



CITY OF GOSNELLS

Annual Report

2014/15

Making the City of Gosnells a great place

Contents

Our mission and vision	2
City statistics	3
Message from the Mayor	4
Chief Executive Officer's report	5
Councillors	6
Organisational structure	7
City profile	8
City map	8
Employee remuneration	8
Councillor attendance	9
Information management update	10
Official conduct report	10
Freedom of information statistics	10
Access and inclusion	11
2014/15 performance	12
Future plans	13
Concise Financial Report	14
Statement of comprehensive income by program	15
Statement of comprehensive income by nature or type	16
Statement of financial position	17
Statement of changes in equity	18
Statement of cash flows	19
Independent Auditor's Report	21
Statement of comprehensive income by nature or type (percentage)	23

Our mission and vision

Making the City of Gosnell's a great place

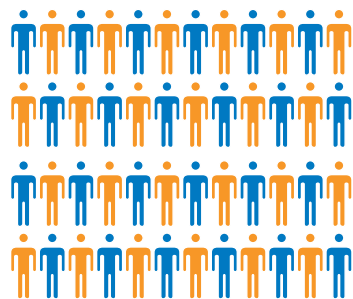
We will be a vibrant City with a strong community identity; a great place to live, work, raise children, visit and invest; a place that encourages a range of lifestyles and opportunities; and where the natural environment, cultural diversity and heritage of the City is respected and protected for the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

Front cover: Illuminate Street Party 2015, Pioneer Park Amphitheatre, Gosnell's
Image: Leisure World open day and 21st birthday, 2014

City statistics


POPULATION

123,993
live in the City of Gosnells




RESIDENTIAL DWELLINGS

43,637

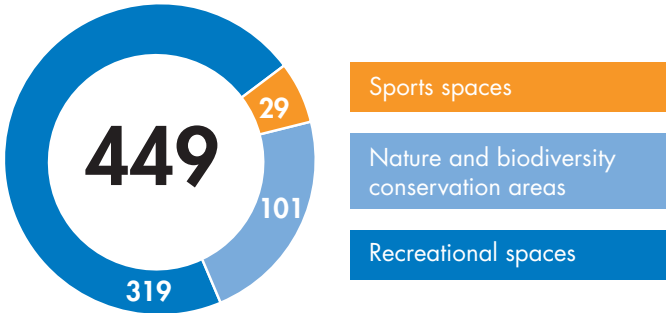


CITY EMPLOYEES

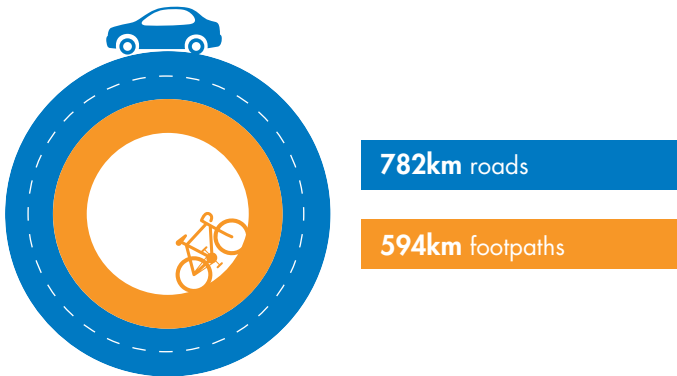


644
(inclusive of casuals)

RECREATION FACILITIES AND RESERVES



ROADS AND FOOTPATHS



TOTAL NUMBER OF ELECTORS

65,803



COUNCIL REVENUE

\$112m



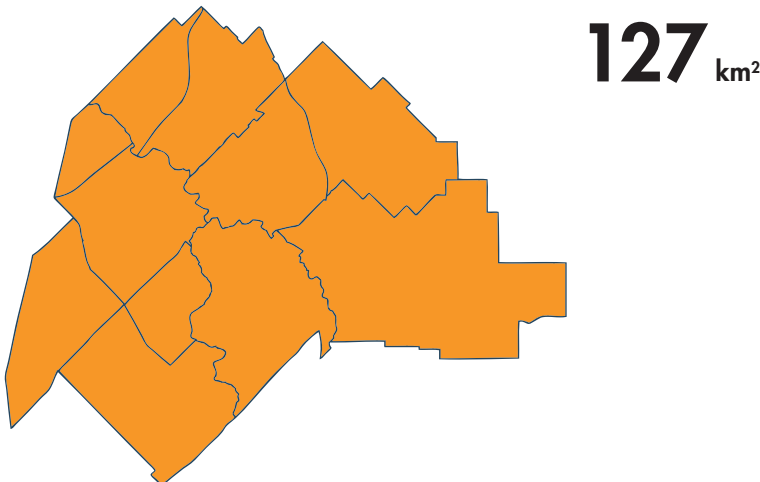
CITIZENSHIPS GRANTED

in 2014/15

1,647 **461**
Adults Dependants



TOTAL AREA



Message from the Mayor

I've always been proud to be a part of the City of Gosnells community but I've been particularly proud to serve as Mayor and contribute to the City's endeavours over the past 12 months.

A lot has changed around the City with many park upgrades, completed road and building projects and significant town planning progress for the Maddington and Gosnells town centres.

As a community, we've enjoyed many celebrations and come together for important events, such as the Anzac Centenary which was a personal highlight for me, having had the honour of laying a poppy wreath at the Gosnells RSL service.

A series of annual events hosted by the City also gave local people an opportunity to share culture, music or food throughout the year.

The Homegrown Festival with a free concert headlined by Eskimo Joe was a great drawcard for the City, along with the Multicultural Food Fair, which attracted more than 7,000 people.

The City reinforced its commitment to social equity by ensuring that people with disability could access recreational and cultural experiences.

A comprehensive renovation to improve accessibility was carried out at Leisure World in Thornlie. The project involved a raft of measures such as the installation of automatic doors and universally accessible gym equipment.

Leisure World was reopened in December 2014 by Disability Services Minister Helen Morton and a special family open day event was held which welcomed 120 new gym members.

In 2014/15, the City also opened its \$1.9 million world-class Karinya Equestrian Park, providing a base for the well respected charity, Riding for the Disabled WA.

The project shows the City's commitment to providing quality infrastructure and improving recreational opportunities.

All residents enjoyed a boost to their leisure opportunities with several park enhancement projects, as part of the City's ongoing Public Open Space Strategy.

In Canning Vale, the undeveloped reserves at Atkinson Way and Belfast Close have been transformed with a playground, landscaping and a path network to link the two spaces.

These new parks are a great example of the quality of park developments that the City is striving to achieve through the Strategy and planning is already underway for many more upgrades in the next 12 months.

I'm pleased to report that the Mills Park redevelopment, the City's biggest ever public open space project, is on track to reveal Stage 1 to the public in early 2016.

The City has already earned national acclaim for its design of the community centre, which has earned a 6 Star Green Star – Public Building Design v1 rating from the Green Building Council of Australia, which represents 'world's best practice'.

The award is a great reflection on the City's drive to be a leader in environmental sustainability and I congratulate all involved in bringing this vision to life.

I believe the City has lived up to its reputation as a forward-thinking and innovative local government – an organisation of which the community can be proud.

This Annual Report highlights the efforts made by a dedicated team of Councillors and staff.



I thank everyone who has contributed in the past 12 months 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

The 2014/15 financial year was a productive time for the City of Gosnells with the completion of several key infrastructure projects; the beginning of the City's biggest construction venture; and the continued delivery of a vast number of services and programs to a rapidly growing community.

Financially, the City remains one of the State's most viable local governments and in the past 12 months, the community had a chance to see some of the City's sound financial decisions pay dividends.

For instance, during 2014/15, measures implemented to improve energy consumption saved \$227,000 and avoided 752 tonnes of greenhouse gas emissions.

To fund environmental initiatives, the City has subdivided some degraded land next to Harpenden Street. The area was attracting undesirable activity and by creating new residential lots, the City was able to improve passive security over adjacent ecologically sensitive bush land and will use funds from the sale of lots for three new environmental projects, including an upgrade to Mary Carroll Park in Gosnells.

Through the ongoing Public Open Space Strategy, the City is using funds from the sale of under-used land to revitalise parks and reserves across all suburbs.

An excellent example of this was the subdivision of a 3.8ha City-owned lot in Sydenham Street, Beckenham. This once vacant land now features a beautiful park surrounded by 52 residential lots, the sale of which will contribute vital funds to the Mills Park redevelopment.

In terms of compliance, I am pleased to report that the City remained fully compliant with its legislative obligations in all 78 areas surveyed by the Department of Local Government and Communities.

In 2014/15, customer service was enhanced through the introduction of new online functions. These include dog and cat registration renewals, lodging planning and building applications and finding waste and verge collection dates. This facility enables people to engage with the City at a time which suits them.

A significant part of the past financial year was dedicated to preparing systems and procedures for the now abandoned local government reform process.

Although reform did not eventuate, the City has used the experience as an opportunity to review its internal operations and, as a result, a number of new initiatives are currently being developed. This includes a new approach to engaging with you, our customers.

The City will continue to focus on providing ratepayers with the best possible value for money and delivering high quality facilities and services over the coming year.

The City's achievements would not be possible without the efforts of Councillors, City staff, volunteers and community members working together and supporting one another.

In particular, I would like to thank the City's Councillors and staff for their support over the past year and I



look forward to another busy and exciting year ahead.

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

Ian Cowie
Chief Executive Officer

Councillors

Sitting Councillors for Financial Year 2014/15



Cr Dave Griffiths (Mayor)

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 Wayne Barrett

Term expires: 17 October 2015

Phone: 9459 6998

Fax: 9459 6998

Email: wbarrett@gosnells.com.au



Cr David Goode JP

Term expires: 21 October 2017

Phone: 9452 3352

Fax: 9398 3352

Email: dgoode@gosnells.com.au



Cr Russell Lawrence

Term expires: 17 October 2015

Mobile: 0403 150 264

Fax: 9455 3011

Email: rlawrence@gosnells.com.au



Cr Julie Brown

Term expires: 21 October 2017

Phone: 9398 2191

Fax: 9398 2191

Email: jbrown@gosnells.com.au



Cr Peter Griffiths

Term expires: 21 October 2017

Phone: 9490 5995

Email: pgriffiths@gosnells.com.au



Cr Olwen Searle JP

Term expires: 21 October 2017

Phone: 9455 1951

Fax: 9455 1951

Email: osearle@gosnells.com.au



Cr Glenn Dewhurst

Term expires: 17 October 2015

Phone: 9496 0058

Email: gdewhurst@gosnells.com.au



Cr Ron Hoffman

Term expires: 17 October 2015

Phone: 9456 2372

Fax: 9456 2372

Email: rhoffman@gosnells.com.au



Cr Pierre Yang

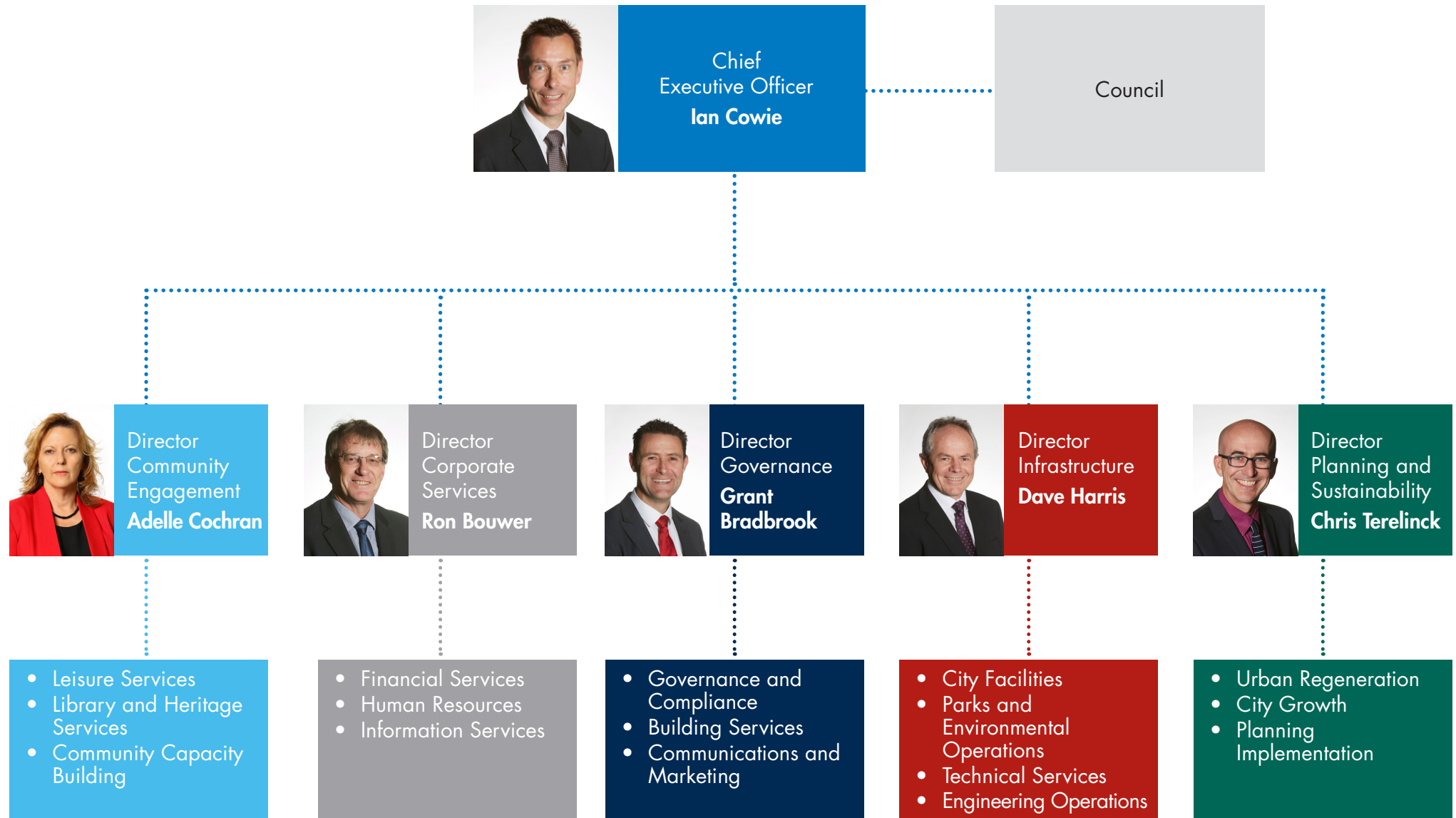
Term expires: 21 October 2017

Mobile: 0401 002 618

Email: pyang@gosnells.com.au

*One Councillor position was vacant throughout 2014/15.

Organisational structure



City profile

The City of Gosnells covers an area of 127km² and serves a population of approximately 124,000 people.

Gosnells is located just 17km 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.

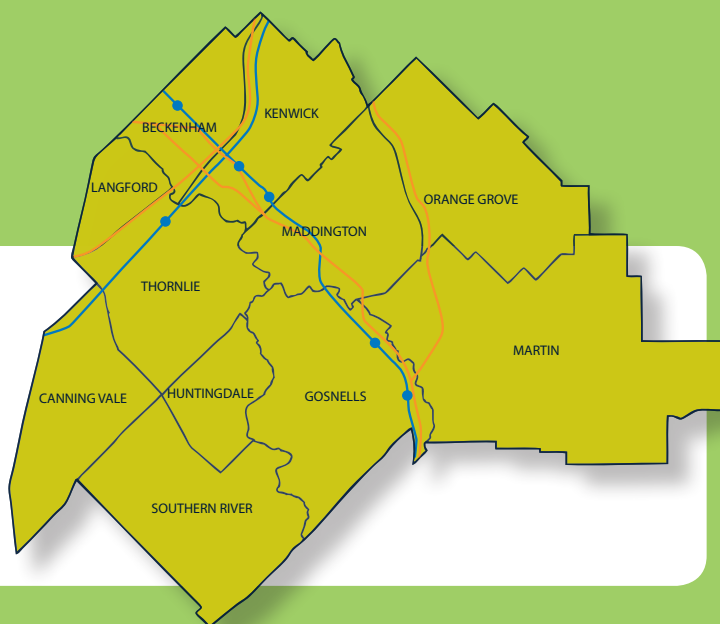
It is one of the largest local governments in WA by population and encompasses rural zones in the east and south and some commercial and industrial developments, particularly along Albany Highway.

The City has traditionally had high population growth.

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

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 \$	2014/15
100,000 – 109,999	8
110,000 – 119,999	0
120,000 – 129,999	9
130,000 – 139,999	3
140,000 – 149,999	3
150,000 – 159,999	2
160,000 – 169,999	0
170,000 – 179,999	0
180,000 – 189,999	0
190,000 – 199,999	0
200,000 – 209,999	5
210,000 – 219,999	0
220,000 – 229,999	0
230,000 – 239,999	0
240,000 – 249,999	0
250,000 – 259,000	0
260,000 – 269,999	0
270,000 – 279,999	0
280,000 – 289,999	1



Image: Australian Citizenship Awards, 2014

Councillor attendance – July 2014 to June 2015

Councillors	Ordinary Council Meetings (21)	Special Council Meetings (1)	Electors' Meetings (1)	Total (23)
Cr D Griffiths (Mayor)	20	1	1	22
Cr R Mitchell (Deputy Mayor)	17	1	1	19
Cr W Barrett	18	1	1	20
Cr J Brown	21	1	1	23
Cr G Dewhurst	14	0	0	14
Cr D Goode	21	1	1	23
Cr P Griffiths	14	0	0	14
Cr R Hoffman	18	1	1	20
Cr R Lawrence	19	1	1	21
Cr O Searle	19	1	1	21
Cr P Yang	15	1	1	17

Meetings included:

Special Council Meetings (1)

- 1 July 2014 – 2014/15 Budget Special Meeting

Electors' Meetings (1)

- 8 December 2014 – Annual Electors' Meeting

Information management update

The City has an ongoing commitment to good record management practices and continues to comply with the State Records Act 2000.

The City evaluates the efficiency and effectiveness of its approved Recordkeeping Plan 2009 on a regular basis. A revised plan reflecting improvements was submitted to the State Records Office (SRO) in December 2014. The SRO accepted the City's proposal that, after a decision on amalgamation had been made, a new plan would be produced and a revised plan submitted by July 2016.

Staff recordkeeping and awareness training begins on the day of induction and continues at regular intervals. Programs have been designed to provide staff with a clear understanding of their recordkeeping roles and compliance responsibilities. Corporate procedures, help guidelines and user manuals are available on the City's intranet.

The efficiency and effectiveness of the City's recordkeeping training programs are reviewed on a regular basis.

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 two official conduct complaints during this financial year.

The complaints were referred to the Local Government Standards Panel.

At 30 June 2015, the Local Government Standards Panel had not made a determination in relation to the complaints.

Freedom of information (FOI) statistics

The following table displays FOI applications dealt with during the 2014/15 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	2	2
Edited access	2	54	56
Access refused	0	0	0
No documents found	0	7	7
Withdrawn by application	0	0	0
Not finalised	0	0	0
Total	2	63	65

Note: The above information is from Freedom of Information Statistics – Annual Statistical Return (1 July 2014 to 30 June 2015).



Image: City of Gosnells Civic Centre, Gosnells

Access and inclusion

The City continues to demonstrate commitment to the provision of equitable and accessible facilities, services and programs using the guiding principle of inclusion.

During 2014/15 the City's Disability Access Inclusion Plan (DAIP) 2014 – 2018 was amended to include a new Outcome 7, which aims to ensure that people with disability have the same opportunities as other people to obtain and maintain employment with the City of Gosnells.

The DAIP now incorporates seven outcome areas which aim to identify and address barriers that prevent people with disability from accessing and enjoying the services, programs and facilities provided by the City.

The following initiatives were also delivered to ensure that the City continues to work towards meeting the needs of all community members:

- Completed refurbishment of Leisure World, including installation of an automatic front door and automatic internal doors to cater for people with disability, seniors and people with prams. Other upgrades also improved access to equipment for people with physical disability.

- Completed redevelopment of the Karinya Equestrian Park in Orange Grove. It is now home to the largest Riding for the Disabled WA program in the Perth metropolitan area.
- Access improvements were made to the main public entrance at the City's Don Russell Performing Arts Centre and Thornlie Football and Sporting Club.

The City will continue to implement accessibility initiatives and capacity building programs for people with disability and will strive to facilitate work experience and employment opportunities in line with Outcome 7 of the DAIP.



Image: Riding for the Disabled WA program at Karinya Equestrian Park

2014/15 performance

Some of the major City projects undertaken in the past 12 months include:

- **Mills Park redevelopment**

Status: In February 2015, work began on this \$47 million redevelopment to build a new community facility with a café, new regional sporting grounds, nature play space and skate plaza. For the community facility, the City received Australia's first 6 Star Green Star – Public Building Design v1 rating to signify 'world leadership' in sustainable civic infrastructure design.



Mayor Griffiths receiving Green Star award

- **Leisure World upgrade**

Status: Leisure World celebrated the centre's re-opening in December 2014 after a \$1.97 million upgrade funded partly by a \$500,000 Lotterywest grant. This upgrade increased Leisure World's universal accessibility, created a larger gym area and three multi-purpose fitness rooms. At the re-opening celebration event, Leisure World welcomed 120 new gym members.

- **Karinya Equestrian Park**

Status: This state-of-the-art riding complex in Orange Grove opened in October 2014 and is now home to four riding clubs including the largest Riding for the Disabled WA program in the metropolitan area.

- **Nyandi Court drainage upgrade**

Status: High density polyethylene piping has been laid between Nyandi Court and the railway reserve in Thornlie. Piping of the existing unlined open drain will minimise upstream flooding in Canning Vale and Thornlie and provide significant reductions in maintenance costs.

- **Old Fremantle Road Bridge restoration**

Status: Built in 1959, this heritage feature has been restored as a foot and cycle bridge through the strengthening and replacement of timbers to meet safety standards.

- **Forest Lakes Drive – street lighting upgrade**

Status: Street lighting has been upgraded to improve safety for drivers and residents.

- **Nicholson Road and Spencer Road – extend left turn lane**

Status: National Black Spot funding was used to extend the left turning lane from Spencer Road into Nicholson Road to improve traffic flow and ease congestion.

- **Streatham Street subdivision**

Status: A major renovation of the Streatham Street public open space was completed. The upgrade was funded by the subdivision of surrounding land, which created 52 residential lots. Proceeds from the sale of these lots are also being used to fund the redevelopment of the nearby Mills Park, in Beckenham.

- **Atkinson Way and Belfast Close Reserves, Canning Vale**

Status: These areas have been upgraded into high quality public open spaces with Atkinson Way Reserve now including new play equipment, seating and lighting. Belfast Close Reserve has newly landscaped gardens and paths.

- **Multicultural Food Fair**

Status: More than 7,000 people attended the Multicultural Food Fair in November 2014, where 4,000 satay sticks were consumed.

- **Homegrown Festival**

Status: In February and March 2015, more than 10,000 community members attended 40 activities and events during the annual Homegrown Festival.



Eskimo Joe perform at Homegrown Festival

- **Safe City Education Project for Schools (SEPS)**

Status: In 2014/15, almost 2,000 students took part in the SEPS program, including 800 Southern River College students in one day.

- **Poppy Project**

As part of the Anzac Centenary, the City and local residents took part in a nationwide project making almost 2,000 knitted, crocheted, felt and satin poppies which featured in displays in Perth and at Melbourne's Federation Square. Poppies were also made into wreaths and presented at the Gosnells RSL Anzac Day service.

- **History and Heritage**

The City increased its local history and heritage content online. The complete Local History Collection, Wilkinson Homestead Museum objects, oral history recordings and details of Heritage Inventory places can now be downloaded through the City's website.



Maddington Hall c.1945 dance class

- **Gosnells Town Centre**

Status: The City's Improvement Plan for Lissiman Street was adopted by the Planning Minister in late 2014. Negotiations are continuing with landowners on the development of key parcels of land in the Improvement Plan area.

- **Maddington Kenwick Strategic Employment Area**

Status: Research was completed to identify areas of environmental significance. An agreement was reached with the WA Planning Commission regarding protected zones, which has allowed the rezoning of land for industrial use.

Future plans Significant projects planned for the coming 12 months include:

- Construction of the City's new Emergency Operations Facility in Beckenham is expected to be completed in late 2016.
- Work will continue to upgrade Southern River Road into a dual carriageway with on-street cycle lanes and better street lighting.
- Approximately \$500,000 will be spent upgrading 15 playgrounds across the City.
- Enhancements will be carried out at the Centennial Pioneer Park amphitheatre, including additional tiered seating, stair lighting and stage resurfacing.
- Traffic signals will be installed to upgrade the Langford Avenue intersections at Spencer Road and Nicholson Road.
- The City will continue to deliver a range of annual festivals and events including the Multicultural Food Fair, Homegrown Festival, Gozzy Rock and Australia Day Big Breakfast.
- Funding secured from a State Graffiti Fund grant and sponsorship from Kleenit is being used to implement the Industrial Area Graffiti Audits Program.
- Improvements at Leisure World include new water play features in the indoor and outdoor pools, as well as new gym equipment. This is expected to be completed by the end of November 2015.



Leisure World outdoor pool

- Rezoning of land in Maddington and Kenwick for industrial use will continue and an Outline Development Plan will be prepared for Precinct 1 of the Maddington Kenwick Strategic Employment Area.
- The City will continue to facilitate development of City-owned land to create the Southern River Business Park. A Council-adopted Outline Development Plan is currently awaiting State Government approval.
- A road bridge will be built on Nicholson Road over the Midland-Fremantle freight line to enhance traffic flow and safety. This project will be managed by Main Roads for the Public Transport Authority.
- Stage 1 of the Mills Park redevelopment, including the community centre with cafe, nature play space, skate plaza, tennis courts and synthetic soccer pitches, is due for completion in early 2016.
- Stage 2 of the Mills Park redevelopment, including the car parks, amenity buildings and turf laying, will begin late 2015 and is expected to be ready for use in late 2016.



Artist's impressions of Mills Park

Concise Financial Report

for the year ended 30 June 2015

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Note 1: Basis of preparation of the Concise Financial Report

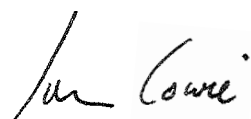
The Concise Financial Report is an extract of the Full Financial Report for the year ended 30 June 2015. The Concise Financial Report has been prepared in accordance with AASB 1039 'Concise Financial Reports'.

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 2015 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 at 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 2015, are in my opinion properly drawn up to present fairly the financial position of the City of Gosnells as at 30 June 2015 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 26th day of October 2015.

Discussion and analysis of the Financial Statements for the year ended 30 June 2015

Statement of Comprehensive Income

The Net Result of \$26,183,341 for the financial year ended 30 June 2015 is \$12,884,861 greater than the Net Result for the previous financial year 2013/14. This is largely due to an increase in operating grants, subsidies and contributions received during the financial year. In addition revenue from fees and charges was greater than the previous year.

The Net Result of \$26,183,341 reflects the change in net assets, it refers to value of assets deployed or ready to deploy in order to meet the City's objectives.

Total Revenue of \$111,559,889 for the financial year ended 30 June 2015 is \$18,570,057 greater than the previous financial year 2013/14. Total Revenue includes operating revenue, non-operating revenue, fair value adjustments to financial assets, gain on sale of investments and profit on disposal of assets. The variance is largely due to an increase in operating grants, subsidies and contributions received during the financial year, for example Financial Assistance Grants which were received in advance and are to be used in the 2015/16 financial year. In addition profits on asset disposals were higher than the previous financial year due to land sales on various land developments. Also revenue from fees and charges was higher than previous financial year.

Total Expenses of \$85,376,548 is \$11,027,804 lower than 2013/14 actual expenses. Total Expenses includes operating expenses and loss on disposal of assets. The variance is largely due to the City not incurring a decrement this financial year during the revaluation process. All non current assets subject to revaluation this financial year resulted in an increment.

Total Other Comprehensive Income of \$396,060,109 has resulted from a revaluation of the City's roads, footpaths, kerbs, road bridges, drainage and footbridges. This is a non cash revenue item. The amount refers to an increase in the carrying amount arising from a revaluation of assets.

Statement of comprehensive income by program

for the year ended 30 June 2015

	2015 \$	2015 Budget \$	2014 \$
Revenue			
Governance	7,247	0	7,990
General purpose funding	70,181,725	65,584,034	63,171,660
Law, order, public safety	996,403	646,185	764,409
Health	365,960	239,891	297,134
Education and welfare	785,607	745,011	776,890
Community amenities	13,871,328	13,975,847	12,779,975
Recreation and culture	3,278,775	3,196,837	3,307,637
Transport	460,939	245,000	236,305
Economic services	2,747,198	1,622,211	1,827,243
Other property and services	935,235	597,237	949,423
	<u>93,630,417</u>	<u>86,852,253</u>	<u>84,118,666</u>
Expenses			
Governance	(5,171,585)	(4,993,055)	(4,590,922)
General purpose funding	(1,281,692)	(1,373,673)	(1,594,497)
Law, order, public safety	(3,518,338)	(3,317,354)	(3,066,511)
Health	(1,312,043)	(1,335,988)	(1,319,541)
Education and welfare	(3,855,602)	(3,946,465)	(3,463,364)
Community amenities	(17,354,063)	(19,091,381)	(17,082,929)
Recreation and culture	(29,383,576)	(30,113,021)	(27,153,061)
Transport	(18,084,028)	(18,930,367)	(18,439,108)
Economic services	(2,798,832)	(2,845,313)	(2,783,203)
Other property and services	(1,120,229)	(1,699,393)	(1,072,809)
	<u>(83,879,988)</u>	<u>(87,646,010)</u>	<u>(80,565,945)</u>
Finance costs			
Law, order, public safety	0	(75,000)	0
Economic services	0	0	(10,245)
Other property and services	(143,100)	(20,000)	(209,013)
	<u>(143,100)</u>	<u>(95,000)</u>	<u>(219,258)</u>
Revaluation of non-current assets			
Furniture and equipment	0	0	(165,723)
Parks development	0	0	(11,459,370)
	<u>0</u>	<u>0</u>	<u>(11,625,093)</u>

Fair value adjustments to financial assets at fair value through profit or loss

	2015 \$	2015 Budget \$	2014 \$
General purpose funding	33,091	0	260,356

Non-operating grants, subsidies and contributions

	2015 \$	2015 Budget \$	2014 \$
Law, order and public safety	0	1,350,000	17,990
Community amenities	7,418,669	3,900,000	7,174,654
Recreation and culture	2,289,671	7,281,943	9,076,139
Transport	6,639,227	5,668,397	6,349,631
Other property and services	74,655	0	2,493,833
	<u>16,422,222</u>	<u>18,200,340</u>	<u>25,112,247</u>

Profit/(loss) on disposal of assets

	2015 \$	2015 Budget \$	2014 \$
Governance	0	0	(518)
Law, order, public safety	0	0	(9,000)
Education and welfare	0	0	(4,565)
Community amenities	0	0	(1,239,903)
Recreation and culture	(1,454)	0	(1,178,783)
Transport	14,805	(416,436)	177,229
Other property and services	107,348	7,357,228	(1,526,953)
	<u>120,699</u>	<u>6,940,792</u>	<u>(3,782,493)</u>

Net result

Other comprehensive income

	2015 \$	2015 Budget \$	2014 \$
Changes on revaluation of non-current assets	396,060,109	0	42,600,536

Total other comprehensive income

Total comprehensive income

	2015 \$	2015 Budget \$	2014 \$
Total other comprehensive income	396,060,109	0	42,600,536
Total comprehensive income	<u>422,243,450</u>	<u>24,252,375</u>	<u>55,899,016</u>

Statement of comprehensive income by nature or type

for the year ended 30 June 2015

	2015 \$	2015 Budget \$	2014 \$
Revenue			
Rates	57,550,292	57,166,058	54,875,700
Operating grants, subsidies and contributions	8,660,526	6,325,511	4,296,208
Fees and charges	21,705,105	19,527,683	19,334,821
Interest earnings	4,971,675	3,727,000	5,222,657
Other revenue	742,819	106,000	389,279
	<u>93,630,417</u>	<u>86,852,252</u>	<u>84,118,665</u>
Expenses			
Employee costs	(37,504,888)	(37,185,391)	(34,304,507)
Materials and contracts	(22,130,315)	(27,134,482)	(21,472,499)
Utility charges	(4,441,175)	(4,791,373)	(4,810,671)
Amortisation	(261,637)	0	(250,051)
Depreciation on non-current assets	(15,262,997)	(15,389,875)	(15,324,698)
Interest expenses	0	(95,000)	(57,169)
Insurance expenses	(1,844,676)	(2,012,374)	(1,791,937)
Other expenditure	(2,577,400)	(1,132,514)	(2,773,669)
	<u>(84,023,088)</u>	<u>(87,741,009)</u>	<u>(80,785,201)</u>
	9,607,329	(888,757)	3,333,464
Non-operating grants, subsidies and contributions	16,422,222	18,200,340	25,112,246
Fair value adjustments to financial assets at fair value through profit or loss	33,091	0	260,356
Revaluation of non-current assets			
Furniture and equipment	0	0	(165,723)
Parks development	0	0	(11,459,370)
Profit on asset disposals	1,474,159	7,429,161	211,565
Loss on asset disposals	(1,353,460)	(488,369)	(3,994,058)
Net result	26,183,341	24,252,375	13,298,480

	2015 \$	2015 Budget \$	2014 \$
Other comprehensive income			
Changes on revaluation of non-current assets	396,060,109	0	42,600,536
Total other comprehensive income	<u>396,060,109</u>	<u>0</u>	<u>42,600,536</u>
Total comprehensive income	<u>442,243,450</u>	<u>24,252,375</u>	<u>55,899,016</u>

Statement of financial position

as at 30 June 2015

	2015 \$	2014 \$
Current assets		
Cash and cash equivalents	101,009,553	94,103,293
Trade and other receivables	4,456,978	5,619,835
Inventories	11,993,542	9,018,286
Investments	2,038,759	0
Total current assets	119,498,832	108,741,414
Non-current assets		
Investments	2,029,982	4,035,650
Other receivables	1,275,553	997,648
Property, plant and equipment	256,222,582	247,243,159
Infrastructure	994,298,119	572,245,056
Intangible assets	748,735	824,212
Total non-current assets	1,254,574,971	825,345,725
Total assets	1,374,073,803	934,087,139
Current liabilities		
Trade and other payables	11,026,363	9,300,060
Current portion of long term borrowings	0	5,300,000
Provisions	7,900,859	7,176,764
Total current liabilities	18,927,222	21,776,824
Non-current liabilities		
Provisions	626,546	762,007
Total non-current liabilities	626,546	762,007
Total liabilities	19,553,768	22,538,831
Net assets	1,354,520,035	911,548,308

	2015 \$	2014 \$
Equity		
Retained surplus	373,059,202	337,572,396
Reserves – cash backed	74,275,498	62,850,686
Revaluation surplus	907,185,335	511,125,226
Total equity	1,354,520,035	911,548,308

Discussion and analysis of the financial statements for the year ended 30 June 2015

Statement of financial position

Overall Equity has increased during the 2014/15 financial year to \$1,354,520,035. This results from Net Operations, Reserve fund movements and changes to the Asset Revaluation Reserve.

Current Assets as at 30 June 2015 have increased to \$119,498,832 which is \$10,757,418 greater than 2013/14. This is largely due to an increase in cash and cash equivalents, inventories and current investments.

Current Liabilities as at 30 June 2015 have decreased to \$18,927,222 which is \$2,849,602 lower than 2013/14. This is largely due to the repayment of short term borrowings during the financial year.

Statement of changes in equity

for the year ended 30 June 2015

	Retained Surplus	Reserves Cash/ Investment Backed	Revaluation Surplus	Total Equity
	\$	\$	\$	\$
Balance as at 1 July 2013	335,179,033	51,945,569	468,524,690	855,649,292
Comprehensive income				
Net result	13,298,480	0	0	13,298,480
Changes on revaluation of non-current assets comprehensive income	0	0	42,600,536	42,600,536
Transfers to/(from) reserves	(10,905,117)	10,905,117	0	0
Balance as at 30 June 2014	337,572,396	62,850,686	511,125,226	911,548,308
Prior period adjustment				
Contributed / Gifted Assets	20,728,277			20,728,277
Comprehensive income				
Net result	26,183,341	0	0	26,183,341
Changes on revaluation of non-current assets comprehensive income	0	0	396,060,109	396,060,109
Transfers to/(from) reserves	(11,424,812)	11,424,812	0	0
Balance as at 30 June 2015	373,059,202	74,275,498	907,185,335	1,354,520,035

Discussion and analysis of the financial statements for the year ended 30 June 2015

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.

Statement of cash flows

for the year ended 30 June 2015

Cash flows from operating activities

	2015 \$	2015 Budget \$	2014 \$
Rates	56,779,631	57,366,058	54,800,177
Operating grants, subsidies and contributions	10,446,376	6,525,511	3,507,665
Fees and charges	21,610,752	19,527,683	17,808,632
Interest earnings	4,971,675	4,427,000	5,222,657
Goods and services tax	5,664,094	4,619,797	5,166,424
Other revenue	742,819	106,000	389,279
	100,215,347	92,572,049	86,894,834

Payments

Employee costs	(36,618,577)	(36,021,532)	(33,579,447)
Materials and contracts	(20,657,599)	(26,355,272)	(22,639,014)
Utility charges	(4,441,175)	(4,791,373)	(4,810,671)
Interest expenses	0	(96,255)	(57,169)
Insurance expenses	(1,844,676)	(2,012,374)	(1,791,937)
Goods and services tax	(5,749,735)	(4,535,049)	(4,935,871)
Other expenditure	(2,577,400)	(1,132,514)	(2,773,669)
	(71,889,162)	(74,944,369)	(70,587,778)

Net cash provided by (used in) operating activities

	28,326,185	17,627,680	16,307,056
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Statement of cash flows continued

Cash flows from investing activities

	2015 \$	2015 Budget \$	2014 \$
Payments for development of land held for resale	(3,679,478)	(5,167,888)	(3,881,859)
Payments for purchase of property, plant and equipment	(16,746,653)	(35,111,546)	(11,858,445)
Payments for construction of infrastructure	(15,485,467)	(23,901,296)	(22,479,761)
Non-operating grants, subsidies and contributions	16,422,222	18,200,340	25,112,246
Proceeds from sale of assets	3,369,451	13,545,697	2,297,017
Net cash provided by (used in) investing activities	(16,119,925)	(32,434,693)	(10,810,802)

Cash flows from financing activities

Repayment of loan facilities	(5,300,000)	(6,250,000)	(1,986,072)
Proceeds from new loan facilities	0	7,371,412	0
Net cash provided by (used in) financing activities	(5,300,000)	1,121,412	(1,986,072)

Net increase (decrease) in cash held

Cash at beginning of year	94,103,293	97,668,622	90,593,111
Cash and cash equivalents at the end of the year	101,009,553	83,983,021	94,103,293

Discussion and analysis of the financial statements for the year ended 30 June 2015

Statement of cash flows

The overall impact on the cash position at the close of the financial year resulted in an increase of \$6,906,260 to \$101,009,553. This is made up of Operating, Investing and Financing Activities.

Net Cash provided by Operating Activities of \$28,326,185 has increased compared to 2013/14.

Net cash from Investing Activities of \$16,119,925 has decreased compared to 2013/14.

Net Cash used in Financing Activities of \$5,300,000 has decreased compared to 2013/14.

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Independent Auditor's Report To the Ratepayers of the City of Gosnells

Report on the Concise Financial Report

We have audited the accompanying concise financial report of the City of Gosnells comprising of the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity, statement of cash flows, and rate setting statement for the year then ended. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

Council's Responsibility for the Concise Financial Report

The Council is responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and for such internal control as the Council determines are necessary to enable the preparation of the concise financial report.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures, which were conducted in accordance with Auditing Standards ASA 810 Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the City of Gosnells for the year ended 30 June 2015. Our audit report on the financial report for the year was signed on 6 November 2015 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the concise financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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 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.

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

Auditor's opinion on the Concise Financial Report

In our opinion, the concise financial report of the City of Gosnells for the year ended 30 June 2015 complies with Accounting Standard AASB 1039 Concise Financial Reports.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M A Petricevic
Partner – Audit & Assurance

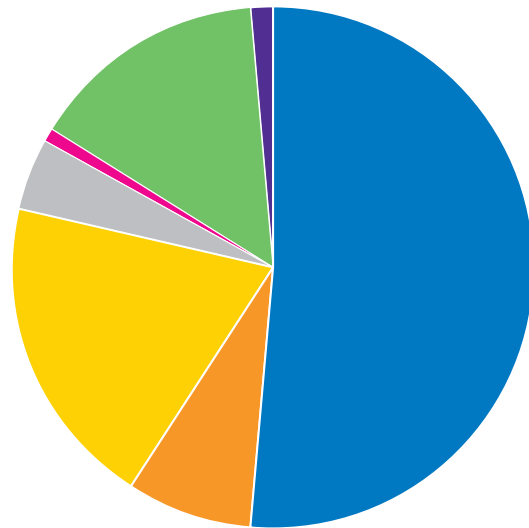
Perth, 6 November 2015



Statement of comprehensive income by nature or type (percentage)

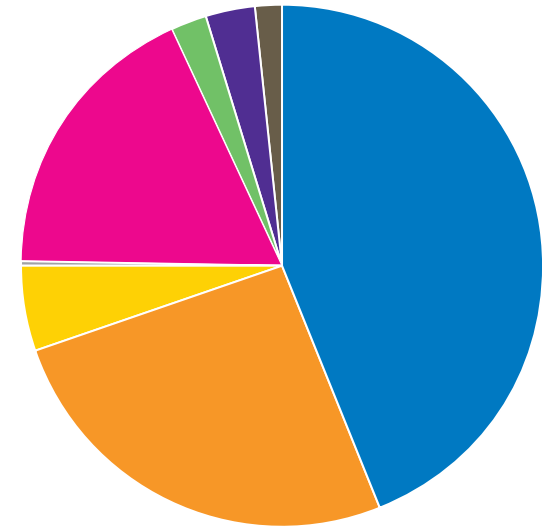
for the year ended 30 June 2015

Revenue



- 51.6% Rates
- 7.8% Operating grants, subsidies and contributions
- 19.4% Fees and charges
- 4.5% Interest earnings
- 0.7% Other revenue
- 14.7% Non-operating grants, subsidies and contributions
- 1.3% Profit on asset disposals
- 0.0% Fair value adjustments to financial assets at fair value through profit or loss

Expenses



- 43.9% Employee costs
- 25.9% Materials and contracts
- 5.2% Utility charges
- 0.3% Amortisation
- 17.9% Depreciation on non-current assets
- 0.0% Interest expenses
- 2.2% Insurance expenses
- 3.0% Other expenditure
- 1.6% Loss on asset disposals
- 0.0% Revaluation of non-current assets

Image: Anzac Memorial Centennial Pioneer Park, Gosnells
Back image: Aerial view of the Gosnells Town Centre



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