



CITY OF GOSNELLS

ANNUAL REPORT 2012

Annual Report

2011/12



Annual Report 2011/12

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Our mission

Making the City of Gosnells a great place.

Our vision

We will be a vibrant City with a strong community identity; a great place to live, work, raise children, visit and invest; a place that encourages a range of lifestyles and opportunities; and where the natural environment, cultural diversity and heritage of the City is respected and protected for the enjoyment of current and future generations.

City statistics

Population	110,000*
Total area	127sq km (12,700ha)
Number of active recreation facilities	33 (115ha)
Number of passive reserves	255 (352.94ha)
Number of conservation reserves	24 (117.16ha)
Length of roads	765 km
Length of footpaths	571 km (includes roads, parks and reserves)
Total number of electors	61,432
Residential dwellings	38,637
Citizenship candidates	556 (adults) 202 (dependants)
Council revenue	\$94,981,867
Number of employees	600 (inclusive of casuals)

*As per ID Profile located on the City of Gosnells website.

Message from the Mayor

As I travel through the local area I am pleased to see the many improvement and beautification works undertaken by the City of Gosnells over the past 12 months.

These important works are not only preparing our City for future growth, they are creating attractive and functional areas for people to enjoy.

For example major works, such as the dualling of Garden Street from Nicholson Road to Warton Road, are making the daily commute easier for many residents by easing traffic congestion and improving traffic flow. To complement road works, the City has undertaken significant landscaping along Nicholson Road and at the Corfield Street roundabout to add an attractive leafy finish.

Our parks and reserves are also being improved and remodelled for a new generation of users. There are places which cater for young families, the active and health conscious, or those who enjoy relaxing and calm spaces.

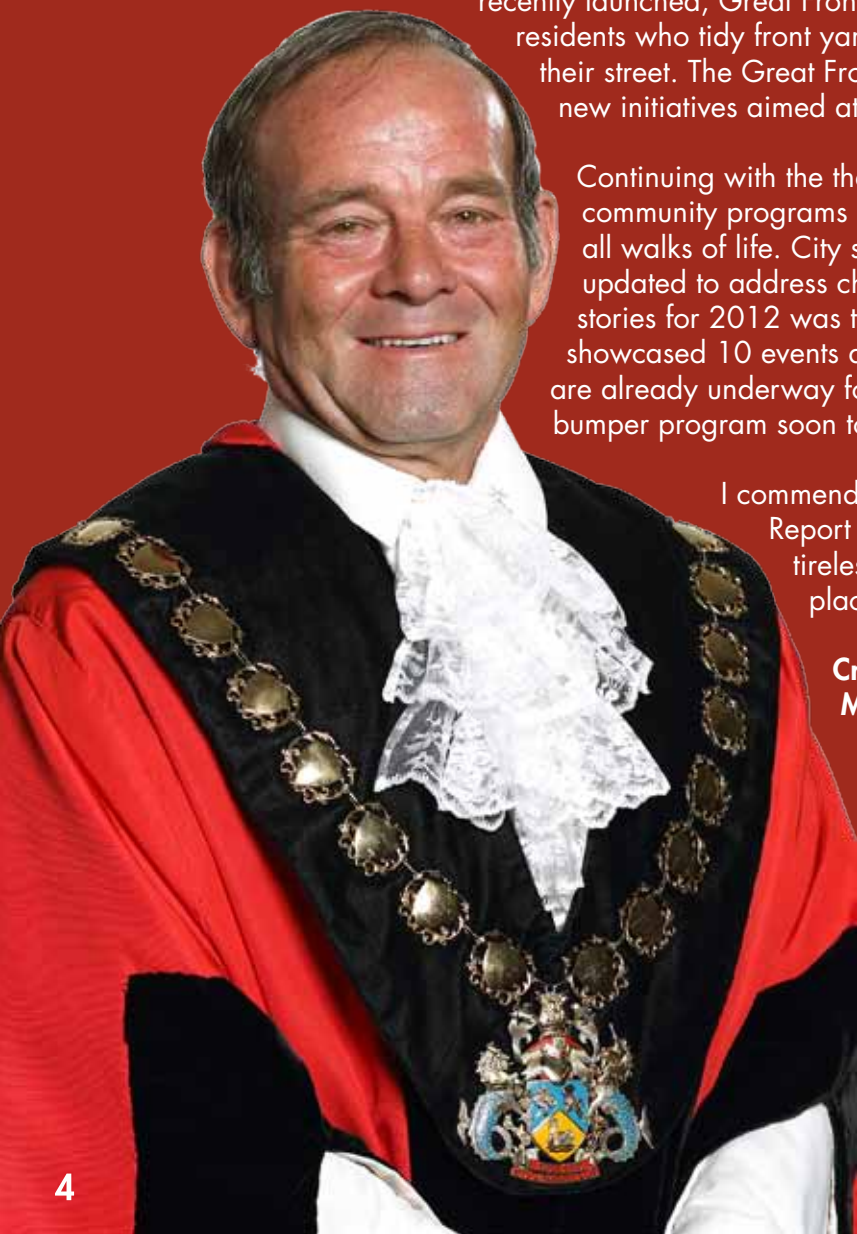
Stretton Way Reserve in Kenwick is a great example of how a park with previous limited use has been transformed. With new play areas, rubber safety surface, shade sails, native gardens and irrigated grass kick about space, the park has become a centre piece for the local community.

At a local level, residents can play their part in transforming our City by improving yards around homes, working together within their street and collectively beautifying their neighbourhood. The recently launched, Great Front Yard Competition, will reward many residents who tidy front yards and improve the visual appeal of their street. The Great Front Yard Competition is just one of the new initiatives aimed at engendering pride in our City.

Continuing with the theme pride and belonging, the City's community programs are being embraced by people from all walks of life. City services and programs are regularly updated to address changing needs. One of the great success stories for 2012 was the Summer Events celebrations which showcased 10 events and attracted over 10,000 people. Plans are already underway for the return of Summer Events with a bumper program soon to be launched.

I commend to you this City of Gosnells Annual Report and thank the many people who work tirelessly to make the City of Gosnells a great place!

Cr Dave Griffiths
Mayor



Chief Executive Officer's report

I extend my thanks to the many community members who provided input or feedback which helped in shaping the City's new strategic direction document 'Our Future: Our 10 Point/10 Year Commitment', which sets our long term direction.

Council endorsed this strategy late last year and also adopted a four year corporate business plan, which sets the priorities for major projects for the near future.

These planning documents provide the basis for the City's decisions on infrastructure planning and service provision and are designed to ensure the City's sustainability while meeting the changing needs of new generations.

The City has been mindful to minimise the impact of rate rises on our community and through careful financial management, the City has been able to adopt a budget supporting many initiatives but with an average rate rise of 3.8% this year. I understand this is one of the lowest rate rises amongst all local governments in Western Australia.

Staff across the organisation have completed many significant projects during the past 12 months. There has been a focus on improving the capacity of several major roads through increasing lanes and improving road treatments, and also reducing flood risk through improved drainage maintenance practices.

In addition, the City has completed a number of significant park upgrades and major redevelopments, and successfully partnered with agencies to deliver innovative community programs. These are just a few of the achievements with many more detailed in this Annual Report.

A comprehensive list of projects being undertaken during the coming 12 months also features in the Future Plan section of this document. These include upgrading the roundabout at Nicholson Road/Garden Street/Yale Road; traffic signal installation at Albany Highway/Gosnells Road West; and dual carriageway road works on Nicholson Road from Ranford Road to Clontarf Terrace.

Funds are also provided for building extensions to the City's Leisure World facility and construction of a new building for the Bush Fire Brigade/State Emergency Service Headquarters. In addition, feasibility and planning studies are listed as the first step in progressing other major projects which will occur in future years.

At all times we are mindful of the impact on residents and work towards minimising discomfort to those living or working near construction works. Our aim, as always, is to develop a better community for current and future generations.

In closing, I would like to thank the Councillors for their leadership and support and also the City's staff for their ongoing commitment and dedication to improving the City of Gosnells.

Ian Cowie
Chief Executive Officer



Councillors



Cr Wayne Barrett

Term expires: 17 October 2015
Phone: 9459 6998 **Fax:** 9459 6998
Email: wbarrett@gosnells.com.au



Cr Ron Hoffman

Term expires: 19 October 2013
Phone: 9456 2372 **Fax:** 9456 2372
Email: rhoffman@gosnells.com.au



Cr Julie Brown

Term expires: 19 October 2013
Phone: 9398 2191 **Fax:** 9398 2191
Email: jbrown@gosnells.com.au



Cr Susan Iwanyk

Term expires: 19 October 2013
Phone: 9490 2856 **Fax:** 9490 2856
Email: siwanyk@gosnells.com.au



Cr Terry Brown

Term expires: 19 October 2013
Phone: 9459 9693 **Fax:** 9459 9693
Email: tbrown@gosnells.com.au



Cr Karen Jones

Term expires: 19 October 2013
Phone: 9458 5347 **Fax:** 9358 0370
Email: kjones@gosnells.com.au



Cr Glenn Dewhurst

Term expires: 17 October 2015
Phone: 9496 2955
Email: gdewhurst@gosnells.com.au



Cr Russell Lawrence

Term expires: 17 October 2015
Mobile: 0403 150 264 **Fax:** 9455 3011
Email: rlawrence@gosnells.com.au



Mayor Dave Griffiths

Term expires: 17 October 2015
Phone: 9394 0842 **Fax:** 9398 3051
Email: mayor@gosnells.wa.gov.au



Cr Ron Mitchell (Deputy Mayor)

Term expires: 17 October 2015
Phone: 9458 9919 **Fax:** 9358 0838
Email: rmitchell@gosnells.com.au



Cr Liz Griffiths

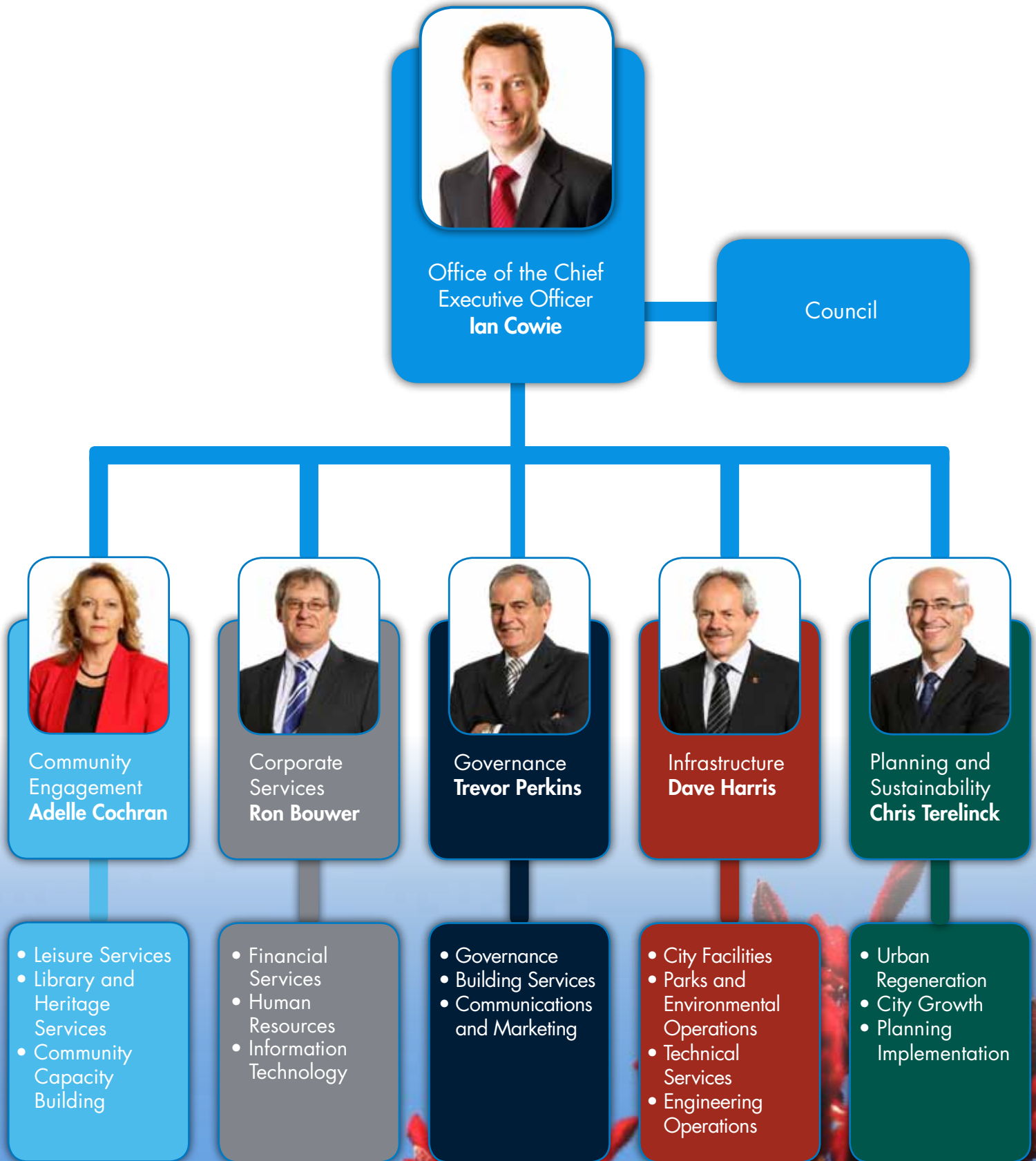
Resigned: October 2012



Cr Olwen Searle JP

Term expires: 19 October 2013
Phone: 9455 1951 **Fax:** 9455 1951
Email: osearle@gosnells.com.au

Organisational structure



Councillor attendance - July 2011 to June 2012

COUNCILLORS	ORDINARY COUNCIL MEETINGS (21)	SPECIAL COUNCIL MEETINGS (2)	ELECTORS MEETINGS (1)	TOTAL (24)*
Cr Wayne Barrett	14	2	1	17
Cr Julie Brown	20	2	1	23
Cr Terry Brown	19	2	1	22
Cr Glenn Dewhurst	11	1	1	13*
Cr Chris Fernandez	7	1	0	8*
Cr Dave Griffiths	21	2	0	23
Cr Liz Griffiths	17	1	0	18
Cr Ron Hoffman	19	2	1	22
Cr Susan Iwanyk	17	2	1	20
Cr Karen Jones	20	2	0	22
Cr Russell Lawrence	13	1	1	15*
Cr Ron Mitchell	21	2	1	24
Cr Olwen Searle JP	20	2	1	23
Cr Bill Wiffen JP	7	1	0	8*

Meetings included:

Special Council Meetings (2):

- 5 July 2011 - Budget Meeting
- 17 October 2011 - Special Council Meeting

Electors Meeting (1):

- 12 December 2011 - Annual Electors Meeting

*Please note:

Cr Chris Fernandez and Cr Bill Wiffen JP were not re-elected at the 15 October 2011 Local Government Election.

Cr Glenn Dewhurst and Cr Russell Lawrence were elected to Council at the 15 October 2011 Local Government Election.

Employee remuneration – salary range \$

Set out below, in bands of \$10,000, is the number of City employees entitled to an annual salary of \$100,000 or more:

SALARY RANGE	2011/12	2010/11
100,000 – 109,999	8	7
110,000 – 119,999	2	3
120,000 – 129,999	4	2
130,000 – 139,999	1	0
140,000 – 149,999	1	0
150,000 – 159,999	0	1
160,000 – 169,999	1	4
170,000 – 179,999	4	0
180,000 – 189,999	0	0
190,000 – 199,999	0	0
200,000 – 209,999	0	0
210,000 – 219,999	0	1
220,000 – 229,999	0	0
230,000 – 239,999	0	0
240,000 – 249,999	1	0

City profile

The City serves a population of more than 110,000 people

The City of Gosnells is located just 17 kms south east of the Perth CBD and includes the suburbs of Beckenham, Canning Vale, Gosnells, Huntingdale, Kenwick, Langford, Maddington, Martin, Orange Grove, Southern River, and Thornlie.

The City is the fifth largest local government in Western Australia and encompasses substantial rural zones in the east and south, and some commercial and industrial developments, particularly along the Albany Highway.

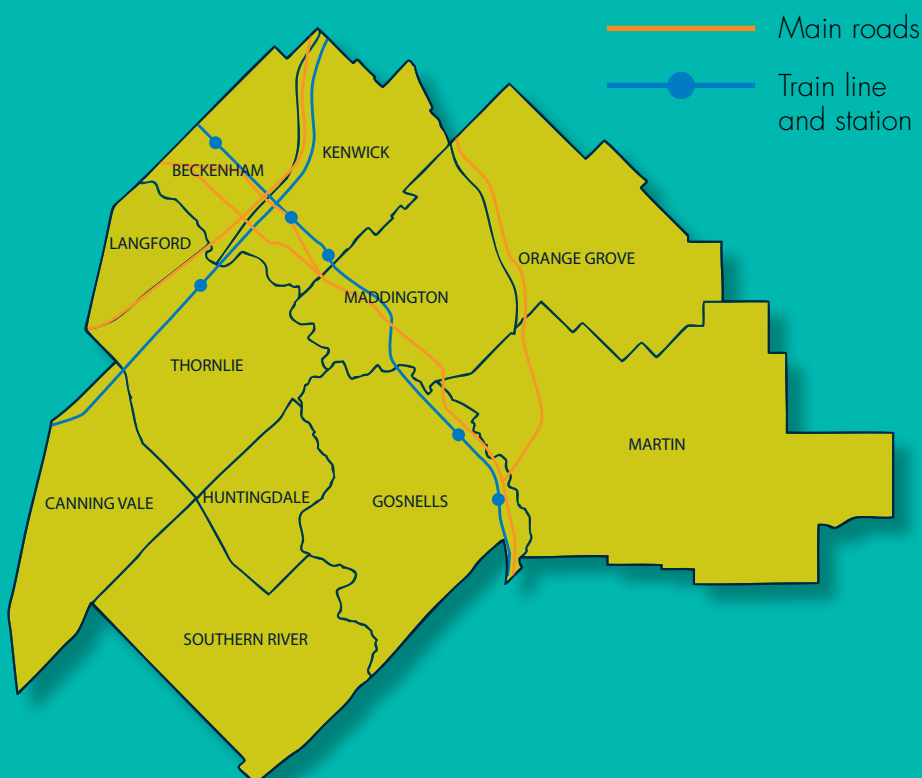
At present the population is estimated at more than 110,000 people, with annual growth projected at 1.59%.

Fuelling our growth is the availability of housing through new land releases and housing developments in Canning Vale and Southern River, while redevelopment is becoming a focus in the suburbs of Maddington, Beckenham, Kenwick and Gosnells.

Residents have access to 33 active recreational facilities, 255 passive reserves and 24 conservation reserves. The City manages 765 km of roads and 571 km of footpaths.



City map





Information management update

The City has an ongoing commitment to good records management practices and complies with the City's 2009 Recordkeeping Plan and *State Records Act 2000*.

In March 2012, the City implemented a successful upgrade to its information management system. Now known as Enterprise Content Management (ECM), extensive product testing and staff training enabled a smooth transition.

Regular training programs for new and existing staff are conducted with supporting material on recordkeeping practices and procedures available on the City's intranet.

A review of the City's onsite storage facilities resulted in the decommissioning of one area; all information from the location was appraised, managed and relocated to the City's offsite storage facility.

Official conduct report

The *Local Government Act 1995* requires the City to report on the number of official conduct complaints recorded under Section 5.121 during a financial year.

The City of Gosnells received no complaints made under Section 5.121 of the *Local Government Act 1995* during this financial year.

Freedom of information statistics

The following chart lists Freedom of Information applications dealt with during the financial year. It shows how many applicants sought information that was personal to them or were seeking general information. It also identifies the type of access given.

Access type	Personal	Non-Personal	Total
Access in full	0	3	3
Edited access	0	9	9
Access refused	0	0	0
No documents found	0	3	3
Withdrawn by applicant	0	0	0
Not finalised	0	0	0
Total	0	15	15

Access and inclusion

The City of Gosnells does not view disability as a barrier. Physical and attitudinal barriers to inclusion and access are being addressed.

The City's Disability Access and Inclusion Plan aims to reduce the barriers which may

prevent people from fully participating in the local community.

Our commitment goes beyond legislative compliance, by incorporating access and inclusion initiatives into our daily work.



Significant access initiatives undertaken in 2011/12 include:

- Information on the accessibility of each City facility and building has been produced and is distributed with all booking hire forms.
- Disability Awareness Training was provided to all new staff during mandatory Corporate Induction sessions.
- The City's community events market research survey was updated to invite feedback from event attendees about ease of access to assist in event planning and optimise participation for all.
- Marketing materials developed to promote City events provided details of accessibility features at each venue. This included ACROD parking, hearing loops, accessible toilets and the companion card scheme.

2011/12 performance

A summary of some major City projects undertaken over the past 12 months is included below:

Infrastructure and public spaces

- Lobby the State Government for provision of a railway station at Nicholson Road, and improvements to stations on the Armadale line.

Status: The City has initiated several articles and media stories to increase the prominence of this issue and to seek government support. The Transport Minister has indicated in correspondence that the Perth Transport Authority “will in the next few years be examining the requirements to extend the Thornlie Line.”

In addition, the State Government has committed to a major upgrade of Beckenham Train Station. Maddington Train Station will also be receiving some minor upgrades.

- Develop and implement a Master Plan for the redevelopment of Mills Park.

Status: Design concepts have been prepared and are being reviewed to incorporate requested changes. A site meeting was held with the Department of Environment and Conservation to gain support for the project.

Buildings and facilities

- Review all City owned equestrian facilities and provide recommendations for their management and future improvement.

Status: Council has considered the equestrian grounds within the City and endorsed the recommendations of the Equestrian Needs Assessment, which included relocation of the Gosnells Archers Club Inc.

Subject to funding, the Gosnells Archers Club Inc will move from Orange Grove to a more suitable location in Sutherlands Park near Huntingdale Community Centre. As a result the Orange Grove site may be used for future equestrian pursuits. The Gosnells Archers Club Inc has welcomed this decision as archery has increased in popularity.

It is proposed that the Orange Grove Horse and Pony Club Inc, Gosnells Riding and Pony Club and Riding for the Disabled WA will co-locate at the Orange Grove Recreational Ground as a dedicated equestrian centre. All three organisations are being consulted regarding the site development which is likely to offer increased arenas (including one under cover), improved buildings, yards and parking.

Land use planning

- Subdivide, sell land and then improve the public open space at Streatham Street.

Status: An Urban Water Management Plan is being produced to enable the drainage design component of the development to be finalised.

- Implement the Local Housing Strategy to rezone land and facilitate increased residential densities.

Status: Two amendments to the City's Planning Scheme have been finalised to allow development at higher densities in certain parts of the City. Additionally, a reduction in the detailed planning requirements for certain areas has been introduced.

- Rezone land in Maddington and Kenwick for industrial use.

Status: The Metropolitan Region Scheme Amendment for Precinct 1 has been advertised and the public comment period has concluded. A Water Management Strategy for Precincts 2 and 3 is being commissioned.

- Facilitate redevelopment of the Maddington Town Centre.

Status: Technical studies to support the development of a Structure Plan are complete and the Structure Plan is being drafted.

Future plans

The City has a range of significant major projects planned for the coming 12 months. Major projects for 2012/13 include:

Infrastructure and public spaces

- Lobby the State Government for provision of a railway station at Nicholson Road, and improvements to stations on the Armadale line.
- Develop and implement a Master Plan for the redevelopment of Mills Park.
- Redevelop Rede Street Reserve.
- Commence the process to subdivide, sell land and improve public open space at the Streatham Street Reserve, Robinson Park and Charles Hook Park.
- Redevelop existing parks at Belfast Close Reserve, Yilgarn Way Reserve and Limbee Glade Reserve.
- Upgrade the roundabout to reduce congestion at Nicholson Road/Garden Street/Yale Road intersection.
- Improve the median strip and verges on Warton Road.
- Extend the dual carriageway on Nicholson Road from Ranford Road to Clontarf Terrace.
- Install traffic signals at the intersection of Albany Highway and Gosnells Road West.

Buildings and facilities

- Extend the existing Leisure World gym, construct three multi-purpose community rooms and install new universal access automatic doors.
- Replace carpet and refurbish theatre chairs at the Don Russell Performing Arts Centre.
- Establish a co-located equestrian facility at Orange Grove.
- Construct a new building for the Bush Fire Brigade/ State Emergency Service Headquarters.
- Conduct a feasibility study for the establishment of a Waste Transfer Station on the City's former tip site on Kelvin Road.

Land use planning

- Rezone land in Maddington and Kenwick for industrial use.
- Facilitate redevelopment of the Maddington Town Centre.
- Undertake actions to support implementation of the Local Housing Strategy.

- Facilitate development in the Central Maddington area.
- Facilitate development of the Southern River Precincts 1 and 3.
- Establish an Improvement Plan for the Gosnells Town Centre.
- Develop City owned land in Southern River for commercial activities.
- Establish a strategy to guide land use and development in the Gosnells foothills.

Community programs

- Provide e-book options for library users.
- Implement the Eat, Act, Live Program.
- Provide a range of community events and celebrations.
- Implement the *Str8 Talk'n* Program. Funding for this program to run for three years has been provided by the Commonwealth Government.
- Provide a range of services and programs for groups with specific needs.



Concise Financial Report

for the year ended 30 June 2012

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Basis of preparation of the Concise Financial Report

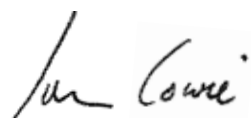
The Concise Financial Report is an extract for the Full Financial Report for the year ended 30 June 2012. The Concise Financial Report has been prepared in accordance with AASB 1039 'Concise Financial Reports'.

The financial statements, specific disclosures and other information included in the Concise Financial Report has been derived from and are consistent with the Full Financial Report of the City of Gosnells. A full description of the accounting policies adopted by the City is provided in the 2012 Financial Statements which form part of the Full Financial Report. The accounting policies of the City are consistent with those of the previous financial year.

The Concise Financial Report cannot be expected to provide as detailed an understanding of the financial performance, financial position and, financing and investing activities of the City of Gosnells as the Full Financial Report. A copy of the Full Financial Report and Auditor's Report will be available for inspection at the City's Civic Centre and website.

Statement by Chief Executive Officer

The attached financial report of the City of Gosnells, being the Concise Annual Financial Report and other information for the financial year ended 30 June 2012, are in my opinion properly drawn up to present fairly the financial position of the City of Gosnells as at 30 June 2012 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards.



Ian Cowie

Chief Executive Officer - City of Gosnells

Signed on the 16th day of October 2012



**DISCUSSION AND
ANALYSIS OF THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30
JUNE 2012**

**Statement of comprehensive
income**

The Actual Net Result of \$19,667,113 for the year ended 30 June 2012 is \$6,206,514 below the Net Result for 2010/2011. This is primarily due to the Profit on Disposal of Assets as a result of a large subdivision in 2010/2011.

The Net Result of \$19,667,113 reflects the change in net assets, meaning the increase in value of assets deployed or ready to deploy in order to meet the City's objectives to increase ratepayer amenities.

Total Revenue of \$94,809,950 for the year ended 30 June 2012 is \$3,626,229 below the 2010/2011 revenue. The variance is primarily due to the Profit on Disposal of Assets from a large subdivision in 2010/2011. Total Revenue is comprised of Operating revenue, Non-Operating revenue and Profit on Disposal of Assets.

Total Expenses of \$75,142,837 is \$2,580,285 greater than the 2010/2011 actual expenses. This variance is primarily due to an increase in Employee costs and Other Expenditure. Total Expenses is comprised of Operating expenses, Finance Costs and Loss on Disposal of Assets.

Total Other Comprehensive Income of \$334,681,559 has resulted from a revaluation of the City's Road and Footpath assets and is a non cash revenue item.

Statement of comprehensive income by program

for the year ended 30 June 2012

	2012 \$	2012 Budget \$	2011 \$
REVENUE			
Governance	22,949	100	7,440
General Purpose Funding	61,407,874	55,790,456	56,164,867
Law, Order, Public Safety	448,689	392,460	403,099
Health	210,134	170,110	229,812
Education and Welfare	1,008,672	873,242	1,036,425
Community Amenities	10,975,861	10,852,309	10,514,229
Recreation and Culture	2,961,426	2,542,946	2,410,892
Transport	155,341	97,496	113,145
Economic Services	1,886,320	1,855,088	3,071,747
Other Property and Services	794,882	458,482	1,132,631
	<u>79,872,148</u>	<u>73,032,689</u>	<u>75,084,287</u>
EXPENSES			
Governance	(3,786,893)	(4,271,253)	(4,087,816)
General Purpose Funding	(1,183,648)	(1,190,607)	(1,465,949)
Law, Order, Public Safety	(2,214,923)	(2,289,595)	(2,122,076)
Health	(1,269,543)	(1,431,234)	(1,273,819)
Education and Welfare	(3,513,397)	(3,526,462)	(3,493,748)
Community Amenities	(17,097,774)	(15,644,274)	(14,651,367)
Recreation and Culture	(23,678,674)	(25,144,173)	(22,681,525)
Transport	(17,867,510)	(18,803,757)	(17,000,203)
Economic Services	(2,504,207)	(3,005,313)	(3,311,132)
Other Property and Services	(670,977)	(582,582)	144,669
	<u>(73,787,546)</u>	<u>(75,889,250)</u>	<u>(69,942,966)</u>
FINANCE COSTS			
Recreation and Culture	(99,907)	(100,000)	(194,601)
Economic Services	(65,432)	(75,720)	(93,694)
Other Property and Services	(686,858)	(995,519)	(1,191,579)
	<u>(852,197)</u>	<u>(1,171,239)</u>	<u>(1,479,874)</u>
NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS			
Law Order and Public Safety	0	0	18,000
Education and Welfare	18,498	0	0
Community Amenities	6,418,875	2,480,000	5,247,490
Recreation and Culture	516,628	554,498	1,703,571
Transport	6,533,341	7,998,890	5,144,116
Other Property and Services	519,790	0	73,829
	<u>14,007,132</u>	<u>11,033,388</u>	<u>12,187,006</u>
PROFIT/(LOSS) ON DISPOSAL OF ASSETS			
Recreation and Culture	(50,440)	0	(498,501)
Transport	(154,589)	(775,660)	(202,150)
Other Property and Services	632,605	1,962,455	10,725,825
	<u>427,576</u>	<u>1,186,795</u>	<u>10,025,174</u>
NET RESULT	<u>19,667,113</u>	<u>8,192,383</u>	<u>25,873,627</u>
Other Comprehensive Income			
Land and Building Revaluation	0	0	(90,553,630)
Roads and Footpaths Revaluation	334,681,559	0	0
Total Other Comprehensive Income	<u>334,681,559</u>	<u>0</u>	<u>(90,553,630)</u>
TOTAL COMPREHENSIVE INCOME	<u>354,348,672</u>	<u>8,192,383</u>	<u>(64,680,003)</u>

Statement of comprehensive income by nature or type

for the year ended 30 June 2012

	2012 \$	2012 Budget \$	2011 \$
REVENUE			
Rates	49,769,922	49,251,668	46,361,576
Operating Grants, Subsidies and Contributions	6,688,374	4,620,145	6,490,522
Fees and Charges	16,743,250	16,202,025	16,262,321
Interest Earnings	6,294,295	2,861,851	5,554,608
Other Revenue	434,052	97,000	182,662
	<u>79,929,893</u>	<u>73,032,689</u>	<u>74,851,689</u>
EXPENSES			
Employee Costs	(29,785,133)	(30,392,065)	(27,905,464)
Materials and Contracts	(18,171,191)	(22,318,821)	(19,725,330)
Utility Charges	(4,200,858)	(4,335,659)	(3,533,636)
Depreciation on Non-Current Assets	(15,772,430)	(16,228,704)	(15,296,472)
Amortisation	(182,728)	(185,208)	(152,681)
Interest Expenses	(852,197)	(1,171,239)	(1,479,874)
Insurance Expenses	(1,683,552)	(1,684,646)	(1,528,019)
Other Expenditure	(3,991,654)	(744,147)	(1,801,364)
	<u>(74,639,743)</u>	<u>(77,060,489)</u>	<u>(71,422,840)</u>
	5,290,150	(4,027,800)	3,428,849
Non-Operating Grants, Subsidies and Contributions	14,007,132	11,033,388	12,187,006
Fair value adjustments to financial assets at fair value through profit or loss	(171,917)	0	232,598
Gain on Sale of Investment	114,172	0	0
Profit on Asset Disposals	930,670	1,965,507	11,164,886
Loss on Asset Disposals	(503,094)	(778,712)	(1,139,712)
	<u>19,667,113</u>	<u>8,192,383</u>	<u>25,873,627</u>
NET RESULT			
Other Comprehensive Income			
Land and Building Revaluation	0	0	(90,553,630)
Roads and Footpaths Revaluation	334,681,559	0	0
Total Other Comprehensive Income	<u>334,681,559</u>	<u>0</u>	<u>(90,553,630)</u>
TOTAL COMPREHENSIVE INCOME	<u>354,348,672</u>	<u>8,192,383</u>	<u>(64,680,003)</u>



Statement of financial position

Overall Equity has increased during the 2011/2012 financial year by \$354,348,672 to \$833,738,427. This primarily results from the changes to the Asset Revaluation Reserve as a result of the Roads and Footpaths revaluation.

Current Assets as at 30 June 2012 have increased by \$12,752,607 compared to 2010/2011, with an increase to Cash and Cash Equivalents of \$12,797,581 to \$82,646,235.

Current Liabilities as at 30 June 2012 have decreased by \$758,481 to \$18,697,400 compared to 2010/2011 primarily resulting from a reduction in trade and other payables.

Statement of financial position

as at 30 June 2012

	2012 \$	2011 \$
CURRENT ASSETS		
Cash and Cash Equivalents	82,646,235	69,848,654
Investments	0	1,692,830
Trade and Other Receivables	4,187,730	3,961,514
Inventories	3,927,045	2,505,405
TOTAL CURRENT ASSETS	90,761,010	78,008,403
NON-CURRENT ASSETS		
Investments	3,482,202	4,143,544
Other Receivables	1,438,741	1,867,132
Property, Plant and Equipment	202,142,628	203,084,441
Infrastructure	564,299,337	224,111,837
TOTAL NON-CURRENT ASSETS	771,362,908	433,206,954
TOTAL ASSETS	862,123,918	511,215,357
CURRENT LIABILITIES		
Trade and Other Payables	9,715,252	11,734,238
Borrowings	3,583,529	2,782,733
Provisions	5,398,619	4,938,910
TOTAL CURRENT LIABILITIES	18,697,400	19,455,881
NON-CURRENT LIABILITIES		
Borrowings	9,028,371	11,701,008
Provisions	659,720	668,713
TOTAL NON-CURRENT LIABILITIES	9,688,091	12,369,721
TOTAL LIABILITIES	28,385,491	31,825,602
NET ASSETS	833,738,427	479,389,755
EQUITY		
Retained Surplus	320,084,513	303,192,668
Reserves - Cash/Investments Backed	46,198,039	42,567,807
Reserves - Asset Revaluation	467,455,875	133,629,280
TOTAL EQUITY	833,738,427	479,389,755

Statement of changes in equity

for the year ended 30 June 2012

	Retained Surplus \$	Reserves Cash/ Investment Backed \$	Asset Revaluation Reserve \$	Total Equity \$
Balance as at 1 July 2010	282,672,915	37,770,658	223,626,185	544,069,758
Net Result	25,873,627	0	0	25,873,627
Total Other Comprehensive Income	0	0	(90,553,630)	(90,553,630)
Transfer from Retained Surplus	(556,725)	0	556,725	0
Reserve Transfers	(4,797,149)	4,797,149	0	0
Balance as at 30 June 2011	303,192,668	42,567,807	133,629,280	479,389,755
Net Result	19,667,113	0	0	19,667,113
Total Other Comprehensive Income	0	0	334,681,559	334,681,559
Transfer to Retained Surplus	854,964	0	(854,964)	0
Reserve Transfers	(3,630,232)	3,630,232	0	0
Balance as at 30 June 2012	320,084,513	46,198,039	467,455,875	833,738,427

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Statement of changes in equity

The change in Total Equity is a result of the change in service potential of assets resulting from operations and the change in value of Roads and Footpath assets constructed in prior periods.

Statement of cash flows

for the year ended 30 June 2012

Cash Flows from Operating Activities Receipts

	2012 \$	2012 Budget \$	2011 \$
Rates	49,867,965	49,051,668	46,025,857
Operating Grants, Subsidies and Contributions	6,688,374	4,920,145	6,490,522
Fees and Charges	16,810,375	16,012,631	16,519,480
Service Charges	0	675,720	0
Interest Earnings	6,423,311	2,836,131	5,624,988
Goods and Services Tax	4,511,472	4,450,000	4,636,546
Other Revenue	434,052	97,000	182,662
	84,735,549	78,043,295	79,480,055

Payments

Employee Costs	(29,149,228)	(30,201,020)	(27,033,483)
Materials and Contracts	(20,521,651)	(20,873,546)	(21,246,944)
Utility Charges	(4,200,858)	(4,335,659)	(3,533,636)
Insurance Expenses	(1,683,552)	(1,684,646)	(1,528,019)
Interest Expenses	(729,160)	(1,227,239)	(1,472,464)
Goods and Services Tax	(4,411,926)	(4,525,000)	(4,637,293)
Other Expenditure	(3,991,654)	(744,147)	(1,801,364)
	(64,688,029)	(63,591,257)	(61,253,203)

Net Cash Provided By (Used In) Operating Activities

20,047,520	14,452,038	18,226,852
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Statement of cash flows continued

Cash flows from Investing Activities

	2012 \$	2012 Budget \$	2011 \$
Payments for Development of Land Held for Resale	(428,648)	(5,218,363)	(1,894,670)
Payments for Purchase of Property, Plant and Equipment	(9,340,160)	(9,021,693)	(8,765,687)
Payments for Construction of Infrastructure	(17,358,308)	(29,382,631)	(14,762,192)
Payments for Purchase of Investments	(1,961,289)	0	(1,000,000)
Non-Operating Grants, Subsidies and Contributions used for the Development of Assets	14,007,132	11,033,388	12,187,006
Proceeds from Sale of Property, Plant and Equipment	3,563,918	1,266,000	1,155,393
Proceeds from Sale of Land Held for Resale	2,010,557	2,597,955	18,826,667
Proceeds from Sale of Investments	4,128,700	0	3,578,034
Net Cash Provided By (Used In) Investing Activities	(5,378,098)	(28,725,344)	9,324,551

Cash Flows from Financing Activities

Repayment of Debentures	(7,171,841)	(2,782,733)	(19,020,127)
Proceeds from Additional Drawdowns and New Debentures	5,300,000	5,300,000	1,732,881
Net Cash Provided By (Used In) Financing Activities	(1,871,841)	2,517,267	(17,287,246)

Net Increase (Decrease) in Cash Held

Cash at Beginning of Year	69,848,654	59,367,238	59,584,497
Cash and Cash Equivalents at the End of the Year	82,646,235	47,611,199	69,848,654

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Statement of cash flows

The overall impact on the cash position at the close of the financial year is an increase of \$12,797,581 to \$82,646,235. This is principally as a result of an increase in cash flow from Operating Activities and a decrease in cash flows from Financing Activities.

Net Cash provided by Operating Activities of \$20,047,520 reflects an increase of \$1,820,668 compared to 2010/2011.

Net cash from Investing Activities has decreased by \$14,702,649 compared to 2010/2011 as a result of the sale of land from a large subdivision in 2010/2011.

Net Cash used in Financing Activities has decreased by \$15,415,405 compared to 2010/2011 chiefly due to debt repayment funded from a large subdivision in 2010/2011.



INDEPENDENT AUDITOR'S REPORT**TO: RATEPAYERS OF CITY OF GOSNELLS****Report on the Concise Financial Report**

The accompanying concise financial report of City of Gosnells comprises the Statement of Financial Position as at 30 June 2012, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and the discussion and analysis. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

Council's Responsibility for the Concise Financial Report

The Council is responsible for the preparation and fair presentation of the concise financial report in accordance with Accounting Standard AASB 1039: *Concise Financial Reports*, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the full financial report of the City of Gosnells for the year ended 30 June 2012. Our auditor's report on the financial report for the year was signed on 17 October 2012 and was not subject to any modification. Australian Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion, and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039: *Concise Financial Reports*.

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

Independence

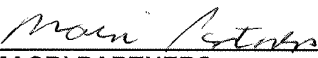
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

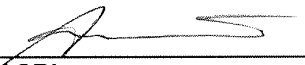
In our opinion, the concise financial report (including the discussion and analysis) of the City of Gosnells for the year ended 30 June 2012 complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

Matters Relating to the Electronic Publication of the Concise Financial Report

This auditor's report relates to the concise financial report of City of Gosnells for the year ended 30 June 2012 included on City of Gosnells' website. The Council is responsible for the integrity of City of Gosnells' website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the 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 concise financial report to confirm the information contained in this website version of the concise financial report.



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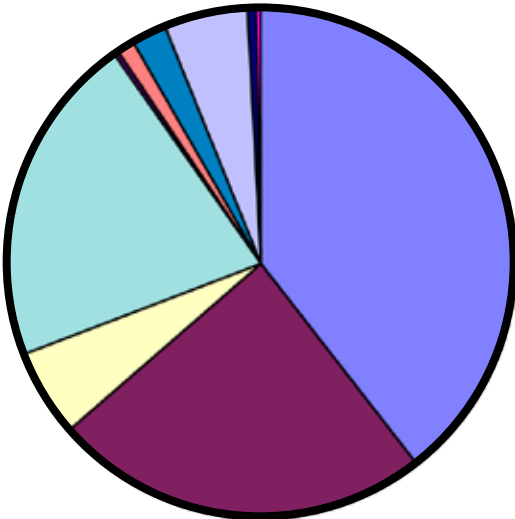
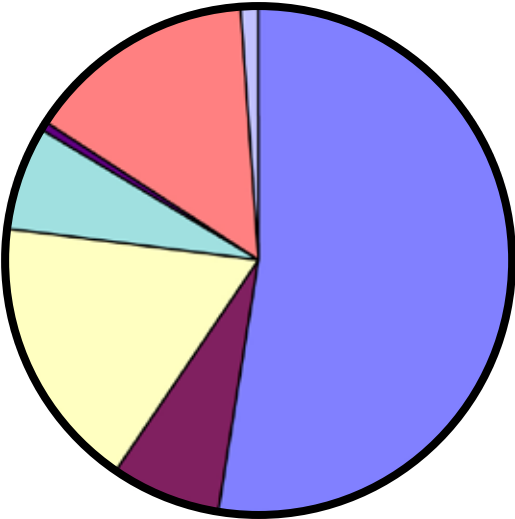


A MACRI
PARTNER

PERTH
DATED THIS 17TH DAY OF OCTOBER 2012.

Revenue

Expenditure



- 52.4% Rates
- 7% Operating grants, subsidies and contributions
- 17.7% Fees and charges
- 6.6% Interest earnings
- 0.5% Other revenue
- 14.7% Non operating grants, subsidies and contributions
- 0.1% Gain on sale of investment
- 1% Profit on asset disposals
- 39.5% Employee costs
- 24.3% Materials and contracts
- 5.6% Utility charges
- 20.9% Depreciation on non-current assets
- 0.2% Amortisation
- 1.1% Interest expenses
- 2.2% Insurance expenses
- 5.3% Other expenditure
- 0.7% Loss on asset disposals
- 0.2% Fair value adjustments to financial assets at fair value through profit or loss





CITY of GOSNELLS

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