



Annual Report



2008/2009





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*Inside cover: Children enjoying NAIDOC celebrations
Front cover: Dusk falls over Churchman Brook Dam*

Armadale: another year of growth

Armadale is located just 30 minutes south-east of the Perth CBD. The City is one of the state's fastest growing regional centres and is at the heart of a busy urban community.

The past few years have seen the City continue its transformation into a vibrant and beautiful centre, an outcome that has been assisted by the creation of the Armadale Redevelopment Authority (ARA) which, at Council's instigation, was formally established in 2002.

Recent landmarks have seen the City enjoy the completion of the Armadale Shopping City development and the current expansion of Armadale Central, which has been the catalyst for the generation of more than 500 new jobs.

In addition, a \$700,000 CCTV system has been installed across the Armadale CBD, the iconic new library building is nearing completion and the City centre parks have been polished to perfection.

Such investments and many others are contributing to an ever-growing population. The population of 58,000 is expected to double within 20 years. The City of Armadale continues to strategically plan for this growth and cater to residents with the provision of recreational facilities, community infrastructure and an extensive community events program.



Minnawarra Park near Armadale CBD



City of Armadale administration building

History

Significant dates in Armadale's history include:

- Constituted as the Kelmescott Road Board 14 December, 1894
- Renamed Armadale-Kelmescott Road Board 23 March, 1910
- Renamed Shire of Armadale-Kelmescott 1 July, 1961
- Proclaimed Town of Armadale 1 January, 1979
- Proclaimed City of Armadale 16 November, 1985

Current Facts and Figures

The City of Armadale has:

- A population of 58,120
- 34,896 electors
- 21,750 residential dwellings
- An area of 560.4 square kilometres
- Three libraries
- 22 primary schools
- Eight secondary schools
- 583.77 kilometres of road
- 320 council employees

Localities and suburbs include: Armadale, Ashendon, Bedfordale, Brookdale, Camillo, Champion Lakes, Forrestdale, Harrisdale, Haynes, Hilbert, Karragullen, Kelmescott, Lesley, Mt Nasura, Mount Richon, Piara Waters, Roleystone, Seville Grove and Wungong.

Tourist Attractions

Araluen Botanic Park, Araluen Country Club, Armadale Visitor Centre, art galleries, bed and breakfast accommodation, Bert Tyler Vintage Machinery Museum, Bibbulmun Track, Canning Dam, Champion Lakes, Churchman's Brook Dam, Elizabethan Village (comprising Anne Hathaway's Cottage, Shakespeare's birthplace and Cobwebs Restaurant), Forrestdale Walk Trail, Minnawarra Park Historic Precinct (including History House Museum), Munda Biddi Mountain Bike Trail, Pioneer Village, tea rooms, wineries, Wungong Dam.

Local Events

Araluen Tulip Festival – August/September; Karragullen Field Day – September; Spring Bushwalks – September - November; Kelmescott Show – October; Highland Gathering/Armadale Cycle Classic – November; Carols by Candlelight held annually in December; Australia Day Celebrations – 26 January; Minnawarra Art Exhibition – March/April; Minnawarra Festival – April; Concerts in the Park – February-April.

Mayor's Report

Last year I reflected on the effects of the inequitable sharing of taxation that occurs between the three spheres of government. I quoted figures that I had seen showing the Federal Government collecting 82 per cent of all taxes while maintaining only 12 per cent of the nation's infrastructure, while we at the local level received only three per cent of the taxes, yet were tasked with maintaining 36 per cent of the infrastructure.

I also spoke about how your Council had joined other like councils to advocate for a better share, and we have had some success. The stimulus payment from the National government both this and last financial years included additional funds for councils in high growth areas such as our own.

With the first sales of subdivided industrial land at Forrestdale having occurred, we can now look forward to an improving balance between residential and commercial rates as those properties are developed. The strong building activity in the Armadale and Kelmscott commercial areas has also in part redressed this imbalance. Had Council not aggressively targeted commercial and industrial development, we not only would not have the local jobs that result, but we would have had to raise residential rates even further.

Council continues to ensure that new infrastructure is only provided after a 'whole of life' costing has been established. In this way we know that future councils will be able to meet not only the capital cost, including loan costs where necessary, but also the annual operating costs, and the cost of replacement when it wears out.

Your council has received industry wide recognition for our leadership in this respect, and naturally we are proud to have served our community in this respect.

A major proportion of our revenue from rates goes to paying for the high quality "business as usual" service in areas such as

waste management, libraries, sporting and recreation reserves, regulatory services for health and building and more. It also allowed us to undertake significant upgrades to our infrastructure, particularly with respect to the road network necessary to support a rapidly growing population. 31 roads were resurfaced, and numerous paths and parking areas were upgraded. Our 234 parks were maintained at a cost of \$3.8 million and our 186 buildings received over \$2.1 million in maintenance and \$1.2 million on development and asset renewal.

The long awaited move of the Armadale Library into new, much larger premises in the new Armadale Central Shopping Centre will finally occur, and the old library will be refurbished, and converted into much needed office space.

My earlier reference to the unfair distribution of taxes reflects Council's ongoing determination to do whatever is necessary to receive our fair share. Your CEO, Ray Tame, chairs a group of Perth's nine outer metropolitan councils seeking fairer treatment at the state level through issues like developer contributions, and I continue to be the national spokesperson for a body of 25 Councils – covering 20 per cent of Australia's population – who are engaging federal politicians in debate about the relative disadvantage faced by high growth councils on the fringe of Australia's major cities. We have made some gains, but much more needs to be done before we can rest.

Your Council, unlike many others, works as a team and we are all, Elected Members and staff alike, giving it our best shot!



Cr Linton Reynolds AM JP
Mayor



The Birtwistle Local Studies Library is set in stunning Minnowarra Park

CEO's Report

Once again the City of Armadale has reviewed progress on its 15 Year Plan for the Future and finalised a Budget for the forthcoming year's business activities. In 2009 - 2010 Council's 320 staff will administer a total Budget of \$84 million on your behalf. This report reflects on the City's progress in 2008 - 2009.

In October 2008, for the second year running, the City of Armadale was awarded local government's most prestigious award for Excellence in Financial Management. In presenting the Award, Minister John Castrilli congratulated Armadale on its long-term financial planning.

At this time, local Councils in WA find themselves under a greater level of scrutiny than at any time in the past.

There is a view amongst industry and Government that this vast State has too many local authorities. This may be so in rural and remote areas but I have a concern that the interests of local communities need to be heard in this debate.

Councils have been required to submit an analysis of their sustainability against a checklist established by the Minister for Local Government. Armadale achieved a "Category One" rating in the Department of Local Government's response to its submission, suggesting your Council is not targeted for compulsory amalgamation with neighbouring authorities.

It is apparent though that the Minister's preference is to reduce the number of elected Councillors representing your community and your views have now been sought on this and other reform proposals, via Council's website and local media.

Based on your responses, Armadale has opposed an arbitrary reduction in elected Councillors and submitted that 12 Councillors should share the workload undertaken voluntarily on your behalf here in our City.

The City forwarded its final submission on these matters at the end of August 2009. You can view the submission on the Council website at <http://www.armadale.wa.gov.au/>.



The City continues to grow



Armadale believes it presents a good example of how a local Council should lead its community to a better future. The City identified that population and economic growth is needed to support the new services and amenities expected in a modern and bustling city.

Armadale is now poised to sustain 4 - 5 per cent growth for the next 20 years.

The early stages of this can be seen in the City's reinvigorated commercial centre and the quality housing estates at Piara Waters, Harrisdale and Champion Lakes.

Of course there will be growing pains as staff cope with the increased demand for approvals and extended services.

A "specified area rate" (SAR) will apply from midway through 2009, to those new residential estates enjoying a higher level of amenity than existing suburbs throughout the City. This is calculated using a formula designed to ensure equity between older and newer areas.

Residents will receive a half year SAR with their 2009 - 2010 rate notice, increasing to a full year in 2010 - 2011.

By the time you read this report, Council elections will have been held in October 2009, requiring a budget allocation of \$85,000. It is hoped that the community will support the election process and cast their vote for representation over the next four years.

Whilst there is some uncertainty as we await the Minister's final decision regarding the shape and structure of Council's throughout the State, there is much to be done and Armadale prefers to lead by example.

The City proposes to review its Strategic Plan in 2009 - 2010 and has also funded a community infrastructure plan to ensure new facilities are provided and older ones refurbished to meet the needs of our growing population.

Projects to look forward to in the near future are the redevelopment of Frye Park in Kelmescott and the "dualing" of Warton Road between Armadale Road and Nicholson Road, including a major new roundabout at the "blackspot" intersection of Armadale Road and Warton Roads.

2009 - 2010 will also see the much-awaited opening of the City's new Armadale Library within the Armadale Central Shopping Complex, and commissioning of the new CCTV security system serving the central business precinct.

City staff are dedicated to continuing to provide excellent service and leadership to the citizens of our district.

I thank the Council for its ongoing guidance and support, and look forward to another year of achievement in 2009 - 2010.

R S Tame
Chief Executive Officer

Your Council

The City of Armadale is divided into the seven wards of Heron, Jarrah, Lake, Minnawarra, Neerigen, Palomino and River (see ward map). Two councillors are elected to represent each of these wards for a period of four years. Armadale City Council is made up of 14 councillors, including the Mayor.

Armadale City Council is the elected body responsible for the administration of the City. It undertakes this responsibility by:

- directing and controlling City affairs
- taking responsibility for the performance of the City's functions
- overseeing the allocation of the City's finances and resources and
- determining the City's policies.

Elections are held every two years on the third Saturday in October. Councillors are elected for four year terms with half retiring every two years.

The Armadale City Council meets regularly to make decisions on behalf of residents.

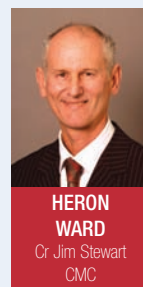
There are four primary committees of Council, each concentrating on one of the following areas:

- **City Strategy** – considers corporate matters, reviews the City's strategic and financial position and matters that cross the boundaries of other committees.
- **Community Services** – deals with all recreation, aquatic, library and cultural matters as well as community development and ranger services.
- **Development Services** – considers development proposals, subdivisions, land-use matters, building applications, building safety, immunisation, food handling and disease control.
- **Technical services** – responsible for roads, footpaths, parks, reserves, the construction and maintenance of Council buildings and the collection and disposal of waste, including recycling.

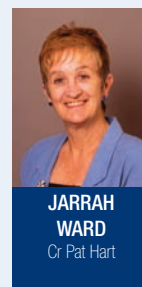
All committee and Council meetings are open to the public. Council meetings are held twice monthly and four Committees meet monthly. Meeting dates, times, agendas and minutes are listed on the City's website at www.armadale.wa.gov.au.



HERON WARD
Cr Linton Reynolds
MP
Mayor



HERON WARD
Cr Jim Stewart
CMC



JARRAH WARD
Cr Pat Hart



JARRAH WARD
Cr Laurie Scidone



LAKE WARD
Cr Jeff Mann
JP CMC
Deputy Mayor



LAKE WARD
Cr June MacDonald



MINNAWARRA WARD
Cr Keith Leithbridge



MINNAWARRA WARD
Cr John Knezvich



NEERIGAN WARD
Cr Guenter Best



NEERIGAN WARD
Cr Bob Tizard



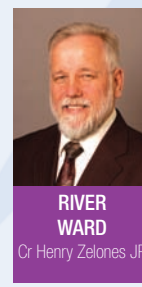
PALOMINO WARD
Cr Jim Everts



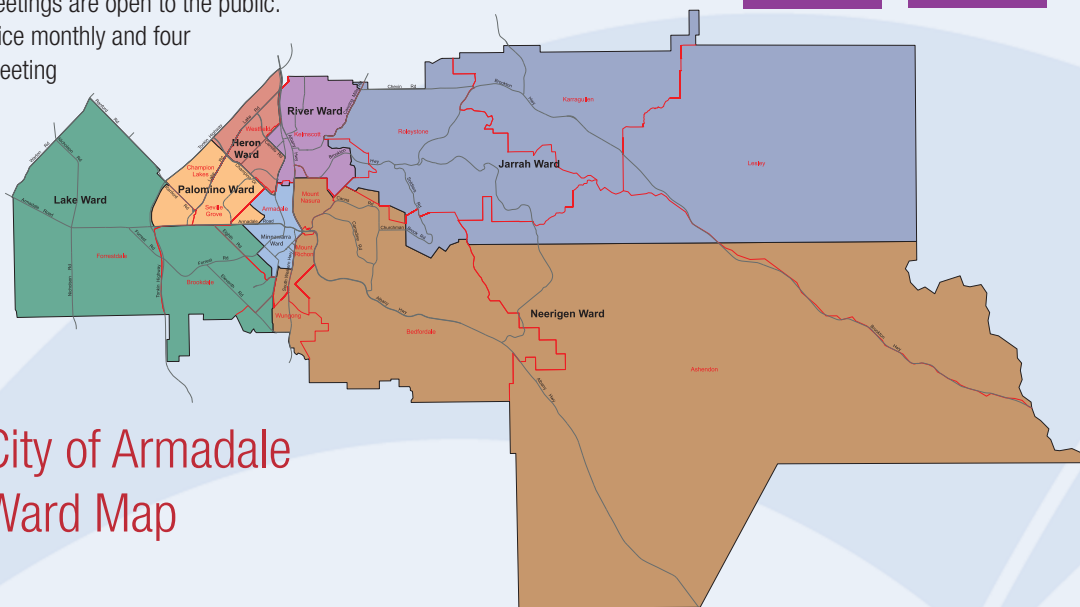
PALOMINO WARD
Cr Wayne Mauger



RIVER WARD
Cr Ruth Butterfield



RIVER WARD
Cr Henry Zelones JP



City of Armadale
Ward Map

Organisational Structure



Chief Executive Officer
Ray Tame, CEO



Corporate Services Directorate
Tony Maxwell,
Executive Director



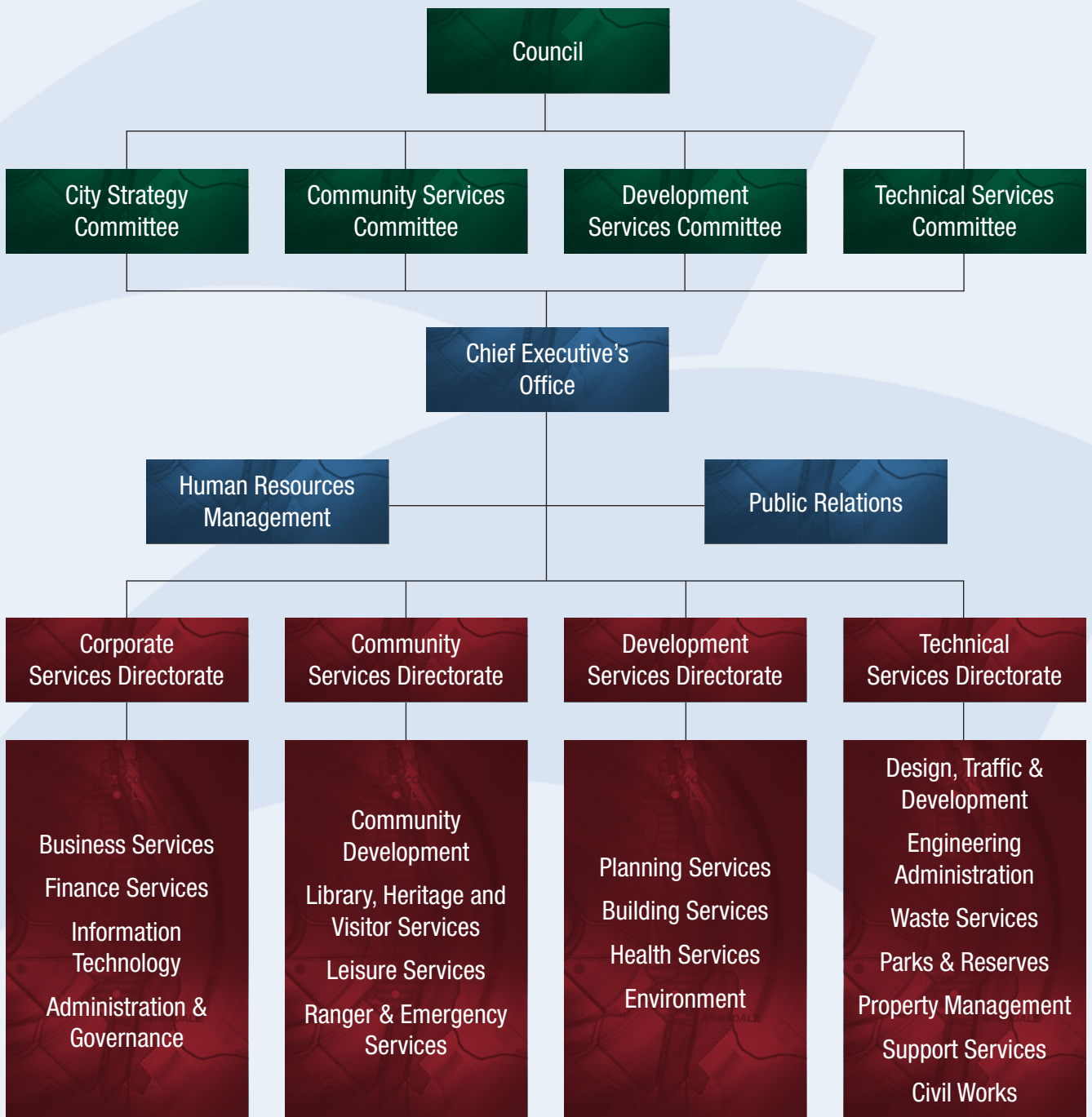
Community Services Directorate
Yvonne Coyne,
Executive Director



Development Services Directorate
Ian MacRae,
Executive Director



Technical Services Directorate
Andrew Bruce,
Executive Director



CEO's Office and Corporate Services

The Chief Executive's Office and the Corporate Services Directorate are responsible for the overall management and strategic direction of the City of Armadale and achieved a number of goals during the 2008 - 2009 financial year, the details of which are as follows:

Financial Management Award:

For the second successive year, the City of Armadale won Western Australian local government's most prestigious award for excellence in financial management.

The Minister for Local Government, John Castrilli, presented City of Armadale representatives with the Certificate of Excellence at a function in Fremantle on 14 October 2008. The 2008 awards recognise local governments that have provided the most effective financial reporting throughout the 2006 - 2007 financial year.

Minister for Local Government, Mr Castrilli said when presenting the award that "from the world stage to the local council, it is clear high quality financial reporting underpins effective financial management, which in turn contributes to financial sustainability.

Part of the review process for the awards involved assessing initiatives being undertaken by local governments to address their long term financial sustainability. This includes the development of a long term financial plan and asset management plan.

Review of Financial Management Systems and Procedures

In accordance with Regulation 5(2) (c) of the Local Government (Financial Management) Regulations, which states: The CEO is to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every four financial years) and report to the local government the results of those reviews.

The required review was undertaken in March 2009 by external auditors Grant Thornton Australia, the finding of which was that the Financial Management Systems and procedures currently adopted by the City of Armadale are operating effectively for the City's current level of operation, which was a good outcome.

Records Archive Strategy

Work was successfully completed relocating a considerable number of hard copy records from the City's Administration Building to its newly modified Records Archive Storage facility at the Council Depot. This relocation has reduced pressure on the increasing demand for office space and has also provided the Records section the opportunity to store valuable City records in one central repository rather than in several areas as has been past practice.



Gum trees at the City's main administration building

Wireless Connectivity of Council

An upgrade of data communication links to the Kelmscott Library, Seville Grove Library, Champion Centre, Works Depot, Visitor Centre, and Aquatic Centre were all successfully completed during the 2008 - 2009 year. These upgraded links now provide Officers at these locations with improved access to corporate business systems and communications backed by a strong technology infrastructure foundation which the City can utilise to deliver more efficient services to the community.

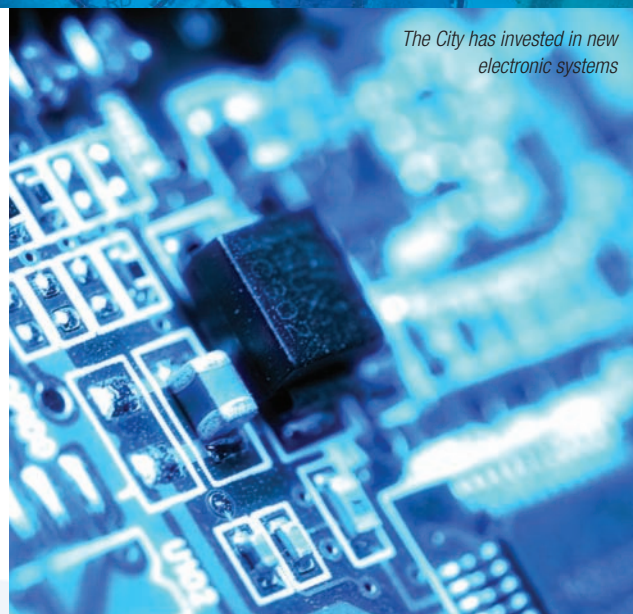
Human Resources Management and Development Training and Development

Human Resources has continued to implement its extensive training and development program for staff at all levels. The training programs offered to staff, included areas of customer service, communication, computer skills, disability awareness, finance and governance, teamwork and performance management.

Equal Employment Opportunity

During the year the City continued to provide a work environment that fosters good working relationships where employees, contractors and volunteers are treated fairly and equally and that unlawful discrimination does not take place.

The City has invested in new electronic systems



Recruitment and Retention

The changing economic environment has had a major impact on the City's ability to recruit and retain staff. A review of the City's recruitment, orientation and induction processes has been undertaken. Other strategies include the extension of the City's apprenticeships / trainee program. The City has continued to provide local students the opportunity to gain work experience to enhance their skills and career opportunities.

Industrial Relations and Agreements

It is important that the City is seen as an "employer of choice". For that reason we have completed a Salary Review for the administration staff and we continue to negotiate a Collective agreement for field staff. These agreements provide a sound base to promote the City in the WA employment market and help retain its valuable human resource.

Occupational Safety and Health

The City continues to show its commitment to Occupational Safety and Health. This year has seen the development of an Occupational Safety and Health Management Plan, which is aligned with the City of Armadale's Strategic Plan. We have also seen the development of an Occupational Safety and Health Intranet site, to foster Occupational Safety and Health objectives within the organisation protecting staff and the City – as an employer – against potential liability risk.

Photocopier Renewal

Another major task completed was the renewal of the City's photocopier contract. The new contract with Ricoh is for a four year term at an estimated contract value of \$500k. The contract provides all sections of the organisation with copying, printing and scanning functionality and represents one of the City's most important administrative investments.



The Armadale visitors' centre

Over 29 machines have been acquired of varying sizes, quality and speeds with the most significant being a new state of the art high quality / high volume colour machine that now enables the City to produce a variety of high quality publications in-house. This new technology also significantly enhances the City's electronic document management endeavours as all devices provide high quality scanning capabilities and in addition now enables the City to be able to more accurately and effectively monitor and manage its print production costs.

Review of the Geographic Information System

The City undertook a significant review of its Geographic Information System (GIS) with a view to ensuring data interoperability between core business applications, while also improving data integrity and accuracy.

A major enhancement developed has been the automation of cadastral updates via the Landgate, Shared Land Information, Platform (SLIP). This automation, once fully developed, will allow the City to update the cadastral, roads, street numbers, street names and other land information every fortnight without the need for manual staff intervention. This was a process that used to be done every three months and required significant staff time to update within the GIS.

Being one of the first Local Governments in WA to develop such automation using SLIP, this process at the City of Armadale will be the basis of a case study by Landgate to assist other Local Governments in taking advantage of the service.

Telephone System Enhancements

Improvements in Wide Area Network (WAN) connectivity has given the City the ability to further benefit from its investment in the Mitel Voice Over Internet Protocol (VOIP) telecommunications system.

Expansion of the VOIP system to Kelmscott Library, Seville Grove Library, Champion Centre and Visitor Centre has shown some major benefits, incorporating staff onto a single unified telephone platform and allowing the City to remove a number of expensive analogue phone lines.

Our Rates Department has seen a fantastic response to the introduction of new call management features activated to manage calls during periods of peak demand.

Development Services

The Development Services Directorate achieved a number of significant goals in the 2008 – 2009 financial year, some of which are highlighted below.

Planning Services

Town Planning Scheme No. 4

The City's town planning scheme was gazetted on 4 November 2005. Since then the City has continued to receive a significant number of proposals for development, subdivision and structure planning. The opportunities provided by the new Scheme have been a key factor in encouraging a wide range of developments to occur.

Management of planning appeals and prosecutions

The Directorate was involved in some appeals in 2008 - 2009, however most were settled prior to a formal hearing. The Directorate was able to accommodate its appeal and general legal expenses within its Legal Budget allocation. The Compliance team has been successful in resolving a number of issues that would have ordinarily ended in litigation. The emphasis has been on taking time to achieve agreeable outcomes with non-compliant landowners.

Continuing support to the planning operations of the ARA

During the year the Armadale Redevelopment Authority (ARA) progressed further planning of its development areas in Armadale, Forrestdale, Wungong and Kelmscott. The City provided formal and informal comment on the plans, amendments and proposals. The City continued to work closely with the ARA through a number of technical committees and reference groups to assist in officers provided assistance in the planning of the Wungong Urban Water area in respect of the planning policies, structure plans and Place Code provisions being prepared.

Municipal Heritage Inventory (MHI) Review

The review of the Municipal Heritage Inventory by consultants progressed during the year with the assessment and review of public comment and consideration and adoption by Council of the final Inventory. A Heritage Management Incentives Policy was considered and finally adopted.

Progress in the North Forrestdale development

A significant level of development occurred in North Forrestdale with over 1,770 lots now created. Communities are being established in the estates of Vertu, Newhaven, Burtonia Gardens and Heron Park and the Arion estate is now fully developed. Two new estates are currently under construction. Development Contribution Scheme No. 3, which arranges for the equitable contributions towards necessary infrastructure by the landowners,

The City's Public Open Space strategy works for residents



has been important in guiding development. In 2008, the area covered by the Scheme increased by 181 hectares to include the area known as SP South.

The associated Infrastructure Cost Schedule has been reviewed and now identifies over \$59m of works including land acquisition. Revenue and expense in relation to the Scheme totals several million dollars, with expense focused on land acquisition for drainage, roads and community facilities, and the completion of Wright Road upgrading works.

Public Open Space (POS) Strategy

The City embarked on a seven stage POS Strategy aimed to progressively analyse and rationalize open space in localities throughout the City following the completion of its POS Strategy in 2000. Considerable progress has continued through 2008 - 2009 to progress the stages. Stages 1 to 7 have completed the planning processes. The Strategy has progressed to the stage where the sale of several former reserves have been advertised for sale and funds from the POS Strategy land sales have allowed park upgrades to commence in Precinct G and park upgrades being identified in Precinct D.

Environmental Assessment of Keane Road Construction

Considerable effort has been taken to assess the environmental sustainability of constructing the remaining un-built section of Keane Road in terms of assessing its social, economic and environmental benefits and costs. This section of road is proposed to be constructed on a gazetted road reservation previously set aside for that purpose, which is adjacent to the environmentally sensitive Jandakot Regional Park. Once completed, Keane Road will directly link the new suburbs of Piara

Waters and Harrisdale (North Forrestdale) with the Forrestdale townsite, in addition to the City's recreational facilities and the Armadale town centre. After determining that, before commencement, the road construction should undergo a formal environmental review, the Environmental Protection Authority (EPA) subsequently approved the scope of the environmental studies to be incorporated in the Public Environmental Review (PER) environmental assessment document. The City's consultant Enviroworks Consulting has completed the suite of studies that will determine appropriate conditions to be attached to the road works and ensuring that the environment is adequately protected. The draft PER will be advertised for public comment (anticipated for late 2009) prior to finalisation by the City and environmental conditions set by the Minister for the Environment.

Awards

The planning of the North Forrestdale area was Highly Commended at the Property Council Innovation and Excellence in Local Government Awards.

Building Services

Building Approvals

Building approvals issued by the City during 2008 - 2009 have sustained peak levels set last financial year, despite a generally difficult economic climate.

The continued development of cost effective residential lots from quality subdivisions throughout the City of Armadale has ensured the continued large volume of residential building approvals being submitted to the City. Following this trend, minor structure applications such as Sheds, Patios, Swimming Pools / Spas and compliance issues have also remained at high levels.

Assessment of building approvals ensures the compliance of an application with current building regulations, including the Building Code of Australia and relevant Australian Standards. Where necessary, as a part of the building approval process for residential applications, less complex minor planning applications and Residential Design Code variations are also assessed by the Building Department. Smaller residential lots and increased housing density has seen an increase in the quantity of Residential Design Code variations being considered and it is a trend that is expected to continue.

This year has also seen quality commercial developments within the City of Armadale dramatically changing the streetscapes and outlook of the City, both in the Armadale and Kelmscott areas. Significant building approvals issued during the year – including Westzone Stage 3, Stargate Shopping Centre and the Streich Avenue mixed-use development, will ensure the building department continues a sustained level of workloads.

Commercial and Industrial developments present significant challenges to the Building Department to ensure these

developments comply with the Building Code of Australia. Once a building licence has been issued, subsequent building inspections are required to demonstrate compliance. Finally, Certificate of Classification inspections ensures a safe built environment for the public who utilise these buildings.

The two figures below illustrate the sustained growth in single and grouped dwelling building approvals and the value of development within the City of Armadale over the past decade, and particularly the past few years.

Figure 1 – Dwelling Approvals 2000-01 – 2008-09

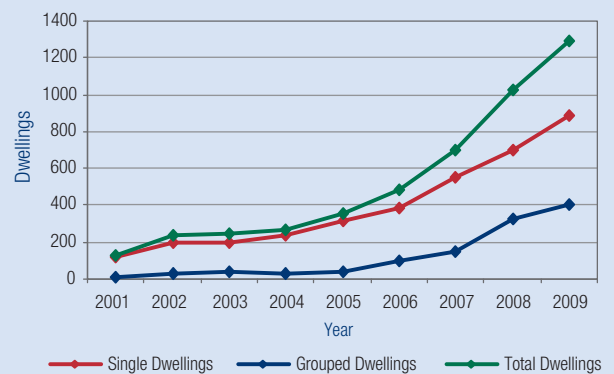
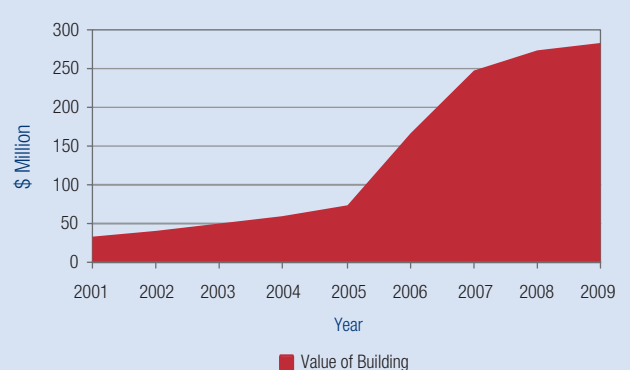


Figure 2 – Value of Building 2000-01 – 2008-09



Building Compliance

The addition of a full time compliance officer in December 2008 has seen this position actively utilised by both the Building and Health departments and local residents. Within a six month period over 120 complaints have been lodged and effectively resolved.

It is anticipated that with the growth of the City's population, increasing housing density, large volume of approvals and changing legislative requirements, the importance of the role of Building and Health Compliance Officer will be significantly increased over time.



Unauthorised Building Works

Changes to the Building Regulations 1989 in July 2008 has allowed for the application of a Building Approval Certificate with regards to unauthorised building works. This change has given property owners a means of satisfying 'owner disclosure' requirements concerning unapproved structures, when selling their property. This process has been incorporated into the duties of the Building Surveyors.

Private Swimming Pool and Spa Inspections and Approvals

Ongoing inspections by the City of existing and new private swimming pools and spas, ensure the safety of the public. All swimming pools and spas require a building approval and inspection to demonstrate safety compliance. Ongoing inspections ensure all requirements have been met and are suitably maintained.

Strata and Subdivision Clearances and Form 7 Approvals

The past year has seen the development of a large number of the grouped dwelling planning approvals which were issued during 2007 - 2008. Following development, subsequent applications have been made for strata. Clearance inspections ensure compliance before approval.

Administration

In many cases, the Building Department is the first point of contact over the counter and the telephone, for increasing numbers of new land owners when dealing with their local council. Acknowledging this, the Building Department is continually developing a high level of service and providing quality information relevant to the building process. Providing accurate information will aid the preparation and submission of building applications, in turn expediting the Building Approval process. Due to the increase in real estate activities, orders and requisitions, and

building approval inquiries have made a greater demand on building administration.

Health Services

Nuisances and Pollution

The Environment Animals and Nuisance local laws were reviewed, resulting in infringement notice penalties in relation to causing or failing to prevent dust from development sites being increased from \$250 to \$500.

193 health complaints were investigated with noise being the most common cause of nuisance to residents, in particular due to loud radios, stereos and parties.

Food and Water Safety and Quality

The development of 2 large shopping centres in the commercial heart of Armadale contributed to the number of food businesses in the City increasing significantly over the past 12 months. Regular risk assessments of over 220 food businesses were carried out to ensure food provided to the public was safe to eat. Regular food samples were also collected from local manufacturers for analysis of food quality and labelling.

There are 12 aquatic water bodies that are required to be sampled monthly, under legislation, to ensure the water is safe. The Health Service also collected monthly drinking water samples from 17 public facilities, including schools, food businesses, spring water sources and Council facilities not connected to scheme water.

Immunisation

The immunisation program continues to run successfully. The City continued to conduct weekly immunisation clinics to provide a free service for infants and 2 senior's clinics were held for adults eligible for vaccinations under the Immunisation Schedule. A new Memorandum of Understanding was negotiated to formalise the City's relationship with Armadale Community Health.

Tobacco Action Plan

A Tobacco Action Plan (TAP) and two associated policies were developed in consultation with key internal and external stakeholders. The TAP and Smoke Free Workplace and Outdoor Areas Policies were adopted by Council and will form the basis for the City's continuing role over the next four years.

Environment Services

The City of Armadale State of the Environment Report (2005) identified priority actions for environmental management from 2005 to 2010. Implementation of the State of the Environment Report and other highlights of activity during the year is reported in detail through the Information Bulletin. Highlights of this year's activity are provided below.

Awards

The City received a Swan Alcoa Local Government Precognition Award for the City's Commitment and support for community groups and, in particular, for its support of the Armadale-Gosnells Landcare Group over the past 11 years. The City was also a finalist in the Green Town category of the 2008 news.com.au Green Awards recognising the City's achievements in protecting and enhancing the local environment. The Switch Your Thinking! Program, which is supported by the City, achieved 8 significant awards this year, including the Overall Award for Outstanding Achievement at the 2008 National Awards for Local Government.

Environmental Business Group Business Plan

An Environment Business group Business Plan was prepared in 2008 that identified the objectives of the group, highlighted cost efficiencies that could be achieved in the implementation of City projects, and identified how the scope of work undertaken by the group has expanded and will continue to expand.

Implementing the City's Volunteer Strategy

The City's Volunteer Recruitment Strategy continues to encourage volunteer activity. Through the City's Bushcare and Environmental Advisory Committee, environmental volunteers reported in excess of 7,714 volunteer hours in the 2008 calendar year, a modest increase on the previous year. A celebration to recognise environmental volunteer efforts was hosted by the City and well attended by volunteers in late 2008.

Reducing threats to local natural areas through community education

Expanding efforts to educate the community about what can be done to reduce key threats to natural areas was identified as a priority action in the State of the Environment Report (2005). The Local Nature Spot Project is now completed and review of the project based on a before and after community survey found that the project had a positive impact on attitudes and behaviour. Most respondents thought it important to have an area of natural bushland in their local area and considered that Local Government

should be most responsible for managing these reserves. The City partnered with the Eastern Metropolitan Regional Council to participate in a project to develop a Community-based Social Marketing Strategy for Dieback. Bungendore Park was used as a study site for this project. Strategies were developed to protect the Park from potential dieback spread and community knowledge was assessed.

Environmental Purchasing

A priority action of the City of Armadale State of the Environment Report (2005) was the update of the Corporate Environmental Purchasing Policy. A new Procurement of Goods and Services Policy (Policy ADM 19), which requires that the City considers the environmental impact of the procurement process across the life cycle of the goods and services, was adopted by Council in March 2009. The Greenhouse Purchasing Action Plan that helps staff achieve the outcomes intended by the new policy continues to be implemented.



Streamcare Project

The Waterways Restoration Project, 'Streamcare', commenced in 2002 and has been conducted through the autumn and winter of each year since. The program has once again been successful in encouraging landholders to revegetate watercourses on their properties.

Management of Bushland Reserves

Bushland management continues to be a priority of the Environment Business Group. The survey of all of the City's bushland areas over 1 hectare maps weeds and identifies capital works needed to address threats to the bushland is undertaken every three years and was undertaken this financial year. The prioritisation of reserves for management and implementation of capital works was reviewed using an updated assessment framework agreed to by the City's Bushcare and Environmental Advisory Committee.

The City's weed and dieback control programs that seek to "Keep the good condition bushland good for areas 1ha or more" continued during the year. Over \$21,000 in grants were secured for environmental projects administered by the City and, with the exception of the funding to upgrade the boardwalk at Lake Forrestdale, all of last year's grant funded projects have been implemented. The Neerigen Brook Management Plan was completed, and the Bungendore Park Strategic Directions document went out for public comment in May 2009. Several management plans are in advanced stages of preparation and are expected to be released for public comment during next financial year.



Roleystone residents enjoy a spectacular hill top aspect

Catchment Management

The City continues to support the efforts of the Armadale-Gosnells Landcare Group, whose contribution to the volunteer hours noted above is significant. The Armadale-Gosnells Landcare Group Strategic Plan 2008 to 2018 was completed and Council identified that the 10-year objectives in the Plan were appropriate catchment management objectives. The Group continues to have success in achieving grant funding that benefits the City.

Cities for Climate Protection and Switch Your Thinking Program

Council adopted the Corporate Greenhouse Action Plan 2009 to 2012 and adopted new targets to reduce greenhouse gas emissions. The review conducted for the Plan identified that emissions are more than 300 tonnes eCO₂ less per annum than they would have been under a business-as-usual approach. Initiatives to date have abated a total of 1,452 tonnes eCO₂. This translates a saving of over \$52,000 per annum with future expenses to 2014 reduced by in excess of \$240,000. In 2006 -2007 the City produced 9,160 tonnes of eCO₂, with decreases being recorded in the water and building sectors and increases in the fleet vehicle, street lighting and waste sectors.

The Cities of Armadale and Gosnells, the Shire of Serpentine-Jarrahdale and the Armadale Redevelopment Authority constitute the South East Regional Energy Group which runs the Switch Your Thinking! program. This year the program has continued to achieve outstanding success.

Highlights from the Switch Your Thinking! program this year include:

- Numerous awards (as noted above)
- Sustainability assessments were conducted for 47 small to medium enterprises in the City to help them reduce their operating costs and environmental footprint
- Successful implementation of rebate schemes covering a range of energy efficient products including solar hot water heaters, photovoltaic energy systems, roof and wall insulation paint, ceiling insulation, rainwater tanks and pool blankets
- Phase 2 of the Green House Project to gather data on the home's economic and environmental performance was completed
- The Green Light Fundraiser project distributed over 1,700 energy saving bulbs to six schools in Armadale
- A continued high level of sponsorship for the program, and
- Expansion of the brand to several other Councils, which provides additional benefits for sponsors and saves Councils from having to re-invent key programs

Community Services

There were a number of successful services, programs and activities provided by the Directorate for the community, many with the assistance of grant funds. It is anticipated that some specific activities and expenditures will roll over into the 2009 - 2010 financial year and so it is intended, subject to the corporate year-end position and other unfunded corporate projects, to carry over unused funds / grants in order to maintain and / or finalise those services / activities.

Examples of such carry forwards include:

- Grant funded projects and activities
- Emergency Risk Management Report implementation
- History of District
- Hydrant Program
- Visitor Guide Publication

Throughout the year, each Department has been actively working with the community to achieve their strategic and operational objectives and in doing so support the City's vision of creating a caring and vibrant City, rich in history, heritage and lifestyle. As part of this ongoing work, the Directorate has been involved in the following activities.

Rangers

The primary focus of Ranger Services is managing the response to the community for requests for service. This has increased over the past ten years commensurate with the population growth and the general requirement for Ranger Services to enforce a number of Acts of Parliament and other Local Laws relating to Local Government operations and jurisdiction. It is estimated that approximately 70 per cent of Rangers' time is deployed in these activities with the remaining 30 per cent allocated to matters of a more administrative nature including School Education Programs, School Parking, Pound Duties, and Court Actions. This latter aspect is an increasing area of resource allocation, as part of a general



The City's Rangers look after much more than stray dogs



trend towards increased litigation in our society and an increasing number of issues are being referred to the courts for determination.

This is becoming a resource-hungry responsibility with the individual Ranger being required to be fully conversant with the issues and associated legalities of the case being contended.

Ranger Services Statistics Reports demonstrate that the City of Armadale Ranger Service has a high number of reactive issues and covers the second largest physical area in the Southern Metropolitan region.

Libraries and Heritage

Libraries

Work toward the relocation of Armadale Library to the new Armadale Central shopping centre progressed towards an opening in the near future. A new computer booking system was installed in the current Armadale Library building which enables library members to log on to a computer session independent of staff. This system will eventually operate from all libraries in the City.

A rearrangement of shelving and furniture at Kelmscott Library was undertaken and the library collection was upgraded, creating a more efficient and welcoming environment.

Seville Grove Library underwent an upgrade to the facility which will significantly improve its appearance and work environment.

Overall there was increased activity in most aspects of the Library Services represented in following statistical 'core business' outcomes:

- Total Library members 22,640
- Items borrowed 436,387
- Library visits 238,102
- Reference enquiries 16,073
- Visits to virtual catalogue 105,462
- Library catalogue enquiries 50,414



Heritage

The Bert Tyler Vintage Museum attracted 4,400 visitors during the year, while visitors to the History House Museum and Local Studies Library exceeded 3,200. Volunteers continued to make a significant contribution to service provision, with volunteer hours to the Heritage area exceeding 3,500.

The Birtwistle Local Studies Library continued to experience growth, mainly due to the success and interest in the family history research program. The Library responded to over 300 reference and research enquiries throughout the year and hosted a number of guest speakers, including an informative presentation by Tom Price, owner of Illawarra Orchard in Karragullen.

History House Museum was successful in grants towards the Museums Interpretation Plan and for restoration of the Bedfordale World War One Honour Roll. The Museum staged two exhibitions during the year being the Valley of Vines: Growing Grapes in Armadale and the 100th anniversary of the gazetting of the town of Armadale. There were some significant donations made to the Museum including the cap from the last Station Master at Kelmscott railway station and items relating to the Armadale Women's Emergency Corp in World War II.

Visitor Centre

Attendance at the Visitor Centre totaled 19,265 over the year, representing a substantial increase in the numbers of people using the facilities over previous years. A promotional booklet, the 'Armadale Visitor Guide' was produced with a view to providing more extensive promotion of the City of Armadale interstate, intrastate and internationally. Promotion was also undertaken through attendance at a number of significant events, including the Hospitality and Tourism Careers Expo and the Head of the River event held at Champion Lakes. Highlights at the Centre included an award from Ticketmaster for 'Most Efficient Agency'.

Community Development

Community Planning

A restructure of the Department in June 2009 has resulted in the creation of a Community Planning Unit which brings together a range of responsibilities in this area previously spread through a number of positions. This recognises the importance of planning for the sustainable development of infrastructure based on the provision of services to the community. A major initiative which commenced in 2008 - 2009 was the development of a Memorandum of Understanding with the Armadale Redevelopment Authority and Department of Education and Training regarding shared development and use of facilities and reserves.

Community Development

The Community Development team received approximately 40 enquiries per week seeking advice and assistance regarding community activities, how to access services and funding requests. The team's main focus of providing advice and

assistance is demonstrated by the 190 meetings, network forums and contact lunches attended or coordinated by Community Development Officers. 40 organisations received a total of \$98k through the annual contributions and community grants program and 17 individuals or organisations received \$10k through the donations program. The Team also played a lead role in promoting the Commonwealth's Australian Early Developmental Index (AEDI) initiative in the City of Armadale community.

Indigenous Development

The Champion Centre established itself as a major focal point for the Aboriginal and non-Aboriginal Community. A further two years of Commonwealth funding totalling \$318k has been secured for an Indigenous Children's Program. A major upgrade of the Centre commenced in 2008 - 2009 and partnerships were developed with the Department for Communities and Communicare. The success of the Centre can be seen through the increase in attendance at the annual NAIDOC celebrations from 200 in 2008 to 500 in 2009.

Arts and Events

The City's Program of Events continues to provide the community with a diverse range of cultural experiences. Highlights in the past year included a significant increase in attendance at the Highland Gathering and the quality of the Minnowarra Art Exhibition. In all, approximately 70,000 people attended community events in 2008 - 2009. In May 2008 a review into the City's events program commenced which will look at the broader objectives the program in order to better determine their relevance and success.

Volunteer Services

Armadale Volunteer Services continues to provide excellent advice and assistance to individuals wishing to volunteer in the community and to organisations hosting volunteering initiatives.

Approximately 150 enquiries are made by individuals each year and 120 not-for-profit organisations are registered with the service. State funding of \$25k which complements Council funds to provide the services, has been confirmed until June 2010.

Leisure Services

Facility Management

Armadale Arena: Forecasts figures were not met in the Arena's first year of operations under the City's management, however participation has increased and it is expected this trend will continue in 2009 - 2010. Since resuming management of the Arena operational procedures have been implemented and the facility now meets required safety standards. \$75k gym equipment, new flooring, new branding and painting saw the re-launch in November 2009. Memberships have increased to 160, an increase of approximately 110 since the City commenced. Group Fitness class averages have increased by seven and sport teams by six. Facility occupancy is now 42 per cent per month, with school groups accessing the centre on a regular basis.

Armadale Aquatic Centre: Attendances at the Aquatic Centre increased to 132,668 with all pools opening on time this season. New BBQ's were installed and an Outer Metropolitan Grant was received for the purchase of an Aqua Inflatable and additional picnic areas. The Centre held its first Rotto Swim Challenge, a successful event with the highest number of registered teams at an Aquatic Centre in the state. Minor maintenance has been conducted at the Aquatic Centre in anticipation of major upgrade works in 2010 - 2011.

Community Halls and Sport Facilities: 2008 - 2009 was a successful year with \$900k in CSRFF grants approved for Frye Park upgrade and \$225k for Champion Lakes.

Capital upgrades were also completed to upgrade floodlights including:

- Cross Park \$15k
- Creyk Park \$25k
- Morgan Park \$14k
- Springdale Park \$8k

Usage at community halls and sports clubs remained consistent with regular and casual bookings.

Club Development

The recruitment of a Club Development Officer has resulted in detailed research of club needs through surveys, meetings and discussions. Following the research, strategies have been developed and on schedule for presentation to Council followed by a launch in August / September 2009.

Recreation Programs

Recreation programs in 2008 - 2009 included the implementation of 'Yoga in the Park', held at Rushton Park for four weeks attracting participation by residents. The Spring Bushwalks attracted good participation from both local residents and visitors. New recreation programs were launched at the Armadale Arena including Toddler Bop and Multi-Sports.



The grants and sponsorship realised in 2008 - 2009 was an increase from the previous year by over \$650k. It is intended that the Directorate will continue to build on its capacity to attract external funding for its community facilities, services and individual projects. In addition, the Directorate is actively engaged with advocating for and assisting community, sporting and nonprofit organisations to attract funding for complementary activities, services and facilities that ultimately benefit the residents of Armadale. Where appropriate, the Directorate will recommend partnerships with other organisations for joint projects so as to maximise funding opportunities.

Looking Forward

The City's Community Services will continue its successful services, projects and activities within the existing resources it has. It will take a lead role in the planning of community facilities and services to meet the needs of the growth of the City whilst ensuring that sustainable facilities and services meet the current needs.

The restructure of the Community Services Directorate will ensure our resources are best positioned to meet the challenges and opportunities for our growth City. In the next five years we will continue to improve our service standards, quality and community focus.

As is evident from the City's Strategic Plan, Plan for the Future and 15 Year Financial Plan there will also be a number of key strategic projects that will dominate some of our core activities including:

- Relocation and establishment of the Armadale Library to the Armadale Central Shopping Centre
- Planning for new facilities in North Forrestdale and Wungong
- Development of a Community Infrastructure Plan
- Provision of a successful Cultural Events Program
- Planning for a new Library Facility in Kelmscott
- Frye Park Redevelopment - Stages 1 and 2
- Youth Activity Area
- North Forrestdale Sporting Facility
- Aquatic Centre Upgrade
- Baker's House Refurbishment and future use
- Armadale District Hall Refurbishment and Redevelopment
- Golf Course Development

Technical Services

The Technical Services Directorate is responsible for the construction and maintenance of roads, footpath, drainage, buildings, parks and reserves, waste and recycling collections, composting and landfill, management of Council assets and support services.

Some of the significant achievements of the directorate during the 2008 - 2009 financial year are highlighted below.

Civil works

The Council's Civil Works program comprises the administration, regulation, maintenance and construction associated with the provision of streets, roads, bridges, pathways, drainage, and associated components, under the control of the City.

New Road Works

Significant new road projects for 2008 - 2009 included the continuation of both stages of Ranford Road between Tonkin Highway and Warton Road, with effectively three quarters of the works completed during the year. Work on the remaining length will begin after Christmas 2009.

Other significant projects included the completion of roundabouts at the following intersections:

- Railway Avenue / Merryfield Avenue – Kelmscott
- Church Avenue / Green Avenue – Armadale
- Railway Avenue / Gillam Drive – Kelmscott

Works on two other roundabouts started along Forrest Road (intersection with Abbey Road) and Wungong Road (intersection with Seventh Road), with completion expected by the end of October 2008.

The City spent \$1,068,749 on maintaining existing road assets, which included re-surfacing of 31 roads, including Carawatha Avenue, Morundah Close and Westfield Road. Blackspot funding was used to improve the safety of Clifton Street, Poad Street and Lowanna Way to the value of \$106,605. \$624,933 was spent on the construction of new footpaths/bicycle paths and the replacement of existing footpaths, at 18 locations around the City. \$44,571 was spent on installing bus shelters while further funds were spent on a new car park, upgrades at existing car parks street furniture and small community safety projects.

Drainage projects for this year were carried out at four locations at a cost of \$387,933. This included the installation of an outfall drain along Lake Road, which provides a drainage outlet for the subdivisions that have been completed along Lake Road and Westfield Road within the past two years.

Maintenance

Some \$1,966,034 was spent on maintaining and improving the City's infrastructure, which included works such as the installation of new signs, maintenance of bus shelters, cleaning of drainage pipes, pits and open drains, road shoulder and verge grading and patching damaged road sections.

Parks and Gardens

The City maintains 234 parks, natural areas, street gardens, community facilities and public access ways. During the 2008 - 2009 financial year \$3.8 million was spent on parks and reserves maintenance, with a further \$1 million on development projects. Some of these projects include:

Streetscaping

Streetscape projects completed included landscaping along Nicholson Road, Albany Highway and roundabouts on Railway Avenue. Ongoing streetscape improvements are continuing along Corfield Street and Commerce Avenue.

Playgrounds

Several of the City's 74 playgrounds received upgrades, with new play equipment installed in Memorial Park, William Skeet Reserve and Gwynne Park. The installation of new playground equipment has allowed existing play equipment items to be relocated to improve the play amenity at other sites throughout the City.

Irrigation

In 2006 the City's Parks Department developed a water operating strategy in consultation with the Department of Water to achieve a sustainable irrigation supply for the City of Armadale. The department continues to use water wisely in line with the State water regulations. Water flow meters were installed at 10 park sites during 2007 - 2008 to monitor water usage. Additional water flow meters will be installed in coming years.



Part of the City's fleet of maintenance vehicles

Recreation

In 2008 - 2009, improvements to the City's sporting facilities included lighting upgrades at Alfred Skeet Reserve, Gwynne Park, Bob Blackburn and Cross Park. In addition the grass green at Armadale Bowling Club was converted to a synthetic surface. Turf renovations to keep the grass in good condition were carried out at Gwynne Park, John Dunn and Alfred Skeet Reserves. In addition various cricket nets and wickets received ongoing upgrades throughout the City.

Environment

The City continues to support environmental initiatives undertaken by community groups, including those represented on the Bushcare Environmental Advisory Committee and Armadale Gosnells Landcare Group. Nature reserve management plans have been developed and a range of environmental works are implemented on an annual basis such as weed control, interpretive signs, walk trails, fencing and revegetation programs.

Street Trees

Annual community tree planting is continuing to ensure the City of Armadale remains a 'green and leafy' district. A database of the City's street trees has been established to ensure the effective management of trees under power lines to meet stringent Western Power regulations.

About 7,000 trees are pruned annually away from overhead power lines. Mulch generated from tree pruning operations is used in landscape projects across the City of Armadale and surplus mulch is sold to the public.

In 2008 - 2009 the City's Parks Department continued the removal of ficus trees from residential verges and is continuing to develop a Citywide Street Tree Planting Program to improve the aesthetic and environmental value of the City's streets.

The City's Parks Department manages more than 2,500 customer requests annually that cover street trees, park maintenance, verges, nature reserves, river care and environmental matters.

Property Management

The City maintains 186 buildings, including public halls, community facilities, clubrooms, and leased premises. In recent years, several previously leased buildings were returned to the City, namely John Dunn Hall and Sportsman's Club, Reg Williams Pavilion, Pries Park Pavilion, the old PCYC at Champion Drive and the Visitor Centre. Additional funds were allocated for the general maintenance, insurances, utilities and cleaning expenditure for these facilities.

During the 2008 - 2009 financial year, \$2.1 million was spent on building maintenance and asset preservation with a further \$1.2m spent on development and asset renewal.

Due to the construction boom in WA, several planned projects



TV and computer recycling at the City's landfill site

were stalled due to acute shortages of construction materials and labour. Funds for these projects were carried forward to the next financial year.

Waste Management

The City's Waste Services Department continues to work towards the minimisation of waste to the landfill and increasing recycling activity. Throughout the year the City carries out kerbside recycling collections and verge-side green waste, junk and motor vehicle collections. It also sells salvageable material from the landfill facility and provides free mulched green waste for local residents.

The Resource Recovery Centre sales figure of \$79,000 exceeded the previous year by \$10,000 but was less than the estimated budget expectancy of \$100,000. This shortfall was due to the sale of electrical equipment being delayed until January 2009.

Approximately 70 per cent of all trailer waste entering the landfill site is recyclable.

Asset Management

The City has an inventory of all assets and allocates funds to their maintenance and renewal accordingly. Its current Road Asset Management Plan 2007 and Footpath Asset Management Plan 2005 are currently being updated under the Asset Management Improvement Strategy (AMIS) 2009. Asset Management for all infrastructure groups will be updated by December 2009.

Council has been an active member of the WAAMI group and one of the City's technical staff is a member on the National Asset Management Committee (NAMS).

No new assets are accepted without a whole of life assessment of the community's ability to maintain and preserve the asset.

Armadale's long-term rating strategy has closed the asset preservation gap from an estimated \$70 million - \$80 million to an estimated \$46 million in 2023. A recent study by Price Waterhouse for the Perth outer metropolitan growth Councils, has found that Armadale needs a further 10 per cent increase in its rating level to close the asset infrastructure gap if it wants to avoid closure / disposal of assets or reduction in service levels.

Plan for the future

The City of Armadale is required to supply information about its Plan for the Future, in accordance with the Local Government Act 1995. The plan provides a 15-year outlook for the development of services and facilities across the City, with a focus on the next five years. It maps out new projects and provides a timeline for development and is designed to link the City's strategic direction, while also fitting in with its financial and organisational capacity.

Major initiatives to continue in 2009-2010

Freehold Land Sales and Investment Strategy

This strategy, which was first initiated in 2007 - 2008, seeks to more effectively manage the City's land assets by maximising returns, disposing and investing in new assets and allocating funds to strategic capital works. The estimates for this strategy over the next six years are:

- Net sale proceeds - \$20.7 million
- 70 per cent reinvestment in income producing assets - \$14.5 million
- Allocations to strategic capital works - \$6.2 million

Public Open Space (POS) Strategy

This initiative was also launched in 2007 - 2008 to provide a more efficient and effective utilisation of public open space lands across the City. The strategy seeks to identify and sell POS lands that are additional to current and future POS requirements, with 30 per cent of the net sale proceeds to be set aside for the development of reserves of regional significance. A precinct methodology applies, meaning that sale proceeds from a precinct (of which there are 10) are to be spent on improving the remaining POS in that same precinct. The estimates for this strategy over the next five years are:

- Net sale proceeds - \$4.6 million
- 30 per cent reinvestment on regional recreational initiatives - \$1.5 million
- Capital works on remaining POS - \$3 million



The City's POS strategy is showing results

Jull street at dusk



Asset renewal – facilities and public open space

The issue of how local government will fund its asset renewal responsibilities has, and continues to be, the subject of much debate and numerous reports and inquiries Australia-wide. A prevailing outcome of these reports is that there needs to be a fairer sharing of total taxation revenues collected by federal and state governments as local government alone will not be able to fund its renewal responsibilities. However, the City accepts that it has a responsibility to fund as much of its asset renewal requirements as it believes affordable by the community and, to this end, this initiative seeks to set aside funding of \$28 million to renew and replace those infrastructure assets that will reach the end of their economic life over the next 15 years.

Closed Circuit Television

Council has focused for some time on the reinvigoration of the Armadale central business district. The safety and amenity of residents, business operators and visitors to the City is an important part of that revitalisation. As a consequence, and in partnership with major service providers, police and government agencies, Council determined a strategy to introduce Closed Circuit Television surveillance cameras to the Armadale CBD. Capital funds of \$680,000 have been allocated for this initiative in 2009 - 2010.

Major initiatives to start in 2009 - 2010

Armadale Library Relocation

This initiative involves the Armadale Library Service being relocated at a cost of \$1.5 million to new premises within the Armadale Central Shopping Centre. In 2006 the City commissioned a strategic library study to determine the future of its library services for the next 10 years. As the regional library for Armadale the current facility was identified as too small (450 square metres) and limited in services available to library users. As a consequence, in 2007 Council decided to relocate to new premises (1,100 square metres) within the Armadale Central Shopping Centre.

Armadale Library Conversion to Office Space

\$700,000 has been set aside in the 2009 - 2010 annual budget to retro-fit the current Armadale Library building to provide much needed additional Council office accommodation space as the main Administration Centre exceeds its original capacity.

Aquatic Centre Upgrade

A proposal to increase capacity at the Armadale Aquatic Centre with the introduction of an indoor facility incorporating a 25 metre pool, family leisure pool and additional support facilities has been the subject of a significant Needs Assessment and Feasibility Study by Council.

Recent revised cost estimates for the new facility put the construction cost at approximately \$18 million. A grant application to the Department of Sport and Recreation in 2007 was unsuccessful and the estimated cost is in excess of Council's capacity to fund. In determining to reprioritise the Indoor Aquatic Facility to future years of the Plan for the Future, Council determined to set aside funds to commence a total refurbishment of the existing outdoor facility in line with previously received due diligence reports in relation to an upgrade of the Centre's hydraulic systems, change rooms and out-buildings, concourse, grandstand, pool basins, kiosk and outdoor facilities. The value of this refurbishment is \$4.2m with the three year program of works scheduled to commence in 2009 - 2010.

Bakers House Refurbishment

Located in Harrisdale, Bakers House is a large residential homestead originally built and owned by the Baker Family and currently used by the Piara Waters and Harrisdale Land Developers as a site office. It is scheduled to transfer from the North Forrestdale Developer Contribution arrangements control to the City in 2010 - 2011 to become a community centre for the new communities in the area. In order for this transition to occur, and depending upon the future uses of the facility, certain upgrade and

The City's historical archives are kept in the library



modification works will be required. It is likely that these works will include an upgrade of the kitchen and toilet facilities, as well as modifications to each of the bedrooms (depending on proposed use) including structural changes, information technology and communications, air-conditioning, new fixture and furniture and upgrades to external infrastructure. A significant contribution to this refurbishment will be made by the Developer whilst grant opportunities will be explored. The expected value of works is \$750,000, and is to occur over the next three years.

Frye Park Redevelopment

Stage 1 of the Frye Park redevelopment is scheduled to commence in 2009 - 2010. This is to include a total redevelopment of the drainage, surface, reticulation and lighting, followed by Stage 2, which will include a total refurbishment of the pavilion, change rooms, car park, playground and other outdoor facilities. The commencement of Stage 2 is subject to the finalisation of Stage 1. The total cost of the project is approximately \$5 million and is scheduled for completion in 2011 - 2012.

Abbey Road / Railway Avenue Link Project

As part of an Urban Renewal Program, the City proposes a direct connection between Abbey Road and Railway Avenue to improve safety and legibility, and to improve the north / south access across Armadale Road. This is of strategic importance to the City's road network. The proposal requires the acquisition of portions of several properties in both private ownership and City ownership.

Following road realignment, and construction, an inner-city style subdivision is intended to be developed. The total project cost is in the order of \$17.8 million, with a projected revenue, through land sales, of approximately \$28 million.

Completion of the project is scheduled for 2014 - 2015.

Statutory Reports

Each year the City is required to provide a number of statutory reports that discharge accountability for compliance with various legislative responsibilities. These reports include:

Record Keeping Plan – State Records Act 2000

The Record Keeping Plan (RKP) describes the City's commitment to effective and compliant record keeping procedures.

The City's RKP was first approved by the State Records Office on 22 April 2004. The next major review of the RKP, which is due for completion next year, incorporates significant changes to align it with the State Records Office revised RKP template.

During 2008 - 2009 and as part of the review process, the following projects were either commenced or completed;

- a user education program including a dedicated online information resource for staff was developed and implemented;
- work commenced on converting the City's Paper Based Town Planning Scheme 1 into an electronic format;
- data held in prior electronic record management systems was fully migrated to the City's current Electronic Record Management System, and
- storage capacity for the City's paper based records at its Archive Facility and within the Administration Centre, was substantially increased.

The City also assisted the State Records Office with the development of standards and guidelines for digital based records and archives and will, in the coming year, be a representative on the State Record Office's General Disposal Authority for Local Government Records Review Working Group.

Disability Access and Inclusion Plan – Disability Services Act 1993

The Disability Access and Inclusion Plan (DAIP) 2007 - 2011 has provided the City with direction and has been a driving force for many projects. Local governments are required to have a DAIP under the Disability Services Act (1993) which was amended in 2004 to include this requirement. The DAIP also incorporates legislation requirements from the Disability Discrimination Act (1992).



History House and the Birtwistle Local Studies Library

Annual Highland Gathering



The City of Armadale developed a Disability Services Plan in 1995 and adapted this forward thinking approach into the DAIP 2007 - 2011. The DAIP, which is available on the website, contains eight outcomes of which only six are required by the Act. The City of Armadale has completed 36 and partially completed another three, totalling 39 out of the 42 strategies contained in the Plan.

Major Achievements in the past year include:

- Partnership with Vision Australia to offer DAISY talking book machines through the City of Armadale Libraries. First Library in Western Australia to have this partnership.
- Armadale library also has a Text Magnifier, increasing text size with a 22 inch screen for people with a visual impairment.
- You're Welcome project, the City has assessed 49 Council facilities providing detailed access information which is available through the Disability Services Commission website www.accesswa.com.au
- The You're Welcome project has been extended to the local business community increasing their awareness of access and providing suggestions on how to maximize access to their business.

The City's Disability Advisory Team (made up of 12 community representatives and staff) meet monthly and is committed to discussing local access issues and advising on resolving these issues.

Freedom of Information Act 1992 – Information Statement

A requirement upon all local governments is to have an Information Statement relating to the provision of information to the public. The City's Information Statement was reviewed in November 2008 and a copy of this statement is available from Council's Administration Centre at 7 Orchard Avenue Armadale or the City's website at www.armadale.wa.gov.au



Public Interest Disclosure Act 2003

The *Public Interest Disclosure Act 2003* aims to ensure openness and accountability in government. Disclosures are treated in confidence and persons making a disclosure are protected from detrimental action.

In acknowledgement of its obligations under the Act, the City has:-

- an appointed Public Interest Disclosure Officer;
- implemented procedures to assist persons wishing to make a disclosure; and
- incorporated the procedures for making a disclosure in to its induction program for new staff.

During the 2008 - 2009 year, the City did not receive any disclosures. The procedures for making a disclosure are available from the Administration Centre and on the website.

National Competition Policy

The National Competition Policy (NCP) is designed to enable and encourage competition to improve the wellbeing of Australians. Of the 3 agreements that underpin the NCP process, the Competition Principles Agreement has most relevance to local government. In accordance with this Agreement, the City is to annually report on its activities in relation to the following principles:



Armadale is a busy regional centre

Competitive Neutrality

This principle is to ensure local government business activities (those which generate user pay revenues > \$500k pa) do not have competitive advantages or disadvantages relative to privately owned competitors as a result of their local government ownership, eg. tax exemptions and lower financing costs. In this regard and for the 2008 - 2009 year, there were no new business activities commenced by the City, nor did the City receive any allegations of non-compliance.

Structural Reform

The objective of structural reform as relating to public-operated monopolies is to introduce competition or, as a minimum, remove barriers to new businesses competing in the market. The City does not operate any monopoly type business activities nor did it privatise any such activities during 2008 - 2009, and accordingly the City has no structural reform obligations to report.

Legislation Review – Local Laws

The objective of the legislation review program is to remove restrictions on competition from local laws unless those restrictions can be shown to be in the public interest. All of the City's 13 local laws are compliant with this principle and all reviews are undertaken having regard for this principle.

During the 2008 - 2009 year, the following 5 local laws were reviewed:

- Extractive Industries Local Law
- Local Government Property Local Law
- Activities and Trading in Thoroughfares and Public Places Local Law
- Standing Orders Local Law.
- Environment, Animals and Nuisance Local Law

Local Government Act 1995 – Conduct of certain Officials

Section 5.53(2)(hb) of the Act states, "The annual report is to contain details of entries made under section 5.121 during the financial year in the register of complaints."

For the 2008 - 2009 financial year, there were no entries made in the Register of Complaints.

Independent Audit Report

MACRI

+ PARTNERS

Certified Practising Accountants

PARTNERS

Anthony Macri FCPA

Domenic Macri CPA

Connie De Felice CA

INDEPENDENT AUDIT REPORT

TO: RATEPAYERS OF CITY OF ARMADALE

Report on the Financial Report

We have audited the financial report of the City of Armadale, which comprises the Balance Sheet as at 30 June 2009 and the Income Statement, Statement of Changes in Equity, Cash Flow Statement, Rate Setting Statement and the notes to and forming part of the financial report for the year ended on that date.

The Responsibility of the Council for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. Our audit has been conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.



Auditor's Opinion

In our opinion, the financial report of the City of Armadale:

- (i) gives a true and fair view of the financial position of the City of Armadale as at 30 June 2009 and of its financial performance for the year ended on that date; and
- (ii) complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards (including the Australian Accounting Interpretations).

Statutory Compliance

We did not during the course of our audit become aware of any instances where the Council did not comply with the requirements of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).



**MACRI PARTNERS
CERTIFIED PRACTISING ACCOUNTANTS
28 THOROGOOD STREET
BURSWOOD WA 6100**



**A MACRI
PARTNER**

**PERTH
DATED THIS 21st DAY OF OCTOBER 2009.**



Financial Report



Financial Report
For the year ended 30 June 2009

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, being the Annual Financial Report and Supporting Notes and other information for the financial year ended 30 June 2009 are, in my opinion, properly drawn up to present fairly the financial position of the City of Armadale at 30 June 2009 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and Regulations under that Act.

Signed on the 19th day of October 2009

A handwritten signature in blue ink, appearing to read "R S Tame", is positioned above the name and title of the Chief Executive Officer.

R S Tame
Chief Executive Officer

City of Armadale – Income Statement by Nature or Type for the year ended 30 June 2009

	Note	2009 Actual \$	2009 Budget \$	2008 Actual \$
Revenues from Ordinary Activities				
Rates	23	27,997,129	27,338,900	23,891,505
Operating Grants, Subsidies and Contributions	29	8,472,618	6,261,900	9,375,083
Service Charges	25	0	0	0
Fees and Charges	28	9,685,116	9,482,100	8,566,535
Interest Earnings	2	2,860,634	2,814,500	2,538,809
Other Revenue		1,121,063	783,600	1,328,141
		50,136,560	46,681,000	45,700,074
Expenses from Ordinary Activities				
Employee Costs		(17,658,969)	(18,180,054)	(15,507,742)
Materials and Contracts		(14,089,687)	(14,370,290)	(12,257,981)
Utilities		(792,382)	(766,162)	(653,543)
Depreciation	2	(9,218,947)	(9,423,800)	(8,876,540)
Interest Expenses	2	(199,580)	(284,400)	(121,401)
Insurance		(657,388)	(603,431)	(514,732)
Other Expense		(1,652,222)	(3,582,263)	(3,055,701)
		(44,269,175)	(47,210,400)	(40,987,638)
Sub-Total		5,867,385	(529,400)	4,712,435
Grants / Contributions for Asset Development				
Grants and Subsidies - Non-Operating	29	4,286,014	3,903,400	8,384,033
		4,286,014	3,903,400	8,384,033
Profit / (Loss) on Disposal of Assets				
Profit on Asset Disposal		1,209,512	342,900	206,571
Loss on Asset Disposal		(103,994)	(31,400)	(38,086)
		1,105,518	311,500	168,485
Net Result		11,258,917	3,685,500	13,264,953

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

City of Armadale – Income Statement by Program for the year ended 30 June 2009

	Note	2009 Actual \$	2009 Budget \$	2008 Actual \$
Revenues from Ordinary Activities	2			
General Purpose Funding		34,095,401	32,577,800	28,881,827
Governance		1,128,426	1,082,200	1,381,493
Law, Order and Public Safety		590,586	421,000	484,659
Health		81,329	129,000	121,330
Education and Welfare		304,158	82,100	113,975
Community Amenities		12,203,751	7,897,400	13,167,196
Recreation and Culture		1,809,364	1,507,100	910,120
Transport		4,098,649	6,184,200	8,008,032
Economic Services		1,065,121	936,800	1,109,974
Other Property and Services		255,301	109,700	112,071
		55,632,085	50,927,300	54,290,678
Expenses from Ordinary Activities	2			
General Purpose Funding		(758,138)	(818,291)	(845,909)
Governance		(2,233,925)	(3,431,175)	(3,454,356)
Law, Order and Public Safety		(1,481,083)	(1,625,884)	(1,232,091)
Health		(856,967)	(843,191)	(766,867)
Education and Welfare		(2,088,871)	(2,419,396)	(1,967,731)
Community Amenities		(8,893,820)	(9,480,241)	(7,886,752)
Recreation and Culture		(14,053,390)	(14,584,670)	(12,876,422)
Transport		(11,828,999)	(11,905,291)	(10,474,861)
Economic Services		(1,569,567)	(1,517,761)	(1,326,437)
Other Property and Services		(408,828)	(331,500)	(72,896)
		(44,173,588)	(46,957,400)	(40,904,323)
Borrowing Costs Expense	2			
Governance		(92,025)	(98,600)	(59,195)
Community Amenities		(3,339)	(3,600)	(4,824)
Recreation and Culture		(56,667)	(62,900)	(22,785)
Transport		(47,549)	(119,300)	(34,596)
		(199,580)	(284,400)	(121,401)
Net Result		11,258,917	3,685,500	13,264,953

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

City of Armadale – Balance Sheet as at 30 June 2009

	Note	2009 Actual \$	2008 Actual \$
Current Assets			
Cash and Cash Equivalents	3	33,835,245	32,736,975
Trade and Other Receivables	5	2,606,546	3,077,847
Inventories	6	79,494	89,791
Total Current Assets		36,521,286	35,904,612
Non-Current Assets			
Other Receivables	5	786,863	706,821
Property, Plant and Equipment	7	29,162,476	27,304,961
Infrastructure	8	188,972,163	178,960,787
Total Non-Current Assets		218,921,501	206,972,569
Total Assets		255,442,787	242,877,181
Current Liabilities			
Trade and Other Payables	9	4,800,626	4,755,319
Current Portion of Long Term Borrowings	10	271,235	234,088
Provisions	11	3,621,521	3,431,984
Total Current Liabilities		8,693,382	8,421,392
Non-Current Liabilities			
Trade and Other Payables	9	137,712	123,278
Long Term Borrowings	10	3,677,023	2,759,067
Provisions	11	296,226	193,918
Total Current Liabilities		4,110,962	3,076,263
Total Liabilities		12,804,344	11,497,655
Net Assets		242,638,443	231,379,526
Equity			
Retained Surplus		211,194,565	201,773,971
Reserves - Cash / Investment Backed	12	22,992,130	21,153,808
Reserves - Asset Revaluation	13	8,451,748	8,451,748
Total Equity		242,638,443	231,379,526

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

City of Armadale – Statement of Changes in Equity for year ended 30 June 2009

	Note	2009 Actual \$	2008 Actual \$
Retained Surplus			
Balance as at 1 July		201,773,971	203,903,546
Net Result		11,258,917	13,264,953
Transfer from / (to) Reserves		(1,838,322)	(15,394,529)
Balance as at 30 June		211,194,565	201,773,971
Reserves - Cash / Investment Backed			
Balance as at 1 July		21,153,808	5,759,279
Transfer (to) / from Retained Surplus		1,838,322	15,394,529
Balance as at 30 June	12	22,992,130	21,153,808
Reserves - Asset Revaluation			
Balance as at 1 July		8,451,748	8,451,748
Revaluation Increment		0	0
Revaluation Decrement		0	0
Balance as at 30 June	13	8,451,748	8,451,748
Total Equity		242,638,443	231,379,527

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

City of Armadale – Cash Flow Statement for year ended 30 June 2009

	Note	2009 Actual \$	2009 Budget \$	2008 Actual \$
Cash Flows from Operating Activities				
Receipts				
Rates		27,997,129	27,338,900	23,891,505
Operating Grants, Subsidies and Contributions		8,472,618	7,786,493	9,375,083
Service Charges		0	0	0
Fees and Charges		10,156,417	9,482,100	7,746,660
Interest Earnings		2,860,634	2,814,500	2,538,809
Goods and Services Tax (on revenue)		750,808	400,000	818,936
Goods and Services Tax (refunded)		2,406,324	800,000	1,585,605
Other		1,041,021	783,600	1,317,373
Total Receipts		53,684,950	49,405,593	47,273,971
Payments				
Employee Costs		(17,367,124)	(17,896,454)	(15,104,136)
Materials and Contracts		(14,034,083)	(12,595,831)	(14,982,287)
Utilities		(792,382)	(766,162)	(653,543)
Insurance		(657,388)	(603,431)	(514,732)
Interest		(199,580)	(284,400)	(121,401)
Goods and Services Tax		(3,157,132)	(1,200,000)	(2,404,541)
Other		(1,637,788)	(3,582,263)	(3,037,827)
Total Payments		(37,845,477)	(36,928,541)	(36,818,467)
Net Cash Provided by Operating Activities	14	15,839,474	12,477,052	10,455,504
Cash Flows from Investing Activities				
Payments for Development of Land		0	0	0
Payments for Property, Plant and Equipment		(4,611,221)	(9,898,900)	(3,428,063)
Payments for Infrastructure		(17,235,485)	(18,388,800)	(10,871,977)
Advances to Community Groups		0	0	0
Payments for Purchases of Investments		0	0	0
Grants and Subsidies - Non-Operating		4,286,014	3,903,400	8,384,033
Proceeds from Sale of Assets		1,864,386	6,568,500	811,908
Proceeds from Advances		0	0	0
Net Cash Provided by Investing Activities		(15,696,306)	(17,815,800)	(5,104,099)
Cash Flows from Financing Activities				
Repayment of Debentures		(234,098)	(229,700)	(672,202)
Repayment of Finance Leases		0	0	0
Proceeds from Self Supporting Loans		0	0	0
Proceeds from New Debentures		1,189,200	2,989,200	1,254,929
Net Cash Provided by Financing Activities		955,102	2,759,500	582,727
Net Increase / (Decrease) in Cash Held		1,098,270	(2,579,248)	5,934,132
Cash at Beginning of Year		32,736,975	31,930,595	26,802,843
Cash and Cash Equivalents at End of Year	14	33,835,245	29,351,347	32,736,975

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

City of Armadale – Rate Setting Statement for year ended 30 June 2009

	Note	2009 Actual \$	2009 Budget \$
Revenues			
General Purpose Funding		6,098,272	5,238,900
Governance		1,128,426	1,082,200
Law, Order and Public Safety		590,586	421,000
Health		81,329	129,000
Education and Welfare		304,158	82,100
Community Amenities		12,203,751	7,897,400
Recreation and Culture		1,809,364	1,507,100
Transport		4,098,649	6,184,200
Economic Services		1,065,121	936,800
Other Property and Services		255,301	109,700
Total Revenues		27,634,956	23,588,400
Expenses			
General Purpose Funding		(758,138)	(818,291)
Governance		(2,325,950)	(3,529,775)
Law, Order and Public Safety		(1,481,083)	(1,625,884)
Health		(856,967)	(843,191)
Education and Welfare		(2,088,871)	(2,419,396)
Community Amenities		(8,897,160)	(9,483,841)
Recreation and Culture		(14,110,057)	(14,647,570)
Transport		(11,876,548)	(12,024,591)
Economic Services		(1,569,567)	(1,517,761)
Other Property and Services		(408,828)	(331,500)
Total Expenses		(44,373,168)	(47,241,800)

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

City of Armadale – Rate Setting Statement for year ended 30 June 2009 *continued*

	Note	2009 Actual \$	2009 Budget \$
Adjustments for Cash Budget Requirements			
Non-Cash Items			
(Profit) / Loss on Asset Disposals	20	(1,105,518)	(311,500)
Depreciation on Assets	2	9,218,947	9,423,800
Total Non-Cash Items		8,113,429	9,112,300
Capital Expense and Revenue			
Purchase Land	7	(341,565)	(438,300)
Purchase Buildings	7	(2,266,753)	(5,746,800)
Purchase Furniture and Equipment	7	(136,211)	(854,000)
Purchase Plant and Machinery	7	(1,866,692)	(2,859,800)
Purchase Infrastructure - Roads	8	(11,339,815)	(14,671,300)
Purchase Infrastructure - Drainage	8	(3,503,767)	(678,800)
Purchase Infrastructure - Pathways	8	(518,046)	(626,700)
Purchase Infrastructure - Parks / Reserves	8	(1,873,858)	(2,412,000)
Proceeds from Disposal of Assets	20	1,864,386	6,568,500
Repayment of Debentures	22	(234,098)	(229,700)
Proceeds from New Debentures	22	1,189,200	2,989,200
Transfer to Reserves	12	(6,393,400)	(5,612,400)
Transfer from Reserves	12	4,555,078	1,860,700
Total Capital Expense and Revenue		(20,865,540)	(22,711,400)
Add Estimated Surplus / (Deficit) July 1 B/Fwd		10,221,725	9,913,600
Less Estimated Surplus / (Deficit) June 30 C/Fwd		8,728,530	0
Amount Required to be Raised from Rates	23	(27,997,128)	(27,338,900)

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

1 Significant Accounting Policies

The significant accounting policies that have been adopted in the preparation of this financial report are:

a Basis of Preparation

The Financial Report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 and accompanying Regulations. The report has also been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of non-current assets.

Critical Accounting 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, revenue and expense.

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.

b The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report. In the process of reporting on the Local Government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Funds are excluded from the financial statements, but a separate statement of those monies appears at Note 18 to these financial statements.

c Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Balance Sheet are stated inclusive of applicable GST.

d Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in-hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. For the purpose of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined previously, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the Balance Sheet.

e Trade and Other Receivables

Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Collectibility of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

f Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price, in the ordinary course of business, less the estimated costs of completion, and the estimated costs necessary to make the sale. Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land held for resale

Land purchased for development and / or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses. Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale. Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

g Fixed Assets

Initial recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration, plus costs incidental to the acquisition. For assets acquired at no cost, or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Revaluation

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes, where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Land under roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, may be vested in the Council. Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on, or before, 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads, and the fact Local Government (Financial Management) Regulation 16 (a) (i) prohibits Councils from recognising such land as an asset. Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulations 4 (2) provides, in the event of such inconsistency, direction that the Local Government (Financial Management) Regulations prevail. Consequently, any land under roads acquired on, or after, 1 July 2008 is not included as an asset of the Council.

h Impairment

In accordance with Australian Accounting Standards the Council's 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 estimate of the recoverable amount of the asset is made in accordance with AASB 136 - Impairment of Assets - and appropriate adjustments made. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement. For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

i Investments and Other Financial Assets

Classification

Council classifies its investments in the following categories - financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the Balance Sheet date, which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Balance Sheet.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Balance Sheet date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the Income Statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the Income Statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the Income Statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the Income Statement as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

i Investments and Other Financial Assets (continued)

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the Income Statement. Impairment losses recognised in the Income Statement on equity instruments classified as available-for-sale are not reversed through the Income Statement.

j Depreciation of Non-Current Assets

All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner that reflects the consumption of the future economic benefits embodied in those assets. Depreciation is recognised on a straight-line basis, using rates that are reviewed each reporting period. Major depreciation periods are:

Buildings	50 years
Furniture and Equipment	5 to 15 years
Plant and Machinery	3 to 20 years
Sealed Roads and Streets	
Clearing and Earthworks	Not Depreciated
Construction and Roadbase	50 Years
Original Surface and Major Resurfacing	50 years
Gravel Roads	
Clearing and Earthworks	Not depreciated
Construction and Roadbase	50 years
Gravel Sheet	12 years
Drainage	50 years
Pathways	20 years
Parks and Reserves	20 years

k Estimation of Fair Value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets is based on quoted market prices at the Balance Sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

l Trade and Other Payables

Trade payable and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

m Interest-Bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the Balance Sheet date.

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.

n Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, wages and salaries and are calculated as follows:

Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount that Council has a present obligation to pay resulting from employees' services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates Council expects to pay and includes related on-costs.

Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

o Provisions

Provisions are recognised when the Council has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow, with respect to any one item included in the same class of obligations, may be small.

p Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

q Joint Venture

The City's interest in any joint ventures has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the Balance Sheet and Income Statement. Information about any joint ventures is set out in Note 17.

r Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the Council obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in Note 2. That note also discloses the amount of contributions recognised as revenues in a previous reporting period that were obtained in respect of the Council's operations for the current reporting period.

s Superannuation

The City of Armadale contributes to defined contribution schemes. Contributions are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

t Rounding Off Figures

All figures shown in this Financial Report, other than a rate in the dollar, are rounded to the nearest dollar. As such, rounding errors in calculations may occur.

u Comparative Figures

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

v Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council 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 even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

w Budget Comparative Figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimates for the relevant items of disclosure and do not reflect any budget variations that may have occurred throughout the reporting period.

x New Accounting Standards and Interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective, have not been adopted by Council for the annual reporting under review. Council's assessment of these new standards and interpretations are set out below:

AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8

Issued - February 2007

Applicable - Reporting periods commencing on, or after, 1 January 2009

Impact - Nil, as the Standard is not applicable to not-for-profit entities.

Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 and AASB 138 and Interpretations 1 and 12]

Issued - June 2007

Applicable - Reporting periods commencing on, or after, 1 January 2009

The revised Standard removed the requirement for borrowing costs to be capitalised in the financial statements of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the Financial Report of Council as Council already capitalises borrowing costs relating to qualifying assets.

Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101

Issued - September 2007 and December 2007

Applicable - Reporting periods commencing on, or after, 1 January 2009

Impact - Nil, as the revised Standard requires the presentation of a Statement of comprehensive income and makes changes to the Statement of Changes in Equity, but will not affect any of the amounts recognised in the financial statements. If Council has made, or is required to make, a prior period adjustment, or has reclassified items in the financial statements, it is likely this will be disclosed via a separate statement, being as at the beginning of the comparative period.

AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project and AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

Issued - July 2008

Applicable - Reporting periods commencing on, or after, 1 January 2009 and 1 July 2009, respectively

Impact - Nil, as the revisions are part of the AASBs annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs. The revisions embodied in these standards relate largely to terminology, or editorial comments, and will have minimal effect on the accounting practices of Council. It is not anticipated the more significant change will have any effect on the financial reports, as the topics are not relevant to the operations of Council.

AASB 2008-11 Amendments to Australian Accounting Standard - Business Considerations Among No-for-Profit Entities Issued - November 2008

Applicable - Reporting periods commencing on, or after, 1 July 2009

Impact - Nil, as, whilst this standard has the effect of applying AASB 3 Business Combinations to the Not-for-Profit sector, specific provisions are provided in respect of local government. These specific provisions are very similar to the previous requirements of AAS 27.

AASB 2008-1 Amendments to Australian Accounting Standard - Share-Based Payments: Vesting Conditions and Cancellations, AASB 2008-2 Amendments to Australian Accounting Standards Puttable Financial Instruments and Obligations Arising on Liquidation, AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127, AASB 2007-7 Amendments to Australian Accounting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate, AASB 2008-8 Amendments to Australian Accounting Standards - Eligible Hedged Items, AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101, AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 - Distribution of Non-Cash Assets to Owners, Interpretation 1 - Changes in Existing, Decommissioning, Restoration and Similar Liabilities, Interpretation 12 - Service Concession Arrangements, Interpretation 15 - Agreements for the Construction of Real Estate, Interpretation 16 - Hedges of a Net Investment in a Foreign Operation, Interpretation 17 - Distributions of Non-Cash Assets to Owners and Interpretation 18 - Transfers of Assets from Customers

Issued - February 2008, March 2008, March 2008, July 2008, August 2008, September 2008, December 2008, June 2007, June 2007, August 2008, August 2008, December 2008 and March 2009, respectively

Applicable - Reporting periods commencing on, or after, 1 January 2009, 1 January 2009, 1 January 2009, 1 January 2009, 1 July 2009, 1 January 2009, 1 July 2009, 1 January 2009, 1 January 2009, 1 January 2009, 1 January 2009, 1 October 2009, 1 July 2009 and (ending) 1 July 2009, respectively

Impact - Nil, as none of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of Council.

	Note	2009 Actual \$	2009 Budget \$	2008 Actual \$
2 Revenues and Expenses				
a Result from Ordinary Activities				
The result from ordinary activities includes -				
i Charging as an Expense				
Auditor's Remuneration		21,580	46,300	14,945
Bad and Doubtful Debts				
Write Off - Rates		67,727	34,400	31,404
Write Off - General		7,706	60,300	22,956
Write Off - Infringements		34,801	11,500	20,281
		110,234	106,200	74,642
Depreciation				
Land and Buildings		581,798	569,557	550,293
Furniture and Equipment		22,511	16,233	15,682
Plant and Machinery		1,390,528	1,355,900	1,387,297
Roads		2,828,022	3,083,103	2,673,022
Drainage		561,277	566,787	547,620
Pathways		378,466	359,310	347,159
Reserves		3,456,345	3,472,910	3,355,467
		9,218,947	9,423,800	8,876,540
Interest Expense				
Finance Leases		0	0	0
Debentures		199,580	284,400	121,401
		199,580	284,400	121,401
ii Charging as a Revenue				
Interest Earnings				
Investments - Reserve Funds		990,032	1,623,300	1,109,119
Investments - Municipal Fund		1,637,481	1,028,200	1,248,358
Other Interest Revenue	27	233,121	163,000	181,332
Other Interest Revenue - Loans		0	0	0
		2,860,634	2,814,500	2,538,809

2 Revenues and Expenses

b Statement of Objective

In order to discharge its responsibility to the community, Council has developed a set of operational and financial objectives. The objectives have been established both on an overall basis, reflected by Council's Commitment and Vision Statements, and for each of its broad activities / programs.

Our Commitment

To create a caring and vibrant City, rich in history, heritage and lifestyle.

Our Vision

- A major regional centre
- A place with the advantages of City living and the natural beauty of the bushland setting
- A city strong in opportunity - in comparison to any other city in Australia
- A great place to raise small children
- Clean, green and prosperous

Council operations, as disclosed in this Report, encompass the following service oriented activities / programs:

General Purpose Funding

This program includes rates, statutory grants from the Western Australian Local Government Grants Commission and interest on investments from Municipal and Reserve Funds.

Governance

This program includes the administration and operation of facilities and services to the elected members of Council. It also includes civic receptions, citizenship ceremonies, research, development and preparation of policy documents, strategic planning, annual budgets, annual financial reports, audit fees and the Annual Report.

Law, Order and Public Safety

This program includes the administration and operation of volunteer fire services and the State Emergency Services, together with animal control and community safety.

Health

This program includes services such as immunisation, health inspections, pest control, noise control and health clinics.

Education and Welfare

This program includes pre-schools, senior citizen centres, disability services and other community development activities such as seniors, youth and indigenous services.

Community Amenities

This program includes town planning and regional development services, protection of the environment, refuse collection and disposal, provision of public toilets, bus shelters and street furniture.

Recreation and Culture

This is the provision of public buildings, libraries, aquatic centres, community events, cultural activities, museums, indoor and outdoor sporting complexes, parks and gardens, and playgrounds.

Transport

This program includes the maintenance and construction of roads, drains, pathways, crossovers and traffic calming devices, plus street lighting and cleaning, road signs and parking areas.

Economic Services

This program covers building control, private swimming pool inspections, tourism and economic development.

Other Property and Services

This program includes public works overheads and the purchase and maintenance of engineering plant and equipment.

	2009 Actual \$	2008 Actual \$
2 Revenues and Expenses		
c Conditions over Contributions		
Grants recognised as revenues in a previous reporting period that were not expended at the close of that period (in the manner required as per the terms of the contribution)		
Governance		
ARA Project Grants	36,364	0
Education and Welfare		
Indigenous Assistance	0	10,000
Community Arts	7,586	0
Seniors	25,800	0
Community Amenities		
Environment Programs	20,311	0
Transport		
National Community Crime Prevention	100,000	0
	190,061	10,000
New grants recognised as revenues during the reporting period that had not yet been fully expended at period end (in the manner required as per the terms of the conditions)		
Governance		
ARA Project Grants	0	36,364
Education and Welfare		
Indigenous Assistance	71,100	0
Community Activities Place Planning	15,000	0
Community Arts	0	7,586
Seniors	14,100	25,800
Community Amenities		
Environment Programs	0	20,311
Recreation and Culture		
Playgrounds	275,500	0
Transport		
Transport Network	167,755	0
National Community Crime Prevention	0	100,000
	543,455	190,061
Grants recognised as revenues in a previous reporting period that were expended in the current reporting period (in the manner required as per the terms of the contribution)		
Governance		
ARA Project Grants	36,364	0
Education and Welfare		
Indigenous Assistance	0	10,000
Community Arts	7,586	0
Seniors	25,800	0
Community Amenities		
Environment Programs	20,311	0
Transport		
National Community Crime Prevention	100,000	0
	190,061	10,000
Closing Balance of Unspent Grants	543,455	190,061

	2009 Actual \$	2008 Actual \$
3 Cash and Cash Equivalents		
Unrestricted	10,299,660	11,393,106
Restricted	23,535,585	21,343,869
	33,835,245	32,736,975

The following restrictions have been imposed by regulations or other externally imposed requirements :

Reserves

Asset Renewal - Buildings	56,778	54,000
Asset Renewal - Parks	56,778	54,000
Asset Renewal - New Estates	40,331	0
Building Plant and Equipment	118,495	112,697
Crossover Contributions	419,669	492,334
Emergency Waste	168,142	233,532
Employee Provisions	3,621,521	3,625,902
Future Community Facilities	605,988	229,756
Future Project Funding	2,573,279	975,000
Future Recreation Facilities	165,162	157,081
Land Acquisition	350,075	296,050
Mobile Bin Program	1,498,971	1,114,398
North Forrestdale DCP 3	4,864,322	7,350,075
Plant and Machinery	2,454,701	2,107,919
Portable Long Service Leave	141,721	134,786
Revolving Energy	0	0
Strategic Asset Investments	990,958	0
Waste Management	4,043,341	3,535,247
Workers Compensation	400,827	277,841
Works Contributions	421,069	403,190
	22,992,130	21,153,808

Restricted Funds

Unspent Grants	543,455	190,061
	543,455	190,061

Total Reserves and Restricted Cash and Cash Equivalents

23,535,585	21,343,869
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	2009	2008
	Actual	Actual
	\$	\$
4 Investments		
Financial assets, at fair value, held in the form of an investment, as at 30 June	<u>0</u>	<u>0</u>
5 Trade and Other Receivables		
Current		
Accrued Revenue	324,974	527,523
Rates Debtors	712,030	434,938
ESL Debtors	26,310	22,822
Unclaimed Pensioner Rates Rebate	24,971	0
Unclaimed ESL Rates Rebate	541	0
Sundry Debtors	1,640,098	2,214,942
Provision for Doubtful Debts	(122,378)	(122,378)
	<u>2,606,546</u>	<u>3,077,847</u>
Non-Current		
Rates Debtors	571,899	549,108
ESL Debtors	26,964	22,927
Sundry Debtors	188,000	134,785
	<u>786,863</u>	<u>706,821</u>
6 Inventories		
Current		
Fuel and Materials	79,494	89,791
	<u>79,494</u>	<u>89,791</u>

	2009 Actual \$	2008 Actual \$
7 Property, Plant and Equipment		
Land - Cost	3,704,362	3,520,794
Buildings - Revaluation	22,469,500	20,202,747
Less Accumulated Depreciation	(2,202,330)	(1,620,532)
	23,971,532	22,103,009
Furniture and Equipment - Cost	2,487,132	2,350,921
Less Accumulated Depreciation	(2,102,273)	(2,079,761)
	384,860	271,160
Plant and Machinery - Cost	11,667,883	11,693,308
Less Accumulated Depreciation	(6,861,799)	(6,762,517)
	4,806,085	4,930,791
Total Property, Plant and Equipment	29,162,476	27,304,961

Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment during the reporting period is as below:

	Land \$	Buildings \$	Furniture and Equipment \$	Plant and Machinery \$	Total \$
Beginning Balance	3,520,794	18,582,215	271,160	4,930,791	27,304,961
Additions	341,565	2,266,753	136,211	1,866,692	4,611,221
Disposals	(157,997)	0	0	(600,871)	(758,868)
Revaluation Movements	0	0	0	0	0
Impairment Adjustments	0	0	0	0	0
Depreciation Expense	0	(581,798)	(22,511)	(1,390,528)	(1,994,838)
Carrying Amount	3,704,362	20,267,170	384,860	4,806,085	29,162,476

	2009 Actual \$	2008 Actual \$
8 Infrastructure		
Roads - Cost	152,740,914	141,401,099
Less Accumulated Depreciation	(26,088,758)	(23,260,736)
	126,652,156	118,140,363
Drainage - Cost	31,567,827	28,064,060
Less Accumulated Depreciation	(6,182,410)	(5,621,133)
	25,385,417	22,442,928
Pathways - Cost	8,087,190	7,569,144
Less Accumulated Depreciation	(2,951,927)	(2,573,462)
	5,135,263	4,995,683
Parks and Reserves - Cost	70,999,961	69,126,104
Less Accumulated Depreciation	(39,200,635)	(35,744,290)
	31,799,326	33,381,813
Total Infrastructure	188,972,163	178,960,787

Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure during the reporting period is as below:

	Roads	Drainage	Pathways	Parks and Reserves	Total
Particulars	\$	\$	\$	\$	\$
Beginning Balance	118,140,363	22,442,928	4,995,683	33,381,813	178,960,787
Additions	11,339,815	3,503,767	518,046	1,873,858	17,235,485
Disposals	0	0	0	0	0
Revaluation Movements	0	0	0	0	0
Impairment Adjustments	0	0	0	0	0
Depreciation Expense	(2,828,022)	(561,277)	(378,466)	(3,456,345)	(7,224,109)
Carrying Amount	126,652,156	25,385,417	5,135,263	31,799,326	188,972,163

	2009 Actual \$	2008 Actual \$
9 Trade and Other Payables		
Current		
Sundry Creditors	2,958,509	2,917,589
Payroll Deductions	0	91,724
Accrued Expenses	253,620	652,458
Revenue Liability	1,561,448	1,081,192
Sundry Deposits and Bonds	0	0
ESL Liability	9,116	4,635
Payroll Entitlements	17,933	7,720
	4,800,626	4,755,319
Non-Current		
Sundry Creditors	137,712	123,278
	137,712	123,278
10 Borrowings		
Current		
Secured by Floating Charge Debentures	271,235	234,088
	271,235	234,088
Non-Current		
Secured by Floating Charge Debentures	3,677,023	2,759,067
	3,677,023	2,759,067
Additional details on Borrowings are provided in Note 22.		
11 Provisions		
Current		
Provision for Annual Leave	2,037,511	1,845,187
Provision for Sick Leave	100,000	100,000
Provision for Long Service Leave	1,484,010	1,486,797
	3,621,521	3,431,984
Non-Current		
Provision for Long Service Leave	296,226	193,918
	296,226	193,918

	2009 Actual \$	2009 Budget \$	2008 Actual \$
12 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, the purpose for which the funds are set aside, and their respective balances, are shown below.			
Asset Renewal - Buildings			
<i>To be used to assist in funding capital works on buildings, thereby extending the useful life of such assets.</i>			
Opening Balance	54,000	54,000	0
Transfer to Reserve - Municipal Funds	0	0	50,000
Transfer to Reserve - Interest Earnings	2,778	4,300	4,000
Transfer from Reserve	0	0	0
	56,778	58,300	54,000
Asset Renewal - Parks			
<i>To be used to assist in funding capital works on parks, thereby extending the useful life of such assets.</i>			
Opening Balance	54,000	54,000	0
Transfer to Reserve - Municipal Funds	0	0	50,000
Transfer to Reserve - Interest Earnings	2,778	4,300	4,000
Transfer from Reserve	0	0	0
	56,778	58,300	54,000
Asset Renewal - New Estates			
<i>To be used to assist in the renewal of assets associated with new estates to be covered by a Specified Area Rate.</i>			
Opening Balance	0	0	0
Transfer to Reserve - Municipal Funds	39,204	39,200	0
Transfer to Reserve - Interest Earnings	1,127	0	0
Transfer from Reserve	0	0	0
	40,331	39,200	0
Building Plant and Equipment			
<i>To be used to assist in the maintenance and replacement of Plant and Equipment associated with Council's buildings.</i>			
Opening Balance	112,697	112,697	63,697
Transfer to Reserve - Municipal Funds	0	0	40,000
Transfer to Reserve - Interest Earnings	5,798	8,900	9,000
Transfer from Reserve	0	0	0
	118,495	121,597	112,697
Crossover Contributions			
<i>To be used to fund the construction of Crossovers utilising contributions from property owners as a condition of approved building licences received in advance of the crossover being constructed.</i>			
Opening Balance	492,334	492,334	0
Transfer to Reserve - Municipal Funds	0	0	492,334
Transfer to Reserve - Interest Earnings	25,331	38,500	0
Transfer from Reserve	(97,995)	0	0
	419,669	530,834	492,334

	2009 Actual \$	2009 Budget \$	2008 Actual \$
12 Reserves - Cash Backed (continued)			
Emergency Waste			
<i>To be used to assist with the costs associated with storm damage clean-up, collections and disposal.</i>			
Opening Balance	233,532	233,532	123,000
Transfer to Reserve - Municipal Funds	62,496	62,500	92,532
Transfer to Reserve - Interest Earnings	10,688	18,300	18,000
Transfer from Reserve	(138,574)	(104,300)	0
	168,142	210,032	233,532
Employee Provisions			
<i>To be used to cash-back the employees leave entitlements liability.</i>			
Opening Balance	3,625,902	3,625,902	0
Transfer to Reserve - Municipal Funds	0	0	3,410,902
Transfer to Reserve - Interest Earnings	186,554	283,600	215,000
Transfer from Reserve	(190,935)	0	0
	3,621,521	3,909,502	3,625,902
Future Community Facilities			
<i>To be used to assist in the construction of future Community Facilities.</i>			
Opening Balance	229,756	229,756	0
Transfer to Reserve - Municipal Funds	361,936	0	211,756
Transfer to Reserve - Interest Earnings	14,296	17,900	18,000
Transfer from Reserve	0	0	0
	605,988	247,656	229,756
Future Project Funding			
<i>To be used to assist in funding future projects.</i>			
Opening Balance	975,000	975,000	0
Transfer to Reserve - Municipal Funds	1,543,387	686,200	900,000
Transfer to Reserve - Interest Earnings	54,892	76,200	75,000
Transfer from Reserve	0	0	0
	2,573,279	1,737,400	975,000
Future Recreation Facilities			
<i>To be used to assist in the construction of future recreation facilities.</i>			
Opening Balance	157,081	157,081	105,081
Transfer to Reserve - Municipal Funds	0	0	40,000
Transfer to Reserve - Interest Earnings	8,082	12,300	12,000
Transfer from Reserve	0	0	0
	165,162	169,381	157,081
Land Acquisition			
<i>To be used to assist in future acquisitions of land.</i>			
Opening Balance	296,050	296,050	233,051
Transfer to Reserve - Municipal Funds	38,190	0	40,000
Transfer to Reserve - Interest Earnings	15,835	23,200	23,000
Transfer from Reserve	0	0	0
	350,075	319,250	296,050

	2009 Actual \$	2009 Budget \$	2008 Actual \$
12 Reserves - Cash Backed (continued)			
Mobile Bin Program			
<i>To be used to assist in the purchase and replacement of the City's Mobile Garbage Bins.</i>			
Opening Balance	1,114,398	1,114,398	702,850
Transfer to Reserve - Municipal Funds	318,096	318,100	328,548
Transfer to Reserve - Interest Earnings	66,477	87,200	83,000
Transfer from Reserve	0	0	0
	1,498,971	1,519,698	1,114,398
North Forrestdale DCP 3			
<i>To be used to fund common infrastructure works as identified in the Development Contribution Plan #3 and to be funded by contributions received from developers.</i>			
Opening Balance	7,350,075	7,350,075	0
Transfer to Reserve - Municipal Funds	161,316	0	7,259,223
Transfer to Reserve - Interest Earnings	234,736	575,000	172,706
Transfer from Reserve	(2,881,805)	0	(81,854)
	4,864,322	7,925,075	7,350,075
Plant and Machinery			
<i>To be used to assist in the purchase and replacement of Plant and Machinery.</i>			
Opening Balance	2,107,919	2,107,919	1,410,437
Transfer to Reserve - Municipal Funds	1,390,532	1,501,900	1,387,296
Transfer to Reserve - Interest Earnings	99,019	164,900	157,000
Transfer from Reserve	(1,142,769)	(1,756,400)	(846,814)
	2,454,701	2,018,319	2,107,919
Portable Long Service Leave			
<i>To be used to assist in financing Council's Portable Long Service Leave liability.</i>			
Opening Balance	134,786	134,786	77,526
Transfer to Reserve - Municipal Funds	0	0	54,624
Transfer to Reserve - Interest Earnings	6,935	10,500	8,500
Transfer from Reserve	0	0	(5,865)
	141,721	145,286	134,786
Strategic Asset Investments			
<i>To be used to fund the acquisition of strategic asset investments and to be funded from the proceeds (70% of net sale proceeds) of selling Freehold land parcels.</i>			
Opening Balance	0	0	0
Transfer to Reserve - Municipal Funds	963,997	964,000	0
Transfer to Reserve - Interest Earnings	26,962	0	0
Transfer from Reserve	0	0	0
	990,959	964,000	0

	2009 Actual \$	2009 Budget \$	2008 Actual \$
12 Reserves - Cash Backed (continued)			
Waste Management			
<i>To be used to assist in the management and future provisioning of Council's Waste Management Sites.</i>			
Opening Balance	3,535,247	3,535,247	2,826,796
Transfer to Reserve - Municipal Funds	417,214	417,200	446,581
Transfer to Reserve - Interest Earnings	193,879	276,500	261,870
Transfer from Reserve	(103,000)	0	0
	4,043,340	4,228,947	3,535,247
Workers Compensation			
<i>To be used to assist in covering Council's workers' compensation liability.</i>			
Opening Balance	277,841	277,841	216,841
Transfer to Reserve - Municipal Funds	107,000	0	40,000
Transfer to Reserve - Interest Earnings	15,985	21,700	21,000
Transfer from Reserve	0	0	0
	400,827	299,541	277,841
Works Contributions			
<i>To be used to fund works utilising contributions received from developers, generally pursuant to conditions of development approval.</i>			
Opening Balance	403,190	0	0
Transfer to Reserve - Municipal Funds	0	0	376,147
Transfer to Reserve - Interest Earnings	17,880	0	27,043
Transfer from Reserve	0	0	0
	421,069	0	403,190
Total Reserves			
Opening Balance	21,153,808	20,750,618	5,759,279
Transfer to Reserve - Municipal Funds	5,403,368	3,989,100	15,219,942
Transfer to Reserve - Interest Earnings	990,032	1,623,300	1,109,119
Transfer from Reserve	(4,555,078)	(1,860,700)	(934,532)
	22,992,130	24,502,318	21,153,808
13 Reserves - Asset Revaluation			
Opening Balance as at 1 July 2008	8,451,748	8,451,748	8,451,748
Revaluation Increment	0	0	0
Revaluation Decrement	0	0	0
Closing Balance as at 30 June 2009	8,451,748	8,451,748	8,451,748

	2009 Actual \$	2008 Actual \$
14 Notes to the Cash Flow Statement		
a Reconciliation of Cash		
For the purposes of the cash flow statement, 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 Balance Sheet as follows:		
Cash and Cash Equivalents	33,835,245	32,736,975
b Reconciliation of Net Cash Provided by Operating Activities to Net Result		
Net Result	11,258,917	13,264,953
Depreciation	9,218,947	8,876,540
(Profit) / Loss on Sale of Asset	(1,105,518)	(168,485)
(Increase) / Decrease in Receivables	391,259	(830,643)
(Increase) / Decrease in Inventories	10,297	7,567
Increase / (Decrease) in Payables	59,741	(2,713,999)
Increase / (Decrease) in Employee Provisions	291,845	403,605
Grants and Contributions for Asset Development	(4,286,014)	(8,384,033)
Net Cash from Operating Activities	15,839,474	10,455,505
c Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank Overdraft Limit	100,000	100,000
Bank Overdraft at Balance Date	0	0
Credit Card Limit	6,000	6,000
Credit Card at Balance Date	0	0
Total Amount of Credit Unused	106,000	106,000
Loan Facilities		
Loan Facilities - Current	271,235	234,088
Loan Facilities - Non-Current	3,677,023	2,759,067
Total Facilities in Use at Balance Date	3,948,258	2,993,156
Unused Loan Facilities at Balance Date	0	0
15 Contingent Liabilities		
Council had no contingent liabilities for the periods reported.		
16 Capital and Leasing Commitments		
Council had no Capital or Finance Leasing Commitments for the periods reported.		
17 Joint Venture		
Council had no Joint Venture arrangements with other organisations for the periods reported.		

	Balance 1 July 2008 \$	Account Movement \$	Balance 30 June 2009 \$
18 Trust Funds			
Funds held at balance date over which Council has no control, and that are not included in the financial statements, are as follows:			
Cash in Lieu - POS - A14 Plan	1,236,786	496,369	1,733,155
Cash in Lieu - POS - Agreements	70,477	3,807	74,284
Cash in Lieu - POS - Heron	153,164	(40,158)	113,006
Cash in Lieu - POS - Jarrah	213,211	11,517	224,728
Cash in Lieu - POS - Lake	0	442,398	442,398
Cash in Lieu - POS - Minnowarra	9,324	(2,171)	7,153
Cash in Lieu - POS - Neerigen	77,046	134,717	211,763
Cash in Lieu - POS - River	19,852	(16,870)	2,982
Cash in Lieu - POS - Strategy North	76,057	4,108	80,165
Cash in Lieu of Footpaths	0	70,931	70,931
Contractors Deposits	4,041,812	187,179	4,228,991
Engineering Deposits	66,180	0	66,180
General Contributions	23,064	0	23,064
General Deposits	674,882	(511,640)	163,242
Hall and Key Deposits	55,562	4,446	60,008
Kerb Deposits	862,835	92,939	955,774
Library Deposits	936	(936)	0
Other Deposits	15,389	(1,604)	13,785
POS - Precinct A - Westfield	0	21,812	21,812
POS - Precinct B - Seville Grove	46,155	2,493	48,648
POS - Precinct C - West Armadale	30,485	1,647	32,131
POS - Precinct D - South Armadale	0	405,880	405,880
POS - Precinct G - Creyk	635,717	(513,511)	122,206
POS - Precinct I - Roleystone	0	316,596	316,596
POS - Precinct M - Palomino	0	85,907	85,907
POS - Regional Recreation Infrastructure	3,354	466,820	470,174
Rates in Suspense	28,879	3,875	32,754
SEMACC Lease Liability	10,525	0	10,525
Town Planning Bonds	51,362	0	51,362
Works Contributions	0	33,924	33,924
	8,403,055	1,700,477	10,103,532

	2009 Actual \$	2008 Actual \$
19 Total Assets Classified by Function and Activity		
General Purpose Funding	13,132,619	12,612,963
Governance	8,997,386	8,677,175
Law, Order and Public Safety	325,039	273,873
Health	5,135	6,127
Education and Welfare	605,988	229,756
Community Amenities	11,940,268	14,156,860
Recreation and Culture	52,504,111	52,342,016
Transport	160,670,895	147,539,701
Economic Services	561	0
Other Property and Services	7,260,786	7,038,710
	255,442,787	242,877,181

	Net Book Value		Actual \$	Sale Price Budget \$	Actual \$	Profit / (Loss)	
	Actual \$	Budget \$				Budget \$	Budget \$
20 Disposal of Assets							
Land - Various	157,997	5,446,000	1,140,463	5,446,000	982,466	0	
4 x 4 Utility - 85295	13,810	17,000	15,017	18,800	1,207	1,800	
Backhoe - 85275	0	6,300	0	52,200	0	45,900	
Executive Vehicle - 85250	32,756	31,100	28,744	31,300	(4,012)	200	
Executive Vehicle - 85251	29,044	25,900	23,971	27,100	(5,073)	1,200	
Executive Vehicle - 85255	27,677	27,200	24,783	27,100	(2,894)	(100)	
Executive Vehicle - 85261	27,482	27,200	16,471	29,200	(11,011)	2,000	
Executive Vehicle - 85265	28,420	27,700	18,744	25,000	(9,676)	(2,700)	
Grader - 85273	0	48,700	47,829	88,700	47,829	40,000	
Loader - 85345	0	12,200	58,472	52,200	58,472	40,000	
Minor Plant	7,393	600	6,096	11,000	(1,297)	10,400	
Multi-Tyred Roller - 85337	0	26,500	25,403	36,500	25,403	10,000	
Multi-Tyred Roller - 85338	0	10,900	29,893	20,900	29,893	10,000	
Outfront Mower - 85316	15,341	4,300	8,273	8,300	(7,068)	4,000	
Park Mower - 85351	2,152	600	2,000	1,600	(152)	1,000	
Park Mower - 85352	0	600	0	1,600	0	1,000	
Rotary Mower - 85350	5,087	4,300	8,000	8,300	2,913	4,000	
Sedan - 85253	22,470	21,400	19,653	22,900	(2,817)	1,500	
Sedan - 85257	21,577	21,400	17,923	22,900	(3,654)	1,500	
Sedan - 85263	10,515	10,100	12,024	15,000	1,509	4,900	
Sedan - 85266	10,060	0	10,653	0	593	0	
Sedan - 85268	10,582	14,700	12,562	18,000	1,980	3,300	
Sedan - 85290	12,132	15,300	12,835	18,800	703	3,500	
Sedan - 85291	15,185	17,700	16,017	20,900	832	3,200	
Sedan - 85293	10,475	11,900	10,562	18,800	87	6,900	
Sedan - 85298	11,077	15,300	12,108	18,800	1,031	3,500	
Sedan - 85301	15,474	16,400	9,017	18,800	(6,457)	2,400	
Sedan - 85303	15,901	16,400	13,744	18,800	(2,157)	2,400	
Sedan - 85306	16,078	14,700	15,653	17,700	(425)	3,000	
Sedan - 85309	19,499	19,800	15,744	25,000	(3,755)	5,200	
Tractor - 85354	0	45,900	16,000	31,300	16,000	(14,600)	
Truck - 85357	0	66,200	0	52,200	0	(14,000)	
Truck - 85367	0	11,300	19,504	31,300	19,504	20,000	
Truck - 85369	0	19,300	0	52,200	0	32,900	
Truck - 85372	0	21,400	0	26,100	0	4,700	
Utility - 85254	12,380	16,300	13,744	19,000	1,364	2,700	
Utility - 85270	6,603	8,100	9,017	15,000	2,414	6,900	
Utility - 85287	17,920	20,900	19,653	20,900	1,733	0	
Utility - 85289	16,532	19,900	18,198	20,900	1,666	1,000	
Utility - 85310	16,951	14,900	15,017	20,900	(1,934)	6,000	
Utility - 85328	15,522	14,900	11,926	20,900	(3,596)	6,000	

	Net Book Value		Actual \$	Sale Price Budget \$	Profit / (Loss)	
	Actual \$	Budget \$			Actual \$	Budget \$
Utility - 85335	18,760	19,900	20,653	20,900	1,893	1,000
Utility - 85383	18,337	6,500	10,562	12,500	(7,775)	6,000
Utility - 85384	18,731	6,500	14,562	12,500	(4,169)	6,000
Utility - 85385	13,658	6,500	10,562	12,500	(3,096)	6,000
Utility - 85392	13,197	9,800	5,108	12,500	(8,089)	2,700
Van - 85386	9,082	10,400	13,182	20,900	4,100	10,500
Van - 85387	9,096	8,800	14,091	20,900	4,995	12,100
Wagon - 85292	13,878	14,400	7,953	16,700	(5,925)	2,300
Zero Turn Mower - 85317	9,758	1,400	6,000	3,100	(3,758)	1,700
Zero Turn Mower - 85348	10,279	1,500	6,000	3,100	(4,279)	1,600
Total	758,868	6,257,000	1,864,386	6,568,500	1,105,518	311,500

	2009	2008	2007	2006
21 Financial Ratios				
Current Ratio	2.56	2.92	4.07	3.00
Untied Cash to Trade Creditors Ratio	3.48	3.90	6.13	2.79
Debt Ratio	0.05	0.05	0.06	0.05
Debt Service Ratio	0.01	0.02	0.01	0.01
Gross Debt to Revenue Ratio	0.08	0.06	0.06	0.05
Gross Debt to Realisable Assets Ratio	0.06	0.05	0.04	0.04
Rates Coverage Ratio	0.55	0.44	0.53	0.54
Outstanding Rates Ratio	0.03	0.02	0.02	0.02

The above ratios are calculated as follows:

Current Ratio	=	$\frac{\text{Current Assets Minus Restricted Current Assets}}{\text{Current Liabilities Minus Liabilities From Restricted Assets}}$
Untied Cash to Trade Creditors Ratio	=	$\frac{\text{Untied Cash}}{\text{Unpaid Trade Creditors}}$
Debt Ratio	=	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Debt Service Ratio	=	$\frac{\text{Debt Service Cost (Principal and Interest Costs)}}{\text{Available Operating Revenue}}$
Gross Debt to Revenue Ratio	=	$\frac{\text{Gross Debt}}{\text{Total Revenue}}$
Gross Debt to Realisable Assets Ratio	=	$\frac{\text{Gross Debt}}{\text{Economically Realisable Assets}}$
Rate Coverage Ratio	=	$\frac{\text{Net Rate Revenue}}{\text{Operating Revenue}}$
Outstanding Rates Ratio (excluding Pensioner Deferments)	=	$\frac{\text{Rates Outstanding}}{\text{Rates Collectable}}$

	Principal 1 July \$	New Loans \$	Principal Repayments \$	Principal 30 June \$	Interest Repayments \$
22 Information on Borrowings					
a Repayment - Debentures (Budget)					
Particulars					
Governance					
285 Temporary Administration 2005	367,081	0	44,000	323,081	20,400
288 Loan Borrowings 2007	483,451	0	40,300	443,151	32,800
292 Loan Borrowings 2008	539,235	0	18,800	520,435	45,400
295 Old Library Conversion 2009	0	700,000	0	700,000	0
296 Loan Borrowings 2009	0	539,200	0	539,200	0
Recreation and Culture					
281 Golf Course Plan 2005	69,598	0	26,700	42,898	3,600
284 Rushton Park 2006	270,651	0	27,000	243,651	16,400
286 Kelmscott Library 2005	75,687	0	9,100	66,587	4,200
291 Aquatic Works 2008	500,000	0	10,100	489,900	42,300
294 Armadale Library Relocation 2009	0	1,100,000	0	1,100,000	0
Transport					
287 Civil Works 2006	278,379	0	23,200	255,179	18,900
289 Civil Works 2007	193,380	0	16,100	177,280	13,100
290 ARA Projects 2008	215,694	0	14,400	201,294	18,000
293 Abbey Road Link Project 2008	0	650,000	0	650,000	69,300
	2,993,156	2,989,200	229,700	5,752,656	284,400
b Repayment - Debentures (Actual)					
Particulars					
Governance					
285 Temporary Administration 2005	367,081	0	43,970	323,111	20,229
288 Loan Borrowings 2007	483,451	0	40,295	443,156	32,762
292 Loan Borrowings 2008	539,235	0	20,769	518,466	38,934
295 Old Library Conversion 2009	0	0	0	0	0
296 Loan Borrowings 2009	0	539,200	0	539,200	100
Recreation and Culture					
281 Golf Course Plan 2005	69,598	0	26,662	42,936	3,339
284 Rushton Park 2006	270,651	0	27,036	243,615	16,407
286 Kelmscott Library 2005	75,687	0	9,066	66,621	4,171
291 Aquatic Works 2008	500,000	0	11,684	488,316	36,089
294 Armadale Library Relocation 2009	0	0	0	0	0
Transport					
287 Civil Works 2006	278,379	0	23,203	255,176	18,865
289 Civil Works 2007	193,380	0	16,118	177,262	13,105
290 ARA Projects 2008	215,694	0	15,295	200,399	15,468
293 Abbey Road Link Project 2008	0	650,000	0	650,000	111
	2,993,156	1,189,200	234,098	3,948,258	199,580

	Amount Borrowed		Amount Used		Balance Unspent
	Actual	Budget	Actual	Budget	
	\$	\$	\$	\$	\$
22 Information on Borrowings (continued)					
c New Debentures					
Particulars					
Governance					
295 Old Library Conversion 2009	0	700,000	0	700,000	0
296 Loan Borrowings 2009	539,200	539,200	539,200	539,200	0
Recreation and Culture					
294 Armadale Library Relocation 2009	0	1,100,000	0	1,100,000	0
Transport					
293 Abbey Road Link Project 2008	650,000	650,000	650,000	650,000	0
	1,189,200	2,989,200	1,189,200	2,989,200	0

Particulars	Institution	Loan Type	Term (Years)	Total Costs	Interest Rate
Governance					
296 Loan Borrowings 2009	WATC	Debenture	15	332,525	6.77%
Transport					
293 Abbey Road Link Project 2008	WATC	Debenture	5	206,050	6.24%
				538,575	

d Unspent Debentures

Council had no unspent debentures at 30 June 2009.

e Overdraft Facilities

Council did not utilise an overdraft during the 2008 - 2009 financial year, although a \$100,000 facility has been established with Council's bankers to assist with short-term liquidity requirements. A further provision to this facility is the permitted temporary increase to \$1,500,000 during the months of July through September if required. Council did not need to utilise these facilities and the balance of any bank overdraft facilities at 1 July 2008 and 30 June 2009 was \$nil.

	Rate in \$ / Minimum Charge	Property Numbers #	Rateable Value \$	Rate Revenue \$	Interim and Back Rates \$	Total Revenue \$
23 Rating Information						
a Rating Information (Budget)						
Rate Type						
General Rate						
Gross Rental Value	0.09363	17,243	230,917,600	21,620,815	650,960	22,271,775
Unimproved Value	0.00262	168	239,664,000	627,440	0	627,440
Sub-Total		17,411	470,581,600	22,248,255	650,960	22,899,215
Minimum Rate						
Gross Rental Value	\$735	5,726	40,376,572	4,208,610	0	4,208,610
Unimproved Value	\$883	25	6,280,433	22,075	0	22,075
Sub-Total		5,751	46,657,005	4,230,685	0	4,230,685
Total		23,162	517,238,605	26,478,940	650,960	27,129,900
Rate Equivalent Payments and Adjustments						0
Specified Area Rates						209,000
Total						27,338,900
b Rating Information (Actual)						
Rate Type						
General Rate						
Gross Rental Value	0.09363	17,640	236,849,938	22,176,257	552,019	22,728,276
Unimproved Value	0.00262	183	239,664,000	627,440	1,749	629,189
Sub-Total		17,823	476,513,938	22,803,697	553,768	23,357,465
Minimum Rate						
Gross Rental Value	\$735	5,797	40,793,368	4,260,795	109,132	4,369,927
Unimproved Value	\$883	25	6,280,433	22,075	15,190	37,265
Sub-Total		5,822	47,073,801	4,282,870	124,322	4,407,192
Total		23,645	523,587,739	27,086,567	678,090	27,764,657
Rate Equivalent Payments and Adjustments						12,043
Specified Area Rates						220,428
Total						27,997,128

	Rate in \$	Property Numbers #	Rateable Value \$	Rate Revenue \$	Interim and Back Rates \$	Total Revenue \$
24 Specified Area Rates						
a Specified Area Rates (Budget)						
Rate Type						
Specified Area Rate - GRV						
A - Armadale CBD	0.00477	90	19,232,795	91,800	0	91,800
B - Kelmscott CBD	0.01282	63	4,774,751	61,200	0	61,200
C - Kelmscott Industry	0.00262	324	5,849,835	15,300	0	15,300
D - S A'dale Industry	0.00743	119	2,354,288	17,500	0	17,500
E - Shopping Precincts	0.00997	13	2,326,426	23,200	0	23,200
Total		609	34,538,095	209,000	0	209,000
b Specified Area Rates (Actual)						
Rate Type						
Specified Area Rate - GRV						
A - Armadale CBD	0.00477	90	19,273,699	91,936	7,943	99,879
B - Kelmscott CBD	0.01282	63	4,774,751	61,212	433	61,645
C - Kelmscott Industry	0.00262	325	5,915,027	15,497	194	15,691
D - S A'dale Industry	0.00743	119	2,534,288	18,830	1,189	20,019
E - Shopping Precincts	0.00997	13	2,326,426	23,194	0	23,194
Total		610	34,824,191	210,669	9,759	220,428

In the 2008 - 2009 financial year Council imposed 5 separate Specified Area Rates, whose purpose was to enhance the amenity of selected Townscapes by way of increased and improved service levels. The service - referred to as the Townscape Amenity Service - provided and funded by the Specified Area Rate, entailed increased and improved levels of street bin emptying, litter pick-ups, road and path sweeping, water blasting of pathways, garden maintenance, general maintenance (street furniture, signs, graffiti removal, bin cleaning etc) and weed control spraying.

The proceeds of the rates are applied in full to the provision of the service and, as such, no transfer to, or from, Reserve Accounts has occurred.

25 Service Charges

No service charges were imposed for the 2008 - 2009 financial year. As such, no transfer to, or from, Reserve Accounts has occurred.

26 Discounts, Incentives, Concessions and Write-Offs

Discounts

No discounts were offered in the 2008 - 2009 financial year.

Incentives

Four rate payment incentives were offered in the 2008 - 2009 financial year. The first was three prizes of \$1,000 provided by the City of Armadale. The second was one prize of \$1,000 provided by Australia Post. The third was one prize of \$1,000 provided by Westpac. The fourth was four prizes of \$500 to those ratepayers currently using, or opting to use, Council's 'Smarter Way to Pay' direct debit payment method. Conditions relating to timing of the payment of rates and entry conditions applied to these incentives.

Concessions

No concessions were offered in the 2008 - 2009 financial year.

Write-Offs

The following write-offs were made during the 2008 - 2009 financial year:

Rates	67,727
General	7,706
Infringements	34,801
	<u>110,234</u>

27 Interest Charges and Instalments

Particulars	Interest Rate %	Admin Charge \$	Actual Revenue \$	Budgeted Revenue \$
Interest on late paid rates	11	-	114,887	67,200
Interest on instalment plans	5.5	-	116,814	95,800
Interest on Emergency Services Levy (ESL)	11	-	1,419	0
Charges on instalment plans (per payment)	-	7.80	135,408	116,200
Charges on special arrangements	-	37	20,021	7,400
			<u>388,550</u>	<u>286,600</u>

Administration charges and interest applied to the two and four equal instalment options offered by Council with the charges and interest applied for all but the first instalment.

	2009 Actual \$	2008 Actual \$
28 Fees and Charges		
General Purpose Funding	338,616	306,679
Governance	4,049	6,424
Law, Order and Public Safety	437,564	352,384
Health	78,393	104,819
Education and Welfare	4,381	4,246
Community Amenities	6,057,178	5,648,764
Recreation and Culture	850,922	576,855
Transport	598,068	351,108
Economic Services	1,060,645	1,103,184
Other Property and Services	255,301	112,071
	9,685,116	8,566,535
29 Grant, Subsidies and Contributions Revenue		
By Nature or Type		
Operating Grants, Subsidies and Contributions	8,472,618	9,375,083
Non-Operating Grants, Subsidies and Contributions	4,286,014	8,384,033
	12,758,632	17,759,116
By Program		
General Purpose Funding	2,896,822	2,143,514
Governance	2,171	48,247
Law, Order and Public Safety	151,816	132,274
Health	2,936	16,510
Education and Welfare	299,777	109,729
Community Amenities	5,159,039	7,447,747
Recreation and Culture	928,916	291,958
Transport	3,312,767	7,564,498
Economic Services	4,388	4,637
Other Property and Services	0	0
	12,758,632	17,759,116
30 Employee Numbers		
Number of Full-Time Equivalent Employees at Balance Date	259	250

	2009 Actual \$	2009 Budget \$	2008 Actual \$
31 Councillors' Fees and Allowances			
The following fees, expenses and allowances were paid to Council Members and / or the Mayor:			
Members Allowance	105,000	105,000	105,000
Mayoral Allowance	55,617	55,200	43,280
Deputy Mayoral Allowance	13,810	13,800	10,820
Telecommunications Allowance	25,270	25,300	24,220
Travelling Allowance	12,584	12,000	10,573
Communication Reimbursement	10,156	12,600	9,774
Child Minding Reimbursement	0	3,200	0
Information Technology Allowance	14,000	14,000	14,000
	236,437	241,100	217,667

32 Employees Remuneration

Set out below, in bands of \$10,000, is the number of employees of the City of Armadale entitled to an annual salary of \$100,000 or more.

	2009	2008	2007	2006
100,000 - 109,999	4	0	2	2
110,000 - 119,999	1	1	2	2
120,000 - 129,999	2	3	0	0
130,000 - 139,999	2	0	0	0
140,000 - 149,999	0	0	0	0
150,000 - 159,999	0	0	0	1
160,000 - 169,999	1	1	1	0
170,000 - 179,999	0	0	0	0
	10	5	5	5

33 Major Land Transactions

No Major Land Transactions occurred in the 2008 - 2009 financial year.

34 Financial Risk Management

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

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk. Financial risk management is carried out under policies approved by Council. Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2009 \$	2008 \$	2009 \$	2008 \$
Financial Assets				
Cash and cash equivalents	33,835,245	32,736,975	33,835,245	32,736,975
Receivables	3,393,409	3,784,668	3,393,409	3,784,668
	37,228,654	36,521,643	37,228,654	36,521,643
Financial Liabilities				
Payables	4,800,626	4,755,319	4,800,626	4,755,319
Borrowings	3,948,258	2,993,156	2,815,443	2,122,519
	8,748,884	7,748,475	7,616,069	6,877,838

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables - estimated to the carrying value, which approximates net market value
- Borrowings - estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles

a Cash and cash equivalents, financial assets at fair value through profit and loss, available-for-sale financial assets, and held-to-maturity investments

Council's objective is to maximise the return on cash and investments, whilst maintaining an adequate level of liquidity and preserving capital. Council does, at times, seek the assistance of independent advisers. Council has an investment policy and the policy is subject to review. An Investment Report is provided to Council monthly and sets out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns. Council's weighted average interest rate on cash and cash deposits was 4.47% (2007 / 2008 - 7.74%).

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

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Notation	30 June 2009 \$	30 June 2008 \$
Impact of a 1% movement in interest rates on Cash and Investments		
Equity	338,352	327,370
Income statement	338,352	327,370

34 Financial Risk Management (continued)

b Receivables

Council's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk - the risk that the debts may not be repaid. Council 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 Council to recover these debts as a secured charge over the land - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

Council makes suitable provision for doubtful receivables, as required, and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Council's credit risk at balance date was:

	30 June 2009	30 June 2008
	\$	\$
Value of Rates and Annual Charges		
Current	712,030	434,938
Overdue - Older than 12 months	571,899	549,108
	1,283,929	984,046
Percentage of Rates and Annual Charges		
Current	55%	44%
Overdue - Older than 12 months	45%	56%
Value of Other Receivables		
Current	1,901,981	2,649,986
Overdue - Older than 30 days	207,499	150,636
	2,109,480	2,800,622
Percentage of Other Receivables		
Current	90%	95%
Overdue - Older than 30 days	10%	5%

34 Financial Risk Management (continued)

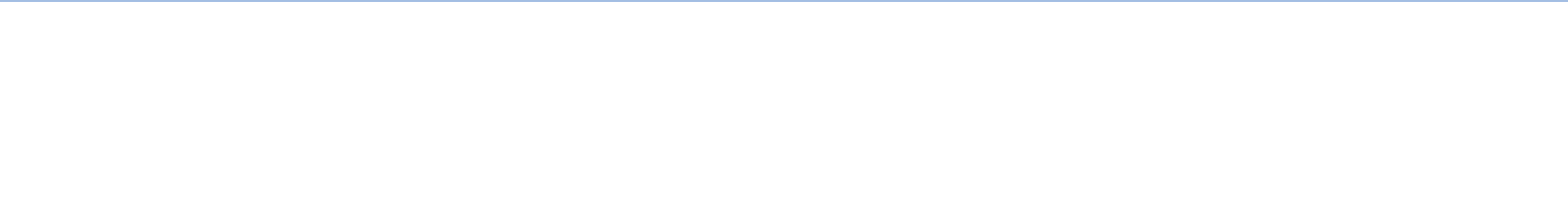
c Payables and borrowings

Payables and borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. Council 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. The contractual undiscounted cash flows of Council's payables and borrowings are set out in the Liquidity Sensitivity table below:

	Due Within 1 Year \$	Due Between 1 and 5 Years \$	Due After 5 Years \$	Total Contractual Cash Flows \$	Carrying Values \$
2009					
Payables	4,800,626	0	0	4,800,626	4,800,626
Borrowings	491,848	1,770,918	1,754,635	4,017,401	3,948,258
	5,292,474	1,770,918	1,754,635	8,818,027	8,748,884
2008					
Payables	4,755,319	0	0	4,755,319	4,755,319
Borrowings	434,056	2,002,650	1,753,321	4,190,027	2,993,156
	5,189,375	2,002,650	1,753,321	8,945,346	7,748,475

Borrowings are also subject to interest rate risk - the risk that interest rates could adversely affect funding costs. Council 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 following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	Weighted Average Rate %	Less Than 1 Year \$	Between 1 and 5 Years \$	More Than 5 Years \$	Total \$
Year ended 30 June 2009					
Borrowings					
Fixed Rate					
Debentures	6.73	271,245	2,414,323	1,262,690	3,948,258
Year ended 30 June 2008					
Borrowings					
Fixed Rate					
Debentures	6.81	234,098	1,518,885	1,240,173	2,993,156



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