



CITY OF GOSNELLS

Annual Report

2017/18

Creating great places

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Our mission, vision and values

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 are respected and protected for the enjoyment of current and future generations.

Teamwork, Communication, Innovation, Customer Focus and Integrity are the core values and behaviours that guide the way our employees interact with one another, on every level.

These values and behaviours also inspire our employees' united efforts to strive for excellence in every aspect of our service to the local community.

Front cover: Ellis Brook Valley, Martin

Image: Fusion Food and Culture Festival, Beckenham

Message from the Mayor

This Annual Report provides a timely opportunity to reflect on our recent achievements and to be inspired for our future endeavours.

We have made consistent progress in the City of Gosnells this past year, with several significant projects advancing.

The City hosted its inaugural Fusion Food and Culture Festival last November, attracting a record crowd of over 10,000 people to celebrate the cultural diversity in our community.

This was followed by a hugely popular events season, which provided us with plenty of opportunities to enjoy some of the great venues we have around the City, take some time out with families and friends, and connect with others in our community.

Youth and children's events, like the Nightfields multi-sports program, the annual skate program and Park Play events have all been really well received and have provided the City with better ways to connect with local families.

This, I believe, is an important function of local government – we can achieve so much more when we have stronger, better connected communities.

It takes a great deal of effort to keep the City running smoothly, and I'd like to thank our Councillors and City staff for their contributions and efforts.

I look forward to further achievements and successes in the year ahead.



Glenn Dewhurst
Mayor



Chief Executive Officer's message

It is with great pleasure that I present the Annual Report for the 2017/18 financial year.

This Report summarises the many projects the City has undertaken to improve services and provide opportunities for the community.

Our goal is to provide the best services and infrastructure for the community, while ensuring value for money, and I believe we achieved this again in 2017/18.

This success requires teamwork. I would like to thank the Mayor and Councillors for their support, the City staff and volunteers for their hard work and you, the members of our diverse community, for all that you bring to the City of Gosnells.

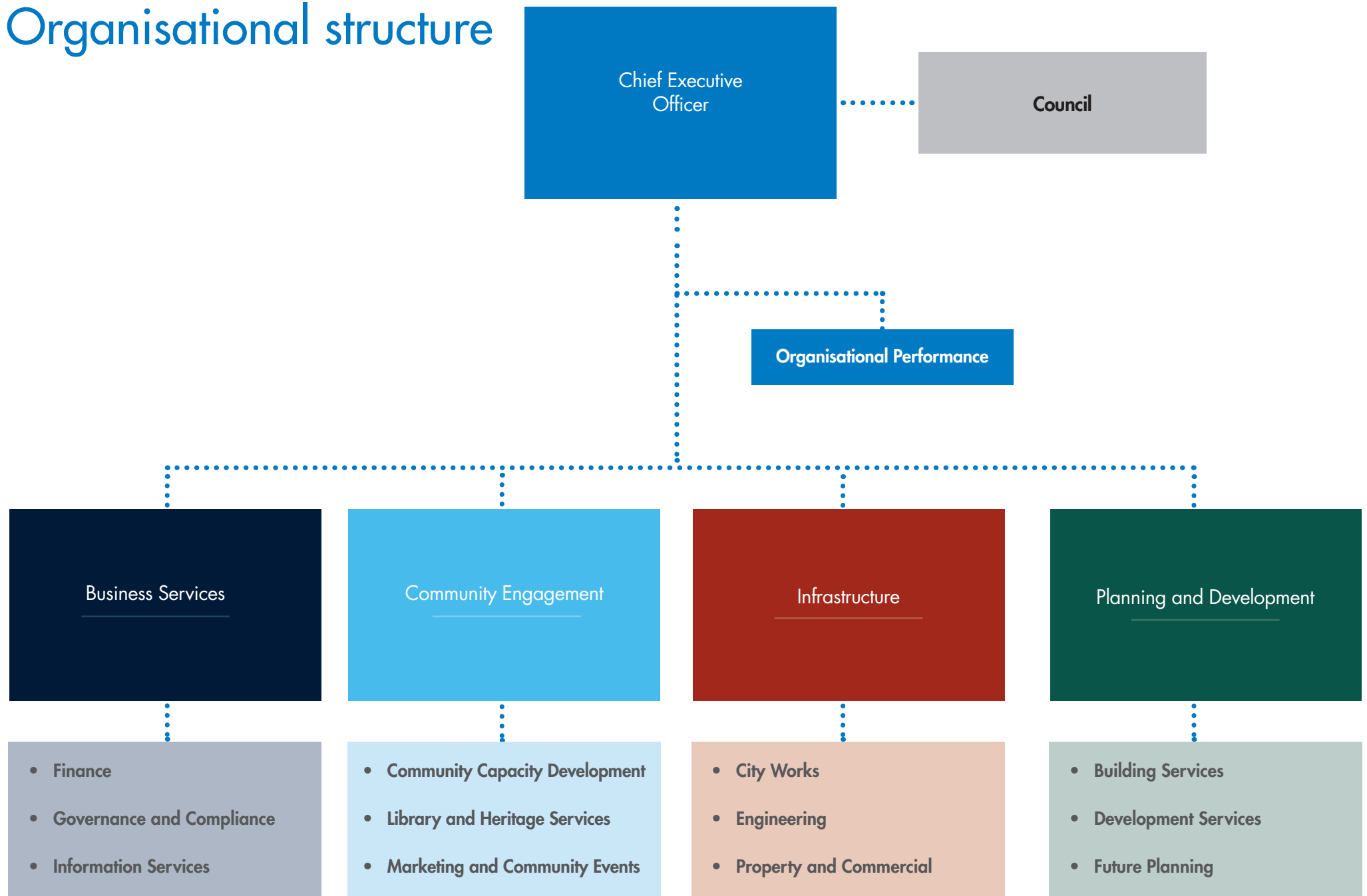
I look forward to another successful year in 2018/19, as we work together to make the best of our great City.



Ian Cowie PSM
Chief Executive
Officer



Organisational structure



City snapshot

CITY PROFILE

The municipal history of the City of Gosnells dates back to 1907, when the Gosnells Road Board was established to service a population of 737. The focus was on construction of roads to link the area's emerging timber mills and farms with the established communities in Perth and Fremantle.

The City of Gosnells was formally declared in 1977, and the current population of 122,922 occupies a 127km² area comprising the

communities of Gosnells, Beckenham, Langford, Maddington, Kenwick, Huntingdale, Thornlie, Orange Grove, Canning Vale, Martin and Southern River. Although road development and maintenance remain an integral part of the City's business, it also performs a wide range of functions and provides diverse services, including waste management, parks, leisure services, libraries, environmental health and community safety.

POPULATION GROWTH

122,922
2018

109,250
2010

34
median age

RESIDENTIAL
DWELLINGS



46,677

TOTAL NUMBER
OF ELECTORS

70,194

BORN OVERSEAS

1%
AMERICAS

5%
AFRICA

43%

23%
ASIA

4%
OCEANIA
(EXC AUSTRALIA)

10%
EUROPE

ECONOMY

Local
businesses

7,363



29,105 Local jobs

FAMILY COMPOSITION

37%



Couples with
children

23%



Couples with
no children

19%



Lone
person

11%



Lone
parents

10%



Other

TOP SIX LANGUAGES SPOKEN AT HOME

32% speaking a language other than English

5.3%
Mandarin

2.2%
Filipino/Tagalog

1.7%
Persian/Dari

1.7%
Cantonese

1.6%
Arabic

1.6%
Punjabi

TOP THREE OCCUPATIONS



17.6%
Technicians and Trade
Workers



15.4%
Professionals



14%
Clerical and Administrative
Workers

Key achievements

The City of Gosnells has completed many significant and worthwhile projects and made substantial progress on a number of long-term initiatives over the 2017/18 financial year. The following is a summary of some of the achievements.

Planning and Development

Gosnells Town Centre

Land acquisitions in Lissiman Street and Albany Highway around the Main Street intersection are paving the way for redevelopment of Gosnells Town Centre. This will include an exciting new mixed use building on Lot 800 Albany Highway, adjacent to the Town Square.



Gosnells Town Centre

Local Planning Strategy

The City has reviewed its Town Planning Scheme and consolidated its planning strategies into one new Local Planning Strategy. Along with the new Local Planning Scheme 24 (LPS 24), this sets the direction for growth and development in the City. Both documents are pending approval from the WA Planning Commission (WAPC) and will be advertised for public comment prior to implementation.

Maddington Kenwick Strategic Employment Area (MKSEA)

Development of Structure Plans for the MKSEA is continuing, with consultants engaged to undertake technical assessments of the land. Within Precinct 1, where rezoning to allow industrial use has already occurred, numerous businesses have located their premises alongside the Bunnings Distribution Centre, including Makita, Yusen Logistics, Hy-Clor and Tyres4U, supporting the City's vision for MKSEA as a future employment precinct for the region.



Bark in the Park, Harmony Fields Dog Bark, Maddington

Infrastructure

Harmony Fields Dog Park

A Bark in the Park event marked the opening of the new Harmony Fields Dog Park in Maddington. More than 1,000 dogs and their owners enjoyed the launch of the facility, which features separate fenced areas for small and large dogs. There dogs can be exercised off-leash and enjoy agility features, shade and watering stations

Renovations at The Shack

Young people in Gosnells now have a purpose-built youth centre following renovation of The Shack youth space. The renovations have provided a more flexible space for programs and activities, and a fun and safe place to meet up with friends. It includes a workshop room,

large drop-in area with computers, new kitchen and toilets.

Mills Park accolades continue

Mills Park was named Australian Leisure Facility of the Year at the National Awards of Excellence ceremony hosted by peak industry body Parks and Leisure Australia. This added to a long list of accolades for the revitalised park and centre in Beckenham, which has become a well-used community hub with top-class sporting facilities, welcoming spaces for residents to gather, play spaces for children and families and a 6 Star Green Star community facility rating.

Road improvements

A number of road improvement projects have occurred including ongoing dual lane upgrading of

Southern River Road, William Street widening from Camberley Street to Bickley Road, intersection improvements at Yale Road/Spencer Road and Ovens Road/Lachlan Street and the addition of left turning lanes from Langford Road to Nicholson Road, Nicholson Road to Spencer Road, Furley Road to Warton Road and Campbell Road to Ranford Road.

Streetscape upgrades

Streetscape works along Hicks Street and May Street, Gosnells, have made the area around Gosnells Primary School more pedestrian friendly and enhanced the entrances to Mary Carroll Park, recognising its significance in the community.

Business Services

Fire hazard inspections

A new electronic reporting system has provided efficiencies for Rangers who conduct fire hazard compliance inspections at more than 47,000 properties across the City. With more than 60% of the City declared bushfire prone, this faster reporting system is reducing bushfire risk and improving safety for the community.

Community Engagement

Fusion Food and Culture Festival

More than 10,000 people attended the City's Fusion Food and Culture Festival in November 2017, where they enjoyed food from over 30 countries and live entertainment and interactive activities representing more than 50 cultures.



Fusion Food and Culture Festival 2017

Wilkinson Homestead Museum 30th Anniversary

Community members came together to celebrate the 30th anniversary of the opening of the Wilkinson Homestead Museum at an open day in April. The museum provides a wonderful place to celebrate the rich social fabric of the community and the evolution of the City from a citrus growing region in the 1900s to the suburban centre it is today.



Killing Heidi performs at Illuminate 2018

Illuminate Night Party

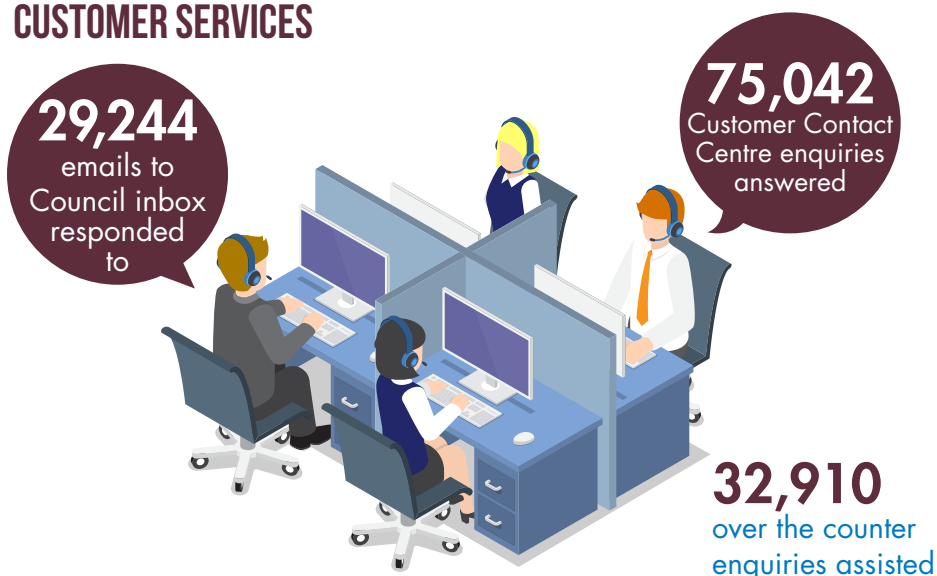
Killing Heidi and Justice Crew performed to a record crowd of 10,000 at the Illuminate Night Party, which kicked off the City's annual Homegrown Festival – a month long celebration of arts and culture in the City.

Neighbourhood Watch recognition

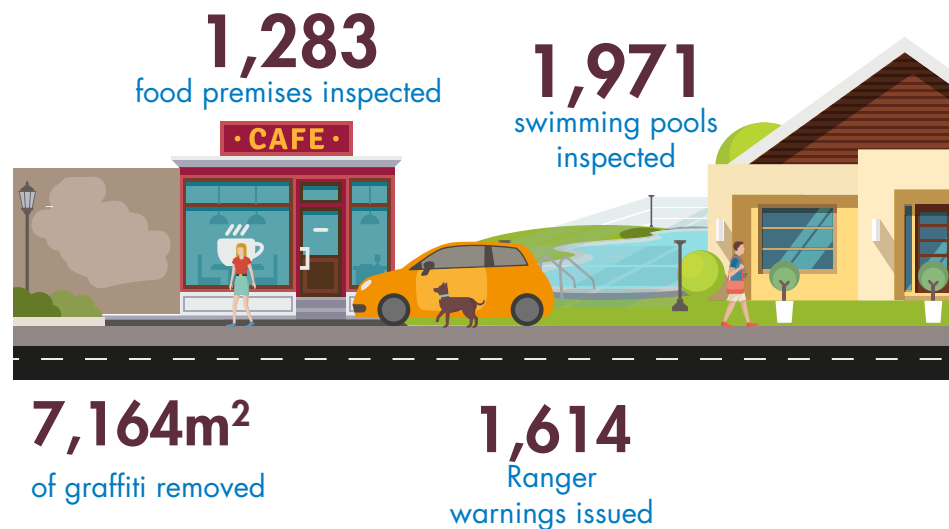
The City's long standing support of community safety and crime prevention initiatives in partnership with Gosnells District Neighbourhood Watch was recognised when the City received the 'gold category' award for Local Government Participation at the inaugural Neighbourhood Watch WA Awards.

Our key service delivery outcomes for 2017/18

CUSTOMER SERVICES



COMMUNITY SAFETY



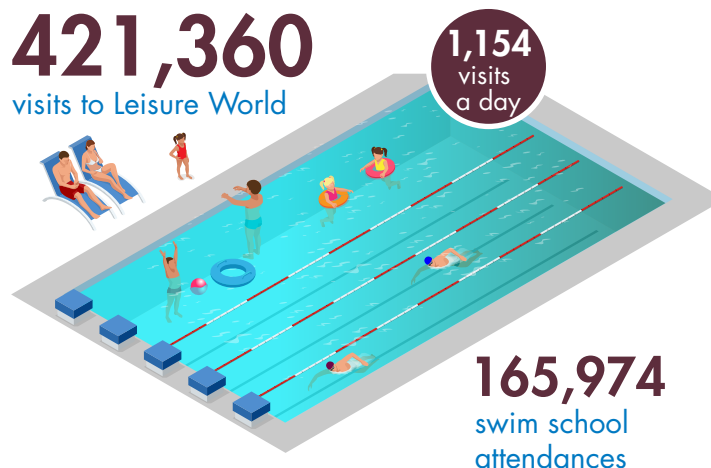
LEISURE AND RECREATION



10,000 people attended the Illuminate Night Party



421,360
visits to Leisure World



423,652
visits to City libraries



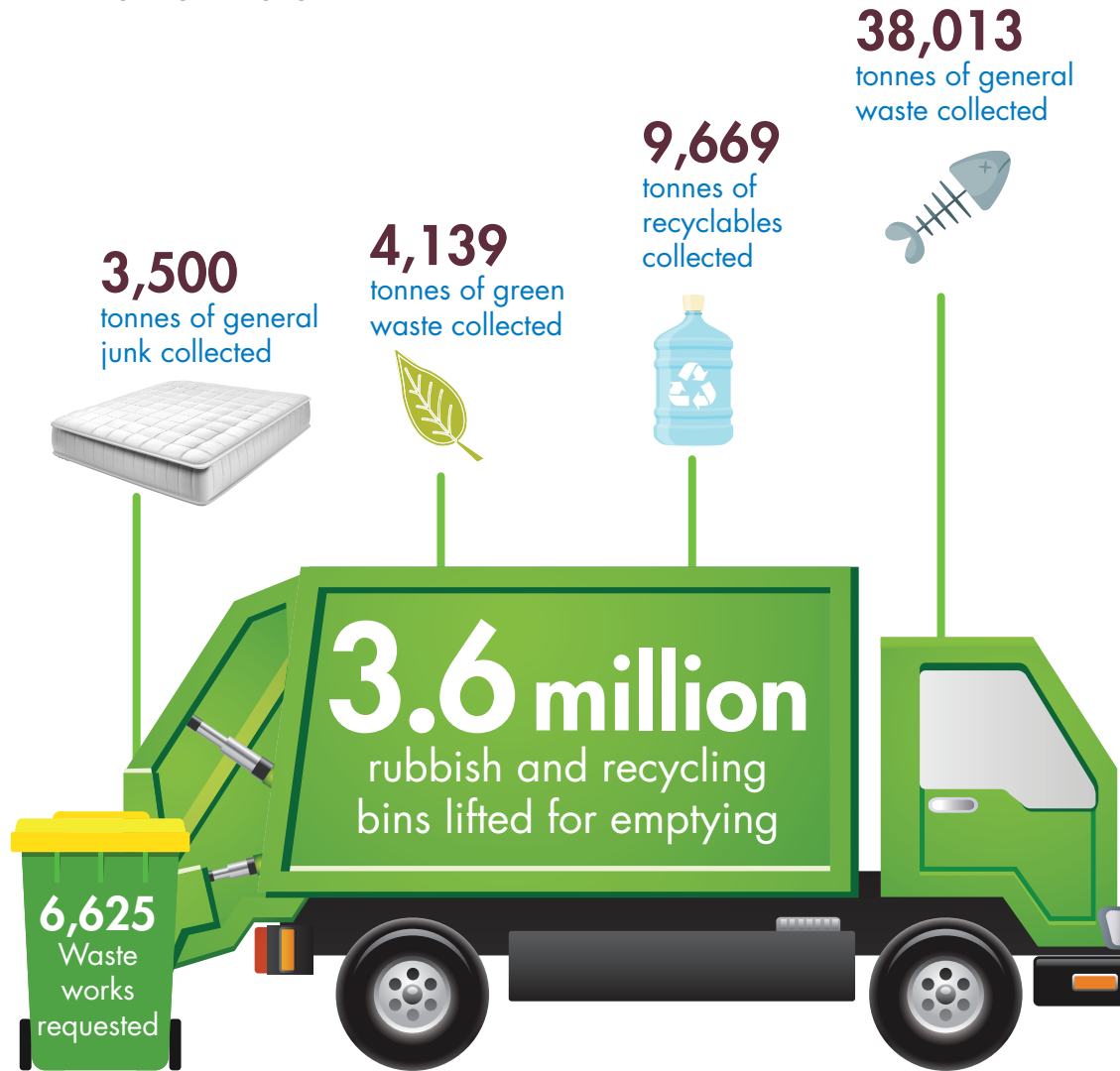
1,160
visits a day

621,957
library items loaned



53,352
registered library members

WASTE SERVICES



CITY GROWTH AND MAINTENANCE



Councillors

Councillors at 30 June 2018



Mayor Glenn Dewhurst

Term expires: 19 October 2019

Phone: 9496 0058

Email: gdewhurst@gosnells.com.au



Cr Julie Brown

Term expires: 16 October 2021

Phone: 9398 2191

Email: jbrown@gosnells.com.au



Cr Ron Mitchell

Term expires: 19 October 2019

Phone: 0427 995 597

Email: rmitchell@gosnells.com.au



Cr Teresa Lynes (Deputy Mayor)

Term expires: 19 October 2019

Phone: 0400 330 568

Email: tlynes@gosnells.com.au



Cr David Goode JP

Term expires: 16 October 2021

Phone: 9452 3352

Email: dgoode@gosnells.com.au



Cr Olwen Searle JP

Term expires: 16 October 2021

Phone: 9455 1951

Email: osearle@gosnells.com.au



Cr Peter Abetz

Term expires: 16 October 2021

Phone: 0409 076 155

Email: pabetz@gosnells.com.au



Cr Dave Griffiths

Term expires: 19 October 2019

Phone: 9394 0842

Email: dgriffiths@gosnells.com.au



Cr Serena Williamson

Term expires: 19 October 2019

Phone: 0490 886 003

Email: swilliamson@gosnells.com.au



Cr Carey-Ann Brett

Term expires: 16 October 2021

Phone: 0455 344 770

Email: cbrett@gosnells.com.au



Cr Julie Jones

Term expires: 16 October 2021

Phone: 0459 387 097

Email: jjones@gosnells.com.au

Councillor attendance – July 2017 to June 2018

Councillors	Ordinary Council Meetings (21)	Special Council Meetings (2)	Electors' Meeting (1)	Total (24)
Cr G Dewhurst (Mayor) (Mayor from 23 October 2017)	20	1	1	22
Cr T Lynes (Deputy Mayor) (Deputy Mayor from 23 October 2017)	19	2	1	22
Cr P Abetz (Cr from 23 October 2017)	13 (of 14)	1 (of 1)	1	15
Cr C Brett (Cr from 23 October 2017)	13 (of 14)	1 (of 1)	1	15
Cr J Brown (Deputy Mayor to 21 October 2017)	21	2	1	24
Cr D Goode	21	2	1	24
Cr D Griffiths	20	2	1	23
Cr P Griffiths (Cr to 21 October 2017)	6 (of 7)	1 (of 1)	N/A	7
Cr J Jones (Cr from 23 October 2017)	13 (of 14)	1 (of 1)	1	15
Cr R Mitchell	21	2	1	24
Cr O Searle (Mayor to 21 October 2017)	20	2	1	23
Cr L Storer (Resigned 1 May 2018)	15 (of 17)	2	1	18
Cr B Wiffen JP (Cr to 21 October 2017)	7 (of 7)	1 (of 1)	N/A	8
Cr S Williamson (Cr from 23 October 2017)	12 (of 14)	1	1	14

October 2017 Local Government Elections

- Term on Council expired 21 October for Cr P Griffiths and Cr B Wiffen
- Term on Council commenced 23 October for Cr P Abetz, Cr C Brett, Cr J Jones and Cr S Williamson.

2017/18 Special Council Meetings (2)

- 4 July 2017 – 2017/2018 Budget Special Council Meetings
- 23 October 2017 – Newly Elected Members' Special Council Meeting

2017/18 Electors' Meeting (1)

- 12 December 2017 – Annual Electors' Meeting

Future plans

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



Mayor Glenn Dewhurst with Matt Keogh MP, Chris Tallentire MLA and CEO Ian Cowie at Thornlie Bowling Club

Thornlie Clubs redevelopment

Thornlie will soon benefit from a new Community Recreation Hub thanks to funding from Lotterywest, the Federal Government and the Thornlie Bowling Club. The new facility will provide flexible accommodation for

community and club use, alongside improved amenities for the popular Thornlie Bowling and Tennis Clubs, which will enable future expansion of both clubs.

Park redevelopments

Work is well under way on the redevelopment of Holling Street Reserve, in Maddington, to include a shaded playground, barbecue and picnic facilities, footpaths, fitness equipment and more.

The subdivision of Emerald Park, in Canning Vale, is in its final stages, with progress on track for construction to begin early in 2019.

Also in the first half of 2019, the City will seek tenders for redevelopment of Robinson Park, in Gosnells, as part of its comprehensive Public Open Space Strategy, which guides the provision of parks, reserves and other spaces throughout the growing community.

Southern River Business Park

The City is progressing plans to develop City owned land in Southern River for commercial purposes, to provide a major economic and employment node for the expanding residential area. Land development is anticipated to commence in 2018/19.

Gosnells Town Centre CCTV

The City was successful in securing a grant from WA Police to install public space CCTV within the Gosnells Town Centre. The CCTV will record activity 24 hours a day and the City will be able to retrieve footage which will assist WA Police in their investigations. In addition, it is hoped that the presence of cameras will enhance the feeling of safety for users of the Gosnells Town Centre.



Emerald Park, Canning Vale

Employee salaries

The City of Gosnells employs 679 people in a diverse range of roles to serve the community. The number of City employees earning an annual salary of \$100,000 or more is set out below, in bands of \$10,000.

Salary range \$	2017/18
100,000 – 109,999	34
110,000 – 119,999	9
120,000 – 129,999	5
130,000 – 139,999	3
140,000 – 149,999	1
150,000 – 159,999	5
160,000 – 169,999	2
170,000 – 179,999	0
180,000 – 189,999	0
190,000 – 199,999	0
200,000 – 209,999	0
210,000 – 219,999	0
220,000 – 229,999	4
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	0
290,000 – 299,999	0
300,000 – 309,999	0
310,000 – 319,999	1



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
4. Such other information as may be prescribed

The City received one complaint alleging a breach of the Local Government (Rules of Conduct) Regulations 2007. The complaint was made by Mr Leon Walker and alleged that Mayor Glenn Dewhurst breached a local law relating to conduct at a meeting by either not being factual when dealing with a matter before the Council, or knowingly making a false or misleading statement.

The complaint was referred to the Local Government Standards Panel and is yet to be determined.

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 the City provides.

During 2017/18 the City continued to utilise external funding to deliver capacity building opportunities for people with disability and their families, through its Community Independence Program and Inclusive Recreational Service.

The City also addressed access issues at:

- Heritage FM – provision of handrail at the front entrance.
- Maddington Community Centre – requested tenders for the conversion of all toilets to be universally accessible.

In addition, all new City staff undertook Disability Awareness training, which is provided during Corporate inductions.



Information management update

The City has an ongoing commitment to good record management practices and continues to comply with the State Records Act 2000. In accordance with the Act, the Recordkeeping Plan for the City will be reviewed by the State Records Commission in March 2022 but evaluation by the City is a continuous process. 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.

Digitisation of historic records

Minutes from the Gosnells Road Board (May 1945) to present day Council meetings have been completed. Work will continue on digitising books from February 1928 to April 1945.

Freedom of Information (FOI) statistics

The following table displays FOI applications processed during the 2017/18 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. The City handled 18 requests outside the FOI process by using its Release of Information Policy, AP 4.2.3.

Access type	Personal	Non-personal	Total
Access in full	0	0	0
Edited access	0	19	19
Access refused	0	0	0
No documents found	0	0	0
Withdrawn by applicant	0	3	3
Not finalised	0	2	2
Total	0	24	24

Note: The above information is from Freedom of Information Statistics – Annual Statistical Return (1 July 2017 to 30 June 2018).

Concise Financial Report

for the year ended 30 June 2018

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 from the Full Financial Report for the year ended 30 June 2018. 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 2018 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 to 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 2018, are in my opinion properly drawn up to present fairly the financial position of the City of Gosnells as at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are consistent with the Act, the Australian Accounting Standards.



Ian Cowie

Chief Executive Officer
City of Gosnells

Signed on the 6 November 2018.

Discussion and analysis of the Financial Statements for the year ended 30 June 2018

Statement of Comprehensive Income

The Net Result of \$6,681,488 reflects the change in net assets and it refers to the value of assets deployed or ready to deploy in order to meet the City's objectives.

Total Revenue of \$123,096,523 for the year ended 30 June 2018 is \$2,647,513 lesser than 2016/17 revenue. The variance is primarily due to an increase in developer contributed infrastructure assets which was recognised as non cash income. 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 \$116,415,035 is \$13,230,036 greater than 2016/17 actual expenses. The variance is primarily due to the loss on the disposal of engineering and parks assets arising from derecognition of soft landscaping and trees. Further to this, there was an increase in reimbursements made to developers for common infrastructure works, outline development plan and public open space contributions from the prior year.

Total Expenses is comprised of Operating Expenses and Loss on Disposal of Assets.

Total Other Comprehensive Income of \$40,326,250 has resulted from a revaluation of the City's Infrastructure Assets, which consists of roads, footpaths and kerbs, bridges, drainage and parks development. This is a non cash revenue item. The amount refers to a decrease in the carrying amount arising from a revaluation of assets.

Statement of comprehensive income by nature or type

for the year ended 30 June 2018

	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue			
Rates	65,712,636	65,337,000	63,585,429
Operating grants, subsidies and contributions	6,973,533	6,574,972	9,180,598
Fees and charges	23,446,659	23,708,624	22,766,490
Interest earnings	4,612,600	4,522,000	4,531,538
Other revenue	143,163	108,000	518,872
	<u>100,888,591</u>	<u>100,250,596</u>	<u>100,582,927</u>
Expenses			
Employee costs	(43,687,750)	(45,110,726)	(42,194,685)
Materials and contracts	(26,558,076)	(33,422,389)	(26,367,025)
Utility charges	(4,887,304)	(5,085,898)	(4,699,929)
Amortisation and depreciation	(24,288,624)	(24,145,219)	(23,238,988)
Interest expenses	(456,285)	(524,525)	(97,371)
Insurance expenses	(1,015,615)	(1,953,171)	(1,819,920)
Other expenses	(5,096,278)	(1,703,505)	(2,571,206)
	<u>(105,989,932)</u>	<u>(111,945,433)</u>	<u>(100,989,124)</u>
Non-operating grants, subsidies and contributions	19,550,091	16,217,319	24,181,708
Fair value adjustments to financial assets at fair value through profit or loss	177,775	103,000	193,740
Revaluation on investment property		0	106,126
Profit on asset disposals	2,480,066	15,833,842	679,535
Loss on asset disposals	(10,425,103)	(917,805)	(2,195,875)
	<u>11,782,829</u>	<u>31,236,356</u>	<u>22,965,234</u>
Net result	<u>6,681,488</u>	<u>19,541,519</u>	<u>22,559,037</u>

	2018 Actual \$	2018 Budget \$	2017 Actual \$
Other comprehensive income			
Changes on revaluation of non-current assets	(40,326,250)	0	(2,633,660)
Total other comprehensive income	<u>(40,326,250)</u>	<u>0</u>	<u>(2,633,660)</u>
Total comprehensive income	<u>(33,644,762)</u>	<u>19,541,519</u>	<u>19,925,377</u>

Statement of comprehensive income by program

for the year ended 30 June 2018

	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue			
General purpose funding	75,546,332	74,973,000	75,703,579
Governance	23,807	7,417	6,056
Law, order, public safety	544,929	753,159	683,098
Health	327,087	307,799	304,066
Education and welfare	788,576	802,892	780,823
Community amenities	15,879,033	15,939,283	15,540,177
Recreation and culture	4,204,621	4,053,942	3,950,093
Transport	353,351	358,000	324,255
Economic services	2,301,725	2,403,467	2,329,490
Other property and services	919,130	651,637	961,292
	<u>100,888,591</u>	<u>100,250,596</u>	<u>100,582,929</u>
Expenses excl. financial costs			
General purpose funding	(1,512,729)	(1,730,747)	(1,873,794)
Governance	(6,152,972)	(6,622,223)	(4,945,570)
Law, order, public safety	(4,070,235)	(4,267,204)	(3,701,648)
Health	(1,239,889)	(1,338,936)	(1,344,090)
Education and welfare	(4,086,985)	(4,430,611)	(4,174,270)
Community amenities	(22,533,310)	(21,995,216)	(20,239,561)
Recreation and culture	(35,208,317)	(36,742,150)	(33,853,242)
Transport	(26,766,119)	(28,333,453)	(26,009,978)
Economic services	(2,839,524)	(3,105,698)	(2,933,597)
Other property and services	(1,123,567)	(2,854,670)	(1,816,005)
	<u>(105,533,647)</u>	<u>(111,420,908)</u>	<u>(100,891,755)</u>
Finance costs			
Community amenities	(130,756)	(150,000)	(97,371)
Recreation and culture	(325,529)	(374,525)	0
	<u>(456,285)</u>	<u>(524,525)</u>	<u>(97,371)</u>

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

General purpose funding	177,775	103,000	193,740
	<u>177,775</u>	<u>103,000</u>	<u>193,740</u>

Revaluation of investment property

General purpose funding	0	0	106,126
	<u>0</u>	<u>0</u>	<u>106,126</u>

Non-operating grants, subsidies and contributions

Law, order, public safety	35,372	0	829,200
Community amenities	6,116,502	6,340,000	7,673,942
Recreation and culture	1,971,360	2,745,839	1,116,439
Transport	11,410,555	7,131,480	14,412,468
Other property and services	16,302	0	149,659
	<u>19,550,091</u>	<u>16,217,319</u>	<u>24,181,708</u>

Profit/(loss) on disposal of assets

Recreation and culture	(4,122,339)	0	(681,605)
Transport	(6,271,086)	(2,723,594)	(176,409)
Other property and services	2,448,388	17,639,631	(658,326)
	<u>(7,945,037)</u>	<u>14,916,037</u>	<u>(1,516,340)</u>

Net result

	<u>6,681,488</u>	<u>19,541,519</u>	<u>22,559,037</u>
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Other comprehensive income

Changes on revaluation of non-current assets	(40,326,250)	0	(2,633,660)
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Total other comprehensive income	<u>(40,326,250)</u>	<u>0</u>	<u>(2,633,660)</u>
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Total comprehensive income

	<u>(33,644,762)</u>	<u>19,541,519</u>	<u>19,925,377</u>
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Statement of financial position

as at 30 June 2018

	2018 Actual \$	2017 Actual \$
Current assets		
Cash and cash equivalents	124,582,731	117,850,936
Trade and other receivables	7,543,790	7,725,307
Inventories	288,840	313,832
Assets held for sale	0	2,279,293
Total current assets	132,415,361	128,169,368
Non-current assets		
Investments	0	2,145,080
Other receivables	1,200,200	1,091,644
Property, plant and equipment	264,643,484	269,314,130
Infrastructure	991,654,552	1,035,663,560
Intangible assets	2,755,371	2,767,720
Investment property	3,600	1,132,900
Other financial assets	154,668	15,464
Assets held for sale	2,700,711	0
Total non-current assets	1,263,112,586	1,312,130,498
Total assets	1,395,527,947	1,440,299,866
Current liabilities		
Trade and other payables	10,665,997	12,972,488
Current portion of long term borrowings	1,385,894	8,746,705
Provisions	8,949,159	9,077,600
Total current liabilities	21,001,050	30,796,793
Non-current liabilities		
Provisions	677,203	622,723
Long term borrowings	10,758,778	12,144,672
Total non-current liabilities	11,435,981	12,767,395
Total liabilities	32,437,031	43,564,188
Net assets	1,363,090,916	1,396,735,676

	2018 Actual \$	2017 Actual \$
Equity		
Retained surplus	412,567,274	409,728,599
Reserves – cash backed	92,034,298	88,065,287
Revaluation surplus	858,489,344	898,941,790
Total equity	1,363,090,916	1,396,735,676

Discussion and analysis of the financial statements for the year ended 30 June 2018

Statement of financial position

Overall Equity has decreased during the 2017/18 financial year by \$33,644,762 to \$1,363,090,916, as a result of a net decrease in the value of the City's Infrastructure Assets arising from management's valuation performed in current year.

Current Assets as at 30 June 2018 have increased by \$4,245,993 to \$132,415,361 compared to 2016/17, as result of an increase in cash received from the sale of the City's plant and equipment and investments.

Current Liabilities as at 30 June 2018 have decreased by \$9,795,743 to \$21,001,050 compared to 2016/17, as a result of the City's repayment of its Mills Park loan and a large amount of Infrastructure Bonds being refunded during the year.

Statement of changes in equity

for the year ended 30 June 2018

	Retained surplus \$	Reserves cash backed \$	Revaluation surplus \$	Total equity \$
Balance as at 1 July 2016	395,008,803	78,123,538	903,677,960	1,376,810,301
Comprehensive income				
Net result	22,559,037	0	0	22,559,037
Changes on revaluation of non-current assets	0	0	(2,633,660)	(2,633,660)
Total comprehensive income	22,559,037	0	(2,633,660)	19,925,377
Revaluation write back on disposals	2,102,508	0	(2,102,508)	0
	2,102,508	0	(2,102,508)	0
Transfers to/(from) reserves	(9,941,749)	9,941,749	0	0
Balance as at 30 June 2017	409,728,599	88,065,287	898,941,792	1,396,735,678
Comprehensive income				
Net result	6,681,488	0	0	6,681,488
Changes on revaluation of non-current assets	0	0	(40,326,250)	(40,326,250)
Total comprehensive income	6,681,488	0	(40,326,250)	(33,644,762)
Revaluation write back on disposals	126,198	0	(126,198)	0
	126,198	0	(126,198)	0
Transfers to/(from) reserves	(3,969,011)	3,969,011	0	0
Balance as at 30 June 2018	412,567,274	92,034,298	858,489,344	1,363,090,916

Discussion and analysis of the financial statements for the year ended 30 June 2018

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 Cash Backed balance were due to a net increment in the transfers to and from reserve.

Revaluation surplus has decreased as a result of management's valuation being performed in the current year, indicating a net decrease in the value of the City's Infrastructure Assets.

Statement of cash flows

for the year ended 30 June 2018

Cash flows from operating activities

Receipts

	2018 Actual \$	2018 Budget \$	2017 Actual \$
Rates	64,530,515	66,637,000	62,649,692
Operating grants, subsidies and contributions	6,973,533	6,474,972	9,180,598
Fees and charges	24,458,245	23,858,624	21,821,725
Interest earnings	4,843,111	4,121,909	4,415,754
Goods and services tax	5,045,313	5,900,000	5,335,253
Other revenue	143,163	108,000	518,872
	105,993,880	107,100,505	103,921,894

Payments

Employee costs	(43,580,820)	(45,360,726)	(41,707,378)
Materials and contracts	(27,958,070)	(31,459,984)	(25,848,857)
Utility charges	(5,910,922)	(5,085,898)	(2,246,705)
Interest expenses	(415,593)	(540,677)	(90,111)
Insurance expenses	(1,015,614)	(1,953,171)	(1,819,920)
Goods and services tax	(5,111,794)	(5,850,000)	(5,418,913)
Other expenses	(5,096,277)	(1,703,505)	(2,571,206)
	(89,089,090)	(91,953,961)	(79,703,090)

Net cash provided by operating activities

16,904,790	15,146,544	24,218,804
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Statement of cash flows continued

for the year ended 30 June 2018

Cash flows from investing activities

Payments for development of land held for resale	(78,950)	(11,034,228)	(1,440,993)
Payments for purchase of property, plant and equipment	(4,685,898)	(14,336,539)	(11,105,523)
Payments for construction of infrastructure	(17,632,395)	(30,559,975)	(17,617,693)
Non-operating grants, subsidies and contributions used for the development of assets	13,231,580	16,217,319	13,307,608
Proceeds from sale of assets	5,555,720	19,906,200	2,640,538
Proceeds from sale of investments	2,182,482	0	0
Fee rebates received	1,170	0	5,245
Payments for investment property	0	0	(1,026,774)

Net cash (used in) investing activities

Cash flows from financing activities

Repayment of loan facilities	(8,746,704)	(13,873,000)	(13,238,623)
Proceeds from new loan facilities	0	19,417,500	15,830,000
Net cash provided by (used in) financing activities	(8,746,704)	5,544,500	2,591,377

Net increase in cash held

Cash at beginning of year	117,850,936	110,740,672	106,278,347
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Cash and cash equivalents at the end of the year

	2018 Actual \$	2018 Budget \$	2017 Actual \$
	(78,950)	(11,034,228)	(1,440,993)
	(4,685,898)	(14,336,539)	(11,105,523)
	(17,632,395)	(30,559,975)	(17,617,693)
	13,231,580	16,217,319	13,307,608
	5,555,720	19,906,200	2,640,538
	2,182,482	0	0
	1,170	0	5,245
	0	0	(1,026,774)
	(1,426,291)	(19,807,223)	(15,237,592)
	(8,746,704)	(13,873,000)	(13,238,623)
	0	19,417,500	15,830,000
	(8,746,704)	5,544,500	2,591,377
	6,731,795	883,821	11,572,589
	117,850,936	110,740,672	106,278,347
	124,582,731	111,624,493	117,850,936

Discussion and analysis of the financial statements for the year ended 30 June 2018

Statement of cash flows

The overall impact on the cash position at the close of the financial year is an increase of \$6,731,795 to \$124,582,731. This is principally a result of cash flow from Operating Activities exceeding those of Investing and Financing Activities.

Net Cash provided by Operating Activities of \$16,904,790 has decreased compared to 2016/17, due to an increase in bond refunds being issued as well as an increase in reimbursements made to developers for common infrastructure works, outline development plan and public open space contributions from the prior year.

Net cash used in Investing Activities of \$1,426,291 has decreased compared to 2016/17, due to a significant decrease in payments for the purchase of property, plant and equipment and investment property. In addition, there has been an increase in proceeds from the sale of assets and investments.

Net Cash used in Financing Activities of \$8,746,704 has decreased compared to 2016/17, due to the delay of loan funded projects which removed the City's requirement to draw down on existing loan facilities.

INDEPENDENT AUDITOR'S REPORT

TO: THE RATEPAYERS OF CITY OF GOSNELLS

Report on the Concise Financial Report

Opinion

The concise financial report, which comprises the Statement of Financial Position as at 30 June 2018, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and related notes, are derived from the audited financial report of **City of Gosnells** for the year ended 30 June 2018.

In our opinion, the accompanying concise financial report, including the discussion and analysis of **City of Gosnells** for the year ended 30 June 2018 is consistent, in all material respects, with the audited financial report, in accordance with AASB 1039: *Concise Financial Reports*.

Concise Financial Report

The concise financial report does not contain all the disclosures required by Australian Accounting Standards applied in the preparation of the audited financial report of **City of Gosnells**. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon. The concise financial report and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

Independence

In conducting our audit, we have complied with the independence and ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* that are relevant to our audit of the concise financial report in Australia.

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial report in our report dated 6th November 2018. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period.

INDEPENDENT AUDITOR'S REPORT (Cont'd)

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 whether the concise financial report is consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810: *Engagements to Report on Summary Financial Statements*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the concise financial report of **City of Gosnells** for the year ended 30 June 2018 included on **City of Gosnells'** website. The Council is responsible for the integrity of **City of Gosnells'** website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited concise financial report to confirm the information contained in this website version of the concise financial report.



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



A MACRI
PARTNER

PERTH

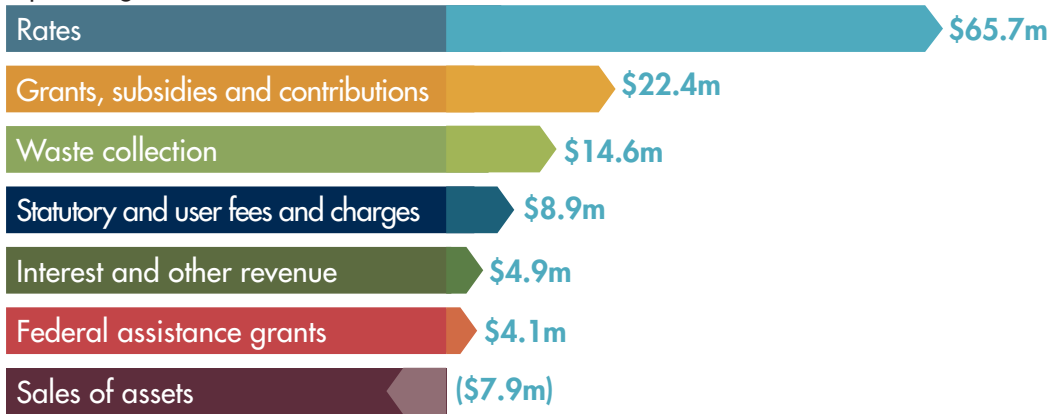
⁴/₆

DATED THIS 6 DAY OF NOVEMBER 2018.

Budget revenue and expenditure

Budget revenue

Operating revenue sources



Budget expenditure

Areas of expenditure for every \$100 Council receives:





bosston
Auto Solutions
1300 551 998
bosston.com.au

WESTERN AUSTRALIA
1EDX-141



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