

CITY OF ARMADALE

AGENDA

OF CITY AUDIT COMMITTEE TO BE HELD IN THE COMMITTEE ROOM,
ADMINISTRATION CENTRE, 7 ORCHARD AVENUE, ARMADALE ON
WEDNESDAY, 7 FEBRUARY 2024 AT 7.00PM.

A meal will be served at 6:15 p.m.

PRESENT:

APOLOGIES:

OBSERVERS:

IN ATTENDANCE:

PUBLIC QUESTION TIME

Note:

The Audit Committee is a formally appointed committee of council responsible to that body and does not have any power or duty from the Council. As the matters discussed may be of a sensitive and confidential nature which, if disclosed could reasonably be expected to impair the effectiveness of the audit process, the Audit Committee meetings are closed to the public.
– Council resolution CS53/10/2020 refers.

*“For details of Councillor Membership on this Committee, please refer to the City’s website
– www.armadale.wa.gov.au/mayor-councillors-and-wards.”*

DECLARATION OF MEMBERS' INTERESTS

CONFIRMATION OF MINUTES

RECOMMEND

Minutes of the City Audit Committee Meeting held on 19 December 2023 be confirmed.

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CITY AUDIT COMMITTEE

7 FEBRUARY 2024

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1.1	**2022/23 FINANCIAL REPORT AND AUDITORS REPORT	2
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*****1.1 - 2022/23 FINANCIAL REPORT AND AUDITORS REPORT***

WARD : ALL
FILE No. : M/15/24
DATE : 16 January 2024
REF : MH
RESPONSIBLE : Executive Director
MANAGER : Corporate Services

In Brief:

- This report presents the Annual Financial Report and Auditor's Completion Report for the financial year ended 30 June 2023.
- The report recommends that the Financial Report and Auditor's Audit Completion Report as presented, be endorsed.

Tabled Items

Nil.

Decision Type

- ☐ **Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- ☒ **Executive** The decision relates to the direction setting and oversight role of Council.
- ☐ **Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

Officer Interest Declaration

Nil.

Strategic Implications

- 4.1 Visionary Civic Leadership and Sound Governance
4.1.3 Support the role of the elected body

Legal Implications

Local Government Act 1995

Local Government (Financial Management) Regulations

Local Government (Audit) Regulations

Australian Accounting Standards

International Financial Reporting Standards

In particular, the pertinent sections of the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996*, are:

- Section 6.4 – a local government is to prepare an annual financial report in the manner and form prescribed and by 30 September submit to its Auditor the accounts balanced up to the last day of the preceding year and the annual financial report.
- Section 7.9 – the Auditor is required to examine the accounts and annual financial report and by 31 December, prepare a report thereon and forward a copy of that report to the Mayor, CEO and the Minister.
- Clause 10 (of the Regulations) – the auditor's report is to give the auditor's opinion on the financial position of the local government, the results of the operations of the local government, include any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government and include any matters indicating non-compliance
- Clause 16 (of the Regulations) – a function of the audit committee is to review and make recommendation to Council on the annual financial report and auditor's report.

Council Policy/Local Law Implications

Nil.

Budget/Financial Implications

Nil.

Consultation

- Council's Auditor & the Office of the Auditor General
- Chief Executive Officer

BACKGROUND

The City has prepared its Annual Financial Report for the year ending 30 June 2023, in accordance with the Australian Accounting Standards and the specific requirements of the *Local Government Act 1995* and associated Regulations. The Audit was conducted consistent with the Audit Plan as provided to the City Audit Committee on 15 June 2023.

The financial statements were delivered to the City's external Auditors, KPMG on behalf of the OAG (Office of the Auditor General) on the 30 September 2023. At the time of delivery, the report from the external consultant completing the infrastructure asset revaluation was not ready. The City therefore sought and received from the Department of Local Government, Sport and Cultural Industries a formal extension of time to complete and submit the final statements inclusive of the asset revaluation changes by 31 October 2023. The audit field work was conducted from 9 October to 3 November 2023 with the final review meeting occurring with City staff on 18 December 2023. The OAG formally signed the audit report on 21 December 2023.

DETAILS OF PROPOSAL

The Annual Financial Report for the financial year ended 30 June 2023 is attached to this report.

The audit plan focused on 8 key areas as per the previous year's audit:

- Existence and Valuation of Infrastructure Assets
- Existence and Valuation of Fixed Assets
- Revenue – rates, fees, charges, operating grants and subsidies
- Landfill Site – rehabilitation asset and liability
- Contracts and procurement
- Personnel costs and related liabilities
- Cash, cash equivalents and term deposits
- IT general controls and systems

The Independent Auditors Report, together with the Annual Financial Report will be included in the Annual Report to meet the requirements of section 5.53 of the *Local Government Act 1995*. The Annual Report will be submitted to the 12 February 2024 Ordinary Council Meeting.

The OAG Representative Mr Patrick Arulsingham (Senior Director Financial Audit OAG), OAG appointed Auditor (KPMG), Mr Matthew Hingeley (Partner) and Ms Michaela Brouwer (Manager), will be in attendance to present the 2023 Auditor's Audit Completion Report and take any queries from the Committee.

COMMENT

Council, on 18 December 2023, adopted the Year End Financial Position – 30 June 2023 report (CS56/12/23). The City concluded the 2022/23 financial year with a surplus of \$748K, after allowing for project carried forward funds, advanced Federal Financial Assistance Grants, accounting for the Library Books prior year municipal payment, the FY21 Surplus allocated to projects and the FY22 surplus allocated to programs/projects.

The City's net assets increased by \$303M (23.8%) to \$1.57B. This was predominately due to the increase in infrastructure asset revaluation totaling \$285M in Non Current Assets. Current Assets increased by \$26.7M due mainly to an increase in cash and cash equivalents, trade and other receivables and Financial Assets. Total liabilities increased from \$122.8M to \$134.3M mainly due to an increase in Trade and Other Payables (current \$8.7M) and Capital Grants Liabilities (Non Current \$7M).

The City repaid a total of \$5.5M in loan and lease liabilities but increased its borrowings by a further \$4.2M. A total of \$26.9M was transferred to Reserves with \$10M being transferred from reserves for use in various capital and operational projects.

The IT general controls and systems audit has noted progress on a number of the previous findings and there are no significant findings. Further details are outlined in the Confidential 'Attachment B'. The progress reflects the City's investment in cloud services, disaster recovery and network security.

CONCLUSION

It is recommended that the Annual Financial Report and Auditor's Audit Completion Report as presented as attachments be accepted.

RECOMMEND

That Council:

- 1. in accordance with section 5.54 of the *Local Government Act 1995*, accept* for inclusion in the City's 2022/23 Annual Report, the Annual Financial Report and Auditor's Independent Audit Report for the financial year ended 30 June 2023 as presented; and**
- 2. accept the 2023 Audit Completion report as presented.**

ABSOLUTE MAJORITY RESOLUTION REQUIRED

ATTACHMENTS

- [1.](#) Annual Financial Report 2023
2. Auditor's Audit Completion Report 2023 - *This matter is considered to be confidential under Section 5.23(2) (e iii) of the Local Government Act, as the matter, if disclosed, would reveal information about the business, professional, commercial or financial affairs of a person*
3. Management Letter - City of Armadale (Attachment A) - 30 June 2023 - *This matter is considered to be confidential under Section 5.23(2) (e iii) of the Local Government Act, as the matter, if disclosed, would reveal information about the business, professional, commercial or financial affairs of a person*
4. Management Letter - City of Armadale (Attachment B) - 30 June 2023 - *This matter is considered to be confidential under Section 5.23(2) (e iii) of the Local Government Act, as the matter, if disclosed, would reveal information about the business, professional, commercial or financial affairs of a person*

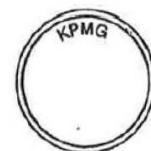
COUNCILLORS' ITEMS

Nil

MEETING DECLARED CLOSED AT _____

SUMMARY OF ATTACHMENTS**7 FEBRUARY 2024**

ATT NO.	SUBJECT	PAGE
1.1	2022/23 FINANCIAL REPORT AND AUDITORS REPORT	
1.1.1	Annual Financial Report 2023	8



**CITY OF ARMADALE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

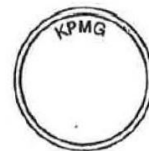
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The City of Armadale conducts the operations of a local government with the following community vision:

A liveable city that is responsive to community values, appreciative of our natural environment, and provides a choice of lifestyle and work.

Principal Place of Business:
7 Orchard Avenue
Armadale, WA 6112



**CITY OF ARMADALE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

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

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

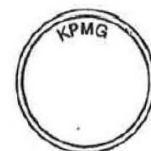
The attached financial report of the City of Armadale for the financial year ended 30 June 2023 is based on proper accounts and records to present fairly the financial position of the City of Armadale at 30 June 2023 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 19th day of December 2023

A handwritten signature in black ink, appearing to read 'Joanne Abbiss'.

**Chief Executive Officer
Joanne Abbiss**



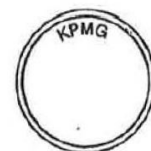
CITY OF ARMADALE
STATEMENT OF COMPREHENSIVE INCOME - BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
Revenue				
Rates	27(a)	78,394,582	78,161,130	73,601,899
Grants, Subsidies and Contributions	2(a)	9,177,638	10,070,900	8,065,185
Fees and Charges	2(a)	33,128,741	32,905,100	33,183,712
Interest Revenue	2(a)	5,432,708	1,337,400	1,327,346
Other Revenue	2(a)	299,697	378,200	190,564
		126,433,366	122,852,730	116,368,706
Expenses				
Employee Costs	2(b)	(48,891,142)	(44,922,300)	(47,289,134)
Materials and Contracts		(39,607,525)	(51,747,600)	(34,944,944)
Utility Charges		(4,117,089)	(3,742,100)	(4,025,498)
Depreciation		(27,174,262)	(26,425,100)	(25,922,658)
Amortisation		(689,149)	-	(534,835)
Finance Costs	2(b)	(1,210,523)	(1,167,500)	(1,200,466)
Insurance	2(b)	(1,289,277)	(774,100)	(1,103,392)
Other Expenditure		(2,366,903)	(1,282,800)	(1,461,660)
		(125,345,870)	(130,061,500)	(116,482,587)
		1,087,496	(7,208,770)	(113,881)
Grants / Contributions for Asset Development				
Capital Grants, Subsidies and Contributions	2(a)	4,853,514	8,711,000	8,117,324
Developer Contribution Plans - Cash	2(a)	110,839	658,900	967,909
Developer Contribution Plans - Gifted Assets	2(a)	12,423,876	26,367,000	11,733,899
Developer Contribution Plans - Contributions Payments		-	-	(95,784)
Profit / (Loss)				
Profit on Disposal of Assets		70,418	42,200	275,213
(Loss) on Disposal of Assets		(1,087,154)	(1,809,500)	(1,356,678)
		16,371,493	33,969,600	19,641,883
Fair Value Adjustments to Financial Assets at Fair Value Through Profit or Loss		11,701	-	15,170
Net Result for the Period		17,470,690	26,760,830	19,543,172
Other Comprehensive Income for the Period				
Revaluation Surplus	18	285,936,813	-	15,698,003
Total Other Comprehensive Income for the Period		285,936,813	-	15,698,003
Total Comprehensive Income for the Period		303,407,503	26,760,830	35,241,175

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



**CITY OF ARMADALE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

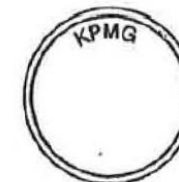


	Note	2023 Actual \$	2022 Actual \$
Current Assets			
Cash and Cash Equivalents	3	15,322,292	6,086,910
Trade and Other Receivables	5	11,866,009	10,117,434
Other Assets	7	3,739,236	1,181,561
Financial Assets	4(a)	142,779,730	129,219,315
Inventories	6	163,449	636,542
Total Current Assets		173,870,716	147,241,762
Non-Current Assets			
Trade and Other Receivables	5	886,191	968,603
Property, Plant and Equipment	9(a)	276,338,443	269,998,441
Infrastructure	10(a)	1,229,921,928	944,876,460
Landfill Cell Asset	8(b)	793,291	639,203
Financial Assets	4(b)	246,036	234,335
Rehabilitation Asset	8(a)	22,441,615	24,809,363
Right of Use Assets	12(a)	3,493,110	4,288,462
Total Non-Current Assets		1,534,120,614	1,245,814,867
Total Assets		1,707,991,330	1,393,056,629
Current Liabilities			
Trade and Other Payables	13	28,236,709	19,530,910
Capital Grants Liabilities	14	2,760,260	4,633,100
Borrowings	15	4,123,064	3,931,944
Employee Related Provisions	16	7,660,799	8,478,482
Lease Liabilities	12(b)	1,706,311	2,148,645
Other Provisions	17	10,837,171	-
Total Current Liabilities		55,324,314	38,723,081
Non-Current Liabilities			
Capital Grants Liabilities	14	29,735,864	22,746,133
Borrowings	15	33,445,895	33,309,159
Employee Related Provisions	16	379,295	523,776
Lease Liabilities	12(b)	1,786,799	2,139,442
Other Provisions	17	13,606,527	25,309,905
Total Non-Current Liabilities		78,954,380	84,028,415
Total Liabilities		134,278,694	122,751,496
Net Assets		1,573,712,636	1,270,305,133
Equity			
Retained Surplus		455,481,335	454,619,068
Reserves - Cash Backed	30	128,314,669	111,440,880
Revaluation Surplus	18	989,916,632	704,245,185
Total Equity		1,573,712,636	1,270,305,133

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



**CITY OF ARMADALE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

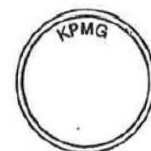


		Retained Surplus \$	Reserves Cash or Investment Backed \$	Revaluation Surplus \$	Total Equity \$
Balance as at 1 July 2021		443,451,346	100,949,315	690,663,297	1,235,063,958
Comprehensive Income Net Result for the period		19,543,172	-	-	19,543,172
Transfer of Revaluation Surplus on Asset Disposals / Impairment	18	2,116,115	-	(2,116,115)	-
Other Comprehensive Income for the Period		-	-	15,698,003	15,698,003
Total Comprehensive Income		21,659,287	-	13,581,888	35,241,175
Transfer from Reserves	30	10,728,297	(10,728,297)	-	-
Transfer to Reserves	30	(21,219,862)	21,219,862	-	-
Balance as at 30 June 2022		454,619,068	111,440,880	704,245,185	1,270,305,133
Balance as at 1 July 2022		454,619,068	111,440,880	704,245,185	1,270,305,133
Comprehensive Income Net Result for the period		17,470,690	-	-	17,470,690
Transfer of Revaluation Surplus on Asset Disposals / Impairment	18	265,366	-	(265,366)	-
Other Comprehensive Income for the Period		-	-	285,936,813	285,936,813
Total Comprehensive Income		17,736,056	-	285,671,447	303,407,503
Transfer from Reserves	30	10,045,329	(10,045,329)	-	-
Transfer to Reserves	30	(26,919,118)	26,919,118	-	-
Balance as at 30 June 2023		455,481,335	128,314,669	989,916,632	1,573,712,636

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



CITY OF ARMADALE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

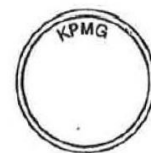


	Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		77,464,197	73,455,349	71,742,742
Grants, Subsidies and Contributions		10,450,230	10,043,712	7,161,658
Fees and Charges		35,091,266	32,508,235	34,478,640
Interest Revenue		5,432,708	1,337,400	1,327,346
Goods and Services Tax Received		4,997,633	5,975,773	4,595,936
Other Revenue		250,519	378,200	(28,687)
Total Receipts		133,686,553	123,698,669	119,277,635
Payments				
Employee Costs		(50,009,511)	(44,422,600)	(43,336,882)
Materials and Contracts		(37,290,033)	(49,241,500)	(46,488,843)
Utility Charges		(4,117,089)	(3,742,100)	(4,025,498)
Insurance Paid		(1,289,277)	(1,167,500)	(1,103,392)
Interest Expenses		(398,132)	(774,100)	(1,199,198)
Goods and Services Tax Paid		-	(5,677,250)	-
Other Expenditure		(2,366,903)	(1,282,800)	(1,461,660)
Total Payments		(95,470,945)	(106,307,850)	(97,615,473)
Net Cash Provided by Operating Activities	19(b)	38,215,608	17,390,819	21,662,162
CASH FLOWS FROM INVESTING ACTIVITIES				
Movement in Financial Assets		(13,560,415)	(300,245)	(494,891)
Payments for Property, Plant and Equipment		(11,679,886)	(9,625,400)	(12,120,269)
Payments for Construction of Infrastructure		(8,359,509)	(17,149,000)	(14,973,124)
Developer Contribution Plans - Contributions Payments		-	-	(95,784)
Capital Grants and Subsidies		4,853,514	8,711,000	8,116,949
Developer Contribution Plans - Cash		110,839	658,900	967,909
Proceeds from Sale of Assets		914,561	653,400	1,216,729
Net Cash Used in Investing Activities		(27,720,896)	(17,051,345)	(17,382,481)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Borrowings	29(a)	(3,931,945)	(3,971,344)	(3,584,116)
Repayment for Principal Portion of Lease Liabilities	29(d)	(1,587,185)	(1,522,600)	(1,362,761)
Proceeds from New Borrowings	29(a)	4,259,800	5,344,800	3,961,600
Net Cash Used in Financing Activities		(1,259,330)	(149,144)	(985,277)
Net Increase in Cash Held		9,235,382	190,330	3,294,404
Cash and Cash Equivalents at Beginning of Year		6,086,910	3,009,670	2,792,506
Cash and Cash Equivalents at End of the Year	19(a)	15,322,292	3,200,000	6,086,910

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

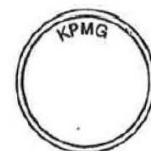


CITY OF ARMADALE
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023



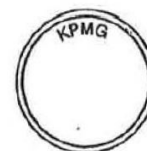
	Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from Operating Activities				
Rates	27(a)	78,394,582	78,161,130	73,601,899
Grants, subsidies and contributions	2(a)	9,177,638	10,070,900	8,065,185
Fees and charges	2(a)	33,128,741	32,905,100	33,183,712
Interest revenue	2(a)	5,432,708	1,337,400	1,327,346
Other revenue	2(a)	299,697	378,200	190,564
Profit on asset disposals		70,418	42,200	275,213
		126,503,784	122,894,930	116,643,919
Expenditure from Operating Activities				
Employee costs		(48,891,142)	(44,922,300)	(47,289,134)
Materials and contracts		(39,607,525)	(51,747,600)	(34,944,944)
Utility charges		(4,117,089)	(3,742,100)	(4,025,498)
Depreciation on non-current assets		(27,863,411)	(26,425,100)	(26,457,493)
Interest expenses	2(b)	(1,210,523)	(1,167,500)	(1,200,466)
Insurance expenses		(1,289,277)	(774,100)	(1,103,392)
Other expenditure		(2,366,903)	(1,282,800)	(1,461,660)
Loss on asset disposals		(1,087,154)	(1,809,500)	(1,356,678)
		(126,433,024)	(131,871,000)	(117,839,265)
Non cash amounts excluded from operating activities	28(a)	24,552,478	28,192,400	35,248,185
Amount Attributable to Operating Activities		24,623,238	19,216,330	34,052,839
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	2(a)	4,853,514	8,711,000	8,117,324
Developer contribution plans - cash	2(a)	110,839	658,900	967,909
Developer contribution plans - gifted assets	10(a)	12,423,876	26,367,000	11,733,899
Proceeds from disposal of assets		914,561	653,400	1,216,729
		18,302,790	36,390,300	22,035,861
Outflows from investing activities				
Purchase of property, plant and equipment	9(a)	(11,679,886)	(9,625,400)	(12,120,269)
Purchase and construction of infrastructure	10(a)	(8,359,509)	(17,149,000)	(14,973,124)
Infrastructure assets contributed by developers (gifted assets)	10(a)	(12,423,876)	(26,367,000)	(11,733,899)
		(32,463,271)	(53,141,400)	(38,827,292)
Non-cash amounts excluded from investing activities	28(b)	5,436,278	1,995,600	(3,190,310)
Amount Attributable to Investing Activities		(8,724,203)	(14,755,500)	(19,981,741)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	29(a)	4,259,800	5,344,800	3,961,600
Transfers from reserves	30	10,045,329	12,456,230	10,728,297
		14,305,129	17,801,030	14,689,897
Outflows from financing activities				
Repayment of borrowings	29(a)	(3,931,945)	(3,971,344)	(3,584,116)
Repayment for principal portion of lease liabilities	29(d)	(1,587,185)	(1,522,600)	(1,362,761)
Transfers to reserves	30	(26,919,118)	(19,987,559)	(21,219,862)
		(32,438,248)	(25,481,503)	(26,166,739)
Amount Attributable to Financing Activities		(18,133,119)	(7,680,473)	(11,476,842)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	28	15,369,240	3,219,643	12,774,984
Amount attributable to operating activities		24,623,238	19,216,330	34,052,839
Amount attributable to investing activities		(8,724,203)	(14,755,500)	(19,981,741)
Amount attributable to financing activities		(18,133,119)	(7,680,473)	(11,476,842)
Surplus / (Deficiency) after Imposition of General Rates		13,135,156	-	15,369,240

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



CITY OF ARMADALE
INDEX OF NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

1. BASIS OF PREPARATION

The financial report of City of Armadale which is a class 1 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

LOCAL GOVERNMENT ACT 1995 REQUIREMENTS

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for 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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 31 to these financial statements.

JUDGEMENTS AND ESTIMATES

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 which form the basis of making the judgements about carrying values of assets and liabilities that are 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:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting
- estimated useful life of intangible assets

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

These amendments have no material impact on the current annual financial report

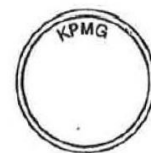
New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates This standard will result in a terminology change for significant accounting policies
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

2. REVENUE AND EXPENSES

a) Revenue

Contracts with Customers

Recognition of revenue is dependent on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of Goods and Services	When Obligations Typically Satisfied	Payment Terms	Returns/ Refund/ Warranties	Timing of Revenue Recognition
Grants, subsidies and contributions with customers	Community events, minor facilities, research, design, planning evaluation and services	Overtime/ Single point in time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations. On receipt of funds when no obligation to refund
Fees and charges - licences, registrations, approvals	Building, Planning, development and animal management	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods sold
Other revenue	Contracted private works	Single point in time	Monthly in arrears	None	Output method based on works done

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

Revenue Recognition

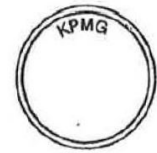
Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	78,394,582	-	78,394,582
Grants, subsidies and contributions	9,177,638	-	110,839	-	9,288,477
Fees and charges	32,712,490	-	416,251	-	33,128,741
Interest revenue	-	-	817,449	4,615,259	5,432,708
Other revenue	287,996	-	-	11,701	299,697
Capital grants, subsidies and contributions	-	4,853,514	-	-	4,853,514
Total	42,178,124	4,853,514	79,739,121	4,626,960	131,397,719

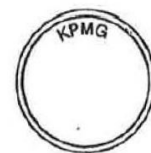
For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	73,601,899	-	73,601,899
Grants, subsidies and contributions	8,065,185	-	967,909	-	9,033,094
Fees and charges	32,761,998	-	421,714	-	33,183,712
Interest revenue	-	-	642,594	684,752	1,327,346
Other revenue	190,564	-	-	-	190,564
Capital grants, subsidies and contributions	-	8,117,324	-	-	8,117,324
Total	41,017,747	8,117,324	75,634,116	684,752	125,453,939



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 Actual \$	2022 Actual \$
2. REVENUE AND EXPENSES (Continued)			
a) Revenue (Continued)			
Assets and Services Acquired Below Fair Value			
Contributed Assets		12,423,876	11,733,899
Recognised Volunteer Services		-	126,872
		12,423,876	11,860,771
Interest Earnings			
Interest on Reserve Funds		2,612,426	515,713
Rates Instalment and Penalty Interest (Refer Note 27(e))		817,449	642,594
Other Interest Earnings		2,002,833	169,039
		5,432,708	1,327,346
b) Expenses			
Auditor's Remuneration			
Audit of the Annual Financial Report		239,029	144,100
Acquittals		15,905	7,763
		254,934	151,863
Employee Cost			
Employee Benefit Cost		44,856,487	37,394,077
Other Employee Cost		4,034,655	9,895,057
		48,891,142	47,289,134
Finance Cost			
Borrowing	29(a)	1,107,142	1,078,499
Interest expense on Lease Liabilities	29(d)	103,381	121,967
		1,210,523	1,200,466
Other Expenditure			
Expenses Council Members		664,204	645,119
Bank Charges		156,047	222,357
Bad Debts Written Off		1,371	56,101
Government Charges		254,238	359,652
Sundry expenses		1,291,043	178,431
		2,366,903	1,461,660



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 Actual \$	2022 Actual \$
3. CASH AND CASH EQUIVALENTS			
Cash at Bank		15,309,082	6,073,700
Cash on Hand		13,210	13,210
Total Cash and Cash Equivalents		15,322,292	6,086,910
Comprises			
Unrestricted Cash and Cash Equivalents		11,088,932	5,426,927
Unspent Grants/Contributions		386,360	306,360
Unspent Loans	29(c)	3,847,000	353,623
		15,322,292	6,086,910

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified 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 and for which no liability has been recognised.

Details of the restrictions on financial assets can be found at Note 30.

4. FINANCIAL ASSETS

(a) Current Assets

Financial Assets at Amortised Cost

Other Financial Assets at Amortised Cost

Term Deposits

Held as

- Unrestricted Other Financial Assets at Amortised Cost
- Restricted Other Financial Assets at Amortised Cost

(b) Non-Current Assets

Financial Assets at Fair Value through Profit or Loss

- Units in Local Government House Trust
- Interest in Rivers Regional Council

	Note	2023 Actual \$	2022 Actual \$
Financial Assets at Amortised Cost		142,779,730	129,219,315
Other Financial Assets at Amortised Cost			
Term Deposits		142,779,730	129,219,315
Held as			
- Unrestricted Other Financial Assets at Amortised Cost		14,465,061	17,778,435
- Restricted Other Financial Assets at Amortised Cost	30	128,314,669	111,440,880
		142,779,730	129,219,315
Financial Assets at Fair Value through Profit or Loss			
Units in Local Government House Trust		162,979	155,607
Interest in Rivers Regional Council		83,057	78,728
		246,036	234,335

The accounting share applicable to the City as at 30 June 2023 is calculated at 22.82% as disclosed in the financial statements of Rivers Regional Council as at 30 June 2023.

Fair value of financial assets at fair value through profit or loss is determined from the net asset of the units held in the Trust at balance date as compiled by WALGA and Rivers Regional Council.

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 cashflows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cashflows using a current market rates. They are classified as level 2 fair values in their fair value hierarchy (see Note 25(i)) due to the observable market rates.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

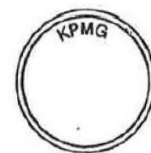
Financial Assets at Fair Value through Profit or Loss

The City classifies the following financial assets at fair value through profit or 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 23.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

5. TRADE AND OTHER RECEIVABLES

Current

Rates Receivable
ESL Receivables
GST Receivable
Receivables for Employee Related Provisions
Sundry Receivables
Less : Expected Credit Loss

2023 Actual \$	2022 Actual \$
7,989,913	5,791,880
562,455	386,485
-	555,158
522,889	101,234
2,824,247	3,365,350
(33,495)	(82,673)
11,866,009	10,117,434
805,211	873,479
80,980	95,124
886,191	968,603

Non-Current

Rates Deferred
ESL Deferred

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

Note	30 June 2023 Actual \$	30 June 2022 Actual \$	1 July 2021 Actual \$
Trade and other receivables from contracts with customers	2,824,247	3,365,350	2,386,731
Contract assets			
Allowance for credit losses of trade receivables	(33,495)	(82,673)	(301,924)
Allowance for impairment of contract assets			
Total trade and other receivables from contracts with customers	2,790,752	3,282,677	2,084,807

SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations as part of the ordinary course of business.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers including grants for the construction of recognisable non financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

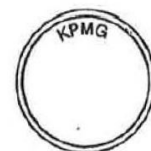
Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the City measures them subsequently 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. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

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 23.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

6. INVENTORIES

Current

Fuel and Materials
Land Held for Resale
Cost of Acquisition

2023 Actual \$	2022 Actual \$
163,449	176,542
-	460,000
163,449	636,542
636,542	578,382
(260,000)	-
(1,306,958)	(998,859)
140,676	162,363
953,189	894,656
163,449	636,542

The following movements in inventories occurred during the year:

Balance at beginning of year

Transfer to land

Inventories expensed during the year

Write back/(down) of inventories to net realisable value

Additions to inventory

Balance at end of year

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured 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.

Land Held for Resale

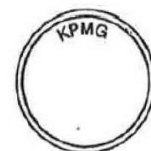
Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and

Land Held for Resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gain and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

7. OTHER ASSETS

Current

Prepayments
Accrued Revenue

2023 Actual \$	2022 Actual \$
45,691	370,966
3,693,545	810,595
3,739,236	1,181,561

SIGNIFICANT ACCOUNTING POLICIES

Other Current Assets

Other non-financial 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 extending beyond that period.

8(a). REHABILITATION ASSET

Non-Current

Landfill Site Rehabilitation
Add/(Less) : Revision to Estimates
Less : Amortisation

2023 Actual \$	2022 Actual \$
24,809,363	2,332,301
(1,678,599)	23,011,897
(689,149)	(534,835)
22,441,615	24,809,363

8(b). LANDFILL CELL ASSET

Non-Current

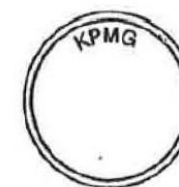
Landfill Cell - Independent Valuation 2018
Transfer from/(to) WIP - Cost
Less : Revaluation Movements
Less : Depreciation

2023 Actual \$	2022 Actual \$
639,203	817,840
474,891	(83,133)
(225,455)	-
(95,348)	(95,504)
793,291	639,203

SIGNIFICANT ACCOUNTING POLICIES

Rehabilitation Asset and Landfill Cell Asset

Refer to Note 11 for the detail accounting policies of Rehabilitation asset and Landfill Cell asset.



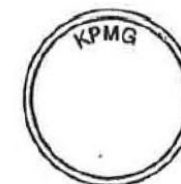
CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land- Freehold Land \$	Land Vested in & Under the Control of Council \$	Total Land \$	Building \$	Furniture and Equipment \$	Plant and Machinery \$	Work in Progress \$	Total Property Plant and Equipment \$
Balance at 1 July 2021	101,918,871	-	101,918,871	133,347,495	2,320,971	9,649,413	4,516,003	251,752,753
Additions	-	-	-	518,958	-	2,675,060	8,926,251	12,120,269
(Disposals)	(40,000)	-	(40,000)	(64,810)	-	(1,116,851)	(403,700)	(1,625,361)
Depreciation (expense)	-	-	-	(2,423,662)	(372,712)	(1,385,262)	-	(4,181,636)
Gifted Assets	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	(3,635)	(27,175)	-	(30,810)
Revaluation Surplus/(deficit)	2,846,130	-	2,846,130	10,993,156	-	-	-	13,839,286
Transfers from WIP	-	-	-	947,828	59,508	2,102,809	(3,110,145)	-
Transfers from/(to) other class of assets	-	-	-	(191,186)	(40,900)	(1,643,974)	-	(1,876,060)
Balance at 30 June 2022	104,725,001	-	104,725,001	143,127,779	1,963,232	10,254,020	9,928,409	269,998,441
Comprises:								
Gross carrying amount	104,725,001	-	104,725,001	187,990,124	4,002,711	14,423,605	9,928,409	321,069,850
Accumulated depreciation	-	-	-	(44,862,345)	(2,039,479)	(4,169,585)	-	(51,071,409)
Balance at 30 June 2022	104,725,001	-	104,725,001	143,127,779	1,963,232	10,254,020	9,928,409	269,998,441
Additions	2,004,328	-	2,004,328	-	-	-	9,675,558	11,679,886
(Disposals)	(20,000)	-	(20,000)	(1,900)	-	(681,456)	-	(703,356)
Depreciation (expense)	-	-	-	(2,689,059)	(373,460)	(1,834,009)	-	(4,896,528)
Adjustment	-	-	-	-	-	-	-	-
Revaluation Surplus/(deficit)	-	-	-	-	-	-	-	-
Transfers from WIP	-	-	-	2,329,449	42,860	4,548,278	(6,920,587)	-
Transfers from/(to) other class of assets	260,000	-	260,000	-	-	-	-	260,000
Balance at 30 June 2023	106,969,329	-	106,969,329	142,766,269	1,632,632	12,286,833	12,683,380	276,338,443
Comprises:								
Gross carrying amount	106,969,329	-	106,969,329	190,317,230	4,045,571	17,783,142	12,683,380	331,798,652
Accumulated depreciation	-	-	-	(47,550,961)	(2,412,939)	(5,496,309)	-	(55,460,209)
Balance at 30 June 2023	106,969,329	-	106,969,329	142,766,269	1,632,632	12,286,833	12,683,380	276,338,443

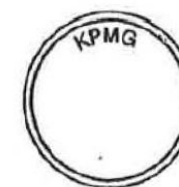


CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

9. PROPERTY, PLANT AND EQUIPMENT

b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land & Buildings					
Land	2	Market approach using recent observable market data for similar properties/ income approach using discounted cashflow methodology.	Independent registered valuer	June 2022	Price per hectare/ market borrowing rate
Buildings - non-specialised	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction cost and current condition, residual values and remaining useful life assessments inputs
Buildings - specialised	2	Market approach using recent observable market data for similar properties/ income approach using discounted cashflow methodology	Independent valuer and Management valuation	June 2022	Price per square metre/ market borrowing rate
<p>Level 3 inputs are on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.</p> <p>During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.</p>					
(ii) Cost					
Furniture and Equipment	N/A		Cost	Not applicable	N/A
Plant and Equipment	N/A		Cost	Not applicable	N/A



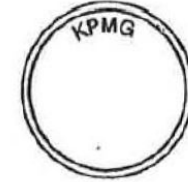
CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

10. INFRASTRUCTURE

(a) Movement in Balances

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Roads \$	Drainage \$	Pathways \$	Parks and Reserves \$	Waste Infrastructure \$	Other Infrastructure \$	Work in Progress \$	Total Infrastructure \$
Balance at 1 July 2021	505,017,129	313,727,195	60,147,711	43,869,749	2,283,233	848,676	11,307,701	937,201,394
Additions	-	-	-	-	-	-	14,973,123	14,973,123
Gifted Assets	4,278,596	3,597,868	1,625,187	2,232,248	-	-	-	11,733,899
(Disposals)	(52,845)	(459,847)	(22,857)	(137,191)	-	(92)	-	(672,832)
Depreciation (expense)	(11,989,690)	(3,687,435)	(1,810,471)	(2,483,219)	(223,572)	(88,370)	-	(20,282,757)
Transfers from WIP	1,376,490	9,000	606,227	502,073	-	1,282	(2,495,072)	-
Transfers from/(to) other class of assets	5,850	-	-	77,395	1,840,388	-	-	1,923,633
Balance at 30 June 2022	498,635,530	313,186,781	60,545,797	44,061,055	3,900,049	761,496	23,785,752	944,876,460
Comprises:								
Gross carrying amount	699,183,275	409,050,440	89,896,120	74,637,471	5,179,935	2,161,197	23,785,752	1,303,894,190
Accumulated depreciation	(200,547,745)	(95,863,659)	(29,350,323)	(30,576,416)	(1,279,886)	(1,399,701)	-	(359,017,730)
Balance at 30 June 2022	498,635,530	313,186,781	60,545,797	44,061,055	3,900,049	761,496	23,785,752	944,876,460
Additions	-	-	-	-	-	-	7,884,618	7,884,618
Gifted Assets	5,201,911	5,134,488	644,552	1,442,925	-	-	-	12,423,876
(Disposals)	(563,553)	(42,435)	(59,465)	(199,799)	-	-	-	(865,252)
Depreciation (expense)	(12,029,376)	(3,717,752)	(1,849,159)	(2,609,400)	(266,594)	(86,758)	-	(20,559,039)
Revaluation Surplus/(deficit)	279,670,744	(23,682,612)	20,003,311	10,381,214	(697,284)	486,895	-	286,162,268
Transfers from WIP	-	-	-	529,652	-	-	(529,652)	-
Adjustments	-	-	-	(1,003)	-	-	-	(1,003)
Balance at 30 June 2023	770,915,256	290,878,470	79,285,036	53,604,644	2,936,171	1,161,633	31,140,718	1,229,921,928
Comprises:								
Gross carrying amount	993,795,860	414,943,495	106,613,289	84,171,212	5,551,536	3,202,390	31,140,718	1,639,418,500
Accumulated depreciation	(222,880,604)	(124,065,025)	(27,328,253)	(30,566,568)	(2,615,365)	(2,040,757)	-	(409,496,572)
Balance at 30 June 2023	770,915,256	290,878,470	79,285,036	53,604,644	2,936,171	1,161,633	31,140,718	1,229,921,928



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

10. INFRASTRUCTURE

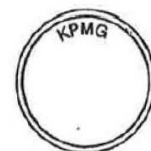
b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - Roads	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Drainage	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Pathways	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Parks and Reserves	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Waste Infrastructure	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Other	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Landfill Cell	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

The fair value of Roads has increased by 35% from the previous revaluation in 2018. The main reason is increment in construction cost (unit rates) by 20% in addition to improvement in condition of the roads and increased length (kilometres) of the Roads.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

11. FIXED ASSETS

(a) Depreciation

Depreciation Rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

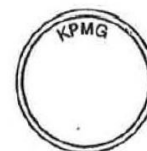
Asset Class	Useful Life
Buildings	30 - 180 years
Electronic Equipment	2 - 3 years
Furniture and Equipment	5 - 15 years
Plant and Machinery:	
Motor Vehicles	2 - 10 years
Major Plants	5 - 20 years
Minor Plant and Equipment	1 - 30 years
Roads:	
Sealed	15 - 80 years
Pavements	40 - 120 years
Gravel	10 years
Kerb	50 years
Formation	Not depreciated
Road Bridges	30 - 80 years
Drainage:	
Storm Water	25 - 120 years
Subsoil	25 - 120 years
Water Harvesting Devices	50 years
Parks and Reserves:	
Playground Equipment	10 - 40 years
Bores and Pumps	10 - 50 years
Artworks, Memorials and Signs	10 - 80 years
POS Structures	10 - 50 years
Active Areas and Hardscape	15 - 50 years
POS Furniture and Infrastructure	10 - 30 years
Boardwalks and Bridges	10 - 30 years
Retaining Walls and Walls	35 - 50 years
Fences/ Gates	20 - 50 years
Electrical	25 - 30 years
POS Lighting	10 - 50 years
Pathways	20 - 50 years
Waste/ Other Infrastructure	15 - 70 years
Landfill Cell	15 - 50 years
Community Art	No depreciation
Right of Use Asset - Building, and Plant & Equipment	Based on the remaining lease term

(b) Fully Depreciated Assets in Use

The gross carrying value of assets held by the City which are currently in use yet fully depreciated are shown in the table below:

Furniture and Equipment
Plant and Equipment

2023 Actual \$	2022 Actual \$
84,556	84,556
-	1,030,000
84,556	1,114,556



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognised at fair value. Asset held at cost are depreciated and assessed for indicators for impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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 individual low value assets are purchased together as part of the 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, buildings, infrastructure and investment properties acquired between scheduled revaluation dates 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. They are subject to subsequent revaluation at the next revaluation date in accordance with *Financial Management Regulation 17A(4)*.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e., vested improvements) on vested land acquired by the City.

At the end of each period the carrying amount of each asset class 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, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

For property, plant and equipment and infrastructure, increase in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decrease that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each 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.

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

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The residual value of the intangible asset is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

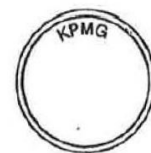
Amortisation is included within depreciation in the Statement of Comprehensive Income and Note 8(a)

Impairment

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 or losses on disposal

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.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

12. LEASES

(a) Right of Use Assets

Movement in the carrying amounts of each class of right of use asset between the beginning and the end of the current financial year.

Note	Right of use assets Building	Right of use assets Plant & Equipment	Right of use assets Motor Vehicle	Right of use assets Total
	\$	\$	\$	\$
Balance at 1 July 2021	2,366,541	846,734	6,290	3,219,565
Additions	-	2,431,658	-	2,431,658
Depreciation	(457,164)	(904,602)	(995)	(1,362,761)
Balance at 30 June 2022	1,909,377	2,373,790	5,295	4,288,462
Additions	-	758,380	69,615	827,995
Depreciation	(540,576)	(1,067,817)	(14,954)	(1,623,347)
Balance at 30 June 2023	1,368,801	2,064,353	59,956	3,493,110

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

Note	2023 Actual \$	2022 Actual \$
Depreciation on Right of Use Asset	1,623,347	1,362,761
Interest Expense on Lease Liabilities	103,381	121,967
Short-term Lease Payments Recognised as Expense	10,196	19,956
Total Amount Recognised in the Statement of Comprehensive Income	1,736,924	1,504,684
Cash Outflow from Leases		
Interest expense on lease liabilities	(103,381)	(121,967)
Lease principal expense	(1,587,185)	(1,362,761)
Total Cash Outflow from Leases	(1,690,566)	(1,484,728)
(b) Lease Liabilities		
Current	1,706,311	2,148,645
Non-current	1,786,799	2,139,442
29(d)	3,493,110	4,288,087

SIGNIFICANT ACCOUNTING POLICIES

Leases

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 can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

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.

Details of individual lease liabilities required by regulations are provided at Note 29(d)

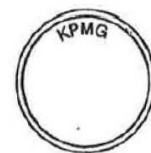
Right-of-use assets - valuation measurement

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 11 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right of use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right of use asset reflects that the City anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

Note	2023 Actual \$	2022 Actual \$
13. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	3,813,479	81,574
Accrued Salaries and Wages	677,256	608,471
Accrued Expenses	3,973,211	4,059,224
Revenue Received in Advance	4,232,370	402,103
Rates in Advance	8,313,785	7,016,235
ESL Liability	111,559	87,605
Payroll Entitlements	241,485	279,228
Deposits and Bonds	6,873,564	6,996,470
	28,236,709	19,530,910

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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.

Trade and other payables

Trade and other payables 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, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), 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 that have not been refunded.

Note	2023 Actual \$	2022 Actual \$
14. OTHER LIABILITIES		
Current		
Contract Liabilities	2,485,156	1,437,100
Capital Grant/ Contributions Liabilities	275,104	3,196,000
	2,760,260	4,633,100
Non Current		
Capital Grant/ Contributions Liabilities	29,735,864	22,746,133
	29,735,864	22,746,133
Reconciliation of Changes in Capital Grant/ Contribution Liabilities		
Opening Balance	27,379,233	22,959,410
Additions	9,970,405	12,537,147
Revenue from capital grant/ contributions held as a liability at the start of the period	(4,853,514)	(8,117,324)
	32,496,124	27,379,233
Expected Satisfaction of Capital Grant/ Contribution Liabilities		
Less than 1 year	2,760,260	4,633,100
1 to 2 years	2,146,900	2,906,500
2 to 3 years	11,794,000	7,678,300
3 to 4 years	12,994,200	2,363,200
4 to 5 years	2,800,764	5,943,000
> 5 years	-	3,855,132
	32,496,124	27,379,232

Performance obligations in relation to capital grant/ contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

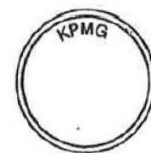
Contract liabilities represent the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Capital Grant/ Contribution Liabilities

Capital grant/ contribution liabilities represent the City's obligations to construct recognisable non-financial assets to identified specifications to be controlled the City which are yet to be satisfied. Capital grant/ contribution liabilities are recognised as revenue when the obligations in the contract are satisfied.

Non-current Capital grant/ contribution liabilities fair values are based on discounted cash flows of expected cash flows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

15. BORROWINGS

Note	2023			2022		
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Secured						
WA Treasury Corporation	4,123,064	33,445,895	37,568,959	3,931,944	33,309,159	37,241,103
Total Secured Borrowings	4,123,064	33,445,895	37,568,959	3,931,944	33,309,159	37,241,103

Secured Liabilities and Assets Pledged as Security

The loans from WA treasury Corporation is secured by a floating charge over the assets of the City of Armadale.

The City of Armadale has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

SIGNIFICANT ACCOUNTING POLICIES

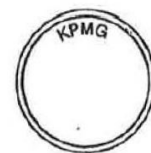
Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 23. Details of individual borrowings required by regulations are provided at Note 29(a).



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

16. EMPLOYEE RELATED PROVISIONS

Current Provisions

Annual Leave
Long Service Leave

Non-current Provisions

Long Service Leave

Total Employee Benefits Provisions

2023 Actual \$	2022 Actual \$
4,256,661	4,677,848
3,404,138	3,800,634
7,660,799	8,478,482
379,295	523,776
379,295	523,776
8,040,094	9,002,258

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on-costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are 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:

Within 12 months of the end of the reporting period

Annual Leave
Long Service Leave

More than 12 months after the end of the reporting period

Annual Leave
Long Service Leave

Expected reimbursements of employee related provisions from other WA local governments

2023 Actual \$	2022 Actual \$
3,802,476	4,144,309
2,881,249	3,699,400
454,185	533,539
379,295	523,776
522,889	101,234
8,040,094	9,002,258

SIGNIFICANT ACCOUNTING POLICIES

Employee Benefits

The City's obligations for employees' annual leave, and long service leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

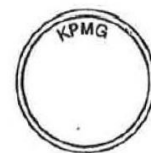
Provision is made for the City's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. 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, salaries and sick leave are recognised as a part of current trade and other payables in the Statement of Financial Position.

Other long-term employee benefits

Long-term employee benefits provisions 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 its 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.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

17. OTHER PROVISIONS

	2023 Actual \$	2022 Actual \$
Provision for Rehabilitation of Landfill Site		
Movement		
Balance at the Beginning of the Year	25,309,905	4,191,018
Provision Made During the Year		
Change in Estimates*	(1,678,598)	21,117,619
Unwinding Discount	812,391	1,268
Balance at the End of the Year	24,443,698	25,309,905
 Provision for Rehabilitation of Landfill Site - Current	 10,837,171	 -
Provision for Rehabilitation of Landfill Site - Non-Current	13,606,527	25,309,905
	24,443,698	25,309,905

* The change in estimates is attributable to changes cost estimates and method of calculation along with changes in the inflation and discount rates due to changes in economic conditions.

Other Provisions

A provision is recognised when:

- there is a present obligation as a result of activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

Provision for Rehabilitation of Landfill Site

Under the licence for the operation of the Armadale City waste landfill site, the City has a legal obligation to restore the site.

The estimated future obligations include the cost of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

SIGNIFICANT ACCOUNTING POLICIES

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.

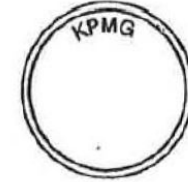
Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Provision for Site Rehabilitation

A provision for the future costs associated with closing and restoring the landfill is recognised as a liability within the financial accounts. The nature of work planned by the City includes cell capping, landform reconstruction, dismantling of site operating facilities and implementation of a revegetation plan to suit the final land use. The cost is provided at the present value of the expenditure expected to be incurred, using estimated cash flows based on current prices. The unwinding of rehabilitation obligation is included in the Statement of Comprehensive Income. Estimated future rehabilitation costs are reviewed regularly and adjusted as appropriate for new circumstances or change in law or technology. Changes in estimates are capitalised or revised against the relevant asset. Estimates are discounted at a discount rate that reflects current market assessment of time value of money.

During the 2017/18 financial year, the City appointed an independent valuer to conduct an evaluation of potential site rehabilitation costs followed by an initial measurement and recognition of Landfill Cell asset.

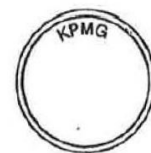
The discounted present value of the future capping expenditure is amortised on a straight line basis over the anticipated lives of the current cell phases.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

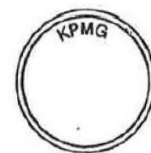
18. REVALUATION SURPLUS

	2023 Opening Balance	2023 Increment/(Decr ement)	2023 Transfer to Retained Surplus	2023 Closing Balance	2022 Opening Balance	2022 Increment/(Decr ement)	2022 Transfer to Retained Surplus	2022 Closing Balance
	\$	\$		\$	\$	\$		\$
Revaluation surplus - Land - Vested Land	93,973,130	-	(205,004)	93,768,126	95,068,334	2,846,130	(3,941,334)	93,973,130
Revaluation surplus - Building	39,002,217	-	-	39,002,217	25,632,512	10,993,156	2,376,549	39,002,217
Revaluation surplus - Furniture & Equipment	161,766	-	-	161,766	161,766	-	-	161,766
Revaluation surplus - Plant & Machinery	72,443	-	(14,473)	57,970	187,523	-	(115,080)	72,443
Revaluation surplus - Infrastructure Roads	302,035,023	279,670,744	-	581,705,767	302,035,023	-	-	302,035,023
Revaluation surplus - Infrastructure Drainage	226,587,051	(23,682,612)	(3,967)	202,900,472	227,029,217	-	(442,166)	226,587,051
Revaluation surplus - Infrastructure Pathways	38,344,718	20,003,311	(12,477)	58,335,552	38,367,565	-	(22,847)	38,344,718
Revaluation surplus - Infrastructure Parks & Gardens	29,445	10,381,214	(29,445)	10,381,214	-	-	29,445	29,445
Revaluation surplus - Infrastructure Waste	237,486	(697,284)	-	(459,798)	237,486	-	-	237,486
Revaluation surplus - Infrastructure Landfill Cell	1,169,445	(225,455)	-	943,990	1,169,445	-	-	1,169,445
Revaluation surplus - Infrastructure Other	773,744	486,895	-	1,260,639	774,426	-	(682)	773,744
Revaluation surplus - Landfill Site Rehabilitation	1,858,717	-	-	1,858,717	-	1,858,717	-	1,858,717
	704,245,185	285,936,813	(265,366)	989,916,632	690,663,297	15,698,003	(2,116,115)	704,245,185



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
19. NOTES TO THE STATEMENT OF CASH FLOWS				
a) Reconciliation of Cash				
For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows;				
Cash and Cash Equivalents	3	15,322,292	3,200,000	6,086,910
Restrictions				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Financial Assets at Amortised Cost	4	128,314,669	104,073,444	111,440,880
		128,314,669	104,073,444	111,440,880
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted Reserve Accounts	30	128,314,669	104,073,444	111,440,880
Total Restricted Financial Assets		128,314,669	104,073,444	111,440,880
b) Reconciliation of Net Cash Provided by Operating Activities to Net Result				
Net Result		17,470,690	26,760,830	19,543,172
Non-cash Items:				
Depreciation		27,174,262	26,425,100	25,922,658
Amortisation		689,149	-	534,835
Accretion Charge		812,391	-	1,268
Expected Credit Loss/(Reversal)		(49,178)	-	(219,251)
Profit on Sale of Asset		(70,418)	(42,200)	(275,213)
Loss on Sale of Asset		1,087,154	1,809,500	1,356,678
Increase in Investment		(11,701)	-	(15,170)
Developer Contribution Plans - Gifted Assets		(12,423,876)	(26,367,000)	(11,733,899)
Changes in Assets and Liabilities:				
(Increase) / Decrease in Receivables		(4,223,838)	(2,613,899)	(1,447,701)
(Increase) / Decrease in Inventories		473,093	(15,656)	(58,160)
Increase / (Decrease) in Payables		4,875,532	2,351,780	(5,381,369)
Increase / (Decrease) in Provisions		(962,164)	-	(59,692)
Increase / (Decrease) in Capital Grant/ Contribution Liabilities		5,116,891	(1,547,736)	4,419,823
Grants and Contributions for Asset Development		(1,631,540)	(8,711,000)	(10,053,692)
Developer Contribution Plans - Cash		(110,839)	(658,900)	(967,909)
Developer Contribution Plans - Contributions Payments		-	-	95,784
Net Cash from Operating Activities		38,215,608	17,390,819	21,662,162
c) Undrawn Borrowing Facilities				
Credit Standby Arrangements				
Bank overdraft limit		-	-	-
Bank overdraft at balance date		-	-	-
Credit card limit		18,000	-	18,000
Credit card balance at balance date		-	-	(8,000)
Total Amount of Credit Unused		18,000	-	10,000
Loan Facilities				
Loan facilities - current		4,123,064	-	3,931,944
Loan facilities - non-current		33,445,895	-	33,309,159
Lease liabilities - current		1,706,311	-	2,148,645
Lease liabilities - non-current		1,786,799	-	2,139,442
Total Facilities in Use at Balance Date		41,062,069	-	41,529,190



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

20. CONTINGENT LIABILITIES

The City had no contingent liabilities at 30 June 2023.

21. CAPITAL AND LEASING COMMITMENTS

Capital Expenditure Commitments

Contracted for:

- capital expenditure projects
- plant and machinery purchases

Payable:

- not later than one year

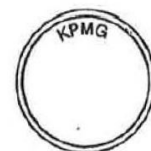
2023 Actual \$	2022 Actual \$
17,803,840	8,474,111
2,504,363	2,068,056
20,308,203	10,542,167
20,308,203	10,542,167

The capital expenditure projects outstanding at the end of the current reporting period is represented by the following expenditure groups:

Group

- Drainage
- Land / Buildings
- Parks
- Pathways
- Plant / Machinery
- Roads
- Other Infrastructure
- Waste Infrastructure

2,710,862	1,019,179
11,370,081	3,191,448
471,872	2,352,351
327,701	-
2,504,363	2,068,056
2,841,513	1,748,113
-	163,020
81,810	-
20,308,203	10,542,167



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

22. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
Mayor			
Mayor's Annual Allowance	92,000	92,000	88,510
Meeting Attendance Fee	48,700	48,700	48,760
Annual Allowance for ICT Expenses	3,586	3,586	3,500
Travel and Accommodation Expenses	1,312	13,943	10,276
	145,598	158,229	151,046
Deputy Mayor			
Deputy Mayor's Annual Allowance	23,000	23,000	22,318
Meeting Attendance Fee	33,945	33,813	31,677
Annual Allowance for ICT Expenses	3,586	3,586	3,500
Travel and Accommodation Expenses	790	592	1,778
	61,321	60,991	59,273
All Other Council Members			
Meeting attendance Fees	406,246	407,087	378,747
Annual Allowance for ICT Expenses	43,032	43,028	51,220
Travel and Accommodation Expenses	6,980	5,765	4,833
	456,258	455,880	434,800
	663,177	675,100	645,119

(b) Key Management Personnel (KMP) Compensation

The total remuneration of KMP of the City during the year are as follows:

	2023 Actual \$	2022 Actual \$
Short term employee benefits	1,277,428	1,298,569
Post employment benefits	146,971	147,618
Other long term benefits	19,734	40,991
Termination benefits	-	-
	1,444,133	1,487,178

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of City's superannuation contributions.

Other long-term benefits

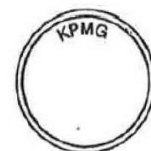
These amounts represent long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP.

Council Member Costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

22. RELATED PARTY TRANSACTIONS (Continued)

Transaction with Related Parties

Transactions between related parties, and the City are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

No related party transactions occurred with the below related parties during the 2022/23 financial year. There were also no committed agreements with the said related parties as at the balance date.

Related Parties

The City's main related parties are as follows:

i. 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, are considered key management personnel.

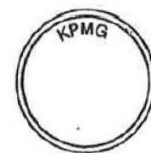
ii. Other Related Parties

An associate person of KMP was employed by the City under normal employment terms and conditions.

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the City.

iii. Entities Subject to Significant Influence by the City

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.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

23. FINANCIAL RISK MANAGEMENT

This note explains the City's exposure to financial risks and how these risks could affect the City's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rates	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

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 area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2023					
Cash and cash equivalents	2.74%	15,322,292	-	15,309,082	13,210
Financial assets at amortised cost - term deposits	1.40%	142,779,730	142,779,730	-	-
2022					
Cash and cash equivalents	0.15%	6,086,910	-	6,073,700	13,210
Financial assets at amortised cost - term deposits	0.96%	129,219,315	129,219,315	-	-

Sensitivity

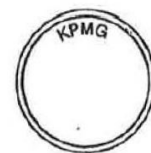
Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2023 \$	2022 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	153,091	60,737

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 29(d).



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The City's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

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 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 reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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 terms 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 2022 or 1 July 2023 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 residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2023 and 30 June 2022 for rates receivable was determined as follows:

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2023					
Rates receivable					
Expected credit loss	0%	0%	0%	0%	
Gross carrying amount	-	-	-	8,795,124	8,795,124
Loss allowance	-	-	-	-	-

30 June 2022

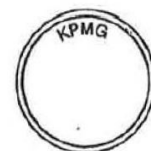
Rates receivable					
Expected credit loss	0%	0%	0%	0.60%	
Gross carrying amount	-	-	-	6,665,359	6,665,359
Loss allowance	-	-	-	39,702	39,702

The loss allowance as at 30 June 2023 and 30 June 2022 was determined as follows for trade receivables.

	Less than 1 month past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2023					
Trade and other receivables					
Expected credit loss	1.19%	1.19%	1.19%	1.19%	
Gross carrying amount	1,472,598	287,768	23,511	1,040,370	2,824,247
Loss allowance	17,464	3,413	279	12,339	33,495

30 June 2022

Trade and other receivables					
Expected credit loss	1.28%	1.28%	1.28%	1.28%	
Gross carrying amount	1,104,743	1,076,462	121,945	1,062,200	3,365,350
Loss allowance	14,106	13,745	1,557	13,563	42,971



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

The loss allowances for trade receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Rates Receivable		Trade and Other Receivable	
	2023 Actual	2022 Actual	2023 Actual	2022 Actual
Opening loss allowance as at 1 July	39,702	-	42,971	301,924
Increase in loss allowance recognised in profit or loss during the year	-	39,702	26,810	-
Receivables written off during the year as uncollectible	-	-	(36,286)	(27,706)
Unused amount reversed	(39,702)	-	-	(231,247)
Closing loss allowance at 30 June	-	39,702	33,495	42,971

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the City, and a failure to make contractual payments for a period of greater than 120 days past due.

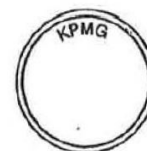
Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(c) Liquidity risk

Payables and borrowings

Payables are 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 and disclosed in Note 19(c).

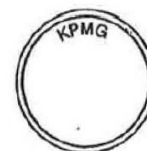
	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2023					
Trade and other payables	28,236,709	-	-	28,236,709	28,236,709
Borrowings	5,295,054	21,789,543	17,293,892	44,378,489	37,568,959
Lease liabilities	1,783,258	1,862,362	-	3,645,620	3,493,110
	35,315,021	23,651,905	17,293,892	76,260,818	69,298,778
2022					
Trade and other payables	19,530,910	-	-	19,530,910	19,530,910
Borrowings	5,040,546	20,273,135	18,763,709	44,077,390	37,241,103
Lease liabilities	1,436,270	2,114,840	-	3,551,110	4,288,087
	26,007,726	22,387,975	18,763,709	67,159,410	61,060,100



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

24. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no significant events of a material nature to report since the end of the financial year.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

25. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) 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 classified as current or non-current based on the City's intentions to release for sale.

c) Rounding off 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.

d) Comparative figures

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 its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The City contributes to a number of Superannuation Funds on behalf of employees. All funds to which the City contributes are defined contribution plans.

g) 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.

h) Interest revenue

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

i) Fair value hierarchy (Continued)

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability. The fair values of assets and liabilities 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. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

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:

Market approach

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

Income approach

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

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.

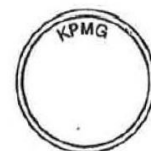
j) Impairment of assets

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 an 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 that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.



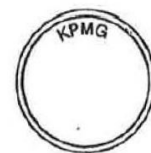
CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

26. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

City operations as disclosed in these financial statements encompass the following service orientated functions and activities.

Objective	Description
Governance To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific local government services.
General Purpose Funding To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue,
Law, Order, Public Safety To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
Health To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
Education and Welfare To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home care programs and youth services.
Housing To provide and maintain elderly residents housing.	Provision and maintenance of elderly residents housing.
Community Amenities To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
Recreation and Culture To establish and effectively manage infrastructure and resources which will help the social well being of the community.	Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.
Transport To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
Economic Services To help promote the local government and its economic wellbeing.	Tourism and area promotion including the maintenance and operation of a caravan park, Provision of rural services including weed control, vermin control and standpipes. Building Control.
Other Property and Services To monitor and control operating accounts.	Private works operation, plant repair and costs.

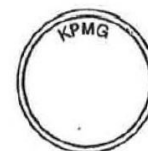


CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

26. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

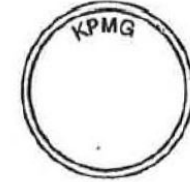
	2023 Actual \$	2023 Budget \$	2022 Actual \$
Income excluding grants, subsidies and contributions			
General Purpose Funding	80,229,638	79,954,930	75,470,654
Governance	1,592,538	1,863,900	1,948,440
Law, Order and Public Safety	540,312	545,900	547,969
Health	161,995	198,800	154,948
Education and Welfare	30,204	5,600	33,668
Community Amenities	20,712,700	21,982,100	21,470,513
Recreation and Culture	7,400,587	6,981,400	7,054,771
Transport	471,244	468,600	689,097
Economic Services	1,179,609	751,500	1,246,638
Other Property and Services	3,934,323	27,097,200	72,990
	116,253,150	139,849,930	108,689,688
Grants, subsidies and contributions			
General Purpose Funding	64,230	2,608,600	3,664,584
Governance	3,761,502	3,000	-
Law, Order and Public Safety	768,051	228,200	541,038
Health	1,699	500	4,225
Education and Welfare	631,454	433,000	574,852
Community Amenities	1,401,388	5,069,100	2,326,017
Recreation and Culture	48,628	207,300	233,347
Transport	2,265,583	1,464,200	1,631,330
Economic Services	51,071	50,000	52,606
Other Property and Services	294,871	7,000	5,095
	9,288,477	10,070,900	9,033,094
Capital grants, subsidies and contributions			
Law, Order and Public Safety	643,725	-	40,000
Community Amenities	-	-	(95,784)
Recreation and Culture	13,108,150	500,000	8,133,316
Transport	1,824,607	8,211,000	12,645,817
Other Property and Services	1,700,908	-	-
	17,277,390	8,711,000	20,723,349
Total Income	142,819,017	158,631,830	138,446,131
Expenses			
General Purpose Funding	(1,301,896)	(1,841,900)	(1,203,408)
Governance	(20,876,524)	(5,446,600)	(3,647,503)
Law, Order and Public Safety	(5,266,803)	(3,385,600)	(3,719,758)
Health	(1,851,500)	(2,181,300)	(1,966,046)
Education and Welfare	(2,916,298)	(4,937,600)	(4,395,041)
Community Amenities	(22,498,329)	(34,350,200)	(27,113,896)
Recreation and Culture	(30,241,687)	(37,720,700)	(36,484,406)
Transport	(29,629,124)	(37,664,700)	(36,363,036)
Economic Services	(2,977,386)	(3,886,500)	(3,771,115)
Other Property and Services	(7,788,780)	(455,900)	(238,750)
Total Expenses	(125,348,327)	(131,871,000)	(118,902,959)
Net Result for the Period	17,470,690	26,760,830	19,543,172



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

26. FUNCTION AND ACTIVITY (Continued)

	2023 Actual \$	2023 Budget \$	2022 Actual \$
(c) Fees and Charges			
General Purpose Funding	573,493	456,400	541,409
Governance	1,472,639	1,489,700	1,872,064
Law, Order and Public Safety	554,190	534,300	513,913
Health	160,695	195,300	147,075
Education and Welfare	11,996	5,600	20,957
Community Amenities	20,895,146	21,976,400	21,135,564
Recreation and Culture	7,557,770	6,974,800	6,975,468
Transport	177,775	449,800	662,682
Economic Services	1,168,574	751,500	1,241,590
Other Property and Services	556,463	71,300	72,990
	33,128,741	32,905,100	33,183,712
(d) Total Assets			
General Purpose Funding	162,510,312		140,505,830
Governance	92,290,332		88,225,172
Law, Order and Public Safety	3,946,956		491,737
Health	104,977		110,944
Education and Welfare	522,888		-
Community Amenities	85,714,233		77,897,161
Recreation and Culture	88,400,001		69,912,591
Transport	1,124,643,491		868,392,790
Economic Services	7,091,599		3,932,686
Other Property and Services	142,766,541		143,587,718
	1,707,991,330		1,393,056,629



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

27. RATING INFORMATION

(a) Rates

RATE TYPE
Differential general rate / general rate

Gross rental valuations
Gross Rental Value Lands
Group 1 - Vacant
Group 2 - Residential Improved
Group 3 - Business Improved
Unimproved valuations
Unimproved Value Lands
Sub-Total

Rate in Cents	Number of Properties	2023 Actual Rateable Value	2023 Actual Rate Revenue	2023 Actual Interim Rates	2023 Actual Back Rates	2023 Actual Total Revenue
\$	#	\$	\$	\$	\$	\$
15.7919	1,299	21,027,040	3,320,569	(66,624)	(22,130)	3,231,815
10.8799	30,868	502,881,074	54,712,958	1,187,064	86,007	55,986,029
9.8529	742	102,471,196	10,096,384	236,266	9,439	10,342,089
0.4765	128	141,617,000	674,805	(25,206)	13,261	662,860
	33,037	767,996,310	68,804,716	1,331,500	86,577	70,222,793

Minimum payment

Gross rental valuations
Gross Rental Value Lands
Group 1 - Vacant
Group 2 - Residential Improved
Group 3 - Business Improved
Unimproved valuations
Unimproved Value Lands
Sub-Total

Minimum \$						
1,076	1,471	7,244,703	1,582,798	191,687	77,149	1,851,634
1,242	4,212	42,851,813	5,231,304	(12,093)	(3,605)	5,215,606
1,444	355	3,590,817	512,620	241	1,027	513,888
1,487	17	3,722,994	25,279	(1,116)	-	24,163
	6,055	57,410,327	7,352,001	178,719	74,571	7,605,291

TOTAL

Vacant
Residential Improved
Business Improved
Unimproved Value Lands

2,770	28,271,743	4,903,367	125,063	55,019	5,083,444
35,080	545,732,887	59,944,262	1,174,971	82,402	61,201,635
1,097	106,062,013	10,609,004	236,507	10,466	10,855,977
38,947	680,066,643	75,456,633	1,536,541	147,887	77,141,061
145	145,339,994	700,084	(26,322)	13,261	687,023
39,092	825,406,637	76,156,717	1,510,219	161,148	77,828,084

Discounts (Note 27(b))

Add - Rate Equivalent Payments and Adjustments
Less - Rate Concession
Less - Rate Concession - COVID-19 Pandemic Response
Vacant
Residential Improved
Business Improved

Total amount raised from general rate

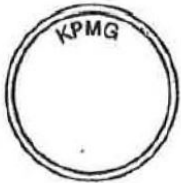
Specified Area Rate (Note 27(b))
Ex-gratia rates
Prepaid rates

Totals

Rate in Cents	Number of Properties	2023 Budget Rateable Value	2023 Budget Rate Revenue	2023 Budget Interim Rate	2023 Budget Back Rate	2023 Budget Total Revenue	2022 Actual Total Revenue
\$	#	\$	\$	\$	\$	\$	\$
15.7919	1,238	21,135,780	3,337,737	-	-	3,337,737	3,196,482
10.8799	31,001	501,869,714	54,906,406	796,350	-	55,702,756	52,401,480
9.8529	737	102,438,446	10,092,064	-	-	10,092,064	9,709,827
0.4765	126	140,317,000	668,611	-	-	668,611	631,173
	33,102	765,760,940	69,004,818	796,350	-	69,801,168	65,938,962
Minimum \$							
1,076	1,489	7,339,653	1,602,760	403,650	-	2,006,410	1,666,548
1,242	4,241	43,145,457	5,266,303	-	-	5,266,303	5,029,104
1,444	359	3,632,719	518,224	-	-	518,224	493,208
1,487	16	3,394,992	23,795	-	-	23,795	27,878
	6,105	57,512,821	7,411,082	403,650	-	7,814,732	7,216,738
	2,727	28,475,433	4,940,497	403,650	-	5,344,147	4,863,030
	35,242	545,015,171	60,172,709	796,350	-	60,969,059	57,430,584
	1,096	106,071,165	10,610,288	-	-	10,610,288	10,203,035
	39,065	679,561,769	75,723,494	1,200,000	-	76,923,494	72,496,649
	142	143,711,992	692,406	-	-	692,406	659,051
	39,207	823,273,761	76,415,900	1,200,000	-	77,615,900	73,155,700

35,023	30,000	31,616
(19,910)	(20,000)	(19,226)
-	-	12,344
-	-	-
-	-	-
-	-	-
77,843,197	77,625,900	73,180,434
551,385	535,230	421,465
-	-	-
-	-	-
78,394,582	78,161,130	73,601,899

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 *Income for not-for-profit entities*.



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

27. RATING INFORMATION (Continued)

(b) Specified Area Rate GRV

Specified Area Rate GRV	Basis of Valuation	Rate in Cents	Number of Properties	2023 Actual Rateable Value	2023 Actual Rate Revenue	2023 Actual Interim Revenue	2023 Actual Back Rate Revenue	2023 Total Specified Area Rate Revenue	Rate in Cents	Number of Properties	2023 Budget Rateable Value	2023 Budget Rate Revenue	2023 Budget Interim/Back Rate Revenue	2023 Total Budget Revenue	2022 Total Actual Revenue
		\$	#	\$	\$	\$	\$	\$		#	\$	\$	\$	\$	\$
A - Armadale CBD		0.4153	88	29,388,364	122,112	4	(82)	122,034	0.4153	88	29,403,460	122,100	-	122,100	119,084
B - Kelmscott CBD		1.0273	80	7,928,438	81,500	(17)	-	81,483	1.0273	80	7,933,378	50,000	-	50,000	-
C - Kelmscott Industry		0.1745	342	11,758,787	20,401	118	(1)	20,518	0.1745	342	11,691,287	20,400	-	20,400	19,899
D - South Armadale Industry		0.3460	142	6,733,592	23,299	-	-	23,299	0.3460	142	6,733,592	23,300	-	23,300	22,854
F - Piara Waters / Harrisdale		0.2935	4,996	99,377,310	287,757	2,239	199	290,195	0.2935	4,995	98,039,030	305,730	-	305,730	245,585
G - Champion Lakes		0.2731	332	5,097,270	13,700	152	4	13,856	0.2731	332	5,016,830	13,700	-	13,700	14,043
				5,980	160,283,761	548,769	2,496	120			5,979	158,817,577	535,230	-	421,465

In the 2022 - 2023 financial year, the City imposed 6 separate Specified Area Rates, the purpose of which was to enhance the amenity of selected areas by way of increased and improved service levels.

Four of the six (Areas A - D) are referred to as the Townscape Amenity Services and entail increased and improved levels of street bin emptying, litter pick-ups, road and path sweeping, water blasting of pathways, garden maintenance, weed control and general maintenance.

Two of the six (Areas F - G) is for the increased maintenance and enhancement of the public open space (POS) and streetscapes of selected new estates in the North Forrestdale and Champion Lakes area of the City over and above other areas of the City.

(c) Service Charges

No service charges were imposed for the 2022 - 2023 financial year. As such, no transfer to or from Reserve Accounts has occurred.

(d) Discounts, Incentives, Concessions and Write-Offs

Discounts

No discounts were offered in the 2022 - 2023 financial year.

Incentives

No rate payment incentives were offered in the 2022-2023 financial year.

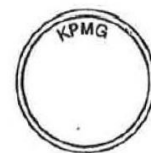
Concessions

No rate concessions were offered in the 2022-2023 financial year.

Write-Offs

The following write-offs were made during the 2022 - 2023 financial year -

	2023 Actual \$	2022 Actual \$
Rates	(9,739)	28,395
General	32,758	(6,695)
Infringements	3,375	34,401
	26,394	56,101



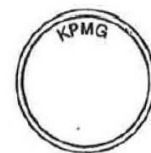
CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

27. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	8/09/2022	0.00	0.00%	7.00%
Option Two				
First Instalment	8/09/2022	0.00	5.50%	7.00%
Second Instalment	16/01/2023	8.50	5.50%	7.00%
Option Three				
First Instalment	8/09/2022	0.00	5.50%	7.00%
Second Instalment	14/11/2022	8.50	5.50%	7.00%
Third Instalment	16/01/2023	8.50	5.50%	7.00%
Fourth Instalment	6/04/2023	8.50	5.50%	7.00%

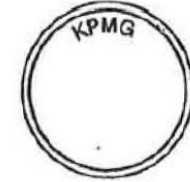
	2023 Actual \$	2023 Budget \$	2022 Actual \$
Interest on unpaid rates	523,868	250,000	386,670
Interest on instalment plan	291,811	240,000	254,988
Charges on instalment plan	1,770	184,100	936
	817,449	674,100	642,594



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

28. STATEMENT OF FINANCIAL ACTIVITY INFORMATION

Note	2023	2023	2022
	(30 June 2023 Carried Forward) \$	Budget (30 June 2023 Carried Forward) \$	(1 July 2022 Carried Forward) \$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(70,418)	(42,200)	(275,213)
Less: Fair value adjustments to investments	(11,701)	-	(15,170)
Movement in Deferred Pensioner Rates/ESL (Non-Current)	82,412	-	(127,868)
Unwinding Discount of Landfill Site Provision	812,391	-	1,268
Movement in employee benefit provisions (Non-Current)	(144,481)	-	(93,842)
Movement in Leasing Liability (Non-Current)	(352,643)	-	207,825
Movement in Contract Liability (Non-Current)	6,989,731	-	7,737,014
Movement in Rehabilitation provisions (Non-Current)	(11,703,378)	-	-
Add: Loss on disposal of assets	1,087,154	1,809,500	1,356,678
Add: Depreciation on assets	27,174,262	26,425,100	25,922,658
Add: Amortisation	689,149	-	534,835
Non cash amounts excluded from operating activities	24,552,478	28,192,400	35,248,185
(b) Non-cash amounts excluded from investing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to investing activities			
Movement in restricted cash back reserve	5,436,278	1,995,600	(3,190,310)
Non cash amounts excluded from investing activities	5,436,278	1,995,600	(3,190,310)
(c) Surplus/(deficit) after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Term Deposits - restricted investments	4(a) (128,314,669)	(104,073,444)	(111,440,880)
Less: Land held for sale	6 -	(460,000)	(460,000)
Less: Unspent Loan Funds	29(c) (3,847,000)	-	(353,623)
Less: Unspent Grants/Contributions	3 (386,360)	-	(306,360)
Add: Movement in Expected Credit Loss on Sundry Receivables	-	-	219,251
Add: Contract Liability	14 2,760,260	7,048,703	4,633,100
Add: Lease Current Liability	12(b) 1,706,311	1,667,740	2,148,645
Add: Borrowings	15 4,123,064	3,458,491	3,931,944
Add: Current provisions	16 7,660,799	8,161,713	8,478,482
Add: Current Rehabilitation provisions	17 10,837,171	-	-
Total adjustments to net current assets	(105,411,246)	(84,196,797)	(93,149,441)
Net current assets used in the Statement of Financial Activity			
Total current assets	173,870,716	127,698,558	147,241,762
Less: Total current liabilities	(55,324,314)	(43,501,761)	(38,723,081)
Less: Total adjustments to net current assets	(105,411,246)	(84,196,797)	(93,149,441)
Net current assets used in the Statement of Financial Activity	13,135,156	-	15,369,240



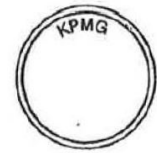
CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

29. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Particulars	Loan		Interest Rate	Actual Principal	2022 Actual New	2022 Actual Principal	2023 Actual Interest	2023 Actual Principal	Budget Principal	2023 Budget New	2023 Budget Principal	2023 Budget Interest	2023 Budget Principal	Actual Principal	2022 Actual New	2022 Actual Principal	Actual Interest	Actual Principal
	Number	Institution		1 July 2022	Loans	repayments	repayments	outstanding	1 July 2022	Loans	repayments	repayments	outstanding	1 July 2021	Loans	repayments	repayments	outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance																		
292 Loan Borrowings 2008	292	WATC	7.29%	56,595	-	56,595	3,102	-	57,477	-	56,600	3,100	877	110,157	-	53,562	6,157	56,595
296 Loan Borrowings 2009	296	WATC	6.77%	106,428	-	51,444	6,339	54,984	106,428	-	51,400	6,300	55,028	154,558	-	48,130	9,682	106,428
316 Orchard House 2014	316	WATC	4.78%	2,477,682	-	157,135	116,352	2,320,547	2,477,677	-	157,100	116,600	2,320,577	2,627,967	-	149,885	127,389	2,477,682
318 Orchard House 2015	318	WATC	3.53%	7,770,181	-	504,318	269,438	7,265,863	7,770,177	-	504,300	269,900	7,265,877	8,257,157	-	486,976	293,962	7,770,181
323 Core System Review	323	WATC	3.60%	2,515,031	-	340,267	43,646	2,174,764	2,515,035	-	340,300	43,700	2,174,735	2,849,255	-	334,224	50,531	2,515,031
342 Core System Review	342	WATC	2.40%	1,133,252	-	135,789	13,182	997,463	1,133,255	-	135,800	13,200	997,455	1,267,425	-	134,173	15,049	1,133,252
345A Core System Review	345A	WATC	4.18%	1,350,000	-	111,264	55,285	1,238,736	1,350,000	-	117,600	39,600	1,232,400	-	1,350,000	-	463	1,350,000
345B Core System Review	345B	WATC	3.00%	-	1,320,800	-	327	1,320,800	-	2,405,800	-	-	2,405,800	-	-	-	-	-
Recreation and culture																		
291 Aquatic Works 2008	291	WATC	7.26%	229,082	-	31,710	16,060	197,372	229,079	-	31,700	16,100	197,379	258,609	-	29,527	18,294	229,082
299 Aquatic Centre Upgrade 2010	299	WATC	6.19%	270,096	-	84,603	15,272	185,493	269,965	-	84,700	15,500	185,265	349,695	-	79,599	20,936	270,096
302 Aquatic Centre Upgrade 2011	302	WATC	6.02%	850,159	-	73,644	49,954	776,515	850,043	-	73,800	50,200	776,243	919,563	-	69,404	55,867	850,159
304 Frye Park Redevelopment 2011	304	WATC	6.02%	634,350	-	54,951	37,274	579,399	634,266	-	55,000	37,400	579,266	686,136	-	51,786	41,685	634,350
305 Piara Waters (North) Sports 2011	305	WATC	5.89%	412,806	-	94,396	22,777	318,410	412,669	-	94,500	23,000	318,169	501,879	-	89,073	28,999	412,806
311 Aquatic Centre Upgrade 2012	311	WATC	4.48%	974,379	-	79,183	42,669	895,196	975,968	-	79,200	42,800	896,768	1,051,718	-	77,339	45,931	974,379
314 Oval Lighting Renewal	314	WATC	3.47%	303,186	-	97,606	9,626	205,580	303,181	-	97,600	9,700	205,581	397,491	-	94,305	13,154	303,186
315 Armadale Golf Course	315	WATC	2.94%	189,355	-	35,693	5,301	153,662	189,352	-	35,700	5,300	153,652	224,022	-	34,667	6,364	189,355
322 Kelmscott Library - Stage 1	322	WATC	2.69%	305,639	-	73,375	7,883	232,264	305,639	-	73,400	7,700	232,239	377,079	-	71,440	9,868	305,639
324A Indoor Aquatic Centre	324	WATC	2.94%	9,597,273	-	483,971	178,128	9,113,302	9,577,287	-	504,300	173,000	9,072,987	10,072,267	-	474,994	190,214	9,597,273
326 Armadale Hall Upgrade 2018	326	WATC	3.60%	2,785,793	-	376,899	48,345	2,408,894	2,785,788	-	376,900	48,500	2,408,888	3,155,998	-	370,205	55,972	2,785,793
327 Lighting Renewal 2018	327	WATC	5.32%	59,715	-	59,715	1,181	-	59,712	-	59,712	1,200	-	117,872	-	58,157	2,764	59,715
329 Infrastructure - Parks 2017	329	WATC	2.42%	-	-	-	-	-	-	-	-	-	-	83,895	-	83,895	1,526	-
330 Greendale Centre	330	WATC	5.32%	-	-	92,711	1,833	-	92,717	-	92,717	1,900	-	183,004	-	90,293	4,292	92,711
331 Infrastructure - Parks 2018	331	WATC	5.32%	63,211	-	63,211	1,250	-	63,215	-	63,215	1,300	-	124,775	-	61,564	2,926	63,211
332 Champion Centre Upgrade	332	WATC	5.32%	211,589	-	69,996	1,465	141,593	211,587	-	70,000	1,500	141,587	281,057	-	69,468	2,029	211,589
334 Armadale Library Creative Space	334	WATC	2.90%	110,346	-	54,774	1,389	55,572	110,345	-	54,800	1,400	55,545	164,335	-	53,989	2,214	110,346
336 Lighting Renewal - 2	336	WATC	2.90%	20,441	-	10,143	257	10,298	20,440	-	10,100	300	10,340	30,439	-	9,998	410	20,441
337 AFAC Carpark	337	WATC	3.87%	458,210	-	21,506	8,754	436,704	458,206	-	21,500	8,800	436,706	479,306	-	21,096	9,316	458,210
343 Bedfordale Fire Service	343	WATC	1.45%	679,766	-	71,252	9,563	608,514	679,790	-	71,300	9,600	608,490	750,000	-	70,234	10,641	679,766
344 Challenge Park	344	WATC	4.18%	1,230,000	-	101,374	50,371	1,128,626	1,230,000	-	107,200	36,100	1,122,800	-	1,230,000	-	422	1,230,000
346 Roleystone Theatre	346	WATC	3.00%	-	2,939,000	-	726	2,939,000	-	2,939,000	-	-	2,939,000	-	-	-	-	-
347 Creyk Park 2021	347	WATC	4.18%	1,381,600	-	113,869	56,579	1,267,731	1,381,600	-	120,400	40,600	1,261,200	-	1,381,600	-	474	1,381,600
Transport																		
303 Civil Works - Roads 2011	303	WATC	5.68%	-	-	-	-	-	-	-	-	-	-	1,958	-	1,958	113	-
317 Abbey Road Project 2014	317	WATC	4.03%	699,362	-	342,706	24,351	356,656	699,363	-	342,700	24,800	356,663	1,028,663	-	329,301	39,018	699,362
321 Armadale Arena Roofing 2015	321	WATC	3.47%	272,864	-	87,845	8,663	185,019	272,857	-	87,800	8,700	185,057	357,738	-	84,874	11,837	272,864
Total				37,241,102	4,259,800	3,931,945	1,107,142	37,568,957	37,223,118	5,344,800	3,971,344	1,057,800	38,596,574	36,863,618	3,961,600	3,584,116	1,078,499	37,241,102

**All Loans are with the Western Australian Treasury Corporation



CITY OF ARMADALE
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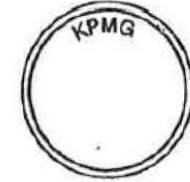
29. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2022/23

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2023 Actual	2023 Budget	2023 Actual	2023 Budget		
345B Core System Review	WATC	Debenture	10	4.52	\$ 1,320,800	\$ 1,320,800	\$ 1,320,800	\$ 1,320,800	\$ 335,438	\$ -
346 Roleystone Theatre	WATC	Debenture	10	4.52	2,939,000	2,939,000	2,939,000	2,939,000	746,406	-
* WA Treasury Corporation					4,259,800	4,259,800	4,259,800	4,259,800	1,081,844	-

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2022	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2023
		\$	\$	\$	\$
323 Core System Review	WATC 25/06/2019	353,623	-	353,623	-
345B Core System Review	WATC 29/06/2023	-	1,320,800	412,800	908,000
346 Roleystone Theatre	WATC 29/06/2023	-	2,939,000	-	2,939,000
* WA Treasury Corporation		353,623	4,259,800	766,423	3,847,000



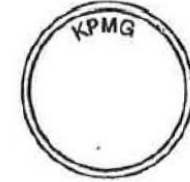
CITY OF ARMADALE
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28. BORROWING AND LEASE LIABILITIES (Continued)

(d) Lease Liabilities	2023	2022
	\$	\$
Current	1,706,311	2,148,645
Non-current	1,786,789	2,139,442
Total	3,493,110	4,288,087

Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term (Years)	Actual Lease Principal 1 July 2022	30 June 2023 Actual New/Renewed Leases	30 June 2023 Actual Lease Principal Repayments	30 June 2023 Actual Lease Principal Outstanding	30 June 2023 Actual Lease Interest Repayments	Budget Lease Principal 1 July 2022	30 June 2023 Budget New/Renewed Leases	30 June 2023 Budget Lease Principal Repayments	30 June 2023 Budget Lease Principal Outstanding	30 June 2023 Budget Lease Interest Repayments	Actual Lease Principal 1 July 2021	30 June 2022 Actual New/Renewed Loans	30 June 2022 Actual Lease Principal Repayments	30 June 2022 Actual Lease Principal Outstanding	30 June 2022 Actual Lease Interest Repayments
					\$	\$	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$	\$	\$
Governance																			
Office Equipment	EN00160050	MAIA Financial	3.1%	3	-	-	-	-	-	-	-	-	-	-	1,582	-	(1,438)	-	(144)
Office Equipment	EN00162408	MAIA Financial	3.1%	3	-	-	-	-	-	-	410,200	(32,400)	377,800	(2,200)	682	-	(620)	-	(62)
Office Equipment	EN00162423	MAIA Financial	2.6%	3	4,284	(4,284)	-	-	-	-	6,200	(2,000)	4,200	(100)	-	6,243	(1,959)	4,284	(196)
Office Equipment	EN00160522	MAIA Financial	3.0%	3	10,684	(10,684)	-	-	-	9,799	24,000	(4,700)	29,099	(837)	15,419	-	(4,735)	10,684	(475)
Office Equipment	EN00162265	MAIA Financial	2.6%	4	1,605	(1,605)	-	-	-	-	12,600	(3,363)	10,500	(200)	4,685	-	(3,080)	1,605	(309)
Office Equipment	COARM001	Equigroup	2.68%	4	325,431	(18,061)	(101,242)	206,128	(3,207)	324,057	-	(96,710)	227,347	(7,747)	-	397,574	(72,143)	325,431	(6,194)
Office Equipment	COARM002	Equigroup	3.18%	4	-	18,824	(4,803)	14,021	(542)	-	-	-	-	-	-	-	-	-	-
Corporate Services																			
IT Equipment	EN00158584	MAIA Financial	3.1%	5	6,925	8,151	(5,335)	9,741	(400)	6,480	-	(5,300)	1,180	(400)	12,468	-	(5,543)	6,925	(197)
IT Equipment	EN00157674	MAIA Financial	3.1%	5	-	10,835	(5,334)	5,501	(274)	-	-	-	-	-	-	-	-	-	-
IT Equipment	EN00157625	MAIA Financial	3.1%	5	13,388	3,488	(6,575)	10,301	(505)	-	-	-	-	-	20,225	-	(6,837)	13,388	(243)
IT Equipment	EN00162298	MAIA Financial	2.7%	5	22,051	1,133	(13,075)	10,109	(641)	21,084	-	(13,100)	7,984	(600)	35,297	-	(13,246)	22,051	(470)
IT Equipment	EN00160541	MAIA Financial	3.1%	2	62,311	6,128	(30,090)	38,349	(1,307)	27,734	-	(22,700)	5,034	(1,319)	-	91,731	(29,420)	62,311	(1,976)
IT Equipment	EN00159126	MAIA Financial	2.9%	2	50,623	(6,417)	(24,986)	19,220	(1,012)	24,603	-	(24,603)	-	(1,012)	-	74,985	(24,362)	50,623	(1,636)
IT Equipment	EN00161099	MAIA Financial	2.9%	3	220,593	2,064	(109,720)	112,937	(5,271)	208,591	-	(109,700)	98,891	(5,271)	-	331,642	(111,049)	220,593	(3,942)
IT Equipment	EN00162109	MAIA Financial	2.9%	3	20,894	1,432	(9,824)	12,502	(298)	18,568	-	(9,800)	8,768	(298)	35,316	1,353	(6,775)	20,894	(347)
IT Equipment	EN00162256	MAIA Financial	2.9%	3	188,402	47,615	(92,366)	143,651	(5,846)	181,097	-	(92,400)	88,697	(5,800)	-	283,247	(94,845)	188,402	(3,367)
IT Equipment	EN00162172	MAIA Financial	3.0%	3	13,432	3,045	(6,443)	10,034	(422)	12,630	-	(6,400)	6,230	(400)	293	19,769	(6,630)	13,432	(235)
IT Equipment	EN00162003	MAIA Financial	3.0%	3	50,995	55,941	(29,420)	77,516	(2,879)	47,317	-	(28,964)	18,333	(3,316)	82,187	-	(31,192)	50,995	(1,107)
IT Equipment	EN00162026	MAIA Financial	1.6%	6	15,316	239,469	(72,601)	182,204	(1,894)	288,000	-	(73,300)	219,698	(1,800)	85,122	-	(69,868)	15,316	(4,680)
IT Equipment	EN00156842	MAIA Financial	3.1%	1	25,541	12,612	(12,327)	25,826	(1,040)	24,580	-	(12,300)	12,280	-	-	38,450	(12,909)	25,541	(458)
IT Equipment	EN00156135	MAIA Financial	3.1%	2	23,869	(8,836)	(11,980)	3,053	(328)	11,671	-	(10,673)	998	-	-	35,402	(11,533)	23,869	(775)
IT Equipment	EN00158456	MAIA Financial	3.1%	3	5,071	1,612	(2,427)	4,456	(209)	4,736	-	(2,400)	2,336	-	-	7,541	(2,470)	5,071	(166)
IT Equipment	EN00159125	MAIA Financial	3.1%	4	16,724	(16,724)	-	-	-	15,881	-	(8,000)	7,881	-	24,679	-	(7,955)	16,724	(534)
IT Equipment	EN00159594	MAIA Financial	3.1%	6	197,439	224,401	(48,556)	373,284	(9,433)	382,342	-	(48,600)	333,742	(9,500)	36,584	230,706	(69,851)	197,439	(3,651)
IT Equipment	EN00158125	MAIA Financial	3.1%	3	-	22,296	(7,889)	14,407	(600)	-	-	-	-	-	7,964	-	(7,795)	-	(743)
IT Equipment	EN00158696	MAIA Financial	3.1%	6	46,072	5,618	(15,613)	36,077	(1,049)	-	47,800	(11,500)	36,100	(1,000)	13,766	47,919	(15,613)	46,072	(1,049)
IT Equipment	EN00161137	MAIA Financial	3.1%	5	6,762	9,341	(18,133)	0	(953)	7,304	-	(7,304)	400	-	26,644	-	(17,652)	6,762	(694)
IT Equipment	EN00157673	MAIA Financial	3.1%	5	72,143	10,842	(32,427)	50,558	(2,198)	-	-	-	-	(2,200)	-	99,589	(27,446)	72,143	(3,625)
IT Equipment	EN00162255	MAIA Financial	3.1%	5	22,710	3,347	(14,701)	11,356	(700)	21,951	-	(14,700)	7,251	(700)	37,583	-	(14,873)	22,710	(528)
IT Equipment	EN00159871	MAIA Financial	3.1%	6	10,935	6,236	(5,449)	13,722	(276)	-	16,300	(2,600)	13,700	(200)	-	16,464	(5,529)	10,935	(196)
IT Equipment	EN00160599	MAIA Financial	3.1%	2	69,854	(19,463)	(27,952)	21,539	(1,211)	32,608	-	(30,200)	2,408	(1,600)	-	91,282	(22,328)	69,854	(3,636)
IT Equipment	009-0154500-Del Financial		2.0%	3	53,562	(3,055)	(20,604)	29,903	(822)	-	-	-	-	-	-	62,548	(8,986)	53,562	(418)
IT Equipment	009-0154500-Del Financial		2.0%	3	478,373	13,695	(170,499)	321,569	(8,284)	-	-	-	-	-	-	492,180	(13,807)	478,373	(1,042)
IT Equipment	009-0154500-Del Financial		2.0%	3	10,821	(172)	(4,196)	6,453	(175)	-	-	-	-	-	-	12,758	(1,937)	10,821	(90)
IT Equipment	Piara Waters	MAIA Financial	3.1%	3	-	-	-	-	-	374,800	-	(89,400)	285,400	(10,600)	-	-	-	-	-
IT Equipment	009-0154500-Del Financial		2.0%	3	-	26,731	(9,551)	17,180	(447)	-	-	-	-	-	-	-	-	-	-
IT Equipment	009-0154500-Del Financial		2.0%	5	-	17,563	(3,560)	14,003	(319)	-	-	-	-	-	-	-	-	-	-
IT Equipment	009-0154500-Del Financial		2.7%	3	-	52,366	(7,025)	45,341	(551)	-	-	-	-	-	-	-	-	-	-
IT Equipment	009-0154500-Del Financial		2.8%	3	-	18,231	(486)	17,745	(42)	-	-	-	-	-	-	-	-	-	-
Recreation and culture																			
Fitness Equipment	EN00162801	MAIA Financial	3.1%	4	16,738	3,268	(11,299)	8,707	(490)	14,704	-	(11,300)	3,404	(500)	27,452	-	(10,714)	16,738	(1,075)
Fitness Equipment	EN00162813	MAIA Financial	3.6%	9	28,287	27,099	(4,175)	51,221	(978)	-	55,400	(31,916)	51,200	(1,100)	37,664	-	(9,367)	28,287	(940)
Fitness Equipment	EN00162400	MAIA Financial	3.5%	6	137,168	6,353	(50,605)	92,916	(4,364)	131,944	-	(50,600)	81,344	(4,400)	187,126	-	(49,958)	137,168	(5,011)
Fitness Equipment	EN00162398	MAIA Financial	3.0%	4	107,465	321,437	(25,330)	403,572	(3,217)	82,947	428,900	(108,247)	403,600	(4,500)	206,245	-	(98,780)	107,465	(12,409)
Fitness Equipment	EN00162399	MAIA Financial	3.0%	3	11,914	5,368	(1,362)	15,900	(130)	11,177	-	(5,600)	5,577	(500)	-	17,408	(5,494)	11,914	(551)
Fitness Equipment	EN00162397	MAIA Financial	3.0%	5	15,272	230	(8,759)	6,743	(367)	13,968	-	(8,800)	5,168	(400)	23,566	-	(8,294)	15,272	(832)
Fitness Equipment	EN00163450	MAIA Financial	3.0%	5	7,093	139	(1,876)	5,356	(131)	6,910	-	(2,100)	4,810	(100)	8,917	-	(1,824)	7,093	(183)
Transport																			
Plants Equipment	6397356	Gibbons Holden	3.4%	7	4,758	10,387	(3,596)	11,549	(499)	4,901	-	(3,600)	1,301	(500)	5,859	-	(1,101)	4,758	(78)
Plants Equipment	973313	SG Fleet	3.4%	4	-	23,789	(4,693)	19,096	(615)	-	8,200	(8,200)	-	(200)	-	-	-	-	-
Plants Equipment	1021176	SG Fleet	3.4%	2	-	21,814	(2,648)	19,168	(178)	-	-	-	-	-	-	-	-	-	-
Plants Equipment	1037417	SG Fleet	3.4%	3	-	13,625	(2,176)	11,449	(216)	-	-	-	-	-	-	-	-	-	-
Other property and services																			
Building Armadale	Shop 64 & 65 Westzone Enterprise		3.4%	6	1,124,888	(2,743)	(362,899)	759,246	(28,701)	1,094,411	-	(330,100)	764,311	(26,100)	1,429,709	-	(304,821)	1,124,888	(34,150)
Building Kalamit	KELLIB	Caroline Norrmees	3.0%	5	776,255	(427,038)	-	177,676	(6,489)	-	-	(145,520)	599,559	(8,300)	916,335	-	(140,089)	776,255	(23,084)
Building Seville Grove	EN00162636	MAIA Financial	3.4%	5	10,299	1,884	(4,761)	7,422	(303)	10,322	-	(4,800)	5,522	(300)	15,063	-	(4,764)	10,299	(320)
Piara Waters Library Equipment		MAIA Financial	3.1%	4	-	-	-	-	-	187,400	-	(44,700)	142,700	(5,300)	-	-	-	-	-
RFID Armadale Library	Bibliotheca SAAS2022101		3.7%	5	-	50,630	(6,227)	44,403	(1,172)	-	-	-	-	-	-	-	-	-	-
Total					4,288,087	792,207	(1,587,165)	3,493,110	(163,381)	3,537,425	1,659,800	(1,622,600)	3,874,625	(109,700)	3,219,565	2,431,658	(1,362,761)	4,288,087	(121,967)



CITY OF ARMADALE
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

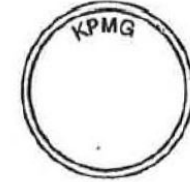
30. RESERVES - CASH BACKED

All of the following Cash Backed Reserves are supported by money held in financial institutions and match the amounts shown as Restricted Cash in Note 3 to this Financial Report. In accordance with Council resolutions in relation to each Reserve account, the purpose for which the funds are set aside, and their anticipated date of use are as follows.

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
Restricted by legislation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1 Reserves Cash Backed - Anstey Keane - DCP	6,770,559	3,566,130	(179,500)	10,157,189	5,349,116	3,016,200	(3,196,000)	5,169,316	4,382,206	2,876,583	(488,230)	6,770,559
2 Reserves Cash Backed - North Forrestdale DCP 3	20,608,673	2,616,494	(866,062)	22,359,105	18,875,762	4,271,400	(2,096,000)	21,051,162	18,716,512	2,994,345	(1,102,184)	20,608,673
3 Reserves Cash Backed - North Forrestdale SAR Asset Renewal	3,226,631	99,687	(277,000)	3,049,318	3,056,580	17,400	(250,000)	2,823,980	3,691,980	17,840	(483,189)	3,226,631
4 Reserves Cash Backed - SAR -A	-	122,034	(103,338)	18,696	1,200	122,100	(122,100)	1,200	-	-	-	-
5 Reserves Cash Backed - SAR -B	9,968	81,791	(44,107)	47,652	1,038	50,000	(50,000)	1,038	20,538	100	(10,670)	9,968
6 Reserves Cash Backed - SAR -C	2,818	20,605	(17,220)	6,203	830	20,400	(20,400)	830	630	19,899	(17,711)	2,818
7 Reserves Cash Backed - SAR -D	5,290	23,462	(11,148)	17,604	1,875	23,300	(23,300)	1,875	1,575	22,863	(19,148)	5,290
8 Reserves Cash Backed - SAR -F	-	290,195	(290,195)	-	1,900	305,730	(305,730)	1,900	-	-	-	-
9 Reserves Cash Backed - SAR -G	-	13,856	(13,856)	-	100	13,700	(13,700)	100	-	-	-	-
	30,623,939	6,834,254	(1,802,426)	35,655,767	27,288,401	7,840,230	(6,077,230)	29,051,401	26,813,441	5,931,630	(2,121,132)	30,623,939
Restricted by council												
1 Reserves Cash Backed - Asset Renewal	9,465,630	2,642,441	(1,949,093)	10,158,978	8,246,360	2,393,700	(842,500)	9,797,560	7,837,060	2,378,570	(750,000)	9,465,630
2 Reserves Cash Backed - Champion Lakes SAR Asset Renewal	168,080	5,193	-	173,273	167,970	800	-	168,770	167,270	810	-	168,080
3 Reserves Cash Backed - City Centre Activation	73,141	2,260	-	75,401	43,954	900	-	44,854	208,054	1,010	(135,923)	73,141
4 Reserves Cash Backed - Civic Precinct	2,808,520	86,769	-	2,895,289	2,829,320	14,100	-	2,843,420	1,799,820	1,008,700	-	2,808,520
5 Reserves Cash Backed - Community Art	47,840	58,478	-	106,318	48,110	200	-	48,310	47,610	230	-	47,840
6 Reserves Cash Backed - Computer Systems Technologies	924,524	1,408,563	-	2,333,087	468,482	1,900	(418,600)	51,782	751,082	557,842	(384,400)	924,524
7 Reserves Cash Backed - Crossover Contributions	61,990	1,915	-	63,905	62,290	300	-	62,590	61,690	300	-	61,990
8 Reserves Cash Backed - Covid-19 Response and Recovery	1,721,021	53,171	-	1,774,192	1,644,141	8,300	-	1,652,441	1,712,741	8,280	-	1,721,021
9 Reserves Cash Backed - Emergency Waste	229,622	7,094	-	236,716	229,822	1,200	-	231,022	228,522	1,100	-	229,622
10 Reserves Cash Backed - Employee Provisions	9,006,459	278,254	-	9,284,713	8,976,167	42,900	-	9,019,067	8,913,667	392,792	(300,000)	9,006,459
11 Reserves Cash Backed - Events Reserve Fund	44,529	1,376	-	45,905	43,929	600	-	44,529	123,929	600	(80,000)	44,529
12 Reserves Cash Backed - Freehold Sales Capital Works	186,691	5,768	-	192,459	32,591	200	-	32,791	185,791	900	-	186,691
13 Reserves Cash Backed - Future Community Facilities	1,883,870	58,203	(189,469)	1,752,604	983,910	5,000	-	988,910	1,874,810	9,060	-	1,883,870
14 Reserves Cash Backed - Future Project Funding	15,077,671	5,004,154	(3,057,310)	17,024,515	13,799,219	4,610,329	(1,180,000)	17,229,548	15,611,819	958,967	(1,493,115)	15,077,671
15 Reserves Cash Backed - Future Recreation Facilities	905,284	27,969	-	933,253	907,380	4,900	-	912,280	972,350	4,700	(71,766)	905,284
16 Reserves Cash Backed - History of the District	37,670	1,164	-	38,834	37,890	200	-	38,090	37,490	180	-	37,670
17 Reserves Cash Backed - Infrastructure Project Contribution	1,561,220	48,234	(29,262)	1,580,192	1,591,591	13,200	(411,000)	1,193,791	3,046,691	14,720	(1,500,191)	1,561,220
18 Reserves Cash Backed - Land Acquisition	477,146	14,741	-	491,887	478,656	2,400	-	481,056	474,856	2,290	-	477,146
19 Reserves Cash Backed - Mobile Bin Program	2,029,798	62,711	-	2,092,509	2,034,338	10,200	-	2,044,538	2,020,038	9,760	-	2,029,798
20 Reserves Cash Backed - Perth Hills Tourism Alliance	46,478	1,436	-	47,914	46,258	200	-	46,458	46,258	220	-	46,478
21 Reserves Cash Backed - Plant and Machinery	4,888,908	2,151,043	(1,827,349)	5,212,602	2,590,192	2,028,600	(2,119,600)	2,499,192	4,809,992	2,023,240	(1,944,324)	4,888,908
22 Reserves Cash Backed - Portable Long Service Leave	-	-	-	-	350,642	-	-	350,642	348,042	1,680	(349,722)	-
23 Reserves Cash Backed - Revolving Energy	301,000	9,299	-	310,299	205,650	1,500	-	207,150	299,550	1,450	-	301,000
24 Reserves Cash Backed - Strategic Asset Investments	715,620	22,109	-	737,729	720,280	3,600	-	723,880	712,180	3,440	-	715,620
25 Reserves Cash Backed - Waste Management	25,207,873	6,502,611	(1,137,766)	30,572,718	20,468,059	2,986,000	(1,407,300)	22,046,759	20,032,999	5,850,785	(675,911)	25,207,873
26 Reserves Cash Backed - Workers Compensation	135,220	124,178	-	259,398	41,299	3,900	-	45,199	588,699	468,334	(921,813)	135,220
27 Reserves Cash Backed - Wungong River Project	688,250	21,263	-	709,513	463,600	3,500	-	467,100	569,500	118,750	-	688,250
28 Reserves Cash Backed - Works Contributions	656,524	20,283	-	676,807	657,964	3,300	-	661,264	653,364	3,160	-	656,524
29 Reserves Cash Backed - Public Art Contributions	42,000	1,298	-	43,298	21,000	100	-	21,100	-	42,000	-	42,000
30 Reserves Cash Backed - DevelopmentWA Public Art Contribution	158,306	4,891	-	163,197	83,230	400	-	83,630	-	158,306	-	158,306
31 Reserves Cash Backed - Forrestdale Business Park East	704,824	21,776	-	726,600	704,820	3,500	-	708,320	-	704,824	-	704,824
32 Reserves Cash Backed - Project Funds Rolled Over	561,232	1,421,139	(52,654)	1,929,717	274,600	1,400	-	276,000	-	561,232	-	561,232
33 Reserves Cash Backed - Street Tree Contribution	-	15,080	-	15,080	-	-	-	-	-	-	-	-
	80,816,941	20,084,864	(8,242,903)	92,658,902	69,253,714	12,147,329	(6,379,000)	75,022,043	74,135,874	15,288,232	(8,607,165)	80,816,941
Total	111,440,880	26,919,118	(10,045,329)	128,314,669	96,542,115	19,987,559	(12,456,230)	104,073,444	100,949,315	21,219,862	(10,728,297)	111,440,880

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

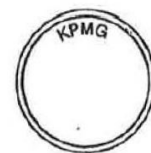
In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:



City of Armadale
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30. RESERVES - CASH BACKED (Continued)

Name of Reserve	Anticipated date of use	Purpose of the reserve
1 Reserves Cash Backed - Anstey Keane - DCP	Ongoing	Fund common infrastructure works as identified in the Development Contribution Plan
2 Reserves Cash Backed - North Forrestdale DCP 3	Ongoing	To be used to fund common infrastructure works as identified in the Development Contribution Plan #3.
3 Reserves Cash Backed - North Forrestdale SAR Asset Renewal	Ongoing	To be used to assist in the renewal of assets associated with North Forrestdale Estates covered by Specified Area Rating.
4 Reserves Cash Backed - SAR -A	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
5 Reserves Cash Backed - SAR -B	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
6 Reserves Cash Backed - SAR -C	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
7 Reserves Cash Backed - SAR -D	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
8 Reserves Cash Backed - SAR -F	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
9 Reserves Cash Backed - SAR -G	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
10 Reserves Cash Backed - Asset Renewal	Ongoing	Assist in funding capital works, thereby extending the useful economic life of such assets.
11 Reserves Cash Backed - Champion Lakes SAR Asset Renewal	Ongoing	To be used to assist in the renewal of assets associated with Champion Lakes Estates covered by Specified Area Rating.
12 Reserves Cash Backed - City Centre Activation	Ongoing	To be used to assist in City Centre Activation projects.
13 Reserves Cash Backed - Civic Precinct	Ongoing	To be used to assist in research, planning and redevelopment of the City's Civic Precinct.
14 Reserves Cash Backed - Community Art	Ongoing	To be used to assist in providing for timing differences in Community Art contributions and project development.
15 Reserves Cash Backed - Computer Systems Technologies	Ongoing	To be used to assist in funding the long-term renewal of City's core computer systems.
16 Reserves Cash Backed - Crossover Contributions	Ongoing	To be used to assist in funding the construction of Crossovers as a condition of approved building licences.
17 Reserves Cash Backed - Covid-19 Response and Recovery	Ongoing	To be used to assist in responding to COVID-19 Pandemic Emergency and Recovery actions and initiatives
18 Reserves Cash Backed - Emergency Waste	Ongoing	To be used to assist with the costs associated with storm damage clean-up, collections and disposal.
19 Reserves Cash Backed - Employee Provisions	Ongoing	To be used to cash-back the employees' sick, annual and long-service leave entitlements liability.
20 Reserves Cash Backed - Events Reserve Fund	Ongoing	To be used to assist with the costs associated with City Events
21 Reserves Cash Backed - Freehold Sales Capital Works	Ongoing	To be used to assist in funding capital works and to be funded from the proceeds (30% of net sale proceeds) of selling Freehold land parcels.
22 Reserves Cash Backed - Future Community Facilities	Ongoing	To be used to assist in the research, planning and construction of future Community Facilities.
23 Reserves Cash Backed - Future Project Funding	Ongoing	To be used to fund future capital works projects considered in excess of the City's normal funding capacity.
24 Reserves Cash Backed - Future Recreation Facilities	Ongoing	To be used to assist in the research, planning and construction of future recreation facilities.
25 Reserves Cash Backed - History of the District	Ongoing	To be used to assist in the future rewrite and publication of the History of the District.
26 Reserves Cash Backed - Infrastructure Project Contribution	Ongoing	To be used to assist in completion of Infrastructure projects funded externally
27 Reserves Cash Backed - Land Acquisition	Ongoing	To be used to assist in future acquisitions of land for investment or works requirement.
28 Reserves Cash Backed - Mobile Bin Program	Ongoing	To be used to assist in the purchase and replacement of the City's Mobile Garbage Bins.
29 Reserves Cash Backed - Perth Hills Tourism Alliance	Ongoing	To be used to assist in providing for timing differences in Alliance activities.
30 Reserves Cash Backed - Plant and Machinery	Ongoing	To be used to assist in the purchase and replacement of the City's Plant and Machinery requirements.
31 Reserves Cash Backed - Portable Long Service Leave	Ongoing	To be used to assist in financing the City's Portable Long Service Leave liability.
32 Reserves Cash Backed - Revolving Energy	Ongoing	To be used to assist in establishing energy efficient management techniques and practices.
33 Reserves Cash Backed - Strategic Asset Investments	Ongoing	To be used to fund the acquisition of strategic asset investments from the proceeds (70% of net sale proceeds) of selling Freehold land.
34 Reserves Cash Backed - Waste Management	Ongoing	To be used to assist in the management and future provisioning of the City's Waste Management Sites.
35 Reserves Cash Backed - Workers Compensation	Ongoing	To be used to assist in covering any workers' compensation liability claims in excess of the City's normal funding capacity.
36 Reserves Cash Backed - Wungong River Project	Ongoing	To be used to fund works relating to Wungong River Projects
37 Reserves Cash Backed - Works Contributions	Ongoing	To be used to fund works utilising contributions received from developers, generally pursuant to conditions of development approval.
38 Reserves Cash Backed - Public Art Contributions	Ongoing	To be used to fund public art works
39 Reserves Cash Backed - DevelopmentWA Public Art Contribution	Ongoing	To be used for the transfer of Development WA's public art funds to the Forrestdale Business Park East and any other redevelopment areas to be normalised to the City
40 Reserves Cash Backed - Forrestdale Business Park East	Ongoing	To be used for facilitating the transfer of DCP funds to the City for the Forrestdale Business Park East area
41 Reserves Cash Backed - Project Funds Rolled Over	Ongoing	To be used to assist in provisioning funds for the completion of infrastructure projects commenced but not finished
42 Reserves Cash Backed - Street Tree Contribution	Ongoing	To be used to fund street tree installation and maintenance in accordance with Policy Eng 6 - Street Trees



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31. TRUST FUNDS

	Balance 1 July 2022 \$	Amounts Received \$	Amounts Paid/Transfers* \$	Balance 30 June 2023 \$
Funds held at balance date over which the City has no control, and that are not included in the financial statements, are as follows;				
Cash in Lieu - POS - A14 Plan	1,719,555	15,113	-	1,734,668
Cash in Lieu - POS - Agreements	29,147	1,196	-	30,343
Cash in Lieu - POS - Ward - Minnawarr	9,177	81	-	9,258
Cash in Lieu - POS - Ward - River	2,002	-	(2,002)	-
Cash in Lieu of Parking	229,800	9,427	-	239,227
Cash in Lieu - POS - Flematti Res 4925	235,595	-	(235,595)	-
POS - Precinct A - Westfield	81,348	3,337	-	84,685
POS - Precinct B - Seville Grove	38,972	343	-	39,315
POS - Precinct C - West Armadale	239,476	128,378	-	367,854
POS - Precinct F - Clifton Hills	751,153	7,016	(531,582)	226,587
POS - Precinct H - Mount Nasura	1,213,842	49,796	-	1,263,638
POS - Precinct N - Forrestdale	221,142	9,073	-	230,215
POS - Precinct O - Palomino	74,993	3,076	-	78,069
POS - Regional Recreation Infrastructure	458,231	88,314	-	546,545
POS Cash in Lieu - Suburb - Piara Wat	679,320	27,868	-	707,188
POS Cash in Lieu - Suburb - Camillo	117,785	1,103	(115,669)	3,219
POS Cash in Lieu - Suburb - Kelmscott	92,444	3,792	-	96,236
POS Cash in Lieu - Suburb - Mount Ric	114,124	4,682	-	118,806
POS Cash in Lieu - Suburb - Armadale	288,214	11,824	-	300,038
POS Cash in Lieu - Suburb - Roleyston	83,060	3,407	-	86,467
POS Cash in Lieu - Suburb - Bedfordale	227,252	9,323	-	236,575
Nomination Deposits	240	-	-	240
Wungong Road Contribution Accounts	561,667	23,042	-	584,709
	7,468,539	400,191	(884,848)	6,983,882

32. MAJOR LAND TRANSACTIONS

The following major land transactions occurred during the year 2022/2023 financial year:

- a) A land valued \$2,004,328 was purchased for Wirra Willa Gardens, Mount Nasura.
- b) A land at 16 Numulgi Street, Armadale, cost \$220,000 was sold for \$169,000.