



2011 | 2012

ANNUAL REPORT



City of
Wanneroo



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MAYOR'S MESSAGE

This Annual Report provides an opportunity to reflect on the City of Wanneroo's achievements over the past financial year.

As Mayor, I am proud to be part of a dedicated team of Councillors and City staff. We are committed to achieving excellence as we strive to meet the diverse needs of our vibrant community.

Our City is growing faster than any other town or city in Western Australia, and we welcome 8000 plus new residents each year. This growth brings both challenges and opportunities.

As this Report shows, a firm financial basis combined with a willingness to build partnerships with Local, State and Federal Governments, has ensured many much needed projects have been successfully undertaken.

These projects have delivered roads, playgrounds, playing fields and a range of environmental initiatives.

It hasn't all been about building however, with a strong focus placed on meeting the needs of all residents in order to develop a connected, strong and happy community.

The Healthy Communities program, which began in 2010 and is co-funded by the Department of Health and Ageing, expanded its physical activity sessions and healthy eating workshops.

A boost to the budget for the Community Programs and Youth Facilities allowed the City to improve services for young people with the expansion of community centre programs and the youth outreach service.

Programs and facilities to suit families and seniors have also been a priority, as has community safety with additional CCTV cameras installed in the Wanneroo Townsite and at Clarkson, Girrawheen and Marangaroo.

However, none of the achievements outlined in this Report would have been possible without the support of our dedicated Councillors, our hard working City staff led by CEO Daniel Simms, and our many volunteers.

I sincerely thank all of you for your efforts and look forward with confidence and enthusiasm to the year ahead.

Mayor Tracey Roberts JP



CEO'S MESSAGE

Welcome to the Annual Report for the City of Wanneroo 2011/12.

Our Annual Report demonstrates the success of the City's commitment to be the centre for creative and sustainable growth, delivering strong, vibrant and connected communities. In achieving this vision the City has been active in providing a wide range of quality services and facilities to its rapidly growing communities.

The City of Wanneroo is set to become WA's largest local government by 2021 when the current population of appropriately 160,000 is projected to increase to around 240,000. To put our growth into context during this financial year nearly 2,000 new lots were created (titled), equating to 40 rubbish bins being provided to new homes every week and nearly 500 metres of new roads being added to the City every week.

With the significant long-term growth within the Northern Coastal Growth Corridor, the City released for public comment both the Northern Coastal Growth Corridor Community Facilities Plan and the Development Contributions Scheme. These two strategic documents outline the extent of community facilities required in the areas of Alkimos, Eglinton, Yanchepp and Two Rocks and provides the basis for which the City will work with landowners in regard to developer contributions towards community infrastructure. I would like to acknowledge and extend my appreciation to the development industry for their support in this area and look forward to final adoption of these important documents during the 2012/13 financial year.

The City continues to attract significant investment with approximately \$342 million of combined development value of determined development applications in 2011/12.

A significant commitment was made to improving road safety with the following key investments being made in the City's road network:

- Pinjar Road \$3.535 million
- Joondalup Drive \$2.51 million
- Ocean Reef Road \$7.892 million
- Hepburn Avenue \$3.873 million

Council is committed to making our community a better place for all to live by developing inclusive communities. In support of this Council revised its Disability Access and Inclusion Plan 2012-15, which outlines how Council is encouraging the participation of all community members through practical strategies designed to address barriers that people with disabilities experience when they access our City's services and programs.

The City's first Reconciliation Action Plan (2012-2014) was endorsed by Council in May. The plan details how the City, working alongside our community, can build better and lasting relationship and create opportunities for its Aboriginal and Torres Strait Islander community members.

The City in its submission to the Metropolitan Local Government Reform Panel, highlighted the challenges and opportunities that the City of Wanneroo is meeting on behalf of its community. It confirmed that Council strongly believes that the City of Wanneroo should remain as a large single local government to at least 2031. In addition, Council highlighted that the development of a shared vision for all tiers of Government to work together to enhance the liveability and economic well-being of the City of Wanneroo is critical when considering the important role that the City of Wanneroo plays in the growth of the Perth Metropolitan area.

I would like to express my appreciation and acknowledge the support of our Mayor and Councillors during the year. The commitment of the City's Mayor and Councillors in representing the community and addressing a range of significant and strategic issues to ensure the City continues to meet its strategic objectives has been reflected in the achievements that the City has made this year.

I would also like to express my gratitude to the staff of the City of Wanneroo. I am very proud of the contribution that our team make to the Wanneroo community and the dedication and passion that they invest in making a positive and lasting difference for our community.

Daniel Simms, Chief Executive Officer

YOUR COUNCIL

The City of Wanneroo consists of four Wards: Central, Coastal, North and South, extending from Koondoola and Girrawheen in the south and Yanchep to Two Rocks in the north.



**MAYOR
TRACEY ROBERTS JP**

NORTH WARD

Alkimos, Banksia Grove, Carabooda, Carramar, Eglinton, Neerabup, Nowergup, Pinjar, Two Rocks and Yanchep



**CR NORM
HEWER**



**DEPUTY
MAYOR
LAURA
GRAY JP**

NORTH

COASTAL WARD

Butler, Clarkson, Jindalee, Merriwa, Mindarie, Ridgewood, Tamala Park and Quinns Rocks



**CR RUSSELL
DRIVER**



**CR IAN
GOODENOUGH
JP**



**CR RUDI
STEFFENS**



**CR BOB
SMITHSON**

COASTAL

CENTRAL WARD

Ashby, Gnangara, Hocking, Jandabup, Mariginiup, Pearsall, Sinagra, Tapping, Wangara, Wanneroo and Woodvale



**CR DIANNE
GUISE**



**CR DOT
NEWTON JP**



**CR FRANK
CVITAN JP**

CENTRAL

SOUTH WARD

Alexander Heights, Darch, Girrawheen, Koondoola, Landsdale, Madeley and Marangaroo



**CR BRETT
TREBY**



**CR DENIS
HAYDEN**



**CR
NGUYET-ANH
TRUONG**



**CR STUART
MACKENZIE**

SOUTH

Daniel Simms - Chief Executive Officer

City of Wanneroo Executive Management Team

Fiona Bentley - Director Community Development

Dennis Blair - Director Infrastructure

Karen Caple - Director City Businesses

Len Kosova - Director Planning and Sustainability

John Paton - Director Corporate Strategy and Performance



WANNEROO PROFILE

First recognised as a Roads District in 1902, the Wanneroo District held the first elections and Road Board Meeting in January 1903.

The City of Wanneroo is located 22 kilometres north of Perth and covers a land area of approximately 686 square kilometres. The City features large tracts of untouched bushland, State forest, wetlands, market gardens, industrial, commercial and residential estates and boasts 32 kilometres of coastline.

Economic activity is strong, with the City hosting a diverse mix of industries including agriculture, retail, construction, education, healthcare and a range of professional industries.

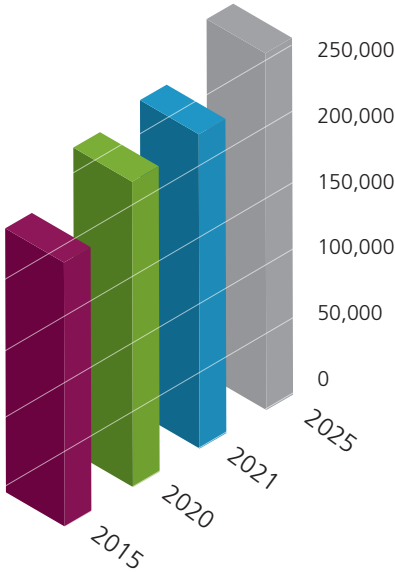
KEY FACTS

PEOPLE

The City of Wanneroo in 1999 had a population of 73,000 people and has rapidly grown to over 160,000 residents. Each year, about 8,000 new residents move into the City.

PROJECTED POPULATION

Estimated population at 2015	190,392
Estimated population at 2020	230,671
Estimated population at 2021	237,850
Estimated population at 2025	265,480
Average annual population growth rate between 2010 & 2021	4.32 per cent per annum
Percentage change from 2010 to 2021	63 per cent



SOURCE: 2010 – ID FORECAST



WANNEROO CONTINUES TO BE THE LARGEST GROWING LOCAL GOVERNMENT IN WESTERN AUSTRALIA AND ONE OF THE FASTEST GROWING ACROSS THE NATION.



THE WAY AHEAD

In 2011/2012, the City of Wanneroo continued to set strong foundations for the massive growth ahead with the current 10 Year Financial Plan.

The City's anticipated expenditure over this period has factored in the real need for services and infrastructure in the City's North and Coastal growth corridors while recognising the need for new and renewed facilities and services in the City's longer established Central and South zones.

10 YEAR FINANCIAL PLAN - MAJOR PROJECTS

Project	Amount\$
Kingsway Regional Sporting Complex	4,600,000
Kingsway Shopfront Library	4,600,000
Lenore Road	6,850,000
Franklin Road	6,250,000
Yanchep SLSC	4,841,500
Pearsall Hocking Community Centre	2,637,000
Purchase/Replace Vehicles & Plant	\$3-5 million per annum
Yanchep district open space	2,640,000
Yanchep district playing fields	2,400,000
Quinns Mindarie SLSC	1,650,000
Pinjar Road	1,200,000
Marmion Avenue - various works	7,001,000
Hepburn Avenue	4,376,127
Gnangara Road	7,200,000
Girrawheen Library	2,126,000
Connolly Drive	3,126,000
Butler North District Open Space	8,660,000
Banksia Grove District Centre	2,000,000



STATUTORY REPORTS

MAJOR LAND TRANSACTIONS

BUSINESS PLAN AND SALE OF LOT 12 (2) FOWEY LOOP, MINDARIE

Council at its Ordinary meeting on 11 October 2011 (CR04-10/11), adopted a Business Plan for the disposal of Lot 12 (2) Fowey Loop, Mindarie. Furthermore, at its Ordinary meeting of 26 June 2012 (CR02-06/12) Council approved the sale of Lot 12 (2) Fowey Loop, Mindarie for a sum of \$1,850,000 (GST free) with settlement expected to take place in 2012/2013.

SALE OF PORTION OF 30 DUNDEBAR ROAD, WANNEROO

At its Ordinary meeting on 3 May 2011 (CS07- 05/11 refers) Council adopted a Business Plan for the subdivision of Lot 506 (3) Rocca Way, Wanneroo, with the undeveloped subdivided portion to be sold to Edith Cowan University for the establishment of a GP Super Clinic. Following subdivision Council at its Ordinary meeting on 13 December 2011 (CR09-12/11) agreed to the sale to Edith Cowan University of the undeveloped subdivided portion, being 30 Dundeban Road, Wanneroo formerly lot 506 (3) Rocca Way, for the sum of \$1,970,800 (plus GST) with settlement taking place 28 May 2012.

OTHER LAND TRANSACTIONS

EXCISION, PURCHASE AND SALE OF PORTION OF CROWN RESERVE 34068, CASSERLEY PARK, GIRRAWHEEN

Council at its Ordinary Meeting on 26 June 2012 (CB05-06/12) approved the excision and purchase of a 1.08 hectare portion (subject to survey) of Crown Reserve

34068, Casserley Park, 48 Casserley Avenue, Girrawheen for the purpose of sale to Emmanuel Christian Community School for school expansion, at a valuation determined by the Valuer General being approximately \$1,400,000 (plus GST if applicable) subject to Emmanuel Christian Community School entering into a conditional contract of sale for the land with the City.

SALE OF PORTION OF LOT 15 MOTIVATION DRIVE, WANGARA

Council at its Ordinary Meeting on 26 July 2011 (CS10-07/11) agreed to the sale of a 3070m² portion of Lot 15 Motivation Drive, Wangara to LandCorp for the sum of \$810,000 (plus GST) with settlement taking place in 2012/2013.

LEASE – OPTUS MOBILE PTY LTD - PORTION OF CROWN RESERVE 27366, WANNEROO COUNCIL DEPOT, 1204 WANNEROO ROAD

Council at its Ordinary Meeting on 15 November 2011 (CS06-11/11) approved a commercial lease over a 7m² Portion of Crown Reserve 27366 Wanneroo Council Depot, 1204 Wanneroo Road for a term of 10 years with a further term of 10 years

LEASE - WANNEROO BUSINESS ASSOCIATION - PORTION OF 935 WANNEROO ROAD, WANNEROO

Council at its Ordinary Meeting on 3 April 2012 (CB06-04/12) approved a commercial lease over a 14.2481m² portion of 935 Wanneroo Road, Wanneroo to the Wanneroo Business Association Inc on a commercial basis for a term of three years.

LEASE - WANNEROO SMALL BUSINESS CENTRE (NORTH WEST) - PORTION OF 935 WANNEROO ROAD, WANNEROO

Council at its Ordinary Meeting on 3 April 2012 (CB05-04/12) approved a government lease over a 11.045m² portion of 935 Wanneroo Road, Wanneroo to Small Business Centre (North West) for a term of two years with a further term of three years.

EXEMPT LAND TRANSACTIONS

The following exempt land transactions (leases) were approved by Council during the year.

MONTH	Lessee	Location
July	Wanneroo Community Men's Shed (inc)	Daisy House, Girrawheen
August	Salvation Army (Western Australia) Property Trust	Merriwa Administration Building at 16 Jenolan Way, Merriwa
September	Wanneroo Amateur Football Club, Wanneroo Junior Football Club, Wanneroo Cricket Club (Inc) and Wanneroo Junior Cricket Club	Wanneroo Showgrounds Clubrooms, Ariti Avenue, Wanneroo
December	Youth Futures WA (Inc)	Clarkson Youth Centre, to 59 Key Largo Drive, Clarkson (Office 2)
December	Department of Education	Koondoola Kindergarten, 20 Burbridge Avenue, Koondoola
Apri	The Evelyn Enrichment Foundation	Lake Joondalup Kindergarten, 10 Neville Drive, Wanneroo
April	Wanneroo Districts Netball Association Inc	130 Kingsway, Madeley
May	Wanneroo BMX	176 Mary Street, Wanneroo

COMPLIANCE WITH STATE RECORDS ACT
RECORDKEEPING

The City of Wanneroo is committed to ensuring that its records are kept safe and accessible in accordance with legislative requirements and best practice standards. The electronic document and records management system (TRIM) provides the tool that allows information management to be embedded as a core business resource within the City. It is aligned with the Recordkeeping Plan, which is currently under review and will be presented to the State Records Office for approval in December 2012 to ensure the City meets the requirements of the State Records Act 2000.

The TRIM system is integrated with other business systems ensuring records produced by these systems are saved to TRIM. Information Management, in conjunction with business units, is developing automation processes to improve service delivery thereby embedding recordkeeping within the business processes. Aligned with this, the City has started moving all records to TRIM from the network drives, minimising the network drive size to ensure staff save the City's records to one system.

Undertaking on-line training courses in recordkeeping awareness is compulsory for all staff. Information Management also offers on-line courses on its TRIM system and the Business Classification Scheme. This is followed up by small class training sessions and one-on-one training as required. Information sessions are presented on Archives management and Freedom of Information, and information awareness is raised at business unit meetings on a regular basis.

FREEDOM OF INFORMATION

The City of Wanneroo received and dealt with 26 Freedom of Information (FOI) applications for the 2011/2012 year and the average processing time was 36 days within the 45 days allowed by legislation. Information on applying for documents under FOI can be found on the City's website or by contacting the City direct. The FOI Information Statement explains the FOI process and lists the types of documents available inside and outside of FOI.

NATIONAL COMPETITION POLICY: COMPETITIVE NEUTRALITY

During the financial year, the City met its obligations under the National Competition Policy.

No competitive advantage was identified in the City's operation of Wangara Recycling Centre, Waste Operations and Wanneroo Aquamotion. The City continues to monitor Council Policies and local laws for anti-competitive practices.

LOCAL LAWS

No local laws were received or amended during the report period.

PAYMENT TO EMPLOYEES: DISCLOSURE OF ANNUAL SALARIES

The number of employees entitled to an annual salary of \$100,000 (cash component) or more is 26, broken down into the following bands:

SALARY BAND

\$ From	\$ To	No. of Employees
\$100,000.00	\$109,999.00	3
\$110,000.00	\$119,999.00	8
\$120,000.00	\$129,999.00	6
\$130,000.00	\$139,999.00	3
\$140,000.00	\$149,999.00	0
\$150,000.00	\$159,999.00	2
\$160,000.00	\$169,999.00	2
\$170,000.00	\$179,999.00	1
\$180,000.00	\$189,999.00	0
\$250,000.00	\$259,999.00	1
\$260,000.00	\$269,999.00	0

COMPLIANCE WITH THE DISABILITY SERVICES ACT 1993 SECTION 29(2)

Compliance with State legislation requires local government authorities to develop, implement and regularly review Disability Access and Inclusion Plans as a means of furthering the principles and objectives of the Disability Services Act 1993 (amended 2004). Council last reviewed the City of Wanneroo Access and Inclusion Plan at its meeting of 26 June 2007, and endorsed to adopt the revised Access and Inclusion Plan 2007-2010 and endorsed its registration with the Disability Services Commission (DSC).

To allow for extension of the Plan's currency, a progress report for the period 1 July 2010 to 30 June 2011 was lodged with DSC in September 2011. At that time, DSC also provided approval for an extension of the Plan's currency to April 2012. The City's Disability Access and Inclusion Plan 2007-2012 was reviewed, and the City's Disability Access and Inclusion Plan 2012-2015 developed through extensive consultation, which included:

- Five public meetings held at local venues across the City.
- A one-month public comment period including a facility for on-line public comment.
- Individual meetings and an External Focus Group meeting.
- A presentation at the City's Operational Managers' meeting and the Operational Coordinators' meeting.
- A survey of Elected Members as well as a staff survey was conducted.

At its Meeting on 3 April 2012, Council adopted the revised Disability Access and Inclusion Plan 2012-2015 and endorsed its registration with DSC.

In July 2011 the City of Wanneroo successfully applied for and received Australian Government Funding for \$84,171 to upgrade the lift at Kingsway Indoor Stadium to provide for disabled access. The new accessible lift is a welcomed and appreciated asset of the City that is sponsored by the Australian Government Department of Families, Housing, Community Services and Indigenous Affairs.

WANNEROO LIBRARY AND CULTURAL CENTRE GIFT FUND

The Wanneroo Library and Cultural Centre have not received any gifts or donations during the reporting period.

COMPLIANCE WITH PUBLIC INTEREST DISCLOSURES ACT 2009

There were no Public Interest Disclosures reported to the City of Wanneroo during the reporting period.

COMPLIANCE WITH LOCAL GOVERNMENT (RULES OF CONDUCT) REGULATIONS 2007

There were no Rules of Conduct breaches received where members have been found to be in breach of the Regulations.

ATTENDANCE OF ELECTED MEMBERS AT COUNCIL MEETINGS - 1 JULY 2011 TO 30 JUNE 2012

Elected Members	Electors AGM [1]	Ordinary Council [12]	Special Council [1]
I Goodenough	1	11	1
L Gray	1	12	1
D Guise	0	9	1
N Hewer	1	12	1
S Mackenzie	1	12	1
D Newton	1	12	1
T Roberts	1	12	1
B Smithson	1	10	1
R Steffens	1	12	1
B Treby	1	12	1
N Truong	1	12	1
F Cvitan	1	8 (8)	1
R Driver	1	7 (8)	1
D Hayden	0	7 (8)	1
A Blencowe	1	5 (6)	1
M Grierson	0 (0)	3 (4)	0 (0)
J Kelly	0 (0)	2 (4)	0 (0)
G Monks	0 (0)	4 (4)	0 (0)

Crs G Monks, M Grierson and Mayor Kelly did not contest in the 15 October 2011 elections. Crs A Blencowe, N Hewer, B Smithson and A Truong were re-elected and T Roberts was elected as Mayor. Crs F Cvitan, D Hayden and R Driver were newly elected. Cr A Blencowe resigned on 26 January 2012. The figures in brackets represent the number of meetings falling within their terms respectively.

ORDINARY COUNCIL

The Council of the City of Wanneroo consists of 14 elected Councillors sitting as one body, with the elected Mayor as Chairperson. Council is the policy and decision making body for the City, and meets every fourth Tuesday at 7pm. The Chief Executive Officer and the Directors of the City's five Directorates also attend Council meetings to assist the Mayor and Councillors with information as required.

Members of the public are welcome to attend Council meetings and to ask questions on any issue during Public Question Time, but are not permitted to take part in Council debate.

Minutes of Council meetings are available to the public from 5pm on the Friday immediately following the Council meeting.

A Council Briefing Session is also held on the Tuesday of the week prior to each Council Meeting, commencing at 6pm, for the purpose of allowing Elected Members to ask questions or obtain additional information in relation to items included on the Council Meeting Agenda.

Briefing Sessions are also open to the public, and include a Public Question Time session. Public Questions at a Briefing Session must relate to an item on the current Council Agenda.

COMMITTEES AND WORKING GROUPS

The City of Wanneroo currently has four formal Committees and nine Working Groups. Committees and Working Groups are established as required to consider and provide advice to Council on a number of issues.

- Arts Advisory Committee
- Audit Committee
- Environmental Advisory Committee
- Waste Management Advisory Committee
- Community Funding Working Group
- Community Safety Working Group
- Healthy Communities Steering Group
- Heritage Services Advisory Group
- Reconciliation Action Plan Working Group
- RoadWise Working Group
- Wanneroo BMX Raceway Club Relocation Working Group
- Wanneroo Business and Tourism Development Working Group
- Wanneroo Town Centre Advisory Group

DISBANDED COMMITTEES AND WORKING GROUPS

At the Special Council meeting of 25 October 2011 the City disbanded the Wanneroo Showgrounds Clubrooms Reconstruction Group, Smart Growth Steering Group and the Special Needs Playground Working Group.

EXTERNAL BODIES

In addition to its own committees and working groups, the City of Wanneroo is also represented by Councillors on the following bodies:

- Development Assessment Panel
- Elderbloom Community Care Centres Board of Management
- Girradoola Going Places Committee
- Joondalup Health Campus Community Board of Advice
- Mindarie Regional Council
- North West District Emergency Management Committee
- North West Regional Road Sub Group
- Small Business Centre North West Metro Board of Management
- Stable Fly Management Steering Group
- Tamala Park Regional Council
- Wanneroo Agricultural Society
- Wanneroo and Districts Historical Society
- Wanneroo/Joondalup Local Emergency Management Committee
- Western Australian Local Government Association (WALGA)
- Western Australian Local Government Association (WALGA) North Metropolitan Zone
- Yanchep/Two Rocks Community Bus Management Committee
- Yellagonga Regional Park Community Advisory Committee
- Tamala Park Coastal Reserve Community Advisory Committee

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

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CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

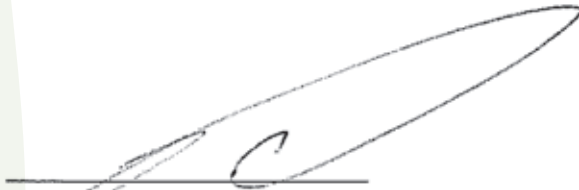
STATEMENT BY CHIEF EXECUTIVE OFFICER

**LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

**STATEMENT BY CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED 30TH JUNE 2012**

The attached financial report of the City of Wanneroo being the concise financial report and supporting notes and other information for the financial year ended 30th June 2012 are in my opinion properly drawn up to present fairly the financial position of the City of Wanneroo at 30th June 2012 and the results of the operations for the financial year then ended in accordance with Australian Accounting Standard AASB 1039 "Concise Financial Reports".

Signed on the 16th day of October 2012.

A handwritten signature in black ink, appearing to be 'D. Simms', written over a horizontal line.

**Daniel Simms
Chief Executive Officer**

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

INDEPENDENT AUDIT REPORT



10 Kings Park Road
West Perth WA 6005
PO BOX 570
West Perth WA 6872

INDEPENDENT AUDITOR'S REPORT TO THE RATEPAYERS OF THE CITY OF WANNEROO

T +61 8 9480 2000
F +61 8 9322 7787
E info.wa@au.gt.com
W www.grantthornton.com.au

Report on the Financial Report

We have audited the accompanying financial report of the City of Wanneroo, which comprises the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statements of changes in equity, and statements of cash flows for the year ended 30 June 2012, a summary of significant accounting policies and other explanatory notes, and the Chief Executive Officer's statement.

Council responsibility for the financial report

The Council of the City of Wanneroo is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995 Part 6. This responsibility includes establishing and maintaining internal control 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. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with 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.

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CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

INDEPENDENT AUDIT REPORT

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995 Part 6 and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the City of Wanneroo's financial position and of their performance.

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.

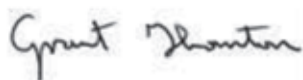
Auditor's opinion on the financial report

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

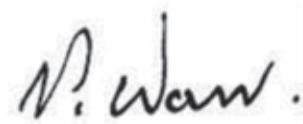
- (i) gives a true and fair view of the City of Wanneroo's financial position as at 30 June 2012 and of its performance for the financial year ended 30 June 2012, and
- (ii) complies with Australian Accounting Standards (including the Australian Accounting Interpretations),
- (iii) are prepared in accordance with the requirements of the Local Government Act 1995 Part 6 (as amended) and Regulations under that Act.

Statutory Compliance

I did not, during the course of my audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996 as they relate to financial statements.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



P W Warr
Partner – Audit & Assurance

Perth, 16 October 2012

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

STATEMENT OF COMPREHENSIVE INCOME BY NATURE AND TYPE

	Note	2012 \$	2012 Budget \$	2011 \$
REVENUE				
Rates	25	90,704,462	89,889,666	81,755,406
Operating Grants, Subsidies and Contributions	30	12,176,738	10,407,206	10,891,100
Fees and Charges	29	20,498,494	22,110,792	23,498,621
Interest Earnings	2(a)(ii)	9,342,254	7,122,950	8,243,733
Other Revenue		5,193,763	4,045,228	5,367,005
Service Charges	26	227,807	230,000	
		138,143,518	133,805,842	129,755,865
EXPENSES				
Employee Costs		(53,696,960)	(56,610,764)	(51,923,216)
Material and Contracts		(37,819,938)	(38,792,469)	(35,373,187)
Utility Charges		(6,589,757)	(6,076,202)	(5,485,249)
Depreciation of Non-current Assets	2(a)(i)	(28,750,769)	(26,001,505)	(26,255,006)
Impairment of Assets	10	-	-	-
Interest Expenses	2(a)(i)	(3,683,051)	(3,689,236)	(3,451,675)
Insurance Expenses		(1,277,487)	(1,515,890)	(1,257,271)
		(131,817,962)	(132,686,066)	(123,745,604)
Non-Operating Grants, Subsidies and Contributions	30	45366091	39324271	52080506
Town Planning Scheme Income (Inc Interest)		15,919,725	14,888,921	13,743,757
Town Planning Scheme Expenses		(8,351,354)	(21,164,091)	(4,569,069)
Fair value adjustment to Financial Assets at fair value through profit and loss	5	1,484,298	-	(189,603)
Share of Loss of Associates	8	(57,025)	-	(128,715)
Profit on Asset Disposals	23	2,687,809	5,473,160	4,395,937
Loss on Asset Disposals	23	(717,164)	(745,552)	(462,441)
		56,332,380	37,576,709	64,870,372
NET RESULT		62,657,936	38,696,485	70,880,633
Total Other Comprehensive Income		-	-	-
TOTAL COMPREHENSIVE INCOME		62,657,936	38,696,485	70,880,633

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CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM

	Note	2012 \$	2012 Budget \$	2011 \$
REVENUE				
Governance		412,767	189,384	416,596
General Purpose Funding		108,876,660	102,656,281	95,647,599
Law, Order, Public Safety		779,458	639,690	687,017
Health		379,588	685,233	690,767
Education and Welfare		4,220,053	3,890,211	3,730,857
Community Amenities		13,969,102	14,479,256	17,707,946
Recreation and Culture		23,023,295	7,905,076	12,473,304
Transport		32,110,915	38,780,716	46,893,376
Economic Services		2,805,123	3,221,494	3,201,929
Other Property and Services		17,024,480	20,099,301	18,526,674
		<u>203,601,441</u>	<u>192,546,642</u>	<u>199,976,065</u>
EXPENSES EXCLUDING FINANCE COSTS				
Governance		(5,648,085)	(5,816,277)	(4,626,798)
General Purpose Funding		(1,285,849)	(1,285,966)	(2,090,554)
Law, Order, Public Safety		(4,188,140)	(4,379,128)	(4,229,821)
Health		(1,950,092)	(2,016,303)	(1,752,120)
Education and Welfare		(7,395,964)	(7,669,565)	(6,870,131)
Community Amenities		(33,506,641)	(35,236,220)	(33,589,331)
Recreation and Culture		(35,383,065)	(35,850,050)	(34,259,860)
Transport		(34,231,778)	(33,077,749)	(30,786,913)
Economic Services		(2,629,507)	(3,344,966)	(2,814,837)
Other Property and Services		(11,041,332)	(21,484,697)	(4,623,592)
		<u>(137,260,453)</u>	<u>(150,160,921)</u>	<u>(125,643,757)</u>
FINANCE COSTS				
	2(a)(i)			
Governance		-	(22,991)	(419)
General Purpose Funding		(1,529,141)	(388,590)	(1,075,943)
Community Amenities		-	-	-
Recreation and Culture		(1,812,945)	(2,545,623)	(1,558,900)
Transport		(143,541)	(252,697)	(153,610)
Economic Services		-	-	-
Other Property and Services		(197,425)	(479,335)	(662,803)
		<u>(3,683,052)</u>	<u>(3,689,236)</u>	<u>(3,451,675)</u>
NET RESULT		<u>62,657,936</u>	<u>38,696,485</u>	<u>70,880,633</u>
Total Other Comprehensive Income		<u>-</u>	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>62,657,936</u>	<u>38,696,485</u>	<u>70,880,633</u>

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CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

STATEMENT OF FINANCIAL POSITION

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	150,961,681	139,116,204
Investments	5	1,314,423	1,289,163
Trade and Other Receivables	6	16,222,434	13,987,386
Inventories	7	328,829	338,707
Other Financial Assets	6	-	-
TOTAL CURRENT ASSETS		168,827,367	154,731,460
NON-CURRENT ASSETS			
Other Receivables	6	1,563,969	1,414,198
Inventories	7	2,371,895	1,875,368
Investments	5	54,228,757	52,773,386
Property, Plant and Equipment	9	154,648,046	150,581,707
Infrastructure	10	731,515,474	685,531,677
TOTAL NON-CURRENT ASSETS		944,328,141	892,176,336
TOTAL ASSETS		1,113,155,508	1,046,907,796
CURRENT LIABILITIES			
Trade and Other Payables	11	19,261,359	15,572,449
Short Term Borrowings		-	-
Current Portion of Long Term Borrowings	12	-	-
Provisions	13	10,140,595	10,373,099
TOTAL CURRENT LIABILITIES		29,401,954	25,945,548
NON-CURRENT LIABILITIES			
Long Term Borrowings	12	60,778,188	60,778,188
Provisions	13	1,157,759	1,024,389
TOTAL NON-CURRENT LIABILITIES		61,935,947	61,802,577
TOTAL LIABILITIES		91,337,901	87,748,125
NET ASSETS		1,021,817,607	959,159,671
EQUITY			
Retained Surplus		880,569,386	833,711,116
Reserves - Cash / Investment Backed	14	71,118,221	55,006,243
Reserves - Asset Revaluation	15	246,092	246,092
Town Planning Schemes	16	69,883,908	70,196,220
TOTAL EQUITY		1,021,817,607	959,159,671

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CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

STATEMENT OF CHANGES IN EQUITY

	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	ASSET REVALUATION RESERVE \$	TOWN PLANNING SCHEMES \$	TOTAL EQUITY \$
Balance as at 30 June 2010	780,790,479	43,053,815	246,092	66,068,381	890,158,767
Changes in Accounting Policy	-	-	-	-	-
Prior Period adjustment	(1,879,729)	-	-	-	(1,879,729)
Balance as at 30 June 2010	778,910,750	43,053,815	246,092	66,068,381	888,279,038
Net Result	70,880,633	-	-	-	70,880,633
Reserve Transfers	(11,952,428)	11,952,428	-	-	-
Town Planning Scheme Transfers	(4,127,839)	-	-	4,127,839	-
Balance as at 30 June 2011	833,711,116	55,006,243	246,092	70,196,220	959,159,671
Net Result	62,657,936	-	-	-	62,657,936
Reserve Transfers	(16,111,978)	16,111,978	-	-	-
Town Planning Scheme Transfers	312,312	-	-	(312,312)	-
Balance as at 30 June 2012	880,569,386	71,118,221	246,092	69,883,908	1,021,817,607

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

STATEMENT OF CASH FLOWS

	Note	2012 \$	2012 Budget \$	2011 \$
Cash Flows From Operating Activities				
Receipts				
Rates		88,150,543	89,889,666	81,041,542
Operating Grants, Subsidies and Contributions		12,176,738	10,407,206	10,891,100
Fees and Charges		22,844,367	22,110,792	23,062,084
Interest Earnings		8,191,393	7,122,950	4,957,342
Goods and Services Tax		8,939,215	5,000,000	9,957,957
Service Charges		214,786	230,000	
Other Revenue		5,689,879	4,045,228	8,477,733
		<u>146,206,921</u>	<u>138,805,842</u>	<u>138,387,758</u>
Payments				
Employee Costs		(53,632,045)	(56,610,764)	(49,565,234)
Material and Contracts		(35,572,010)	(38,792,469)	(34,201,354)
Utility Charges		(6,589,757)	(6,076,202)	(5,485,249)
Insurance Expenses		(1,277,487)	(3,689,236)	(1,257,271)
Interest Expenses		(3,676,866)	(1,515,890)	(3,451,675)
Goods and Services Tax		(9,167,596)	(5,950,000)	(9,338,013)
Other Expenditure		-	-	-
		<u>(109,915,761)</u>	<u>(112,634,561)</u>	<u>(103,298,796)</u>
Net Cash Provided By Operating Activities	17(b)	<u>36,291,160</u>	<u>26,171,281</u>	<u>35,088,962</u>
Cash Flows from Investing Activities				
Payments for Development of				
Land Held for Resale		(496,527)	-	-
Equity Contribution - Mindarie Regional Council		(28,098)	-	(33,291)
Equity Contribution - Tamala Regional Council adjustment		-	-	27,729
Payments for Purchase of Property, Plant & Equipment		(16,520,849)	(21,534,423)	(16,518,235)
Payments for Construction of Infrastructure		(25,984,783)	(49,476,907)	(26,750,155)
Net movement in Investments		(25,260)	6,233,055	8,852,957
Grants/Contributions for the Development of Assets		7,101,046	34,555,256	14,665,912
Town Planning Scheme Income (Inc Interest)		15,919,725	14,688,921	13,743,757
Town Planning Scheme Expenses		(8,351,354)	(21,164,091)	(4,569,069)
Proceeds from Sale of Assets		<u>3,940,417</u>	<u>9,324,271</u>	<u>6,483,480</u>
Net Cash Used In Investing Activities		<u>(24,445,683)</u>	<u>(27,373,918)</u>	<u>(4,096,915)</u>
Cash Flows from Financing Activities				
Proceeds from New Loan Drawdown	24(a)	<u>-</u>	<u>-</u>	<u>14,060,000</u>
Net Cash Provided By (Used In) Financing Activities		<u>-</u>	<u>-</u>	<u>14,060,000</u>
Net Increase (Decrease) in Cash Held		<u>11,845,477</u>	<u>(1,202,637)</u>	<u>45,052,047</u>
Cash at Beginning of Year		<u>139,116,204</u>	<u>104,987,489</u>	<u>94,064,157</u>
Cash and Cash Equivalents at the End of Year	17(a)	<u>150,961,681</u>	<u>103,784,852</u>	<u>139,116,204</u>

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CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

RATE SETTING STATEMENT

	Note	2012 \$	2012 Budget \$	2011 \$
Revenue				
Governance		412,767	189,384	416,596
General Purpose Funding		18,172,198	12,766,615	13,892,193
Law, Order and Public Safety		779,458	639,690	687,017
Health		379,588	685,233	690,767
Education and Welfare		4,220,053	3,890,211	3,730,857
Community Amenities		13,969,102	14,479,256	17,707,946
Recreation and Culture		23,023,295	7,905,076	12,473,304
Transport		32,110,915	38,780,716	46,893,376
Economic Services		2,805,123	3,221,494	3,201,929
Other Property and Services		17,024,480	20,099,301	18,526,674
		<u>112,896,979</u>	<u>102,656,976</u>	<u>118,220,659</u>
Expenses				
Governance		(5,648,085)	(5,839,268)	(4,379,622)
General Purpose Funding		(2,814,990)	(1,674,556)	(3,166,497)
Law, Order and Public Safety		(4,188,140)	(4,379,128)	(4,220,664)
Health		(1,950,092)	(2,016,303)	(1,752,120)
Education and Welfare		(7,395,964)	(7,669,565)	(6,869,867)
Community Amenities		(33,506,641)	(35,236,220)	(33,512,531)
Recreation and Culture		(37,196,010)	(38,395,673)	(34,905,710)
Transport		(34,375,319)	(33,330,446)	(29,802,201)
Economic Services		(2,629,507)	(3,344,966)	(2,824,736)
Other Property and Services		(11,238,757)	(21,964,032)	(5,506,618)
		<u>(140,943,505)</u>	<u>(153,850,157)</u>	<u>(126,940,566)</u>
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
(Profit)/Loss on Asset Disposals	23	(1,970,645)	(4,727,608)	(3,933,496)
Physical Assets Received from Developers		(38,265,045)	(30,000,000)	(37,414,593)
Movement in Non-Current Employee Provisions		133,370	-	305,819
Movement in Other Financial Assets	8(b)(i)	57,025	-	128,715
Movement in Pensioner Deferred Rate Debtors		(149,771)	-	(145,814)
Movement in Deferred Interest Receivable		-	-	-
Impairment of Assets		-	-	-
Depreciation on Assets	2(a)(i)	28,750,769	26,001,505	24,100,140
		<u>(11,444,297)</u>	<u>(8,726,103)</u>	<u>(16,959,229)</u>
Capital Expenditure and Revenue				
Purchase Land Held for Resale		(496,527)	-	-
Equity Contribution - Tamala Park Regional Council		14,418	-	27,729
Equity Contribution - Mindarie Regional Council		(42,516)	-	(33,292)
Purchase Land and Buildings		(3,397,125)	(10,250,034)	(6,837,482)
Purchase Infrastructure Assets		(25,431,556)	(48,424,907)	(24,800,334)
Purchase Plant and Vehicles		(3,711,804)	(7,147,827)	(4,548,956)
Purchase Furniture and Fittings		(740,949)	(196,420)	(289,619)
Purchase Equipment		(6,002,012)	(4,992,142)	(4,790,539)
Movement in Works in progress		(3,222,186)	-	(2,001,460)
Proceeds from Disposal of Assets	23	3,940,417	6,233,055	6,483,480
Repayment of Quinns Bridge Funding		-	-	-
Repayment of Loans		-	-	-
Proceeds from New Loan Drawdown	24	-	-	14,060,000
		<u>(39,089,840)</u>	<u>(64,778,275)</u>	<u>(22,730,473)</u>
Transfers				
Movement in Restricted Grants, Contributions & Unspent Loans		5,295,358	12,518,882	(18,499,125)
Leave Provision Written Back (transferred to Reserve)		139,000	50,000	554,500
Transfers to Reserves (Restricted Assets)		(23,634,057)	(18,557,495)	(16,759,990)
Transfers from Reserves (Restricted Assets)		7,522,079	12,160,825	4,807,562
Transfers To Schemes		(15,919,725)	(14,688,921)	(13,743,757)
Transfers From Schemes - Capital		-	-	-
Transfer from Schemes		16,232,037	36,908,898	9,615,918
		<u>(10,365,308)</u>	<u>28,392,189</u>	<u>(34,024,892)</u>
ADD Surplus/(Deficit) July 1 B/Fwd		6,415,704	6,415,704	7,094,799
LESS Surplus/(Deficit) June 30 C/Fwd		8,174,196	-	6,415,704
Amount Required to be Raised from Rates	25	<u>(90,704,463)</u>	<u>(89,889,666)</u>	<u>(81,755,406)</u>

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CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with AASB 1039 "Concise Financial Reports". The concise financial report, including the financial statements and specific disclosures included in the concise financial report, has been derived from the full financial report of the City of Wanneroo. A full description of the accounting policies adopted by the City is provided in the 2011 financial statements which form part of the full financial report. The accounting policies of the City are consistent with those of the previous financial year.

Rounding

Amounts shown in the Financial Statements have been rounded to the nearest dollar. This may result in minor variations between individual schedules.

Statement of Comprehensive Income

- The City raised \$90,704,462 rates revenue for the year. Additional revenue was in respect of interim rating resulting from private land developments in the City.
- The City received a significant contribution in infrastructure assets from land development activity. This is reflected in the increase in the change in net assets resulting from operations.

Statement of Financial Position

- Cash Assets at 30 June 2012 indicate an increase over those disclosed for the previous year.
- The increase in infrastructure assets is reflected in part by the increase in developer contributions.

Statement of Cash Flows

- Receipts from Rates reflects an increase over the previous year.

Significant financial ratios are as follows:

	2012	2011	2010
(a) the current ratio			
- to assess ability to meet current commitments			
$\frac{\text{current assets minus restricted current assets}}{\text{current liabilities less liabilities associated with restricted assets}}$	1.157:1	1.195:1	1.273:1
(b) the debt ratio			
- to identify the exposure of the City to debt as an indicator of the solvency of the City			
$\frac{\text{total liabilities}}{\text{total assets}}$	0.082:1	0.084:1	0.076:1
(c) the debt service ratio			
- to identify the City's ability to meet debt commitments.			
$\frac{\text{debt service cost (principal \& interest)}}{\text{available operating revenue}}$	0.024:1	0.023:1	0.021:1
(d) the rate coverage ratio			
- to assess the dependence on non rate revenue			
$\frac{\text{net rate revenue}}{\text{operating revenue}}$	0.608:1	0.573:1	0.634:1
(e) outstanding rates ratio			
- to assess the rate collection performance			
$\frac{\text{rates outstanding}}{\text{rates collectable}}$	0.107:1	0.086:1	0.090:1



City of
Wanneroo

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