



CITY OF GOSNELLS

Annual Report

2015/16



Creating great places

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Our mission and vision

Making the City of Gosnells 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.

In 2011 the City published its first 10 Year Community Plan which sets out its plan for the future. In line with legislative requirements, the City conducted a full review of the plan in 2015. Consultation undertaken during the review confirmed that the mission and vision remain relevant. Minor revisions were made to the goals to ensure they are still meeting the needs and aspirations of the City and the community.

The 10 Year Community Plan can be viewed on the City's website at www.gosnells.wa.gov.au. An update of the City's performance in delivering major initiatives related to this Plan can be found on pages 5 and 11 of this Report.

Front cover: Mills Park Centre, Beckenham
Image: Community Arts Exhibition 2016

Message from the Mayor

It is with great pride that I look back on the City of Gosnells' achievements over the past financial year.

This Annual Report highlights some of these successes, including the completion of the City's largest ever infrastructure project, the redevelopment of Mills Park in Beckenham.

Never in the City's history has such a significant investment been made in community infrastructure.

It is tremendous that the City's work on this project has been so widely recognised and achieved so many awards. It is also wonderful to see so many people using the facility. I'm sure these numbers will continue to grow as the warmer weather comes around.

The City has had another very busy year with community events, including annual celebrations such as the Homegrown Festival and Multicultural Food Fair.

These have given residents many opportunities to come together and it is always a pleasure to meet so many of you at these events.

A great deal of effort and preparation goes into making the City 'a great place' and I thank our very dedicated group of Councillors, an experienced Executive Team and knowledgeable City staff for their commitment.

I look forward to seeing further progress in the year ahead.



Olwen Searle

Cr Olwen Searle JP
Mayor

Chief Executive Officer's report

I am pleased to present the Annual Report for the 2015/16 financial year.

The Annual Report outlines the many projects the City has undertaken to provide new opportunities and services for the community.

I am particularly proud of the progress made to establish an industrial estate in the Maddington Kenwick Strategic Employment Area, the improvements made to the Central Maddington area and the advances achieved in the Gosnells Town Centre which will lead to its revitalisation.

The City always strives to provide the best services and infrastructure for the community and to deliver these at the best value for money.

I believe we achieved this in 2015/16.

The City's success is the result of a combined effort from a variety of people.

I thank the Mayor and Councillors for their support, the City staff, our volunteers and of course you, the members of our diverse community.

I look forward to another exciting year ahead as we continue to make Gosnells a vibrant City with a strong community identity for current and future generations.

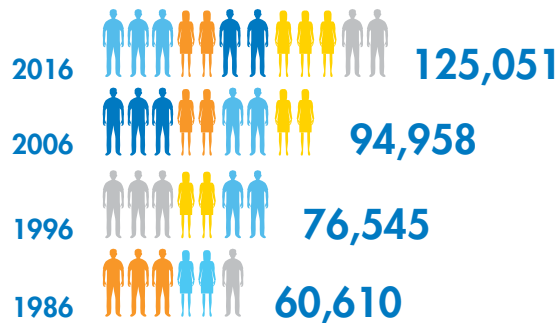


Ian Cowie

Ian Cowie
Chief Executive Officer

City snapshot

POPULATION GROWTH



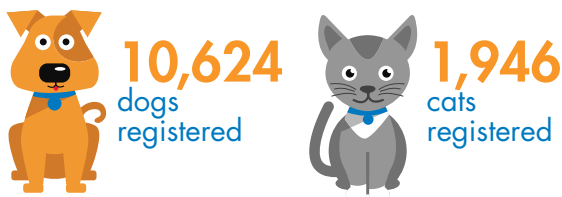
BUSINESSES REGISTERED



RESIDENTIAL DWELLINGS



DOGS AND CATS REGISTERED



LANGUAGES SPOKEN AT HOME

142 (at least)

COUNTRIES OF BIRTH

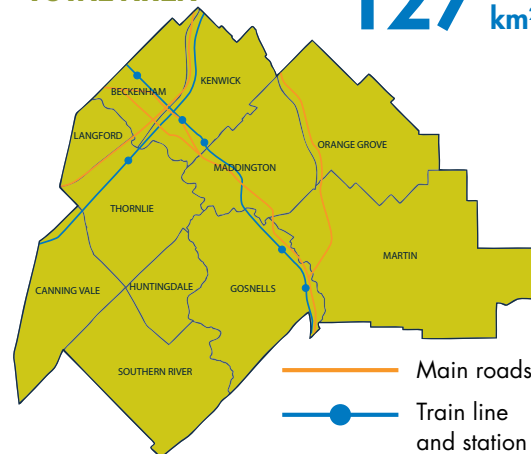


TOTAL NUMBER OF ELECTORS

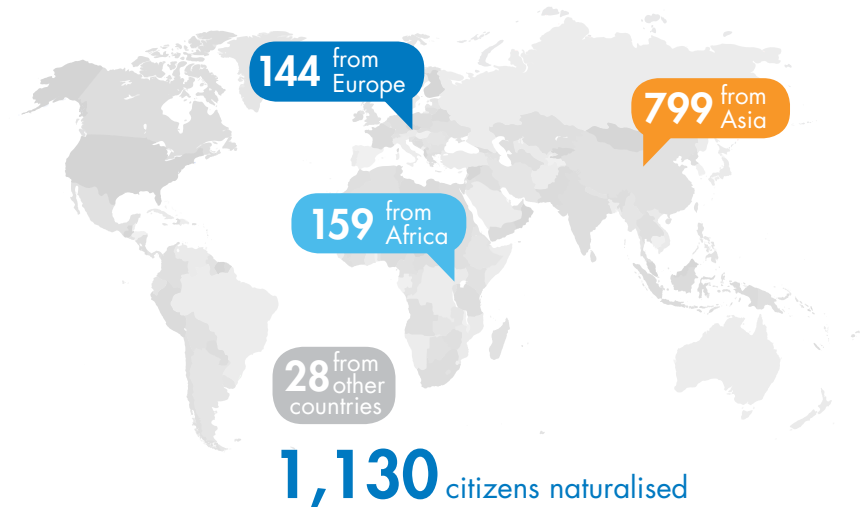
66,525 ✓

TOTAL AREA

127 km²



CITIZENS NATURALISED IN 2015/16



CITY PROFILE

The City of Gosnells covers an area of 127km² and serves a population of more than 125,000 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.

Key achievements

Over the 2015/16 financial year, the City has completed many important projects and made significant progress on a number of long-term initiatives. Following is an outline of some of the most notable achievements.

Mills Park redevelopment

Officially opened by WA Premier Colin Barnett in May, Mills Park in Beckenham has been transformed into a state-of-the-art sport and community facility.



Mills Park, Beckenham

The \$47 million redevelopment of the 24ha site now features a 6 Star Green Star-awarded Community Centre, nature play space, skate plaza, WA's first synthetic soccer pitches, tennis courts and an oval with kiosk, change rooms, cricket nets, barbecues, shelters, seating and path network.

The project has already received numerous awards, most recently the Sports Minister's Award for Industry Excellence – the most prestigious award for WA sport and recreation.

Public Open Space Strategy

Improvements were also made to other public open spaces in the City, with the creation of Elizabeth Street Reserve in Beckenham and revitalisation of Atkinson Way Reserve and the adjoining Belfast Close Reserve in Canning Vale.

These projects were completed as part of a long-term plan to improve parks and reserves across the City.

Emergency Operations Centre

Work is progressing well to ensure the new home of the Gosnells State Emergency Service and City of Gosnells Bush Fire Brigade at Horley Road in Beckenham will be ready for the 2016/17 fire season. This \$4.2 million project will provide a base to manage local emergencies and search and rescue operations, and will include equipment stores, training facilities and housing for 10 vehicles.

Shade sail installations

Playgrounds at three parks have new shade sails as part of a City-wide park improvement project. These include Jean Garvey Park (Gosnells), Masters Street Reserve (Kenwick) and Pallinup Place Reserve (Gosnells).

Canning Vale drainage upgrade

The drainage system in the multi-use corridor between Amherst Road and Shreeve Road has been upgraded to improve performance.

Spencer Road/Yale Road

Left-hand turning lanes have been constructed at Spencer Road along with improvements to the existing traffic signals to ease congestion and improve traffic flow and safety.

Gosnells Town Centre

Demolition of two tired and under-used buildings on Lissiman Street commenced, sparking a long-awaited redevelopment of this area to complement previous work that reinvigorated the town centre.

Maddington Kenwick Strategic Employment Area (MKSEA)

Rezoning of land within Precincts 2 and 3 of MKSEA was progressed. Within Precinct 1, approval has been

granted for a 30,000m² Bunnings Distribution Centre, which will employ up to 80 staff.

Multicultural Food Fair

More than 8,000 people enjoyed food from over 40 stalls, as well as live entertainment, children's activities, a stunning lantern parade and a spectacular fireworks display.

This popular food and cultural celebration, held each November, continues to be the City's single largest annual event.

Illuminate Night Party and the Homegrown Festival

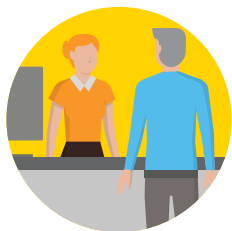
Australian superstars Jessica Mauboy and Nathaniel headlined the Illuminate Night Party at Gosnells Oval in February 2016. The free event attracted more than 6,000 people and launched the Homegrown Festival, a four-week annual celebration of art and culture.



Jessica Mauboy performing at Homegrown Festival

Our key service delivery outcomes for 2015/16

CUSTOMER SERVICES



17,201
over the counter
enquiries assisted



25,632
emails to council
inbox responded to



71,542
switchboard enquiries
answered

COMMUNITY SAFETY

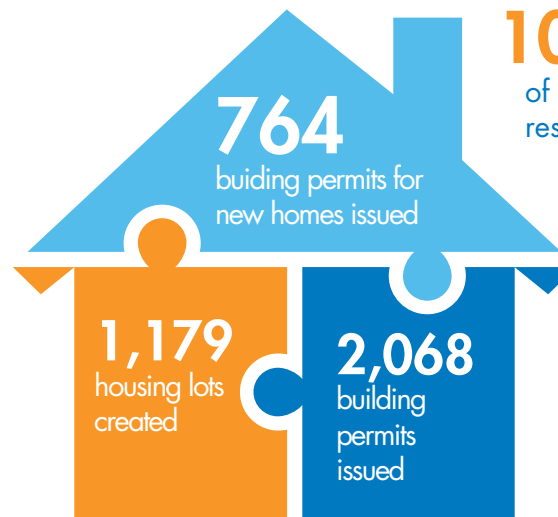


19,904m²
of graffiti
removed



\$254,270
spent on graffiti
removal

CITY GROWTH AND MAINTENANCE



10kms
of road
resurfaced

633km
total length
of footpaths

15km
of drainage cleaned

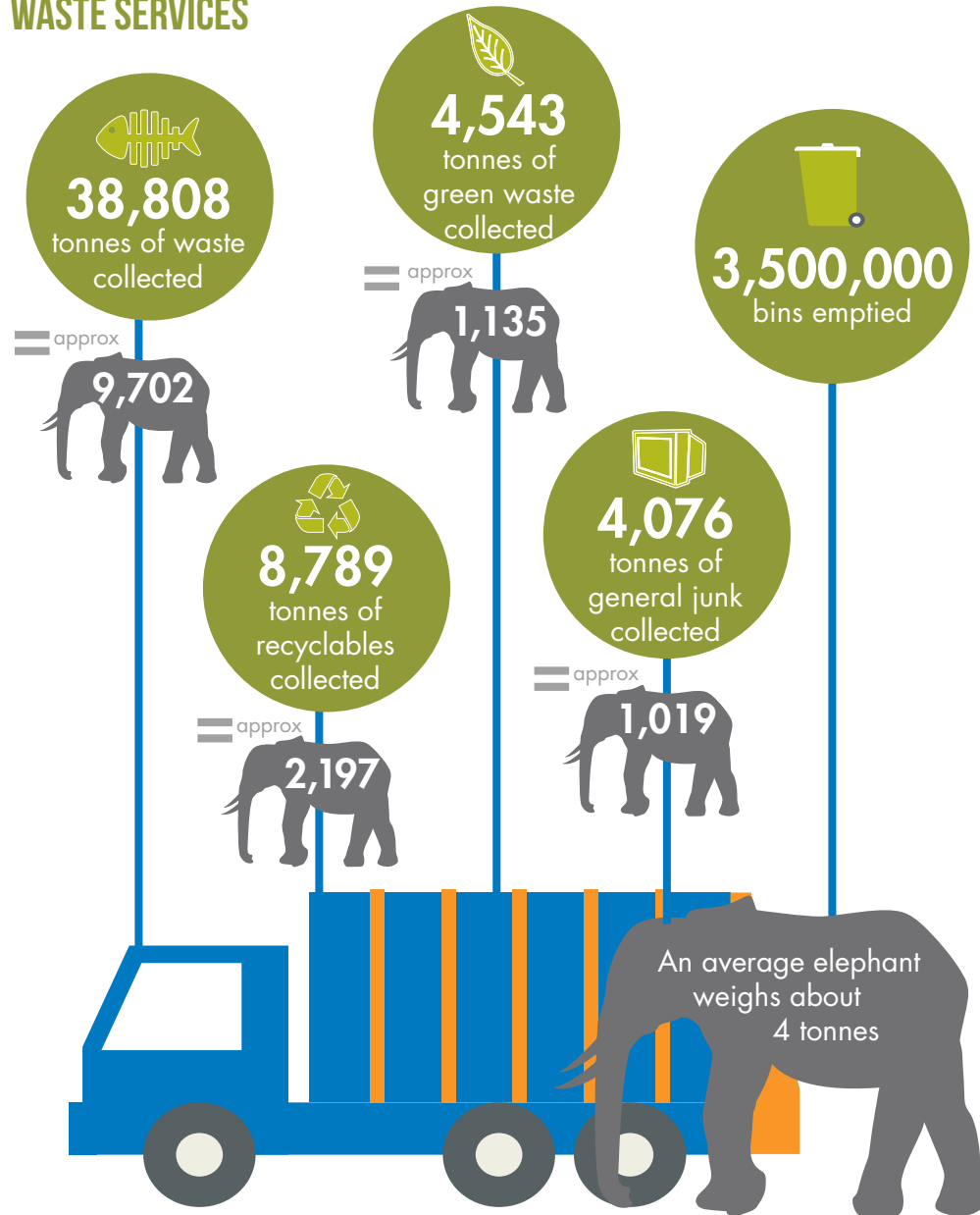
787km
total length of
roads

CITY MAINTENANCE

3,841 parks works requests
actioned



WASTE SERVICES



LEISURE AND RECREATION



Councillors

Councillors at 30 June 2016



Cr Olwen Searle JP (Mayor)

Term expires: 21 October 2017

Phone: 9455 1951

Fax: 9397 3274

Email: mayor@gosnells.wa.gov.au



Cr Dave Griffiths

Term expires: 19 October 2019

Phone: 9394 0842

Email: dgriffiths@gosnells.com.au



Cr Ron Mitchell

Term expires: 19 October 2019

Phone: 0427 995 597

Fax: 9358 0838

Email: rmitchell@gosnells.com.au



Cr Julie Brown (Deputy Mayor)

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 Liz Storer

Term expires: 19 October 2019

Mobile: 0411 206 272

Email: lstorer@gosnells.com.au



Cr Glenn Dewhurst

Term expires: 19 October 2019

Phone: 9496 0058

Email: gdewhurst@gosnells.com.au



Cr Terry Healy

Term expires: 19 October 2019

Phone: 0402 744 900

Email: thealy@gosnells.com.au



Cr Bill Wiffen JP

Term expires: 21 October 2017

Phone: 0427 948 066

Email: bwiffen@gosnells.com.au



Cr David Goode JP

Term expires: 21 October 2017

Phone: 9452 3352

Email: dgoode@gosnells.com.au



Cr Teresa Lynes

Term expires: 19 October 2019

Phone: 0400 330 568

Email: tlynes@gosnells.com.au



Cr Pierre Yang

Term expires: 21 October 2017

Mobile: 0401 002 618

Email: pyang@gosnells.com.au



Councillor attendance – July 2015 to June 2016

Councillors	Ordinary Council Meetings (21)	Special Council Meetings (2)	Electors' Meeting (1)	Total
Cr O Searle JP (Mayor) (Mayor from 19 October 2015)	21	1	1	23
Cr J Brown (Deputy Mayor) (Deputy from 19 October 2015)	21	2	1	24
Cr W Barrett	7 (of 7)	1 (of 1)	N/A	8
Cr G Dewhurst	18	2	-	20
Cr D Goode JP	18	2	-	20
Cr D Griffiths (Mayor to 17 October 2015)	20	2	1	23
Cr P Griffiths	19	2	-	21
Cr T Healy	12 (of 14)	1 (of 1)	-	13
Cr R Hoffman	7 (of 7)	- (of 1)	N/A	7
Cr R Lawrence	7 (of 7)	- (of 1)	N/A	7
Cr T Lynes	11 (of 14)	1 (of 1)	-	12
Cr R Mitchell (Deputy to 17 October 2015)	20	2	-	22
Cr L Storer	14 (of 14)	1 (of 1)	-	15
Cr B Wiffen JP	12 (of 14)	1 (of 1)	-	13
Cr P Yang	17	2	1	20

17 October 2015 Local Government Elections

- Term on Council expired for Cr W Barrett, Cr R Hoffman and Cr R Lawrence on 17 October 2015
- Term on Council commenced for Cr T Healy, Cr T Lynes, Cr L Storer and Cr B Wiffen on 19 October 2015

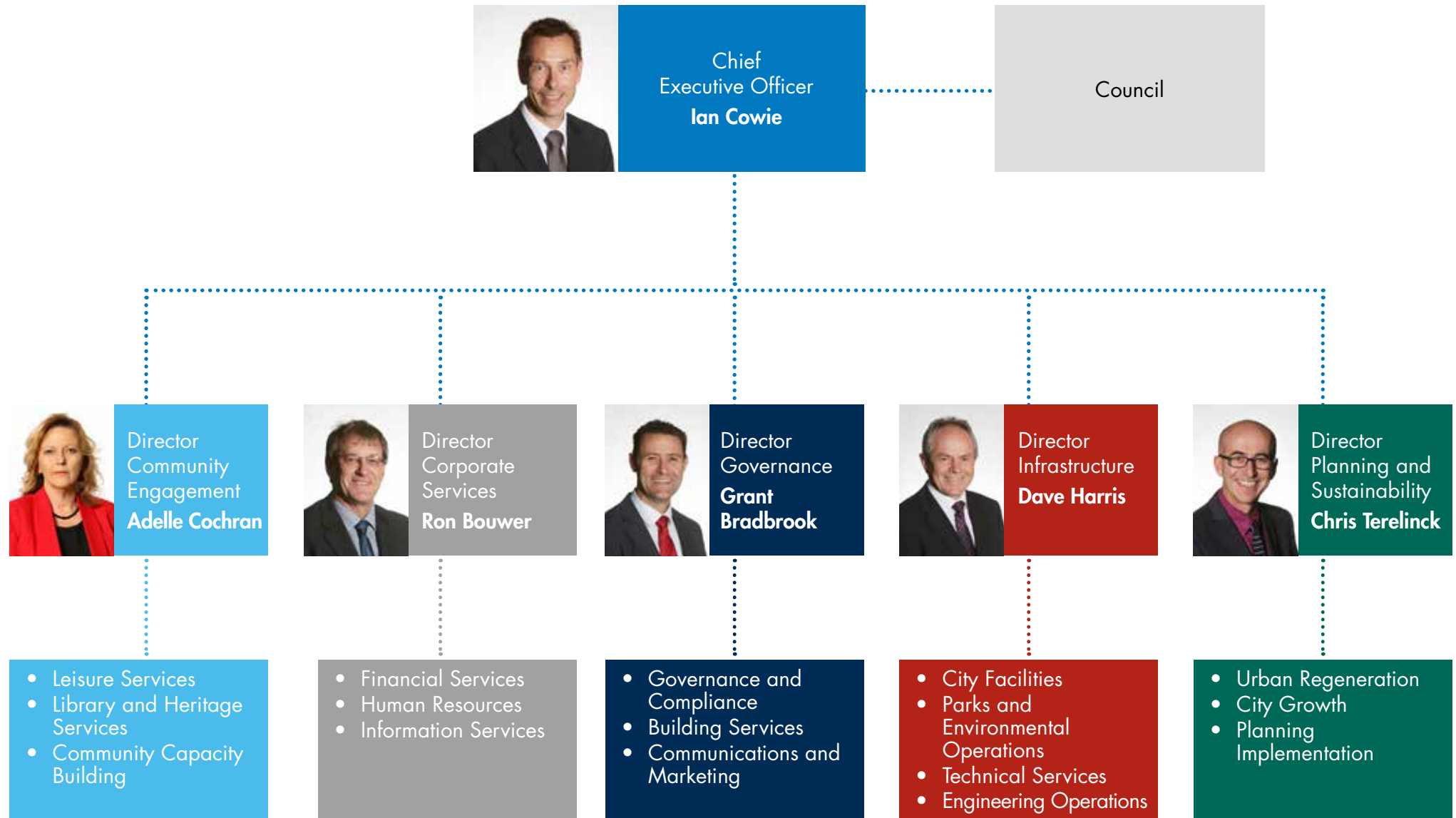
2015/16 Special Council Meetings (2)

- 7 July 2015 – 2015/16 Budget Special Meeting
- 19 October 2015 – Newly Elected Members Special Meeting

2015/16 Electors' Meeting (1)

- 7 December 2015 – Annual Electors' Meeting

Organisational structure



Future plans

The City has a range of projects planned for the coming 12 months. Progress against these and other key priorities is tracked through detailed quarterly reports to Council. These include:

Infrastructure and public spaces

- Land has been identified for the City's new Operations Centre and a Master Plan will be developed.
- Partial subdivisions will fund major renovations of: Robinson Park, Gosnells; Charles Hook Park, Huntingdale; and Hester Park, Langford, to improve facilities and use of these public open spaces.
- A new reserve will also be created at Bromley Street in Beckenham to provide much-needed additional open space in this area.
- Enhancements will be made to Centennial Pioneer Park, Gosnells with more tiered seating and stair lighting.
- Work will continue on the dual carriageway on Southern River Road to cater for future increases in traffic and development that is occurring in Southern River.
- A section of William Street will be upgraded to dual carriageway with traffic signals at Sevenoaks Street to enhance safety and better cope with increased movement within the Beckenham area.
- Works will begin at Mary Carroll Park to improve the environment and facilities at this important natural asset.
- The City has prepared a concept masterplan for Sutherlands Park. A synthetic hockey field will mark the first stage of redevelopment following a funding commitment of \$1.3 million from the Commonwealth Government.
- A road bridge will be constructed on Nicholson Road over the Midland to Fremantle Freight Railway Line to enhance traffic flow and improve safety. This State and Federally funded project is being managed by Main Roads for the Public Transport Authority.

Community engagement

- The City will deliver a range of annual festivals and events for the community including the Multicultural Food Fair, Homegrown Festival, Gozzy Rock and Australia Day Big Breakfast.



Learning English Through Story Times, Amherst Library

- The City will deliver a range of community capacity building programs and services for people from specific groups within the community such as children, seniors, youth, people with disability, indigenous and multicultural community members.
- Encouraging and developing lifelong learning and leisure activities will be an ongoing goal of the City libraries.

Planning

- An Outline Development Plan (ODP) has been adopted for development of City-owned land in Southern River for commercial activities. The City anticipates that development of the Southern River Business Park will begin in the 2016/17 financial year.
- Land acquisition is continuing in Maddington under the umbrella of the Central Maddington ODP. The acquisitions will allow the creation of much larger contemporary park spaces and the upgrading and extension of a number of local roads.
- Detailed structure planning is under way to determine the future pattern of industrial development for the Maddington Kenwick Strategic Employment Area. The work will deliver opportunities for subdivision of land within a 500ha project area, so that it can fulfil its potential as a future employment area.

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 \$	2015/16
100,000 – 109,999	15
110,000 – 119,999	6
120,000 – 129,999	8
130,000 – 139,999	3
140,000 – 149,999	4
150,000 – 159,999	5
160,000 – 169,999	0
170,000 – 179,999	0
180,000 – 189,999	0
190,000 – 199,999	0
200,000 – 209,999	2
210,000 – 219,999	2
220,000 – 229,999	0
230,000 – 239,999	1
240,000 – 249,999	0
250,000 – 259,000	0
260,000 – 269,999	0
270,000 – 279,999	0
280,000 – 289,999	0
290,000 – 299,999	0
300,000 – 309,999	0
310,000 – 319,999	1



Image: Multicultural Food Fair 2015, Langford

Official conduct report

In accordance with Section 5.53(2)(hb) of the Local Government Act 1995, the City is required to include in its Annual Report details of complaints alleging minor breaches by Council Members during the financial year, including:

1. The number of complaints recorded in the register of complaints;
2. How the complaints were dealt with;
3. Any other details that the regulations may require; and
4. Such other information as may be prescribed.

In relation to points 3 and 4 above, no additional matters on which local governments must report have been

prescribed in the Local Government (Administration) Regulations 1996.

No complaints alleging minor breaches by Council Members were received during the 2015/16 financial year. However, during 2015/16 the Local Government Standards Panel issued its finding in relation to two complaints lodged in the previous financial year. In one instance, the Standards Panel dismissed the complaint and in the other, the Standards Panel found that a Councillor had committed a minor breach by failing to disclose an impartiality interest in an item before Council. That Councillor was required to make a public apology at a Council 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 its approved Recordkeeping Plan on a regular basis.

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.

Freedom of information (FOI) statistics

The following table displays FOI applications dealt with during the 2015/16 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	1	0	1
Edited access	0	15	15
Access refused	0	0	0
No documents found	0	1	1
Withdrawn by application	0	2	2
Not finalised	0	2	2
Total	1	20	21

Note: The above information is from Freedom of Information Statistics – Annual Statistical Return (1 July 2015 to 30 June 2016).

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.

The City's Disability Access Inclusion Plan (DAIP) 2014 – 2018 outlines the strategies and actions the City undertakes in working towards ensuring access and inclusion for all community members. The DAIP comprises seven outcome areas which identify and address barriers that prevent people with disability from accessing and enjoying the services, programs and facilities provided by the City. The DAIP is available to download from the City's website.

During 2015/16, in addition to the various DAIP strategies and actions, the City:

- Completed the Mills Park redevelopment, incorporating universal design elements to promote and provide access for all.
- Designed the Mills Park Nature Play Space around universal design principles to provide maximum access for all children.
- Installed new security gates at Amherst Village and Thornlie libraries to provide much-improved access to people using scooters, wheelchairs and prams.

An audio loop is now available in the new Mills Park Centre and has been for some time at the City's Civic Centre, Don Russell Performing Arts Centre and the Addie Mills Centre, to assist people with hearing impairments.

The City also continues to liaise with disability service providers to explore and investigate employment opportunities for people with disability.

Concise Financial Report

for the year ended 30 June 2016

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 for the Full Financial Report for the year ended 30 June 2016. 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 2016 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, www.gosnells.wa.gov.au.

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 2016, are in my opinion properly drawn up to present fairly the financial position of the City of Gosnells as at 30 June 2016 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 2nd day of November 2016.

Discussion and analysis of the Financial Statements for the year ended 30 June 2016

Statement of Comprehensive Income

The Net Result of \$20,656,943 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 \$130,552,627 for the year ended 30 June 2016 is \$18,992,738 greater than 2014/15 revenue. The variance is primarily due to the recognition of the developer contributed assets that were gifted to the City during the financial year. In addition profit on asset disposals were greater than previous year due to sales from Streatham Street subdivision. Total Revenue is comprised of Operating revenue, Non-Operating revenue, Gain on Sale of Investments and Profit on Disposal of Assets.

Total Expenses of \$109,895,684 is \$24,519,136 greater than 2014/15 actual expenses. The variance is primarily due to an increase in material and contracts expenditure surrounding Mills Park Redevelopment. Costs incurred for soft landscaping were expensed as a one-off due to such costs being embedded in the value of the land not currently owned by the City. In addition, depreciation expense of non current assets also increased compared to previous year as a result of growth in the City's fixed assets. Total Expenses is comprised of Operating expenses, Loss on Disposal of Assets and Fair Value Adjustments to Financial Assets.

Total Other Comprehensive Income of \$1,633,323 has resulted from a revaluation of the City's Plant and Equipment, Intangible assets and Furniture and equipment, 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 2016

	2015/16 Actual \$	2015/16 Budget \$	2014/15 Actual \$
Revenue			
General purpose funding	67,991,846	69,094,264	70,181,725
Governance	8,317	5,150	7,247
Law, order, public safety	1,078,976	864,308	996,403
Health	344,775	306,958	365,960
Education and welfare	675,899	756,481	785,607
Community amenities	14,430,762	14,524,953	13,871,328
Recreation and culture	3,857,099	3,527,974	3,278,775
Transport	407,924	303,217	460,939
Economic services	2,424,624	2,300,163	2,747,198
Other property and services	903,818	589,197	935,235
	<u>92,124,040</u>	<u>92,272,665</u>	<u>93,630,417</u>
Expenses excl. financial costs			
General purpose funding	(1,415,681)	(1,381,686)	(1,281,692)
Governance	(5,129,720)	(7,101,675)	(5,171,585)
Law, order, public safety	(4,000,539)	(3,876,499)	(3,518,338)
Health	(1,372,165)	(1,461,732)	(1,312,043)
Education and welfare	(4,081,250)	(4,109,476)	(3,855,602)
Community amenities	(22,274,260)	(19,821,596)	(17,354,063)
Recreation and culture	(37,088,677)	(31,768,177)	(29,383,576)
Transport	(26,015,445)	(23,316,884)	(18,084,028)
Economic services	(2,981,892)	(3,557,128)	(2,798,832)
Other property and services	(1,131,271)	(3,269,833)	(1,120,229)
	<u>(105,490,900)</u>	<u>(99,664,686)</u>	<u>(83,879,988)</u>
Finance costs			
Law, order, public safety	0	(70,000)	0
Other property and services	0	0	(143,100)
Community amenities	(6,563)	0	0
Recreation and culture	(31,436)	0	0
	<u>(37,999)</u>	<u>(70,000)</u>	<u>(143,100)</u>

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

General purpose funding	(73,396)	150,000	33,091
	<u>(73,396)</u>	<u>150,000</u>	<u>33,091</u>

Non-operating grants, subsidies and contributions

Law, order, public safety	625,000	1,350,000	0
Community amenities	4,175,073	3,930,000	7,418,669
Recreation and culture	6,978,709	6,298,360	2,289,671
Transport	19,558,147	4,241,061	6,639,227
Other property and services	23,723	0	74,655
	<u>31,360,652</u>	<u>15,819,421</u>	<u>16,422,222</u>

Profit/(loss) on disposal of assets

Education and welfare	0	0	0
Recreation and culture	(226,199)	(92,670)	(1,454)
Transport	(142,975)	(578,547)	14,805
Other property and services	3,143,720	12,988,950	107,348
	<u>2,774,546</u>	<u>12,317,733</u>	<u>120,699</u>

Net result

	<u>20,656,943</u>	<u>20,825,133</u>	<u>26,183,341</u>
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Other comprehensive income

Changes on revaluation of non-current assets	1,633,323	0	396,060,109
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Total other comprehensive income

	<u>1,633,323</u>	<u>0</u>	<u>396,060,109</u>
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Total comprehensive income

	<u>22,290,226</u>	<u>20,825,133</u>	<u>422,243,450</u>
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Statement of comprehensive income by nature or type

for the year ended 30 June 2016

	2015/16 Actual \$	2015/16 Budget \$	2014/15 Actual \$
Revenue			
Rates	60,446,655	60,010,039	57,550,292
Operating grants, subsidies and contributions	5,013,929	6,542,020	8,660,526
Fees and charges	21,803,843	21,548,656	21,705,105
Interest earnings	4,483,795	4,066,000	4,971,675
Other revenue	302,420	105,950	742,819
	<u>92,050,642</u>	<u>92,272,665</u>	<u>93,630,417</u>
Expenses			
Employee costs	(40,576,337)	(40,407,465)	(37,504,888)
Materials and contracts	(29,934,770)	(31,948,064)	(22,130,315)
Utility charges	(4,867,918)	(4,807,660)	(4,441,175)
Amortisation and depreciation	(21,682,966)	(19,106,802)	(15,524,634)
Interest expenses	(6,563)	(70,000)	0
Insurance expenses	(1,717,243)	(2,037,838)	(1,844,676)
Other expenditure	(6,669,704)	(1,356,857)	(2,577,400)
	<u>(105,455,501)</u>	<u>(99,734,686)</u>	<u>(84,023,088)</u>
Non-operating grants, subsidies and contributions	31,360,652	15,819,421	16,422,222
Fair value adjustments to financial assets at fair value through profit or loss	(73,396)	150,000	33,091
Profit on asset disposals	7,141,333	13,098,379	1,474,159
Loss on asset disposals	(4,366,787)	(780,646)	(1,353,460)
	<u>34,061,802</u>	<u>28,287,154</u>	<u>16,576,012</u>
Net result	<u>20,656,943</u>	<u>20,825,133</u>	<u>26,183,341</u>

	2015/16 Actual \$	2015/16 Budget \$	2014/15 Actual \$
Other comprehensive income			
Changes on revaluation of non-current assets	1,633,323	0	396,060,109
Total other comprehensive income	<u>1,633,323</u>	<u>0</u>	<u>369,060,109</u>
Total comprehensive income	<u>22,290,266</u>	<u>20,825,133</u>	<u>422,243,450</u>

Statement of financial position

as at 30 June 2016

	2016 Actual \$	2015 Actual \$
Current assets		
Cash and cash equivalents	106,278,347	101,009,553
Trade and other receivables	5,373,170	4,456,978
Inventories	337,684	330,697
Assets held for sale	1,168,844	11,662,845
Investments	0	2,038,759
Total current assets	113,158,045	119,498,832
Non-current assets		
Investments	1,956,585	2,029,982
Other receivables	1,250,250	1,275,553
Property, plant and equipment	270,538,058	256,222,582
Infrastructure	1,024,330,453	994,298,119
Intangible assets	2,994,029	748,735
Total non-current assets	1,301,069,375	1,254,574,971
Total assets	1,414,227,420	1,374,073,803
Current liabilities		
Trade and other payables	9,844,306	11,026,363
Current portion of long term borrowings	9,608,624	0
Provisions	8,661,911	7,900,859
Total current liabilities	28,114,841	18,927,222
Non-current liabilities		
Provisions	610,902	626,546
Borrowings	8,691,376	0
Total non-current liabilities	9,302,278	626,546
Total liabilities	37,417,119	19,553,768

	2016 Actual \$	2015 Actual \$
Net assets	1,376,810,301	1,354,520,035
Equity		
Retained surplus	395,008,803	373,059,202
Reserves – cash backed	78,123,538	74,275,498
Revaluation surplus	903,677,960	907,185,335
Total equity	1,376,810,301	1,354,520,035

Discussion and analysis of the financial statements for the year ended 30 June 2016

Statement of financial position

Overall Equity has increased during the 2015/16 financial year by \$22,290,266 to \$1,376,810,301, this reflects the City's increasing ability to provide services.

Current Assets as at 30 June 2016 have decreased by \$6,340,787 to \$113,158,045 compared to 2014/15, as result of decrease in assets held for sale. This refers to the sale of lots from the Streatham Street development.

Current Liabilities as at 30 June 2016 have increased by \$9,187,619 to \$28,114,841 compared to 2014/15, as result of current borrowings on Central Maddington ODP and Mills Park Redevelopment being due and payable within one year.

Statement of changes in equity

for the year ended 30 June 2016

	Retained surplus	Reserves cash/ investment backed	Revaluation surplus	Total equity
	\$	\$	\$	\$
Balance as at 1 July 2014	358,300,673	62,850,686	511,125,226	932,276,585
Comprehensive income				
Net result	26,183,341	0	0	26,183,341
Changes on revaluation of non-current assets	0	0	396,060,109	396,060,109
Total comprehensive income	26,183,341	0	396,060,109	422,243,450
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
Comprehensive income				
Net result	20,656,943	0	0	20,656,943
Changes on revaluation of non-current assets	0	0	1,633,323	1,633,323
Total comprehensive income	20,656,943	0	1,633,323	22,290,266
Revaluation write back on disposals	5,140,698	0	(5,140,698)	0
	5,140,698		(5,140,698)	0
Transfers to/(from) reserves	(3,848,040)	3,848,040	0	0
Balance as at 30 June 2016	395,008,803	78,123,538	903,677,960	1,376,810,301

Discussion and analysis of the financial statements for the year ended 30 June 2016

Statement of changes in equity

The change in Total Equity is a result of the change in service potential of net assets. Changes to the reserve balance was due to a net increment in the transfers to and from reserve, and changes to the asset revaluation reserve resulted in a net decrement due to current year disposals that were previously revalued upwards.

Statement of cash flows

for the year ended 30 June 2016

Cash flows from operating activities

Receipts

	2015/16 Actual \$	2015/16 Budget \$	2014/15 Actual \$
Rates	59,595,185	62,210,039	56,779,631
Operating grants, subsidies and contributions	5,013,929	6,242,020	10,446,376
Fees and charges	22,029,693	21,548,656	21,610,752
Interest earnings	4,283,988	3,766,000	4,971,675
Goods and services tax	8,539,052	4,119,797	5,664,094
Other revenue	302,420	105,950	742,819
	99,764,267	97,992,462	100,215,347

Payments

Employee costs	(39,830,930)	(39,543,606)	(36,618,577)
Materials and contracts	(31,146,452)	(29,906,403)	(20,657,599)
Utility charges	(4,867,918)	(4,807,660)	(4,441,175)
Interest expenses	(6,563)	(70,000)	0
Insurance expenses	(1,717,243)	(2,037,838)	(1,844,676)
Goods and services tax	(8,581,875)	(4,035,049)	(5,749,735)
Other expenditure	(6,669,704)	(1,356,857)	(2,577,400)
	(92,820,685)	(81,757,413)	(71,889,162)

Net cash provided by (used in) operating activities

	6,943,582	16,235,049	28,326,185
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Statement of cash flows continued

	2015/16 Actual \$	2015/16 Budget \$	2014/15 Actual \$
Cash flows from investing activities			
Payments for development of land held for resale	(126,775)	(4,703,650)	(3,679,478)
Payments for purchase of property, plant and equipment	(19,926,822)	(50,011,091)	(16,746,653)
Payments for construction of infrastructure	(34,775,157)	(29,293,465)	(15,485,467)
Non-operating grants, subsidies and contributions	18,517,778	15,819,421	16,422,222
Proceeds from sale of property, plant and equipment	14,297,429	17,086,000	3,369,451
Proceeds from sale of assets	2,038,759	0	0
Net cash provided by (used in) investing activities	(19,974,788)	(51,102,785)	(16,119,925)
Cash flows from financing activities			
Repayment of loan facilities	0	(250,000)	(5,300,000)
Proceeds from new loan facilities	18,300,000	38,587,410	0
Net cash provided by (used in) financing activities	18,300,000	38,337,410	(5,300,000)
Net increase (decrease) in cash held	5,268,794	3,469,674	6,906,260
Cash at beginning of year	101,009,553	92,753,032	94,103,293
Cash and cash equivalents at the end of the year	106,278,347	96,222,706	101,009,553

Discussion and analysis of the financial statements for the year ended 30 June 2016

Statement of cash flows

The overall impact on the cash position at the close of the financial year is an increase of \$5,268,794 to \$106,278,347. This is principally a result of cash flow from Operating and Financing Activities exceeding those of Investing Activities.

Net Cash provided by Operating Activities of \$6,943,582 has decreased compared to 2014/15, due to the one-off expensing of soft landscaping expenditure on Mills Park Redevelopment.

Net cash from Investing Activities of \$19,974,788 has increased compared to 2014/15, due to a significant increase in payments for the construction of infrastructure assets and proceeds from sale of assets.

Net Cash used in Financing Activities of \$18,300,000 has increased compared to 2014/15, due to loan funding being drawn during the 2015/16 financial year for Central Maddington ODP and Mills Park Redevelopment.

INDEPENDENT AUDITOR'S REPORT

TO: THE 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 2016, 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 2016. Our auditor's report on the financial report for the year was signed on 2 November 2016 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 have complied with the independence requirements of the Accounting Professional and Ethical Standards Board.

INDEPENDENT AUDITOR'S REPORT (Cont'd)

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 2016 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 2016 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

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



A MACRI
PARTNER

PERTH

DATED THIS 2ND DAY OF NOVEMBER 2016.



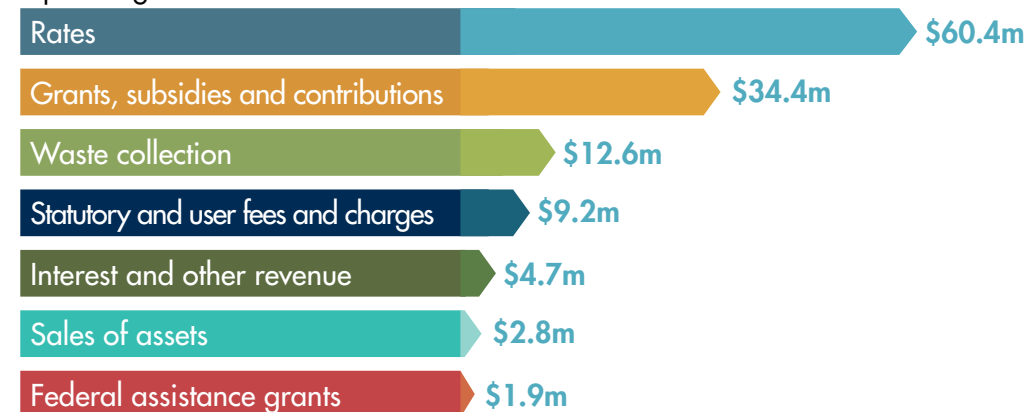


Image: Kindamania, Gosnells
Back image: Walter Padbury Park, Thornlie

Budget revenue and expenditure

Budget revenue

Operating revenue sources



Budget expenditure

Areas of expenditure for every \$100 Council receives:





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