



CITY OF GOSNELLS

Annual Report

2012-13



Making the City of Gosnell's a great place

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Our mission and vision

Making the City of Gosnell's a great place.

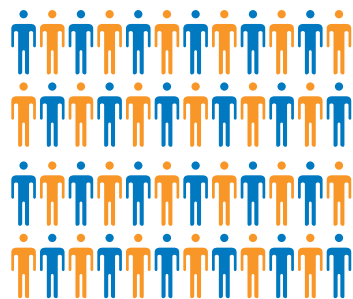
We will be a vibrant City with a strong community identity; a great place to live, work, raise children, visit and invest; a place that encourages a range of lifestyles and opportunities; and where the natural environment, cultural diversity and heritage of the City is respected and protected for the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



City statistics

POPULATION

115,673
live in the City of Gosnells



RESIDENTIAL DWELLINGS

41,599

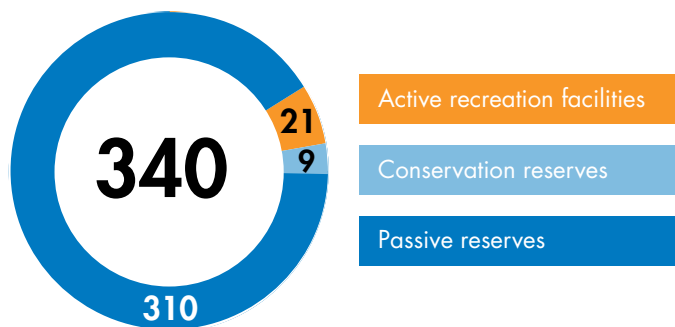


STAFF EMPLOYEES

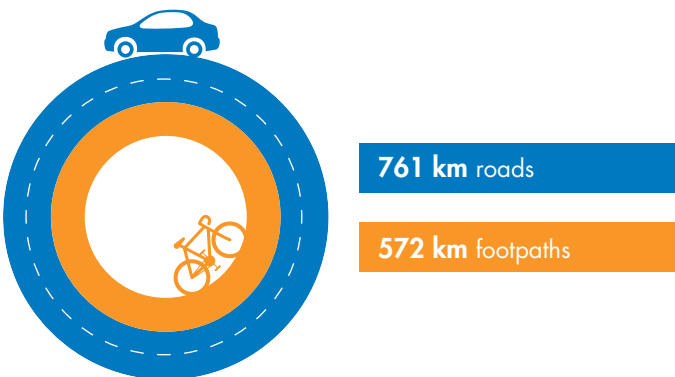


630
(inclusive of casuals)

RECREATION FACILITIES AND RESERVES



ROADS AND FOOTPATHS



TOTAL NUMBER OF ELECTORS

64,041



COUNCIL REVENUE

\$97,110,788



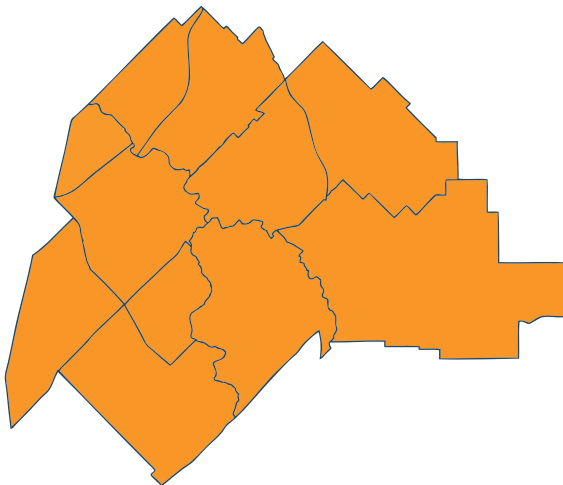
CITIZENSHIPS GRANTED

874 **302**
Adults Dependants



TOTAL AREA

127
square kilometres



Message from the Mayor

It is a great pleasure to present this Mayor's Message and to report that the City of Gosnells has been a leader amongst local governments in terms of providing quality parks and public facilities over many years.

This process will continue as the City implements its plans to renovate and rejuvenate older and under utilised parklands and construct new, environmentally sustainable buildings. These improvements are designed to meet the needs of our new communities or replace those existing facilities which are reaching the end of their useful life.

Many of our successes and plans for the future are highlighted in this document. This includes the complete redevelopment of Mills Park in Beckenham which will be the largest single project the City has undertaken and which is due to commence next year.

However, I am particularly pleased about the success of the City's Beautification Strategy. This focuses on a range of initiatives to make the City of Gosnells a better, more attractive place. It aims to stamp out problems like graffiti and illegal

rubbish dumping while encouraging residents to help make the City look its best through initiatives like the Great Front Yard Competition.

In support of the Beautification Strategy, the City has undertaken extensive streetscape improvement works on Warton Road, Corfield Street, Garden Street and Albany Highway.

There is still much to do, but I am pleased that so many residents are taking pride in their City and would encourage more to do so.

In terms of fun, the City's annual events program introduced a great new line up of acts as part of the inaugural Homegrown Festival.

Held during February and March, the Festival was a real community celebration with one of the City's biggest ever street parties in the Gosnells Town Centre headlined by popular Australian band, The Potbelleez.

The Festival also featured arts and crafts, children's activities, live comedy and music. The 2014 program already promises to be bigger and better.

In the past financial year, the City welcomed its first community garden in Southern River which gives people an opportunity to grow their own fresh food and learn new skills.

The Don Russell Performing Arts Centre also underwent a major refurbishment last year. The theatre now has a fresh feel with repainted interior, new carpets and chairs and a new-look Box Office. It's a great excuse to visit and check out the theatre's exciting stage line-up.

Local book lovers were provided with the opportunity to borrow eBooks from the City's libraries for the first time last year. This has proved highly popular, satisfying a strong local demand.

As you can see, there is a lot happening in the City of Gosnells and for the coming 12 months, I urge you to explore your community – enjoy your local parks, take the kids to a playground, see a show, visit your nearest library, attend a City event or share your views by giving us feedback online.



I would like to thank my fellow Councillors and City staff who have given their commitment and time to make the City of Gosnells a great place.

A handwritten signature in black ink, appearing to read 'Dave Griffiths'.

Mayor Dave Griffiths

Chief Executive Officer's report

I believe that the City has had another very successful year, both in terms of actually delivering key projects and in planning for new projects.

Arguably the most significant achievement of the past 12 months has been the construction of the Nicholson Road/Yale Road/Garden Street roundabout slip lanes.

These have greatly improved traffic flow through this intersection and consequently reduced commuting times. The City is appreciative of the State Government funding provided to undertake these works.

The continuation of the City's Open Spaces program is ensuring that tired old parks are being transformed into attractive and functional 'green' spaces and that underused land is given purpose.

Already, the City has upgraded several parks in Maddington, Thornlie, Kenwick and Gosnells and further park improvements are on the way for reserves in Canning Vale, Southern River and Gosnells in the current financial year.

One particularly dramatic parkland redevelopment has been to the Civic

Centre gardens. Here, new terracing, plantings and access arrangements for people with a disability have transformed an underused space into a wonderful venue for family gatherings. The banks of the nearby lake have also been retained and a boardwalk has been constructed into the lake to enhance viewing opportunities.

In terms of planning for new projects, the City has completed all design and documentation work for the extension of the Leisure World gymnasium and the construction of a new equestrian facility at Orange Grove. Building works are soon to commence for both of these projects.

The City also made considerable progress in preparing for the complete redevelopment of Mills Park in Beckenham. This redevelopment will set a new benchmark for major recreation and leisure projects with plans for a Five Star Green Star-rated community facility, specialised active sports areas, community spaces including playgrounds and outdoor exercise equipment and links to the area's environmental assets. This is an exciting time for local residents,

user groups and the City's wider population and I look forward to reconstruction commencing at Mills Park in 2014.

The City has made great efforts to improve customer service over the past year. This has included the introduction of on-line payment options in certain areas, the ability to lodge certain applications on-line and a facility for builders and their clients to track the progress of their building applications on-line.

These are just some of the ways the City can provide customers with better value for money. They have also created cost savings for the City which reduces pressure on rates.

The City remains very mindful of the financial challenges facing local households, which is why this year's percentage rate rise was almost the lowest in the metropolitan area.

As the City of Gosnells works towards the State's plan for local government reform, I can assure residents and ratepayers that the City will strive to meet community needs through well-managed budgets and stable governance.



I thank the Councillors for their dedication and commend the City's staff for their hard work in building a better, stronger City of Gosnells.

A handwritten signature in black ink that reads "Ian Cowie".

Ian Cowie
Chief Executive Officer

Councillors

Sitting Councillors for Financial Year 2012–13



Cr Wayne Barrett

Term expires: 17 October 2015

Phone: 9459 6998

Fax: 9459 6998

Email: wbarrett@gosnells.com.au



Cr Dave Griffiths (Mayor)

Term expires: 17 October 2015

Phone: 9394 0842

Fax: 9398 3051

Email: mayor@gosnells.wa.gov.au



Cr Karen Jones

Term expired: 19 October 2013

Phone: 9458 5347

Fax: 9358 0370

Email: kjones@gosnells.com.au



Cr Julie Brown

Term expires: 21 October 2017

Phone: 9398 2191

Fax: 9398 2191

Email: jbrown@gosnells.com.au



Cr Liz Griffiths

Resigned: October 2012



Cr Russell Lawrence

Term expires: 17 October 2015

Mobile: 0403 150 264

Fax: 9455 3011

Email: rlawrence@gosnells.com.au



Cr Terry Brown

Term expired: 19 October 2013

Phone: 9459 9693

Fax: 9459 9693

Email: tbrown@gosnells.com.au



Cr Ron Hoffman

Term expires: 17 October 2015

Phone: 9456 2372

Fax: 9456 2372

Email: rhoffman@gosnells.com.au



Cr Ron Mitchell (Deputy Mayor)

Term expires: 17 October 2015

Phone: 9458 9919

Fax: 9358 0838

Email: rmitchell@gosnells.com.au



Cr Glenn Dewhurst

Term expires: 17 October 2015

Phone: 9496 2955

Email: gdewhurst@gosnells.com.au



Cr Susan Iwanyk

Term expired: 19 October 2013

Phone: 9490 2856

Fax: 9490 2856

Email: siwanyk@gosnells.com.au



Cr Olwen Searle JP

Term expires: 21 October 2017

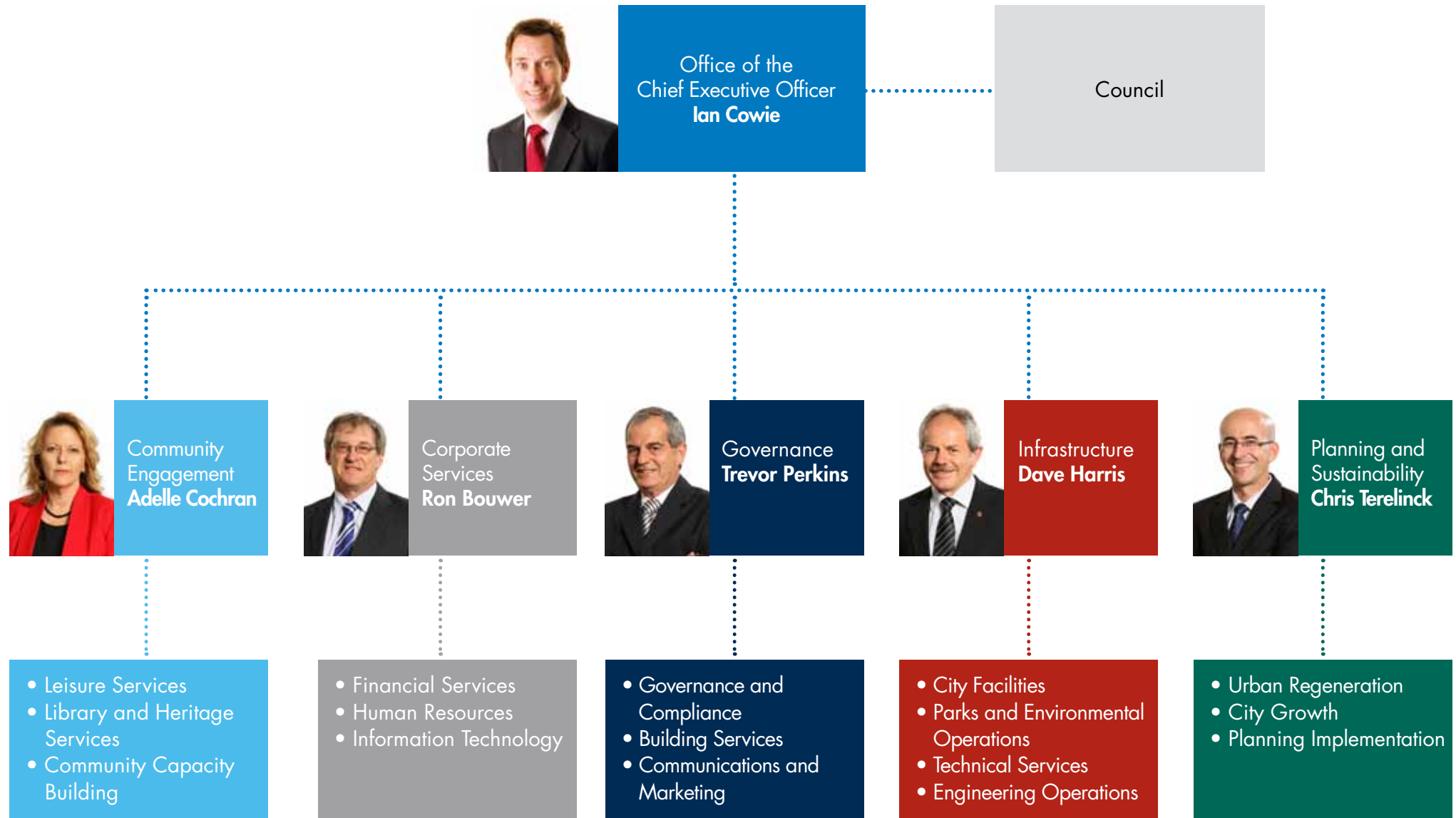
Phone: 9455 1951

Fax: 9455 1951

Email: osearle@gosnells.com.au

Organisational structure

Executives for Financial Year 2012–13



City profile

The City serves a population of more than 115,000 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 Albany Highway.

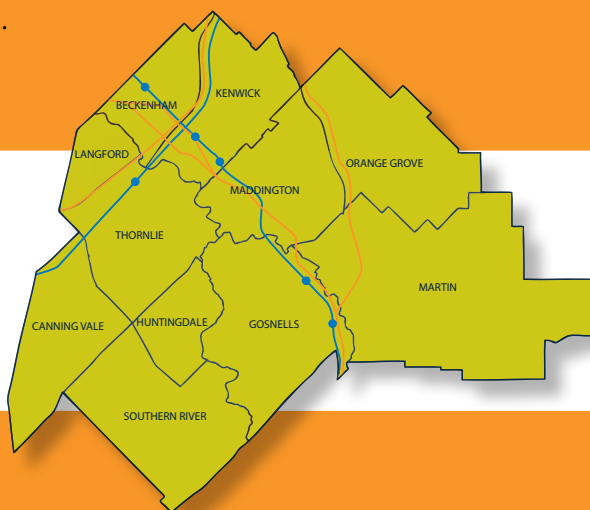
At present the population is estimated at more than 115,000 people, with annual growth projected at 1.37%.

Fuelling this 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 21 active recreational facilities, 310 passive reserves and 9 conservation reserves. The City manages 761 km of roads and 572 km of footpaths.

City map

- Main roads
- Train line and station



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	2012-13	2011-12
100,000 – 109,999	0	8
110,000 – 119,999	7	2
120,000 – 129,999	4	4
130,000 – 139,999	3	1
140,000 – 149,999	2	1
150,000 – 159,999	0	0
160,000 – 169,999	0	1
170,000 – 179,999	0	4
180,000 – 189,999	5	0
190,000 – 199,999	0	0
200,000 – 209,999	0	0
210,000 – 219,999	0	0
220,000 – 229,999	0	0
230,000 – 239,999	0	0
240,000 – 249,999	0	1
250,000 – 259,999	1	0

Councillor attendance – July 2012 to June 2013

COUNCILLORS	ORDINARY COUNCIL MEETINGS (21)	SPECIAL COUNCIL MEETINGS (2)	ELECTORS MEETINGS (1)	TOTAL (24)
Cr Wayne Barrett	14	1	1	16
Cr Julie Brown	21	2	1	24
Cr Terry Brown	20	2	1	23
Cr Glenn Dewhurst	15	1	0	16
Cr Dave Griffiths	21	2	1	24
Cr Liz Griffiths*	5 of 8*	0 of 1*	N/A*	5 of 9*
Cr Ron Hoffman	18	1	1	20
Cr Susan Iwanyk	13	2	1	16
Cr Karen Jones	20	2	1	23
Cr Russell Lawrence	18	2	1	21
Cr Ron Mitchell	17	2	1	20
Cr Olwen Searle JP	21	2	1	24

Meetings included:

Special Council Meetings (2):

- 3 July 2012 - Budget Meeting
- 23 April 2013 - Special Council Meeting

Electors Meeting (1):

- 10 December 2012 - Annual Electors Meeting

*Please note:

Cr Liz Griffiths resigned from Council on 29 October 2012. The position on Council is vacant and will be refilled at the 2013 City of Gosnells Local Government Election.



Information management update

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

In March 2013, the City implemented a retention and disposal module in its information management system known as Enterprise Content Management (ECM). The City has made significant progress in relation to retention and disposal of records, with its success being founded on experience of existing employees and with a new part time position being filled.

Regular training and awareness programs for new and existing staff are conducted with supporting material on recordkeeping practices and procedures.

A review of the City's onsite storage facilities resulted in the decommissioning of two areas. All information from these locations was appraised, registered and relocated to the City's offsite storage facility.

Freedom of information (FOI) statistics

The following table displays FOI applications dealt with during the 2012–13 financial year. It shows how many applicants sought information, and whether the information was personal to them or general in nature. It also identifies the type of access given.

ACCESS TYPE	PERSONAL	NON- PERSONAL	TOTAL
Access in full	0	1	1
Edited access	1	4	5
Access refused	0	0	0
No documents found	0	0	0
Withdrawn by applicant	0	1	1
Not finalised	0	0	0
Total	1	6	7

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 official conduct complaints during this financial year.



Access and inclusion

The City's commitment to access and inclusion goes beyond legislative compliance, as access and inclusion initiatives are incorporated into every day work.

Positive changes have been implemented to demonstrate the City's strong commitment to the provision of an accessible and equitable community, using the guiding principle of universal access and inclusion.

During 2012–13 the City's Disability Access and Inclusion Plan (DAIP) addressed six outcome areas that improve access to City services, events, buildings, facilities and information. The City also continued to ensure that people with a disability receive the same quality of service and have the same opportunities as other people to make complaints to the City and participate in the City's consultation processes. These include:

- Registering with the National Disability Services Companion Card scheme to facilitate greater inclusion and access to leisure programs, community events and health and fitness activities
- Completing internal refurbishment works inside the City's Don Russell Performing Arts Centre (DRPAC) to enhance accessibility, including the installation of new theatre seating, box office reception/foyer works, new floor coverings,

and larger/more visible internal signage.

- Promoting the DAIP to all new staff during disability awareness sessions at mandatory Corporate Staff Inductions.
- Developing a whole of organisation directive for the Corporate Style Guide that has been updated to reflect the use of contemporary language when referring to disability issues in City reports and corporate publications.

The City's DAIP 2014–18 aims to further demonstrate the City's forward thinking and innovative approach to including all members of the community in what we do. It is envisaged that the DAIP will assist in creating an accessible, inclusive community.



2012–13 performance

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

Infrastructure and public spaces

- **Nicholson Road/Yale Road Garden Street - intersection upgrade**

Status: The City, with funding support from the State Government, completed a major upgrade to the Nicholson Road/Yale Road/Garden Street roundabout. The roundabout at this intersection was a high risk area for traffic incidents and significant congestion. The upgrade included the development of two new slip lanes, plus some lane remarking. The work has now greatly improved the intersection.

- **Mills Park Redevelopment**

Status: Planning for the major redevelopment of Mills Park continued this year. The Concept Plan for the redevelopment was adopted by Council in November. An architecture design team has since been appointed for detailed design.

- **Corfield Street duplication**

Status: The duplication of Corfield Street between Verna and Eileen Streets was completed. Previously, this section of Corfield Street was only a single carriageway and was causing major traffic congestion. Traffic flow has improved significantly since completion.

- **Warton Road beautification**



Status: To support the previous dualling of Warton Road, the City completed beautification works to the median strip and verges along Warton Road.

- **Rede Street Reserve**



Status: Rede Street Reserve was identified as a reserve that required redevelopment under the City's Local Open Space strategy. This redevelopment now provides higher quality open space for local residents.

- **Orange Grove Equestrian Facility**

Status: The City has made further progress in relation to this project with Council adoption of the Orange Grove Equestrian Facility Master Plan. The project is now ready for tender and construction work will begin shortly after.

Planning

- **Maddington Kenwick Strategic Employment Area (MKSEA)**

Status: The process of rezoning land in Maddington and Kenwick for industrial use continued this year. A major step was taken with the completion of a District Water Management Strategy. Rezoning of Precinct 1 was finalised and significant work towards the rezoning of Precincts 2 and 3 was progressed.

Community Engagement

- **Str8 Talk'n**

Status: This year, the Str8 Talk'n youth program focused on the suburbs of Langford and Thornlie. This initiative was established to engage young people in the design and delivery of youth programs that encourage community safety and positive lifestyle choices.

- **Homegrown Festival**



Status: The City launched the inaugural Homegrown Festival, which included a number of great community events during February and March. The festival was highlighted by the Illuminate Street Party in the Gosnells Town Centre with popular Australian band, The Potbelleez, as the headline act.

- **Don Russell Performance Arts Centre (DRPAC) refurbishment**



Status: During 2012-13, DRPAC underwent a major refurbishment to refresh and rejuvenate its appearance. All the carpets and chairs were replaced and the external and inside walls of the theatre were repainted.

- **e-Books**

Status: e-Books are now available through all City libraries which means borrowing books can be done from home. This new service gives library members 24 hours access to books seven days a week, eliminating any late fees.

Future plans

The City has a range of significant projects planned for the coming 12 months. These include:

Infrastructure and public spaces

- Complete the Sydenham Street subdivision in Beckenham.
- Complete the detailed design for the Mills Park redevelopment and start construction.
- Subdivide and develop land at Robinson Park and Charles Hook Park and improve the remaining public space at these sites.
- Redevelop Belfast Close Reserve and Yilgarn Way Reserve to provide higher quality public space for residents.
- Construct extra lanes on Nicholson Road between Ranford Road and Clontarf Terrace.
- Complete the Orange Grove Equestrian Facility project.
- Restore the Old Fremantle Road Bridge.

Planning

- Continue the rezoning process for Maddington Kenwick Strategic Employment Area (MKSEA).
- Finalise the Gosnells Town Centre Improvement Plan.
- Adopt a Developer Contribution Plan for Central Maddington.

Community Engagement

- Implement the Eat, Act, Live Program.
- Continue with the City's Homegrown Festival.
- Complete the Leisure World gymnasium extension.

Concise Financial Report

for the year ended 30 June 2013

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 from the Full Financial Report for the year ended 30 June 2013. 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 2013 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 is available for inspection at the City's Civic Centre and website www.gosnells.wa.gov.au.

Statement by Chief Executive Officer

The attached financial report of the City of Gosnells, being the Concise Financial Report and other information for the financial year ended 30 June 2013, are in my opinion properly drawn up to present fairly the financial position of the City of Gosnells as at 30 June 2013 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 2013.

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Statement of Comprehensive Income

The Actual Net Result of \$20,842,046 for the year ended 30 June 2013 is \$1,174,933 higher than the Net Result for 2011–12. This is primarily due to the refund of GST paid on unimproved land sold.

The Net Result of \$20,842,046 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 \$97,110,788 for the year ended 30 June 2013 is \$2,128,921 greater than 2011–12 revenue. The variance is primarily due to the refund of GST gain on unimproved land sold and fair value adjustments to financial assets. Total Revenue is comprised of Operating revenue, Non-Operating revenue, Fair Value Adjustments to Financial Assets and Profit on Disposal of Assets.

Total Expenses of \$76,268,742 is \$953,988 greater than 2011–12 actual expenses. This variance is primarily due to an increase in Recreation and Culture costs and Employee costs. Total Expenses is comprised of Operating expenses, Fair Value Adjustments to Financial Assets and Loss on Disposal of Assets.

Total Other Comprehensive Income of \$1,068,815 has resulted from a revaluation of the City's Plant, Intangibles and Other Infrastructure assets and is a non cash revenue item.

Statement of comprehensive income by program

for the year ended 30 June 2013

	2013 \$	2013 Budget \$	2012 \$
REVENUE			
Governance	20,038	3,000	22,949
General Purpose Funding	64,465,048	59,114,384	61,407,874
Law, Order, Public Safety	400,782	407,390	448,689
Health	251,327	186,870	210,134
Education and Welfare	960,863	1,053,922	1,008,672
Community Amenities	12,107,395	11,435,314	10,975,861
Recreation and Culture	3,216,933	2,755,394	2,961,426
Transport	233,893	102,500	155,341
Economic Services	1,817,999	1,681,432	1,886,320
Other Property and Services	904,188	573,806	794,882
	<u>84,378,466</u>	<u>77,314,012</u>	<u>79,872,148</u>
EXPENSES			
Governance	(3,957,158)	(4,085,611)	(3,786,893)
General Purpose Funding	(1,214,067)	(1,276,344)	(1,011,731)
Law, Order, Public Safety	(2,406,003)	(2,465,123)	(2,214,923)
Health	(1,456,372)	(1,443,305)	(1,269,543)
Education and Welfare	(3,629,694)	(3,995,518)	(3,513,397)
Community Amenities	(15,233,817)	(16,193,404)	(17,097,774)
Recreation and Culture	(25,659,241)	(26,491,196)	(23,678,674)
Transport	(17,875,625)	(16,097,957)	(17,867,510)
Economic Services	(2,705,642)	(3,271,137)	(2,504,207)
Other Property and Services	(909,356)	(797,988)	(670,977)
	<u>(75,046,975)</u>	<u>(76,117,583)</u>	<u>(73,615,629)</u>
FINANCE COSTS			
Law, Order, Public Safety	0	(75,000)	0
Recreation and Culture	(63,860)	(100,000)	(99,907)
Economic Services	(24,625)	(51,805)	(65,432)
Other Property and Services	(348,091)	(371,677)	(686,858)
	<u>(436,576)</u>	<u>(598,482)</u>	<u>(852,197)</u>

FAIR VALUE ADJUSTMENTS TO FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

General Purpose Funding	293,092	0	(171,917)
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NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Law, Order and Public Safety	0	1,350,000	0
Education and Welfare	0	0	18,498
Community Amenities	3,988,809	2,890,000	6,418,875
Recreation and Culture	73,945	329,336	516,628
Transport	8,048,943	6,368,081	6,533,341
Other Property and Services	86,270	0	519,790
	<u>12,197,967</u>	<u>10,937,417</u>	<u>14,007,132</u>

PROFIT/(LOSS) ON DISPOSAL OF ASSETS

Recreation and Culture	(159,986)	0	(50,440)
Transport	(624,960)	(572,280)	(154,589)
Other Property and Services	241,018	6,109,455	632,605
	<u>(543,928)</u>	<u>5,537,175</u>	<u>427,576</u>

NET RESULT

20,842,046	17,072,539	19,667,113
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Other Comprehensive Income

Changes on revaluation of non-current assets	1,068,815	0	334,681,559
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Total Other Comprehensive Income

1,068,815	0	334,681,559
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TOTAL COMPREHENSIVE INCOME

21,910,861	17,072,539	354,348,672
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Statement of comprehensive income by nature or type

for the year ended 30 June 2013

	2013 \$	2013 Budget \$	2012 \$
REVENUE			
Rates	51,889,238	51,839,545	49,769,922
Operating Grants, Subsidies and Contributions	5,922,460	5,228,356	6,688,374
Fees and Charges	18,353,788	17,251,805	16,743,250
Interest Earnings	5,903,071	2,887,356	6,294,295
Other Revenue	2,309,909	106,950	434,052
	<u>84,378,466</u>	<u>77,314,012</u>	<u>79,929,893</u>
EXPENSES			
Employee Costs	(32,521,636)	(32,452,701)	(29,785,133)
Materials and Contracts	(20,138,568)	(23,172,832)	(18,171,191)
Utility Charges	(4,734,492)	(4,739,029)	(4,200,858)
Amortisation	(268,543)	(287,820)	(182,728)
Depreciation on Non-Current Assets	(14,441,982)	(12,912,433)	(15,772,430)
Interest Expenses	(436,576)	(598,482)	(852,197)
Insurance Expenses	(1,807,544)	(1,856,085)	(1,683,552)
Other Expenditure	(1,134,210)	(696,682)	(3,991,654)
	<u>(75,483,551)</u>	<u>(76,716,064)</u>	<u>(74,639,743)</u>
	8,894,915	597,948	5,290,150
Non-Operating Grants, Subsidies and Contributions	12,197,967	10,937,417	14,007,132
Fair value adjustments to financial assets at fair value through profit or loss	293,092	0	(171,917)
Gain on Sale of Investment	0	0	114,172
Profit on Asset Disposals	241,263	6,146,373	930,670
Loss on Asset Disposals	(785,191)	(609,199)	(503,094)
NET RESULT	<u>20,842,046</u>	<u>17,072,539</u>	<u>19,667,113</u>

	2013 \$	2013 Budget \$	2012 \$
Other Comprehensive Income			
Changes on revaluation of non-current assets	1,068,815	0	334,681,559
Total Other Comprehensive Income	<u>1,068,815</u>	<u>0</u>	<u>334,681,559</u>
TOTAL COMPREHENSIVE INCOME	<u>21,910,861</u>	<u>17,072,539</u>	<u>354,348,672</u>

Statement of financial position

as at 30 June 2013

	2013 \$	2012 \$
CURRENT ASSETS		
Cash and Cash Equivalents	90,593,111	82,646,235
Trade and Other Receivables	3,458,370	4,187,730
Inventories	3,654,395	3,927,045
TOTAL CURRENT ASSETS	97,705,876	90,761,010
NON-CURRENT ASSETS		
Investments	3,775,294	3,482,202
Other Receivables	999,411	1,438,741
Property, Plant and Equipment	204,033,857	201,477,929
Infrastructure	573,036,471	564,299,337
Intangible Assets	1,010,001	664,699
TOTAL NON-CURRENT ASSETS	782,855,034	771,362,908
TOTAL ASSETS	880,560,910	862,123,918
CURRENT LIABILITIES		
Trade and Other Payables	10,388,004	9,715,252
Short Term Borrowings	1,608,385	3,583,529
Provisions	6,530,477	5,398,619
TOTAL CURRENT LIABILITIES	18,526,866	18,697,400
NON-CURRENT LIABILITIES		
Long Term Borrowings	5,677,687	9,028,371
Provisions	707,069	659,720
TOTAL NON-CURRENT LIABILITIES	6,384,756	9,688,091
TOTAL LIABILITIES	24,911,622	28,385,491
NET ASSETS	855,649,288	833,738,427

	2013 \$	2012 \$
EQUITY		
Retained Surplus	335,179,031	320,084,513
Reserves - Cash/Investments Backed	51,945,567	46,198,039
Revaluation Surplus	468,524,690	467,455,875
TOTAL EQUITY	855,649,288	833,738,427

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Statement of financial position

Overall Equity has increased during the 2012–13 financial year by \$21,910,861 to \$855,649,288. This primarily results from Net Operations, Reserve fund movements, and changes to the Asset Revaluation Reserve.

Current Assets as at 30 June 2013 have increased by \$6,944,866 to \$97,705,876 compared to 2011–12, primarily resulting from an increase in Cash and Cash Equivalents.

Current Liabilities as at 30 June 2013 have decreased by \$170,534 to \$18,526,866 compared to 2011–12 primarily resulting from a reduction in long term borrowings.

Statement of changes in equity

for the year ended 30 June 2013

	Retained Surplus	Reserves Cash/ Investment Backed	Revaluation Reserve	Total Equity
	\$	\$	\$	\$
BALANCE AS AT 1 JULY 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
Net Result	20,842,046	0	0	20,842,046
Total Other Comprehensive Income	0	0	1,068,815	1,068,815
Transfer to Retained Surplus	0	0	0	0
Reserve Transfers	(5,747,528)	5,747,528	0	0
BALANCE AS AT 30 JUNE 2013	335,179,031	51,945,567	468,524,690	855,649,288

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Statement of changes in equity

The change in Total Equity is a result of the change in service potential of assets resulting from net operations and changes to the asset revaluation reserve, due to revaluation of plant, intangibles and other infrastructure conducted during the financial year.

Statement of cash flows

for the year ended 30 June 2013

	2013 \$	2013 Budget \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES RECEIPTS			
Rates	52,415,395	52,238,333	49,867,965
Operating Grants, Subsidies and Contributions	5,916,706	5,528,356	6,688,374
Fees and Charges	18,234,742	16,763,623	16,810,375
Interest Earnings	6,867,269	2,937,356	6,423,311
Goods and Services Tax	4,235,486	4,550,000	4,511,472
Other Revenue	2,309,909	106,950	434,052
	89,979,507	82,124,618	84,735,549
PAYMENTS			
Employee Costs	(31,237,158)	(32,490,602)	(29,149,228)
Materials and Contracts	(19,584,506)	(22,411,602)	(20,521,651)
Utility Charges	(4,734,492)	(4,739,029)	(4,200,858)
Insurance Expenses	(1,807,544)	(1,856,085)	(1,683,552)
Interest Expenses	(411,260)	(677,906)	(729,160)
Goods and Services Tax	(4,482,445)	(4,525,000)	(4,411,926)
Other Expenditure	(1,134,210)	(696,682)	(3,991,654)
	(63,391,615)	(67,396,906)	(64,688,029)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	26,587,892	14,727,712	20,047,520

Statement of cash flows continued

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for Development of Land Held for Resale	(194,685)	(4,737,662)	(428,648)
Payments for Purchase of Property, Plant and Equipment and Intangibles	(7,925,615)	(19,675,324)	(9,340,160)
Payments for Construction of Infrastructure	(18,953,640)	(24,288,424)	(17,358,308)
Payments for Purchase of Investments	0	0	(1,961,289)
Non-Operating Grants, Subsidies and Contributions	12,197,967	10,937,417	14,007,132
Proceeds from Sale of Property, Plant and Equipment	814,009	1,176,000	3,563,918
Proceeds from Sale of Land Held for Resale	746,776	10,909,455	2,010,557
Proceeds from Sale of Investments	0	0	4,128,700

NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES

(13,315,188)	(25,678,538)	(5,378,098)
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CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of Loans	(5,325,828)	(6,952,409)	(7,171,841)
Proceeds from New Loans	0	2,850,000	5,300,000

NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES

(5,325,828)	(4,102,409)	(1,871,841)
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NET INCREASE (DECREASE) IN CASH HELD

Cash at Beginning of Year	7,946,876	(15,053,235)	12,797,581
	82,646,235	71,157,996	69,848,654

CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

90,593,111	56,104,761	82,646,235
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DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Statement of cash flows

The overall impact on the cash position at the close of the financial year is an increase of \$7,946,876 to \$90,593,111. This is principally a result of an increase in cash flow from Operating Activities.

Net Cash provided by Operating Activities of \$26,587,892 reflects an increase of \$6,540,372 compared to 2011–12.

Net cash from Investing Activities has decreased by \$7,937,090 compared to 2011–12 as a result of significant payments for the construction of infrastructure.

Net Cash used in Financing Activities has decreased by \$3,453,987 compared to 2011–12.

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 2013, 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, the Statement by Chief Executive Officer and the discussion and analysis. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

Management's Responsibility for the Concise Financial Report

Management 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 2013. Our auditor's report on the financial report for the year was signed on 21 October 2013 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

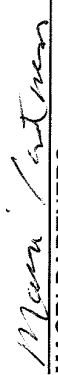
In conducting our audit, we followed applicable independence requirements of Australian professional accounting bodies.

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 2013 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 2013 included on City of Gosnells' website. Management 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.


 MACRI PARTNERS
 CERTIFIED PRACTISING ACCOUNTANTS
 SUITE 2, 137 BURSWOOD ROAD
 BURSWOOD WA 6100


 A MACRI
 PARTNER

PERTH
 DATED THIS 21ST DAY OF OCTOBER 2013.

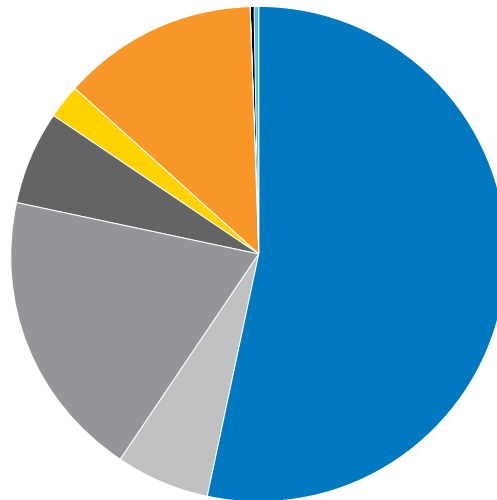




Statement of comprehensive income by nature or type (percentage)

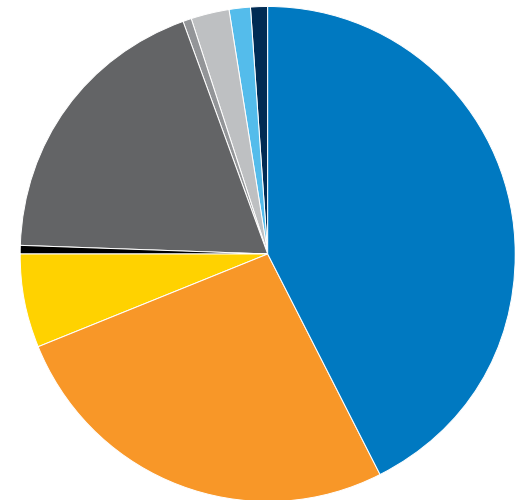
for the year ended 30 June 2013

Revenue



- 53.4% Rates
- 6.1% Operating grants, subsidies and contributions
- 18.9% Fees and charges
- 6.1% Interest earnings
- 2.4% Other revenue
- 12.6% Non-operating grants, subsidies and contributions
- 0.2% Profit on asset disposals
- 0.3% Fair value adjustments to financial assets at fair value through profit or loss

Expenses



- 42.6% Employee costs
- 26.4% Materials and contracts
- 6.2% Utility charges
- 0.4% Amortisation
- 18.9% Depreciation on non-current assets
- 0.6% Interest expenses
- 2.4% Insurance expenses
- 1.5% Other expenditure
- 1% Loss on asset disposals



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