

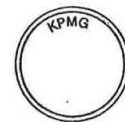
TOWN OF VICTORIA PARK
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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The Town of Victoria Park conducts the operations of a local government with the following community vision:

The Town of Victoria Park: A dynamic place for everyone.
We are Perth's most empowered and engaged community.
We are Perth's premier place for entertainment and entrepreneurship.
We lead in sustainability
We put people first in urban design and safety.
We are inclusive and connected with a thriving community.

Principal place of business:
99 Shepperton Road
Victoria Park WA 6100



**TOWN OF VICTORIA PARK
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

STATEMENT BY CHIEF EXECUTIVE OFFICER

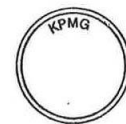
The attached financial report of the Town of Victoria Park for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Town of Victoria Park at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 14 day of April 2023

Chief Executive Officer

Anthony Vuleta

Name of Chief Executive Officer

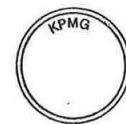


TOWN OF VICTORIA PARK
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Revenue				
Rates	2(a), 24(a)	44,322,879	44,841,356	43,062,877
Operating grants, subsidies and contributions	2(a)	2,160,080	861,664	1,416,596
Fees and charges	2(a)	9,912,251	9,465,033	8,699,743
Service charges	2(a)	6,915,665	11,409,188	-
Interest earnings	2(a)	431,364	343,523	395,800
Other revenue	2(a)	1,025,241	560,426	891,701
		64,767,480	67,481,190	54,466,717
Expenses				
Employee costs		(24,632,682)	(24,597,222)	(23,521,530)
Materials and contracts		(33,812,554)	(48,951,436)	(20,655,572)
Utility charges		(1,592,830)	(1,573,754)	(1,449,118)
Depreciation	9(a)	(10,007,446)	(9,468,200)	(9,595,447)
Finance costs	2(b)	(239,818)	(280,823)	(304,262)
Insurance		(322,328)	(310,651)	(464,587)
Other expenditure	2(b)	(6,634)	(259,700)	(4,019)
		(70,614,292)	(85,441,786)	(55,994,535)
		(5,846,812)	(17,960,596)	(1,527,818)
Capital grants, subsidies and contributions	2(a)	1,234,106	8,781,552	1,004,795
Profit on asset disposals	9(c)	92,960	1,594,117	62,019
Loss on asset disposals	9(c)	(1,492,281)	(107,954)	(1,894,759)
Share of net profit/(loss) of associates accounted for using the equity method	19(c)	(258,751)	-	1,435,089
Net Share of Interest in Associate	19(c)	(8,121)	-	(12,639)
		(432,087)	10,267,715	594,505
Net result for the period	23(b)	(6,278,899)	(7,692,881)	(933,313)
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	1,678,356	-	(399,909)
Total other comprehensive income for the period		1,678,356	-	(399,909)
Total comprehensive income for the period		(4,600,543)	(7,692,881)	(1,333,222)



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

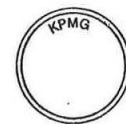


**TOWN OF VICTORIA PARK
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	3	24,726,759	40,128,544
Trade and other receivables	5	5,999,825	4,433,868
Other financial assets	4(a)	26,000,000	17,000,000
Inventories	6	335,342	204,257
TOTAL CURRENT ASSETS		57,061,926	61,766,669
NON-CURRENT ASSETS			
Trade and other receivables	5	289,853	287,757
Other financial assets	4(b)	36,903	7,036,903
Inventories	6	1,768,178	1,129,482
Investment in associate	19(a)	14,211,419	6,541,814
Property, plant and equipment	7	268,782,911	271,011,994
Infrastructure	8	263,101,358	264,422,901
Right-of-use assets	10(a)	16,709	83,547
TOTAL NON-CURRENT ASSETS		548,207,331	550,514,398
TOTAL ASSETS		605,269,257	612,281,067
CURRENT LIABILITIES			
Trade and other payables	11	6,471,692	6,527,295
Other liabilities	12	2,810,554	3,335,696
Lease liabilities	10(b)	20,069	73,678
Borrowings	13	3,038,595	2,798,462
Employee related provisions	14	4,243,165	4,704,937
TOTAL CURRENT LIABILITIES		16,584,075	17,440,068
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	-	20,069
Borrowings	13	12,438,056	13,987,423
Employee related provisions	14	359,501	345,344
TOTAL NON-CURRENT LIABILITIES		12,797,557	14,352,836
TOTAL LIABILITIES		29,381,632	31,792,904
NET ASSETS		575,887,625	580,488,163
EQUITY			
Retained surplus		91,292,570	82,533,102
Reserve accounts	27	38,184,376	53,222,743
Revaluation surplus	15	446,410,674	444,732,318
TOTAL EQUITY		575,887,620	580,488,163

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



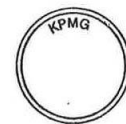


**TOWN OF VICTORIA PARK
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		91,121,689	45,567,473	445,132,227	581,821,385
Comprehensive income for the period					
Net result for the period		(933,313)	-	-	(933,313)
Other comprehensive income for the period	15	-	-	(399,909)	(399,909)
Total comprehensive income for the period		(933,313)	-	(399,909)	(1,333,222)
Transfers from reserves	27	3,003,760	(3,003,760)	-	-
Transfers to reserves	27	(10,659,030)	10,659,030	-	-
Balance as at 30 June 2021		82,533,102	53,222,743	444,732,318	580,488,163
Comprehensive income for the period					
Net result for the period		(6,278,899)	-	-	(6,278,899)
Other comprehensive income for the period	15	-	-	1,678,356	1,678,356
Total comprehensive income for the period		(6,278,899)	-	1,678,356	(4,600,543)
Transfers from reserves	27	28,490,035	(28,490,035)	-	-
Transfers to reserves	27	(13,451,668)	13,451,668	-	-
Balance as at 30 June 2022		91,292,570	38,184,376	446,410,674	575,887,620

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

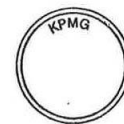




**TOWN OF VICTORIA PARK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		44,167,630	44,841,356	43,672,223
Operating grants, subsidies and contributions		651,334	861,664	4,204,470
Fees and charges		10,117,110	9,465,033	8,731,492
Service charges		6,915,665	11,409,188	-
Interest received		431,364	343,523	395,800
Goods and services tax received		373,466	2,000,000	2,601,770
Other revenue		1,025,241	560,426	891,701
		63,681,810	69,481,190	60,497,456
Payments				
Employee costs		(25,080,297)	(24,597,222)	(23,259,332)
Materials and contracts		(34,918,248)	(48,951,436)	(20,229,538)
Utility charges		(1,592,830)	(1,573,754)	(1,449,118)
Finance costs		(239,818)	(280,823)	(304,262)
Insurance paid		(322,328)	(310,651)	(464,587)
Goods and services tax paid		(727,209)	(2,000,000)	(2,962,217)
Other expenditure		(6,634)	(259,700)	(4,019)
		(62,887,364)	(77,973,586)	(48,673,073)
Net cash provided by (used in) operating activities	16(b)	794,446	(8,492,396)	11,824,383
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at amortised cost		(2,000,000)	-	(8,000,000)
Payments for investments in associates		(7,083,333)	-	-
Payments for purchase of property, plant & equipment	7(a)	(1,241,771)	(4,264,002)	(1,293,086)
Payments for construction of infrastructure	8(a)	(7,067,075)	(23,733,351)	(6,438,695)
Non-operating grants, subsidies and contributions		1,234,106	8,781,552	1,004,795
Distributions from investments in associates		833,333	833,333	750,000
Proceeds from sale of property, plant & equipment	9(c)	519,543	4,191,500	408,011
Net cash provided by (used in) investing activities		(14,805,197)	(14,190,968)	(13,568,975)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	26(a)	(2,798,462)	(2,943,968)	(3,149,536)
Payments for principal portion of lease liabilities	26(e)	(73,678)	(73,678)	(64,154)
Proceeds from new borrowings	26(a)	1,489,228	3,689,228	-
Increase/Decrease in equity interest	19(c)	(8,121)	-	-
Net cash provided by (used in) financing activities		(1,391,033)	671,582	(3,213,690)
Net increase (decrease) in cash held		(15,401,785)	(22,011,782)	(4,958,282)
Cash at beginning of year		40,128,544	32,140,871	45,086,829
Cash and cash equivalents at the end of the year	16(a)	24,726,759	10,129,089	40,128,544

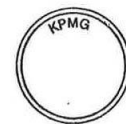
This statement is to be read in conjunction with the accompanying notes.



**TOWN OF VICTORIA PARK
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

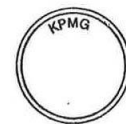
	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	25(b)	784,498	1,165,061	9,618,689
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Operating grants, subsidies and contributions		2,160,080	861,664	1,416,596
Fees and charges		9,912,251	9,465,033	8,699,743
Service charges		6,915,665	11,409,188	-
Interest earnings		431,364	343,523	395,800
Other revenue		1,025,241	560,426	891,701
Profit on asset disposals	9(c)	92,960	1,594,117	62,019
Share of net profit of associates sale of land	19(c)	787,429	-	1,435,089
		21,324,990	24,233,951	12,900,948
Expenditure from operating activities				
Employee costs		(24,632,682)	(24,597,222)	(23,521,530)
Materials and contracts		(33,812,554)	(48,951,436)	(20,655,572)
Utility charges		(1,592,830)	(1,573,754)	(1,449,118)
Depreciation		(10,007,446)	(9,468,200)	(9,595,447)
Finance costs		(239,818)	(280,823)	(304,262)
Insurance		(322,328)	(310,651)	(464,587)
Other expenditure		(6,634)	(259,700)	(4,019)
Loss on asset disposals	9(c)	(1,492,281)	(107,954)	(1,907,398)
		(72,106,573)	(85,549,740)	(57,901,933)
Non-cash amounts excluded from operating activities	25(a)	9,864,137	7,982,037	9,541,855
Amount attributable to operating activities		(40,917,446)	(53,333,752)	(25,840,447)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,234,106	8,781,552	1,004,795
Proceeds from disposal of assets	9(c)	519,543	4,191,500	408,011
Distributions from investments in associates		833,333	833,333	750,000
Payments for investments in associates		(7,083,333)	-	-
Purchase of property, plant and equipment	7(a)	(1,241,771)	(4,264,002)	(1,293,086)
Purchase and construction of infrastructure	8(a)	(7,067,075)	(23,733,351)	(6,438,692)
		(12,805,197)	(14,190,968)	(5,568,972)
Amount attributable to investing activities		(12,805,197)	(14,190,968)	(5,568,972)
FINANCING ACTIVITIES				
Repayment of borrowings	26(a)	(2,798,462)	(2,943,968)	(3,149,536)
Proceeds from borrowings	26(a)	1,489,228	3,689,228	-
Payments for principal portion of lease liabilities	26(e)	(73,678)	(73,678)	(64,154)
Transfers to reserves (restricted assets)	27	(13,451,668)	(14,111,152)	(10,659,030)
Transfers from reserves (restricted assets)	27	28,490,035	34,957,873	3,003,760
Amount attributable to financing activities		13,655,455	21,518,303	(10,868,960)
Surplus/(deficit) before imposition of general rates		(39,282,685)	(44,841,356)	(42,278,379)
Total amount raised from general rates	24(a)	44,322,879	44,841,356	43,062,877
Surplus/(deficit) after imposition of general rates	25(b)	5,040,194	-	784,498

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



TOWN OF VICTORIA PARK FOR THE YEAR ENDED 30 JUNE 2022 INDEX OF NOTES TO THE FINANCIAL REPORT

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TOWN OF VICTORIA PARK NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

1. BASIS OF PREPARATION

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

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

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

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

The local government reporting entity

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

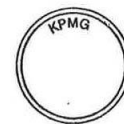
Judgements and estimates

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

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

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

- Employee expenses
- Land held for resale - inventories
- Estimated fair value of certain financial assets
- Impairment of financial assets
- Estimation of fair values of land and buildings, and infrastructure.
- Property, plant and equipment
- Intangible assets
- Right-of-use assets



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

2. REVENUE AND EXPENSES

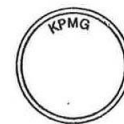
(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	After inspection complete based on a 4 year cycle.
Other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service

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



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue Recognition

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

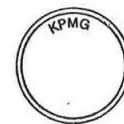
For the year ended 30 June 2022

Nature or type	Contracts with	Capital	Statutory	Other	Total
	customers	grant/contributions	Requirements		
	\$	\$	\$	\$	\$
Rates	-	-	44,322,879	-	44,322,879
Operating grants, subsidies and contributions	2,160,080	-	-	-	2,160,080
Fees and charges	9,912,251	-	-	-	9,912,251
Service charges	6,915,665	-	-	-	6,915,665
Interest earnings	-	-	214,346	217,018	431,364
Other revenue	-	-	-	1,025,241	1,025,241
Non-operating grants, subsidies and contributions	-	1,234,106	-	-	1,234,106
Total	18,987,996	1,234,106	44,537,225	1,242,259	66,001,586

For the year ended 30 June 2021

Nature or type	Contracts with	Capital	Statutory	Other	Total
	customers	grant/contributions	Requirements		
	\$	\$	\$	\$	\$
Rates	-	-	43,062,877	-	43,062,877
Operating grants, subsidies and contributions	1,416,596	-	-	-	1,416,596
Fees and charges	7,041,864	-	1,657,879	-	8,699,743
Interest earnings	-	-	153,832	241,968	395,800
Other revenue	-	-	-	891,701	891,701
Non-operating grants, subsidies and contributions	-	1,004,795	-	-	1,004,795
Total	8,458,460	1,004,795	44,874,588	1,133,669	55,471,512

Note	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
Interest earnings			
Interest on reserve funds	139,619	128,890	147,919
Rates instalment and penalty interest (refer Note 24(d))	214,346	150,000	156,785
Other interest earnings	77,399	64,633	91,096
	431,364	343,523	395,800
(b) Expenses			
Auditors remuneration			
- Audit of Annual Financial Report	53,350	37,500	43,100
- Audit of Grant Acquittals	2,588	14,500	21,418
	55,938	52,000	64,518
Finance costs			
Borrowings	26(a) 231,352	272,357	286,273
Lease liabilities	26(e) 8,466	8,466	17,989
	239,818	280,823	304,262
Other expenditure			
Write down of inventories to net realisable value	6 287,913	-	53,186
Sundry expenses	(281,279)	259,700	(49,167)
	6,634	259,700	4,019



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Total cash and cash equivalents

Note	2022	2021
	\$	\$
	24,726,759	40,128,544
16(a)	24,726,759	40,128,544
Held as		
- Unrestricted cash and cash equivalents	11,553,155	398,925
- Restricted cash and cash equivalents	13,173,604	39,729,619
	24,726,759	40,128,544

As at 30 June all unspent underground power loans funds were held in the underground power reserve

Unspent loans

26(d)	989,228	10,506,876
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SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 16.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

2022	2021
\$	\$
26,000,000	17,000,000
26,000,000	17,000,000

Other financial assets at amortised cost

Term deposits

26,000,000	17,000,000
26,000,000	17,000,000

Held as

- Restricted other financial assets at amortised cost

16(a)	26,000,000	24,000,000
	26,000,000	17,000,000

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair values through other comprehensive income

-	7,000,000
36,903	36,903

Term deposits

36,903	7,036,903
-	7,000,000

Financial assets at fair values through other comprehensive income

Units in Local Government House Trust

36,903	36,903
36,903	36,903

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy due to the observable market rates.

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

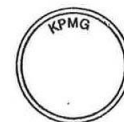
Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 20.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

5. TRADE AND OTHER RECEIVABLES

	Note	2022 \$	2021 \$
Current			
Rates receivable		2,912,269	2,468,819
Trade and other receivables		715,120	645,025
GST receivable		714,190	360,447
Allowance for credit losses of trade and other receivables	20(b)	(395,071)	(190,212)
ESL Debtors		441,231	-
Infringements		1,091,606	830,789
Prepayments		1,282	130,576
Underground power receivables		160,273	36,766
Unclaimed Rates Rebates		358,925	87,001
Accrued revenue		-	64,657
		5,999,825	4,433,868
Non-current			
Pensioner's rates and ESL deferred		243,678	251,563
ESL debtors		31,960	32,875
Underground power receivables		14,215	3,319
		289,853	287,757

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

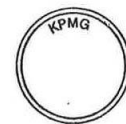
Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Classification and subsequent measurement

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

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Town measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

6. INVENTORIES

Note	2022	2021
	\$	\$
Current		
Leisurelife	1,402	2,446
Aqualife	21,995	10,311
Land held for resale (TPRC)	311,945	191,500
	<u>335,342</u>	<u>204,257</u>
Non-current		
Land held for resale (TPRC)		
Cost of acquisition	31,551	71,788
Development costs	1,736,627	1,057,694
	<u>1,768,178</u>	<u>1,129,482</u>

The following movements in inventories occurred during the year:

Balance at beginning of year		1,333,739	996,713
Write down of inventories to net realisable value	2(b)	(287,913)	(53,186)
Additions to inventory		1,057,694	390,212
Balance at end of year		<u>2,103,520</u>	<u>1,333,739</u>

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

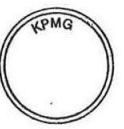
Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

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

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

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



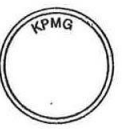
**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Note	Land	Buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Information technology	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		205,115,009	64,138,585	269,253,594	492,349	2,591,623	611,708	272,949,274
Additions		83,608	908,533	992,141	-	515,958	220,620	1,728,719
Disposals		-	(43,794)	(43,794)	-	(412,154)	-	(455,948)
<u>Work in Progress</u>								
Additions		-	109,318	109,318	-	-	111,008	220,326
Completed and capitalised		(10,509)	(459,334)	(469,843)	-	(142,060)	(44,056)	(655,959)
Depreciation	9(a)	-	(2,275,533)	(2,275,533)	(58,226)	(371,694)	(68,965)	(2,774,418)
Balance at 30 June 2021		205,188,108	62,377,775	267,565,883	434,123	2,181,673	830,315	271,011,994
Comprises:								
Gross balance amount at 30 June 2021		205,188,108	119,338,398	324,526,506	1,514,500	2,748,207	1,280,930	330,070,143
Accumulated depreciation at 30 June 2021		-	(56,960,623)	(56,960,623)	(1,080,377)	(566,534)	(450,615)	(59,058,149)
Balance at 30 June 2021		205,188,108	62,377,775	267,565,883	434,123	2,181,673	830,315	271,011,994
Additions		358	526,232	526,590	37,085	377,893	-	941,568
Disposals		(298,241)	(211,824)	(510,065)	-	(132,554)	-	(642,619)
<u>Work in Progress</u>								
Additions		-	-	-	-	-	-	-
Completed and capitalised		-	161,296	161,296	-	-	138,907	300,203
Depreciation	9(a)	-	(2,291,021)	(2,291,021)	(59,150)	(387,818)	(90,246)	(2,828,235)
Balance at 30 June 2022		204,890,225	60,562,458	265,452,683	412,058	2,039,194	878,976	268,782,911
Comprises:								
Gross balance amount at 30 June 2022		204,890,225	119,672,525	324,562,750	1,551,584	2,914,724	1,419,837	330,448,895
Accumulated depreciation at 30 June 2022		-	(59,110,067)	(59,110,067)	(1,139,526)	(875,530)	(540,861)	(61,665,984)
Balance at 30 June 2022		204,890,225	60,562,458	265,452,683	412,058	2,039,194	878,976	268,782,911



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2020	Price per hectare / market borrowing rate
Buildings	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2020	Available market information and utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition, residual values and remaining useful life assessment.
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2020	Construction costs and current condition residual values and remaining useful life assessment inputs.

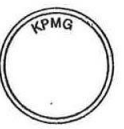
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

(ii) Cost

Furniture and equipment	Cost approach	Cost	June 2020	Purchase cost
Plant and equipment	Cost approach	Cost	June 2020	Purchase cost
Information technology	Cost approach	Cost	June 2020	Purchase cost

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change was effective from 1 July 2019 and represented a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximated cost at the date of change



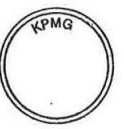
**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

8. INFRASTRUCTURE

(a) Movements in Balances

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

Note	Infrastructure - roads	Infrastructure - pathways	Infrastructure - drainage	Infrastructure - parks	Other infrastructure	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	180,892,290	33,553,347	34,562,216	8,541,003	8,974,344	266,523,200
Additions	4,279,008	1,284,539	224,353	603,517	301,011	6,692,428
(Disposals)	(1,559,128)	(22,021)	(70,820)	(125,990)	(6,844)	(1,784,803)
<u>Work in Progress</u>						
Additions	69,193	2,453	-	172,756	345,314	589,716
Completed and capitalised	(8,427)	(662,342)	-	(135,177)	(37,503)	(843,449)
Depreciation	9(a) (4,212,229)	(1,174,216)	(451,343)	(465,560)	(450,843)	(6,754,191)
Balance at 30 June 2021	179,460,707	32,981,761	34,264,406	8,590,549	9,125,478	264,422,901
Comprises:						
Gross balance at 30 June 2021	232,331,520	39,794,689	48,488,221	12,066,389	15,723,524	348,404,343
Accumulated depreciation at 30 June 2021	(52,870,813)	(6,812,928)	(14,223,815)	(3,475,840)	(6,598,046)	(83,981,442)
Balance at 30 June 2021	179,460,707	32,981,761	34,264,406	8,590,549	9,125,478	264,422,901
Additions	3,456,941	69,050	200,653	412,125	23,664	4,162,433
(Disposals)	(1,134,294)	(53,602)	(81,710)	(6,639)	-	(1,276,245)
<u>Work in Progress</u>						
Additions	899,385	206,278	237,775	1,241,232	319,972	2,904,642
Completed and capitalised	-	-	-	-	-	-
Depreciation	9(a) (4,545,365)	(1,213,338)	(456,104)	(433,760)	(463,806)	(7,112,373)
Balance at 30 June 2022	178,137,374	31,990,149	34,165,020	9,803,507	9,005,308	263,101,358
Comprises:						
Gross balance at 30 June 2022	230,966,221	39,994,327	48,813,725	14,539,896	19,256,235	353,570,404
Accumulated depreciation at 30 June 2022	(52,828,847)	(8,004,178)	(14,648,705)	(4,736,389)	(10,250,927)	(90,469,046)
Balance at 30 June 2022	178,137,374	31,990,149	34,165,020	9,803,507	9,005,308	263,101,358



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

8. INFRASTRUCTURE (Continued)

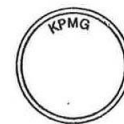
(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - roads	3	Cost approach, using depreciated replacement cost	Independent registered valuer	June 2020	Construction costs and current condition, residual values and remaining useful life assessments including the cost of removal and disposal of existing assets
	Infrastructure - pathways	3	Cost approach, using depreciated replacement cost	Independent registered valuer	June 2020	Construction costs and current condition, residual values and remaining useful life assessments including the cost of removal and disposal of existing assets
	Infrastructure - drainage	3	Cost approach, using depreciated replacement cost	Independent registered valuer	June 2020	Construction costs and current condition, residual values and remaining useful life assessments including the cost of removal and disposal of existing assets
	Infrastructure - parks	3	Cost approach, using depreciated replacement cost	Independent registered valuer	June 2020	Construction costs and current condition, residual values and remaining useful life assessments
	Other infrastructure	3	Cost approach, using depreciated replacement cost	Independent registered valuer	June 2020	Construction costs and current condition, residual values and remaining useful life assessments

* Other Infrastructure includes assets such as street lighting, shelters, parklets and public art.

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

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



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

9. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings	7(a)	2,291,021	1,603,000	2,275,533
Furniture and equipment	7(a)	59,150	400,000	58,226
Plant and equipment	7(a)	387,818	390,000	371,694
Information technology	7(a)	90,246	360,000	68,965
Infrastructure - roads	8(a)	4,545,365	4,089,900	4,212,229
Infrastructure - pathways	8(a)	1,213,338	1,195,000	1,174,216
Infrastructure - drainage	8(a)	456,104	465,000	451,343
Infrastructure - parks	8(a)	433,760	450,000	465,560
Other infrastructure	8(a)	463,806	465,300	450,843
Right-of-use assets - information technology	10(a)	66,838	50,000	66,838
		10,007,446	9,468,200	9,595,447

Depreciation rates

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

Asset Class	Useful life
Buildings	20-100 yrs
Furniture and Equipment	10-40 yrs
Plant and Machinery	15-25 yrs
Information Technology	7-30 yrs
Roads - Formation	Not depreciated
Roads - Pavement	60-80 yrs
Roads - Surface	20-25 yrs
Footpaths	15-45 yrs
Drainage	50-80 yrs
Parks	10-80 yrs
Other Assets	20-100 yrs
Right of Use Asset (Information Technology)	Shorter of lease term or useful life of the underlying asset

(b) Fully Depreciated Assets in Use

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

	2022 \$	2021 \$
Buildings	960,600	475,400
Furniture and equipment	-	30,290
Infrastructure - roads	155,534	64,901
Infrastructure - parks	159,354	74,054
Other infrastructure	36,649	36,649
	1,312,137	681,294

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

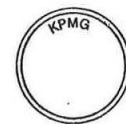
9. FIXED ASSETS (Continued)

(c) Disposals of assets

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	298,241	298,241	-	-	2,237,340	3,800,000	1,562,660	-	-	-	-	-
Buildings	211,824	-	-	(211,824)	-	-	-	-	43,794	-	-	(43,794)
Plant and equipment	132,554	221,302	92,960	(4,212)	467,997	391,500	31,457	(107,954)	412,154	408,011	62,019	(66,162)
Infrastructure - roads	1,134,294	-	-	(1,134,294)	-	-	-	-	1,559,128	-	-	(1,559,128)
Infrastructure - pathways	53,602	-	-	(53,602)	-	-	-	-	22,021	-	-	(22,021)
Infrastructure - drainage	81,710	-	-	(81,710)	-	-	-	-	70,820	-	-	(70,820)
Infrastructure - parks	6,639	-	-	(6,639)	-	-	-	-	125,990	-	-	(125,990)
Other infrastructure	-	-	-	-	-	-	-	-	6,844	-	-	(6,844)
	1,918,864	519,543	92,960	(1,492,281)	2,705,337	4,191,500	1,594,117	(107,954)	2,240,751	408,011	62,019	(1,894,759)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant and Equipment				
Other property and services				
Hino Ranger Pro10 4x2 heavy tipper truck Reg no.1	10,914	64,511	53,597	-
Hino Ranger Pro6 4x2 heavy flocon truck	28,123	24,265	-	(3,859)
Subaru Impreza 2.0i Hatch - Strategic Planning - 1	10,107	16,411	6,304	-
Subaru Impreza 2.0i Hatch - Parking - 178VPK	9,568	16,411	6,844	-
Subaru Impreza 2.0 Hatch - 1GJM311	14,611	16,184	1,573	-
Mazda CX-5 Maxx Sport - 110VPK	14,762	25,275	10,512	-
Subaru Impreza 2.0i-L - 164VPK	14,930	18,911	3,982	-
Ford Transit Custom Van - 141VPK	28,309	38,457	10,148	-
Minor Plant (Parks) Replacements 2020-2021FY 16 pl	1,230	877	-	(354)
	132,554	221,302	92,960	(4,213)
Other Asset class				
Program				
Recreation and Culture and Transport	1,786,310	298,241	-	(1,488,068)
	1,786,310	298,241	-	(1,488,068)



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

9. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

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

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

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

Individual assets that are land, buildings, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation date in accordance with the mandatory measurement framework.

Revaluation

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

At the end of each period the carrying amount for each asset class is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Revaluation (continued)

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

Depreciation

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

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

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

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

Depreciation on revaluation

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

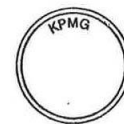
- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount.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

Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 9(a).



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

10. LEASES

(a) Right-of-Use Assets

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

Note	Right-of-use assets -Plant and Equipment \$	Right-of-use assets - land and buildings \$	Right-of-use assets - information technology \$	Right-of-use assets Total \$
Balance at 1 July 2020	-	-	150,385	150,385
Depreciation	-	-	(66,838)	(66,838)
Balance at 30 June 2021	-	-	83,547	83,547
Depreciation	9(a)	-	(66,838)	(66,838)
Balance at 30 June 2022	-	-	16,709	16,709

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

		2022 Actual \$	2021 Actual \$
Depreciation on right-of-use assets	9(a)	(66,838)	(66,838)
Interest expense on lease liabilities	26(e)	(8,466)	(17,989)
Total amount recognised in the statement of comprehensive income		(75,304)	(84,827)
Total cash outflow from leases		(82,144)	(82,143)
(b) Lease Liabilities			
Current		20,069	73,678
Non-current	26(e)	-	20,069
		20,069	93,747

The Town has one lease relating to information technology. The lease term is for 5 years. The lease has fixed payments

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 26(e).

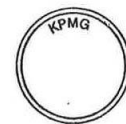
Right-of-use assets - valuation measurement

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

Refer to Note 9 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

10. LEASES (Continued)

(c) Lessor - Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year
1 to 2 years

	2022 Actual \$	2021 Actual \$
	20,069	73,678
	-	20,069
	20,069	93,747

The Town leases houses to staff and aged persons with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The staff houses are not considered investment property as they are leased for use in the supply of services to the community. The aged persons housing are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the Town is exposed to changes in the residual value at the end of the current leases, the Town typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

SIGNIFICANT ACCOUNTING POLICIES

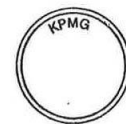
The Town as Lessor

Upon entering into each contract as a lessor, the Town assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Town applies AASB 15 to allocate the consideration under the contract to each component.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Bonds and deposits held
Prepaid income
Payroll
Accrued expenses
Payables

	2022	2021
	\$	\$
Sundry creditors	3,024,246	3,258,069
Prepaid rates	1,008,669	728,353
Bonds and deposits held	1,473,193	1,454,336
Prepaid income	-	12,300
Payroll	255,003	230,558
Accrued expenses	648,603	765,826
Payables	61,978	77,853
	6,471,692	6,527,295

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

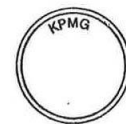
Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Town prior to the end of the financial year that are unpaid and arise when the Town becomes obliged to make future payments in respect of the purchase of these goods and services.

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

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Town recognises revenue for the prepaid rates that have not been refunded.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

12. OTHER LIABILITIES

Current

Contract liabilities

Reconciliation of changes in contract liabilities

Opening balance

Additions

Revenue recognised during the year

	2022	2021
	\$	\$
Contract liabilities	2,810,554	3,335,696
	2,810,554	3,335,696
Opening balance	3,335,696	376,463
Additions	2,258,191	2,959,233
Revenue recognised during the year	(2,783,333)	-
	2,810,554	3,335,696

The Town expects to satisfy the performance obligations from contracts with customers unsatisfied at the end of the reporting period to be satisfied within the next 12 months.

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

SIGNIFICANT ACCOUNTING POLICIES

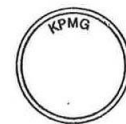
Contract liabilities

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

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

Capital grant/contribution liabilities

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



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

13. BORROWINGS

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		3,038,595	12,438,056	15,476,651	2,798,462	13,987,423	16,785,885
Total secured borrowings	26(a)	3,038,595	12,438,056	15,476,651	2,798,462	13,987,423	16,785,885

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Town of Victoria Park. Other loans relate to transferred receivables. Refer to Note 5.

The Town of Victoria Park has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 years.

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

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

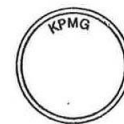
Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 20.

Details of individual borrowings required by regulations are provided at Note 26(a).



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual Leave	2,039,931	2,194,248
Long Service Leave	1,473,189	1,763,096
Other employee provisions	730,045	747,593
	4,243,165	4,704,937

Non-current provisions

Long Service Leave	328,352	291,751
Other employee provisions	31,149	53,593
	359,501	345,344
	4,602,666	5,050,281

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

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

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date	1,203,559	1,294,606
More than 12 months from reporting date	3,399,107	3,755,675
	4,602,666	5,050,281

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

	178,894	240,667
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SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

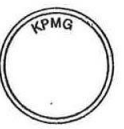
Provision is made for the Town's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service,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

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

Other long-term employee benefits

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

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

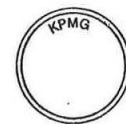


**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

15. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	186,314,867	-	-	-	186,314,867	186,314,867	-	-	-	186,314,867
Revaluation surplus - Buildings	34,272,404	-	-	-	34,272,404	34,272,404	-	-	-	34,272,404
Revaluation surplus - Infrastructure - roads	162,531,117	-	-	-	162,531,117	162,531,117	-	-	-	162,531,117
Revaluation surplus - Infrastructure - pathways	29,038,614	-	-	-	29,038,614	29,038,614	-	-	-	29,038,614
Revaluation surplus - Infrastructure - drainage	30,378,975	-	-	-	30,378,975	30,378,975	-	-	-	30,378,975
Revaluation surplus - Share of other comprehensive income of investment in associate	2,196,341	1,678,356	-	1,678,356	3,874,697	2,596,250	-	(399,909)	(399,909)	2,196,341
	444,732,318	1,678,356	-	1,678,356	446,410,674	445,132,227	-	(399,909)	(399,909)	444,732,318

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.



TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	24,726,759	10,129,089	40,128,544

Restrictions

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents	3	13,173,604	8,376,023	39,729,619
- Financial assets at amortised cost	4	26,000,000	24,000,000	24,000,000
		<u>39,173,604</u>	<u>32,376,023</u>	<u>63,729,619</u>

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

Restricted reserve accounts	27	38,184,376	32,376,023	53,222,743
Unspent loans	26(d)	989,228	-	10,506,876
Total restricted financial assets		<u>39,173,604</u>	<u>32,376,023</u>	<u>63,729,619</u>

**(b) Reconciliation of Net Result to Net Cash Provided
By Operating Activities**

Net result		(6,278,899)	(7,692,881)	(933,313)
Non-cash items:				
Depreciation/amortisation	9(a)	10,007,446	9,468,200	9,595,447
(Profit)/loss on sale of asset		1,399,321	(1,486,163)	1,832,740
Share of profits of associates /increase in equity interest	19(c)	258,751	-	(1,422,450)
Share of loss of equity accounted investees	19(c)	8,121	-	12,639
(Increase)/decrease in trade and other receivables		(1,568,053)	-	(208,807)
(Increase)/decrease in inventories		(769,781)	-	(337,026)
Increase/(decrease) in trade and other payables		(55,597)	-	1,081,156
Increase/(decrease) in employee related provisions		(447,615)	-	262,198
Increase/(decrease) in other liabilities		(525,142)	-	2,959,233
Non-operating grants, subsidies and contributions		(1,234,106)	(8,781,552)	(1,004,795)
Net cash provided by/(used in) operating activities		<u>794,446</u>	<u>(8,492,396)</u>	<u>11,837,022</u>

**(c) Undrawn Borrowing Facilities
Credit Standby Arrangements**

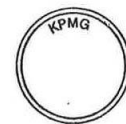
Bank overdraft limit		9,000,000		9,000,000
Bank overdraft at balance date		-		-
Credit card limit		23,000		22,000
Credit card balance at balance date		13,340		16,057
Total amount of credit unused		<u>9,036,340</u>		<u>9,038,057</u>

Loan facilities

Loan facilities - current		3,038,595		2,798,462
Loan facilities - non-current		12,438,056		13,987,423
Total facilities in use at balance date		<u>15,476,651</u>		<u>16,785,885</u>

Unused loan facilities at balance date

		989,228		10,506,876
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TOWN OF VICTORIA PARK NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

17. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

(a) Contingent Liabilities

Contaminated site – Tamala Park landfill Site

In February 2020, MRC received its first Mandatory Auditor's Report (MAR) as requested by the Department of Water and Environmental Regulation (DWER) in respect to the Tamala Park Waste Management Facility site.

Among other things, the purpose of the MAR is to confirm that earlier investigations adequately characterised the contamination status of the site and whether potentially significant risks to human health, the environment or environmental values exist on-site or off-site.

The MRC received a second iteration of the MAR in November 2021, which has further assessed the contamination status of the site. In reaching their conclusion, the independent auditor has evaluated the information contained in the investigative reports as generally complete, accurate and compliant with the relevant guidelines. Also, the assessments were sufficient to define the potential extent and types of contamination.

The MAR auditor has determined, based on the analysis contained in the assessed reports, that the site remains suitable for ongoing use as a Class II landfill ('source site'). Likewise, the affected site to the north of the facility remains suitable for its current use as a development buffer zone ('affected site'). A summary of findings for the source site are listed below;

Source site:-

- All soil samples returned results below established criteria.
- Groundwater results indicate impact to the aquifer immediately below the landfill levels above relevant drinking water established criteria, although some results are reflective of naturally occurring conditions. Groundwater on site remains suitable for controlled industrial use on site without an unacceptable risk.
- Landfill gas results indicate that the existing extraction system is working effectively, with negligible detection of landfill gas outside the extraction network.

Affected site:

- Groundwater results indicate some contaminants above relevant drinking water established criteria. Elevated levels of some identified contaminants are also known to occur naturally in the local environment.
- No landfill gas detected outside the site boundary.

Currently, DWER has classified the site as "Contaminated – Remediation Required" and the affected site as "Contaminated – Restricted Use".

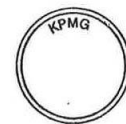
The MAR report received in November 2021 required further investigation to confirm 2 main areas:

- Adequacy of the landfill gas monitoring network and assessment of the potential for offsite migration of landfill gas
- Ongoing assessment of landfill gas and groundwater as part of the ongoing Site Management Plan to inform long term trends and need for mitigation measures.

Since receiving the MAR in November 2021:

Groundwater monitoring

The MRC has commissioned 2 rounds of groundwater testing (December 2021 and June 2021), with the final report on the testing received August 2022. One of the report's conclusions were based on the groundwater monitoring results in 2021, no significant changes to the overall risk profile at the TPWMF, buffer zone and nearby residential development have been identified, compared to the 2020 assessment. This report also recommended ongoing monitoring required and the recommendation to rationalise the groundwater monitoring network and the number of analytical suites included in each sampling round.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

17. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS (Continued)

(a) Contingent Liabilities (continued)

Site management plan (SMP)

A SMP was developed and received in May 2022 for the MRC. The SMP is required to provide a management plan for the site to ensure that potential risks associated with soil, landfill gas and groundwater contaminants are appropriately managed for the ongoing use of the site as a landfill facility and leachate management. There are no specific “results” from this plan. This Plan remains an evolving document that addresses the overall management of landfill gas and groundwater based on the latest advice.

Landfill gas monitoring

The most recent gas monitoring report was obtained in September 2021 this covered 3 sampling rounds (January to March 2021). One of the report’s conclusions were “Under the current site conditions (i.e. active landfill gas extraction and continuous landfill gas monitoring in the workshop), the risks to the site’s workers and off-site residents from landfill gas are considered low. The risk to site’s infrastructure and terrestrial ecosystem is however considered Negligible.” Gas testing was also conducted in December 2021 and October 2022, however, the MRC has not yet received the gas monitoring report for these tests.

At this time, the MRC has no new information to suggest that an additional landfill rehabilitation provision is required to address any specific remediation requirements, nor do the recommendations from groundwater or gas reports recommend any such action.

(b) Capital Commitments

Contracted for:

- capital expenditure projects
- plant & equipment purchases

Payable:

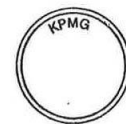
- not later than one year

	2022	2021
	\$	\$
	277,574	917,900
	436,842	-
	714,416	917,900
	714,416	18,841

SIGNIFICANT ACCOUNTING POLICIES

Capital Commitments

The capital expenditure commitment outstanding at the end of the current reporting period represents commitments relating to property, plant, equipment and infrastructure projects that have been carried forward to next financial year.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

18. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

Mayor Karen Vernon

Mayor's annual allowance

Meeting attendance fees

Other expenses

Annual allowance for ICT expenses

Travel and accommodation expenses

Deputy Mayor Claire Anderson

Deputy Mayor's annual allowance

Meeting attendance fees

Annual allowance for ICT expenses

Cr Mayor Bronwyn Ife

Deputy Mayor's annual allowance

Meeting attendance fees

Annual allowance for ICT expenses

Cr Wilfred Hendriks

Meeting attendance fees

Annual allowance for ICT expenses

Cr Luana Lisandro

Meeting attendance fees

Annual allowance for ICT expenses

Cr Jesvin Karimi

Meeting attendance fees

Annual allowance for ICT expenses

Cr Vicki Potter

Meeting attendance fees

Annual allowance for ICT expenses

Cr Jesse Hamer

Meeting attendance fees

Annual allowance for ICT expenses

Cr Peter Devereux

Meeting attendance fees

Annual allowance for ICT expenses

Cr Ronhhda Potter

Meeting attendance fees

Annual allowance for ICT expenses

Cr Brian Oliver

Meeting attendance fees

Annual allowance for ICT expenses

Summary of Elected Member Remuneration

Mayor's annual allowance

Deputy Mayor's annual allowance

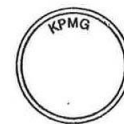
Meeting attendance fees

Other expenses

Annual allowance for ICT expenses

Travel and accommodation expenses

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
	63,355	63,345	62,727
	31,149	31,149	30,841
	450	500	657
	3,500	3,500	3,500
	1,147	1,000	2,344
	99,601	99,494	100,069
	11,196	-	-
	23,230	23,230	23,000
	3,500	3,500	3,500
	37,926	26,730	26,500
	4,643	15,839	15,682
	23,230	23,230	23,000
	3,500	3,500	3,500
	31,373	42,569	42,182
	23,230	23,230	23,000
	3,500	3,500	3,500
	26,730	26,730	26,500
	23,230	23,230	23,000
	3,500	3,500	3,500
	26,730	26,730	26,500
	23,230	23,230	23,000
	3,500	3,500	3,500
	26,730	26,730	26,500
	23,230	23,230	23,000
	3,500	3,500	3,500
	26,730	26,730	26,500
	16,356	-	-
	2,464	-	-
	18,820	-	-
	16,356	-	-
	2,464	-	-
	18,820	-	-
	6,874	23,230	23,000
	1,036	3,500	3,500
	7,910	26,730	26,500
	6,874	23,230	23,000
	1,036	3,500	3,500
	7,910	26,730	26,500
	329,280	329,173	327,751
	63,355	63,345	62,727
	15,839	15,839	15,682
	216,989	216,989	214,841
	450	500	657
	31,500	31,500	31,500
	1,147	1,000	2,344
18(b)	329,280	329,173	327,751



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

18. RELATED PARTY TRANSACTIONS (Continued)

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Town during the year are as follows:

	2022 Actual	2021 Actual
	\$	\$
Short-term employee benefits	948,303	936,756
Post-employment benefits	100,928	131,545
Employee - other long-term benefits	19,903	18,783
Employee - termination benefits	-	7,590
Council member costs	329,280	327,751
18(a)	1,398,414	1,422,425

Short-term employee benefits

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

Post-employment benefits

These amounts are the current-year's cost of the Town's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Council member costs

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

(c) Transactions with related parties

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

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2022 Actual	2021 Actual
	\$	\$
Sale of goods and services	4,750	4,784
Sponsorships	1,000	1,500
Investments in associates:		
Distributions received from investments in associates	7,833,333	750,000

(d) Related Parties

The Town's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel.

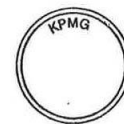
ii. Other Related Parties

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

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

iii. Entities subject to significant influence by the Town

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



TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

19. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS

	2022	2021
	\$	\$
Net Assets		
Mindarie Regional Council	9,668,428	1,961,040
Tamala Park Regional Council	4,542,991	4,580,774
	14,211,419	6,541,814

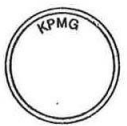
(a) Mindarie Regional Council

The Mindarie Regional Council (MRC) was formally constituted in December 1987. The Town of Victoria Park, along with the Municipalities of Joondalup, Wanneroo, Stirling, Perth, Cambridge and Vincent, form the membership of the Mindarie Regional Council.

The primary function of the Regional Council is for the orderly and efficient treatment and / or disposal of waste. The Town of Victoria Park has a one-twelfth (1/12) equity interest in the MRC of the refuse disposal facility as per the constitution amendment (25 November 1996). The following table summarises the financial information of the MRC as included in its own financial statements.

The Town's share in the assets and liabilities based on the audited results of the Mindarie Regional Council is as follows:

	2022	2021
	\$	\$
Net Assets		
Current assets	50,281,491	42,526,862
Non current assets	95,598,663	90,593,148
Total assets	145,880,154	133,120,010
Current liabilities	5,605,776	14,479,677
Non current liabilities	24,253,248	95,107,847
Total liabilities	29,859,024	109,587,524
Total Net Assets	116,021,130	23,532,486
Town of Victoria Park 1/12 Share of Total Net Assets	9,668,427	1,961,040
Equity		
Retained surplus	(35,597,552)	(23,933,585)
Reserves	18,767,090	19,754,751
Revaluation surplus	43,765,866	23,625,594
Council contributions	89,085,726	4,085,726
Total Equity	116,021,130	23,532,486
Town of Victoria Park 1/12 Share Total Equity	9,668,428	1,961,041
Total revenue	43,272,034	55,753,809
Total expenses	(56,069,051)	(60,609,155)
Profit/(Loss) from ordinary activities	145,389	56,441
Net Result	(12,651,628)	(4,798,905)
Other Comprehensive Income	20,140,272	-
Total Comprehensive Income	7,488,644	(4,798,905)
Town of Victoria Park 1/12 Share of Net Results	(1,054,302)	(399,909)
Town of Victoria Park 1/12 Share of Other Comprehensive Income	1,678,356	-



19. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS (CONTINUED)

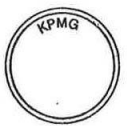
(b) Tamala Park Regional Council

The Tamala Park Regional Council (TPRC) was formally constituted in February 2006. The Town of Victoria Park, along with the Municipalities of Joondalup, Wanneroo, Stirling, Perth, Cambridge and Vincent, form the membership of the Tamala Park Regional Council.

The purpose of the Regional Council is to create an urban development of 165 hectares immediately north of the Mindarie Regional Council leased land. The Town of Victoria Park has a one-twelfth (1/12) equity interest in the TPRC. The following table summarises the financial information of the TPRC as included in its own financial statements.

The Town's share in the assets and liabilities based on the audited results of the Tamala Park Regional Council is as follows:

	2022	2021
	\$	\$
Net Assets		
Current assets	53,079,035	53,668,172
Non current assets	1,786,027	1,722,724
Total assets	54,865,062	55,390,896
Current liabilities	216,486	420,373
Non current liabilities	132,683	1,231
Total liabilities	349,169	421,604
Net Assets	54,515,893	54,969,292
Town of Victoria Park 1/12 Share Total Net Assets	4,542,991	4,580,774
Equity		
Retained surplus	388,917	1,077,792
Member contributions	54,120,623	53,885,147
Revaluation surplus	6,353	6,353
Total Equity	54,515,893	54,969,292
Town of Victoria Park 1/12 Share Total Equity	4,542,991	4,580,774
Total revenue	322,628	496,982
Total expenses	(1,009,759)	(1,070,778)
Profit/(Loss) from ordinary activities	(1,744)	-
Net Result	(688,875)	(573,796)
Town of Victoria Park 1/12 Share of Net Result	(57,406)	(47,816)



19. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS (CONTINUED)

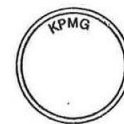
(c) Change in equity	2022	2021
		\$
Investment in Mindarie Regional Council		
Opening Balance	1,961,040	2,360,949
Changes on revaluation of non-current cssets	(1,054,302)	(399,909)
Share of revaluation of assets and contribution of equity	1,678,356	-
Contribution to equity in associate	7,083,334	-
Closing Balance	9,668,428	1,961,040
Investment in Tamala Park Regional Council		
Opening Balance	4,580,775	3,908,325
Proceeds from sale of land	2,524,056	2,492,783
Land development expenses	(1,736,627)	(1,057,694)
Proceeds distribution	(833,334)	(750,000)
Net Share of Interests in Tamala Park Regional Council - Retained surplus	(57,406)	(47,714)
Net Share of Interests in Tamala Park Regional Council - Members Equity	65,527	35,075
Closing Balance	4,542,991	4,580,775
Net Share of Interests in Mindarie Regional Council	-	-
Net Share of Interests in Tamala Park Regional Council - Retained surplus	(57,406)	(47,714)
Net Share of Interests in Tamala Park Regional Council - Members Equity	65,527	35,075
Increase/(Decrease) in Equity Interest	8,121	(12,639)
Net Share of Interest in Associates	795,550	1,422,450
Mindarie Comprehensive Income	(1,054,302)	-
Share of Net Profit/(Loss) of Associates	(258,752)	1,422,450
Profit from Sale of Land		
Proceeds from sale of land	2,524,056	2,492,783
Land Development Expenses	(1,736,627)	(1,057,694)
Share of Net Profit/(Loss) of Sale of Land	787,429	1,435,089

SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

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

Investments in associates are accounted for using the equity method. The equity method of accounting, is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Town's share of net assets of the associate. In addition, the Town's share of the profit or loss of the associate is included in the Town's profit or loss.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

20. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2022					
Cash and cash equivalents	0.20%	24,726,759	-	24,726,759	-
Financial assets at amortised cost - term deposits	0.76%	26,000,000	26,000,000	-	-
2021					
Cash and cash equivalents	0.20%	40,128,544	-	40,128,544	-
Financial assets at amortised cost - term deposits	0.63%	17,000,000	17,000,000	-	-

Sensitivity

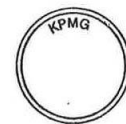
Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2022	2021
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	247,268	401,285

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Town 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 Town does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 26(a).



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

20. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

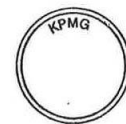
	Less than 1 year past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	Note
30 June 2022						
Trade and other receivables						
Expected credit loss	2.19%	3.36%	5.06%	43.86%		
Gross carrying amount	783,544	109,465	67,185	846,504	1,806,698	
Loss allowance	16,717	3,678	3,400	371,276	395,071	5
30 June 2021						
Trade and other receivables						
Expected credit loss	2.19%	3.36%	5.06%	43.86%		
Gross carrying amount	449,268	292,809	55,551	631,726	1,429,354	
Loss allowance	9,839	9,839	2,811	277,075	299,564	5

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

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

Contract Assets

The Town's contract assets represent work completed, which have not been invoiced at year end. This is due to the Town not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Town applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Town has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

20. FINANCIAL RISK MANAGEMENT (Continued)

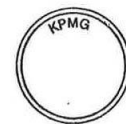
(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Town manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 16(c).

The contractual undiscounted cash flows of the Town's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

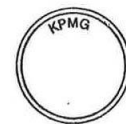
	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2022					
Trade and other payables	6,924,638	-	-	6,924,638	6,471,692
Borrowings	3,038,595	11,979,226	458,800	15,476,621	15,476,651
Contract Liabilities	-	-	-	-	2,810,554
Lease liabilities	20,069	-	-	20,069	20,069
	<u>9,983,302</u>	<u>11,979,226</u>	<u>458,800</u>	<u>22,421,328</u>	<u>24,778,966</u>
2021					
Trade and other payables	6,090,062	-	-	6,090,062	6,527,295
Borrowings	2,798,462	11,210,127	2,777,296	16,785,885	16,785,885
Contract Liabilities	2,822,696	513,000	-	3,335,696	3,335,696
Lease liabilities	73,678	20,069	-	93,747	93,747
	<u>11,784,898</u>	<u>11,743,196</u>	<u>2,777,296</u>	<u>26,305,390</u>	<u>26,742,623</u>



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There are no events occurring after the end of the financial year which have significantly affected or may significantly affect the operations of The Town of Victoria Park.



22. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

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

When the Town applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest earnings

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

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

k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

New accounting standards for application in future years

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

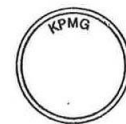
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current

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

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

- AASB 2021-7 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

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



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

23. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Town operations as disclosed in this financial report encompass the following service orientated functions and activities

PROGRAM NAME AND OBJECTIVES

ACTIVITIES

Governance

To provide a decision making process for the efficient allocation of scarce resources.

Includes the activities of members of Councils and the administrative support available to the Council for the provision of governance of the district. Other costs relates to the task of assisting elected members and ratepayers on matters which do not concern specific local government services.

GENERAL PURPOSE FUNDING

To collect revenue to finance Council activities.

Includes the activities of collection rates including differential rates and interim rates, interest and fees on instalment arrangements and interest on arrears. Amounts receivable from the Western Australian Local Government Grants Commission for untied grants such as the Financial Assistance Grants. Interest revenue received on municipal and reserve investments is allocated to this program.

LAW, ORDER, PUBLIC SAFETY

To provide services to ensure a safer community.

Provision of community safety through ranger services and equitable parking management services including registering and impounding of cats and dogs. Revenue allocated to this program includes cat and dog registrations, infringements, fees and charges and prosecutions.

HEALTH

To provide an operational framework for good community health.

Administration, inspection and operation of programs concerned with the general health of the community through the environmental health area. Revenues and expenses relating to regulation and monitoring of food premises including food sample analysis and noise complaints.

EDUCATION AND WELFARE

To assist in meeting the education needs of the community.

Administration, support and operation of services for children, youth, seniors and persons with a disability. Provision of community development programs such as community grant .

COMMUNITY AMENITIES

To provide services required by the community.

Administration and operation of the refuse collection and disposal services. Provision of programs for the management and protection of the environment including the Grow it local program. The administration of strategic town planning schemes, planning applications and associated land issues.

RECREATION AND CULTURE

To establish and manage facilities for the well-being of the community.

Administration and operation of the community halls, recreation centres (Aqualife and Leisurelife), parks, sporting facilities and Libraries. Provision of heritage and community programs and events such as Anzac Day Citizenship ceremonies, Remembrance day and Summer street party.

TRANSPORT

To provide effective infrastructure to the community in the most efficient way.

Administration, maintenance and construction of roads, drainage, footpaths, including road verges, streetscapes, crossovers, road signs, street trees, street signage and street lighting.

ECONOMIC SERVICES

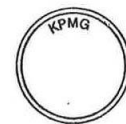
To promote the Town and improve its economic base.

The development, promotion, support and research of economic development issues with the community and progression of urban development projects. Provision of building control and swimming pool inspection services. Revenue allocated to this program includes building application, permit / inspection fees and prosecution collections.

OTHER PROPERTY AND SERVICES

To provide services required by the community.

Provision of administrative, leadership, project management and plant operation services.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

23. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

Income excluding grants, subsidies and contributions

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Governance	80	-	-
General purpose funding	44,815,272	45,437,656	44,021,404
Law, order, public safety	3,176,131	2,644,313	2,048,162
Health	264,478	174,800	167,027
Education and welfare	268,501	205,671	220,357
Community amenities	1,275,094	1,142,019	1,299,517
Recreation and culture	4,826,574	4,574,542	4,237,296
Transport	266,073	186,800	117,885
Economic services	7,080,990	11,859,187	2,014,542
Other property and services	460,295	1,988,654	408,400
	62,433,488	68,213,642	54,534,590

Grants, subsidies and contributions

General purpose funding	1,672,980	643,232	1,180,661
Law, order, public safety	100,774	72,500	66,929
Health	-	1,000	65
Education and welfare	83,970	-	-
Recreation and culture	303,673	3,482,600	88,158
Transport	1,232,789	5,443,884	1,003,850
Economic services	-	-	1,818
Other property and services	-	-	79,910
	3,394,186	9,643,216	2,421,391

Total Income

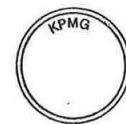
65,827,674 77,856,858 56,955,981

Expenses

Governance	(744,651)	(568,862)	(686,729)
General purpose funding	(1,450,797)	(1,142,556)	(1,094,188)
Law, order, public safety	(3,434,040)	(2,922,394)	(3,394,493)
Health	(1,647,532)	(777,682)	(1,536,789)
Education and welfare	(2,600,421)	(1,949,962)	(2,170,624)
Community amenities	(14,130,020)	(20,114,596)	(8,659,988)
Recreation and culture	(18,218,344)	(15,887,606)	(17,639,448)
Transport	(14,861,566)	(9,621,889)	(15,166,778)
Economic services	(10,075,234)	(15,373,625)	(2,318,872)
Other property and services	(4,943,968)	(17,190,567)	(5,221,385)
Total expenses	(72,106,573)	(85,549,739)	(57,889,294)

Net result for the period

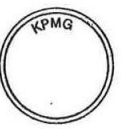
(6,278,899) (7,692,881) (933,313)



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

23. FUNCTION AND ACTIVITY (Continued)

	2022 Actual	2022 Budget	2021 Actual
(c) Fees and Charges	\$	\$	\$
General purpose funding	256,601	211,500	248,239
Law, order, public safety	2,832,846	2,446,575	1,886,777
Health	258,004	164,600	159,786
Education and welfare	180,678	199,671	210,262
Community amenities	1,137,698	1,136,771	1,254,899
Recreation and culture	4,648,048	4,536,316	4,217,450
Transport	116,461	173,100	104,727
Economic services	345,786	414,500	437,756
Other property and services	136,129	182,000	179,847
	9,912,251	9,465,033	8,699,743
	2022	2021	
(d) Total Assets	\$	\$	
Governance	386,129	469,609	
General purpose funding	16,363,416	13,922,315	
Law, order, public safety	692,157	431,379	
Health	34,460	92,036	
Education and welfare	229,327	214,661	
Community amenities	5,562,506	15,691,372	
Recreation and culture	76,789,737	78,352,203	
Transport	262,812,720	263,440,921	
Economic services	13,128,799	19,094,781	
Other property and services	227,736,554	220,094,076	
Unallocated	1,533,455	477,713	
	605,269,257	612,281,067	



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

24. RATING INFORMATION

(a) General Rates

RATE TYPE				2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2020/21	
Rate Description	Basis of valuation	Rate in	Number	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Actual	
		\$	of	Rateable	Rate	Interim	Back	Total	Rate	Interim	Back	Total	
			Properties	Value *	Revenue	Rates	Rates	Revenue	Revenue	Rate	Rate	Revenue	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	
Residential	Gross rental valuation	0.0924	12,594	230,421,245	21,290,922	163,366	7,020	21,461,308	21,542,579	146,600	-	21,689,179	21,042,543
Non-Residential	Gross rental valuation	0.0978	1,397	174,226,784	17,039,380	(60,820)	(80,249)	16,898,311	17,164,053	(84,052)	(40,000)	17,040,001	17,705,507
Vacant Land	Gross rental valuation	0.12936	247	12,436,630	1,608,802	4,930	(641)	1,613,091	1,626,214	9,000	-	1,635,214	-
Sub-Total			14,238	417,084,659	39,939,104	107,476	(73,870)	39,972,710	40,332,846	71,548	(40,000)	40,364,394	38,748,050
Minimum payment		\$											
Residential	Gross rental valuation	1,146	3,372	36,130,016	3,864,312	(45,099)	(4,746)	3,814,467	3,908,148	-	-	3,908,148	3,841,363
Non-Residential	Gross rental valuation	1,191	172	1,721,178	204,852	-	-	204,852	233,770	-	-	233,770	473,464
Vacant Land	Gross rental valuation	1,513	217	1,954,408	328,260	1,098	1,492	330,850	335,044	-	-	335,044	-
Sub-Total			3,761	39,805,602	4,397,424	(44,001)	(3,254)	4,350,169	4,476,962	-	-	4,476,962	4,314,827
			17,999	456,890,261	44,336,528	63,475	(77,124)	44,322,879	44,809,808	71,548	(40,000)	44,841,356	43,062,877
Total amount raised from general rates								44,322,879				44,841,356	43,062,877
(b) Total Rates								44,322,879				44,841,356	43,062,877

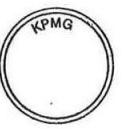
SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer.

Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Town recognises revenue for the prepaid rates that have not been refunded.



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

24. RATING INFORMATION (Continued)

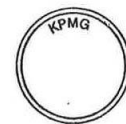
(b) Service Charges

Service Charges	Amount of Charge	2021/22 Actual Revenue Raised	2021/22 Actual Charges Applied to Costs	2021/22 Actual Charges Set Aside to Reserve	2021/22 Actual Reserve Applied to Costs	2021/22 Budget Revenue	2021/22 Budget Charges Applied to Costs	2021/22 Budget Charges Set Aside to Reserve	2021/22 Budget Reserve Applied to Costs	2020/21 Total Actual Revenue
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
SUPP6 - Victoria Park West	2,089	2,895,378	-	-	-	4,620,081	4,620,081	1,207,942	1,207,942	-
SUPP6 - Victoria Park East	3,849	1,903,611	-	-	-	3,339,514	3,339,514	1,169,396	1,169,396	-
SUPP6 - Carlisle	3,959	2,116,676	-	-	-	3,449,592	3,449,592	1,617,811	1,617,811	-
		6,915,665	-	-	-	11,409,187	11,409,187	3,995,149	3,995,149	-

Nature of the Service Charge	Objects of the Charge	Reasons for the Charge	Area/Properties Charge Imposed
SUPP6 - Victoria Park West	To apply a user charge on those receiving a benefit	To fund the costs associated with the underground power program.	All owners in the Vic Park West SUPP 6 area
SUPP6 - Victoria Park East	To apply a user charge on those receiving a benefit	To fund the costs associated with the underground power program.	All owners in the Vic Park East SUPP 6 area
SUPP6 - Carlisle	To apply a user charge on those receiving a benefit	To fund the costs associated with the underground power program.	All owners in the Carlisle North SUPP 6 area

(c) Discounts, Incentives, Concessions, & Write-offs

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Waiver/Concession	Discount %	Discount \$	2022 Actual \$	2022 Budget \$	2021 Actual \$
Rates	Rate	Waiver	0.00%	-	178	5,000	1,611
Fees & charges	Fee and charge	Waiver	0.00%	-	21	53,200	706
					199	58,200	2,317
Total discounts/concessions					199	58,200	2,317



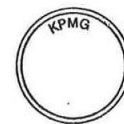
**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

24. RATING INFORMATION (Continued)

(d) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	27/10/2021	N/A	N/A	4.00%
Option Two				
First instalment	N/A	N/A	N/A	N/A
Second instalment	N/A	N/A	N/A	N/A
Option Three				
First instalment	27/10/2021	N/A	N/A	4.00%
Second instalment	05/01/2022	7.00	2.00%	4.00%
Third instalment	09/03/2022	7.00	2.00%	4.00%
Fourth instalment	11/05/2022	7.00	2.00%	4.00%

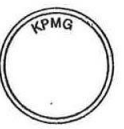
	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Interest on unpaid rates	121,791	65,000	69,267
Interest on instalment plan	92,554	85,000	84,565
Charges on instalment plan	129,185	130,000	128,247
Interest on deferred rates	3,314	-	2,953
	346,844	280,000	285,032



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

25. RATE SETTING STATEMENT INFORMATION

		2021/22 Budget	2021/22	2020/21		
	(30 June 2022 Carried Forward)	(30 June 2022 Carried Forward)	(1 July 2021 Brought Forward)	(30 June 2021 Carried Forward)		
Note	\$	\$	\$	\$		
(a) Non-cash amounts excluded from operating activities						
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .						
Adjustments to operating activities						
	(Profit) on asset disposals	9(c)	(92,960)	(1,594,117)	(62,019)	(62,019)
	Share of net (profit)/loss of associates accounted for using the equity method		(787,429)	-	(1,422,450)	(1,422,450)
	Share of net (profit)/loss of interest in associate		(8,121)	-	-	-
	Movement in employee benefit provisions (non-current)	14	14,157	-	(149,268)	(149,268)
	Movement in Inventory (Land held for development TPRC non-current)	6	(638,696)	-	(636,855)	(638,855)
	Movement in inventory (Land held for resale TPRC current)	6	(120,445)	-	301,016	301,016
	Movement in non-current receivables	5	(2,096)	-	21,225	21,225
	Loss on disposal of assets	9(c)	1,492,281	107,954	1,894,759	1,894,759
	Depreciation	9(a)	10,007,446	9,468,200	9,595,447	9,595,447
	Non-cash amounts excluded from operating activities		9,864,137	7,982,037	9,541,855	9,539,855
(b) Surplus/(deficit) after imposition of general rates						
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.						
Adjustments to net current assets						
	Less: Reserve accounts	27	(38,184,376)	(32,376,023)	(53,222,743)	(53,222,743)
	- Current portion of land held for resale (TPRC)	6	(311,945)	-	(191,500)	(191,500)
	- Current portion of borrowings	13	3,038,595	3,543,722	2,798,462	2,798,462
	- Current portion of term deposits moved to non-current		-	-	7,000,000	7,000,000
	- Current portion of lease liabilities	10(b)	20,069	(9,523)	73,678	73,678
	Total adjustments to net current assets		(35,437,657)	(28,841,824)	(43,542,103)	(43,542,103)
Net current assets used in the Rate Setting Statement						
	Total current assets		57,061,926	46,582,698	61,766,669	61,766,669
	Less: Total current liabilities		(16,584,075)	(17,740,874)	(17,440,068)	(17,440,068)
	Less: Total adjustments to net current assets		(35,437,657)	(28,841,824)	(43,542,103)	(43,542,103)
	Net current assets used in the Rate Setting Statement		5,040,194	-	784,498	784,498



**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings- Principal Repayments

Purpose	Note	Actual						Budget				
		Principal		Principal at 30 June 2021	Principal		Principal at 30 June 2022	Principal		Principal at 30 June 2022		
		at 1 July 2020	New Loans During 2020-21		Repayments During 2020-21	New Loans During 2021-22		Repayments During 2021-22	at 1 July 2021		New Loans During 2021-22	Repayments During 2021-22
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$			
Aqualife Centre II		396,242	-	(396,242)	-	-	-	-	-	-	-	
Fletcher Park		308,611	-	(37,997)	270,614	-	(39,866)	230,748	270,614	-	(39,866)	230,748
Underground Power - SUPP6		18,150,000	-	(2,503,759)	15,646,241	-	(2,532,887)	13,113,354	15,646,241	-	(2,532,887)	13,113,354
14 Kent Street		265,376	-	(81,990)	183,386	-	(88,297)	95,089	183,386	-	(88,297)	95,089
1 Harper Street		553,845	-	(97,370)	456,475	-	(103,651)	352,824	456,475	-	(103,651)	352,824
Depot Upgrade		261,347	-	(32,178)	229,169	-	(33,761)	195,408	229,169	-	(33,761)	195,408
Underground Power - NRUPP		-	-	-	-	1,489,228	-	1,489,228	-	1,489,228	(102,421)	1,386,807
Edward Millen Site		-	-	-	-	-	-	-	-	2,200,000	(43,085)	2,156,915
Total		19,935,421	-	(3,149,536)	16,785,885	1,489,228	(2,798,462)	15,476,651	16,785,885	3,689,228	(2,943,968)	17,531,145
Total Borrowings	13	19,935,421	-	(3,149,536)	16,785,885	1,489,228	(2,798,462)	15,476,651	16,785,885	3,689,228	(2,943,968)	17,531,145

* All the borrowings are obtained from the WA Treasury Corporation (WATC)
All Underground Power loan repayments funded by UGP service charges.
All other loan repayments were financed by general purpose revenue

(b) Borrowings- Interest Repayments

Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending	Budget for year ending	Actual for year ending
						30 June 2022	30 June 2022	30 June 2021
						\$	\$	\$
Aqualife Centre II		Recreation and culture	7	WATC	6.19%	-	-	(14,133)
Fletcher Park		Other property and services	9	WATC	7.55%	(6,795)	(12,210)	(18,399)
Underground Power - SUPP6		Other property and services	10	WATC	6.35%	(26,216)	(27,366)	(32,566)
14 Kent Street		Recreation and culture	11	WATC	4.86%	(12,368)	(12,673)	(14,251)
1 Harper Street		Other property and services	12	WATC	4.86%	(10,474)	(10,732)	(12,069)
Depot Upgrade		Economic services	15	WATC	1.16%	(165,629)	(174,172)	(194,855)
Underground Power - NRUPP		Other property and services	15	WATC	1.20%	(9,870)	(8,584)	-
Edward Millen Site		Other property and services	17	WATC	2.40%	-	(26,620)	-
Total						(231,352)	(272,357)	(286,273)
Total Interest Repayments	2(b)					(231,352)	(272,357)	(286,273)

**TOWN OF VICTORIA PARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

26. BORROWING AND LEASE LIABILITIES (Continued)

(c) New Borrowings - 2021/22

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2022 Actual	2022 Budget	2022 Actual	2022 Budget		
Underground Power - NRUPP	*WATC	Deb	7	1.20%	1,489,228	1,489,228	500,000	500,000	(9,870)	989,228
					1,489,228	3,689,228	500,000	2,700,000	(9,870)	989,228

* WA Treasury Corporation

(d) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent Balance 1 July 2021	Borrowed	Expended	Unspent
				During Year	During Year	Balance 30 June 2022
Underground Power - SUPP6	*WATC	13/03/2020	10,506,876	-	(10,506,876)	-
Underground Power - NRUPP	*WATC	19/04/2022	-	1,489,228	(500,000)	989,228
			10,506,876	1,489,228	(11,006,876)	989,228

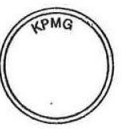
* WA Treasury Corporation

(e) Lease Liabilities

Purpose	Note	Actual				Budget						
		Principal at 1 July 2020	New Leases During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
Printers		\$ 157,901	\$ -	\$ (64,154)	\$ 93,747	\$ -	\$ (73,678)	\$ 20,069	\$ 94,875	\$ -	\$ (73,678)	\$ 21,197
Total Lease Liabilities	10(b)	157,901	-	(64,154)	93,747	-	(73,678)	20,069	94,875	-	(73,678)	21,197

(f) Lease Interest Repayments

Purpose	Note	Function and activity	Lease Number	Institution	Interest Rate	Actual for year ending	Budget for year ending	Actual for year ending	Lease Term
						30 June 2022	30 June 2022	30 June 2021	
Printers		General purpose funding	E6N0162072	MAIA	1.16%	\$ (8,466)	\$ (8,466)	\$ (17,989)	48 months
Total Interest Repayments	2(b)					(8,466)	(8,466)	(17,989)	



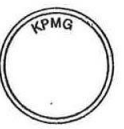
**TOWN OF VICTORIA PARK
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FOR THE YEAR ENDED 30 JUNE 2022**

27. RESERVE ACCOUNTS

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation/agreement												
(a) Underground power reserve	14,353,196	8,454,346	(18,447,979)	4,359,563	14,353,196	5,532,377	(16,497,274)	3,388,299	16,779,487	77,469	(2,503,760)	14,353,196
	14,353,196	8,454,346	(18,447,979)	4,359,563	14,353,196	5,532,377	(16,497,274)	3,388,299	16,779,487	77,469	(2,503,760)	14,353,196
Restricted by council												
(b) Building renewal reserve	1,728,745	137,678	(177,868)	1,688,555	1,728,745	57,500	(153,000)	1,633,245	1,534,483	194,262	-	1,728,745
(c) Community art reserve	663,116	20,917	(2,500)	681,533	663,116	2,000	(152,500)	512,616	658,478	4,638	-	663,116
(d) COVID 19 recovery reserve	1,621	1,314	(2,935)	-	1,621	-	(1,248)	373	500,000	1,621	(500,000)	1,621
(e) Drainage renewal reserve	402,806	891	(120,000)	283,697	402,806	77	(120,000)	282,883	281,890	120,916	-	402,806
(f) Edward Millen site reserve	2,031,840	6,081	(5,490)	2,032,431	2,031,840	2,206,000	(2,000,000)	2,237,840	2,025,265	6,575	-	2,031,840
(g) Furniture and equipment renewal re	703,146	2,013	(37,085)	668,074	703,146	2,000	(40,000)	665,146	665,984	37,162	-	703,146
(h) Future fund reserve	17,404,689	813,218	(7,083,332)	11,134,575	17,404,690	873,333	(7,210,000)	11,068,023	14,607,271	2,797,418	-	17,404,689
(i) Future projects reserve	192,556	268,044	-	460,600	192,556	267,595	-	460,151	143,606	48,950	-	192,556
(j) Harold Hawthorne - Carlisle memor	183,408	549	-	183,957	183,408	500	-	183,908	182,815	593	-	183,408
(k) Infomration technology renewal res	1,200,557	3,290	(58,151)	1,145,696	1,200,557	3,000	(295,471)	908,086	1,081,575	118,982	-	1,200,557
(l) Insurance risk reserve	459,467	1,375	-	460,842	459,467	1,200	-	460,667	457,980	1,487	-	459,467
(m) Land asset optimisation reserve	1,685,885	303,286	-	1,989,171	1,685,885	3,851,380	-	5,537,265	1,680,430	5,455	-	1,685,885
(n) Other infrastructure renewal reserve	712,302	636,142	(4,535)	1,343,909	712,302	1,000	(377,736)	335,566	333,484	378,818	-	712,302
(o) Parks renewal reserve	2,558,224	3,911	(1,154,556)	1,407,579	2,558,224	3,200	(1,430,000)	1,131,424	1,124,573	1,433,651	-	2,558,224
(p) Pathways renwal reserve	1,629,017	691	-	1,629,708	1,629,017	90	(1,597,547)	31,560	31,369	1,597,648	-	1,629,017
(q) Plant and machinery reserve	575,043	701,073	(194,271)	1,081,845	575,043	700,900	(863,495)	412,448	326,498	248,545	-	575,043
(r) Renewable energy reserve	280,889	841	-	281,730	280,889	800	-	281,689	279,978	911	-	280,889
(s) Roads renewal reserve	4,404,977	1,713,066	(321,333)	5,796,710	4,404,977	4,200	(3,339,602)	1,069,575	1,460,632	2,944,345	-	4,404,977
(t) Urban forest strategy reserve	1,001,624	1,688	(880,000)	123,312	1,001,624	1,400	(880,000)	123,024	500,000	501,624	-	1,001,624
(u) Waste management reserve	1,049,635	81,254	-	1,130,889	1,049,635	2,600	-	1,052,235	911,675	137,960	-	1,049,635
(v) Parking benefits reserve	-	200,000	-	200,000	-	200,000	-	200,000	-	-	-	-
(w) Employee entitlements reserve	-	100,000	-	100,000	-	100,000	-	100,000	-	-	-	-
(u) Aqualife reserve	-	-	-	-	-	150,000	-	150,000	-	-	-	-
(u) Leisurelife reserve	-	-	-	-	-	150,000	-	150,000	-	-	-	-
	38,869,547	4,997,322	(10,042,056)	33,824,813	38,869,548	8,578,775	(18,460,599)	28,987,724	28,787,986	10,581,561	(500,000)	38,869,547
	53,222,743	13,451,668	(28,490,035)	38,184,376	53,222,744	14,111,152	(34,957,873)	32,376,023	45,567,473	10,659,030	(3,003,760)	53,222,743

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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



**TOWN OF VICTORIA PARK
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27. RESERVE ACCOUNTS (Continued)

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Underground power reserve	Ongoing	To be used to assist in funding initiatives associated with the installation of underground power and associated works.
(b) Building renewal reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's buildings.
(c) Community art reserve	Ongoing	To be used to assist in funding the purchase and placement of art for the Council and community.
(d) COVID 19 recovery reserve	30/06/2021	To be used to assist in the funding future programs and projects to support the community and local businesses during COVID-19 recovery.
(e) Drainage renewal reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's drainage.
(f) Edward Millen site reserve	Ongoing	To be used to assist in improving and/or maintaining the Edward Millen Site, including the associated grounds.
(g) Furniture and equipment renewal reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's furniture and equipment.
(h) Future fund reserve	Ongoing	To be used to assist in funding initiatives and purchases that diversify the revenue streams of Council.
(i) Future projects reserve	Ongoing	To assist in funding 'new' and 'upgrade' capital initiatives that are generally significant in nature.
(j) Harold Hawthorne - Carlisle memorial reserve	Ongoing	To assist in funding major appliances/equipment and structural repairs at these Council responsibility facilities.
(k) Information technology renewal reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's information technology.
(l) Insurance risk reserve	Ongoing	To be used to assist in meeting any expense outlays in the event of significant insurance claims.
(m) Land asset optimisation reserve	Ongoing	To be used to hold proceeds from, and meet expenses towards, Land Asset Optimisation Strategy initiatives.
(n) Other infrastructure renewal reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's other infrastructure.
(o) Parks renewal reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's parks.
(p) Pathways renewal reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's pathways.
(q) Plant and machinery reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's plant and machinery.
(r) Renewable energy reserve	Ongoing	To assist in investigating and funding renewable energy initiatives within the district.
(s) Roads renewal reserve	Ongoing	To be used to assist in funding renewal initiatives associated with Council's roads.
(t) Urban forest strategy reserve	Ongoing	To be used to assist in funding initiatives associated with the Urban Forest Strategy.
(u) Waste management reserve	Ongoing	To be used to assist in funding waste management and waste minimisation initiatives.
(v) Parking benefits reserve	Ongoing	To be used to accumulate funds including those from Parking Operations surpluses ; alleviating the impacts of intergenerational equity in funding major facilities.
(w) Employee entitlements reserve	Ongoing	To be used to fund the Town's Long Service Leave, Annual Leave and Personal Leave requirements and is maintained by an annual contribution to the reserve.