949,472	17,987,850	19,450,000
Cash - restricted reserve	107,668,559	117,264,452	119,392,790
Cash - restricted unspent grants, subsidies and contributions	4,000,000	0	2,000,000
Trade and other receivables	9,500,000	10,907,597	9,700,000
Inventories	350,000	439,135	350,000
	<u>141,468,031</u>	<u>146,599,034</u>	<u>150,892,790</u>
Less: Current Liabilities			
Trade and other payables	(23,580,568)	(21,982,324)	(17,000,000)
Contract, grant and contribution liabilities	(4,000,000)	(1,359,452)	(2,000,000)
Lease liabilities	0	(3,098)	0
Current portion of borrowings	7 (984,641)	(976,618)	(2,891,218)
Provisions	(12,500,000)	(12,000,000)	(12,500,000)
	<u>(41,065,209)</u>	<u>(36,321,492)</u>	<u>(34,391,218)</u>
Unadjusted Net Current Assets	<u>100,402,822</u>	<u>110,277,542</u>	<u>116,501,572</u>
Adjustments			
Add: developer contribution plan liabilities	6,281,096	6,281,096	0
Add: current portion of lease liabilities	0	3,098	0
Add: current portion of borrowings	7 984,641	976,618	2,891,218
Less: cash - restricted reserve	4(a) (107,668,559)	(117,264,452)	(119,392,790)
Adjusted Net Current Assets	<u>0</u>	<u>273,902</u>	<u>0</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

3. NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

Current and Non-Current Classification

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

Trade and Other Receivables

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

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.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. A provision for impairment is raised when there is objective evidence that they will not be collectible.

Inventories

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

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

Land Under Development and Developed Land

Land under development and developed land is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land under development and developed land is classified as current asset except where it is held as non-current based on Council's intentions to release for sale.

Contract Liabilities

Contract liabilities represent the City's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer. Contract liabilities are recognised as revenue when the performance obligations in the contracts are satisfied.

Capital Grant Liabilities

Capital grant liabilities are recognised for transfers received to acquire or construct non-financial assets that are to be controlled by the City where the City has yet to perform the obligations under the transfers.

Capital grant liabilities are recognised as revenue when the obligations under the transfers are performed.

Developer Contribution Plan Liability

The City receives contributions from landowners as required under developer contribution arrangements. In accordance with State Planning Policy 3.6 "Infrastructure Contributions", the contributions are recognised in the City's cash-backed reserves (refer to Note 8). Developer contribution plan liabilities represent the unspent contributions from the developer contribution plan relating to construction and/or acquisition of assets that will be controlled by the City.

Developer Contributions are recognised as revenue when the performance obligations in the arrangement are satisfied, i.e. when the arrangement reimburses the City or developer for the construction and/or acquisition of assets.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

3. NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trade and Other Payables

Trade and Other Payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 14 days of recognition.

Trade and other payables include income in advance.

Income in Advance

Income in advance represent liabilities arising from payments received by the City prior to satisfying its obligation to provide goods or render service. Income in advance mainly comprises of prepaid rates.

Provisions

Provisions are recognised when the City has a 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.

Employee Benefits

Short term employee benefits

Provision is made for the City of Gosnells' 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 annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Superannuation

The City of Gosnells contributes to a number of superannuation funds on behalf of employees.

All funds to which the City of Gosnells contributes are defined contribution plans.

The City of Gosnells' obligations for short term employee benefits such as wages and salaries and superannuation are recognised as a part of Trade and Other Payables. The City of Gosnells' obligations for employees' annual leave and long serve leave entitlements are recognised as Provisions.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

4. RECONCILIATION OF CASH

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Cash at Bank and at Hand	46,218,031	47,252,302	60,842,790
Term Deposits	85,400,000	88,000,000	80,000,000
	<u>131,618,031</u>	<u>135,252,302</u>	<u>140,842,790</u>
Cash - Unrestricted	19,949,472	17,987,850	19,450,000
Cash - Restricted	<u>111,668,559</u>	<u>117,264,452</u>	<u>121,392,790</u>
	<u>131,618,031</u>	<u>135,252,302</u>	<u>140,842,790</u>

The following restrictions have been imposed by regulation or other externally imposed requirements:

Cash - Restricted			
Unspent grants, subsidies and contributions	4,000,000	0	2,000,000
Reserves	8	<u>107,668,559</u>	<u>117,264,452</u>
		<u>111,668,559</u>	<u>117,264,452</u>
		<u>117,264,452</u>	<u>121,392,790</u>

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

Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Net Result	2,379,921	(297,415)	7,206,942
Depreciation and amortisation	26,838,048	28,489,522	25,236,632
Profit on sale of asset	(672,608)	(755,322)	(844,756)
(Increase)/Decrease in receivables	1,407,598	(175,913)	(37,651)
Decrease/(Increase) in inventories	89,135	92,184	1,362
Increase in payables	1,598,242	(1,939,434)	889,664
Increase in employee provisions	500,000	417,010	500,000
Decrease in contract liabilities	0	0	0
Non-operating grants, subsidies and contributions	(13,656,584)	(18,831,358)	(15,665,013)
Public Open Space - Cash in Lieu contributions	(2,067,843)	(1,254,562)	(1,925,372)
Net Cash from Operating Activities	<u>16,415,909</u>	<u>5,744,712</u>	<u>15,361,808</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

4. RECONCILIATION OF CASH (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

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

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

5. FIXED ASSETS

(a) Asset Acquisitions

The following assets are budgeted to be acquired during the year.

Reporting Program	2023/24 Budget						2022/23	
	Education and welfare	Community amenities	Recreation and culture	Transport	Other property and services	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
By Class								
Land Held for Resale	0	0	0	0	0	0	39,788	0
Property, Plant and Equipment								
Land and Buildings	17,523	129,644	9,114,883	21,861	3,169,073	12,452,984	6,481,387	9,124,523
Furniture and Equipment	0	0	200,000	0	730,795	930,795	1,048,378	878,222
Plant and Equipment	0	0	0	0	5,629,477	5,629,477	3,667,984	4,034,437
Intangible Assets	0	0	0	0	523,475	523,475	509,505	718,414
Total Property, Plant and Equipment	17,523	129,644	9,314,883	21,861	10,052,820	19,536,731	11,747,043	14,755,596
Infrastructure								
Roads and Paths	0	0	0	10,488,228	0	10,488,228	11,670,031	13,217,198
Bridges	0	0	0	105,558	0	105,558	402,734	210,418
Drainage	0	0	0	1,880,859	0	1,880,859	850,334	716,011
Park Development	0	0	8,877,202	0	0	8,877,202	8,771,296	9,056,465
Other Infrastructure	0	0	0	724,950	0	724,950	2,174,225	2,127,533
Total Infrastructure	0	0	8,877,202	13,199,595	0	22,076,797	23,868,621	25,327,625
	17,523	129,644	18,192,085	13,221,456	10,052,820	41,613,528	35,615,664	40,083,221

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

5. FIXED ASSETS (CONTINUED)

(a) Asset Acquisitions (continued)

A detailed breakdown of acquisitions on an individual asset basis can be found in the supplementary information attached to this budget document.

SIGNIFICANT ACCOUNTING POLICIES

Recognition of Assets

Fixed assets are recognised at cost where the fair value of the asset at date of acquisition equal to or above \$5,000.

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.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

5. FIXED ASSETS (CONTINUED)

(b) Asset Disposals

The following assets are budgeted to be disposed of during the year.

	2023/24 Budget				2022/23 Actual		2022/23 Budget	
	Net Book Value	Sale Proceeds	Profit	(Loss)	Profit	(Loss)	Profit	(Loss)
	\$	\$	\$	\$	\$	\$	\$	\$
By Program								
Transport	736,192	1,408,800	781,427	(108,819)	1,537,432	(782,110)	1,000,964	156,208
Total Disposals by Program	736,192	1,408,800	781,427	(108,819)	1,537,432	(782,110)	1,000,964	(156,208)
By Asset Class								
Property, plant and equipment	736,192	1,408,800	781,427	(108,819)	1,537,432	(782,110)	1,000,964	(156,208)
Total Disposals by Asset Class	736,192	1,408,800	781,427	(108,819)	1,537,432	(782,110)	1,000,964	(156,208)
Net Profit/(Loss) on Disposals				<u>672,608</u>		<u>755,322</u>		<u>844,756</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

6. ASSET DEPRECIATION AND AMORTISATION

The Net Result from ordinary activities includes:

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
By Program			
Depreciation on Non-Current Asset			
Law, order and public safety	294,137	345,416	98,644
Health	145,141	148,617	103,636
Education and welfare	229,655	236,047	142,489
Community amenities	645,088	874,817	0
Recreation and culture	9,058,291	9,479,791	7,744,473
Transport	14,534,893	14,981,689	13,984,372
Economic Services	19,310	22,092	0
Other property and services	1,911,534	2,154,317	3,163,018
	<u>26,838,048</u>	<u>28,242,785</u>	<u>25,236,632</u>
Depreciation Capitalised			
Other Property and Services	189,575	246,737	197,226
	<u>189,575</u>	<u>246,737</u>	<u>197,226</u>
By Asset Class			
Depreciation on Non-Current Asset			
Bridges - Roads	1,110,479	1,132,405	1,121,408
Buildings	4,807,679	4,786,569	3,224,122
Drains	3,776,164	3,802,030	3,734,553
Furniture and Equipment	1,001,502	1,377,079	1,164,689
Intangible Assets	395,790	433,030	422,082
Other Infrastructure	452,915	634,968	427,672
Park Developments	4,370,170	4,522,577	4,361,330
Plant and Equipment	1,759,894	2,307,861	1,844,649
Right of use asset - Plant and Equipment	1,046	21,035	14,256
Roads, Kerbing and Parths	9,162,409	9,225,230	8,921,871
	<u>26,838,048</u>	<u>28,242,785</u>	<u>25,236,632</u>
Depreciation Capitalised			
Plant and Equipment	189,575	246,737	197,226
	<u>189,575</u>	<u>246,737</u>	<u>197,226</u>
Total Depreciation on Non-Current Asset	<u><u>27,027,623</u></u>	<u><u>28,489,522</u></u>	<u><u>25,433,858</u></u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

6. ASSET DEPRECIATION AND AMORTISATION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

Depreciation and Amortisation

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

Similarly, intangible assets are amortised on a straight-line basis over the individual asset's life from the time the asset is held ready for use.

The useful lives of assets 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.

Profits and losses on asset disposals are determined by comparing proceeds with the carrying amount. These profits and losses are included in profit or loss in the period in which they arise.

Major depreciation periods used for each class of depreciable asset are:

Asset Class	Years
Bridges - roads.....	60 to 100
Buildings.....	20 to 100
Drains.....	50 to 100
Furniture and Fixtures.....	3 to 15
Intangible Assets.....	1 to 10
Other Infrastructure.....	12 to 80
Park Developments.....	15 to 63
Plant and Equipment.....	5 to 10
Right of use asset - Plant and Equipment.....	Based on the remaining lease
Roads, Kerbing and Paths	
Subgrade.....	Infinite
Access Roads - Pavement.....	Infinite
Distributor Roads - Pavement.....	54 to 75
Surface.....	18 to 30
Kerbing.....	36 to 60
Pathways.....	60 to 80
Land.....	Infinite

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

7. INFORMATION ON BORROWINGS

(a) Borrowings

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Current	984,041	976,618	2,891,218
Non-Current	7,743,286	6,180,711	6,615,423
	<u>8,727,327</u>	<u>7,157,329</u>	<u>9,506,641</u>

(b) Borrowing Repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Particulars/Purpose	Principal 1-Jul-23	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
			2023/24 Budget	2022/23 Actual	2023/24 Budget	2022/23 Actual	2023/24 Budget	2022/23 Actual
			\$	\$	\$	\$	\$	\$
Community Amenities								
Central Maddington ODP Infrastructure (Long Term)	7,157,329	0	976,618	961,941	6,180,711	7,157,329	150,075	147,605
Recreation and Culture								
Mills Park Redevelopment	0	0	0	1,554,391	0	0	0	0
Other Property and Services								
Robinson Park Subdivision and Park Development	0	0	0	5,600,000	0	0	0	203,283
Southern River Business Park	0	2,546,616	0	0	2,546,616	0	95,513	0
	<u>7,157,329</u>	<u>2,546,616</u>	<u>976,618</u>	<u>8,116,332</u>	<u>8,727,327</u>	<u>7,157,329</u>	<u>245,588</u>	<u>350,888</u>

- Central Maddington ODP Infrastructure (Long Term) loan facility repayments will be financed by general purpose revenue.
- Southern River Business Park loan facility repayments will be financed by sale of land proceeds.
- All borrowings are obtained from the WA Treasury Corporation.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

7. BORROWINGS (CONTINUED)

(c) New Borrowings

Particulars/Purpose	Facility Limit	Drawdown Amount	Facility/Loan Type	Term (Years)	Total Interest and Charges	Interest Rate %	Amount Used Budget	Balance Unspent \$
Southern River Business Park Development <i>(additional funds will be drawn if project is ahead of schedule)</i>	15,380,000	2,546,616	Short-term	3	95,513	4.11%	2,546,616	0
	<u>15,380,000</u>	<u>2,546,616</u>			<u>95,513</u>		<u>2,546,616</u>	<u>0</u>

(d) Unspent Borrowings

All loan funds drawn are expected to be fully expended as at 30 June 2024.

Council is not expected to have any unspent loan funds as at 30 June 2024.

SIGNIFICANT ACCOUNTING POLICIES

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.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES

(a) Cash Backed Reserves - Movement

Ordinary Reserve

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
(a) Asset Management			
Opening Balance	42,944	919,811	957,702
Amount Used / Transfer From Reserve	(14,000)	(588,075)	(360,075)
Amount Set Aside / Transfer To Reserve	75,000	0	0
Amount Set Aside / Interest	12,935	16,356	7,521
Transfer between Reserves - Equity	0	(305,148)	(305,148)
	<u>116,879</u>	<u>42,944</u>	<u>300,000</u>
(b) Central Maddington City Funded Common Infrastructure Works			
Opening Balance	1,362,326	1,331,160	1,366,067
Amount Set Aside / Interest	43,077	31,166	10,727
	<u>1,405,403</u>	<u>1,362,326</u>	<u>1,376,794</u>
(c) Community Infrastructure Reserve			
Opening Balance	16,678,614	24,814,513	32,037,964
Amount Used / Transfer From Reserve	(4,259,579)	(3,618,471)	(2,978,810)
Amount Set Aside / Transfer To Reserve	233,600	3,401,623	3,256,034
Amount Set Aside / Interest	367,976	745,541	171,995
Transfer between Reserves - Equity	476,142	(8,664,592)	(8,925,831)
	<u>13,496,753</u>	<u>16,678,614</u>	<u>23,561,352</u>
(d) Covid-19 Recovery Reserve			
Opening Balance	0	1,250,510	609,670
Amount Used / Transfer From Reserve	0	(938,051)	(401,408)
Amount Set Aside / Interest	0	16,778	1,635
Transfer between Reserves - Equity	0	(329,237)	(209,897)
	<u>0</u>	<u>0</u>	<u>0</u>
(e) Gosnells and Beckenham Laneways			
Opening Balance	813,137	805,010	803,219
Amount Used / Transfer From Reserve	0	(79,744)	(98,006)
Amount Set Aside / Transfer To Reserve	60,000	69,012	60,000
Amount Set Aside / Interest	11,402	18,859	6,009
Transfer between Reserves - Equity	(573,154)	0	0
	<u>311,385</u>	<u>813,137</u>	<u>771,222</u>
(f) Gosnells Oval Redevelopment			
Opening Balance	347,998	1,162,084	1,164,761
Amount Used / Transfer From Reserve	(268,100)	(883,394)	(979,840)
Amount Set Aside / Transfer To Reserve	56,400	54,723	52,000
Amount Set Aside / Interest	2,579	14,585	1,860
	<u>138,877</u>	<u>347,998</u>	<u>238,781</u>
Total Ordinary Reserves C/Fwd	<u>15,469,297</u>	<u>19,245,019</u>	<u>26,248,149</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Ordinary Reserve (continued)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Ordinary Reserves B/Fwd	<u>15,469,297</u>	<u>19,245,019</u>	<u>26,248,149</u>
(g) Gosnells Town Centre Revitalisation			
Opening Balance	5,553,927	5,451,717	5,643,493
Amount Used / Transfer From Reserve	(305,752)	(215,201)	(312,155)
Amount Set Aside / Transfer To Reserve	92,000	89,000	89,000
Amount Set Aside / Interest	165,694	228,411	43,554
	<u>5,505,869</u>	<u>5,553,927</u>	<u>5,463,892</u>
(h) Harmony Fields			
Opening Balance	0	144,558	107,955
Amount Used / Transfer From Reserve	0	(43,031)	(43,031)
Amount Set Aside / Transfer To Reserve	0	23,881	53,800
Amount Set Aside / Interest	0	3,304	932
Transfer between Reserves - Equity	0	(128,712)	(119,656)
	<u>0</u>	<u>0</u>	<u>0</u>
(i) Heritage Condition Reward Scheme			
Opening Balance	31,679	31,758	38,078
Amount Used / Transfer From Reserve	(7,260)	(800)	(7,260)
Amount Set Aside / Interest	772	721	242
	<u>25,191</u>	<u>31,679</u>	<u>31,060</u>
(j) Insurance			
Opening Balance	664,145	649,099	647,654
Amount Set Aside / Interest	21,000	15,046	5,086
	<u>685,145</u>	<u>664,145</u>	<u>652,740</u>
(k) Langford Oval Redevelopment			
Opening Balance	0	117,851	123,608
Amount Used / Transfer From Reserve	0	(46,733)	(46,733)
Amount Set Aside / Transfer To Reserve	0	29,566	29,000
Amount Set Aside / Interest	0	2,647	831
Transfer between Reserves - Equity	0	(103,331)	(106,706)
	<u>0</u>	<u>0</u>	<u>0</u>
(l) Local Government Elections			
Opening Balance	219,502	49,336	73,401
Amount Used / Transfer From Reserve	(450,000)	0	0
Amount Set Aside / Transfer To Reserve	240,000	165,000	165,000
Amount Set Aside / Interest	300	5,166	1,872
	<u>9,802</u>	<u>219,502</u>	<u>240,273</u>
Total Ordinary Reserves C/Fwd	<u>21,695,304</u>	<u>25,714,272</u>	<u>32,636,114</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Ordinary Reserve (continued)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Ordinary Reserves B/Fwd	<u>21,695,304</u>	<u>25,714,272</u>	<u>32,636,114</u>
(m) Local Open Space Strategy			
Opening Balance	1,681,397	7,563,868	6,858,194
Amount Used / Transfer From Reserve	(1,565,690)	(6,699,777)	(6,839,143)
Amount Set Aside / Transfer To Reserve	36,600	607,780	33,500
Amount Set Aside / Interest	13,337	209,526	44,388
Transfer between Reserves - Equity	25,431	0	0
	<u>191,075</u>	<u>1,681,397</u>	<u>96,939</u>
(n) Maddington/Kenwick Revitalisation			
Opening Balance	2,693,639	2,632,617	2,626,759
Amount Set Aside / Interest	61,458	61,022	20,627
	<u>2,755,097</u>	<u>2,693,639</u>	<u>2,647,386</u>
(o) Mills Park			
Opening Balance	0	400,943	346,911
Amount Used / Transfer From Reserve	0	(127,946)	(76,743)
Amount Set Aside / Transfer To Reserve	0	3,630	60,000
Amount Set Aside / Interest	0	8,317	2,593
Transfer between Reserves - Equity	0	(284,944)	(332,762)
	<u>0</u>	<u>0</u>	<u>(1)</u>
(p) Operations Centre and Waste Transfer Facility			
Opening Balance	23,609,104	23,122,120	23,175,763
Amount Used / Transfer From Reserve	(1,212,341)	(284,485)	(1,475,235)
Amount Set Aside / Interest	700,686	771,469	170,410
	<u>23,097,449</u>	<u>23,609,104</u>	<u>21,870,938</u>
(q) Plant and Equipment			
Opening Balance	2,603,737	3,678,814	2,803,281
Amount Used / Transfer From Reserve	(2,831,935)	(2,728,530)	(3,119,192)
Amount Set Aside / Transfer To Reserve	2,489,186	1,471,495	1,433,400
Amount Set Aside / Interest	5,979	181,958	8,838
	<u>2,266,967</u>	<u>2,603,737</u>	<u>1,126,327</u>
(r) Public Art Contribution			
Opening Balance	109,292	42,173	42,079
Amount Set Aside / Transfer To Reserve	50,000	65,727	0
Amount Set Aside / Interest	5,037	1,392	330
	<u>164,329</u>	<u>109,292</u>	<u>42,409</u>
Total Ordinary Reserves C/Fwd	<u>50,170,221</u>	<u>56,411,441</u>	<u>58,420,112</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Ordinary Reserve (continued)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Ordinary Reserves B/Fwd	<u>50,170,221</u>	<u>56,411,441</u>	<u>58,420,112</u>
(s) Rate Revaluation			
Opening Balance	335,424	591,622	590,306
Amount Used / Transfer From Reserve	0	(420,000)	(420,000)
Amount Set Aside / Transfer To Reserve	120,000	150,000	150,000
Amount Set Aside / Interest	14,400	13,802	2,515
	<u>469,824</u>	<u>335,424</u>	<u>322,821</u>
(t) Refuse Disposal Site Rehabilitation			
Opening Balance	649,922	621,368	631,664
Amount Used / Transfer From Reserve	(402,523)	(23,565)	(404,458)
Amount Set Aside / Transfer To Reserve	46,300	32,999	45,000
Amount Set Aside / Interest	98,533	19,120	9,598
	<u>392,232</u>	<u>649,922</u>	<u>281,804</u>
(x) SPLASH			
Opening Balance	10,201,241	0	0
Amount Used / Transfer From Reserve	(453,000)	0	0
Amount Set Aside / Interest	307,632	201,241	0
Transfer between Reserves - Equity	0	10,000,000	10,000,000
	<u>10,055,873</u>	<u>10,201,241</u>	<u>10,000,000</u>
(u) Strategic Capital Development			
Opening Balance	347,348	2,162,895	1,846,870
Amount Used / Transfer From Reserve	(221,268)	(2,536,575)	(156,000)
Amount Set Aside / Transfer To Reserve	721,140	680,124	686,800
Amount Set Aside / Interest	28,876	40,904	18,671
	<u>876,096</u>	<u>347,348</u>	<u>2,396,341</u>
(v) Streetscape Levy Reserve			
Opening Balance	145,819	85,125	84,936
Amount Set Aside / Transfer To Reserve	0	58,300	0
Amount Set Aside / Interest	4,611	2,394	667
	<u>150,430</u>	<u>145,819</u>	<u>85,603</u>
(w) Sutherlands Park			
Opening Balance	871,246	1,032,002	1,035,808
Amount Used / Transfer From Reserve	(633,707)	(180,984)	(473,372)
Amount Set Aside / Transfer To Reserve	76,900	0	70,000
Amount Set Aside / Interest	6,426	20,228	4,966
	<u>320,865</u>	<u>871,246</u>	<u>637,402</u>
Total Ordinary Reserves C/Fwd	<u>62,435,541</u>	<u>68,962,441</u>	<u>72,144,083</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Ordinary Reserve (continued)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Ordinary Reserves B/Fwd	<u>62,435,541</u>	<u>68,962,441</u>	<u>72,144,083</u>
(y) Synthetic Surfaces Renewal			
Opening Balance	119,581	421,416	420,480
Amount Used / Transfer From Reserve	0	(308,591)	(373,056)
Amount Set Aside / Interest	<u>3,781</u>	<u>6,756</u>	<u>372</u>
	<u>123,362</u>	<u>119,581</u>	<u>47,794</u>
(z) Walter Padbury Park			
Opening Balance	0	211,693	120,784
Amount Used / Transfer From Reserve	0	(125,226)	(171,784)
Amount Set Aside / Transfer To Reserve	0	26,609	51,000
Amount Set Aside / Interest	0	3,404	0
Transfer between Reserves - Equity	<u>0</u>	<u>(116,480)</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>0</u>
(aa) Waste Reserve			
Opening Balance	2,613,761	2,520,503	2,437,222
Amount Used / Transfer From Reserve	(1,726,142)	(176,443)	(235,845)
Amount Set Aside / Transfer To Reserve	45,000	154,923	0
Amount Set Aside / Interest	<u>20,911</u>	<u>114,778</u>	<u>25,381</u>
	<u>953,530</u>	<u>2,613,761</u>	<u>2,226,758</u>
(ab) Community Waste Transfer and Recycle Facility			
Opening Balance	509,859	0	0
Amount Used / Transfer From Reserve	(276,172)	0	0
Amount Set Aside / Transfer To Reserve	1,464,000	500,742	500,742
Amount Set Aside / Interest	<u>53,681</u>	<u>9,117</u>	<u>9,117</u>
	<u>1,751,368</u>	<u>509,859</u>	<u>509,859</u>
(ac) Sutherlands Park Master Plan Implementation			
Opening Balance	3,324,655	0	0
Amount Used / Transfer From Reserve	(1,156,129)	0	0
Amount Set Aside / Transfer To Reserve	1,000,000	3,220,047	2,286,988
Amount Set Aside / Interest	100,188	33,587	70,998
Transfer between Reserves - Equity	<u>0</u>	<u>71,021</u>	<u>0</u>
	<u>3,268,714</u>	<u>3,324,655</u>	<u>2,357,986</u>
(ad) Capital Works in Progress			
Opening Balance	1,558,326	0	0
Amount Used / Transfer From Reserve	(1,413,756)	0	0
Amount Set Aside / Transfer To Reserve	0	1,520,497	0
Amount Set Aside / Interest	3,325	7,829	0
Transfer between Reserves – Equity	<u>147,895</u>	<u>30,000</u>	<u>0</u>
	<u>147,895</u>	<u>1,558,326</u>	<u>0</u>
Total Ordinary Reserves	<u>68,680,410</u>	<u>77,088,623</u>	<u>77,286,480</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Planning Reserve

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
(ae) ODP - Canning Vale			
Opening Balance	4,353,860	4,251,471	3,651,529
Amount Used / Transfer From Reserve	(23,407)	(111,470)	(12,389)
Amount Set Aside / Transfer To Reserve	0	121,002	0
Amount Set Aside / Interest	136,929	92,857	28,577
	<u>4,467,382</u>	<u>4,353,860</u>	<u>3,667,717</u>
(af) ODP - Central Maddington Precinct 1			
Opening Balance	(20,511)	(163,048)	(351,076)
Amount Used / Transfer From Reserve	(19,896)	(10,256)	(10,892)
Amount Set Aside / Transfer To Reserve	0	139,723	0
Amount Set Aside / Interest	0	13,070	0
	<u>(40,407)</u>	<u>(20,511)</u>	<u>(361,968)</u>
(ag) ODP - Central Maddington Precinct 2			
Opening Balance	1,709,831	1,684,937	1,684,918
Amount Used / Transfer From Reserve	(3,511)	(1,083)	(2,431)
Amount Set Aside / Interest	52,990	25,977	13,212
	<u>1,759,310</u>	<u>1,709,831</u>	<u>1,695,699</u>
(ah) ODP - Homestead Road			
Opening Balance	893,465	610,618	614,970
Amount Used / Transfer From Reserve	(23,407)	(7,222)	(12,419)
Amount Set Aside / Transfer To Reserve	0	275,144	0
Amount Set Aside / Interest	27,511	14,925	4,732
	<u>897,569</u>	<u>893,465</u>	<u>607,283</u>
(ai) ODP - Maddington Road A and B			
Opening Balance	1,940,548	1,906,609	1,910,095
Amount Used / Transfer From Reserve	(23,407)	(7,222)	(12,295)
Amount Set Aside / Interest	61,555	41,161	12,061
Transfer between Reserves - Equity	29,581	0	0
	<u>2,008,277</u>	<u>1,940,548</u>	<u>1,909,861</u>
(aj) ODP - Southern River Precinct 1			
Opening Balance	1,566,425	1,538,592	1,542,483
Amount Used / Transfer From Reserve	(23,407)	(7,222)	(16,828)
Amount Set Aside / Interest	49,802	35,055	11,981
Transfer between Reserves - Equity	32,000	0	0
	<u>1,624,820</u>	<u>1,566,425</u>	<u>1,537,636</u>
Total Planning Reserves C/Fwd	<u>10,716,951</u>	<u>10,443,618</u>	<u>9,056,228</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Planning Reserve (continued)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Planning Reserves B/Fwd	<u>10,716,951</u>	<u>10,443,618</u>	<u>9,056,228</u>
(ak) ODP - Southern River Precinct 2			
Opening Balance	6,735,619	5,910,501	5,908,639
Amount Used / Transfer From Reserve	(23,407)	(8,422)	(12,999)
Amount Set Aside / Transfer To Reserve	0	686,605	0
Amount Set Aside / Interest	212,240	146,935	46,297
	<u>6,924,452</u>	<u>6,735,619</u>	<u>5,941,937</u>
(al) ODP - Southern River Precinct 3			
Opening Balance	7,933,979	13,414,803	12,831,057
Amount Used / Transfer From Reserve	(21,067)	(6,535,147)	(11,917)
Amount Set Aside / Transfer To Reserve	0	751,933	0
Amount Set Aside / Interest	191,668	302,390	103,442
	<u>8,104,580</u>	<u>7,933,979</u>	<u>12,922,582</u>
(am) ODP - Southern River Precinct 3A			
Opening Balance	0	3,378,499	3,371,374
Amount Used / Transfer From Reserve	0	3,408,730	0
Amount Set Aside / Transfer To Reserve	0	(6,240,244)	0
Amount Set Aside / Interest	0	27,508	26,471
Transfer between Reserves - Equity	0	(574,493)	0
	<u>0</u>	<u>0</u>	<u>3,397,845</u>
(an) ODP - Southern River Precinct 3D			
Opening Balance	(796)	(218)	(151)
Amount Used / Transfer From Reserve	(468)	(578)	(923)
	<u>(1,264)</u>	<u>(796)</u>	<u>(1,074)</u>
(ao) ODP - Southern River Precinct 3E			
Opening Balance	836,656	72,670	52,513
Amount Used / Transfer From Reserve	(234)	(411,872)	(810)
Amount Set Aside / Transfer To Reserve	0	1,170,344	0
Amount Set Aside / Interest	26,126	4,215	494
Transfer between Reserves - Equity	0	1,299	0
	<u>862,548</u>	<u>836,656</u>	<u>52,197</u>
(ap) ODP - Southern River Precinct 3F			
Opening Balance	0	1,298	1,297
Amount Set Aside / Interest	0	11	10
Transfer between Reserves - Equity	0	(1,299)	0
	<u>0</u>	<u>0</u>	<u>1,307</u>
Total Planning Reserves C/Fwd	<u>26,607,267</u>	<u>25,949,076</u>	<u>31,371,022</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Planning Reserve (continued)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Planning Reserves B/Fwd	<u>26,607,267</u>	<u>25,949,076</u>	<u>31,371,022</u>
(aq) ODP - Southern River Precinct 3A North			
Opening Balance	6,151,578	494,299	493,399
Amount Used / Transfer From Reserve	(1,407)	(4,861,482)	(1,396)
Amount Set Aside / Transfer To Reserve	0	9,921,701	0
Amount Set Aside / Interest	176,302	22,567	3,862
Transfer between Reserves – Equity		574,493	
	<u>6,326,473</u>	<u>6,151,578</u>	<u>495,865</u>
(ar) ODP - Southern River Precinct 3A South			
Opening Balance	(253)	(109)	(76)
Amount Used / Transfer From Reserve	(234)	(144)	(118)
	<u>(487)</u>	<u>(253)</u>	<u>(194)</u>
(as) ODP - Southern River Precinct 5			
Opening Balance	0	70,602	70,445
Amount Set Aside / Interest	0	419	553
Transfer between Reserves - Equity	0	(71,021)	0
	<u>0</u>	<u>0</u>	<u>70,998</u>
(at) ODP - West Canning Vale			
Opening Balance	0	4,577,612	4,658,851
Amount Used / Transfer From Reserve	0	(4,652,026)	(16,035)
Amount Set Aside / Interest	0	104,414	36,459
Transfer between Reserves - Equity	10,000	(30,000)	0
	<u>10,000</u>	<u>0</u>	<u>4,679,275</u>
(au) Public Open Space - Cash in Lieu Reserve			
Opening Balance	1,133,499	811,578	778,603
Amount Set Aside / Transfer To Reserve	0	299,480	0
Amount Set Aside / Interest	35,841	22,441	6,114
	<u>1,169,340</u>	<u>1,133,499</u>	<u>784,717</u>
(av) TPS - 9A			
Opening Balance	2,743,939	2,714,958	2,736,702
Amount Used / Transfer From Reserve	(538,371)	(33,238)	(89,722)
Amount Set Aside / Interest	69,740	62,219	20,786
	<u>2,275,308</u>	<u>2,743,939</u>	<u>2,667,766</u>
Total Planning Reserves C/Fwd	<u>36,387,901</u>	<u>35,977,839</u>	<u>40,069,449</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Planning Reserve (continued)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Planning Reserves B/Fwd	<u>36,387,901</u>	<u>35,977,839</u>	<u>40,069,449</u>
(aw) TPS - 10			
Opening Balance	0	67,158	67,009
Amount Set Aside / Interest	0	398	526
Transfer between Reserves - Equity	0	(67,556)	0
	<u>0</u>	<u>0</u>	<u>67,535</u>
(ax) TPS - 15			
Opening Balance	1,659,595	1,593,388	1,593,606
Amount Used / Transfer From Reserve	(1,564,035)	(7,222)	(11,605)
Amount Set Aside / Transfer To Reserve	0	36,330	0
Amount Set Aside / Interest	3,022	37,099	12,423
	<u>98,582</u>	<u>1,659,595</u>	<u>1,594,424</u>
(ay) TPS - 17			
Opening Balance	2,104,636	2,198,909	2,098,480
Amount Used / Transfer From Reserve	(143,407)	(142,800)	(188,743)
Amount Set Aside / Interest	62,014	48,527	14,997
	<u>2,023,243</u>	<u>2,104,636</u>	<u>1,924,734</u>
(az) TPS - 20			
Opening Balance	463,759	693,001	588,978
Amount Used / Transfer From Reserve	0	(242,078)	(140,000)
Amount Set Aside / Interest	14,664	12,836	3,526
	<u>478,423</u>	<u>463,759</u>	<u>452,504</u>
Total Planning Reserves	<u>38,988,149</u>	<u>40,205,829</u>	<u>44,108,646</u>
Total Reserves	<u>107,668,559</u>	<u>117,294,452</u>	<u>121,395,126</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves – Movement (continued)

Summary

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Summary of Reserves			
Opening Balance	117,294,452	127,642,694	130,898,272
Amount Used / Transfer From Reserve	(19,607,019)	(33,656,376)	(19,513,668)
Amount Set Aside			
Transfer To Reserve	6,806,126	19,487,696	6,735,276
Interest	3,175,000	3,820,438	908,143
Transfers between reserves - Equity	0	0	0
	<u>9,981,126</u>	<u>23,308,134</u>	<u>7,643,419</u>
Total Reserves	<u><u>107,668,559</u></u>	<u><u>117,294,452</u></u>	<u><u>119,028,023</u></u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(b) Purposes of Reserves

In accordance with Council resolutions in relation to each reserve account, the purposes for which the reserves are set aside are as follows:

Reserve Name	Anticipated date of use	Purpose of the Reserve
Ordinary Reserves		
Asset Management	Ongoing	To fund costs associated with asset data collection and management, including the acquisition and implementation of an asset management system.
Central Maddington City Funded Common Infrastructure Works	Ongoing	To hold the City's contribution under the Central Maddington Outline Development Plan (CMODP) and fund the provision of strategic common infrastructure works and public open space within the CMODP area.
Community Infrastructure Reserve	Ongoing	To fund the improvement and development of recreation and community facilities.
Covid-19 Recovery Reserve	Close by June 2023	To hold unspent operating monies from 2019/20 Budget and to fund the recovery and stimulus activity following the COVID-19 crisis.
Gosnells and Beckenham Laneways (formerly Developer Contributions Infrastructure)	Ongoing	To hold funds collected under Local Planning Policy 5.7 – Gosnells and Beckenham Laneways for the construction of laneways in Gosnells and Beckenham.
Gosnells Oval Redevelopment	Ongoing	To fund improvement of recreation and community facilities at Gosnells Oval funded from Telco Tower leases.
Gosnells Town Centre Revitalisation	Ongoing	To fund opportunities for the redevelopment and improvement of Gosnells Town Centre.
Harmony Fields	Close by June 2023	To fund improvement of recreation and community facilities at Harmony Fields funded from Telco Tower leases.
Heritage Condition Reward Scheme	Ongoing	To fund the preservation or restoration of the City's significant historic items and to fund payments to owners of properties and trees listed in the City of Gosnells Heritage Inventory through the Condition Reward Scheme.
Insurance	Ongoing	To provide funds in case of calls on Council's participation in the self-insurance scheme.
Langford Oval Redevelopment	Close by June 2023	To fund improvement of recreation and community facilities at Langford Oval funded from Telco Tower leases.
Local Government Elections	Ongoing	For expenditure associated with holding of local government elections.
Local Open Space Strategy	Ongoing	To fund the implementation of projects (including enhancement, strategic acquisitions and disposals) identified in the Public Open Space Strategy, whereby alternative financial resources such as Public Open Space Cash In Lieu and Development Contribution Funds are not available or identified in the Strategy.
Maddington/Kenwick Revitalisation	Ongoing	To fund the cost of urban renewal in Maddington/Kenwick.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(b) Purposes of Reserves (continued)

Reserve Name	Anticipated date of use	Purpose of the Reserve
Ordinary Reserves (continued)		
Mills Park	Close by June 2023	To fund improvement of recreation and community facilities at Mills Park funded from Telco Tower leases.
Operations Centre and Waste Transfer Facility	Ongoing	To fund expenditure relating to the development of a new Operations Centre, Waste Transfer Facility, Animal Pound and Impound Yard.
Plant and Equipment	Ongoing	To fund replacement or new acquisition of plant and associated equipment.
Public Art Reserve	Ongoing	To hold funds received under Local Planning Policy 6.0 – Public Art for the provision of public art.
Rate Revaluation	Ongoing	For expenditure associated with the revaluation of properties on which Council raises rates.
Refuse Disposal Site Rehabilitation	Ongoing	To fund site rehabilitation and POS development at the former Kelvin Road Waste Disposal site.
SPLASH	Ongoing	To fund the development of a recreation and aquatic centre at Sutherlands Park.
Strategic Capital Development	Ongoing	Royalties received from quarry set aside for investing in profit generating assets.
Streetscape Levy	Ongoing	To hold funds received under Local Planning Policy 4.7 - Planning and Development of Public Open Space and Streetscapes for the planting of trees in the development area.
Sutherlands Park	Ongoing	To fund improvement of recreation and community facilities at Sutherlands Park funded from Telco Tower leases.
Synthetic Surface Renewal	Ongoing	To fund renewal of specialised sports surfaces and replacement of rubber soffit at playgrounds.
Walter Padbury Park	Close by June 2023	To fund improvement of recreation and community facilities at Walter Padbury Reserve funded from Telco Tower leases.
Waste Reserve	Ongoing	To fund costs associated with the delivery of the City's waste services.
Community Waste Transfer and Recycle Facility	Ongoing	To fund the establishment of a Community Waste Transfer and Recycle Facility.
Sutherlands Park Master Plan Implementation	Ongoing	To fund the costs associated with the implementing the Sutherlands Park Master Plan.
Capital Works in Progress	Ongoing	To hold funds for capital works projects which have been approved and funded but which will not be completed until a future financial year.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(b) Purposes of Reserves (continued)

Reserve Name	Anticipated date of use	Purpose of the Reserve		
Planning Reserves				
ODP - Canning Vale				
ODP - Central Maddington Precinct 1				
ODP - Central Maddington Precinct 2				
ODP - Homestead Road				
ODP - Maddington Road A and B				
ODP - Southern River Precinct 1				
ODP - Southern River Precinct 2				
ODP - Southern River Precinct 3	Ongoing	To fund expenditure on infrastructure and administrative items within the ODP site with contributions from developers.		
ODP - Southern River Precinct 3A (North)				
ODP - Southern River Precinct 3A (South)				
ODP - Southern River Precinct 3D				
ODP - Southern River Precinct 3E				
ODP - Southern River Precinct 3F				
ODP - Southern River Precinct 5				
ODP - West Canning Vale				
Public Open Space – Cash in Lieu			Ongoing	To fund Public Open Space expenditure within the locality for which the cash in lieu is provided, and where local areas are seen to benefit. Funds to be used in accordance with Section 154 of the <i>Planning and Development Act 2005</i> .
TPS - 9A				
TPS - 10				
TPS - 15			Ongoing	To fund expenditure on infrastructure and administrative items within the TPS site with contributions from developers.
TPS - 17				
TPS - 20				

The timing of expenditure from reserves is varied depending upon the timing of projects.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

8. CASH-BACKED RESERVES (CONTINUED)

(c) Change in Use of Reserves

The City has resolved to make changes to the use of part of the money in the below reserve accounts. This money is to be used for a purpose other than the purpose for which the account was established.

Developer Contributions Infrastructure Reserve

The Developer Contributions Infrastructure Reserve was established to set aside contributions paid by developers for road and drainage infrastructure works or non-Town Planning Scheme or Outline Development Plan Projects. The contributions include funds received under Local Planning Policy 5.7 Gosnells and Beckenham Laneways.

During the 2022/23 financial year, the City reviewed the funds held in the reserve and determined that funds held in the reserve were collected towards provision of infrastructure in some of the City's older suburbs for which infrastructure has been delivered and funded through municipal funds. The value of contribution collected for those works total \$476,142. That reserve will be transferred from the Developer Contributions Infrastructure Reserve into the Community Infrastructure Reserve.

The review also identified that there were funds collected from areas where a Developer Contribution Arrangement exists and towards provision of public open space. Those funds total \$97,012 and are proposed to be transferred from the Developer Contributions Infrastructure Reserve as follows:

- \$25,431 into the Local Open Space Strategy Reserve
- \$10,000 into the ODP – West Canning Vale Reserve
- \$32,000 into the ODP – Southern River Precinct 1 Reserve
- \$29,581 into the ODP – Maddington Road A and B Reserve

As the remaining funds held in this reserve relates to the construction of laneways in Gosnells and Beckenham, the reserve will be renamed to the Gosnells and Beckenham Laneways.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

9. PROGRAM INFORMATION

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Income excluding grants, subsidies and contributions			
General purpose funding	83,635,419	79,740,652	76,592,517
Law, order and public safety	403,390	476,262	326,350
Health	355,528	164,990	350,786
Education and welfare	130,073	129,265	105,945
Community amenities	19,286,771	18,158,021	17,938,228
Recreation and culture	4,611,858	4,363,261	3,877,910
Transport	1,104,427	1,346,482	1,215,964
Economic services	2,099,214	2,084,414	2,062,991
Other property and services	7,960	523,270	8,480
	<u>111,634,640</u>	<u>106,986,616</u>	<u>102,479,171</u>
Operating grants, subsidies and contributions			
General purpose funding	5,248,500	1,411,668	4,699,500
Governance	112,650	956	2,000
Law, order and public safety	456,975	601,285	487,944
Health	9,339	6,826	9,069
Education and welfare	11,170	16,737	26,034
Community amenities	515,574	709,482	565,242
Recreation and culture	122,735	344,564	184,872
Transport	37,835	27,507	67,767
Economic services	7,004	971	6,802
Other property and services	288,386	229,195	240,325
	<u>6,810,168</u>	<u>3,349,192</u>	<u>6,289,555</u>
Non-operating grants, subsidies and contributions including Public Open Space – Cash-in-Lieu contributions			
General purpose funding	0	(43,035)	(41,857)
Law, order and public safety	0	55,893	12,500
Education and welfare	17,523	54,055	25,000
Community amenities	50,000	4,536,925	0
Recreation and culture	7,506,920	5,615,130	7,162,797
Transport	8,149,984	9,862,039	10,431,945
Other property and services	0	4,913	0
	<u>15,724,427</u>	<u>20,085,920</u>	<u>17,590,385</u>
Total Income	<u>134,169,235</u>	<u>130,421,728</u>	<u>126,359,111</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

9. PROGRAM INFORMATION cont.

Expenses			
General purpose funding	(1,697,438)	(1,595,134)	(2,038,440)
Governance	(3,200,829)	(2,281,029)	(2,365,338)
Law, order and public safety	(4,116,809)	(4,008,246)	(3,634,516)
Health	(1,543,845)	(1,299,266)	(1,285,383)
Education and welfare	(4,822,788)	(4,493,048)	(4,566,995)
Community amenities	(25,238,428)	(31,361,638)	(21,644,241)
Recreation and culture	(47,047,960)	(43,660,031)	(42,308,714)
Transport	(28,855,904)	(28,444,685)	(27,816,829)
Economic services	(2,419,540)	(2,165,122)	(2,210,400)
Other property and services	(12,845,774)	(11,376,077)	(11,281,313)
Total expenses	<u>(131,789,315)</u>	<u>(130,719,143)</u>	<u>(119,152,169)</u>
Net result	<u>2,379,920</u>	<u>(297,415)</u>	<u>7,206,942</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

10. OTHER INFORMATION

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
(a) Interest Earnings			
Investments - Reserve Funds	3,175,000	2,930,200	908,144
Investments - Other Funds	1,146,330	1,331,195	453,536
Other Interest Revenue (refer to Note 1(c))	517,000	774,903	504,000
	<u>4,838,330</u>	<u>5,036,299</u>	<u>1,865,680</u>

(b) Other Revenue

Discount Received	0	521	0
Other	2,000	37,830	500
	<u>2,000</u>	<u>38,351</u>	<u>500</u>

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

Interest earnings are recognised on an accruals basis taking into account interest rates applicable to the financial assets.

Other revenue

Other revenue relates to sale of minor equipment, discounts and rebates received. Revenue is recognised when the sale of minor equipment occurs or when discount and rebate is received.

(c) Auditors Remuneration

Audit Services	144,000	95,489	95,000
Other Services	6,000	4,627	5,000
	<u>150,000</u>	<u>100,116</u>	<u>100,000</u>

(d) Interest Expense (Finance Costs)

Lease Facilities - Operating Interest	70	0	590
Loan Facilities - Operating Interest	162,370	197,518	266,960
Loan Facilities - Capital Interest	81,218	0	64,738
	<u>243,658</u>	<u>197,518</u>	<u>332,288</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

11. ELECTED MEMBERS REMUNERATION

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Mayor - Councillor T Lynes*			
Mayor's allowance	93,380	91,997	91,997
Meeting fees	49,435	48,704	48,704
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	6,720	1,667
	<u>149,219</u>	<u>150,921</u>	<u>145,868</u>
Deputy Mayor - Councillor A Hort**			
Deputy Mayor's allowance	23,345	22,999	22,999
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	2,111	1,667
	<u>62,709</u>	<u>61,080</u>	<u>60,636</u>
Councillor D Goode			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	1,357	1,667
	<u>39,364</u>	<u>37,327</u>	<u>37,637</u>
Councillor P Abetz			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	1,218	1,667
	<u>39,364</u>	<u>37,188</u>	<u>37,637</u>
Councillor G Dewhurst**			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904		1,667
	<u>39,364</u>	<u>35,970</u>	<u>37,637</u>
Councillor D Griffiths**			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	0	1,667
	<u>39,364</u>	<u>35,970</u>	<u>37,637</u>
Total Elected member's Remuneration C/Fwd	<u>369,384</u>	<u>358,457</u>	<u>357,052</u>

*Councillor T Lynes current term as Mayor expires in October 2023. Her term as Councillor expires in October 2025.

**The Councillor's term on Council will expire in October 2023.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

11. ELECTED MEMBERS REMUNERATION (CONTINUED)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Elected member's Remuneration B/Fwd	<u>369,384</u>	<u>358,457</u>	<u>357,052</u>
Councillor A Adams**			
Meeting fees	32,960	32,290	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	831	1,667
	<u>39,364</u>	<u>36,621</u>	<u>37,637</u>
Councillor S Patterson**			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	0	1,666
	<u>39,364</u>	<u>35,970</u>	<u>37,636</u>
Councillor E Zhang**			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	344	1,666
	<u>39,364</u>	<u>36,314</u>	<u>37,636</u>
Councillor S Williamson			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	1,960	1,666
	<u>39,364</u>	<u>37,930</u>	<u>37,636</u>
Councillor C Baayens			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	1,039	1,667
	<u>39,364</u>	<u>37,009</u>	<u>37,637</u>
Councillor K McDonald			
Meeting fees	32,960	32,470	32,470
ICT expenses allowance	3,500	3,500	3,500
Travelling and childcare expenses	2,904	0	1,666
	<u>39,364</u>	<u>35,970</u>	<u>37,636</u>
Total Elected member's Remuneration C/Fwd	<u>605,568</u>	<u>578,271</u>	<u>582,870</u>

**The Councillors term on Council will expire in October 2023.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

11. ELECTED MEMBERS REMUNERATION (CONTINUED)

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
	\$	\$	\$
Total Elected member's Remuneration B/Fwd	<u>605,568</u>	<u>578,271</u>	<u>582,870</u>
Councillor (Vacant)			
Meeting fees	22,756	0	0
ICT expenses allowance	2,416	0	0
Travelling and childcare expenses	<u>2,910</u>	<u>0</u>	<u>0</u>
	<u>28,082</u>	<u>0</u>	<u>0</u>
Total elected member's remuneration	<u><u>633,650</u></u>	<u><u>578,271</u></u>	<u><u>582,870</u></u>
Summary of Elected member's Remuneration			
Mayor's allowance	93,380	91,997	91,997
Deputy Mayor's allowance	23,345	22,999	22,999
Meeting fees	434,751	405,694	405,874
ICT expenses allowance	44,416	42,000	42,000
Travelling and childcare expenses	37,758	15,581	20,000
Total Elected member's Remuneration	<u><u>633,650</u></u>	<u><u>578,271</u></u>	<u><u>582,870</u></u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

12. MAJOR LAND TRANSACTIONS

(a) Southern River Business Park

(i) Details

The proposed Southern River Business Park consists of Lot 21 Furley Rd, Lot 100 & Lot 1768 Southern River Rd and Lot 1767 Matison St, which are owned fee simple by the City.

The design development and planning are complete, with the tender for construction advertised on 10 June 2023. It is anticipated that the tender will be awarded by September 2023.

The lots have been released for sale. As at 15 June 2023, 38 out of the 51 lots are under contract.

(ii) Revenue and Expense

	Project Budget	Project Actual	2022/23 Budget	2021/22 Actual
	\$	\$	\$	\$
Funding Sources				
Capital Revenue				
Asset Disposal Proceeds	32,743,548	0	0	0
Other Funding Sources				
Loan Proceeds	15,380,000	0	2,546,616	0
Total Funding Sources	48,123,548	0	2,546,616	0
Disbursement of Funds				
Capital Expenditure				
Materials & Contracts	(15,080,000)	(172,392)	(2,211,792)	(123,520)
Interest Expense	(1,364,608)	0	(81,218)	0
	(16,444,608)	(172,392)	(2,293,010)	(123,520)
Operating Expense				
Materials & Contracts	(1,770,000)	(1,328,783)	(334,824)	(417,626)
Interest Expense	(27,147)	0	(12,295)	0
	(1,797,147)	(1,328,783)	(347,119)	(417,626)
Other Expenses				
Loan Repayment	(15,380,000)	0	0	0
Transfer to Reserve - SPLASH Reserve	(14,501,793)	0	0	0
	(29,881,793)	0	0	0
Total Disbursement of funds	(48,123,548)	(1,501,174)	(2,640,129)	(541,146)
Total	0	(1,501,174)	(93,513)	(541,146)

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

12. MAJOR LAND TRANSACTIONS (CONTINUED)

(b) Southern River Business Park (continued)

(iii) Expected Future Projections

	2023/24	2024/25	2025/26	2026/27	Total
	\$	\$	\$	\$	\$
Revenue					
Asset Disposal Proceeds	0	8,479,687	15,703,608	8,560,253	32,743,548
Loan Proceeds	<u>2,546,616</u>	<u>12,833,384</u>	<u>0</u>	<u>0</u>	<u>15,380,000</u>
	2,546,616	21,313,071	15,703,608	8,560,253	48,123,548
Expenditure					
Materials & Contracts	(2,546,616)	(12,802,210)	0	0	(15,348,826)
Interest Expense	(93,513)	(864,075)	(324,543)	(109,624)	(1,391,755)
Loan Repayment	0	(4,921,617)	(5,123,895)	(5,334,488)	(15,380,000)
Transfer to Reserve	<u>0</u>	<u>(2,619,153)</u>	<u>(10,236,498)</u>	<u>(1,646,142)</u>	<u>(14,501,793)</u>
	(2,640,129)	(21,207,055)	(15,684,936)	(7,090,254)	(46,622,374)
Net Future Projections	<u>(93,513)</u>	<u>106,016</u>	<u>18,672</u>	<u>1,469,999</u>	<u>1,501,174</u>

(iv) Assets and Liabilities

Assets associated with this land transaction have a written down value of \$22,092,223 at 30 June 2023.

There are no liabilities that exist in relation to this land transaction as at 30 June 2023.

It is anticipated that a \$15,380,000 short term loan facility be established during the 2023/24 financial year. The loan is anticipated to be repaid from the Southern River Business Park sale proceeds.

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

13. TRADING UNDERTAKING AND MAJOR TRADING UNDERTAKINGS

It is not anticipated that any trading undertaking or major trading undertakings will occur in 2023/24.

14. JOINT ARRANGEMENTS

It is not anticipated that any interests in joint arrangements will occur in 2023/24.

15. TRUST FUNDS

Funds held at balance date over which the local government has no control and which are not included in the financial statements are as follows:

	Balance 1-Jul-23	Amounts Received	Amounts Paid	Balance 30-Jun-24
	\$	\$	(\$)	\$
Unclaimed Money	13,999	2,000	(10,000)	5,999
Construction Training Fund	98,211	250,000	(250,000)	98,211
Building Commission	144,496	425,000	(425,000)	144,496
Public Open Space - Cash In Lieu	7,323,162	0	(2,067,843)	5,255,319
	<u>7,579,868</u>	<u>677,000</u>	<u>(2,752,843)</u>	<u>5,504,025</u>

16. FEES AND CHARGES

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
By Program			
General purpose funding	528,000	619,092	560,000
Law, order and public safety	403,390	476,262	326,350
Health	355,528	164,990	350,786
Education and welfare	130,073	129,265	105,945
Community amenities	19,286,771	18,158,021	17,938,228
Recreation and culture	4,611,858	4,363,253	3,877,910
Transport	323,000	290,516	215,000
Economic services	2,099,214	2,084,414	2,062,991
Other property and services	5,960	3,803	7,980
	<u>27,743,794</u>	<u>26,289,616</u>	<u>25,445,190</u>

City of Gosnells
Notes to and forming part of the Budget
for the year ending 30 June 2024

17. SIGNIFICANT ACCOUNTING POLICIES – OTHER INFORMATION

Budget Comparative Figures

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

Comparative Figures

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

Critical Accounting Estimates

The preparation of a budget 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.

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.

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.

Rounding Off Figures

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