

CITY OF BELMONT

Annual Report 2020-2021



History of the City of Belmont

The municipality of Belmont was established in 1898 as the Belmont Road Board. In 1907, the name was changed to Belmont Park Road Board and remained unchanged until 1961 when it became the Shire of Belmont. In 1979, the present administration building was opened in Faulkner Park and the municipality became the City of Belmont.

The municipality was called Belmont after Belmont Farm, which had been established in the area in 1830 by Captain F. Byrne. The farm of 2,000 acres was later acquired by John Hardey who had already established Grove Farm, also 2,000 acres, on the banks of the Swan River nearby. John Hardey and his son Robert were destined to own almost the entire Belmont area.

In 1848, Hardey allowed the first race meeting to be held on Grove Farm. Although race meetings had been held at other venues around Perth, a site on Hardey's farm soon became Perth's permanent racecourse and the horse racing industry grew up around it.

Robert Hardey later built a mansion on Grove Farm in 1880 which he called 'Belmont House'. In 1889, he leased the house to J. Handron-Smith, a horse racing owner, who later became secretary of the West Australian Turf Club and went on to become the first elected Chairman of the Belmont Road Board.

The early settlers in Belmont found the land to be of poor quality for cropping and swampy in many parts. Needless to say, many of the Chinese migrants who came with the Gold Rush in the 1890s found the swampy areas excellent for some of Perth's first market gardens.

In 1911, the population of Belmont was 1,088. Today, the City of Belmont is a thriving municipality of more than 42,000 residents with extensive parklands and some outstanding facilities such as the Ascot Racecourse and surrounding residential stables precinct, the picturesque marina at Ascot Waters, the inspired Adachi Park which both offer spectacular views of the iconic Swan River, Belmont Oasis Leisure Centre, Belmont Forum Shopping Centre and the iconic Belmont Hub.

Belmont is a mix of residential, commercial, and light industrial properties and includes within its boundaries, the Perth Domestic and International Airports. The City is made up of the localities of Ascot, Redcliffe, Belmont, Cloverdale, Kewdale, Rivervale and since October 2013 is divided into three wards, namely East, West and South. With an area of 40 square kilometres, the City of Belmont is in close proximity to air, rail and major road arteries and lies only six kilometres from the centre of Perth.



Acknowledgement of Country

The City of Belmont acknowledges the Noongar Nation and specifically the Whadjuk people as the Traditional Custodians of this land and we pay our respects to Elders, past, present and future leaders. We also acknowledge all Aboriginal and Torres Strait Islander peoples living within the City of Belmont.



Belmont Museum Creature Feature

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City of Belmont Councillors

as at 30 June 2021

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City of Belmont Committees

Executive Committee

Cr Phil Marks – Mayor*
Cr George Sekulla JP – Deputy Mayor**
Cr Jenny Davis – Presiding Member – Standing Committee (Audit and Risk)
Cr Steve Wolff – Presiding Member – Standing Committee (Environmental)
Cr Janet Powell – Presiding Member – Standing Committee (Community Vision)

Standing Committee

Audit and Risk

Cr Phil Marks – Mayor (Ex Officio)
Cr Margie Bass**
Cr Jenny Davis*
Cr George Sekulla JP
Mr Ron Back – Independent Member

Community Vision

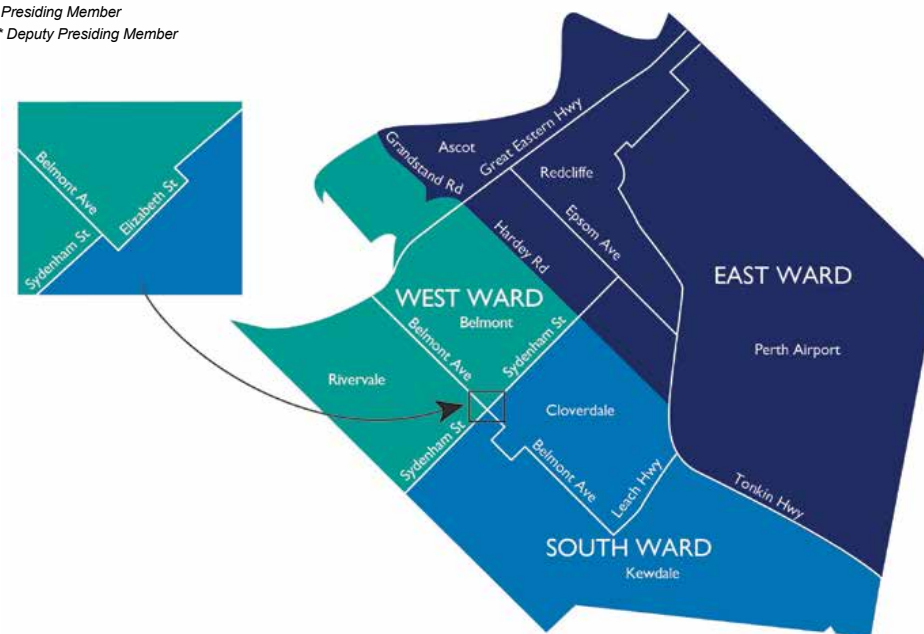
Cr Phil Marks – Mayor (Ex Officio)
Cr Janet Powell*
Cr Robert Rossi JP
Cr Bernie Ryan**

Environmental

Cr Phil Marks – Mayor (Ex Officio)
Cr Lauren Cayoun
Cr Bernie Ryan**
Cr Steve Wolff*

* Presiding Member

** Deputy Presiding Member



Mayor's Report



I am pleased to present the City of Belmont's 2020-2021 Annual Report.

This year our strong financial management put us in a good position to be able to assist residents and businesses impacted by COVID-19.

The start of the 2020-2021 financial year was unlike any other due to the COVID-19 pandemic, with Council providing ratepayers with a range of options to help anyone who had experienced financial hardship.

In total the City provided more than \$2 Million in assistance measures in response to the pandemic. Council also committed to a zero per cent increase in rate revenue and adopted the Financial Hardship Policy (COVID 19) for the 2020-2021 financial year. A Financial Hardship Policy continues to be offered to all eligible ratepayers.

While COVID-19 did result in the delay of some projects, focus was maintained on delivering as many as possible including our much anticipated community centre – Belmont Hub which opened in October 2020.

The visually stunning Belmont Hub, with architectural features not seen before in Western Australia, has become a focal point for our community in the civic heart of the City.

The building features Ruth Faulkner Library over two levels, a digital hub and multimedia recording studio, film screening room, seniors hub, state-of-the-art Belmont Museum, demonstration kitchen, office space for community service organisation providers on the second floor, and much more.

It's also a highly functional, multi-purpose and cross-generational centre that is already enhancing our community by providing and integrating a wide range of services and activities.

Belmont Hub continues to achieve milestones since it opened.

Within the first month of opening, more than 22,655 people visited Belmont Hub. Belmont Hub's popularity continued with a 57% increase in monthly average visitors over the first six months, along with a 67% monthly average increase in membership over the first six months.

In February Ruth Faulkner Library was awarded 'Highly Commended' in the Public Libraries Category of the 2021 Australian Library Design Awards, which recognises some of the best new library designs in Australia.

We also welcomed our first tenants to the second floor of Belmont Hub which has been purpose built for community service providers.

As a Council we continue to consult and engage with our community, and work hard to respond to what they have to say.

In response to the community's feedback about addressing community safety issues, the Community Safety Taskforce and Community Safety Alliance continued to make valuable contributions.

The City successfully secured more than \$325,000 of grant funding for three projects to engage with local youth, as well as \$540,000 to expand the City's CCTV network.

These grants again demonstrated the City of Belmont's commitment to addressing the community's perception about safety and security.

The Safe School Project, the Hip Hop Ed program and Social Street Basketball program were all aimed at developing opportunities for our youth to participate in activities that they might not ordinarily have access to and have proven to be a great success.

Some of the City's initiatives we support such as the RUAH Community Services' Belmont Safeguarding Families Advocacy Service, which helps women escaping family and domestic violence, are not normally the remit of local government – but the City does not shy away from tackling challenging issues.

Over the past year we continued to provide a number of free community festivals including Kids Fest, Autumn River Festival, Let's Celebrate Festival and also The Imaginarium - the City's fringe-style festival.

This year The Imaginarium provided a much needed income boost to performers from the performing arts industry ravaged by COVID-19 cancellations, as well as providing our community with fantastic free entertainment.

Significantly this year saw the return of the City's Art Awards and we are proud to have facilitated this important cultural event which aims to be a highlight of our annual arts calendar.

A total of 331 entries were showcased as part of the exhibition, including 70 entries from City of Belmont based artists, with Perth artist, Matthew Wright taking home the overall award and the top prize of \$10,000 sponsored by Perth Airport.

The exhibition was a fantastic showcase of artists and creative practitioners from the City of Belmont, and across Perth and Western Australia.

The City recognises the importance of working with the community to create an environment where all residents can participate in community life to maximise their full potential and feel valued as equal and involved citizens.

Our residents are important advocates for their community and as such we continue to strive to work with them to utilise the strengths, knowledge and skills that are abundant across our diverse City.

The City works collaboratively across a broad range of community groups, events and projects and it is this collaboration that enables the City to reach our strategic goals.

We look forward to continuing to working to ensure The City of Belmont remains the City of Opportunity.

Cr Phil Marks
Mayor

Chief Executive Officer's Report



It is with pleasure I present my Report for the 2020-2021 year.

During this reporting period the City continued to navigate the way forward in response to the global pandemic.

At the start of the pandemic Council provided ratepayers with a range of options to help those who had experienced financial hardship as a result of COVID-19, and continues to offer a Financial Hardship Policy to those who are eligible.

Businesses responded well to the City's Belmont Business Innovation Grant Program, and the Interim COVID-19 Belmont Business Innovation Grant Program, introduced during this time.

As we adjusted to this 'new normal' the City continued to deliver excellent services and projects to the City of Belmont community that focused on its needs.

Despite the pandemic's impact on some projects, the City's staff remained focussed on delivering as many as possible including an updated website, and the new community centre – Belmont Hub which opened in late October.

Founded on a strong focus to provide community and social benefit, the City embarked on the Belmont Hub project with a vision to increase the investment in human and social capital, as well as support economic growth and opportunity within the region.

Belmont Hub is the largest construction project the City has undertaken to date in its history. It represents a major investment to facilitate the delivery of services to the community.

Belmont Hub came about with the extraordinary good planning to create this centrally located building which includes Ruth Faulkner Library, Belmont Museum, a senior's hub, café, office space for community service organisations, and more - all together within the same footprint. It has become a 'one stop shop' for our community and beyond to learn, discover, experience and engage.

The City is committed to improving community safety - that is why it initiated the Community Safety Taskforce and the Community Safety Alliance. Through these groups, we are empowering our community with helpful information, statistics, and advice to share and help create a safer community for all.

During this reporting period, the City of Belmont welcomed the State Government's plan to regulate copper, similar to other metals like gold and silver. This came as a result of the Taskforce writing to the Police Minister requesting the State Government introduce new legislation to address the metal theft issue and the sale of scrap metal, when it was identified as an issue affecting our community members.

It was pleasing to have our advocacy on this issue acted upon.

Encouraging growth of the City's major business area – Belmont Business Park – has been a high priority and vision of the City for a long time.

With the Australian Government's assistance, the City of Belmont has been able to transform the Belmont Business Park from its previous industrial character to a more diverse business park with an investment friendly environment. During this reporting period this important project was completed.

Apart from the infrastructure benefits delivered within Belmont Business Park, it is hoped in time it will provide continued business growth, offering more job opportunities to meet the needs of the region and provide sustainable transport options for workers and visitors.

Balancing our community's diverse needs and often competing priorities is always a challenge for local government, however we continue to show our capability to adapt and meet those challenges.

None of our achievements would be realised without the hard work of Councillors and staff working towards a shared vision.

I would like to acknowledge our local State and Federal members, our many community and not-for-profit partners and agencies, stakeholders, and volunteers.

Thank you also to our residents, ratepayers and businesses who make the City of Belmont community what it is.

Working together we can all make a difference to deliver our plans for the future to ensure the City of Belmont – the City of Opportunity, continues to be a great place to live, work, play and invest.

John Christie
Chief Executive Officer



Harmonise Cultural Festival



Belmont Hub Plaza

Executive Committee Report



The Executive Committee is responsible for making recommendations to Council on Chief Executive Officer (CEO) appointments, contract reviews/renewals, performance and remuneration reviews and assessments and the processing of complaints against the CEO, Councillors and the Mayor as prescribed in Council's Complaints Management Procedure.

During 2020-2021 the Executive Committee met on two occasions; in August 2020 to conduct the CEO's 2019-2020 performance appraisal and to set goals and targets for 2020-2021 and in April 2021 to conduct the CEO's Interim Review for 2020-2021 and to conduct an annual remuneration review for the Chief Executive Officer for 2019-2020.

The Committee was not required to meet about any complaints against the Chief Executive Officer, Mayor or Councillors.

I would like to thank the members of the Committee including Cr Sekulla (Deputy Presiding Member), Cr Powell, Cr Wolff and Cr Davis, as well as the Chief Executive Officer and staff for their assistance during the year and the support I have received as Presiding Member.

Report By
Cr Phil Marks
Presiding Member
Executive Committee

Standing Committee (Audit And Risk) Report



In the year under review the Standing Committee (Audit and Risk) met four times.

The purpose of the Committee is to assist the Council to discharge its responsibilities with regard to exercising due care and diligence in relation to the reporting of financial information, the application of accounting policies, and the management of the financial affairs of the City in accordance with the provisions of the *Local Government Act 1995* and associated Regulations including an assessment of the management of risk.

The Committee provides guidance and assistance to the City of Belmont in carrying out its functions in relation to audits carried out under Part 7 of the *Local Government Act 1995*.

The Committee considered the City's audited Annual Financial Report to 30 June 2020 and recommended its adoption by Council prior to the Annual Meeting of Electors.

The Committee considered an operational comparison report on the Western Australian Auditor General's report and recommended that Council receive these reports and endorse the proposed Action Plans:

- Management of Supplier Master Files Report 16: March 2019
- Waste Management – Service Delivery Report 3: 2020-2021
- Information Systems Audit Report 2020 – Local Government Entities

The Committee also received the 2020 Compliance Audit Return.

I would like to thank the members of the Committee including Cr Bass (Deputy Presiding Member), Cr Marks, Cr Sekulla and Mr Ron Back as well as staff for their assistance and support during the year

Report By
Cr Jenny Davis
Presiding Member
Standing Committee
(Audit and Risk)

Standing Committee (Environmental) Report



The purpose of the Standing Committee (Environmental) is to consider and recommend to Council on matters of strategic environmental importance and relevance to the City of Belmont.

The Committee provides guidance and assistance to facilitate effective management of the City of Belmont's environmental responsibilities through:

- Development and recommendation of Council environmental policies;
- Annual review of the Environment and Sustainability Strategy;
- Review of the outcomes of actions implemented from the Environment and Sustainability Strategy requiring Council approval/endorsement.

As per the Terms of Reference, the Standing Committee (Environmental) meets as required. During 2020-2021 the Standing Committee (Environmental) met once for the annual review the City's Environment and Sustainability Strategy (2020 version).

The Committee recommendations from this meeting were subsequently endorsed by Council.

In conclusion, I would like to thank my fellow members of the Standing Committee (Environmental); Cr Ryan (Deputy Presiding Member), Cr Cayoun and Cr Marks (Ex Officio), as well as City of Belmont staff for their contribution and efforts in supporting this Committee.

Report By
Cr Steve Wolff
Presiding Member
Standing Committee
(Environmental)



Bilya Kard Boodja Lookout

Standing Committee (Community Vision) Report



The Standing Committee (Community Vision) is responsible for examining, considering and making recommendations to Council on matters of strategic importance and relevance to the City of Belmont that relate to Economic and Community Development, Community Placemaking and Community Safety.

The primary objective of the Standing Committee (Community Vision) is to act as a catalyst for social change that is driven by the community and designed to foster resilience and sustainability.

The Committee reports to Council and provides appropriate advice and recommendations on matters relevant to its terms of reference in order to facilitate informed decision making by Council.

During 2020-2021 the Standing Committee (Community Vision) met once; in August 2020 to receive the nominations and recommend to Council for endorsement recipients of the 2020 Community Service Awards.

The Committee meets to provide valued input and advice on a range of matters that affect the community such as:

- 2020 Community Service Awards;
- Activate Belmont Group;
- Belmont Hub;
- Placemaking;
- Library and Heritage;
- Sister City;
- Economic Development;
- The City's Advisory Groups, including Age Friendly Advisory Group, Cultural Diversity Advisory Group, Access and Inclusion Advisory Group, Belmont Business Advisory Group, Aboriginal Advisory Group and the Belmont Museum Advisory Group.

I would like to thank the members of the Committee including Mayor, Cr Marks, Cr Ryan (Deputy Presiding Member), Cr Rossi and Cr Davis as well as the Chief Executive Officer and staff for their assistance during the year and the support I received as Presiding Member.

Report By
Cr Janet Powell
Presiding Member
Standing Committee
(Community Vision)



Let's Celebrate Festival



Children's Week Playdate



Local Photographic History Winner

Disability Access and Inclusion Plan

Progress To Date

The current Access and Inclusion Plan 2018-2021 (AIP) was endorsed by Council on 28 February 2018 and subsequently submitted to the Department of Communities as required under the Disability Services Act 1993 (amended 2004). The AIP guides the City in defining outcomes and corresponding actions to ensure the services, events, buildings, facilities, information and processes such as making a complaint or seeking employment are both accessible and inclusive. The AIP also seeks to contribute to the wider awareness of the wider community in relation to disability.

Throughout the reporting period, the City of Belmont (the City) has continued to implement actions to achieve its obligations to contribute to the creation of an accessible and inclusive community. While access primarily focuses on the ability to physically participate, inclusion considers how welcome and included a person feels within the community.

The City wishes to thank all the members of the City of Belmont Access and Inclusion Advisory Group for their on-going contribution and support to the City's goal of being an accessible and inclusive community to all.

A summary of achievements during the 2020-2021 financial year in accordance with defined outcomes are highlighted below:

Outcome 1:

People with disabilities have the same opportunities as other people to access services of, and any events organised by the City of Belmont.

During this reporting period, the City reinstated the Belmont Art Awards (last run in 2016) which provides the opportunity for artists to show case their talents (over 330 pieces on display) to the local and broader community. The exhibition layout considered the needs of people living with disability through the provision of good lighting, wide aisles, mounting height of art works and the provision of door staff to meet any specific needs of attendees. An art piece of a local artist living with disability was procured by the City for its collection.

The City's new community centre, Belmont Hub, includes a dedicated floor for the not for profit sector. This aims to encourage service providers to relocate into the City of Belmont area to meet the gaps identified in services within the community. Of the six organisations who have already signed tenancy agreements with the City, two are focused on the needs of people living with disability (Valued Lives and Interchange) with a third (Communicare) providing physical activity programs for people with disability as part of their inclusion program. This enhances the City's ability to meet the diverse needs of people living with disability and their carers in the City of Belmont community.

Outcome 2:

People with disabilities have the same opportunities as other people to access the buildings and facilities of the City of Belmont.

A recent refurbishment of the City's Belmont Oasis Leisure Centre has included the following features to increase accessibility of the facility:

- Accredited Changing Places facility installed in the swimming pool area;
- Changerooms and toilets – installation of ambulant toilets;
- Unisex accessible toilets – fitted out with accessible fixtures and fittings;
- Installation of accessible drink fountain.

A new pathway has been installed at Copley Park to increase access to the accessible swings and the sensory garden at the park. The path provides connectivity to adjacent paths along Kooyong Road and the existing bus shelter. It is proposed that improved access will encourage the community to use the accessible features of the park.

An accessible water fountain has been installed at one of the City's most popular parks, Tomato Lake. This location is a popular outing spot for people living with disability and their carers.

The City's new community centre, Belmont Hub has incorporated a range of accessible features including:

- Changing Places facility for registered MLAK access;
- Wheelchair access both external and internal to the library and museum;
- Accessible toilets on both floors;
- Braille on lift buttons and directional signage;
- Public lift has sound indication when hitting buttons;
- Adjustable heights available for self-service machines;
- Accessible desk with adjustable height for a computer;
- Television with news running has closed captions;
- Concession card holders can get one hour free in meeting rooms 3 and 4;
- Home delivery service available;
- Hearing assistance available over Wi-Fi directly to mobile phone;
- Varying seat options – different heights;
- Audio books available;
- Accessible parking bays near the library entrance;
- Computer with large print keyboards;
- Large print and Auslan books.

The City's Access and Inclusion Advisory Group meetings are now hosted in one of Belmont Hub's meeting rooms. The room allows for external participation in meetings (IT equipment to support zoom etc.) which may be of benefit to members who are unable to travel to the meeting location.

Outcome 3:

People with disabilities receive information from the City of Belmont in a format that will enable them to access the information as readily as other people access it.

The City launched its new website in September 2020. The new website is compliant with WC3 – WCAG 2 guidelines. This includes high quality imagery, good colour contrast, appropriate font usage, good readability and ease of usage. Work continues to incorporate elements that will improve mapping and locating information on accessible features throughout the City.

The City has committed to developing online forms to be available on the City's website for forms that require completing by the public. Printable forms still available as required. This provides a more seamless approach to requesting services from the City.

Outcome 4:

People with disabilities receive the same level and quality of service from the staff of the City of Belmont as other people receive from the City.

The City continues to offer annual Access and Inclusion Training for new and existing staff. A total of 19 staff across various departments of the City attended. The training provides staff with a greater understanding of disability, the City's commitment to access and inclusion through its Access and Inclusion Plan and their own role in contributing to an accessible and inclusive City of Belmont.

The City's Accessible Business Program is in the development stage and will assist businesses in identifying how they might improve the quality of their service to customers living with disability. The development of the program has directly involved input from people with lived experience of disability and local businesses.

Outcome 5:

People with disabilities have the same opportunities as other people to make complaints to the City of Belmont.

The City continues to be responsive to community complaints with issues regarding paths and access to facilities being addressed by the relevant departments. Any member of the community can lodge a complaint through various channels including website, phone, email and letter.

Outcome 6:

People with disabilities have the same opportunities as other people to participate in any public consultation by the City of Belmont.

The City's Access and Inclusion Advisory Group meet regularly to discuss community concerns and the implementation of the City's Access and Inclusion Plan. The group consists of community members with lived experience of disability, service providers, City staff and a Council representative. The chairperson and vice chair are nominated annually to provide opportunities to take on these roles.

Outcome 7:

People with disability have the same opportunities as other people to obtain and maintain employment with the City of Belmont.

The City continues to support people living with disability with the employment recruitment process. The City's Human Resources department is compliant with *Equal Opportunity Act 1984* and contributed to the Equal Employment Opportunity report during this period.

The City's volunteer program aims to match interested community members with roles within the City. In addition, the program seeks to link volunteers with other organisations within the City of Belmont. See below examples of volunteer positions that the City has facilitated in the reporting period:

- Community member, heavily debilitated by a stroke (speech and walking) was accepted to be a virtual volunteer role with the Australian Museum, involving research and transcribing;
- Community member recovering from a stroke that affected his speech and brain function engaged as an events volunteer with the City;
- Community member with a physical disability referred to Multicultural Community Aged Care provider as he spoke Indonesian and was able to offer translation skills.

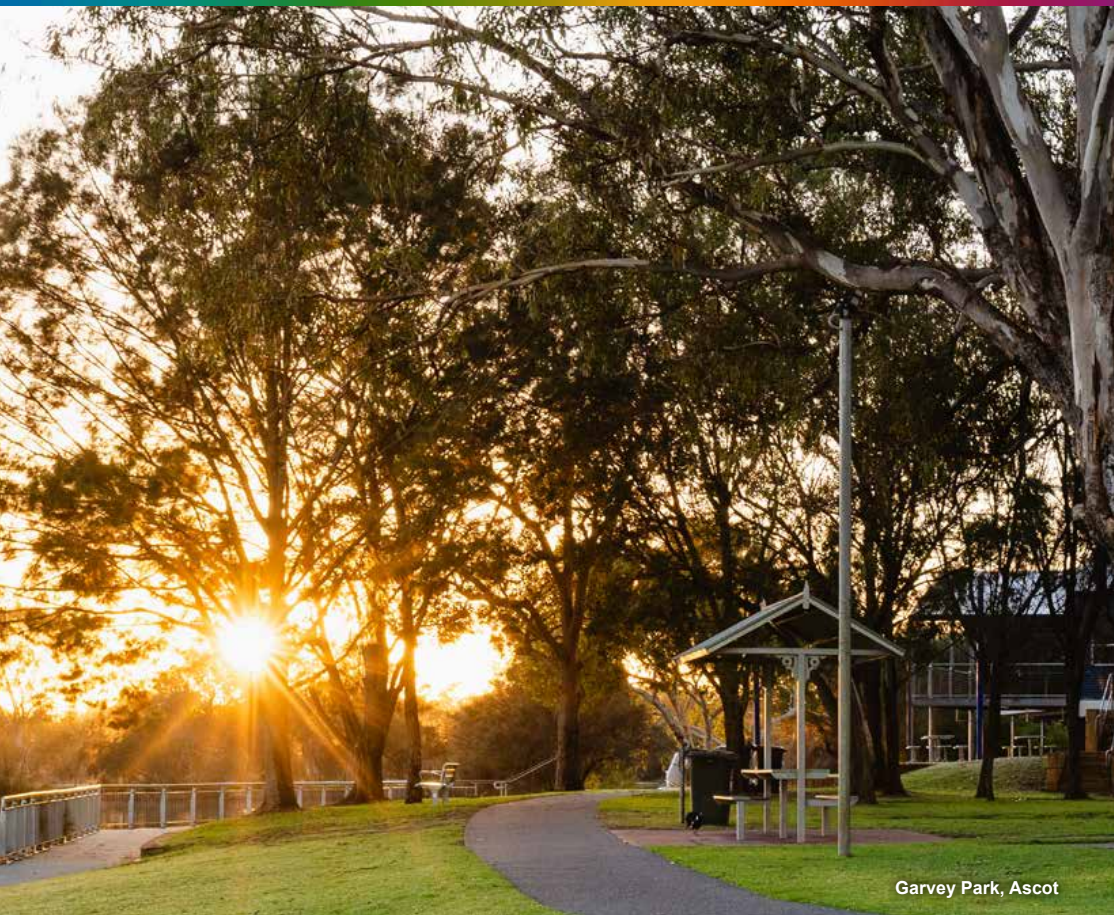
Outcome 8:

Raise awareness in the broader community on Access and Inclusion in the City of Belmont.

The City celebrated International Day of People with Disability (December 2020) by hosting a three day event in the Glasshouse inviting people with disability, carers, families and the wider community to participate in a range of activities including painting, dance, performance and games.

The City facilitated training for 15 local businesses as a pilot for the Accessible Business Program raising awareness and suggestions on how to increase the accessibility of their business.





Urban Forest Strategy

During the last year, the City undertook research and consultation with industry and local government partners to secure advanced trees that will contribute to the City's canopy cover and add to the liveability and health of the City. The year presented challenges with the supply of adequate healthy tree stock. The City determined the low quality stock would be unlikely to thrive which would otherwise hinder the City's efforts in growing its canopy cover and therefore some tree planting in winter had to be deferred.

In collaboration with other local governments, the Western Australian Local Government Association and industry professionals, City officers jointly addressed the nursery industry to identify opportunities to improve the quality of tree stock. Notwithstanding this, the City was able to plant 344 healthy trees in streetscapes and natural areas and provided residents with 27 trees for their properties.

A tender for the supply of tree stock has been developed, which includes significant controls to ensure the City will receive high quality trees in future years, the City expects to plant a minimum of 1,100 street trees in winter 2022 which will be boosted by significant tube stock planting in foreshore locations, such as Garvey Park and Tomato Lake.

To support the community and assist the growth of the City's urban forest, the City piloted a 'Trees For Residents' program which invited residents who missed out on a street tree, to receive a tree suitable for planting within their own property. The City would like to thank all those who have supported the planting of trees within the City. This simple program helps to enhance the natural environment and adds to the urban liveability of the City of Belmont for future generations to come.

Environment and Sustainability Strategy 2016 - 2021

Achievements during the 2020-2021 financial year relating to the City's Environment and Sustainability Strategy included:

- Awarded Gold Waterwise Council in May 2021 and continued accreditation to Greenstamp Advantage;
- Continued involvement in Eastern Metropolitan Regional Council (EMRC) projects including the Regional Benchmarking Building Efficiency Project and Bush Skills 4 Youth;
- A total of 16 new actions from the City of Belmont Environment and Sustainability Strategy 2016-2021 have been completed, with those remaining relating to design guidelines and sustainability initiatives for DA6 which are dependent on Metronet and the State Government of Western Australia.

Council endorsed the City's Waste Plan in November 2021 with the Department of Water and Environmental Regulation approving the plan in 2021.

- Developed guidelines to assist and encourage applicants for developments to establish verge landscaping that supports environmental outcomes and other community benefits;
- Planted 6,681 native plants in revegetation projects along the foreshore, Tomato Lake, and various parks.

Community Awareness, Engagement and Behaviour Change

Even when faced with various COVID restrictions, the City hosted a range of safe environmental and sustainability awareness activities and events, including Grab a Gladi, fauna night stalks/frog walks, Memorial Drive foreshore revegetation, Cloverdale Primary school weeding at Signal Hill, Bush Skills 4 Youth activities ('Critters in our Catchment' and 'Healthy Waterways' youth events) and Eco-gardening and Gardening on the Cheap and seminar. The City also hosted a Your Garden with Josh Byrne seminar aimed at addressing water and nutrient use in the garden. Community volunteers contributed 128 hours at environmental weeding events, with several groups organising clean up days of local natural areas or joining Adopt-a-spot.

As part of the Business Environmental Assessment Project, 105 assessments and 56 visits to premises were conducted, aimed at improving environmental practices and minimising risk of pollution incidence.

The City continued participation in Switch your thinking, with local residents and businesses eligible for a range of programs, initiatives and offers to inspire sustainable action. To find out more visit www.switchyourthinking.com



Natural Environment and Biodiversity

A total of 2,886 local native seedlings were planted at Redcliffe Park, Cracknell Park embankment, Ascot Waters, within the Rivervale foreshore, Norlin Park and Smythe Lake.

Foreshore stabilisation and restoration was implemented with 3,500 sedges being planted, locations included Kanowna Ave foreshore (20 linear metres) and Ascot Inn foreshore (20 linear metres), Ascot Racecourse foreshore (100 linear metres) and Memorial Dr foreshore (100 linear metres). Rock grouting repair works were implemented to a 33 linear metre section of foreshore behind Ascot Racecourse, which was jointly funded through a Riverbank Grant by the Department of Biodiversity, Conservation and Attractions.

Water Efficiency

In 2020-2021, the City achieved its goal of managing groundwater abstraction within its Department of Water and Environmental Regulation licensed allocation, was awarded the accolade of Gold Waterwise Council and continued to install water efficiency devices within its facilities.

Throughout the irrigation season, public open space was managed in accordance with the City's Licence to Take Groundwater resulting in no breaches and water consumption being below the licenced allocation. In union with water efficient hydrozoned systems, the application of monthly water budgets for each irrigated park enabled the City to maintain optimal levels of water delivery during the drier months and uphold park quality.

During 2020 the Belmont Oasis Leisure Centre was also awarded Waterwise Aquatic Centre, with the management body submitting a Water Management Plan for endorsement. To further support sustainable water use at the facility, upgrades were implemented in changeroom facilities and further water management practices implemented.

The City's progress towards water efficiency goals and targets is shown in the table below.

Table 1: Progress towards water efficiency goals and targets

Goal	2020-2021 Outcomes
Maintain irrigation delivery to below the Department of Water and Environmental Regulation Licenced Allocation	Achieved
Maintain Waterwise Council recognition for 2020-2021	Achieved
Maintain corporate scheme water use to within 10% of 72,878 kilolitres (kL) (2014-2015 consumption) by 2021	75,692 kL in 2020-2021, decreased by 8.7% on 2019-2020 and achieved the goal of maintaining water consumption within 10%
Maintain water consumption below 125 kL per person	Residential water use per capita is 86.9 kL (total consumption of 3,721,262kL, population of 42,806 as estimated by the ABS 2020) - Achieved

Energy Management and Carbon

Electricity use at the City's contestable sites (those consuming greater than 50,000 units per year) in 2020-2021 was reviewed (Table 2). There was an overall increase of 8% in comparison to 2019-2020, the majority of which occurred at the Civic Buildings due to completion of construction of the Belmont Hub and its opening. The increase at the Youth and Family Services Centre between 2018-2019 and 2019-2020 was associated with a change in tenant occupancy however this has decreased in 2020-2021.

The reduction at the Operations Centre, attributed to the installation of a 30 kilowatt solar PV system in November 2019 and retrofit of office lights to LED in April 2019, has been maintained with a further 13% reduction.

As per the City's commitment to minimise its carbon footprint, 25% renewable energy or equivalent in 'Gold standard' carbon offsets is purchased for the City's contestable sites, and light vehicle / passenger fleet emissions are fully offset.

Table 2: Electricity use (kWh) for contestable sites in 2020-2021 and comparison to previous years

Site Name	2017-2018	2018-2019	2019-2020	2020-2021	Difference	% Change
No. of Meetings	11	1	1	11	18	
Civic Centre, Library and Community Centre	966,407	883,105	1,224,054	1,400,528	176,474	+14%
Operations Centre	195,314	193,006	163,424	142,791	-20,633	-13%
Youth and Family Services Centre	100,915	104,048	128,267	115,230	-13,037	-10%
Centenary Park	69,320	80,702	85,162	77,699	-7,463	-9%
TOTAL	1,331,956	1,260,861	1,600,907	1,736,248	135,341	+8%

*Note: figures are adjusted to correlate to 365 days per year with some figures updated where utility providers have confirmed estimated bills (updates to historical data)

The City's progress towards energy management and carbon goals for 2020-2021 is shown in the table below.

Table 3: Progress towards energy and carbon goals for 2020-2021

Goal	2020-2021 Outcomes
Maintain annual energy consumption per full time equivalent (FTE) at the Operations Centre to within 10% of 2015-2016 levels until 2021	A 12% increase was observed (3048 increased to 3424 kWh / FTE). This is likely attributed to a lower number of FTEs as energy consumption has been reduced from 197,456 kWh in 2015-2016 to 142,791 kWh in 2020-2021 (a 28% reduction).
Reduce the average 'CO2 tailpipe emissions rating' of the City's light vehicle fleet between 2016 and 2021	A reduction of 0.7g CO2/ km (188 in June 2016 to 187.3)
Reduce annual electricity consumption at Harman Park Community Centre by 10%, from 2014-2015 levels by 2020-2021	A reduction of 27% (5,132 kWh) From 18,972 kWh in 2014-2015 To 13,840 kWh in 2020-2021

Waste Reduction

In 2020 the City of Belmont endorsed its Waste Plan which was approved by the Department of Water and Environmental Regulation in November 2020 in line with the WA Government's Waste Avoidance and Resource Recovery Strategy 2030. In effort to track waste to landfill and to recover materials, the City reports waste data over the financial year.

For the year 2020-2021, 39% of community bulk waste recovered, included mixed metals, untreated timber, paper, cardboard, sand and rubble fines. On average, 78% of monthly kerbside recycling was recovered, which is a significant achievement and demonstrates the community are using the yellow top bins appropriately to recycle objects such as aluminium cans, paper, cardboard, glass and plastics.

Conclusion

While focusing on operations, the City will continue to work proactively with businesses and the community to promote and encourage involvement in environmental programs, sustainable behaviour change and minimise the risk of pollution incidence. The challenges faced in 2020-2021 mean greater opportunities in 2022, particularly through implementing the various strategies which seek to improve the City's environmental performance.



Record Keeping Report

Records are a key resource for the City and good record keeping practices contribute to the City's efficiency and effectiveness. All staff and elected members are expected to keep records as part of their day-to-day operations and responsibilities to the City.

The City manages its Records in accordance with the legislative requirements of the *State Records Act 2000* and best practice standards.

Record Keeping Plan

The City's first Recordkeeping Plan was approved in March 2005, there have been two other submissions since that time including the current Recordkeeping Plan which was approved by the State Records Commission in August 2016, and is under review for completion by the end of 2021.

Internal corporate documents relating to Records Management are regularly updated and made available to staff.

Record Keeping System

Overall, the City's record keeping system is effective. It enables the organisation to capture records and manage them through processes using workflows and other functionalities of the system, as well as providing a high level of customer service to both internal and external stakeholders. The effectiveness of the system is constantly being assessed to ensure continuous improvement and organisational requirements are being met.

The City's electronic document and records management system, ECM, has undergone regular review and refinement in order to reach and maintain an optimum working level.

Training and Development

The City has a responsibility under the *State Records Act 2000* to ensure all staff are aware of their recordkeeping obligations.

Induction training for new staff is provided by the Records Team, this informs staff of their recordkeeping responsibilities within the organisation and encourages them to retain their information in the Corporate Recordkeeping System.

Records Team members train all new users to the Corporate Recordkeeping System ECM within the first two months of starting with the City either via one-on-one sessions or group training. Refresher training is offered periodically to all staff, who are also encouraged to request refresher training whenever they require it. During this period 32 new staff received training and 14 staff attended refresher training.

Freedom of Information

In accordance with the *Freedom of Information Act 1992* the City publishes a Freedom of Information Statement on the City's website. The statement outlines the City's functions, the kind of documents held by the City, how those documents can be accessed and details the process of applying for information under the *Freedom of Information Act 1992*.

The *Freedom of Information Act 1992* (FOI Act) provides a general right of access for the public to the City's documents.

During the 2020-2021 financial year the City received 22 valid applications for access to records which were processed and completed within an average of 36 days.

Plan for the Future

Strategic Community Plan 2020 – 2040 and Corporate Business Plan 2020 – 2024

Integrated Planning and Reporting

How We Plan and Report

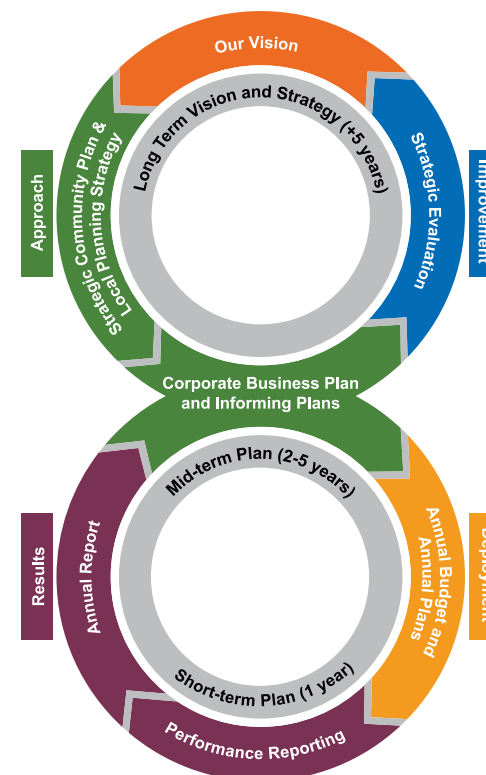
The State Government developed the Integrated Planning and Reporting Framework in 2010, as part of this Framework, all Councils are required to develop a Strategic Community Plan, a Corporate Business Plan and a mechanism to review and report on all elements of Integrated Planning and Reporting.

The City is committed to using this Framework and has developed the City of Belmont Integrated Planning and Report Framework which is used to underwrite planning for the future.

This new Framework is integrated with all City Plans across three levels of planning, they are:

- 1. Strategic Level** - Long-term vision and strategy with a minimum five year horizon, the following list the components of this level:
 - Vision;
 - Strategic Community Plan;
 - Local Planning Strategy;
 - Strategic Evaluation.
- 2. Corporate Level** - Mid-term plans with a two-five year horizon, the following list the components of this level:
 - Corporate Business Plan;
 - Informing Plans.
- 3. Delivery Level** - Short-term with a one year horizon, the following list the components of this level:
 - Annual Budget;
 - Annual Plans;
 - Performance Reporting;
 - Annual Report.

City of Belmont Integrated Planning and Reporting Framework



Plan for the Future

The following provides greater detail of each of the components within the three levels of planning.

I. Strategic Level - Long-term vision and strategy with a minimum five year horizon.

Our Vision

Belmont – The City of Opportunity. We will be home to a diverse and harmonious community, thriving from the opportunities of our unique, riverside City.

Strategic Community Plan 2020-2040

The City's Strategic Community Plan 2020-2040 presents the vision and aspirations for the future of our community. It sets out the key strategies and actions required to achieve these aspirations. It provides the City of Belmont, and others, with a clear understanding of what matters most to the City of Belmont community and guides the way in which we plan for the future and deliver services. A major review of the City's Strategic Community Plan was undertaken in 2020 after extensive stakeholder engagement to identify the current aspirations of our community.

Local Planning Strategy

A Local Planning Strategy is a strategic planning document that sets out the long-term planning direction for a local government and in doing so, applies relevant State Planning Policies and provides the rationale for zoning and classifying land under a Local Planning Scheme. In accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015*, a Local Planning Strategy is required to be prepared for each Local Planning Scheme that operates within a local government area.

Local Planning Strategies and Local Planning Schemes are required to be reviewed every five years to consider whether they are satisfactory in their existing form, require amending or should be repealed and a new strategy prepared in its place.

The City's existing Local Planning Strategy and Local Planning Scheme No. 15 have not had a comprehensive review undertaken since their adoption in 2011. The City is therefore currently undertaking a review of these documents now, and in doing so have prepared a 'Report of Review' which recommends that the Local Planning Strategy and Local Planning Scheme No. 15 be repealed and that new documents be prepared in their place. The Report of Review recommendation was endorsed by Council at its meeting on 27 October 2020 and is awaiting endorsement from the Western Australian Planning Commission.

2. Corporate Level - Mid-term plan with a two to five year horizon.

Corporate Business Plan

The Corporate Business Plan is an important part of our Integrated Planning and Reporting (IPR) Framework. It guides the implementation of our Strategic Community Plan. The Corporate Business Plan translates the aspirations and strategies of the Strategic Community Plan into operational priorities and indicates how they will be resourced over a four year period. The Corporate Business Plan articulates how the Strategic Community Plan will be delivered through services, capital works, projects and activities.

Corporate Business Plan Actions for 2020-2021

The table below shows the Corporate Business Plan key actions for 2020-2021 aligned to the Strategic Community Plan 2020-2040.

Strategic Community Plan 2020-2040			Corporate Business Plan
Goal	Community's Aspiration	Strategy	Project / Initiative 2020-2021
1. Liveable Belmont	Belmont will be vibrant with exciting entertainment and dining experiences. The City and residents will provide strong support for community and sporting groups. There is a strong focus on history and culture. Belmont is considered a great place to live.	1.1 Respect, protect and celebrate our shared living histories and embrace our heritage.	Multicultural Strategy 2020 and Beyond
			Age-Friendly Belmont Plan 2017-2021
			Aboriginal Strategy/Reconciliation Action Plan
			Local History Program
			Promote and celebrate Aboriginal art and culture (Also aligned to 4.1)
		1.2 Plan and deliver vibrant, attractive, safe and economically sustainable activity centres.	Leisure Strategy
			Safer Communities Plan 2020-2023 (Also aligned to 5.6)
			Community Safety Taskforce and Alliance (Also aligned to 1.5)
			Community Safety and Crime Prevention Plan 2018-2021
			Public Health Plan
			Emergency Management Plan
			Community Placemaking Strategy 2018-2023
		1.3 Ensure activity centres have a thriving economy.	Lobby for high frequency bus routes linkages between the airport and the City of Belmont
			Economic Development Strategy (Also aligned to 1.4)
		1.4 Attract public and private investment and businesses to our City and support the retention, growth and prosperity of local businesses.	Economic Development Strategy (Also aligned to 1.3)
			Liaise with business, landowners, representative organisations and developers, including communication, advocacy, support, briefings
		1.5 Encourage and educate the community to embrace sustainable and healthy lifestyles.	Literacy and Learning Programs for Children
			Youth Program
			Lifelong Learning Program
			Youth Strategy 2019 and Beyond
			Deliver Community Programs including health, wellbeing, early years and domestic violence



Corporate Business Plan Actions for 2020-2021

Strategic Community Plan 2020-2040			Corporate Business Plan
Goal	Community's Aspiration	Strategy	Project / Initiative 2020-2021
2. Connected Belmont	Our residents are connected socially and through physical infrastructure. Our neighbourhoods are safe, walkable, cycle friendly and well served by public transport. There is a sense of opportunity for everyone and an acceptance of all abilities. Our residents are empowered.	2.1 Design our City so that it is accessible by people of all ages and abilities.	Access and Inclusion Plan 2018-2021 Belmont on the Move - Integrated Movement Network Strategy Community Infrastructure Plan
		2.2 Make our City more enjoyable, connected and safe for walking and cycling.	Explore State and Federal investment in public road and path infrastructure (Also aligned to 2.3)
		2.3 Facilitate a safe, efficient and reliable transport network.	Explore State and Federal investment in public road and path infrastructure (also aligned to 2.2) Sustainable Transport Plan Work with the Local Governments of Canning, Kalamunda and Swan to promote and support the development of a best practice freight and logistics precinct in Kewdale and surrounding industrial areas
		2.4 Promote alternative forms of transport	City of Belmont Staff and Visitor Travel Plans

Strategic Community Plan 2020-2040			Corporate Business Plan
Goal	Community's Aspiration	Strategy	Project / Initiative 2020-2021
3. Natural Belmont	The City of Belmont presents a feeling of peaceful, clean, green and healthy. There is a focus on the natural in parks and gardens with trees and colour. Our streets are lined with trees. Our residents and businesses are environmentally aware. There is a connection with the river and natural areas. Sustainability is important to us. Belmont will be known for its strong connection to the environment especially the river and trees. The verges will be green and dominated by natural plantings. Parks will continue to be well maintained and their natural appeal will be enhanced. Sustainable development and expectations of sustainable practices of businesses are a part of the social fabric.	3.1 Protect and enhance our natural environment	Participate in the EMRC's "understanding and managing flood risk in Perth's Eastern Region" project
		3.2 Improve our River and waterways	Plan ahead for future foreshore stabilisation projects at Garvey Park, The Esplanade and Bilya Kard Boodja Lookout
		3.3 Keep Our City Clean	Waste Plan (Also aligns to 3.5)
		3.4 Enhance green spaces for recreation, relaxation and enjoyment.	Urban Forest Strategy Streetscape Enhancement Plan Public Open Space Strategy Identify and pursue funding opportunities for the undergrounding of power
		3.5 Promote energy and water efficiency, renewable energy sources and reduce emissions and waste.	Waste Plan (Also aligns to 3.3) Environment and Sustainability Strategy 2016-2021. Environment and Sustainability Operational Plan 2021-2026 Waterwise Council Program Waterwise Council Recognition



Harmonise Cultural Festival

Strategic Community Plan 2020-2040			Corporate Business Plan
Goal	Community's Aspiration	Strategy	Project / Initiative 2020-2021
4. Creative Belmont	The City of Belmont's diversity will be reflected in our residents as well as those working here. Although we are contemporary, we will be seen as inspiring, resilient and dynamic. We will attract development with an atmosphere for change. Belmont will have an inspiring technology hub where discoveries are made.	4.1 Promote the growth of arts and culture.	Community Arts and Culture Program Promote and celebrate Aboriginal art and culture (Also aligned to 1.1) Strengthen the Adachi Sister City relationship
		4.2 Embrace technology, creativity and innovation to solve complex problems and improve our City.	Website Redevelopment Digital Strategy Planw
		4.3 Support and collaborate with local schools and businesses	Perth Airport Collaboration Manage an ongoing program of awards and grants for innovative approaches to business practice, products or developments

Corporate Business Plan Actions for 2020-2021

Strategic Community Plan 2020-2040			Corporate Business Plan
Goal	Community's Aspiration	Strategy	Project / Initiative 2020-2021
5. Responsible Belmont	<p>The City of Belmont advocates for the needs of the community by being responsive and consultative.</p> <p>The availability of the best community services and infrastructure will be facilitated.</p> <p>Heritage will be protected. Belmont will continue to be recognised for its location with convenient access to the river and progressive education establishments.</p>	5.1 Support collaboration and partnerships to deliver key outcomes for our City.	Engage with relevant local governments and agencies towards standardisation of local government planning processes and approaches to assist the community and developers. (Also aligned to 5.7)
			Active involvement with relevant EMRC initiatives and collaborative working groups, including lobbying Federal and State Government
			Foster and maintain collaborative relationships with relevant stakeholders
			Volunteer Program
			Management of the City's Memorandums of Understanding
		5.2 Manage the City's assets and financial resources in a responsible manner and provide the best possible services for the community.	Management and review of current service provision and future options for aged accommodation
			Community Contribution Fund program
			Asset Management Strategy
			Belmont Oasis Leisure Centre - potential redevelopment
			Faulkner Civic Precinct Community Centre
			Project Management Framework
			Faulkner Civic Precinct Master Plan
			10 Year Capital Works Program
			Ruth Faulkner Library - Repurposing
			Organisational performance measurement and reporting
			Internal Audit Program
			Belmont Trust Strategic Plan
			Organisational integrated management system aligned to Standards (ISO)
			Emergency Recovery Plans (COVID-19)
			Fraud Control Strategy & Policy
			Fraud Control Plan
			Integrated Planning and Reporting
			Information Systems Review
			Project Management
			Long Term Financial Plan
			Lease Management of City Assets
			Land Asset Management Plan
			Workforce Plan

Strategic Community Plan 2020-2040			Corporate Business Plan
Goal	Community's Aspiration	Strategy	Project / Initiative 2020-2021
5. Responsible Belmont	<p>The City of Belmont advocates for the needs of the community by being responsive and consultative.</p> <p>The availability of the best community services and infrastructure will be facilitated.</p> <p>Heritage will be protected. Belmont will continue to be recognised for its location with convenient access to the river and progressive education establishments.</p>	5.3 Invest in services and facilities for our growing community.	Monitor collection turnover and demand
			Library & Museum Survey
		5.4 Advocate and provide for affordable and diverse housing choices.	Affordable Housing
			Strategic Community Plan
			Customer Focus Strategy
			Marketing and Communications Strategy
			Marketing and Communications Plan
			Community Engagement and Stakeholder Management Strategy
			Community Engagement and Stakeholder Management Plan
		5.6 Deliver effective, fair and transparent leadership and decision-making reflective of community needs and aspirations.	Leadership Strategy
			Safer Communities Plan 2020-2023 (Also aligned to 1.2)
		5.7 Engage in strategic planning and implement solutions to manage growth in our City.	Engage with relevant local governments and agencies towards standardisation of local government planning processes and approaches to assist the community and developers. (Also aligned to 5.1)
			Structure Plan for Development Area 6 - Strategic Planning Framework
			Structure Plan for Golden Gateway
			Corridor Strategy for Great Eastern Hwy
			Local Planning Scheme No. 15.
			Local Planning Framework



Let's Celebrate Festival

Informing Plans

The City's informing plans include financial and non-financial resources that are required over the life of the Corporate Business Plan. Their purpose is to ensure that adequate resources are available to maintain services and deliver on the priorities of the Corporate Business Plan. The City currently has the following informing plans:

Workforce Plan (4 years)

The City's Workforce Plan focuses on workforce requirements and strategies that enable alignment of the needs of the City with those of the workforce. Fundamentally it provides a strategic basis for making human resource decisions. The plan considers current and future capability and capacity requirements to ensure that the City has people with the right skills in the right roles delivering the right customer outcomes whilst remaining competitive in the labour market. Identified workforce requirements are incorporated into the City's Long Term Financial Plan.

Long Term Financial Plan

The Long-Term Financial Plan (LTFP) has been developed as part of the City's ongoing financial planning to ensure continued long-term financial sustainability while providing sufficient funding for future workforce, services, and infrastructure to the community.

Asset Management Plans

It is necessary to plan for the effective and sustainable management of our assets to meet current and future needs and to optimise return on investment. Directed by an Asset Management Strategy, Asset Management Plans (AMPs) define the levels of service and operational requirements for the various classes of assets. They also highlight the processes used to manage the associated assets and how they will be sustainably renewed, upgraded or disposed at the most appropriate standard, time, place and cost. The AMPs inform the long-term financial plan and associated capital works programme.

3. Delivery Level - Short-term plans with a one-year horizon.

Annual Budget

Each year we adopt an Annual Budget to guide the financial management of the City for the upcoming year. This is an essential part of the rate-setting process and ensures that sufficient and appropriate sources of funding are available to pay for the operational and capital expenditures proposed for the year. The budget is reported monthly, reviewed quarterly and updated bi-annually to Council.

Annual Plans

We regularly report on the progress of delivering our plans and strategies to ensure transparency and accountability in demonstrating how we are delivering on the priorities to achieve our community's aspirations and vision for the future, refer to performance reporting for further information on reporting.

Performance Reporting

Monitoring and reporting on the progress of actions listed in the Corporate Business Plan took place throughout the financial year. Quarterly performance reports, the annual report and the six-monthly performance reports were submitted to Council for review and approval. In addition, a number of other performance related reports were submitted to Council Committees and Council during 2020-2021.

Continuous Improvement

The City is also committed to continuous improvement and utilises the Australian Business Excellence Framework (ABEF) as a tool to drive continuous improvement. A critical component of the ABEF is the Approach, Deployment, Results and Improvement (ADRI) Learning Cycle. The ADRI learning cycle has been incorporated into the City of Belmont's Integrated Planning and Reporting Framework to identify and drive improvement in business practice and performance. To further embed a culture of continuous improvement throughout the City, all Executives, Managers and other staff are trained in the principles of the ABEF.

Community and Stakeholder Feedback

The City is committed to partnering with our community in realising the future of our local area and will continue to engage with the community at every opportunity. We use a number of different mechanisms each year to give us insight into how the City has progressed towards achieving our vision and strategic objectives. Some of those mechanisms are: surveys, workshops, focus groups and range of online tools.

Annual Report

Each year, we produce a comprehensive Annual Report in accordance with the *Local Government Act 1995*. The Annual Report aims to give our residents and ratepayers an open and accountable insight into how the City has progressed towards achieving our vision and strategic objectives. Highlights include our main achievements and challenges, our financial performance and our key targets for the year ahead.



Kids Fest

Executive Responsibilities as at 30 June 2021



John Christie
Chief Executive Officer

- Overall responsibility for the management of Council's affairs
- People and Organisational Development



Michelle Bell
Director Corporate
and Governance

- Business Continuity and Risk Management
- Governance
- Finance
- Information Technology
- Marketing and Communications



Juliette Gillan
Director Development
and Communities

- Economic and Community Development
- Planning Services
- Safer Communities
- Community Placemaking



Melanie Reid
Director Infrastructure Services

- Works
- Parks, Leisure and Environment
- Design and Assets
- Infrastructure Development
- City Projects
- City Facilities and Property



Anne-marie Forte
Executive Manager People and
Organisational Development

- Human Resources
- Occupational Safety and Health
- Business Planning and Improvement

Councillor Attendance at Council and Committee Meetings

(1 July 2020 – 30 June 2021)

Councillor	Ordinary Council Meeting	Special Council Meeting	Annual / Special Electors' Meeting	Agenda Briefing Forum	Information Forum / Special Information Forum
No. of Meetings	11	1	1	11	18
Cr Marks	11	1	1	10	17
Cr Rossi	11	1	1	10	18
Cr Bass	9	0	1	6	13
Cr Cayoun	11	1	0	11	14
Cr Davis	11	0	1	11	15
Cr Powell	11	1	1	11	15
Cr Ryan	11	1	1	10	18
Cr Sekulla	11	1	1	10	17
Cr Wolff	10	1	0	11	13

Councillor	Standing Committee (Environmental)		Standing Committee (Audit & Risk)		Standing Committee (Community Vision)		Executive Committee	
No. of Meetings	1		4		1		2	
Cr Marks	1	M	4	M	0	M	2	M
Cr Rossi	1	O	4	O	1	M	-	-
Cr Bass	-	-	2	M	-	-	-	-
Cr Cayoun	1	M	-	-	-	-	-	-
Cr Davis	-	-	4	M	1	P	2	M
Cr Powell	-	-	1	-	0	M	1	M
Cr Ryan	1	M	1	O	1	M	1	O
Cr Sekulla	-	-	4	M	-	-	2	M
Cr Wolff	1	M	-	-	-	-	2	M

M Committee Member
P Committee Member Proxy
O Observer

Councillor Professional Development

Council Policy BEXB11B provides all Councillors with an allocation of \$5,000 per year for their four-year terms to cover professional development costs. This allocation can be utilised at any point during their term, provided that total professional development costs do not exceed \$20,000 over the four-year term of office.

Councillor	Term	Balance 1/07/2020 \$	Training/Conference \$	Balance 1/07/2021 \$
Cr Bass*	Oct 2019–Oct 2023	15,638	1,541	14,097
Cr Cayoun	Oct 2017–Oct 2021	20,000		20,000
Cr Davis	Oct 2017–Oct 2021	10,389	232	10,157
Cr Marks*	Oct 2019–Oct 2023	18,560	845	17,715
Cr Powell	Oct 2017–Oct 2021	18,382		18,382
Cr Rossi*	Oct 2019–Oct 2023	18,560	70	18,490
Cr Ryan	Oct 2017–Oct 2021	18,173	340	17,833
Cr Sekulla	Oct 2017–Oct 2021	11,011		11,011
Cr Wolff*	Oct 2019–Oct 2023	18,150	390	17,760
Total		148,863	3,418	145,445

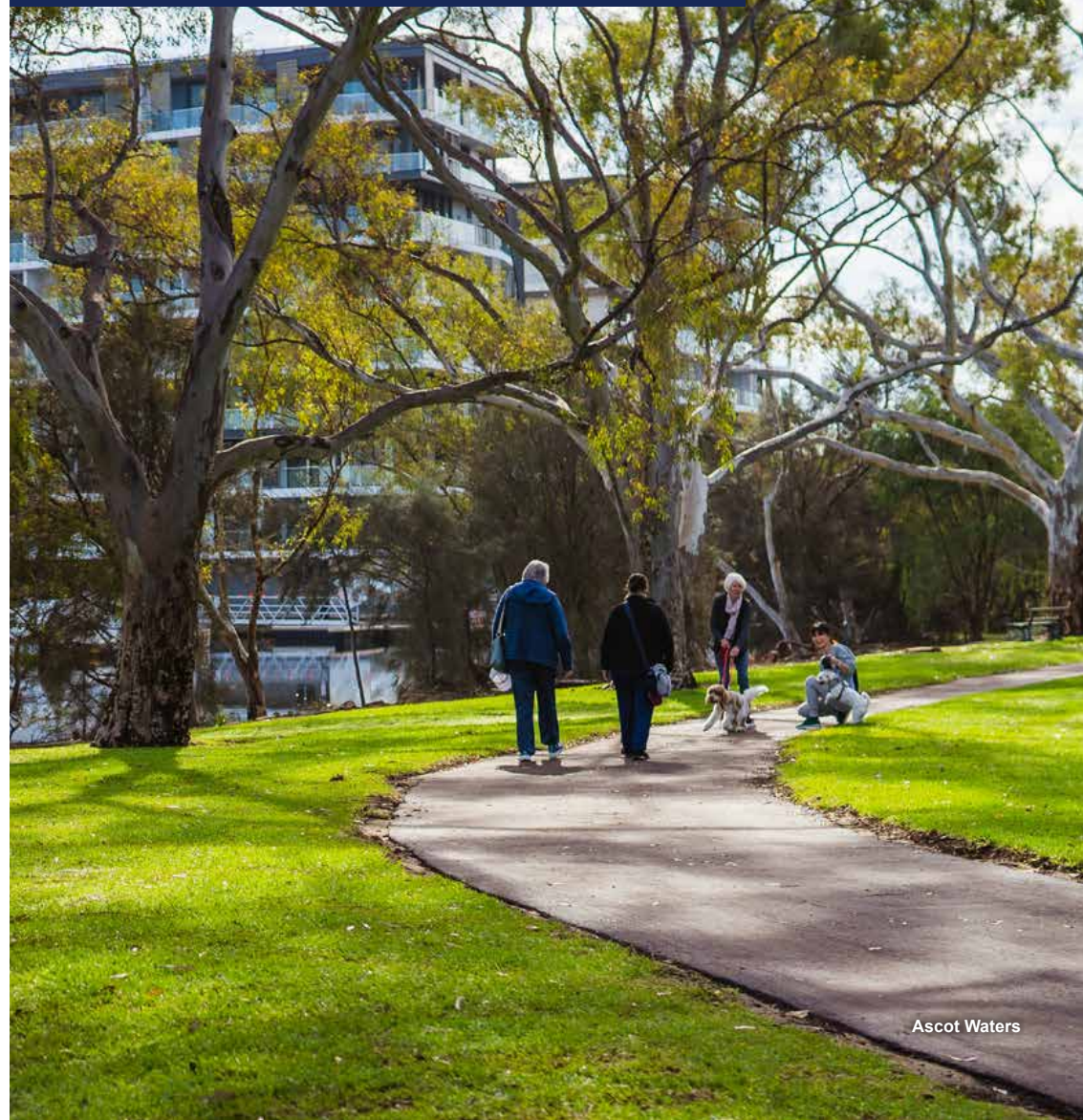
*Re-elected to Office 19 October 2019, allocation of \$20,000 recommenced from this date.



City of Belmont 2021 Art Awards

CITY OF BELMONT

Annual Financial Report 2020-2021



Ascot Waters



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 City of Belmont

To the Councillors of the City of Belmont

Report on the audit of the annual financial report

Opinion

I have audited the financial report of the City of Belmont (City) which comprises:

- the Statement of Financial Position at 30 June 2021, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information
- the Statement by the Chief Executive Officer.

In my opinion the financial report of the City of Belmont:

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2021 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities section below. I am independent of the City in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the City is responsible for the preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards. The CEO is also responsible for managing internal control (as required by the CEO) to ensure the financial report is free from material misstatement, whether due to fraud or error.

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In preparing the financial report, the CEO is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the City.

The Council is responsible for overseeing the City's financial reporting process.

Auditor's responsibility for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on other legal and regulatory requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) The following material matter(s) indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law were identified during the course of my audit:
 - a) Insufficient physical or logical segregation between key segments of the City's IT network and insufficient controls in place to appropriately manage unauthorised access to the City's IT network.
 - b) Failing to disable user access for a terminated employee in a timely manner resulting in continued City IT network access over a long period after ceasing employment.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

Other information

The other information is the information in the entity's report for the year ended 30 June 2021, but not the financial report and my auditor's report. The CEO is responsible for the preparation and the Council for overseeing the other information.

My opinion does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Belmont for the year ended 30 June 2021 included on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. 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 financial report to confirm the information contained in this website version of the financial report.



Grant Robinson
Acting Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
17 February 2022

**CITY OF BELMONT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Belmont for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the City of Belmont at 30 June 2021 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 not inconsistent with the Act, Australian Accounting Standards.

Signed on the

Fifteenth

day of *February* 2022


John Christie
Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM

FOR THE YEAR ENDED 30 JUNE 2021

Note	2021 Actual \$	2020 Actual \$	2021 Budget \$
REVENUE			
Governance	473,083	1,165,276	584,474
General purpose funding	52,177,507	52,046,809	51,597,708
Law, order and public safety	462,142	248,030	451,488
Health	78,077	273,183	109,502
Education and welfare	173,014	2,204,072	95,500
Housing	294,233	353,607	360,000
Community amenities	7,130,025	8,659,338	6,513,377
Recreation and culture	562,983	346,439	283,018
Transport	1,522,884	696,280	377,440
Economic services	134,504	292,258	113,500
Other property and services	213,732	230,402	111,383
	63,222,184	66,515,694	60,597,390
EXPENSES			
Governance	10,015,582	9,820,879	8,636,843
General purpose funding	1,810,182	2,681,724	3,019,290
Law, order and public safety	3,613,903	3,545,579	3,846,795
Health	1,176,733	1,166,234	1,259,415
Education and welfare	3,399,434	5,193,461	3,251,104
Housing	445,968	411,373	408,495
Community amenities	8,816,046	8,047,470	8,797,524
Recreation and culture	14,937,931	15,443,258	16,838,313
Transport	10,580,247	9,967,628	9,139,611
Economic services	3,994,191	2,493,441	2,928,335
Other property and services	3,754,757	3,418,939	3,606,362
	62,544,974	62,189,986	61,732,087
FINANCE COSTS			
Recreation and culture	619,175	642,386	622,726
Other property and services	Nil	9,563	Nil
	619,175	651,949	622,726
	58,035	3,673,759	(1,757,423)
Gain/(loss) on disposal of assets	17(a) (612,013)	(596,142)	(157,000)
Non-operating grants, subsidies and contributions	2(a) 2,439,578	12,510,801	1,829,896
General purpose funding			
Assets Donated	96,538	394,161	Nil
Fair value adjustments to financial assets through profit or loss	8 6,464	2,882	Nil
Change in equity - associate	9 686,987	(1,338,762)	Nil
	2,675,589	14,646,699	(84,527)
NET RESULT			
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes on revaluation of non-current assets	21 12,882,748	(284,771)	Nil
	12,882,748	(284,771)	Nil
TOTAL OTHER COMPREHENSIVE INCOME			
	15,558,337	14,361,928	(84,527)
TOTAL COMPREHENSIVE INCOME			

This statement is to be read in conjunction with the accompanying notes

CITY OF BELMONT

STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 Actual \$	2020 Actual \$	2021 Budget \$
REVENUE				
Rates	3	48,712,282	48,329,191	49,244,000
Operating grants, subsidies and contributions	2(a)	4,389,642	6,219,209	1,462,549
Fees and charges	2(a)	8,628,813	9,398,412	8,248,905
Interest earnings	4	967,023	1,700,004	995,108
Other revenue	2(a)	524,423	868,877	646,828
		63,222,183	66,515,693	60,597,390
EXPENSES				
Employee costs		23,599,016	25,318,996	25,740,024
Materials and contracts		26,778,725	26,017,240	24,286,182
Utility charges		1,274,865	1,235,108	1,254,263
Depreciation and amortisation on non-current assets	17(c)	8,975,142	7,810,291	8,311,442
Interest expenses / finance costs	2(b),33	619,175	651,949	622,726
Insurance expenses		598,342	527,511	567,260
Other expenses		1,318,883	1,280,839	1,572,916
		63,164,148	62,841,934	62,354,813
		58,035	3,673,759	(1,757,423)
Profit on asset disposals		50,059	21,654	Nil
Loss on disposal of assets		(662,072)	(617,796)	(157,000)
Total profit/(loss) on disposal of assets	17(a)	(612,013)	(596,142)	(157,000)
Non-operating grants, subsidies and contributions	2(a)	2,439,578	12,510,801	1,829,896
Assets Donated		96,538	394,161	Nil
Fair value adjustments to financial assets through profit or loss	8	6,464	2,882	Nil
Change in equity - associate	9	686,987	(1,338,762)	Nil
NET RESULT		2,675,589	14,646,699	(84,527)
OTHER COMPREHENSIVE INCOME				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	21	12,882,748	(284,771)	Nil
TOTAL OTHER COMPREHENSIVE INCOME		12,882,748	(284,771)	Nil
TOTAL COMPREHENSIVE INCOME		15,558,337	14,361,928	(84,527)

This statement is to be read in conjunction with the accompanying notes

CITY OF BELMONT

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	2021 Actual \$	2020 Actual \$	2021 Budget \$
CURRENT ASSETS				
Cash and cash equivalents	4, 22	11,483,764	22,435,209	4,174,825
Trade and other receivables	5(a)	2,434,764	2,727,138	3,133,712
Other current assets	6	1,447,509	2,315,864	2,389,958
Inventories	7	207,875	204,225	221,909
Other financial assets	8(a)	27,699,139	5,508,161	29,319,591
TOTAL CURRENT ASSETS		43,273,051	33,190,597	39,239,995
NON-CURRENT ASSETS				
Trade and other receivables	5(b)	404,963	404,685	445,752
Other financial assets	8(b)	26,352,374	36,496,829	14,400,193
Investments accounted for using the equity method	9	21,000,517	20,882,412	22,117,430
Property, plant and equipment	15	298,334,207	299,094,503	304,125,852
Infrastructure	16	286,344,662	272,967,409	280,909,831
Right of use assets	17(b)	105,683	83,808	Nil
Intangible assets	18	225,227	Nil	Nil
TOTAL NON-CURRENT ASSETS		632,767,633	629,929,646	621,999,058
TOTAL ASSETS		676,040,684	663,120,243	661,239,053
CURRENT LIABILITIES				
Trade and other payables	11(a)	5,877,987	8,394,590	5,462,782
Provisions	11(b)	5,728,351	5,409,374	5,861,339
Borrowings	10	705,011	689,897	573,170
Other liabilities	13(a)	1,325,982	1,171,062	1,011,134
Lease Liabilities	12(a)	72,032	66,769	Nil
TOTAL CURRENT LIABILITIES		13,709,363	15,731,692	12,908,425
NON-CURRENT LIABILITIES				
Borrowings	10	12,831,578	13,404,748	12,831,578
Provisions	11(c)	425,932	491,454	430,742
Other liabilities	13(b)	70,533	64,020	62,270
Lease Liabilities	12(a)	33,651	17,039	Nil
TOTAL NON-CURRENT LIABILITIES		13,361,694	13,977,261	13,324,590
TOTAL LIABILITIES		27,071,057	29,708,953	26,233,015
NET ASSETS		648,969,627	633,411,290	635,006,038
EQUITY				
Reserves	20	50,691,444	48,359,205	43,719,784
Revaluation surplus	21	396,678,368	383,795,620	383,691,876
Accumulated Surplus		201,599,817	201,256,465	207,594,377
TOTAL EQUITY		648,969,629	633,411,290	635,006,038

This statement is to be read in conjunction with the accompanying notes

CITY OF BELMONT

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 Actual \$	2020 Actual \$	2021 Budget \$
RESERVES - INVESTMENT / CASH BACKED				
Balance as at 1 July		48,359,205	58,574,632	47,182,543
Amount transferred (to)/from accumulated surplus		2,332,237	(10,215,427)	(3,462,759)
Balance as at 30 June	20	50,691,442	48,359,205	43,719,784
REVALUATION SURPLUS				
Balance as at 1 July		383,795,620	384,080,391	383,691,876
Revaluation adjustments of property, plant, equipment and infrastructure		12,882,748	(284,771)	Nil
Balance as at 30 June	21	396,678,368	383,795,620	383,691,876
TOTAL RESERVES		447,369,810	432,154,825	427,411,660
ACCUMULATED SURPLUS				
Balance as at 1 July		201,256,465	177,196,412	204,216,145
Initial application of AASB 15 and AASB 1058		Nil	(802,073)	Nil
Restated balance as at 1 July		201,256,465	176,394,339	204,216,145
Net result		2,675,589	14,646,699	(84,527)
Net transfers from/(to) cash reserves	20	(2,332,237)	10,215,427	3,462,759
Balance as at 30 June		201,599,817	201,256,465	207,594,377
TOTAL EQUITY		648,969,627	633,411,290	635,006,038

This statement is to be read in conjunction with the accompanying notes

CITY OF BELMONT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 Actual \$	2020 Actual \$	2021 Budget \$
Cash flows from operating activities				
Payments				
Employee costs		(24,251,582)	(23,967,395)	(25,456,670)
Materials and contracts		(28,881,295)	(24,948,372)	(24,035,925)
Insurance expenses		(598,342)	(527,511)	(567,260)
Utilities		(1,274,865)	(1,235,108)	(1,254,263)
Interest		(625,290)	(658,852)	(622,726)
Goods and services tax		(3,300,774)	(5,094,137)	Nil
Other expenses		(1,246,234)	(1,233,189)	(1,560,984)
Receipts				
Rates		48,669,783	48,339,534	49,244,000
Operating grants, subsidies and contributions		4,389,642	6,219,209	1,413,393
Fees and charges		10,221,088	10,438,913	8,199,265
Interest income		996,196	1,729,177	995,108
Goods and services tax		3,422,488	5,376,660	Nil
Other revenue		524,423	868,877	540,936
Net cash from operating activities	23	8,045,239	15,307,806	6,894,874
Cash flows from/(used) in investing activities				
Receipts of non-operating grants and contributions		2,439,578	10,741,219	1,829,896
Term deposits redeemed		64,935,129	44,837,245	27,759,853
Investments in term deposits		(76,975,187)	(31,829,807)	(24,297,094)
Purchase of property, plant, equipment and infrastructure		(9,035,199)	(28,954,324)	(16,099,333)
Purchase of intangible assets		(268,396)	Nil	Nil
Proceeds from sale of property, plant and equipment		422,423	340,617	1,017,612
Net cash used in investing activities		(18,481,652)	(4,865,050)	(9,789,066)
Cash flows from/(used in) financing activities				
Repayments of borrowings		(551,941)	(705,691)	(551,941)
Self supporting loan principal receipt		36,911	7,700	Nil
Net cash from/(used in) financing activities		(515,030)	(697,991)	(551,941)
Net increase/(decrease) in cash held		(10,951,442)	9,744,765	(3,446,133)
Cash held at the beginning of the reporting period		22,435,209	12,690,444	7,620,958
Cash and cash equivalents held at the end of the reporting period	22	11,483,765	22,435,209	4,174,825

This statement is to be read in conjunction with the accompanying notes

CITY OF BELMONT

**RATES SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	2021 Actual \$	2020 Actual \$	2021 Budget \$
INCOME STATEMENT			
Operating Expenses			
Employee costs	23,599,016	25,318,996	25,740,024
Materials and contracts	26,778,725	26,017,242	24,286,182
Utility charges	1,274,865	1,235,108	1,254,263
Depreciation on Non-current assets	8,975,142	7,810,291	8,311,442
Loss on disposal of assets	662,072	617,796	157,000
Interest expenses / finance costs	619,175	651,949	622,726
Insurance expenses	598,342	527,511	567,260
Other expenses	1,318,883	1,280,839	1,572,916
	63,826,220	63,459,732	62,511,813
Operating Revenue (excluding rates)			
Operating grants, subsidies and contributions	4,389,642	6,219,209	1,462,549
Profit on asset disposals	50,059	21,654	Nil
Fees and charges	8,628,813	9,398,412	8,248,905
Interest earnings	967,023	1,700,004	995,108
Other revenue	524,423	868,877	646,828
	14,559,960	18,208,156	11,353,390
Net result excluding rates	(49,266,260)	(45,251,576)	(51,158,423)
Adjustment for non cash items			
Depreciation	8,975,142	7,810,291	8,311,442
Employee provisions	15,641	61,541	79,834
Adjustment for non-current rates debtors	(30,674)	(1,015)	Nil
Movement current lease liability	(5,263)	(66,769)	Nil
(Profit)/loss on sale of assets	612,013	596,142	157,000
Funds demand from operations	(39,699,401)	(36,851,386)	(42,610,147)
Capital items			
Non-operating grants, subsidies and contributions	2,439,578	11,708,728	1,829,896
Acquisition of property plant, equipment and infrastructure	(9,035,199)	(28,954,324)	(16,142,179)
Purchase of intangible assets	(268,396)	Nil	Nil
Proceeds from sale of assets	422,423	340,617	1,017,612
Loan principal repayments	(551,941)	(705,691)	(551,941)
Self supporting loan principal receipt	36,910	7,700	Nil
	(6,956,625)	(17,602,970)	(13,846,612)
Reserves			
Transfer to reserve	(5,653,994)	(4,899,523)	(10,044,717)
Transfer from reserve	3,321,756	15,114,950	13,507,476
Net Transfer	20 (2,332,238)	10,215,427	3,462,759
Opening Position - Surplus (Deficit)	27 8,494,693	4,404,431	4,250,000
Closing Position - Surplus (Deficit)	27 8,218,713	8,494,693	500,000
Amount to be made up from rates	3 (48,712,284)	(48,329,191)	(49,244,000)

This statement is to be read in conjunction with the accompanying notes

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021
1. BASIS OF PREPARATION

The significant policies which have been adopted in the preparation of these financial statements are:

a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards, *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the City controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 13 to these financial statements.

INITIAL APPLICATION OF ACCOUNTING STANDARDS

During the current year, the City adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations. These were:

- *AASB 1059 Service Concession Arrangements: Grantors*

- *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Materiality*

The adoption of these standards had no material impact on the financial report.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

1. BASIS OF PREPARATION (Cont.)**NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS**

The following new accounting standards will have application to local government in future years:

- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*

- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*

- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

It is not expected these standards will have an impact on the financial report.

Critical Accounting

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of this experience and other factors combine to form the basis of making judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- Employee expenses
- Other financial assets
- Property, Plant and Equipment
- Infrastructure
- Right-of-use assets
- Lease liabilities
- Borrowing liabilities
- Provisions

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns Refunds Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and / or complete date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets.	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the funding body	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and / or completion date matched to performance obligations
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and Charges - licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	Refunds very limited	On payment of the licence, registration or application

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Cont.)								
Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns Refunds Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Fees and charges - pool inspections	Compliance safety check	Single point in time	Equal proportion based on equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	Output method based on provision of service
Fees and charges - other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Upon issue of invoice.
Fees and charges - waste management	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	When taxable event occurs	Not applicable	Output method based on provision of service
Fees and charges - property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund (less \$25 amendment fee) if event cancelled within 5 working days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price of terms	At time of booking or collection of keys
Reinstatements and private works	Reinstatements and private works	Single point in time	Majority of payment in full in advance	Refunds when applicable	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by council through local law	When taxable event occurs	Not applicable	When fine notice is paid
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed
Reimbursement for utilities and other recoverable costs.	Reimbursement for utilities and other recoverable costs.	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	Applied fully based on timing of provision	Not applicable	Upon issue of invoice.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Cont.)

a) Revenue

Grant Revenue

Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:

	2021 Actual \$	2020 Actual \$	2021 Budget \$
Non-Operating Grants, Subsidies and Contributions			
General purpose funding	Nil	Nil	Nil
Law, order & public safety	540,000	196,736	540,028
Health	Nil	Nil	Nil
Education & welfare	Nil	Nil	Nil
Housing	Nil	Nil	Nil
Community amenities	228,539	6,274	65,000
Recreation & culture	540,284	8,545,292	97,000
Transport	1,087,685	3,762,499	1,127,868
Economic services	43,070	Nil	Nil
Other property & services	Nil	Nil	Nil
	2,439,578	12,510,801	1,829,896
Operating Grants, Subsidies and Contributions			
	\$	\$	\$
Governance	225,394	773,556	80,000
General purpose funding	1,521,627	876,372	429,000
Law, order & public safety	316,703	64,367	298,138
Health	19,145	47,807	42,252
Education & welfare	143,928	1,973,107	62,500
Community amenities	387,936	1,720,400	1,000
Recreation & culture	203,803	41,275	138,786
Transport	1,515,867	676,181	377,440
Other property & services	55,239	46,144	33,433
	4,389,642	6,219,209	1,462,549

Grants, donations and other contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature. Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Cont.)

a) Revenue (cont.)

	2021 Actual \$	2020 Actual \$	2021 Budget \$
Fees and Charges			
Governance	10,111	8,273	9,200
General purpose funding	957,761	927,166	817,828
Law, order & public safety	122,184	172,969	102,150
Health	47,139	215,556	57,000
Education & Welfare	1,065	206,151	Nil
Housing	294,233	353,607	360,000
Community amenities	6,735,511	6,924,219	6,510,077
Recreation & culture	278,045	245,852	225,650
Transport	Nil	Nil	Nil
Economic services	133,823	291,494	112,500
Other property & services	48,941	53,125	54,500
	8,628,813	9,398,412	8,248,905

Fees and Charges

Revenue from the use of facilities and charges made for local government services, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

	2021 Actual \$	2020 Actual \$	2021 Budget \$
<u>Contracts with customers and transfers for recognisable non-financial assets</u>			
Fees and Charges	401,692	531,948	296,066
Operating grants, subsidies and contributions	2,895,495	3,983,383	1,587,428
Other Revenue	200,347	311,805	126,834
Non-Operating grants, subsidies and contributions	2,439,578	12,378,774	1,825,256
	5,937,112	17,205,910	3,835,584

Contracts with customers included as a contract liability at the start of the period	129,745	Nil	Nil
Other revenue from contracts with customers recognised during the year	3,367,789	4,827,136	2,010,328
Transfers intended for acquiring or constructing recognisable non-financial assets:			
- included as a capital grant liability at the start of the period.	Nil	802,073	Nil
- from performance obligations satisfied during the year	2,439,578	11,576,701	1,825,256
	5,937,112	17,205,910	3,835,584

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Cont.)

a) Revenue (cont.)

	2021 Actual \$	2020 Actual \$
<u>Information about receivables, contract assets and contract liabilities from contracts with customers</u>		
Trade and other receivables from contracts with customers	60,252	45,735
Contract Assets	45,852	1,168,206
*Contract liabilities from contracts with customers	(81,056)	(129,745)
Financial assets held from transfers for recognisable financial assets	793,037	61,528
Contract liabilities from transfers for recognisable non financial assets	(793,037)	(61,528)

Contract assets primarily relate to the City's right to consideration for work completed but not billed at 30 June 2021 (note 6).

Assets associated with contracts with customers were not subject to an impairment charge.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Consideration from contracts with customers is included in the transaction price.

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

* Contract liabilities are classified as income received in advance note 13(a).

	2021 Actual \$	2020 Actual \$
<u>Assets and services acquired below fair value</u>		
Contributed Assets	96,538	394,161

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates	48,712,282	48,329,191
Sanitation Management	6,293,710	6,554,946
Statutory permits and licences	477,102	770,781
Fines	100,721	172,269
Developer contributions	212,959	Nil
Cash in lieu contributions	Nil	95,596
Other	418,531	463,451
	56,215,305	56,386,234

Other Revenue

Other Revenue comprises:

Reimbursements	476,155	636,177
Miscellaneous/Other	48,268	232,700
	524,423	868,877

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Cont.)			
	2021	2020	2021
b) Expenses	Actual	Actual	Budget
	\$	\$	\$
Auditors Remuneration			
Audit of the financial report	54,100	55,000	
Audit of grant acquittals	3,000	2,000	
	<u>57,100</u>	<u>57,000</u>	
Interest Expenses (finance costs)			
Borrowings	618,500	651,039	622,726
Lease Liabilities (refer note 17(b))	675	910	Nil
Refer note 33	<u>619,175</u>	<u>651,949</u>	<u>622,726</u>

Debts Written Off

Debts totalling \$3,296 (2020: nil) were written off during the reporting period to 30 June 2021.

3. RATING INFORMATION

Minimum Rates

The minimum payments for 2020-21 have again been set to ensure the minimum level of service required is adequately funded. Minimum payments serve other key purposes in relation to encouraging owners of vacant land to develop the site for whichever purpose it is zoned. This process further complements the State Government initiative of promoting urban infill and arresting the urban sprawl that burdens the State's ability to provide Infrastructure Assets.

The following rates in the dollar applied to each property in the differential rate categories where a minimum rate was not applied. For additional details refer to the Statement of General Purpose Funding.

	Rate in \$	Minimum \$	Total Properties
RESIDENTIAL	0.065585	840	19,044
COMMERCIAL	0.069271	990	1,043
INDUSTRIAL	0.069459	1,010	473

Differential Rating

The *Local Government Act 1995* empowers a council to impose different rates in the dollar for different land zonings and different rates for improved or vacant land within a zoning. This power is provided to help local authorities with particular rating difficulties and to achieve better rating equity between different land use zonings.

For the purposes of this rating system, a land zone is a Town Planning Scheme Zone made under the *Planning and Development Act 2005* or a Zone made under Council's Planning By-laws.

Council may also apply an existing zone rate to land which is lawfully used for a non conforming use in another zone. In such cases, Council must formally declare that the land be categorised in that zone for the purpose of imposing the more appropriate rate. Within zones, land which is either improved or vacant may be rated differently. It should be noted that where, during the rating year, land is rezoned, the Council cannot issue an amended rate notice reflecting that change.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

3. RATING INFORMATION (Cont.)

Residential Rate

The Residential Rate forms the basis of the differential rates relativities. The relativities are in place to provide Council with the flexibility to address any shifts from one rating category to another that it considers is too severe and should be phased in, or to recognise a differing level of service required by a particular rating category.

The residential rating category is also deemed to have the least capacity to pay. However, Council is committed to increasing the Residential Rate base through its City of Opportunity Marketing Strategy. This has resulted in considerable growth that is broadening the base and in turn, evenly distributing the overheads of maintaining the infrastructure of the City. There are continuing positive signs of redevelopment that have resulted in healthy growth that should continue into the foreseeable future.

Commercial Rate

Many of the reasons stated for the Industrial Rate apply to the Commercial Rate, however to a lesser degree. Certainly the location to the airports and rail terminal attract business and therefore more traffic to Belmont, however the vehicle traffic would be generally lighter and therefore not as great an impact on Council's road network.

Industrial Rate

Council has identified that the location of both the airports and the rail freight terminal has encouraged industry to locate within the City of Belmont. The result of this is large volumes of heavy vehicle traffic movements within the City and therefore an accelerated deterioration of roads.

Greater expenditure of Council's revenues is also required on services such as Health, Building and Town Planning.

The minimum payment is considered reasonable given the industrial properties will generally be serviced by and have access to a reasonable standard of infrastructure provided by the Council. It should also be seen as an incentive to develop any vacant lots that are zoned industrial.

Specified Area Rates

There were no specified area rates for the current reporting period.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

3. RATING INFORMATION (Cont.)**Discounts and Incentive Schemes**

The City of Belmont offers a 5% discount on rates paid in full by 29 September 2020 (35 days after issue of notice) or in the case of pensioners if the appropriate percentage of rates levied is paid by 29 September 2020. Payment must include any arrears and does not apply to the separate Rubbish Charge.

The total cost of the 5% discount to the City for 2020/21 is \$1,661,289 (Budget \$1,625,000, Prior Year \$1,620,146).

Instalments and Interest**Late Payment of Rates**

- 8% penalty interest rate for overdue rates.
- \$93,947 (Budget \$93,500, Prior Year \$107,487)

Instalment Options

4 instalments

- 29 September 2020
- 30 November 2020
- 1 February 2021
- 1 April 2021

Cost of 4 Instalment Program

- 5.5% instalment interest rate
- \$20.00 administration fee

2 Instalments

- 29 September 2020
- 1 February 2021

Cost of 2 Instalment Program

- \$20 administration fee

Income for Instalment Program

- Instalment Interest \$131,266 (Budget \$124,750, Prior Year \$141,115)
- Administration Fee \$113,476 (Budget \$109,000, Prior Year \$125,440)

Interim and Back Rates

Interim and back rates levied during 2020/21 totalled \$644,118 and were comprised as follows:-

	2021		2020	
	Actual		Actual	
	\$		\$	
	Interim	Back	Interim	Back
Residential	317,877	23,469	308,852	(19,765)
Commercial	241,741	27,908	94,552	(82,299)
Industrial	45,287	(12,165)	7,287	Nil
	604,905	39,212	410,690	(102,064)

The above table includes residential minimum payments of \$38,716 and \$20,272 of interims and back payments respectively.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

3. RATING INFORMATION (Cont.)

	2021 Actual \$	2021 Valuations \$	2020 Actual \$	2021 Budget \$
General Rate				
Residential				
13,818 assessments				
GRV rate in \$: 0.065585	16,099,260	245,471,611	16,100,708	16,084,818
- Interims and back rates	341,346		289,087	105,124
-Less Discount	(476,068)		(460,070)	(461,448)
Commercial				
856 assessments				
GRV Rate in \$: 0.069271	9,240,764	133,400,174	9,352,131	9,353,611
- Interims and back rates	269,649		12,253	47,699
-Less Discount	(262,705)		(275,985)	(276,811)
Industrial				
464 assessments				
GRV rate in \$: 0.069459	8,560,687	123,248,059	8,568,633	8,574,103
- Interims and back rates	33,122		7,287	42,915
-Less Discount	(239,844)		(213,151)	(213,790)
Minimum Rate				
Residential				
GRV number of assessments 5,226 at \$840 each	4,389,840	59,688,635	3,895,080	4,391,520
-Less Discount	(123,690)		(102,071)	(102,377)
Commercial				
GRV number of assessments 187 at \$990 each	185,130	1,459,492	179,190	186,120
-Less Discount	(5,742)		(5,099)	(5,114)
Industrial				
GRV number of assessments 9 at \$1010 each	9,090	89,679	8,080	9,090
-Less Discount	(152)		(202)	(202)
Payments in Lieu of Rates				
-Less Discount	11,244,683		11,536,888	12,074,000
	(553,088)		(563,571)	(565,258)
Total General Rates Levied	48,712,282	563,357,650	48,329,189	49,244,000

SIGNIFICANT ACCOUNTING POLICIES**Rates**

Control over assets acquired from rates is obtained at the commencement of the rating period as and when the rates are levied.

Prepaid rates are refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City recognises revenue for the prepaid rates.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

4. CASH AND OTHER FINANCIAL ASSETS

The following restrictions have been imposed by regulations or other external requirements.

Note	2021 Actual \$	2020 Actual \$	2021 Budget \$
Administration Building Reserve	237,447	233,259	238,016
Aged Accommodation - Homewest Reserve	862,342	817,776	889,253
Aged Community Care Reserve	220,256	167,898	Nil
Aged Persons Housing Reserve	960,587	1,018,354	919,078
Aged Services Reserve	1,071,442	1,052,545	1,077,019
Ascot Waters Marina Maint. and Redev. Reserve	1,020,242	1,010,736	979,024
Belmont District Band Reserve	47,253	43,473	44,353
Belmont Oasis Refurbishment Reserve	4,164,704	4,091,252	4,174,808
Building Maintenance Reserve	5,677,933	6,391,259	5,314,667
Belmont Trust Reserve	1,683,144	1,680,261	1,518,352
Car Parking Reserve	62,313	61,214	62,306
District Valuation Reserve	212,659	95,937	204,368
Election Expenses Reserve	126,350	75,004	126,126
Environment Reserve	102,743	100,931	29,828
Faulkner Park Ret. Vill. Owner Maint. Reserve	552,877	517,070	570,112
Faulkner Park Ret. Vill. Buy Back Reserve	2,367,659	2,325,901	2,513,247
Foreshore Development Reserve	Nil	Nil	Nil
History Reserve	167,303	140,776	143,884
Information Technology Reserve	1,575,305	1,146,717	1,020,603
Land Acquisition Reserve	9,267,616	9,104,164	9,369,124
Long Service Leave Reserve - Funded Programs	Nil	Nil	Nil
Long Service Leave Reserve - Salaries	2,196,162	2,067,804	2,425,567
Long Service Leave Reserve - Wages	409,278	456,472	489,284
Miscellaneous Entitlements Reserve	175,837	268,516	542,385
Parks Development Reserve	Nil	119,054	Nil
Plant Replacement Reserve	820,896	1,165,999	817,794
Property Development Reserve	9,427,754	8,776,778	5,172,074
Public Art Reserve	397,783	390,767	395,926
Ruth Faulkner Library Reserve	46,200	45,385	46,313
Streetscapes Reserve	494,984	486,254	496,186
Urban Forest Strategy Reserve	116,888	114,826	117,178
Waste Management Reserve	4,588,191	2,784,404	2,385,604
Workers Compensation/Insurance Reserve	1,637,296	1,608,419	1,637,305
20	50,691,442	48,359,205	43,719,782
Loan monies unspent	Nil	Nil	Nil
Grant funds unspent as at 30 June	Nil	1,720,400	Nil
Total restricted funds	50,691,442	50,079,605	43,719,782

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

4. CASH AND OTHER FINANCIAL ASSETS (Cont.)

Note	2021 Actual \$	2020 Actual \$	2021 Budget \$
Cash and cash equivalents			
Cash at bank and on hand	6,483,764	13,315,083	4,174,825
Term Deposits	5,000,000	9,120,126	Nil
	11,483,764	22,435,209	4,174,825
Other Financial Assets			
Deposits (>3 months)	8(a) 27,699,139	5,508,161	29,319,591
Deposits (>12 months)	8(b) 26,167,857	36,318,777	14,400,193
	53,866,996	41,826,938	43,719,784
Restricted	50,691,442	50,079,605	43,719,784
Unrestricted	14,659,318	14,182,542	4,174,826
	65,350,760	64,262,147	47,894,610
Investment and interest earnings			
Interest on other financial assets	920,379	1,599,504	
Interest on cash and short term deposits	46,644	100,500	
Total return	967,023	1,700,004	
Investment income by municipal fund	116,067	226,732	580,000
Investment income on reserve funds	850,956	1,473,272	415,108
Total Return	967,023	1,700,004	995,108

SIGNIFICANT ACCOUNTING POLICIESCash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Restricted Assets

Restricted assets are not available for general use due to externally imposed restrictions contained in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

5. TRADE AND OTHER RECEIVABLES

	Note	2021 Actual \$	2020 Actual \$
a) Current			
Rates and other levies		1,705,913	1,673,290
Trade debtors		142,913	346,197
GST Receivable		585,938	707,651
		<u>2,434,764</u>	<u>2,727,138</u>
b) Non-current			
Deferred rates and Emergency Services Levy		404,963	367,775
Loan (community group)		Nil	36,910
		<u>404,963</u>	<u>404,685</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 26.

Classification and subsequent measurement

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade receivables are held with the objective to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are therefore classified and measured at amortised cost using the effective interest rate method. Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value.

6. OTHER CURRENT ASSETS

	2021 Actual \$	2020 Actual \$
Current		
Other accrued income	1,188,032	1,973,603
Prepayments	259,477	342,260
	<u>1,447,509</u>	<u>2,315,863</u>

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other current assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term beyond that period.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

7. INVENTORIES

	2021 Actual \$	2020 Actual \$
Stores inventory	207,875	204,225
	<u>207,875</u>	<u>204,225</u>

SIGNIFICANT ACCOUNTING POLICIES

Inventories

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

8. OTHER FINANCIAL ASSETS

	2021 Actual \$	2020 Actual \$
a) Current		
Other financial assets at amortised cost - term deposits	27,699,139	5,508,161
	<u>27,699,139</u>	<u>5,508,161</u>
b) Non-Current		
Other financial assets at amortised cost - term deposits	26,167,857	36,318,777
Financial assets at fair value through profit and loss		
- Share in Local Government House Trust (i)	184,517	178,053
	<u>26,352,374</u>	<u>36,496,830</u>

- (i) The City has 10 units amounting to \$184,517 based on the Local Government House Trust's most current audited Financial Statements at 30 June 2020. These are classified as other financial assets at fair value through profit or loss.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The City classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit and loss

The City classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the City has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 26.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHODAssociates

The City was a participant in the Eastern Metropolitan Regional Council (EMRC), on the 23 November 2020 the City decided to withdraw from EMRC and will be effective from 1 July 2021. The City's interest in the EMRC was calculated by the EMRC as at 30 June 2021 was 11.31% representing its share of net assets of \$21,000,517. The City had voting rights of 1/6th and the interest in the assets and liabilities of the EMRC is as follows:

Note	2021 Actual \$	2020 Actual \$
Interest in Associates as at 30 June	21,000,517	20,882,412
Represented by Share of Associates :		
<u>EMRC:</u>		
Revenue	45,090,716	44,370,170
Net Result	10,296,371	(7,251,561)
Total Comprehensive Income	6,287,085	(6,061,721)
<u>Financial Position:</u>		
Current Assets	91,484,741	89,551,063
Non-Current Assets	115,414,742	110,359,239
Total Assets	206,899,483	199,910,302
Current Liabilities	14,439,344	8,026,411
Non-Current Liabilities	6,707,161	7,432,011
Total Liabilities	21,146,505	15,458,422
Net Assets	185,752,978	184,451,880
Change in equity	686,987	(1,338,762)
Revaluation Surplus movement	21 (568,882)	103,744
Dividends received from associate	622,279	565,624

SIGNIFICANT ACCOUNTING POLICIES

Interest in Associate

An associate is an entity over which the City has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The City's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the City's share of net assets of the associate since the acquisition date. The City's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Investments in associates are tested for any indication of impairment at the end of the reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the investment is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Other Investments

The City also holds a minor interest in jointly controlled assets (land and buildings) with the Housing Authority for aged accommodation purposes. Included in Property, Plant and Equipment the total value of the City's share of jointly controlled assets at 30 June 2021 is \$2,138,174 (2020: \$2,190,674).

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

10. BORROWINGS

The City currently has the following principal outstanding on loans borrowed for various capital works and land acquisition purposes.

	2021 Actual \$	2020 Actual \$	2021 Budget \$
Current			
Interest on loans accrued	131,841	137,956	Nil
Loan liability	573,170	551,941	573,170
	705,011	689,897	573,170
Non-Current			
Loan liability	12,831,578	13,404,748	12,831,578
Total Borrowings	13,536,589	14,094,645	13,404,748
Loans raised during year (Note 33)	Nil	Nil	Nil
Unspent balance of borrowings	Nil	Nil	Nil

All borrowings made by the City are secured over the general funds of the City of Belmont.

SIGNIFICANT ACCOUNTING POLICIES

Financial Liabilities

Financial liabilities are recognised at fair value when the City becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

Borrowing costs are recognised as an expense. Refer Note 33.

11. PAYABLES & PROVISIONS

	2021 Actual \$	2020 Actual \$
(a) Trade and other payables (Current)		
Creditors	688,848	1,146,933
Accrued Expenses	3,962,643	5,189,877
Prepaid Rates	871,684	796,948
Salaries and wages accrued	354,812	1,260,833
	5,877,987	8,394,590

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

They represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

11. PAYABLES & PROVISIONS (Cont.)

	2021 Actual \$	2020 Actual \$
(b) Provisions (Current)		
Provision for annual leave	2,913,447	2,691,455
Provision for long service leave	2,605,440	2,524,276
Other leave provisions	209,464	193,643
	<u>5,728,351</u>	<u>5,409,374</u>
(c) Provisions (Non-current)		
Provision for long service leave	425,932	491,454
	<u>425,932</u>	<u>491,454</u>

Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2021 Actual \$	2020 Actual \$
Within 12 months of the end of the reporting period	2,000,934	1,748,528
More than 12 months after the end of the reporting period	912,513	942,927
	<u>2,913,447</u>	<u>2,691,455</u>

Long service leave liabilities due or payable have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2021 Actual \$	2020 Actual \$
Within 12 months of the end of the reporting period	443,943	348,410
More than 12 months after the end of the reporting period	2,587,428	2,667,320
	<u>3,031,371</u>	<u>3,015,730</u>

SIGNIFICANT ACCOUNTING POLICIES**Employee benefits****Short-term employee benefits**

Provision is made for the City's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The City's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

11. PAYABLES & PROVISIONS (Cont.)**Other long-term benefits**

The City's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of the financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The City's obligations for long-term employee benefits are presented as non-current provisions in this statement of financial position, except where the City does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions

Provisions are recognised when the City has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

12. LEASES AND CAPITAL COMMITMENTS**(a) Leases**

Lease liabilities	2021	2020	
	Actual	Actual	
	\$	\$	
Current	72,032	66,769	
Non-current	33,651	17,039	
	<u>105,683</u>	<u>83,808</u>	
<u>Recreation and culture</u>			
	<u>Lease 1</u>	<u>Lease 2</u>	<u>Lease 3</u>
Lease number	1/2	3A/B	N/A
Institution	De Lage	De Lage	Database
	Landen	Landen	Consultants
Lease interest rate	0.43%	0.43%	0.35%
Lease term	3 years	3 years	2 years
Term Remaining at 30 June 2021	0.34 years	1.45 years	1.75 years
Lease Liabilities at 1 July 2020	55,024	28,784	Nil
New Leases 2020-2021	35,386	Nil	75,000
Lease Payments 2020-2021	67,622	11,745	9,144
Lease Liabilities at 30 June 2021	<u>22,788</u>	<u>17,039</u>	<u>65,856</u>

There are 2 operating leases relating to the leasing of cardio vascular gym equipment that is used in the Belmont Oasis and lease 3 refers to the leasing of parking sensors. Refer to the accounting policy for lease liabilities and related Right of Use Assets in note 17 (b).

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

12. LEASES AND CAPITAL COMMITMENTS (Cont.)

As at 30 June the City had the following operating lease entitlements for which the City was the lessor.

Lease receivable details	2021 Actual \$	2020 Actual \$
Not longer than 1 year	336,189	153,967
Longer than 1 year and not longer than 2 years	252,434	96,901
Longer than 2 years and not longer than 5 years	373,987	155,729
Longer than 5 years	402,372	136,409
	<u>1,364,982</u>	<u>543,006</u>

Operating lease revenue is receivable from tenants in property owned by City of Belmont. Leases have an average lease term of 2.8 years and an implicit interest rate based on CPI.

(b) Capital Works Contract Commitments

As at 30 June, the City had the following contracted capital works commitments outstanding.

	2021 Actual \$	2020 Actual \$
Not longer than 1 year	1,832,071	4,558,606
Longer than 1 year and not longer than 2 years	Nil	Nil
Longer than 2 years and not longer than 5 years	Nil	Nil
Longer than 5 years	Nil	Nil
	<u>1,832,071</u>	<u>4,558,606</u>

Significant decrease relates to the completion of the construction contract of the Belmont Hub.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

13. OTHER LIABILITIES

(a) Other Liabilities (Current)	Note	2021 Actual \$	2020 Actual \$
Total funds (bonds/deposits/trust funds) held		1,530,767	1,503,762
Less trust funds (not under the City's control) *		<u>(1,393,034)</u>	<u>(1,355,895)</u>
		137,733	147,867
Contract liabilities		81,056	241,499
Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity		793,037	Nil
Other Liabilities		52,243	465,844
Emergency Services Levy		261,914	315,852
		<u>1,325,982</u>	<u>1,171,062</u>

Performance obligations for each type of liability are expected to be recognised as revenue within the next year.

SIGNIFICANT ACCOUNTING POLICIES**Contract liabilities**

Contract liabilities represent the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer.

Contract liabilities are recognised as revenue as the performance obligations are satisfied.

Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity

Grant liabilities represent the City's performance obligations to construct recognisable non-financial assets to identify specifications which are yet to be satisfied.

(b) Other Liabilities (Non-Current)	2021 Actual \$	2020 Actual \$
Emergency Services Levy (Deferred)	70,533	64,020
	<u>70,533</u>	<u>64,020</u>

*Funds over which the City has no control and which are not included in the financial statements are as follows:

	Note	2021 Actual \$	2020 Actual \$
BCITF Levy	i	4,486	28,144
Building Services Levy	ii	79,080	33,822
Cash In Lieu Of Public Open Space	iii	1,303,865	1,293,929
Department of Planning Fees	iv	5,603	Nil
Total trust funds (not under the City's control)		<u>1,393,034</u>	<u>1,355,895</u>

Summary of Trust Funds Held

	2021 Actual \$	2020 Actual \$
(i) BCITF Levy		
Opening balance	28,144	100,567
Receipts	42,707	130,304
Payments	<u>(66,365)</u>	<u>(202,727)</u>
Balance at 30 June	4,486	28,144

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

13. OTHER LIABILITIES (Cont.)

	2021 Actual \$	2020 Actual \$
(ii) Building Services Levy		
Opening balance	33,822	97,923
Receipts	250,028	167,736
Payments	(204,770)	(231,837)
Balance at 30 June	79,080	33,822
(iii) Cash In Lieu Of Public Open Space		
Opening balance	1,293,929	1,276,270
Receipts	9,936	17,659
Payments/Transfers	Nil	Nil
Balance at 30 June	1,303,865	1,293,929
(iv) Department of Planning Fees		
Opening balance	Nil	Nil
Receipts	27,777	Nil
Payments	(22,174)	Nil
Balance at 30 June	5,603	Nil
Total Trust funds held	1,393,034	1,355,895

14. BELMONT TRUST

The City of Belmont is a trustee for lot 49 Great Eastern Highway and lot 5 Stoneham Street held in Ascot. The effect of the Trust Deed is that the City holds the trust property (land) for the charitable purpose of public recreation and enjoyment for the people that reside in the City of Belmont.

The Belmont Trust is not a separate legal entity and it cannot own property in its own name. Instead the land is held by the City as the sole trustee. The Trust's assets, liabilities, income and expenditure are consolidated in the City's own financial statements. However to ensure that any financial benefits generated by the Trust are managed in accordance with the Trust Deed, assets, liabilities, income and expenditure will be separately recorded.

During the year ending 30 June 2021 the Belmont Trust incurred expenditure of \$10,019 to maintain the land and fund legal services while interest income of \$12,903 was earned. Net funds were transferred to the Belmont Trust Reserve (note 20(i)) which had a balance of \$1,683,144 at the end of the financial year.

As at the reporting date the Trust land is recognised as a Non-Current Asset under Property, Plant and Equipment at a fair value of \$31.725 million.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

15. PROPERTY, PLANT AND EQUIPMENT

	2021 Actual \$	2020 Actual \$
Land (Freehold) at:		
Independent valuation (level 2)	165,631,900	165,631,900
Additions after valuation	Nil	Nil
	165,631,900	165,631,900
Buildings at:		
Independent valuation (level 3)	104,123,650	104,123,650
Management valuation (level 3)	1,010,704	1,010,704
Additions after valuation	41,808,350	40,752,369
Less: accumulated depreciation	(22,190,086)	(19,972,262)
	124,752,618	125,914,461
Furniture & equipment at:		
Management valuation (level 3)	7,431,857	7,431,857
Additions after valuation	2,742,754	862,010
Less: accumulated depreciation	(6,965,157)	(6,326,353)
	3,209,454	1,967,514
Plant and machinery at:		
Management valuation (level 3)	8,464,878	8,464,878
Additions after valuation	219,735	376,924
Less: accumulated depreciation	(4,337,354)	(4,364,720)
	4,347,259	4,477,082
Work in Progress - Cost	392,976	1,103,546
Total Property, plant and equipment	298,334,207	299,094,503

Fair Value Measurements**Land**

The City's land (freehold) was revalued as at 30 June 2019 by independent valuers.

Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes which are restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

Buildings

The City's buildings including other structures were revalued as at 1 April 2020 using the cost approach by independent valuers. This required estimating the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence (level 2) other inputs (such as residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been using level 3 valuation inputs.

SIGNIFICANT ACCOUNTING POLICIES**Furniture and Equipment & Plant and Machinery**

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change was effective from 1 July 2019 and represented a change in accounting policy.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

15. PROPERTY, PLANT AND EQUIPMENT (Cont.)

Movements in Carrying Amounts	2021 Actual	2020 Actual
(a) Land	\$	\$
Opening Balance	165,631,900	165,631,900
Additions	Nil	Nil
Net revaluations	Nil	Nil
Closing Balance	<u>165,631,900</u>	<u>165,631,900</u>
(b) Buildings		
Opening Balance	125,914,461	90,296,628
Additions	964,598	16,437,049
Transfers from work in progress	91,383	24,502,137
Transfers to Reserve Improvements	Nil	(71,495)
Disposals (at cost/valuation)	Nil	(444,370)
Disposals (accum. depreciation)	Nil	135,378
Net revaluations	Nil	(3,366,247)
Depreciation expense	(2,217,824)	(1,574,620)
Closing Balance	<u>124,752,618</u>	<u>125,914,461</u>
(c) Furniture and equipment		
Opening Balance	1,967,514	511,204
Additions	1,134,119	1,737,737
Transfers from work in progress	1,012,163	83,314
Disposals (at cost/valuation)	(580,502)	(1,036,121)
Disposals (accum. depreciation)	522,584	1,036,121
Depreciation expense	(846,424)	(364,742)
Closing Balance	<u>3,209,454</u>	<u>1,967,514</u>
(d) Plant and machinery		
Opening Balance	4,477,082	4,700,058
Additions	918,592	679,987
Disposals (at cost/valuation)	(1,075,781)	(725,146)
Disposals (accum. depreciation)	353,536	352,988
Depreciation expense	(326,170)	(530,806)
Closing Balance	<u>4,347,259</u>	<u>4,477,082</u>
(e) Work in progress		
Opening Balance	1,103,546	24,585,451
Additions	392,976	1,103,546
Transferred to assets	(1,103,546)	(24,585,451)
Closing Balance	<u>392,976</u>	<u>1,103,546</u>
Total property, plant and equipment	<u>298,334,207</u>	<u>299,094,503</u>

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

16. INFRASTRUCTURE

	2021 Actual \$	2020 Actual \$
Reserves improvements at:		
Independent valuation (level 3)	23,855,344	23,855,344
Additions after valuation	2,061,355	1,186,068
Less: accumulated depreciation	(9,770,885)	(8,861,215)
	<u>16,145,814</u>	<u>16,180,197</u>
Road network - infrastructure at:		
Independent valuation (level 3)	187,626,132	187,626,132
Additions after valuation	18,608,416	14,781,798
Less: accumulated depreciation	(51,128,621)	(48,615,663)
	<u>155,105,927</u>	<u>153,792,267</u>
Footpath network - infrastructure at:		
Independent valuation (level 3)	26,103,471	Nil
Management valuation (level 3)	Nil	21,174,019
Additions after valuation	469,662	2,460,592
Less: accumulated depreciation	(9,244,379)	(10,907,306)
	<u>17,328,754</u>	<u>12,727,305</u>
Drainage network - infrastructure at:		
Independent valuation (level 3)	93,049,528	86,684,610
Additions after valuation	103,140	2,057,695
Less: accumulated depreciation	(23,354,509)	(26,832,522)
	<u>69,798,159</u>	<u>61,909,783</u>
Parks and gardens - turf at:		
Management valuation (level 3)	22,826,376	22,826,376
Less: accumulated depreciation	Nil	Nil
	<u>22,826,376</u>	<u>22,826,376</u>
Carparks at:		
Independent valuation (level 3)	6,099,488	6,099,488
Additions after valuation	29,827	29,827
Less: accumulated depreciation	(1,916,245)	(1,833,453)
	<u>4,213,070</u>	<u>4,295,862</u>
Work in progress at:		
Cost	926,562	1,235,619
	<u>926,562</u>	<u>1,235,619</u>
Total Infrastructure	<u>286,344,662</u>	<u>272,967,409</u>

16. INFRASTRUCTURE (Cont.)**Fair Value Measurements**

The City's roads and carparks were revalued as at 1 July 2017 by management. An independent asset management consultant also reviewed the road valuation and had previously reviewed the valuation inputs for all other respective asset types that were again used with the exception of unit rates that were updated.

The City's Reserve Improvements were revalued as at 1 January 2020 and the Footpath/Drainage Networks revalued as at 1 July 2020 using the cost approach by independent valuers. The City's Parks and Gardens - Turf was revalued as at 30 June 2018 using the cost approach by management.

The valuations required estimating the replacement cost for each asset type by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While unit rates based on area could be supported from market evidence (level 2) other inputs (such as useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been using level 3 valuation inputs.

Movements in Carrying Amounts	2021 Actual \$	2020 Actual \$
(a) Reserves improvements		
Opening Balance	16,180,197	13,179,922
Additions	1,514,620	1,405,280
Transfers from work in progress	27,956	10,448
Transfers from Buildings	Nil	71,495
Disposals (at cost/valuation)	(667,291)	(854,202)
Disposals (accum. depreciation)	413,018	598,593
Net revaluations	Nil	2,977,732
Depreciation expense	(1,322,686)	(1,209,072)
Closing Balance	16,145,814	16,180,197
(b) Road network - infrastructure		
Opening Balance	153,792,267	150,357,153
Additions	2,635,388	5,094,353
Transfers from work in progress	1,191,230	793,967
Depreciation expense	(2,512,958)	(2,453,207)
Closing Balance	155,105,927	153,792,267

16. INFRASTRUCTURE (Cont.)

	2021 Actual \$	2020 Actual \$
(c) Footpath network - infrastructure		
Opening Balance	12,727,305	12,233,985
Additions	469,662	1,004,618
Transfers from work in progress	Nil	61,548
Net revaluations	4,675,146	Nil
Depreciation expense	(543,359)	(572,846)
Closing Balance	17,328,754	12,727,305
(d) Drainage network - infrastructure		
Opening Balance	61,909,783	62,279,990
Additions	86,709	576,997
Transfers from work in progress	16,432	932
Net revaluations	8,776,484	Nil
Depreciation expense	(991,249)	(948,136)
Closing Balance	69,798,159	61,909,783
(e) Parks and gardens - Turf		
Opening Balance	22,826,376	22,826,376
Closing Balance	22,826,376	22,826,376
(f) Carparks		
Opening Balance	4,295,862	4,378,654
Depreciation expense	(82,792)	(82,792)
Closing Balance	4,213,070	4,295,862

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

16. INFRASTRUCTURE (Cont.)

	2021 Actual \$	2020 Actual \$
(g) Work in progress		
Opening Balance	1,235,619	867,668
Additions	926,562	1,234,846
Transferred to assets	(1,235,619)	(866,895)
Closing Balance	<u>926,562</u>	<u>1,235,619</u>
Total Infrastructure	<u>286,344,662</u>	<u>272,967,409</u>

SIGNIFICANT ACCOUNTING POLICIESInfrastructure

Each class of fixed assets within infrastructure is carried at fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Initial recognition and measurement between mandatory revaluation dates

Non-financial assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately. Where multiple assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, building and infrastructure acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. With the exception of plant and equipment that is to be carried at cost, other non-financial assets are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of land, building and infrastructure is determined at least every five years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires land, building and infrastructure to be shown at fair value.

Increases in the carrying amount arising on revaluation of asset classes are credited as a revaluation surplus in equity. Decreases that offset previous increases of the same asset class are recognised against the revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Any accumulated depreciation at the date of revaluation and the gross carrying amount of the asset is restated to the revalued amount of the asset.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

17. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE)

a) ASSET DISPOSALS	2021 Actual \$	2020 Actual \$	2021 Budget \$
Land			
Net book value of disposals	Nil	Nil	Nil
Proceeds on disposal	Nil	Nil	Nil
Profit/(loss) on disposal	Nil	Nil	Nil
Buildings			
Net book value of disposals	Nil	308,992	94,000
Proceeds on disposal	Nil	Nil	Nil
Profit/(loss) on disposal	Nil	(308,992)	(94,000)
Furniture, fixtures and equipment			
Net book value of disposals	57,918	Nil	Nil
Proceeds on disposal	857	Nil	Nil
Profit/(loss) on disposal	(57,061)	Nil	Nil
Plant and machinery			
Net book value of disposals	722,246	372,159	1,017,612
Proceeds on disposal	421,566	340,617	1,017,612
Profit/(loss) on disposal	(300,680)	(31,541)	Nil
Reserve Improvements			
Net book value of disposals	254,272	255,609	63,000
Proceeds on disposal	Nil	Nil	Nil
Profit/(loss) on disposal	(254,272)	(255,609)	(63,000)
Net profit/(loss)	<u>(612,013)</u>	<u>(596,142)</u>	<u>(157,000)</u>
Gain/(Loss) by Program/Function			
Governance	22,772	6,926	Nil
General purpose funding	Nil	Nil	(94,000)
Law, order & public safety	(5,321)	(16,110)	Nil
Education & welfare	(334,152)	(25,695)	Nil
Community amenities	9,636	6,497	Nil
Recreation & culture	(310,294)	(450,781)	(63,000)
Transport	(4,918)	(5,324)	Nil
Economic services	10,264	2,165	Nil
Other property & services	Nil	(113,820)	Nil
	<u>(612,013)</u>	<u>(596,142)</u>	<u>(157,000)</u>

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

17. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Cont.)**b) RIGHT OF USE ASSETS**

	Plant and Equipment	Total
	\$	\$
Carrying amount at 1 July 2019	122,646	122,646
Additions	35,234	35,234
Depreciation Expense	(74,072)	(74,072)
Carrying amount 30 June 2020	83,808	83,808
Additions	110,386	110,386
Depreciation Expense	(88,511)	(88,511)
Carrying amount 30 June 2021	105,683	105,683

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

	2021 Actual	2020 Actual
Depreciation expense on lease liabilities	88,511	74,072
Interest expense on lease liabilities	675	910
Total amount recognised in the statement of comprehensive income	89,186	74,982
 Total cash outflow from leases	 89,186	 74,982

SIGNIFICANT ACCOUNTING POLICIESLeases

At inception of a contract, the City assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate cannot be determined the City uses its incremental borrowing rate.

Right of use assets are depreciated over the lease term. All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

c) DEPRECIATION EXPENSE

	2021 Actual	2020 Actual
	\$	\$
Depreciation Expense by Asset Class		
Buildings	2,217,824	1,574,620
Furniture and equipment	846,424	364,742
Plant and machinery	326,170	530,806
Reserves improvements	1,322,686	1,209,072
Road network - infrastructure	2,512,958	2,453,207
Footpath network - infrastructure	543,359	572,846
Drainage network - infrastructure	991,249	948,136
Carparks	82,792	82,792
Right of use assets - plant & equipment	88,511	74,072
Intangible assets - Computer Software	43,169	0
	8,975,142	7,810,291

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

17. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Cont.)

	2021 Actual \$	2020 Actual \$
Depreciation Expense by Program/Function		
Governance	746,431	263,247
General Purpose Funding	971	8,934
Law, order & public safety	107,042	178,791
Health	68,009	56,200
Education & welfare	103,670	120,307
Housing	132,091	96,220
Community amenities	15,016	19,010
Recreation & culture	2,585,154	2,240,396
Transport	4,424,823	4,452,386
Economic services	736,725	300,598
Other property & services	55,210	74,203
	8,975,142	7,810,291

SIGNIFICANT ACCOUNTING POLICIESDepreciation of Property, Plant, Equipment and Infrastructure

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. No changes were made during the reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Major depreciation periods are:

Buildings - Floor	40 - 150 years
Buildings - Envelope	40 - 150 years
Buildings - Fit-out	15 - 100 years
Buildings - Roof	40 - 150 years
Buildings - Other	10 - 50 years
Furniture & Equipment - General	3 - 10 years
Furniture & Equipment - Artwork	50 years
Plant - Motor Vehicles	5 years
Plant - Other	3 - 15 years
Roads/Carparks - Formation	Not depreciated
Roads/Carparks - Paving	40 - 150 years
Roads/Carparks - Kerbing	40 years
Roads/Carparks - Surfacing	20 years
Infrastructure - Footpaths	20 - 50 years
Infrastructure - Drainage	40 - 100 years
Infrastructure - Parks and Gardens	10 - 50 years
Infrastructure - Turf on Parks	Not depreciated
Intangible assets- Computer software	5 years

Following a revaluation the accumulated depreciation at the date of revaluation and the gross carrying amount of the asset is restated to the revalued amount of the asset.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

18. INTANGIBLE ASSETS

	2021 Actual \$	2020 Actual \$
Non Current		
Computer Software	268,396	Nil
Less: Accumulated Depreciation	(43,169)	Nil
	<u>225,227</u>	<u>Nil</u>
Movements in Carrying Amounts		
Carrying Amount 1 July 2020	Nil	Nil
Additions	268,396	Nil
Amortisation expense	(43,169)	Nil
Closing Balance	<u>225,227</u>	<u>Nil</u>

SIGNIFICANT ACCOUNTING POLICIES

Computer Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the City are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
 - management intends to complete the software and use or sell it;
 - there is an ability to use or sell the software;
 - it can be demonstrated how the software will generate probable future economic benefits;
 - adequate technical, financial and other resources, to complete the development and to use or sell the software are available; and
 - the expenditure attributable to the software during its development can be reliably measured.
- Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

19. TOTAL ASSETS

TOTAL ASSETS CLASSIFIED BY FUNCTION/ACTIVITY

	2021 Actual \$	2020 Actual \$
General purpose funding	162,343,871	163,097,085
Governance	4,807,863	4,544,088
Law, order & public safety	574,056	622,375
Health	3,078,486	3,182,667
Education & welfare	4,349,724	4,857,334
Housing	5,123,669	5,285,429
Community amenities	781,313	1,299,175
Recreation & culture	112,988,701	112,644,330
Transport	262,187,216	248,850,801
Economic services	16,753,816	16,169,573
Other property & services	37,052,028	37,847,048
Finance & borrowing	77,689	112,426
Other - unallocated	65,922,252	64,607,912
	<u>676,040,684</u>	<u>663,120,243</u>

CITY OF BELMONT

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FOR THE YEAR ENDED 30 JUNE 2021

20. RESERVES - CASH/INVESTMENT BACKED

Reserve Account Descriptions

ADMINISTRATION BUILDING RESERVE

Established for the refurbishment of Council's administration building.

AGED ACCOMMODATION - HOMESWEST RESERVE

Established to provide for the long term maintenance of Gabriel Gardens and Orana aged housing units.

AGED COMMUNITY CARE RESERVE

Established to fund aged care community services.

AGED PERSONS HOUSING RESERVE

Used to manage the surplus/deficit position and capital improvements of Council's aged housing centres.

AGED SERVICES RESERVE

Established to fund the provision of aged services within the City of Belmont.

ASCOT WATERS MARINA MAINTENANCE AND REDEVELOPMENT RESERVE

Established to provide for the ongoing maintenance and future redevelopment needs of the marina at Ascot Waters.

BELMONT DISTRICT BAND RESERVE

Established to provide funds for the replacement and acquisition of instruments for the Belmont District Band.

BELMONT OASIS REFURBISHMENT RESERVE

Established to provide funds for the future refurbishment of the Belmont Oasis Leisure Centre.

BELMONT TRUST RESERVE

Established to fund costs in relation to the Belmont Trust land.

BUILDING MAINTENANCE RESERVE

Established to provide funds for the refurbishment and maintenance of Council's Buildings.

CAR PARKING RESERVE

Established to provide funds including those received as cash in lieu for any activities that create or enhance car parks.

DISTRICT VALUATION RESERVE

As the valuation of the district takes place every three years, a reserve was established to spread the costs of the revaluation over the three years.

ELECTION EXPENSES RESERVE

Established to spread the cost of postal voting over two years as elections are only held every two years.

ENVIRONMENT RESERVE

Established to fund environmental programs.

FOR THE YEAR ENDED 30 JUNE 2021

20. RESERVES - CASH/INVESTMENT BACKED (Cont.)

FAULKNER PARK RETIREMENT VILLAGE BUY BACK RESERVE
Established to fund the future buy back of the Faulkner Park Retirement Village from existing residents.

FAULKNER PARK RETIREMENT VILLAGE OWNER MAINTENANCE RESERVE
Established to provide for the future major maintenance and refurbishment requirements at the Faulkner Park Retirement Village.

FORESHORE DEVELOPMENT RESERVE
Established to fund Swan River foreshore development as required.

HISTORY RESERVE
Provision for the future costs associated with the acquisition, recording, preservation and display of articles and information associated with the history of the City of Belmont.

INFORMATION TECHNOLOGY RESERVE
Established for the replacement of Council's core business hardware and software requirements.

LAND ACQUISITION RESERVE
Established for the acquisition and/or redevelopment of land and buildings and receives the proceeds of any land or building sales.

LONG SERVICE LEAVE RESERVE - FUNDED PROGRAMS
Established to part fund the long service leave liability of Council's community services HACC funded programs.

LONG SERVICE LEAVE RESERVE – SALARIES
Established to part fund the long service leave liability of Council's salaried staff.

LONG SERVICE LEAVE RESERVE – WAGES
Established to part fund the long service leave liability of Council's wages staff.

MISCELLANEOUS ENTITLEMENTS RESERVE
Established to provide funding for unforeseen expenditures relating to staff and entitlements.

PARKS DEVELOPMENT RESERVE
Established to provide for future development of the City's Parks including playgrounds and irrigation.

PLANT REPLACEMENT RESERVE
Used to fund the replacement of Council's heavy plant. Funds the shortfall between income generated through plant operation recoveries and replacement costs.

PROPERTY DEVELOPMENT RESERVE
Established to fund any Council property development.

PUBLIC ART RESERVE
Established to fund future acquisitions of public art for display in the City of Belmont.

RUTH FAULKNER LIBRARY RESERVE
Established for capital improvements to Council's library.

STREETSCAPES RESERVE
Established to fund shopping centre revitalisation and streetscape enhancements.

URBAN FOREST STRATEGY RESERVE
Established to fund the management and retention of the urban forest.

FOR THE YEAR ENDED 30 JUNE 2021

20. RESERVES - CASH/INVESTMENT BACKED (Cont.)

WASTE MANAGEMENT RESERVE
Established to fund waste management initiatives and activities.

WORKERS COMPENSATION/INSURANCE RESERVE
Established to fund self insurance expenses and major fluctuations in insurance premiums.

Reserve Balances	2021 Actual \$	2020 Actual \$	2021 Budget \$
(a) Administration Building Reserve			
Opening balance	233,260	227,491	233,770
Transfer from accumulated surplus	4,187	5,769	4,248
Transfer to accumulated surplus	Nil	Nil	Nil
	237,447	233,260	238,018
(b) Aged Accommodation - Homeswest Reserve			
Opening balance	817,776	764,030	831,080
Transfer from accumulated surplus	44,566	53,746	58,173
Transfer to accumulated surplus	Nil	Nil	Nil
	862,342	817,776	889,253
(c) Aged Community Care Reserve			
Opening balance	167,898	546,612	63,115
Transfer from accumulated surplus	52,358	13,861	1,100
Transfer to accumulated surplus	Nil	(392,574)	(64,215)
	220,256	167,898	Nil
(d) Aged Persons Housing Reserve			
Opening balance	1,018,354	1,096,572	1,010,892
Transfer from accumulated surplus	24,218	27,806	23,744
Transfer to accumulated surplus	(81,985)	(106,024)	(115,558)
	960,587	1,018,354	919,078

CITY OF BELMONT

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FOR THE YEAR ENDED 30 JUNE 2021

20. RESERVES - CASH/INVESTMENT BACKED (Cont.)			
	2021	2020	2021
	Actual	Actual	Budget
	\$	\$	\$
(e) Aged Services Reserve			
Opening balance	1,052,545	1,026,515	1,057,771
Transfer from accumulated surplus	18,897	26,030	19,248
Transfer to accumulated surplus	Nil	Nil	Nil
	1,071,442	1,052,545	1,077,019
(f) Ascot Waters Marina Maintenance & Redevelopment Reserve			
Opening balance	1,010,737	985,741	1,011,528
Transfer from accumulated surplus	18,146	24,996	17,496
Transfer to accumulated surplus	(8,641)	Nil	(50,000)
	1,020,242	1,010,737	979,024
(g) Belmont District Band Reserve			
Opening balance	43,473	39,472	43,561
Transfer from accumulated surplus	3,780	4,001	792
Transfer to accumulated surplus	Nil	Nil	Nil
	47,253	43,473	44,353
(h) Belmont Oasis Refurbishment Reserve			
Opening balance	4,091,252	3,990,074	4,100,204
Transfer from accumulated surplus	73,452	101,178	74,604
Transfer to accumulated surplus	Nil	Nil	Nil
	4,164,704	4,091,252	4,174,808
(i) Belmont Trust Reserve			
Opening balance	1,680,261	1,668,994	1,686,766
Transfer from accumulated surplus	12,902	30,292	16,733
Transfer to accumulated surplus	(10,019)	(19,026)	(185,147)
	1,683,144	1,680,261	1,518,352
(j) Building Maintenance Reserve			
Opening balance	6,391,259	5,355,458	6,398,255
Transfer from accumulated surplus	114,746	1,035,801	116,412
Transfer to accumulated surplus	(828,072)	Nil	(1,200,000)
	5,677,933	6,391,259	5,314,667
(k) Car Parking Reserve			
Opening balance	61,214	59,700	61,190
Transfer from accumulated surplus	1,099	1,514	1,116
Transfer to accumulated surplus	Nil	Nil	Nil
	62,313	61,214	62,306

CITY OF BELMONT

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FOR THE YEAR ENDED 30 JUNE 2021

20. RESERVES - CASH/INVESTMENT BACKED (Cont.)			
	2021	2020	2021
	Actual	Actual	Budget
	\$	\$	\$
(l) District Valuation Reserve			
Opening balance	95,937	207,056	87,772
Transfer from accumulated surplus	116,722	120,250	116,596
Transfer to accumulated surplus	Nil	(231,370)	Nil
	212,659	95,937	204,368
(m) Election Expenses Reserve			
Opening balance	75,004	109,708	74,890
Transfer from accumulated surplus	51,346	52,782	51,236
Transfer to accumulated surplus	Nil	(87,486)	Nil
	126,350	75,004	126,126
(n) Environment Reserve			
Opening balance	100,931	27,240	100,992
Transfer from accumulated surplus	1,812	73,691	1,836
Transfer to accumulated surplus	Nil	Nil	(73,000)
	102,743	100,931	29,828
(o) Faulkner Park Ret. Vill. Owner Maint. Reserve			
Opening balance	517,070	434,935	517,862
Transfer from accumulated surplus	35,807	82,135	52,250
Transfer to accumulated surplus	Nil	Nil	Nil
	552,877	517,070	570,112
(p) Faulkner Park Retirement Vill. Buy-Back Reserve			
Opening balance	2,325,901	2,230,344	2,367,009
Transfer from accumulated surplus	41,758	95,557	146,238
Transfer to accumulated surplus	Nil	Nil	Nil
	2,367,659	2,325,901	2,513,247
(q) Foreshore Development Reserve			
Opening balance	Nil	Nil	Nil
Transfer from accumulated surplus	Nil	Nil	Nil
Transfer to accumulated surplus	Nil	Nil	Nil
	Nil	Nil	Nil
(r) History Reserve			
Opening balance	140,776	240,673	141,316
Transfer from accumulated surplus	26,527	16,103	2,568
Transfer to accumulated surplus	Nil	(116,000)	Nil
	167,303	140,776	143,884

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FOR THE YEAR ENDED 30 JUNE 2021

20. RESERVES - CASH/INVESTMENT BACKED (Cont.)

	2021 Actual \$	2020 Actual \$	2021 Budget \$
(s) Information Technology Reserve			
Opening balance	1,146,717	1,325,514	1,149,687
Transfer from accumulated surplus	428,588	33,612	20,916
Transfer to accumulated surplus	Nil	(212,408)	(150,000)
	1,575,305	1,146,717	1,020,603
(t) Land Acquisition Reserve			
Opening balance	9,104,164	9,095,689	9,329,384
Transfer from accumulated surplus	163,452	230,643	8,169,740
Transfer to accumulated surplus	Nil	(222,169)	(8,130,000)
	9,267,616	9,104,164	9,369,124
(u) Long Service Leave Reserve - Funded Programs			
Opening balance	Nil	151,790	12,708
Transfer from accumulated surplus	Nil	3,849	231
Transfer to accumulated surplus	Nil	(155,639)	(12,939)
	Nil	Nil	Nil
(v) Long Service Leave Reserve - Salaries			
Opening balance	2,067,804	1,875,732	2,263,247
Transfer from accumulated surplus	494,742	457,336	434,812
Transfer to accumulated surplus	(366,384)	(265,264)	(272,492)
	2,196,162	2,067,804	2,425,567
(w) Long Service Leave Reserve - Wages			
Opening balance	456,472	466,789	468,646
Transfer from accumulated surplus	30,365	87,440	58,532
Transfer to accumulated surplus	(77,559)	(97,757)	(37,894)
	409,278	456,472	489,284
(x) Miscellaneous Entitlements Reserve			
Opening balance	268,516	779,940	707,381
Transfer from accumulated surplus	4,821	19,777	12,876
Transfer to accumulated surplus	(97,500)	(531,201)	(177,872)
	175,837	268,516	542,385

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FOR THE YEAR ENDED 30 JUNE 2021

20. RESERVES - CASH/INVESTMENT BACKED (Cont.)

	2021 Actual \$	2020 Actual \$	2021 Budget \$
(y) Parks Development Reserve			
Opening balance	119,054	142,715	119,000
Transfer from accumulated surplus	2,137	122,619	2,160
Transfer to accumulated surplus	(121,191)	(146,280)	(121,160)
	Nil	119,054	Nil
(z) Plant Replacement Reserve			
Opening balance	1,165,999	933,234	1,004,682
Transfer from accumulated surplus	138,265	232,766	434,456
Transfer to accumulated surplus	(483,368)	Nil	(621,344)
	820,896	1,165,999	817,794
(aa) Property Development Reserve			
Opening balance	8,776,778	20,288,140	7,352,081
Transfer from accumulated surplus	1,898,013	1,020,391	115,848
Transfer to accumulated surplus	(1,247,037)	(12,531,753)	(2,295,855)
	9,427,754	8,776,778	5,172,074
(ab) Public Art Reserve			
Opening balance	390,767	287,940	388,846
Transfer from trust funds	1,721	97,532	Nil
Transfer from accumulated surplus	5,295	5,295	7,080
Transfer to accumulated surplus	Nil	Nil	Nil
	397,783	390,767	395,926
(ac) Ruth Faulkner Library Reserve			
Opening balance	45,385	44,263	45,485
Transfer from accumulated surplus	815	1,122	828
Transfer to accumulated surplus	Nil	Nil	Nil
	46,200	45,385	46,313
(ad) Streetscapes Reserve			
Opening balance	486,254	474,229	487,318
Transfer from accumulated surplus	8,730	12,025	8,868
Transfer to accumulated surplus	Nil	Nil	Nil
	494,984	486,254	496,186
(ae) Urban Forest Strategy Reserve			
Opening balance	114,826	111,987	115,078
Transfer from accumulated surplus	2,062	2,840	2,100
Transfer to accumulated surplus	Nil	Nil	Nil
	116,888	114,826	117,178

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

20. RESERVES - CASH/INVESTMENT BACKED (Cont.)			
	2021 Actual \$	2020 Actual \$	2021 Budget \$
(af) Waste Management Reserve			
Opening balance	2,784,404	2,017,415	2,342,980
Transfer from accumulated surplus	1,803,787	766,989	42,624
Transfer to accumulated surplus	Nil	Nil	Nil
	4,588,191	2,784,404	2,385,604
(ag) Workers Compensation/Insurance Reserve			
Opening balance	1,608,419	1,568,643	1,608,049
Transfer from accumulated surplus	28,877	39,777	29,256
Transfer to accumulated surplus	Nil	Nil	Nil
	1,637,296	1,608,419	1,637,305
Total Movement	2,332,237	(10,215,427)	(3,462,759)
TOTAL CASH RESERVES	50,691,443	48,359,205	43,719,784

21. REVALUATION SURPLUS

Revaluation Surpluses have arisen on revaluation of the following classes of non-current assets:

	2021 Actual \$	2020 Actual \$
(a) Land		
Opening balance	168,084,088	168,084,088
Impairment/Revaluation Movement	Nil	Nil
	168,084,088	168,084,088
(b) Buildings		
Opening balance	62,124,143	65,490,390
Revaluation Movement	Nil	(3,366,247)
	62,124,143	62,124,143
(c) Road network - infrastructure		
Opening balance	71,854,029	71,854,029
Revaluation Movement	Nil	Nil
	71,854,029	71,854,029

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FOR THE YEAR ENDED 30 JUNE 2021

21. REVALUATION SURPLUS (Cont.)			
	2021 Actual \$	2020 Actual \$	
(d) Footpath network - infrastructure			
Opening balance	7,955,956	7,955,956	
Revaluation Movement	4,675,146	Nil	
	12,631,102	7,955,956	
(e) Drainage network - infrastructure			
Opening balance	46,346,919	46,346,919	
Revaluation Movement	8,776,484	Nil	
	55,123,404	46,346,919	
(f) Parks and gardens - infrastructure			
Opening balance	19,790,830	16,813,098	
Revaluation Movement	Nil	2,977,732	
	19,790,830	19,790,830	
(g) Carparks			
Opening balance	2,869,844	2,869,844	
Revaluation Movement	Nil	Nil	
	2,869,844	2,869,844	
(h) Eastern Metropolitan Regional Council			
Opening balance	4,769,810	4,666,066	
Revaluation Movement (note 9)	(568,882)	103,744	
	4,200,928	4,769,810	
Total Revaluation Surplus			
Opening balance	383,795,620	384,080,391	
Revaluation Movement	12,882,748	(284,771)	
	396,678,368	383,795,620	

22. NOTES TO THE STATEMENT OF CASH FLOWS**Reconciliation of cash**

For the purposes of the Statement of Cash Flows, the City considers cash to include cash on hand, in banks and short-term deposits with an original maturity of three months or less that are readily convertible to cash. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2021 Actual \$	2020 Actual \$	2021 Budget \$
Cash at bank	11,479,614	22,430,809	4,169,575
Cash on hand	4,150	4,400	5,250
	11,483,764	22,435,209	4,174,825

CITY OF BELMONT

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FOR THE YEAR ENDED 30 JUNE 2021

23. RECONCILIATION OF NET CASH FROM OPERATING ACTIVITIES

	2021 Actual \$	2020 Actual \$
Net result	2,675,589	14,646,699
Add/(less) non cash items:		
Depreciation	8,975,142	7,810,291
(Profit)/loss on disposal of assets	612,013	596,142
Initial recognition of library items	(96,538)	(394,161)
Fair value adjustments to assets	(6,464)	(2,882)
Change in equity - associate	(686,987)	1,338,762
	<u>11,472,755</u>	<u>23,994,852</u>
Changes in operating assets and liabilities:		
* (Increase)/decrease in receivables	255,188	59,300
(Increase)/decrease in other current assets	868,355	948,798
(Increase)/decrease in stores inventory	(3,650)	9,232
Increase/(decrease) in interest payable	(6,116)	(6,903)
Increase/(decrease) in creditors & provisions	(2,263,149)	1,953,378
Increase/(decrease) in other current liabilities	161,433	859,950
Non-Operating grants, subsidies and contributions	(2,439,578)	(12,510,801)
Net cash from operating activities	<u>8,045,239</u>	<u>15,307,806</u>
* Excludes non-operating receivables		

24. CREDIT STANDBY ARRANGEMENTS

The City of Belmont endeavours to maintain its Municipal bank accounts with sufficient funds to ensure that they do not go into overdraft, however, the City has an overdraft facility of:

	2021 Actual \$	2020 Actual \$
Bank overdraft limit	200,000	200,000
Credit Card limit	60,000	60,000
Total Amount of credit unused at balance date	<u>260,000</u>	<u>260,000</u>

25. TRADING UNDERTAKINGS

In accordance with Regulation 45 of the Local Government (Financial Management) Regulations 1996, there are no Trading Undertakings conducted in the financial year ended 30 June 2021.

CITY OF BELMONT

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FOR THE YEAR ENDED 30 JUNE 2021

26. FINANCIAL RISK MANAGEMENT

The City's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The City's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the City.

The City does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the Finance Department under policies approved by the Council.

The City held the following financial instruments at balance date:

	Carrying Value 2021 \$	Fair Value 2021 \$
Financial Assets		
Cash and cash equivalents	11,483,764	11,483,764
Other financial assets at amortised cost	53,866,996	53,866,996
Other financial assets at fair value through profit and loss	184,517	184,517
Trade and other receivables at amortised cost	<u>2,253,788</u>	<u>2,253,788</u>
	<u>67,789,065</u>	<u>67,789,065</u>
Financial Liabilities		
Trade and other payables	5,877,987	5,877,987
Borrowings	13,536,589	11,108,729
Other liabilities	1,394,107	1,394,107
Lease Liability	<u>105,683</u>	<u>105,683</u>
	<u>20,914,366</u>	<u>18,486,506</u>
	Carrying Value 2020 \$	Fair Value 2020 \$
Financial Assets		
Cash and cash equivalents	22,435,209	22,435,209
Other financial assets at amortised cost	41,826,938	41,826,938
Other financial assets at fair value through profit and loss	178,053	178,053
Trade and other receivables at amortised cost	<u>2,424,172</u>	<u>2,424,172</u>
	<u>66,864,372</u>	<u>66,864,372</u>
Financial Liabilities		
Trade and other payables	7,597,642	7,597,642
Borrowings	14,094,645	11,602,014
Other liabilities	1,790,531	1,790,531
Lease Liability	<u>83,808</u>	<u>83,808</u>
	<u>23,566,626</u>	<u>21,073,995</u>

Fair value is determined as follows:

Cash and Cash Equivalents, Other Financial Assets, Receivables, Payables - estimated to the carrying value which approximates net market value.

Borrowings - estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

26. FINANCIAL RISK MANAGEMENT (Cont.)**Cash and Cash Equivalents / Other Financial Assets (Investments)**

The City's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. Investments must also comply with statutory and policy requirements. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). The City has an investment policy and the policy is subject to an annual review. Monthly Investment Reports are provided on a quarterly basis setting out the make-up and performance of the portfolio.

Cash and investments are also subject to interest rate risk being the risk that movements in interest rates could affect returns. Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts.

Impact of a 1% movement in interest rates on cash and investments:

	2021	2020
	\$	\$
Equity	66,223	82,384
Statement of Comprehensive Income	66,223	82,384

Another risk associated with cash and investments is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to City.

The City manages these risks by applying counterparty limits and maintaining credit quality (i.e. credit ratings) in line with The City's Investment Policy. The City also seeks advice from independent advisers (where applicable) before placing any cash and investments.

The City no longer holds managed fund investments so the investment portfolio is not subject to price risk.

Receivables

The City's major receivables comprise rates, annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be paid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies.

Credit risk on rates and annual charges is minimised by the ability of the City to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The City is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The level of outstanding receivables is monitored against benchmarks for acceptable collection performance. The City makes suitable provision for doubtful receivables as required and carries out credit checks on significant non-rate debtors if required. There are no material receivables that have been subject to a re-negotiation of repayment terms.

26. FINANCIAL RISK MANAGEMENT (Cont.)

The City applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment term and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and debtors to settle the receivables.

The loss allowance as at 30 June 2021 for rates receivable and sundry debtors was determined as follows:

	Overdue	Total
30 June 2021		
Rates Debtors		
Expected credit loss	0%	
Gross carrying amount	1,705,913	1,705,913
Loss allowance	0	0

30 June 2020		
Rates Debtors		
Expected credit loss	0%	
Gross carrying amount	1,673,290	1,673,290
Loss allowance	0	0

Due to limitation within Pathway system, the City is unable to disclose the debtors age analysis. Based on historical records, the recoverability of rates debtors are secured upon the sale of property therefore the expected credit loss is nil.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Sundry Debtors					
Expected credit loss	0%	0%	0%	0%	
Gross carrying amount	98,285	810	2,228	41,589	142,912
Loss allowance	0	0	0	0	0
30 June 2020					
Sundry Debtors					
Expected credit loss	0%	0%	0%	0%	
Gross carrying amount	57,312	211,403	42,153	35,329	346,197
Loss allowance	0	0	0	0	0

Payables and Borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

26. FINANCIAL RISK MANAGEMENT (Cont.)

The contractual undiscounted cash flows of the City's payables and borrowings (principal and interest) are set out in the Liquidity Table below:

	Due within 1 year \$	Due between 1 and 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2021					
Trade and other payables	5,877,987	Nil	Nil	5,877,987	5,877,987
Borrowings	1,170,535	4,640,393	13,411,796	19,222,724	13,536,590
Other liabilities	1,323,574	70,533	Nil	1,394,107	1,394,107
Lease liability	72,032	33,651	Nil	105,683	105,683
	<u>8,444,128</u>	<u>4,744,577</u>	<u>13,411,796</u>	<u>26,600,501</u>	<u>20,914,367</u>
2020					
Trade and other payables	7,597,642	Nil	Nil	7,597,642	7,597,642
Borrowings	1,174,667	4,657,513	14,565,211	20,397,391	14,094,645
Other liabilities	1,726,511	64,020	Nil	1,790,531	1,790,531
Lease liability	66,769	17,039	Nil	83,808	83,808
	<u>10,565,589</u>	<u>4,738,572</u>	<u>14,565,211</u>	<u>29,869,372</u>	<u>23,566,626</u>

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

26. FINANCIAL RISK MANAGEMENT (Cont.)**Interest Rate Risk**

The following table details the City's exposure to interest rate risk as at 30 June 2021.

2021			Fixed Interest Rate To Maturity				
	Weighted Average Interest Rate	Variable Interest Rate	Less Than 1 Year	1 To 5 Years	More Than 5 Years	Non Interest Bearing	Total
Financial Assets							
Cash and cash equivalents	0.37%	11,479,614				4,150	11,483,764
Other financial assets at amortised cost	1.51%	Nil	27,699,139	26,167,857			53,866,996
Other financial assets at fair value through profit and loss						184,517	184,517
Rates and other levies	8.00%		1,705,913				1,705,913
Deferred rates & ESL	1.18%	404,963					404,963
Trade debtors	N/A					142,913	142,913
		11,884,577	29,405,052	26,167,857	Nil	331,580	67,789,066
Financial Liabilities							
Trade and other payables						5,877,987	5,877,987
Other Liabilities						1,394,107	1,394,107
Lease Liability						105,683	105,683
Borrowings	4.51%	Nil	705,012	2,521,783	10,309,794	Nil	13,536,590
		Nil	705,012	2,521,783	10,309,794	7,377,777	20,914,367
2020			Fixed Interest Rate To Maturity				
	Weighted Average Interest Rate	Variable Interest Rate	Less Than 1 Year	1 To 5 Years	More Than 5 Years	Non Interest Bearing	Total
Financial Assets							
Cash and cash equivalents	0.73%	22,430,809				4,400	22,435,209
Other financial assets at amortised cost	2.64%	Nil	5,508,161	36,318,777			41,826,938
Other financial assets at fair value through profit and loss						178,053	178,053
Rates and other levies	11.00%		1,673,290				1,673,290
Deferred rates & ESL	1.06%	367,775					367,775
Trade debtors	N/A					346,197	346,197
		22,798,584	7,181,452	36,318,777	Nil	528,649	66,827,462
Financial Liabilities							
Trade and other payables						7,597,642	7,597,642
Other Liabilities						1,790,531	1,790,531
Lease Liability						83,808	83,808
Borrowings	4.51%	Nil	689,897	2,428,381	10,976,367	Nil	14,094,645
		Nil	689,897	2,428,381	10,976,367	9,471,981	23,566,626

27. NET CURRENT ASSETS POSITION**Net Current Assets position**

The net current assets position balance carried forward from the previous financial year after adjustment for restricted assets for the purpose of the 2020/21 budget was \$4,250,000.

The actual net current asset position balance shown in the audited financial report as at 30 June 2020 and after adjustment for restricted assets was \$8,494,693.

Net Current Assets Calculation

	Note	2021	2020
Total Current Assets		43,273,051	33,190,597
Plus Non-Current Financial Assets that back reserves	8(b)	26,167,857	36,318,777
Less Reserves - Restricted Cash	4	(50,691,442)	(48,359,205)
Total Net Current Assets for closing balance purposes		18,749,466	21,150,169
Total Current Liabilities		(13,709,363)	(15,731,692)
Adjust for LSL (reserve backed)	4	2,605,440	2,524,276
Current portion of long term borrowings	10	573,170	551,941
Total Liabilities for C/B purposes		(10,530,753)	(12,655,475)
Net Current Assets for closing balance purposes		8,218,713	8,494,693

FOR THE YEAR ENDED 30 JUNE 2021

28. FINANCIAL RATIOS			
	2021	2020	2019
Current Ratio	1.69:1	1.47:1	1.27:1
<i>Measures the ability to meet current commitments.</i>			
<i>Basic Standard > 1:1</i>			
<u>Current Assets minus Restricted Assets</u>			
Current liabilities minus liabilities associated with restricted assets			
Debt Service Cover Ratio	7.18	8.50	6.35
<i>Measures capacity to meet annual debt commitments.</i>			
<i>Advanced Standard > 5</i>			
<u>Annual Operating Surplus before Interest and Depreciation</u>			
Principal and Interest			
Own Source Revenue Coverage	0.92	0.95	0.94
<i>Ability to cover costs through Council's own revenue.</i>			
<i>Basic Standard : 0.40 to 0.60</i>			
<u>Own Source Operating Revenue</u>			
Operating Expense			
* Operating Surplus Ratio	-0.78%	5.76%	-0.39%
<i>Measure of Council's financial performance.</i>			
<i>Basic Standard : 1% to 15%</i>			
<u>Operating Revenue minus Operating Expense</u>			
Own Source Operating Revenue			
* Operating expense in 2019 includes a one-off expense of \$3.82m for underground power otherwise the ratio would have been 6.01%. Covid-19 has had an adverse impact in 2021.			
Asset Sustainability Ratio	0.86	1.14	0.93
<i>Measures the extent to which assets are replaced at the end of their useful lives.</i>			
<i>Basic Standard >0.90</i>			
<u>Capital Replacement and Renewal Expenditure</u>			
Depreciation			
Asset Renewal Funding ratio	100%	100%	100%
<i>Measures ability to fund asset renewal as required.</i>			
<i>Basic Standard : 75% to 95%</i>			
<u>NPV of Planned Capital Renewals over 10 years</u>			
NPV of Required Capital Renewals over 10 years			
Asset Consumption Ratio	0.75	0.75	0.74
<i>Extent to which assets have been consumed.</i>			
<i>Basic Standard >0.50</i>			
<u>Depreciated Replacement Cost of Depreciable Asset</u>			
Current Replacement Cost of Depreciable Asset			

FOR THE YEAR ENDED 30 JUNE 2021

29. EMPLOYEES NUMBERS		
	2021 No.	2020 No.
Total number of full time equivalent employees at balance date.	212.67	224.42
30. CONTINGENT LIABILITIES		
(a) Contaminated Sites		
The City has one site with possible contamination at 5 Resolution Drive, Ascot and one classified as 'Contaminated – Restricted Use' at Peachey Park (400 Acton Ave and 50 Peachey Ave, Kewdale)		
Regarding 5 Resolution Drive, until the City conducts an investigation to determine the presence and scope of contamination, assesses the risk, and agrees with the respective state government authorities on the need and criteria for remediation, the City is unable to estimate the potential costs associated with the remediation works.		
Two lots within Peachey Park are classified as 'Contaminated- Restricted Use', as they are suitable for public open space and recreational use, but may not be suitable for a more sensitive land use.		
(b) Springs Development Contribution Plan		
In Feb 2017 the Springs Development Contribution Plan (DCP) was established which required landowners to make a financial contribution towards infrastructure when undertaking any subdivision or development within the area, with the funds collected by the City used to reimburse Development WA . This future reimbursement by the City is a contingent liability of which the amount and timing of the development is uncertain. The current DCP expires in February 2022 and extension is subject to approval by the Minister.		
31. EVENTS AFTER THE REPORTING DATE		
The City was a participant in the Eastern Metropolitan Regional Council (EMRC) , notice of withdrawal was submitted on the 23/12/2020 but will be effective on the 1/7/2021. As at the reporting date the City's equity interest in the EMRC is \$21,000,517.		
32. RELATED PARTY TRANSACTIONS		
Key Management Personnel (KMP) Compensation Disclosure		
The total remuneration paid to KMP, excluding the Elected Members remuneration, during the year are as follows:		
	2021 Actual \$	2020 Actual \$
Short-term employee benefits	1,165,958	1,075,805
Post-employee benefits	118,349	124,868
Other long-term benefits	123,376	101,451
Termination benefits	Nil	125,939
	1,407,683	1,428,064
Short-term employee benefits		
These amounts include salaries awarded to KMP except for details in respect of fees and benefits paid to elected members which may be found below.		
Post-employment benefits		
These amounts are the current years estimated cost of providing for the City's superannuation contributions made during the year.		
Other long-term benefits		
These amounts represent annual and long service leave benefits accrued during the year.		
Termination benefits		
These amounts represent termination benefits paid to or provided for KMP.		

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

32. RELATED PARTY TRANSACTIONS (Cont.)**Elected Members Remuneration**

Fees, expenses and allowances paid to elected members in accordance with the provisions of the *Local Government Act 1995* are as follows:

	2021 Actual \$	2020 Actual \$	2021 Budget \$
Mayor - P Marks			
Local Government Allowance	89,753	89,753	89,753
Annual Meeting Attendance Fees	47,516	47,516	47,516
Information & Communications Allowance	3,500	3,500	3,500
Expense Allowance	Nil	Nil	Nil
	<u>140,769</u>	<u>140,769</u>	<u>140,769</u>
Deputy Mayor - G Sekulla			
Local Government Allowance	22,438	22,438	22,438
Annual Meeting Attendance Fees	31,678	31,678	31,678
Information & Communications Allowance	3,500	3,500	3,500
Expense Allowance	Nil	Nil	Nil
	<u>57,616</u>	<u>57,616</u>	<u>57,616</u>
Other Councillors (Cr Wolf, Ryan, Powell, Rossi, Davis, Cavoun, Bass)			
Annual Meeting Attendance Fees (\$31,678 per councillor)	221,746	221,746	221,746
Information & Communications Allowance (\$3,500 per councillor)	24,500	24,500	24,500
Travel Expense (Cr Davis)	20	20	1,500
	<u>246,266</u>	<u>246,266</u>	<u>247,746</u>
Mayors Annual Allowance	89,753	89,753	89,753
Deputy Mayors Annual Allowance	22,438	22,438	22,438
Annual Meeting Attendance Fees	300,940	300,940	300,940
Information & Communications Allowance	31,500	31,500	31,500
Expense Allowance	20	20	1,500
	<u>444,651</u>	<u>444,651</u>	<u>446,131</u>

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

32. RELATED PARTY TRANSACTIONS (Cont.)

The City's main related parties are as follows:

1. *Key Management Personnel* - Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member. Also included are close family members of KMP and entities controlled by any KMP or their close family members.

2. *Entities subject to significant influence by the City of Belmont*- An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

Transactions with related parties

Normal citizen transactions that have been identified as not requiring disclosure includes rates, rate refunds, hall hire fees and other common fees and charges.

Related party transactions listed below are on normal commercial terms and conditions.

	2021 Actual \$	2020 Actual \$
Associate:		
Payments made to the EMRC for waste services.	3,480,253	3,331,491
Balances outstanding to the EMRC at balance date.	292,238	255,024
Grant income for City held events.	Nil	15,992
Other Entities:		
Payments made to Belmont Retirement Villages Board of Management (BRVBM).	92,000	54,000
Balances outstanding to the BRVBM at balance date.	Nil	Nil
Income received by the City from the BRVBM	112,938	140,141
Balances owing to the City from the BRVBM at balance date.	Nil	Nil

The City of Belmont has two elected members and the CEO on the Board of the Belmont Retirement Villages Board of Management (BRVBM). As the City is represented by three of the seven Board members this would illustrate significant influence although it is not an investee/investor relationship and the City cannot benefit financially from this arrangement. The City makes a contribution to the ongoing management of the Board and receives a percentage of sales income from unit sales within the Faulkner Park Retirement Village that is placed into specific reserves.

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

33. BORROWING DETAILSCITY OF BELMONT - LOAN REPAYMENT SCHEDULE
FOR THE YEAR ENDED 30 JUNE 2021

Particulars	Issue Date	Original Principal	Interest Rate	Mat Date	** Opening Liability	Principal Paid	Budget 2020/21	*Interest Expense	Budget 2020/21	Accrued Interest	Closing Liability
OTHER PROPERTY & SERVICES											
Loan No. 181 Waterway Crescent	30/06/10	1,350,000	6.28	05/20	475	Nil	Nil	Nil	Nil	Nil	Nil
RECREATION AND CULTURE											
Loan 183 New Community Centre	01/05/18	15,000,000	4.51	05/38	14,094,170	551,941	551,941	619,175	622,726	131,841	13,536,589
		<u>16,350,000</u>			<u>14,094,645</u>	<u>551,941</u>	<u>551,941</u>	<u>619,175</u>	<u>622,726</u>	<u>131,841</u>	<u>13,536,589</u>

The Western Australian Treasury Corporation (WATC) is the lender of all loans and no loans have been refinanced.

* Interest expense includes the payment of accrued interest from the previous financial year and the Government Guarantee Fee. The movement in accrued interest for the year ended 30 June 2021 was \$6,116 with a total of \$1,171,116 (principal plus interest) being paid to the WATC during the year.

** Includes accrued interest paid in the current financial year so it is recognised as an expense in the previous financial year.

34. MAJOR LAND TRANSACTIONS

The 2017-2018 financial year includes one Major Land Transaction being the Belmont Hub which includes a dedicated area for a Café with the intention to commercially lease the Café. The Café component of the Community Centre is approximately 2.5% (293m²) of the total floor area, being 11612 m². Even though the Café is incidental to the primary purpose of the Centre it is considered commercial in nature and as such necessitates compliance to section 3.59 "Commercial Enterprises by local government" of the Act.

New Community Centre

A contract for the construction of the Belmont Hub was awarded during 2017-2018 with construction finalised during 2020-2021. The following table provides the funding sources, estimated costs and future budgets for the construction contract.

	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Budget	Total
Grants	483,754	4,939,590	8,062,362	Nil	Nil	13,485,706
\$15M Loan (as used)	2,505,625	12,494,375	Nil	Nil	Nil	15,000,000
Reserves	Nil	1,685,671	7,895,735	253,263	Nil	9,834,669
Municipal Fund	Nil	260,537	(260,537)	Nil	Nil	Nil
Total Funding	<u>2,989,379</u>	<u>19,380,173</u>	<u>15,697,560</u>	<u>253,263</u>	<u>Nil</u>	<u>38,320,375</u>
Annual Construction Cost	<u>2,989,379</u>	<u>19,380,173</u>	<u>15,697,560</u>	<u>253,263</u>	<u>Nil</u>	<u>38,320,375</u>

Other known costs associated with the Belmont Hub includes professional fees for consulting and project management services that are supported by municipal, grant and reserve funds:

	2017-2018 and Prior Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Budget	Total
Operating and Architectural Costs	1,901,840	518,092	699,708	1,851,249	1,126,106	6,096,995
Capital Costs - Fitout & Equipment	Nil	Nil	2,768,829	1,040,355	150,000	3,959,184
Total	<u>1,901,840</u>	<u>518,092</u>	<u>3,468,537</u>	<u>2,891,604</u>	<u>1,276,106</u>	<u>10,056,179</u>

CITY OF BELMONT

NOTES TO AND FORMING PART OF THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

35. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and Services Tax

Revenues, Expenses and Assets are recognised net of the amount of Goods and Services Tax (GST), except:

- Where the amount of GST incurred is not recoverable from the taxation office, it is recognised as part of the acquisition of an asset or as part of an item of expense; or
- for receivables or payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation office is included as part of the receivables or payables. Cashflows are included in the Statement of Cash Flows on a gross basis. The GST component arising from investing and financing activities is classified as operating cashflows.

b) Fair value of assets and liabilities

Fair value is the price that the City would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

35. OTHER SIGNIFICANT ACCOUNTING POLICIES (Cont.)**c) Fair Value Hierarchy**

When performing a revaluation the City uses a mix of both independent and management valuations. Where appropriate, revalued assets are carried at their fair value being the price that would be received to sell the asset, in an orderly transaction between market participants at the measurement date (Level 1 inputs in the fair value hierarchy).

For land and buildings, fair value will be determined based on the nature of the asset class. For freehold land and non-specialised buildings, fair value will be determined on the basis of observable open market values of similar assets, adjusted for conditions and comparability at their highest and best use (Level 2 inputs in the fair value hierarchy).

With regards to specialised buildings, fair value will be determined having regard for current replacement cost and both observable and unobservable inputs. These include construction costs based on recent contract prices (observable level 2 inputs in the fair value hierarchy), current condition, residual values and remaining useful life assessments (unobservable Level 3 inputs in the fair value hierarchy).

For infrastructure and other asset classes, fair value is determined to be the current replacement cost of an asset (Level 2 inputs in the fair value hierarchy) less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset (Level 3 inputs in the fair value hierarchy).

Valuation Techniques

The City selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the City are consistent with one or more of the following valuation approaches:

i) Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

ii) Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

iii) Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the City gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

35. OTHER SIGNIFICANT ACCOUNTING POLICIES (Cont.)**d) Impairment of assets**

In accordance with Australian Accounting Standards the City's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

For non-cash generating specialised assets such as roads, drains, public buildings, etc. that are measured under the revaluation model, no annual assessment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

e) Superannuation

The City contributes to the Local Government Superannuation Scheme, the Occupational Superannuation Fund, and other Choice Funds which are selected by employees. All funds are defined contribution schemes.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

f) Rounding of Figures

All figures shown in this Annual Financial Report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

g) Comparatives

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in the financial statements that have a material effect on the Statement of Financial Position, an additional Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

h) Budget Comparative Figures

Unless otherwise stated, the budget comparatives figure shown in this Annual Financial Report relate to the original budget estimate for the relevant item or disclosure.

i) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operational cycle. In the case of liabilities where the City does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are or non-current based on the City's intentions to release for sale.

36. ACTIVITIES/PROGRAMS**Statement of Objective**

The City of Belmont is dedicated to effectively and efficiently promote growth, safeguard the health, safety and convenience, and economic and general welfare of the community of the City of Belmont.

GOVERNANCE

All costs associated with the elected members of Council, together with all costs associated with the general governance of the district. Includes all costs generated by the full allocation of administration costs in accordance with the principles of Activity Based Costing.

GENERAL PURPOSE FUNDING

Includes the cost of collecting rates income and all general purpose funding e.g. Grants Commission Funding.

LAW, ORDER AND PUBLIC SAFETY

The control and prevention of fire. Administration of all matters relating to the control of animals, mainly dogs and all general law, order and public safety matters administered by Council's Rangers.

HEALTH

The administration of maternal and infant health through child health clinics. The administration of preventative services such as: Immunisation, Meat Inspections, Inspection of food premises and Pest Control.

EDUCATION AND WELFARE

The provision of children services, the care of the aged and disabled through Aged and Disabled Services, Senior Citizen Centres and Meals on Wheels. The provision of some pre-school education facilities, but not the delivery of education.

HOUSING

The provision of Aged Housing Facilities throughout the district.

COMMUNITY AMENITIES

Includes sanitation (household refuse); stormwater drainage; town and regional planning and development; the provision of rest rooms and protection of the environment.

RECREATION AND CULTURE

The provision of facilities and support of organisations concerned with leisure time activities and sport. The provision and maintenance of a public library. The provision of a cultural centre and a historical museum.

TRANSPORT

Construction and maintenance of streets, roads, footpaths, cycleways and Council Depot. The control of street parking and the control of traffic management of local streets.

ECONOMIC SERVICES

The management of local tourism and area promotion. The provision of building approvals and control. Any other economic services.

OTHER PROPERTY AND SERVICES

Private works, public work overheads, plant operations. A summary of salaries and wages total costs and any other miscellaneous activities that cannot otherwise be classified in the above.

SUPPLEMENTARY INFORMATION

The number of employees of the Council, in bands of \$10,000, entitled to an annual salary of \$130,000 or more is as follows:

Salary range	2021	2020
\$	No.	No.
130,000 - 139,999	5	4
140,000 - 149,999	1	2
150,000 - 159,999	4	5
160,000 - 169,999	Nil	1
170,000 - 179,999	2	2
180,000 - 189,999	1	6
190,000 - 199,999	5	Nil
200,000 - 209,999	3	1
210,000 - 219,999	Nil	Nil
220,000 - 229,999	Nil	Nil
230,000 - 239,999	Nil	1
240,000 - 249,999	1	1
250,000 - 259,999	Nil	Nil
260,000 - 269,999	Nil	Nil
270,000 - 279,999	Nil	Nil
280,000 - 289,999	Nil	Nil
290,000 - 299,999	Nil	1
300,000 - 309,999	Nil	Nil
310,000 - 319,999	1	Nil

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Belmont in Brief

Address:	215 Wright Street, Cloverdale WA 6105
Postal Address:	Locked Bag 379, Cloverdale WA 6985
Phone Number:	(08) 9477 7222
Facsimile Number:	(08) 9478 1473
E-mail Address:	belmont@belmont.wa.gov.au
Web Page Address:	belmont.wa.gov.au
Area in Square Kilometres:	40
Area of Parks and Gardens:	309 hectares administered by City of Belmont
Distance From Perth:	6 kilometres
Length of Roads:	234 kilometres
Population:	42,078 approximately
Operating Revenue:	\$63,222,183
Operating Expenditure:	\$63,164,148
Number of Electors:	26,532 electors
Number of Rate Assessments:	20,714
Number of Dwellings:	19,876
Suburbs and Localities:	Ascot, Belmont, Cloverdale, Kewdale, Redcliffe, Rivervale
Number of Libraries:	One - Ruth Faulkner Library

The colourful ‘City of Opportunity’ logo on the front cover symbolises the enthusiasm the Council feels about the City and its future. It is not the mark of a corporate body, but is symbolic of an opportunistic journey which the community of the City of Belmont has embarked upon.

The logo is painted in an informal style because it belongs to the community. The bright colours, dominated by blue, suggest joy and expectation and the City’s close proximity to the Swan River. The joyful figure strides confidently forward to embrace the opportunities the City is offering symbolised by the sun, moon and star; the traditional artistic representatives of promise and opportunity. The star in the figure’s eye indicates that these opportunities will enter the lives of all who reach for them.

The arc that encloses the logo and gives it its own ‘space’, is an upward sloping curve that represents the growth the City has experienced, as well as the growth that is still to come. The curve is expressed as three coloured lines, which mirror the three strands of Living Belmont, Business Belmont and Green Belmont, reflecting the ‘triple bottom line’ that delivers social and environmental benefits as well as economic performance in every endeavour.

City of Belmont

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