




CITY OF 
BUNBURY

ANNUAL REPORT

2021 | 2022



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ACKNOWLEDGEMENT OF COUNTRY



The City of Bunbury acknowledges the traditional owners of the land, the Wardandi Noongar people, and pays respect to Elders past, present and emerging.

WELCOME TO BUNBURY



Bunbury is an accessible, diverse and vibrant city, where all people are valued equally. Located about 180km south of Perth, the City of Bunbury is one of the fastest growing regional cities in Australia and widely recognised as the second capital city of Western Australia.

Bunbury's population is estimated at 32,000 (2019 ABS statistics), although the Bunbury Geographe region, which includes the City of Bunbury and surrounding shires of Harvey, Dardanup and Capel, has a collective population of about 92,000 residents.

The South West region, to which Bunbury acts as a hub, has a total population of 180,000. Bunbury is a beautiful place to live, work and visit and has something for everyone.

The quality of life is one of its biggest attractions offering residents a variety of facilities, schools, shops, pubs and beaches all within easy reach.

It has everything a family needs including public and private schools, tertiary education, and a range of health services.

Not to mention an extensive and diverse events calendar.

The City of Bunbury will continue to grow, develop and improve thanks to these qualities and the massive potential for investment and growth in our region.



VISION



Bunbury: welcoming and full of opportunities

VALUES



#WeAreCoB

We Are Community

- We are one team
- We keep each other safe
- We display empathy and respect
- We have fun and celebrate our successes
- We work together to achieve great outcomes

We Are Open

- We are open to opportunities
- We actively listen and think things through
- We are inclusive and treat everyone equally
- We are honest and open in our communications
- We are open to feedback to improve our performance

We Are Brave

- We lead the change, we own it
- We trust and empower each other
- We have the difficult conversations early
- We hold ourselves to the highest standard
- We have the courage to improve and simplify

MAYOR'S MESSAGE



On behalf of the Bunbury City Council, it is my pleasure to present the 2021/22 Annual Report.

I acknowledge that Goomburrup is on Wardandi Noongar Boodja and I pay my respects to Elders past, present and emerging.

The 2021/22 year has seen another 12 months of maintaining the level of services our community expects while providing improvements to make Bunbury a great City to live, visit and do business.

Our community facilities were again a highlight of capital projects with the Hay Park Sport Pavilion and resurfaced Athletics Track now getting good usage by our sporting and community groups.

Progress was also made on Bunbury's highly anticipated Youth Precinct, and by the time this report is published, I suspect our community and visitors will be taking full advantage of this amazing facility to be located on the foreshore of the picturesque Leschenault Inlet.

Once again, the City received invaluable support from the State and Federal governments with the Transforming Bunbury's Waterfront project continuing, and through funding of grants.

The City also made further progress on its transformation journey with the Evolve program seeing the establishment of new services and digital solutions to enhance performance and to provide a better service to our community.

Our biggest annual events in Christmas in the City and SkyFest returned with great popularity despite the ongoing COVID-19 challenges, while a significant review of the City's Grant Program provided more of a focus on community-led initiatives and those that encouraged people to live, invest and visit Bunbury.

I would like to acknowledge the ongoing efforts of City staff who take great pride in what they do for Bunbury, along with my fellow Elected Members who continue to represent and advocate for our community.

I look forward to the year ahead with some exciting projects due for completion, as we continue to build a better and brighter Bunbury.



Jaysen de San Miguel, Mayor





ELECTED MEMBERS



MAYOR
Jaysen de San Miguel
Term expires 18 October 2025



DEPUTY MAYOR
Tresslyn Smith
Term expires 18 October 2025



COUNCILLOR
Ben Andrew
Term expires 18 October 2025



COUNCILLOR
Gabi Ghasseb
Term expires 18 October 2025



COUNCILLOR
Wendy Giles
Term expires 21 October 2023



COUNCILLOR
Cheryl Kozisek
Term expires 21 October 2023



COUNCILLOR
Betty McCleary
Term expires 21 October 2023



COUNCILLOR
Kris Plumb
Term expires 21 October 2023



COUNCILLOR
Marina Quain
Term expires 18 October 2025



COUNCILLOR
Michelle Steck
Term expires 18 October 2025



COUNCILLOR
Karen Steele
Term expires 18 October 2025



COUNCILLOR
Karen Turner
Term expires 21 October 2023



COUNCILLOR
Amanda Yip
Term expires 21 October 2023

COUNCIL



The Council of the City of Bunbury is made up of 13 elected representatives, comprising 12 Councillors plus a popularly elected Mayor. The Deputy Mayor is elected by the Council following each ordinary Local Government election. Councillors are elected for a four-year term, with half of their terms expiring every two years. Local Government elections are currently held on the third Saturday in October every two years; the next ordinary election being 21 October 2023. Council meetings are held on Tuesday evenings on a three-weekly meeting cycle, with strategic and agenda briefings taking place on the alternate Tuesdays.

Council Elections

The City of Bunbury Council election was held on 16 October 2021, where 10 candidates vied for the Mayoral vacancy, and 13 candidates vied for six Councillor vacancies. The election attracted 32.53 per cent of 23,694 voters, with Mayor Jaysen de San Miguel and Councillors Gabi Ghasseb, Tresslyn Smith, Marina Quain, Karen Steele, Ben Andrew and Michelle Steck elected for four-year terms until 18 October 2025.

Elected Member Remuneration

In accordance with the *Local Government Act 1995* Mayor Jaysen de San Miguel received a Mayoral allowance of \$70,505, Mayoral sitting fee of \$36,060 and a communications and IT allowance of \$3,500. Each of the Councillors received a Councillor sitting fee of \$28,141 and a communications and IT allowance of \$3,500, with Deputy Mayor Tresslyn Smith receiving an additional \$17,626 Deputy Mayoral allowance.

- Mayor Jaysen de San Miguel
- Deputy Mayor Tresslyn Smith
- Councillor Ben Andrew*
- Councillor Gabi Ghasseb*
- Councillor Wendy Giles
- Councillor Cheryl Kozisek
- Councillor Betty McCleary
- Councillor Kris Plumb
- Councillor Marina Quain*
- Councillor Michelle Steck
- Councillor Karen Steele
- Councillor Karen Turner
- Councillor Amanda Yip

Ordinary Council Meeting	Special Council Meeting	Audit Committee	Policy Review and Development Committee	Heritage Advisory Committee	Youth Advisory Council Committee	Bunbury Events Advisory Committee	Disability Access and Inclusion Committee	International Relations Committee	CEO Performance Committee
15/16	1/1	3/3	1/1 (as proxy)	-	-	-	-	-	3/3
16/16	1/1	-	4/6	3/3	-	-	-	4/4	-
11/11	-	2/2	-	-	-	-	2/2	-	1/1 (as proxy)
11/11	-	-	1/1 (as proxy)	-	-	-	2/2	2/2	3/3
15/16	1/1	-	4/4 as member + 2/2 as proxy	-	-	-	-	-	2/2
13/16	1/1	3/3	6/6	2/2	-	2/2	-	-	3/5
15/16	1/1	-	-	-	-	-	-	-	2/2
13/16	1/1	1/2	-	-	1/1	-	-	-	5/5
11/11	-	-	3/4	2/2	2/2	2/2	-	-	2/3
15/16	1/1	0/1	0/2 as member + 1/1 as proxy	-	-	1/2	1/1	-	-
14/16	1/1	-	2/4	-	-	1/2	-	-	2/3
15/16	1/1	-	-	-	1/1	2/2	3/3	-	-
15/16	1/1	-	1/2	-	2/2	2/2	-	-	-

*Newly elected Councillors at 16 October 2021 Election



CEO'S MESSAGE



I am pleased to provide my report for the 2021/22 year as Chief Executive Officer of the City of Bunbury. I acknowledge that Goomburrup is on Wardandi Noongar Boodja and I pay my respects to Elders past, present and emerging.

This report will recap the achievements the City of Bunbury have accomplished over the past 12 months. The 2021/22 year focused on maintaining an expected level of service whilst striving to provide improvements and make Bunbury a great City to live and do business. Some of the significant advancements for the City over the past 12 months include:

- Koolambidi Woola (Youth Precinct) construction
- Discovery Parks Water Splash Park completion
- Hay Park North Pavilion completion
- Athletics Track surface replacement
- Glen Iris Skate Park mural and landscaping
- Memorandum of Understanding signed with the Keep Australia Beautiful Council regarding the Adopt-A-Spot program
- CoB recognised in the Top 5 E-waste Recycling Regional Councils
- Signed Memorandum of Understanding with Edith Cowan University
- New City of Bunbury website launched

- Partnership with Evosys and Oracle for our Technology Project

This year we completed our Strategic Community Plan, this is the City's highest level strategic planning document that sets out our community's vision and aspirations, guiding Council's strategic priorities and direction. This document is the result of extensive community consultation with more than 1000 members of our community providing input and feedback gathered through an online survey, in person meetings and community workshops. Thank you to those who participated in the 2021 MARKYT® Community Scorecard survey and FUTYR® Community Workshops – by sharing your visions and aspirations, you have helped shape our vision, themes, goals and objectives.

My thanks extends to all City staff for their endless support and contributions in delivering services, projects and programs for our community. I'm very privileged as CEO, to be part of this organisation so customer-serviced focused. The Leadership group deserve my special appreciation as they continue to work through many different strategic and operational issues the City addresses daily.

The City welcomed new faces to our Executive and Management group this year, including Karin Strachan, Director of Strategy and Organisational Performance, Corrie Nottle, Manager of Waste Operations and Infrastructure Business Services, Elizabeth Denniss, Manager of Community Connection, and Shae Phillips,

Manager of Strategy, Projects and Communications. I welcome their arrival, they have already made significant positive contributions to the City.

As part of the broader community, we are also experiencing similar concerns to other business, such as staffing shortages, supply chain issues and cost escalations. It is now more important than ever to focus on true collaborative efforts between industry, local governments, State and Federal government to deliver the projects, programs and services our community expect.

A look back at what has been achieved over the past 12 months fills me with pride and anticipation for the future of our City. Together with the City staff and key stakeholders, I look forward to working with the Council and the community to ensure that Bunbury grows brighter.

Mal Osborne





CORPORATE STRUCTURE



CHIEF EXECUTIVE OFFICER
Mal Osborne



DIRECTOR
Karin Strachan
Strategy and Organisational Performance
Strategy
Digital
Governance
Finance
People and Safety
Public Relations



DIRECTOR
Gavin Harris
Infrastructure
Waste and Fleet
Engineering Operations
Landscape and Natural Environment



DIRECTOR
Gary Barbour
Sustainable Communities
Community Facilities
City Growth
Rangers and Emergency Management
Events
Community Partnerships

THEME 1



OUR COMMUNITY AND CULTURE

Goal: A safe, healthy and cohesive community, with a rich cultural life, and supportive social environment.

Our Objectives:

- 1.1 A community where people are safe and feel safe
- 1.2 An active community, able to access a wide range of sporting, recreation and leisure options
- 1.3 A welcoming community, where diverse cultures are valued, and residents have a sense of belonging
- 1.4 Arts, culture, heritage and events that enrich our understanding and enjoyment of life, celebrate our identity and bring the community together
- 1.5 Establish Bunbury as the most accessible regional city in Australia
- 1.6 A community that provides for the particular needs of the young and the old





Koolambidi Woola How we named our Youth Precinct

The City's new youth precinct in the heart of the CBD was named based on significant consultation with the community, including local Wardandi Noongar Elders, to reflect what the facility will represent.

Koolambidi Woola translates to 'celebrating young people' – Koolambidi meaning 'young people aged 12 to 25 years' and Woola meaning 'celebrate'.

The in-depth consultation process involved research into the history of the area, stories from local Elders and identifying key words the local community felt resonated with the precinct.

Koolambidi Woola was endorsed by Council at the Ordinary Council Meeting on 7 June 2022 based on a recommendation from the Youth Advisory Council Committee. The name was announced to the public at a celebration event in the July school holidays.

The City of Bunbury worked with key stakeholder groups from youth, skateboarding and Indigenous communities before Koolambidi Woola was selected and endorsed by local Elders, Bunbury Youth Advisory Council (YAC) and subsequently Bunbury City Council.

The City engaged a Noongar language expert to help with the translation of the name and to ensure the combination of words are culturally appropriate.

The project was funded through \$4.5 million from the City, a \$2.5 million grant from major supporter Lotterywest, \$1.2 million from the Australian Government's Local Roads and Community Infrastructure Program and a grant from the Department of Local Government, Sport and Cultural Industries.

Disability, Access and Inclusion

The City continues to move forward with aspirations identified under the MARCIA Project (Most Accessible Regional City in Australia) which began in 2018. MARCIA was a 12-month research partnership with Edith Cowan University to research barriers and facilitators to access and inclusion in Bunbury.

The City's programming and events continue to lead the way and set the example within the Bunbury Geographie Region. Led by the City's Community Partnerships Team, over the 2021 year a range of initiatives were implemented to continually improve the City's programming and events.

To identify and deliver initiatives, the City continues to seek guidance from the Disability Access and Inclusion Committee (DAIC), collaborate with the City's Co-Design Accessibility

Panel (CoDAP) and partner with range of community organisations and community champions.

The range of initiatives delivered in 2021 were focused on five key areas:

1. Creating awareness about delivering services and programs for all:
 - a. Targeted inclusion and awareness training for key service delivery staff.
2. Identifying gaps and reducing barriers to events:
 - a. Partnership with Enable WA to develop an accessible events trailer.
 - b. Purchase of All-Terrain Wheelchair Tracks.
3. Ensuring public open spaces and major event spaces are inclusive for all:
 - a. Partnership with community champions to develop 'communication boards'.
 - b. Collaboration with CoDAP to ensure major public open spaces are inclusive.
4. New and improved programs and events:
 - a. Programming improvements at the City's Library, Regional Art Gallery and Museum.
 - b. Improvements within City run events to be more inclusive.
5. Celebrating Inclusion:
 - a. Partnership with Inclusion Solutions to host the 2021 Social Inclusion Forum.
 - b. Partnership with Carers WA to host the 2021 Community Connection Expo.
 - c. Partnership with Football Federation South West to host the Cantoni Cup 2021.



Bunbury Library premiers on YouTube

Bunbury Public Libraries expanded their reach this past year within the local and surrounding community by extending early literacy programs online.

Families can now join the libraries Story Time sessions online via the Bunbury Public Library Youtube Channel from the comfort of their own home.

The aim of this service is to introduce the libraries programs and services to families with children 0-5 years in a way which is inclusive and accessible for all, and to connect with those not already engaged.

This has been in the forefront of the libraries mind over 2021/22, where COVID saw many families self-isolating or choosing to remain home.

Storytime readers featured include both library and City staff from other City departments and facilities. This project has seen various departments and facilities work towards a common goal as one team to engage the community in new way.

The Bunbury Museum and Heritage Centre has worked closely with the local community over the past year, developing opportunities to collaborate on a variety of projects and events in order to celebrate the stories of Bunbury, and showcase a diverse range of Bunbury's groups and residents.



Mammoth year of exhibitions at the Museum

The Bunbury Museum and Heritage Centre partnered with the Bunbury Patchwork and Quilting Group to display the works of local makers alongside a national OzQuilt invitational exhibition.

An exhibition celebrating the iconic local store KC Lewis Canvas Goods with the assistance and support of the Lewis family was a popular display as well as the WA Women's Hall of Fame who brought their display of 2021 *Roll of Honour* inductees to Bunbury, which included early Bunbury resident Helen Scott.

The Museum team has also sought to strengthen local heritage networks, cultivating the ongoing participant-led South West Historical Writers Meetups and bringing together the Greater Bunbury Heritage Organisations sector group for regular meetings.

These connections have continued our work as an accessible, relevant, and welcoming community space.

Popular display celebrating migrant history

The Bunbury Museum and Heritage Centre welcomed more than 100 attendees to the opening of our *This One Thing* exhibition, developed in partnership with the Bunbury Multicultural Group, in June 2022.

This One Thing presented 16 photographic portraits of local migrants showing one item they would have never left behind when they left their country, or an item which is very precious to them.

Each participant also shared their stories in an interview, inviting visitors to learn and celebrate the perspectives, experiences and journeys of people within the Bunbury community.

This exhibition showcased local Bunbury excellence, with stunning imagery taken by the Photography Group of Bunbury paired with interviews by South West radio host Dominique Bayens, giving the local participants the opportunity to share their stories in their own words.

Interactive displays also allowed Museum visitors to share their own answers to the questions – what possession could you never leave behind if you had to leave your home, your country, your culture? What is your 'one thing'?



Successful events despite COVID challenges

The City delivered its highly anticipated community events, Christmas in the City and Sky Fest Australia Day celebrations.

Both events indicated high levels of enjoyment from event patrons, despite both events presenting challenges due to COVID-19 restrictions, including limiting the number of event attendees, provision of COVID-19 Safety Marshals, and masks were mandated at all public events, which resulted in a reduction in attendee numbers, however crowds were still larger than anticipated. Both events were free to attend and provided opportunities to partner and collaborate with the community and local businesses.

Highlights at Christmas in the City included the Christmas Concert, showcasing local community groups, schools and performers. Thirty-eight community groups submitted a float to participate in the Hit 95.7 Street Parade, the cupcake decorating workshop saw more than 300 cupcakes decorated, and a sold out mocktails workshop.

SkyFest went off with a big bang, which saw a return of the fireworks display after it was cancelled in 2021 due to COVID-19 event restrictions. The event also included a live music concert, amusements, and rides. The Carey Park Scouts provided waste management and an inflatable obstacle course as a fundraising venture.



THEME 1: OUR COMMUNITY AND CULTURE



Improved Grants Program to support community projects

A significant review of the annual Grants Program was undertaken to improve focus on initiatives that encouraged people to live, invest and visit Bunbury. The review saw the City distribute a total of \$357,045 to support a range of community led initiatives and events. Of this amount, \$239,651 supported 23 events and totaled 134 days of activation in Bunbury-owned spaces and places and welcomed about 10,757 visitors to Bunbury. The funding supported the *Bunbury Fringe* returning for its sixth year to celebrate all things arts, music,

comedy, circus and much more. With 36 per cent of participants visiting from outside the Greater Bunbury region the City supported this event with \$25,000 towards the 25 shows which were held over nine days.

The City funded \$4,800 towards the *Drive to Make a Difference* program supporting members of the local Bunbury CALD Community to obtain their driver's license. Participants are now able to transport themselves to job opportunities, their families to appointments and participate in community events which helps build a stronger community.

Although COVID-19 affected the number of major events scheduled to be held in Bunbury, the City was able to continue to facilitate external events with a much smaller and local focus. This resulted in the City providing 149 event permits, a 6 per cent increase compared to 2020/21.

The City attracted a number of high-profile events, including the *2021 Open Water Swim Series State Championship*, *2022 Surf Life Saving WA Country Championships*, *2022 State Youth Games*, *2022 BMX State Series* and *2022 Beach Volleyball* to Bunbury. This delivered a combined effort of \$4,945,170 economic impact to Bunbury and welcomed 3364 actual participants who travelled specifically for the events.

The City delivered several capacity-building workshops to help develop the skills and capacity of the community, to implement sustainable and high-quality initiatives. Workshop opportunities included topics on, *Social Media for Events*, *Plan For Plastics* and *Grant Writing Essentials*. The workshops attracted a combined number of 75 participants from a range of community groups, sporting clubs and local businesses.



Sport and recreation continue to grow

This year saw the Sport and Recreation team continues to grow opportunities for our constituents and visitors to Bunbury with opportunities to participate in sport, recreation and other physical activity pursuits.

After working through the logistics of COVID mandates including proof of vaccinations and the implications it had on a range of the services and programs provided at the South West Sports Centre, we saw a growth in attendances in the past 12 months with more than 500,000 people going through the Centre's doors with memberships remaining steady. A huge credit to the team for their dedication to ensuring the City's largest facility could remain open, whilst continuing to develop and run new programs.

We have had a focus on families and providing opportunities for the whole family to be physically active seeing growth in a few programs aimed at our younger members including our Teen Gym and Youth Development Swim Squad classes.

The City continued to deliver Club Development Workshops thanks to the Every Club Program funding through the Department of Local Government Sport Culture and Industries.

A total of six workshops were delivered to sporting clubs not just from the City of Bunbury but from the wider South West region.

Topics included Conflict Management and Risk Management for Sporting Clubs. The City continues to work with surrounding Shires to co-share and deliver workshops for the sporting clubs of the region.



Bunbury Regional Art Gallery debuts brunch at the gallery

For the first time, Bunbury Regional Art Gallery (BRAG) took part in the inaugural *Indian Ocean Craft Triennial (IOTA21)*, which saw three of the six gallery spaces filled with craft-related exhibitions. Curated across the Indian Ocean Rim, the Triennial fosters innovative cultural collaboration, dialogue and partnerships that build influence internationally. Main events for the Triennial were held in Perth, and it was great to see many of those visitors also attending IOTA21 exhibitions and related events here in Bunbury at the Gallery.

Further crowd pleasers were Art on the Move's travelling exhibition *There Were Moments of Transformation*, the Gallery's biennial *South West Art Now* exhibition, *Noongar Country*, and the annual *Iluka Visions* high school exhibition. *There Were Moments of Transformation* (part of a WA regional touring program called *Freighting Ideas*) saw major works from the West Australian State Art Collection such as a Renoir and works by Auguste Rodin being exhibited at BRAG. The exhibition was opened by Art Ambassador Famous Sharron and saw daily gallery activators engaging with visitors to stimulate conversation and engagement.

The Gallery has this year also reviewed its opening event schedule and has changed focus to reach new audiences and expanding our events program to attract more families and young people. The new *Brunch@BRAG* events, held around every three months on a Sunday morning, sees the many exhibitions at the Gallery combined into one celebratory event, offering artists talks/workshops, family-friendly activities, food trucks and more.

To complement these community events, and to make the gallery an even more visitor friendly place, BRAG also launched the D3 Coffee Lounge, a place for patrons to relax in the Gallery over a free cup of coffee.

THEME 2



OUR ECONOMY

Goal: A thriving and dynamic economy, that plays to its strengths, and confidently presents to the world.

Our Objectives:

2.1 Bunbury builds on its competitive advantages, supports innovation and celebrates business success

2.2 Bunbury is known far and wide for its strengths as a place to live, visit and do business





Bunbury Wildlife Park gains new attractions

The Bunbury Wildlife Park is now emerging after a heavily COVID effected 12-month period. The park went through a second 12-month period where international borders were closed due to COVID which had an impact on numbers as well as some challenges with volunteers and mandatory vaccination requirements. The great news is with this challenging period behind us the Bunbury Wildlife Park has a number of new acquisitions

and international borders are now open. A special thanks goes out to staff and volunteers for hanging in there over this period and staying committed to the park.

The park continues to focus on being a quality local and regional attraction for locals as well as intrastate, interstate and international tourists. The park has acquired additional reptiles, farm animals, birds, and other interesting additions such as giant stick insects that grow to 70cm. The park focuses on providing a peaceful place where people of all ages can re-connect

with nature and experience animal interactions at our daily keeper talks.

The focus for the next 12 months is to capitalise on the international and interstate borders being open and marketing the park so that there is a broader awareness for locals and those further afield that the City has a great attraction available for people to enjoy. The park is also embedding more sustainable work practices to ensure that the park is being kind to our environment through projects such as our worm farm, aquaponics and mulching re-use initiatives.





Overnight Rest Areas popular as ever

Bunbury's free 48-hour overnight rest areas continue to be popular for fully self-contained Recreation Vehicles and caravans visiting Bunbury and the region. Permits issued by the Visitor Centre increased by 63 per cent with a total of 696 permits issued, and an estimated expenditure of \$266,973.00, equating to a 92 per cent increase on the previous year.

Visitor Centre tourism finalists

Visitor Centre and Economic Development staff entered the Perth Airport Tourism Awards through Tourism Council of WA, in the *Local Government Excellence in Tourism* section and their hard work was rewarded in being announced as a finalist in this section.

Lot 330 earmarked for hotel development

The City of Bunbury finalised a contract with Barnes Capital Pty Ltd over Lot 330 Ocean Drive for a \$50 million hotel development.

The vacant lot will be developed into an impressive multi-storey hotel precinct, set to also feature a mix of food, beverage and retail options.

The iconic location and topography of the site will see the development architecturally designed to take advantage of the world-class views across Bunbury's Back Beach, basalt rocks and CBD.

Signalling further investment confidence in the City's future, the hotel precinct will be a welcome boost to accommodation offerings in Bunbury while also creating jobs and stimulating the local economy.

The deal has been in the making for several months after the City sold the land for \$3.3 million the previous year.



Splash park and holiday park open for use

The highly-anticipated Discovery Holiday Parks expansion and splash park contract arrangements and works were completed this year.

The shipwreck-themed splash park has proven popular with the community after reaching practical completion at the end of June.

The splash park has been developed and is managed by Discovery Holiday Parks – owners of the adjacent holiday park – and is free and open for the community to use.

Works to expand the popular holiday park at Lot 1881 Koombana Drive were completed and included tourist cabins and both powered and unpowered camp sites and landscaping.



THEME 3



OUR PLACES AND SPACES

Goal: A natural and built environment that reflects Bunbury's core values.

Our Objectives:

- 3.1 A city that is easy to get around with attractive streetscapes and pathways.
- 3.2 An irresistible city centre, with thriving businesses and a vibrant inner-city residential community.
- 3.3 High-quality urban design, well-planned neighbourhoods with housing choice, and appropriate provision for diverse land uses to meet the community's needs.
- 3.4 Minimised risk of flooding through effective management that has regard to the impacts of climate change.
- 3.5 Efficient use of resources, particularly water and energy, with minimum waste and efficient disposal.
- 3.6 The public health and amenity of the community is protected.
- 3.7 Management of significant natural areas which provides for human enjoyment while protecting habitat and environmental values for generations to come.



Bunbury's youth precinct complete

Bunbury's first-ever youth precinct was completed at the end of the financial year before opening to the public on 4 July.

Koolambidi Woola boasts a multi-sports court, parkour areas, mini golf, a youth services building, beach climbing net, event and performance space and more.

This project has been made possible thanks to a \$2.5 million grant from major supporter Lotterywest.

Further support for the project has been provided through a grant from the Department of Infrastructure, Transport, Regional Development and Communications - Local Roads and Community Infrastructure Program and the Department of Local Government, Sport and Cultural Industries.

THEME 3: OUR PLACES AND SPACES



City of Bunbury Heritage Awards 2022

The City of Bunbury Heritage Awards showcase excellence in revitalising and promoting Bunbury heritage.

The City sought nominations from the many dedicated and passionate community members who work to share stories of our past. Through new tourism or cultural ventures, grand restoration projects that breathe new life into old buildings or volunteer work, the City celebrated a shared passion for history. Numerous quality nominations on a recent initiative, project or individual that champion the City's heritage were received.

The Mayor, Jaysen De San Miguel, and presiding member of the Heritage Advisory Committee, Tresslyn Smith, presented the awards to:

- City of Bunbury Award for Excellence in Heritage Building Design and Conservation Work - Taycot, Project Team Kent Lyon Architect; Ian Drummond and Brick and Mortar Restoration South West
- City of Bunbury Award for Outstanding Promotion – Bunbury Oral History Group. Commendation in this category to Bunbury Geographe Motor Museum

City of Bunbury Heritage Advisory Committee

Continued executive support has been provided to the Heritage Advisory Committee in delivering the terms of reference. Members have initiated and provided advice on several heritage-related projects including the City of Bunbury Heritage Awards, heritage trails, development applications and heritage listings. A snapshot of activities include:

- Three Committee meetings;
- Three focus sessions;
- Judging of the City of Bunbury Heritage Awards;
- Working groups to provide advice on current projects and strategies.

The Heritage Advisory Service continues to deliver advice on development applications, strategic and statutory planning instruments, conservation and maintenance. Onsite advice to owners and prospective buyers has been provided to streamline the development application process.



Development approvals

A total of 298 applications for development approval were determined by the City during the 2021/2022 financial year.

The total value of works for this period was \$55,549,458. In addition, three major developments were determined by the Joint Development Assessment Panel with a total value of \$42,380,000. The average processing times for development applications was 15 business days* well below the statutory timeframes of either 60 days or 90 days.

*With 'stop the clock' (excluding advertising period, and days associated with requests for further information)

The three highest valued developments were:

- Proposed cold store extension for V&V Walsh (\$36 million)
- Proposed Workshop and Office (Qube) (\$4.84 million)
- Proposed McDonalds at Bunbury Forum (\$4.18 million)

In terms of development trends, there was a significant increase in the number of single-house approvals with all other land-use types tracking similarly to previous years. Home occupation applications dropped significantly this year due to changes in the regulations that now exempt the need for development approval.

Implementation of the City's Housing Strategy

The City's Housing Strategy was adopted by Council in March 2021. The Housing Strategy identified nine focus areas that may be suitable for further investigation and review as to their potential to increase the housing yield, range and diversity. The City is progressing with the investigation of two focus areas - Focus Area 2.1 Spencer/Blair Precinct and Focus Area 2.3 Back Beach Precinct.

As part of the investigations, the City is reviewing the current planning frameworks and liaising with landowners to understand the prevailing conditions and what opportunities there are to increase the number of residents living in areas nearby the City Centre.



South West Design Review Panel

The City is progressing with the establishment of the South West Design Review Panel. Design Review Panels are groups of independent experts who provide advice on the design quality of projects or proposals that are referred to them, including for example major development applications. The City is collaborating with the City of Busselton and Shires of Collie, Harvey and Augusta Margaret River to progress with the Design Review Panel and it is expected that the expression of interest for panel members will be advertised late 2022.

Building and Compliance

In the 2021-2022 financial year reporting period, 740 building permits with a value of \$94,002,356 were approved representing a \$4,110,270 increase on 2020-2021 figures of 852 approvals with a value of \$89,892,086. Building permit applications are being processed in an average of about 12.15 days, far less than statutory timeframes.

In response to the current skills shortage, the City has recently employed two Building Surveyor/Compliance Officer cadets to complete a 12-month cadetship. The cadetship involves workplace training whilst completing online training to gain their Building Surveyor Technician Level Three qualifications.

The cadets will also be working closely with building compliance concerns, building permit applications and completing the four yearly swimming pool inspection program.

The City of Bunbury welcomes both cadets and wish them success in the completion of the cadetship and future growth within the City.



Bunbury Athletics Track – a world class facility

The Athletics Track resurfacing project was provided to have a significant effect within the sporting community, refreshing the amenities and increasing safety for athletes using the track. The Bunbury Athletics Track project included the removal of the existing aged synthetic surface as well as profiling 25mm of wearing asphalt course, installation of new asphalt layer and installation of new synthetic surface system including line marking and obtaining World Athletic Class 2 certification. This project was fully-funded by the City of Bunbury.

Senior Citizens toilets upgraded to be accessible

The existing toilet ablutions within the Stirling Street Senior Citizens building were aged and no longer meeting patron's expectations, the works included major alterations to create new Universal Access and Ambulant Toilets within the existing toilet facility.

A large portion of this building is heritage protected, and all care was taken not to cause any damage or intrusions to the original sections.

Community Health and Wellness Plan endorsed

Following extensive consultation with our community and key stakeholders, the City's first Community Health and Wellness Plan was endorsed by Council. The Environmental Health team led the development of the Plan and it is the culmination of input and involvement across all directorates of the City. This Plan is a key informing document for the whole organisation and provides a strategic focus for community health and wellness related priorities across the City for the next four years.



Meat Inspection

The City's Meat Inspection Service experienced another exceptionally busy year, processing more than 235,000 animals at the DBC abattoir. This service includes ante-mortem and post-mortem inspections and forms a vital step in the food safety chain. The meat processing industry is one of the largest employers in Bunbury and the South West and meat inspection plays a key role in ensuring consumers can be confident in the safety and quality of meat sourced from our region.

Playground improvements

The 21/22 Budget saw three playgrounds completely upgraded, these being Maidens Reserve, Trinity Park and Fenian Park. New play equipment and landscaping formed the scope of works allowing for better spaces for our community. Replacement softfall at the Big Swamp playground was also completed.

Dunstan Street road and drainage upgrade

Drainage upgrades near the intersection of Ramillies Street and Dunstan Street, where flooding was being experienced in heavy rainfall were completed as part of the project on the intersection to lift the height of the road and increase the storage capacity of the adjoining drainage basin. Following the lifting of the intersection, Dunstan Street from Hastie Street was profiled and resealed.

Harris Road now complete

Works to upgrade Harris Road have now been completed.

This project tied into the Stage 1 works completed the previous financial and upgraded Harris Road all the way to the City of Bunbury boundary and complemented the works undertaken by the Shire of Dardanup. This project included the widening of the traffic lane for heavy vehicles, and the installation of a bicycle lane to improve safety between cyclists and heavy vehicles. This project was fully funded through the Federal Blackspot Program.



Mitigation Activities Fund (MAF)

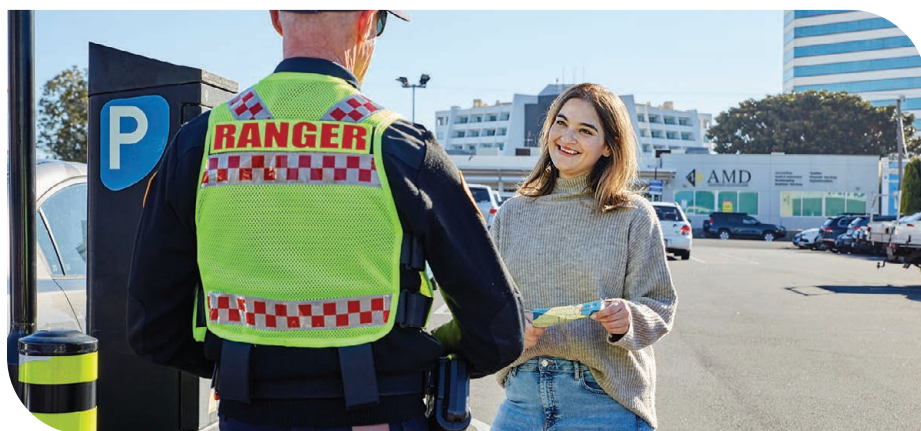
Mitigation Activities Fund (MAF) is State Government awarded funding initiative that is administered by Department of Fire and Emergency Services (DFES). It is designed to improve bushfire mitigation across Western Australia and systematically reduce the number of fire related disasters in this state.

In late 2020, DFES awarded the City of Bunbury \$302,000 for mitigation treatments across 14 major reserves. This was to be payable in two instalments with the second half of the amount available on acquittal of the project.

The priority reserves that were identified for bushfire mitigation activities are listed below:

- Ashford/Parry Reserve
- Boulders Heights Reserve
- Bunbury Hockey Stadium
- Catalpa Park
- Hartley Anderson Park/Mindalong Reserve
- Hastie Street Reservoir Reserve
- Hay Park Community Hall
- Irwin Street Reserve
- Katherine Chauhan Reserve
- Loughton Park Reserve
- Maidens Reserve
- Mangles Street Reserve
- Ocean Drive Reserve
- South West Sports Centre

During the scoping of the exercise, the City considered treatments to minimise the risk of fire to our community while also ensuring zero harm to our environment. While mitigating the risk of fire we also had to find solutions that mitigated the risk to our Threatened Ecological Communities



(TEC) and Declared Rare Fauna (DRF). The City employed the services of an environmental consultant and collaborated with the Department of Biodiversity and Conservation (DBCA) to ensure that all treatments essentially mitigated risk to people plus local flora and fauna.

The mitigation works were successfully completed in early August. The next round of funding available to the City will be in March 2023 and in consultation with DFES the City is considering a three-year project management term for the next round to consider treatments on a scale that will provide for more sustainable mitigation options that will benefit our community for years to come.

Smart Parking solution approved for the CBD

A customised parking solution within the City of Bunbury CBD was approved by Council to replace obsolete and failing parking infrastructure within the City's on-street and off-street car-parking network.

The total solution comprises the following components:

- 2167 parking sensors
- A Smartspot Gateway network (63 Gateways)
- Eight pay-by-bay parking meters

- A customer wayfinding app
- A Smart Parking management dashboard
- Tessera enforcement software
- Infringement devices and printers
- Updated parking signage and linemarking

This smart new system will completely change how parking works in the City and ensure parking management is dynamic and intuitive in the future. The 'Smart' part of this solution is the analytical information that it will provide to the City.

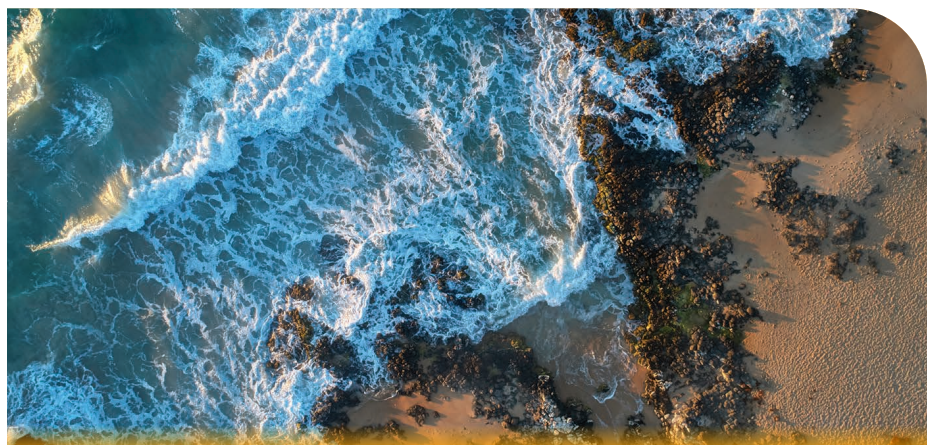
A dynamic parking solution allows us to look at real-time and historical data and make changes to address the needs of the City and our community.

Smart Parking will allow the City of Bunbury to monitor, manage and predict customer parking needs while providing the data and flexibility to evolve, adapt and maximise on the spaces we do have. The goal is 85 per cent to 90 per cent occupancy rates in all our on-street and off-street parking areas. We want to ensure we appear vibrant yet accessible and potentially expand our CBD in the process.



Adopt-a-Spot successfully launches

The City of Bunbury has entered into a Memorandum Of Understanding with the Keep Australia Beautiful Council (KABC) in support of the Adopt-a-Spot program, promoting the participation of residents in regular litter clean-up activities. The partnership will allow residents access to resources such as gloves, tongs and litter bags as well being a vital tool for collecting litter data from the area. Since launching the program we have had 10 local families and community groups adopt local spots to help clean up our natural spaces including Back Beach, Horseshoe Lake and Turkey Point as well as popular tourist attractions such as the area around the Dolphin Discovery Centre. The Bunbury Regional Community College has also joined up to monitor and support litter prevention and graffiti reporting at Koolambidi Woola.



City of Bunbury recognised in the top 5 E-waste recycling councils in the regional area

On 25 May Total Green Recycling visited the City of Bunbury Infrastructure Depot to present the Waste Team with a framed photograph of Yallingup to recognise the City being in the top 5 E-waste recycling councils in the regional area. The average person in Western Australia produces 2.5kg of E-waste every year, in the Perth Metropolitan Area only 0.5kg per person is recycled annually. However in Bunbury, the recycling rate is much higher, being 1.5kg per person. The City was also the Total Green Recycling's first customer when it started 13 years ago.

THEME 4



OUR CITY

Goal: Civic leadership, partnerships and sound governance in delivering with and for the community.

Our Objectives:

4.1 A passionate advocate for the community, with strong partnerships to amplify the outcomes that can be achieved

4.2 A highly-engaged and involved community, working together on strategy development and implementation

4.3 Trusted leadership and robust decision-making

4.4 A skilled organisation, which exercises responsible asset stewardship, sound financial management, and exemplary customer service

Community website launches

In 2022 the City of Bunbury launched our new community website.

This was a huge milestone, with the redeveloped website providing a streamlined and user-friendly design, to help residents find the information they need more easily.

Our community website is an important step in our organisational transformation program.

The program identifies ways that we can improve our processes to better support our community.

The website is the first part of a three-phase project. Phase two will include the redevelopment of our community facility websites while phase three will focus on further technology integrations and a community portal.

Evolve launches

The City has made good progress with its Transformation journey towards building a Better Bunbury. Termed the Evolve Program, the portfolio of projects includes the establishment of various new services and digital solutions within the City to enhance performance and provide a better service to the

community. New services that have been established over the past year include the community engagement, strategy, project management, change management, service architecture and review teams. The first of a range of new software solutions that the City is rolling out with its business partner, Mastek, has been successfully developed and implemented. This solution provides for all human resource services to be performed in an online and integrated manner from beginning to the end of the recruitment cycle. Significant time and efficiency savings will be achieved using this system.



Integrated Strategic Planning and Reporting at the City

Throughout this financial year, the City has been working to redevelop and enhance our approach to integrated planning and reporting.

Although the City has had a legislated integrated framework in place for some time, in 2021 a major review was undertaken of the organisation's approach to strategic planning, reporting and budgeting processes with the aim of further streamlining and integrating our approach.

This was to ensure the City's strategic direction, as set by the Strategic Community Plan (SCP), is understood, and consistently guides the work of the organisation - and that the outcomes of our SCP align to the services delivered by every team. The City is committed to ensuring that all staff understand how their work contributes to the strategic direction of the organisation and ultimately to our vision of ensuring Bunbury is welcoming, and full of opportunities for residents and visitors alike.

The Strategy, Projects and Communications Department has completed a number of actions this year and developed a range of tools and approaches to help further improve the City's approach.

These have included a full review and redevelopment of our Strategic Community Plan (SCP), a full review and redevelopment of our Corporate Business Plan, development of a new Engagement Framework and toolkit to guide staff work, creation of Business Architecture, Service Management and Strategic Research services to guide ongoing internal review and improvement, creation of new internal Service and Facility plan approaches, creation of new project management processes guided by the Project Management Office (PMO) and provision of ongoing training and support in project management and strategic alignment for staff.

A key component of this work has been the creation of a new Integrated Strategic Planning and Reporting Framework for the City, which outlines the City's approach to integrating planning and corporate reporting with our budget

processes, to ensure that we have community priorities, as reflected in our Strategic Community Plan, at the heart of all work, and that the strategies and plans we develop are best practice; holistic, comprehensive, measurable and outcomes-focused.

We look forward to this journey continuing, with the City well positioned to smoothly implement relevant local government reforms as these are released.

Corporate Information

This past financial year saw some changes to staffing, with the addition of one position which has enabled the Senior Corporate Information Officer to focus on more strategic elements of record keeping at the City, ensuring that we are more compliant with the *State Records Act 2000*.

This has involved developing online training, recordkeeping compliance reporting, updating procedure manuals and preparing the new five-year Record Keeping Plan for State Records Office approval.

There was continuing progress on the disposal of redundant hard copy records at the City, in line with the General Disposal Authority for Local Government Records. While there will always be a requirement for some hard copy storage, this ongoing project is helping reduce the overall physical footprint that is required for long term hard copy document storage.

During the 2021/22 period a total of 189,863 new records were created by staff at the City of Bunbury, a 12 per cent decrease from the previous year. This could be reflective of staff returning to normal work following the initial covid lockdowns, where staff working from home used the time to retrospectively register their work in Content Manager creating a higher number for the previous reporting period.

Freedom of Information

The City of Bunbury will if possible, provide access to documents held by the City outside the *Freedom of Information Act 1992* process, however if we are unable to supply this information by less formal means, a Freedom of Information request can be made. In accordance with the *Freedom of Information Act 1992* the City publishes a Freedom of Information Statement on the City's website. The statement outlines the City's functions, the kind of documents held by the City, how those documents can be accessed and details the process of applying for information under the *Freedom of Information Act 1992*.

A total of nine Freedom of Information applications were received in the 2021-2022 financial year and were processed at an average of 27 days per application.

Complaint handling

There were no entries made under section 5.121 of the *Local Government Act 1995* during the 2021/22 financial year in the City's register of complaints.

Safety Management Plan evolves

The City's Safety Management Plan continues to grow and evolve in line with the new Work Health and Safety (WHS) legislation and subsequent regulations. The objective of the (WHS) Strategic Management Plan is to provide the safety framework for the proceeding 2022-2024 period and improve compliance with ISO45001:2018 (WHS) International Safety Management System Standards. Below are the focus areas, actions and measures to ensure we build on our current Silver Diligence in Safety Award, obtained in late 2020;

Areas of focus:

- Strategic safety KPI development and implementation
- Improved musculoskeletal injury management
- Additional mental health and wellbeing services for internal workers
- Improved (WHS) general safety compliance

Action to be taken:

- Defined strategic (WHS) KPIs
- Implementation of the Perform Program within other work locations to improve musculoskeletal management consistency
- Undertake a gap analysis of current mental health and wellbeing services provided and develop a strategy post analysis
- Update the current safety management system to meet compliance requirements

How it will be measured:

- Determined KPIs to be reviewed to ascertain suitability proceeding forward
- Internal audit program to be implemented to continually measure safety management system effectiveness
- Undertake a gap analysis of the effectiveness of the Perform Program to ascertain its impact and future implementation
- Conduct a survey of internal workers who have completed additional mental health and wellbeing training to ascertain future viability





Culture focus at the City

Culture continues to be a focus for the City of Bunbury Leadership team. The Culture Coaches continue to provide support to teams throughout the City with activities including the roll out of Resilience Sessions, reviews of the Departmental Action Plans and the roll out of the completed Leadership Expectations Framework with actions that deliver on the City's Culture Vision Plan. The framework outlines the specific expectations for leaders at the City and marries these with the City's values and behaviours. The framework has been well received and forms part of the greater Culture Vision Plan which has also been completed outlining 12 months of continuous culture actions across the City aimed at improving the working lives of all staff.

Learning and development opportunities for staff

We began the SBS Inclusion Program roll out for the whole City in the 2020/2021 financial year and completed the EEO courses the end 2021 – SBS Inclusion Course modules included – Indigenous, Disability, Gender, LGBTIQ+, Age and Culture.

Below is a summary of some of the course content:

Disability

People with disability are drastically under-represented in the Australian workforce despite making up nearly a fifth of the population. Employment enables people with disability to achieve financial independence, improve their mental health, and develop friendships. Studies also show that companies that employ people with disability regularly report increased productivity and sharply decreased staff turnover.

The Disability course helps organisations welcome people with disability into all aspects of business, and help teams be more inclusive. The course has been made in collaboration with the Australian Network on Disability, as well as input from the Northcott Disability Services and the University of Queensland Workforce Diversity and Inclusion team.

Gender

Though the conversation around gender equality has been going on for decades, the reality is there is still a long way to go. The gender pay gap is still substantial, and inequality exists in the rates of gender-based crimes of aggression, access to education and healthcare, property ownership, political representation, retirement savings, freedom of expression, and corporate leadership.

The Gender Course has been created in collaboration with Champions of Change Coalition, and the University of Queensland Workforce Diversity and Inclusion team. This course is vital for companies that want to be more inclusive and improve gender equality.

LGBTIQ+

LGBTIQ+ inclusion is about building a safe and productive environment for all

individuals, regardless of their sexuality, gender identity, or bodily diversity.

This course has been developed in collaboration with ACON Pride in Diversity, as well as input from the University of Queensland's Workforce Diversity and Inclusion team.

Additionally, leaders at the City completed training on Preventing and Responding to Workplace Bullying and Sexual Harassment, Equal Employment Opportunity and Core Inclusion.

Financial Planning

The City's capital and operating works program as outlined in the 2021/22 Budget was implemented during the year. The Corporate Business Plan for the four years 2022/23 to 2025/26 was adopted on 26 July 2022. This provides a plan to deliver the vision, goals, and objectives of the Strategic Community Plan. It also demonstrates Council's commitment to deliver services, provide facilities and manage assets that will sustain the Bunbury community into the future.

Debt Management

The City places a strong emphasis on maintaining the debt service cover ratio within an acceptable target range. A debt service cover ratio of 5.0 or greater represents a low risk, and a ratio of 2.0 or lower represents a high risk. The City's debt service cover ratio was 2.1 at 30 June 2022 which is within Council's acceptable target range. Outstanding debt was \$13.1 million at 30 June 2022 compared to \$11.0 million at the end of 2021.

During 2021/22 the City borrowed \$4.25 million. \$3.0M towards the construction of the Youth Precinct, \$950,000 to part fund the construction of Hay Park North Pavilion, and \$300,000 for the renewal of the Athletics Track surface.

In 2021/22 \$447,768 was paid in interest on outstanding debt compared to \$533,334 in 2020/21.

Rating

Raising rates is a primary source of revenue for the City to meet its budgetary requirements. The rate levy is based on the individual Gross Rental Valuations (GRV) supplied by Landgate Valuation Services for each property and is deemed to be an independent valuation and fair for all ratepayers in Bunbury. For 2021/22 the rate-in-the-dollar was 9.872 cents in the dollar of GRV and the minimum rate was \$1,229. The rate-in-the-dollar and minimum rate increased by 2.5% from the previous year.

Rates and charges levied	
General Rate	\$37,268,020
Minimum Rate	\$3,371,147
Interim Rate	\$125,087
Specific area rates:	
Pelican Point Grand Canals	\$51,536
Other fees and charges:	
Rate instalment plan	\$320,760
Late rate payment penalty	\$157,657

Rate Exempt Properties

The *Local Government Act 1995* allows properties owned by charitable or not-for-profit organisations to be exempt from paying rates. In the 2021/22 financial year, 429 properties in the City received rates exempt status. Rates foregone on all charitable properties in the City under the provisions of section 6.26(2) of the Act are about \$1.35 million.



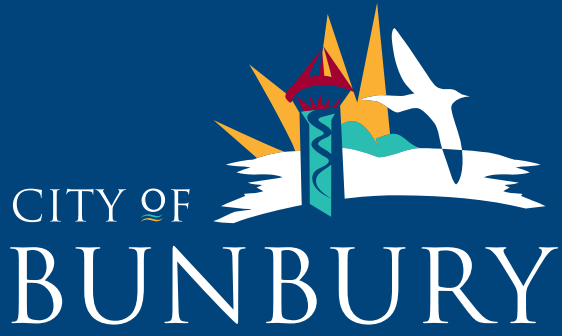
AUDITORS REPORT & FINANCIAL STATEMENTS



**FOR THE YEAR
ENDING 30 JUNE 2022**

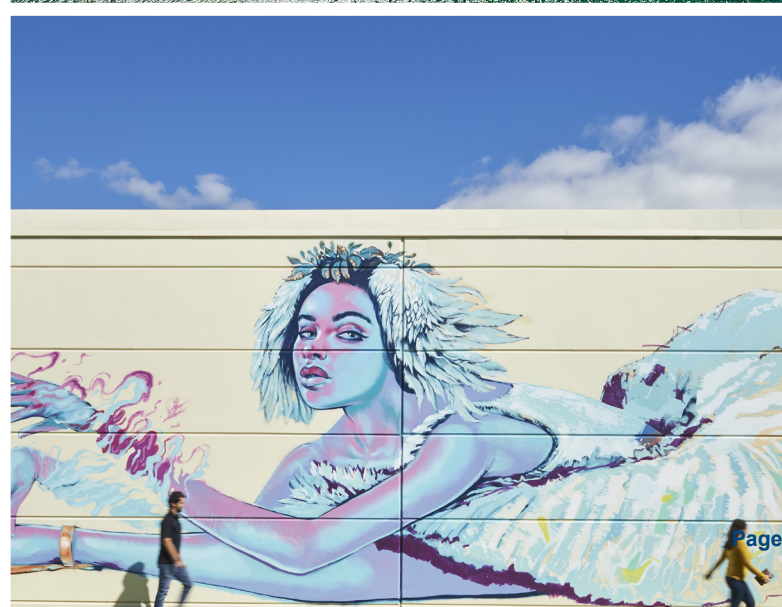
ANNUAL BUDGET 2021-2022





ANNUAL FINANCIAL REPORT

For the year ended 30 June 2022



**CITY OF BUNBURY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

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**CITY OF BUNBURY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

MEMBERS AND EXECUTIVES

MAYOR

Jaysen De San Miguel

COUNCILLORS

Cr Tresslyn Smith (Deputy Mayor)

Cr Ben Andrew

Cr Gabi Ghasseb

Cr Wendy Giles

Cr Cheryl Kozisek

Cr Betty McCleary

Cr Kris Plumb

Cr Marina Quain

Cr Michelle Steck

Cr Karen Steele

Cr Karen Turner

Cr Amanda Yip

CHIEF EXECUTIVE OFFICER

Malcolm Osborne

DIRECTOR STRATEGY AND ORGANISATIONAL PERFORMANCE

Karin Strachan

DIRECTOR SUSTAINABLE COMMUNITIES

Gary Barbour

DIRECTOR INFRASTRUCTURE

Gavin Harris

Administration Offices
4 Stephen Street, Bunbury WA 6230

Telephone (08) 9792 7000, Facsimile (08) 9792 7184, TTY 133 677
www.bunbury.wa.gov.au

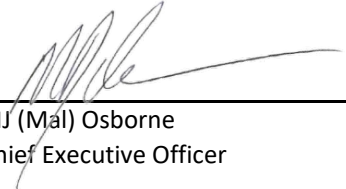
**CITY OF BUNBURY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Bunbury for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the City of Bunbury 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 12 day of December 2022



MJ (Mal) Osborne
Chief Executive Officer



CITY OF BUNBURY
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE AND TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
Revenue				
Rates	28(a)	40,676,117	40,669,967	39,776,267
Operating Grants and Subsidies	2c	4,008,727	2,942,657	5,031,737
Contributions, Reimbursements and Donations		2,089,357	1,058,490	1,354,946
Fees and Charges	27(c)	13,044,288	12,591,322	13,004,944
Interest Earnings	2(a)	580,975	472,822	637,875
Other Revenue		1,207,563	544,984	558,990
		<u>61,607,027</u>	<u>58,280,242</u>	<u>60,364,759</u>
Expenses				
Employee Costs		(29,096,107)	(28,703,718)	(26,644,714)
Consultants		(2,287,004)	(3,320,254)	(1,611,022)
Materials and Contracts		(15,485,113)	(15,942,753)	(15,864,884)
Utility Charges		(2,525,400)	(2,516,950)	(2,498,745)
Depreciation on Non-Current Assets	11(a)	(13,735,787)	(15,066,080)	(14,499,537)
Insurance Expenses		(723,771)	(728,484)	(652,171)
Interest Expenses	2(b)	(454,559)	(453,468)	(546,682)
Other Expenditure	2(b)	(3,585,919)	(2,948,210)	(2,325,858)
		<u>(67,893,660)</u>	<u>(69,679,917)</u>	<u>(64,643,613)</u>
		(6,286,633)	(11,399,675)	(4,278,854)
Non-Operating Grants, Subsidies and Contributions	2c	5,784,590	7,460,732	5,702,290
Interest on Capital Grants		313	313	9,872
Fair Value adjustments to Financial Assets at Fair Value through Profit or Loss		13,165	-	-
Share of Loss in Investment in Associates accounted for using the Equity Method	23(b)	(3,685,561)	-	-
Profit on Asset Disposals	11(b)	157,004	208,382	106,602
Loss on Asset Disposals	11(b)	(2,678,721)	(285,076)	(2,339,710)
		<u>(6,695,843)</u>	<u>(4,015,324)</u>	<u>(799,800)</u>
Net Result for the Period				
Other Comprehensive Income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in Asset Revaluation Surplus	18	(16,008,778)	-	(46,179,210)
		<u>(16,008,778)</u>	<u>-</u>	<u>(46,179,210)</u>
Total Other Comprehensive Income for the Period				
		<u>(16,008,778)</u>	<u>-</u>	<u>(46,179,210)</u>
Total Comprehensive Income for the Period				
		<u>(22,704,621)</u>	<u>(4,015,324)</u>	<u>(46,979,010)</u>



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

CITY OF BUNBURY
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and Cash Equivalents - Unrestricted	3	12,448,721	11,910,419
Cash and Cash Equivalents - Restricted	3	27,377,662	28,618,527
Trade and Other Receivables	5	4,524,951	2,920,038
Inventories	6	140,010	109,390
Other Current Assets	7	789,470	618,841
Other Financial Assets	4(a)	47,468	46,403
TOTAL CURRENT ASSETS		45,328,282	44,223,618
NON-CURRENT ASSETS			
Trade and Other Receivables	5	652,857	621,376
Other Financial Assets	4(b)	270,009	304,312
Investment in Associates	23(b)	131,509	-
Property, Plant and Equipment	9	241,972,610	243,740,352
Infrastructure	10	229,799,807	245,281,238
Right of Use Assets	12	47,601	177,689
TOTAL NON-CURRENT ASSETS		472,874,393	490,124,967
TOTAL ASSETS		518,202,675	534,348,585
CURRENT LIABILITIES			
Trade and Other Payables	14	7,413,851	6,462,527
Other Liabilities	15	1,929,098	2,881,528
Lease Liabilities	12(b)	55,269	122,614
Borrowings	16	2,609,981	2,141,210
Employee Related Provisions	17	5,082,113	4,676,542
TOTAL CURRENT LIABILITIES		17,090,312	16,284,421
NON-CURRENT LIABILITIES			
Trade and Other Payables	14	391,158	5,568
Lease Liabilities	12(b)	-	55,269
Borrowings	16	10,519,110	8,879,091
Employee Related Provisions	17	594,741	629,331
TOTAL NON-CURRENT LIABILITIES		11,505,009	9,569,259
TOTAL LIABILITIES		28,595,321	25,853,680
NET ASSETS		489,607,354	508,494,905
EQUITY			
Retained Surplus		190,843,873	193,434,210
Reserves - Cash Backed	31	25,448,564	25,737,000
Revaluation Surplus	18	273,314,917	289,323,695
TOTAL EQUITY		489,607,354	508,494,905

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



CITY OF BUNBURY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		197,364,155	22,222,336	335,502,905	555,089,395
Comprehensive Income for the Period					
Net Result for the Period		(799,800)	-	-	(799,800)
Other Comprehensive Income for the Period	18	-	-	(46,179,210)	(46,179,210)
Total Comprehensive Income for the Period		(799,800)	-	(46,179,210)	(46,979,010)
Transfers from/(to) Reserves	31	(3,130,145)	3,130,145	-	-
Reclassification of Planning & Development Act S.152 funds to Trust		-	384,519	-	384,519
Balance as at 30 June 2021		193,434,210	25,737,000	289,323,695	508,494,905
Initial Recognition of Investment in Associate	23	3,817,070	-	-	3,817,070
Comprehensive Income for the Period					
Net Result for the Period		(6,695,843)	-	-	(6,695,843)
Other Comprehensive Income for the Period	18	-	-	(16,008,778)	(16,008,778)
Total Comprehensive Income for the Period		(6,695,843)	-	(16,008,778)	(22,704,621)
Transfers from/(to) Reserves	31	288,436	(288,436)	-	-
Reclassification of Planning & Development Act s154 funds from Trust		-	-	-	-
Balance as at 30 June 2022		190,843,873	25,448,564	273,314,917	489,607,354

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

CITY OF BUNBURY
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		40,514,526	40,669,967	39,987,825
Operating Grants and Subsidies		1,240,363	2,942,657	2,962,011
Contributions, Reimbursements and Donations		2,089,357	1,058,490	1,354,946
Fees and Charges		13,217,614	12,591,322	13,185,667
Interest Earnings		580,974	472,822	637,875
Goods and Services Tax (GST)		-	-	-
Other Revenue		1,207,563	544,984	558,990
		<u>58,850,397</u>	<u>58,280,242</u>	<u>58,687,314</u>
Payments				
Employee Costs		(28,480,141)	(28,703,718)	(26,225,242)
Consultants		(2,287,004)	-	(1,611,022)
Materials and Contracts		(15,093,603)	(19,263,007)	(14,375,889)
Utility Charges		(2,525,400)	(2,516,950)	(2,498,745)
Interest Expenses		(458,345)	(453,468)	(554,654)
Insurance Expenses		(723,771)	(728,484)	(652,171)
Goods and Services Tax (GST)		285,173	-	(214,679)
Other Expenditure		(3,200,329)	(2,948,210)	(2,332,494)
		<u>(52,483,420)</u>	<u>(54,613,837)</u>	<u>(48,464,896)</u>
Net Cash Provided By (Used In) Operating Activities	19(b)	<u>6,366,977</u>	<u>3,666,405</u>	<u>10,222,418</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for the Purchase of Property, Plant and Equipment		(4,568,971)	(5,731,326)	(4,221,012)
Payment for Construction of Infrastructure		(11,317,550)	(19,075,341)	(8,102,343)
Non-Operating Grants, Subsidies and Contributions		5,784,590	7,460,732	5,702,290
Interest Earnings on Capital Grants		313	313	9,872
Proceeds from Self-Supporting Loans		46,403	46,403	45,362
Proceeds from Sale of Fixed Assets	11(b)	999,500	976,859	416,909
Net Cash Provided By (Used In) Investing Activities		<u>(9,055,715)</u>	<u>(16,322,360)</u>	<u>(6,148,922)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Borrowings	30(a)	(2,141,210)	(2,141,210)	(2,063,416)
Payments for principal portion of lease liabilities	30(d)	(122,615)	(122,615)	(174,167)
Proceeds from New Borrowings	30(b)	4,250,000	4,250,000	-
Reclassification of Planning & Development Act S.154 funds from Reserve to Trust		-	-	384,519
Movement in Deferred Debtors		-	-	13,780
Net Cash Provided By (Used In) Financing Activities		<u>1,986,176</u>	<u>1,986,175</u>	<u>(1,839,283)</u>
Net Increase (Decrease) In Cash Held		(702,563)	(10,669,780)	2,234,213
Cash at Beginning of Year		40,528,946	40,528,946	38,294,733
Cash and Cash Equivalents at the End of the Year	19(a)	<u><u>39,826,383</u></u>	<u><u>29,859,166</u></u>	<u><u>40,528,946</u></u>

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

CITY OF BUNBURY
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
OPERATING ACTIVITIES				
Net Current Assets at Start of Financial Year				
- Surplus/(Deficit)	29(b)	4,419,618	4,419,618	5,333,826
		4,419,618	4,419,618	5,333,826
Revenue from Operating Activities (Excluding Rates)				
Specified Area Rates	28(b)	51,536	51,536	50,036
Operating Grants and Subsidies		4,008,727	2,942,657	5,031,737
Contributions, Reimbursements and Donations		2,089,357	1,058,490	1,354,946
Fees and Charges		13,044,288	12,591,322	13,004,944
Interest Earnings		580,975	472,822	637,875
Other Revenue		1,207,563	544,984	558,990
Profit on Disposal of Assets	11(b)	157,004	208,382	106,602
		21,139,450	17,870,193	20,745,130
Expenses from Operating Activities				
Employee Costs		(29,096,107)	(28,703,718)	(26,644,714)
Consultants		(2,287,004)	(3,320,254)	(1,611,022)
Materials and Contracts		(15,485,113)	(15,942,753)	(15,864,884)
Utility Charges		(2,525,400)	(2,516,950)	(2,498,745)
Depreciation on Non-Current Assets		(13,735,787)	(15,066,080)	(14,499,537)
Insurance Expenses		(723,771)	(728,484)	(652,171)
Interest Expenses		(454,559)	(453,468)	(546,682)
Other Expenses		(3,585,919)	(2,948,210)	(2,325,858)
Share of Net Loss in Investment in Associates accounted for using the Equity Method		(3,685,561)	-	-
Loss on Disposal of Assets	11(b)	(2,678,721)	(285,076)	(2,339,710)
		(74,257,942)	(69,964,993)	(66,983,323)
Non-Cash Amounts Excluded from Operating Activities	29(a)	20,249,417	15,204,874	16,691,989
Amount Attributable to Operating Activities		(32,869,075)	(36,889,926)	(29,546,204)
INVESTING ACTIVITIES				
Non-Operating Grants, Subsidies and Contributions		5,784,590	7,460,732	5,702,290
Interest on Capital Grants		313	313	9,872
Fair Value Adjustment to Financial Assets at Fair Value through Profit or Loss		13,165	-	-
Proceeds from Disposal of Assets	11(b)	999,500	976,859	416,909
Proceeds from Self-Supporting Loans	30(a)	46,403	46,403	45,362
Purchase Land	9(a)	(1,043)	(195,907)	(3,819)
Purchase Buildings	9(a)	(3,304,629)	(3,365,222)	(2,805,820)
Purchase Plant and Vehicles	9(a)	(776,450)	(1,879,286)	(1,281,026)
Purchase Equipment	9(a)	(476,058)	(235,911)	(92,145)
Purchase Furniture and Fittings	9(a)	-	-	(7,099)
Purchase Arts and Culture Assets	9(a)	(10,790)	(55,000)	(31,103)
Purchase Infrastructure Assets	10(a)	(11,317,550)	(19,075,341)	(8,102,343)
Amount Attributable to Investing Activities		(9,042,549)	(16,322,360)	(6,148,922)

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

**CITY OF BUNBURY
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
FINANCING ACTIVITIES				
Repayment of Borrowings	30(a)	(2,141,210)	(2,141,210)	(2,063,416)
Proceeds from Borrowings	30(b)	4,250,000	4,250,000	-
Payments for principal portion of lease liabilities	30(d)	(122,614)	(122,615)	(174,167)
Movement in Unspent Loans		-	-	422,414
Reallocation of Planning and Development Act S.154 funds from Trust to Reserve		-	-	384,519
Transfers to Reserves (Restricted Assets)	31	(12,475,090)	(10,658,307)	(13,831,325)
Transfers from Reserves (Restricted Assets)	31	12,763,526	16,879,411	10,316,662
Amount Attributable to Financing Activities		2,274,612	8,207,279	(4,945,313)
Surplus/(Deficit) Before Imposition of General Rates		<u>(35,217,394)</u>	<u>(40,585,389)</u>	<u>(35,306,613)</u>
Total Amount Raised from General Rates	28(a)	<u>40,624,581</u>	<u>40,618,431</u>	<u>39,726,231</u>
Surplus/(Deficit) After Imposition of General Rates	29(b)	<u>5,407,187</u>	<u>33,042</u>	<u>4,419,618</u>

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

CITY OF BUNBURY
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 City to measure any vested improvements at zero cost.

Accounting policies which has 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 report has been prepared on the accrual basis and is based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 33 of the 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;

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

CITY OF BUNBURY
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 and Specified	Over time	Payment dates adopted by council during the year	None	When rates notice is issued
Operating Grants and subsidies	Grant contracts with customers - with and without agreements and subsidies.	Over time or no obligations. Dependant upon arrangement.	Fixed term transfer for funds based on agreed milestones and reporting or not applicable. Dependant upon arrangement.	Contract obligation if project not complete or not applicable. Dependant upon arrangement.	Output method based on project milestone and/or completion date matched to performance obligations, or when asset is controlled. Dependant upon arrangement.
Non-operating Grants	Construction or acquisition of recognisable non-financial assets.	Over time.	Fixed term transfer for funds based on agreed milestones and reporting.	Contract obligation if project not complete.	Output method based on project milestone and/or completion date matched to performance obligations.
Fees and Charges	Charges made for council provided services, facility hire, fines, sale of goods, and licences.	Single point in time and over time. Dependant upon fee.	In full, in advance, or on normal credit trading terms. Dependant upon fee.	Dependant upon good or service provided.	Output method based on provision of service or completion of works.
Other Revenue	Other revenue that cannot be classified into the above categories.	Single point in time and over time. Dependant upon fee.	In full, in advance, or on normal credit trading terms. Dependant upon fee.	Dependant upon good or service provided.	Output method based on provision of service or completion of works.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES (continued)

(a) Revenue (continued)

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$

Revenue from contracts with customers was recognised during the year for the following nature or types of goods or services:

Operating grants and subsidies	1,497,447	1,780,219	3,142,021
Contributions	265,708	224,616	213,100
Fees and Charges	12,359,783	11,989,146	12,137,284
Other Revenue	952,364	519,230	309,403
	15,075,301	14,513,211	15,801,808

Capital Grants / Contributions

Revenue from capital grants / contributions recognised as non-operating grants / contributions and reimbursements

	5,784,590	7,460,732	5,702,290
	5,784,590	7,460,732	5,702,290

Revenue from Statutory Requirements

Revenue from statutory requirements was recognised during the year for the following nature or type classifications:

General Rates	40,624,581	40,618,431	39,726,231
Specified area rates	51,536	51,536	50,036
Statutory permits and licences	570,846	479,264	641,591
Fines	113,660	122,912	226,069
Public open space contributions	35,556	-	84,500
	41,396,179	41,272,143	40,728,427

Interest Earnings

Interest on reserve funds	33,126	20,500	41,732
Rates instalment and penalty interest (refer Note 29(e))	384,939	352,322	400,886
Other interest earnings	162,910	100,000	195,257
	580,975	472,822	637,875

Interest Earnings - Non-Operating

- Investments - Capital Grants	313	313	9,872
	313	313	9,872

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUES AND EXPENSES (continued)

(b) Expenses

	NOTE	2022 \$	2021 \$
Auditors Remuneration			
- Audit of the Annual Financial Report		43,460	40,200
- Financial Management Review		7,500	-
- Other Services		4,250	7,410
		<u>55,210</u>	<u>47,610</u>
Interest Expenses (Finance Costs)			
Borrowings	30(a)	441,578	526,265
Borrowings - self-supporting	30(a)	6,190	7,069
Lease Liabilities	30(d)	6,791	13,348
		<u>454,559</u>	<u>546,682</u>
Other Expenditure			
Contributions, Donations and Sponsorships		(1,576,281)	(1,236,709)
Miscellaneous (refunds, subscriptions, recoupables)		(943,614)	(465,460)
Elected Members		(542,685)	(499,526)
Write Offs		(53,468)	(64,719)
Taxation and Levies		(84,281)	(66,080)
Other Expenses		(385,590)	6,636
		<u>(3,585,919)</u>	<u>(2,325,858)</u>

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUES AND EXPENSES (continued)

(c) Grant Revenue

<i>Grants and Contributions for the Development of Assets received:</i>		2022	2021
		\$	\$
Lotterywest	Construct Youth Precinct	2,500,000	-
Dept. Infrastructure, Transport, and Regional Development	Construct Youth Precinct	695,284	531,958
Main Roads	Upgrade Harris Road	597,272	-
Dept. Local Government, Sports & Cultural Industries	Construct Hay Park North Pavilion	411,757	1,648,823
Dept. Infrastructure, Transport, and Regional Development	Roads to Recovery reseal program	383,430	620,307
Main Roads	Realign and widen Ocean Drive	303,598	519,461
Dept. Infrastructure, Transport, and Regional Development	Upgrade Maiden's Reserve	209,856	357,051
Dept. Industry	Reseal airport bitumen taxiways and runways	178,004	-
Main Roads	Reseal road and repair pavement, Sandridge Road	146,667	-
Main Roads	Expand cycleways	94,508	95,838
Dept. Local Government, Sports & Cultural Industries	Construct Youth Precinct	81,858	-
Dept. Education	Upgrade Reading Street path	40,500	-
Public Open Space Developer Contributions	Expand path network	34,576	-
Main Roads	Reseal and upgrade Harris Road and drainage	30,562	186,777
Art on the Move	Upgrade Bunbury Regional Art Gallery CCTV system	25,700	-
Dept. Transport	Rehabilitate foreshore marine walls	21,236	-
Main Roads	Improve Wellington Upper Esplanade Intersection	19,782	-
Dept. Communities	All Terrain Wheelchair	10,000	-
Public Open Space Developer Contributions	Construct Youth Precinct	-	494,784
Main Roads	Reconstruct, widen and improve drainage on Estuary Dve	-	367,970
Main Roads	Washington Avenue cycle lanes - stage 3	-	253,333
Lotterywest	Infrastructure development at Lyons Cove	-	250,000
Main Roads	Reseal Sandridge Road	-	192,360
Dept. Primary Industries & Regional Development	Installation of digital billboard	-	92,035
Main Roads	Reconstruct and widen Vittoria Road	-	62,031
South West Development Commission	Construct SPA Fishing Jetty	-	15,100
South West Development Commission	Provide a new UAT toilet facility at Des Ugle Park	-	14,462
		5,784,590	5,702,290

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUES AND EXPENSES (continued)

(c) Grant Revenue (continued)

<i>Operating Grants received:</i>		2022	2021
		\$	\$
Local Government Grants Commission	Receive general purpose grants - roads	1,244,165	895,671
Local Government Grants Commission	Receive general purpose grants - general	914,144	645,920
Main Roads	Koombana Bridge general maintenance	510,976	-
South West Development Commission	Bunbury Marine Facilities Studies	233,031	112,413
Main Roads	Receive general purpose grants - roads	227,552	214,800
Dept. Communication & the Arts	Indigenous Arts Program	209,591	130,854
Dept. Local Government, Sports & Cultural Industries	Operate Bunbury Regional Art Gallery	170,000	170,000
Dept. Fire & Emergency Services	Administer Bushfire Brigade payments	68,667	57,928
Dept. Fire & Emergency Services	Administer State Emergency Service payments	51,140	54,235
WA Police	Glen Iris Skatepark Art Wall & Landscaping	50,000	-
Dept. Infrastructure, Transport, and Regional Development	Roads to Recovery reseal program	48,862	-
Dept. Fire & Emergency Services	DFES Mitigation Activity program	36,982	-
Dept. Water and Environmental Regulation	Better Bins - Go FOGO Campaign	30,877	62,944
Lotterywest	Conduct Australia Day event	30,000	30,000
Dept. Transport	Safe Active Streets program	27,250	50,000
Dept. Infrastructure, Transport, and Regional Development	Upgrade Maiden's Reserve	21,523	-
Dept. Health	City Charter - Compassionate Communities	20,000	-
National Australia Day Council	Conduct Australia Day event	20,000	-
Public Transport Authority	Maintain bus shelters	18,469	18,599
Art on the Move	There Were Moments of Transformation exhibition	15,783	-
Australian Trade & Investment Commission	Supporting Australia's Zoos	12,434	72,348
Dept. Primary Industries & Regional Development	Upgrade Halifax Park Infrastructure	11,900	2,181,906
Regional Arts Australia	Cultural Tourism Accelerator	10,000	-
State Library of Western Australia	Service WA Assistance	6,000	-
Dept. Education	Provide traineeships and cadetships	5,612	12,000
Australian Museum and Galleries Association WA	Coffee, Collections & Community	3,000	-
Australian Museum and Galleries Association WA	Museum Conservation & Digitisation	2,763	-
Main Roads	Upgrade Harris Road	2,728	15,994
Australian Library and Information	Online Storytime	2,700	-
Scitech	National Science Week	1,531	-
Dept. Local Government, Sports & Cultural Industries	Deliver every day club funding project	897	1,389
Scitech	National Science Week	150	-

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUES AND EXPENSES (continued)

(c) Grant Revenue (continued)

Operating Grants received (continued):

		2022	2021
		\$	\$
Main Roads	Blair Street Lighting	-	150,000
Dept. Jobs, Tourism, Science & Innovation	"Waste Sorted" E-Waste program	-	34,353
Dept. Transport	Regional Airports Development Scheme - Airport Plan	-	29,875
Dept. Communication & the Arts	Relief and Recovery Arts Funding	-	24,069
Dept. Primary Industries & Regional Development	Feasibility Study - Bunbury Electric Transit System	-	15,000
The Good Things Foundation	Deliver Be Connected Capacity Building	-	13,456
Dept. Primary Industries & Regional Development	Hands Oval Redevelopment Design Plan	-	10,000
South West Development Commission	Regional Tourism Strategy Implementation	-	6,250
Dept. Training and Workforce Development	Provide traineeships and cadetships	-	6,163
Dept. Infrastructure, Transport, and Regional Development	Upgrade Maiden's Reserve	-	4,700
Forrest Personnel	Provide traineeships and cadetships	-	3,000
Children's Book Council of Australia	Children's Book Week	-	3,000
Road Safety Commission	Roadwise "Don't Trust Your Tired Self" Campaign	-	1,870
Dept. Local Government, Sports & Cultural Industries	Volunteer Appreciation Award	-	1,500
Keep Australia Beautiful	No Butts Campaign	-	1,500
		<u>4,008,727</u>	<u>5,031,737</u>

NOTE

General Purpose Grants - Roads and General

In 2021/22 the City received a general purpose grant advance payment for the 2022/23 financial year of \$1,353,230.

In 2020/21 the City received a general purpose grant advance payment for the 2021/22 financial year of \$833,398.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

3. CASH AND CASH EQUIVALENTS

	NOTE	2022 \$	2021 \$
Cash at bank and on hand		6,832,560	7,740,412
Term deposits	8	32,993,823	32,788,534
Total cash and cash equivalents	19(a)	39,826,383	40,528,946
Held as			
Unrestricted cash and cash equivalents		12,448,721	11,910,419
Restricted cash and cash equivalents	19(a)	27,377,662	28,618,527
		39,826,383	40,528,946

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

Contract liabilities from contracts with customers	15	723,424	1,421,685
Contract liabilities from transfers for recognisable non-financial assets	15	1,205,674	1,459,843

Cash Backed Reserves

Airport		311,416	307,433
Asset Management and Renewal		5,385,279	5,027,101
Bunbury Museum and Heritage Centre		12,665	11,007
Canal Management		645,389	592,220
City Arts Collection		45,046	35,836
City Growth and Major Development		3,607,520	3,793,368
City of Bunbury General Parking		8,232,541	8,791,345
College Grove Subdivision Amended Joint Venture		595,476	17,120
Disaster Relief Fund - (City of Bunbury)		100,000	100,000
Employee Entitlements and Insurance		1,180,372	1,151,701
Environmental		9,359	36,109
Hay Park Regional Athletics Track		117,824	705,474
Heritage Building Maintenance		27,500	27,500
Infrastructure Development		1,193,969	1,940,375
Land Subdivision and Development		327,130	327,130
Local Planning Policy Framework		217,874	167,874
Meat Inspection		413,957	430,601
Planning and Development Act Developer Contributions		120,387	84,500
Public Art		162,433	137,433
Refuse Collection and Waste Minimisation		2,030,336	1,346,022
Road Upgrade Contributions		190,578	171,704
Town Planning Scheme Land Acquisition and Compensation		132,505	132,505
Withers		389,008	402,641
		25,448,564	25,737,000
Total Restricted Assets		27,377,662	28,618,528

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

4. OTHER FINANCIAL ASSETS

	2022	2021
	\$	\$
(a) Current assets		
Financial assets at amortised cost	47,468	46,403
	47,468	46,403
Other financial assets at amortised cost		
Self supporting loans receivable	47,468	46,403
	47,468	46,403
(b) Non-current assets		
Financial assets at amortised cost	114,402	161,870
Financial assets at fair value through profit and loss	155,607	142,442
	270,009	304,312
Financial assets at amortised cost		
Self supporting loans receivable	114,402	161,870
	114,402	161,870
Financial Assets at fair value through profit and loss		
Units in Local Government House Trust	155,607	142,442
	155,607	142,442

Loans receivable from clubs / institutions have the same terms and conditions as the related borrowing disclosed in Note 31(a) as self supporting loans. Fair value of financial assets at fair value through profit and loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

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 current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 27(i)) due to the observable market rates.

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 24.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

5. TRADE AND OTHER RECEIVABLES

	2022	2021
	\$	\$
Current		
Rates Receivables	1,788,266	1,658,156
Sundry Debtors	2,473,928	657,992
GST Receivable	167,563	452,736
Infringements	95,194	151,153
BHRC Debtor	231,000	-
Allowance for credit losses of trade and other receivables (BHRC)	(231,000)	-
	<u>4,524,951</u>	<u>2,920,038</u>
Non-Current		
Pensioner Rates and ESL Deferred	652,857	621,376
	<u>652,857</u>	<u>621,376</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for 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.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 24.

Classification and subsequent measurement

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

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

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

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

6. INVENTORIES

	2022	2021
	\$	\$
Current		
Construction Materials	98,910	74,266
Bunbury Visitor Information Centre Stock Held for Sale	7,026	5,725
Bunbury Wildlife Park Stock Held for Sale	13,904	9,906
South West Sports Centre Stock Held for Sale	20,170	19,492
	140,010	109,390
	140,010	109,390

The following movements in inventories occurred during the year:

Balance at beginning of year	109,390	112,232
Inventories expensed during the year	(351,805)	(478,202)
Additions to inventory	382,425	475,361
Balance at end of year	140,010	109,390
	140,010	109,390

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.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

7. OTHER ASSETS

	2022	2021
	\$	\$
Other Assets - Current		
Prepayments	741,397	584,838
Accrued income	48,073	34,003
	789,469	618,841
	789,469	618,841

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. INVESTMENTS

Funds surplus to the City's daily operating requirements and restricted funds are invested with approved financial institutions. To manage cashflow requirements and maximise return, funds are invested in:

Term deposits with the following financial institutions:-

- ANZ Bank
- Bankwest
- Bendigo Bank
- Commonwealth Bank of Australia
- National Australia Bank
- Westpac Banking Corporation

Invested Funds		2022	2021
Investment Type	TERM	\$	\$
Commonwealth Bank of Australia Term Deposit	Short Term	25,700,688	20,788,534
National Australia Bank Term Deposit	Short Term	7,293,135	12,000,000
		<u>32,993,823</u>	<u>32,788,534</u>

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land \$	Buildings \$	Plant and Vehicles \$	Equipment \$	Furniture and Fittings \$	Arts and Culture \$	Capital WIP Movement \$	TOTAL \$
Balance at 1 July 2020	114,482,630	118,242,456	6,844,179	3,416,823	81,764	2,286,945	490,825	245,845,622
Additions	13,593	1,910,594	1,323,767	132,322	15,912	31,103	1,105,341	4,532,632
Disposals	(260,000)	(336,924)	(325,281)	-	-	-	-	(922,205)
Revaluation increment/(decrement)	(395,922)	(618,948)	-	-	-	-	-	(1,014,870)
Impairment (Loss) / Reversal transferred to profit or loss	-	-	-	-	-	-	(900)	(900)
Depreciation (expense)	-	(2,693,579)	(1,013,356)	(969,616)	(19,585)	(3,791)	-	(4,699,926)
Balance at 30 June 2021	113,840,300	116,503,600	6,829,309	2,579,529	78,091	2,314,257	1,595,266	243,740,352
Comprises:								
Gross balance amount at 30 June 2021	113,840,300	189,069,000	8,498,170	5,952,066	115,677	2,318,048	1,595,266	321,388,526
Accumulated depreciation at 30 June 2021	-	(72,565,400)	(1,668,860)	(3,372,536)	(37,587)	(3,791)	-	(77,648,174)
Balance at 30 June 2021	113,840,300	116,503,600	6,829,309	2,579,529	78,091	2,314,257	1,595,266	243,740,352
Balance at 1 July 2021	113,840,300	116,503,600	6,829,309	2,579,529	78,091	2,314,257	1,595,266	243,740,352
Additions	1,043	3,291,707	776,450	476,058	-	10,790	12,922	4,568,971
Works in Progress Movement	-	1,504,107	-	-	-	-	(1,504,107)	-
Disposals	(843,043)	-	(1,068,178)	(30,959)	(6,074)	-	-	(1,948,254)
Revaluation increment/(decrement) transferred to reval surplus	-	-	-	-	-	-	-	-
Depreciation (expense)	-	(2,551,262)	(1,031,410)	(796,216)	(9,570)	(0)	-	(4,388,458)
Balance at 30 June 2022	112,998,300	118,748,152	5,506,171	2,228,413	62,447	2,325,047	104,080	241,972,610
Comprises:								
Gross carrying amount	112,998,300	193,864,814	7,736,737	6,276,423	99,347	2,328,838	104,080	323,408,540
Accumulated depreciation	-	(75,116,662)	(2,230,566)	(4,048,010)	(36,901)	(3,791)	-	(81,435,930)
Balance at 30 June 2022	112,998,300	118,748,152	5,506,171	2,228,413	62,447	2,325,047	104,080	241,972,610

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

9. 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	2	Sales comparison (market) approach using recent observable market data for similar properties	Independent registered valuer	June 2021	Price per hectare
Buildings; non-specialised	3	Improvements to land valued using cost approach using depreciated replacement cost and Market approach using recent observable market data for similar properties	Independent registered valuer	June 2021	Improvements to land using construction costs (level 2) and current condition (Level 3), residual values and remaining useful life assessments (Level 3) inputs
Buildings; specialised	3	Improvements to land valued using cost approach using depreciated replacement cost and Market approach using recent observable market data for similar properties	Independent registered valuer	June 2021	Improvements to land using construction costs (level 2) and current condition (Level 3), residual values and remaining useful life assessments (Level 3) 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

Plant and equipment	Not applicable	Cost	N/A	Not applicable
Equipment	Not applicable	Cost	N/A	Not applicable
Furniture and Fittings	Not applicable	Cost	N/A	Not applicable
Arts and Culture	Not applicable	Cost	N/A	Not applicable

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

10. INFRASTRUCTURE

(a) Movement in Balances

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

	Roads	Paths	Stormwater	Open Space	Marine	Structures	Bridges	Other Infrastructure	Capital WIP Movement	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	127,001,587	42,071,125	65,865,064	12,935,268	14,836,070	16,927,533	5,691,319	7,558,107	1,114,540	294,000,613
Additions	2,502,243	1,834,575	622,465	774,434	478,073	313,770	-	386,818	1,892,394	8,804,772
Disposals	(510,451)	(746,390)	(174,887)	(135,414)	-	(124,671)	-	(35,999)	-	(1,727,812)
Reclassifications	-	-	-	-	-	-	-	-	(310,720)	(310,720)
Reval increments/(decrements) transferred to reval surplus	(49,042,868)	204,552	191,795	2,835,029	932,308	32,282	-	(317,437)	-	(45,164,340)
Impairment (loss)/reversals transferred to profit or loss	-	-	-	-	-	-	-	-	(702,429)	(702,429)
Depreciation (expense)	(4,052,321)	(1,414,477)	(1,220,384)	(950,648)	(693,672)	(428,012)	(161,382)	(697,950)	-	(9,618,846)
Balance 30 June 2021	75,898,190	41,949,386	65,284,053	15,458,669	15,552,778	16,720,902	5,529,937	6,893,539	1,993,784	245,281,238
Comprises, at 30 June 2021										
Gross balance	222,414,499	66,707,227	107,025,181	28,987,525	30,748,073	21,647,349	8,950,619	12,151,868	1,993,784	500,626,124
Accumulated depreciation	(146,516,308)	(24,757,842)	(41,741,128)	(13,528,857)	(15,195,295)	(4,926,447)	(3,420,682)	(5,258,328)	-	(255,344,886)
Balance at 30 June 2021	75,898,190	41,949,386	65,284,053	15,458,669	15,552,778	16,720,902	5,529,937	6,893,539	1,993,784	245,281,238
Balance at 1 July 2021	75,898,190	41,949,386	65,284,053	15,458,669	15,552,778	16,720,902	5,529,937	6,893,539	1,993,784	245,281,238
Additions	2,612,495	1,295,045	471,741	4,518,773	315,600	533,290	-	1,500,213	70,393	11,317,550
Works in Progress Movement	307,331	52,600	25,275	1,138,739	57,705	-	-	3,227	(1,584,877)	-
Disposals	(764,611)	(184,318)	(163,784)	(369,152)	-	(71,401)	-	(19,697)	-	(1,572,963)
Reval increments/(decrements) transferred to reval surplus	(216,795)	(15,652,817)	869,694	(538,638)	(473,048)	(98,997)	(0)	101,824	-	(16,008,778)
Depreciation (expense)	(3,913,982)	(1,293,911)	(1,222,224)	(883,094)	(691,756)	(380,040)	(161,382)	(670,852)	-	(9,217,240)
Balance at 30 June 2022	73,922,629	26,165,985	65,264,755	19,325,296	14,761,280	16,703,754	5,368,555	7,808,255	479,300	229,799,807
Comprises, at 30 June 2022										
Gross balance	224,525,350	67,860,965	107,357,219	34,258,755	31,121,378	22,107,152	8,950,619	13,633,667	479,300	510,294,405
Accumulated depreciation	(150,602,721)	(41,694,980)	(42,092,464)	(14,933,458)	(16,360,098)	(5,403,399)	(3,582,064)	(5,825,413)	-	(280,494,597)
Balance at 30 June 2022	73,922,629	26,165,985	65,264,755	19,325,296	14,761,280	16,703,754	5,368,555	7,808,255	479,300	229,799,807

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10. INFRASTRUCTURE (continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs Used
Roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Paths	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Stormwater	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Open Space	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Marine	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Structures	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Bridges	3	Cost approach using depreciated replacement cost	Independent registered valuer and Management valuation	June 2020	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other Infrastructure	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

11. FIXED ASSETS

(a) Depreciation

	2022	2021
	\$	\$
Buildings	2,551,262	2,693,579
Plant and Vehicles	1,031,410	1,013,356
Equipment	796,216	969,616
Furniture and Fittings	9,570	19,585
Arts and Culture	0	3,791
Infrastructure		
Roads	3,913,982	4,052,321
Paths	1,293,911	1,414,477
Stormwater	1,222,224	1,220,384
Open Space	883,094	950,648
Marine	691,756	693,672
Bridges	161,382	161,382
Structures	380,040	428,012
Other Infrastructure	670,852	697,950
Right of Use Assets - Plant and Equipment	130,088	180,765
	<u>13,735,787</u>	<u>14,499,537</u>

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	10 to 80 years
Furniture and Fittings	7 to 13 years
Equipment	4 to 60 years
Plant and Vehicles	4 to 30 years
Arts and Culture	4 to 100 years
Roads	20 to 75 years
Road Formation	Not Depreciated
Stormwater	10 to 100 years
Open Space	10 to 100 years
Pathways	10 to 50 years
Bridges	20 to 75 years
Marine	8 to 80 years
Structures	10 to 100 years
Other Infrastructure	5 to 100 years
Right of Use	1 to 6 years

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FOR THE YEAR ENDED 30 JUNE 2022

11. FIXED ASSETS (continued)

(b) Disposals of Assets

The following assets were disposed of during the year:

Asset by Class	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Land	843,043	843,043	600,000	600,000	(243,043)	(243,043)
Plant and Vehicles (Loss)	856,318	168,477	30,636	376,859	(825,682)	208,382
Plant and Vehicles (Profit)	211,860	-	368,864	-	157,004	-
Equipment	30,959	35,959	-	-	(30,959)	(35,959)
Furniture and Fittings	6,074	6,074	-	-	(6,074)	(6,074)
Roads	764,611	-	-	-	(764,611)	-
Paths	184,318	-	-	-	(184,318)	-
Stormwater	163,784	-	-	-	(163,784)	-
Open Space	369,152	-	-	-	(369,152)	-
Structures	71,401	-	-	-	(71,401)	-
Other Infrastructure	19,697	-	-	-	(19,697)	-
	3,521,217	1,053,553	999,500	976,859	(2,521,717)	(76,694)

Profit	157,004	208,382
Loss	(2,678,721)	(285,076)
	(2,521,717)	(76,694)

CITY OF BUNBURY
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FOR THE YEAR ENDED 30 JUNE 2022

11. 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 or 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 City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

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 or 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 bases 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 equal to 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 bases 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 10(a).

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

12. LEASES

(a) Right-of-Use Assets

Movement in the balance 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 Total \$
Balance at 1 July 2020		239,953	-	239,953
Additions		-	118,501	118,501
Depreciation		(126,452)	(54,313)	(180,765)
Balance at 30 June 2021		113,501	64,188	177,689
Additions		-	-	-
Depreciation	11(a)	(75,775)	(54,313)	(130,088)
Balance at 30 June 2022		37,726	9,875	47,601

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

	NOTE	2022 Actual \$	2021 Actual \$
Depreciation on right-of-use assets	11(a)	(130,088)	(180,765)
Interest expense on lease liabilities		(6,791)	(13,348)
Short-term lease payments recognised as expense		(37,927)	(21,037)
Total amount recognised in the statement of comprehensive income		(174,806)	(215,149)
Total cash outflow from leases		(129,406)	(187,515)

(b) Lease Liabilities

Current		55,269	122,614
Non-Current		-	55,269
	30(d)	55,269	177,883

The City has two leases relating to plant and equipment and one to land and buildings. The lease term for these leases are between 2 - 6 years. The plant and equipment leases have fixed lease payments, however the land and buildings lease will be reviewed after 1 year. The measurement of lease liabilities does not include any future cash outflows associated with leases not yet commenced to which the City is committed.

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 30(d).

Right-of-use assets - valuation measurement

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

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 City anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

13. INVESTMENT PROPERTIES

The City holds no investment property at 30 June 2022.

14. TRADE AND OTHER PAYABLES

	NOTE	2022 \$	2021 \$
Current			
Sundry Creditors		3,664,461	3,421,632
Accrued Interest on Loans		35,333	39,119
Accrued Salaries and Wages		813,099	568,114
Deposits and Prepayments		946,955	597,025
Income Received in Advance		190,739	190,546
Prepaid Rates		1,763,264	1,646,091
		7,413,851	6,462,527
Non-Current			
College Grove Subdivision Profit Share	23(a)	391,158	5,568
		391,158	5,568

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

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

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

15. OTHER LIABILITIES

	2022	2021
	\$	\$
Current		
Contract liabilities	723,424	1,421,685
Capital grant / contributions liabilities	1,205,674	1,459,842
	1,929,098	2,881,528

Function/Activity	Opening Balance 1/07/2021	Received 2021/22	Expended 2021/22	Closing Balance 30/06/2022
Grant/Contribution	\$	\$	\$	\$
Governance				
Management of funds for Bunbury Marine project	233,031	-	(233,031)	-
Law, Order and Public Safety				
Undertake DFES Mitigation activities	151,432	-	(36,982)	114,450
Design and construct Bunbury SES headquarters	11,129	-	-	11,129
Develop Safer Communities	4,101	-	-	4,101
State Graffiti Hotspot Fund - Glen Iris Skate Park	50,000	-	(50,000)	-
DFES ESL Grant Funds - SES and Bunbury Bushfire	29,952	-	(29,952)	-
Upgrade Bunbury Regional Art Gallery CCTV	25,700	-	(25,700)	-
Education and Welfare				
Deliver "Be Connected Capacity Building" program	15,328	-	(15,328)	-
Community Amenities				
Better Bins Plus: Go FOGO Grant	106,600	41,363	(30,877)	117,086
Campus Precinct Study	5,715	-	-	5,715
Increase E-Waste collections	647	5,000	-	5,647
Glen Iris District Structure Plan	24,750	-	(24,750)	-
CLAG - MCAA 2021 Conference	318	-	(318)	-
Recreation and Culture				
Ocean Pool feasibility study	-	250,000	-	250,000
Conduct Indigenous Art Program at BRAG	163,978	90,000	(191,367)	62,611
Withers Placemaking	-	60,000	-	60,000
Construct heritage interpretation, Koombana Bay	58,519	-	-	58,519
Refurbish Hay Park Grounds	23,993	25,000	-	48,993
Construct heritage fishing and crabbing platform	36,000	-	-	36,000
New Display Cabinets for Museum & Heritage Centre	-	35,000	-	35,000
Construct heritage interpretation, Koombana Bay	12,548	-	-	12,548
Better Beginnings	-	9,711	-	9,711
Deliver "Every Club" (Dept Sport & Rec) program	897	6,667	(897)	6,667
Shorelines Cultural Program	4,200	-	-	4,200
Shift Festival	3,182	-	-	3,182
Science Week	-	2,500	(150)	2,350
Construct Hay Park Central Pavilion	411,757	-	(411,757)	-
Upgrade of Maidens Reserve	172,066	-	(172,066)	-
Construct Youth Precinct	163,521	-	(163,521)	-
Connect with Asia	42,050	-	(42,050)	-
Art on the Move	18,824	-	(18,824)	-
Gordon Darling Foundation (BRAG)	3,000	-	(3,000)	-

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

15. OTHER LIABILITIES (continued)

Function/Activity Grant/Contribution	Opening Balance 1/07/2021 \$	Received 2021/22 \$	Expended 2021/22 \$	Closing Balance 30/06/2022 \$
Transport				
Withers Regional Renewal	-	340,909	-	340,909
Withers Connector Road Grant	270,000	-	-	270,000
Upgrade Halifax Business Park Infrastructure	203,378	-	(11,900)	191,478
Roads to Recovery Reseals	-	124,034	-	124,034
Ocean Drive widening	-	400,000	(303,598)	96,402
Dodson Road Shared Path	20,000	-	-	20,000
Expand Cycleways 2021/22	-	5,492	-	5,492
Expand cycleways	4,162	-	-	4,162
Koombana Bridge general maintenance	514,157	-	(510,976)	3,181
Renew Reading Street Path	40,500	-	(40,500)	-
Reseal and upgrade Harris Road	30,562	-	(30,562)	-
Economic Services				
Regional Tourism Strategy - Infrastructure	25,530	-	-	25,530
	2,881,528	1,395,676	(2,348,105)	1,929,098

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant / contribution liabilities

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

Non-current capital grant / contribution liabilities fair values are based on discounted cashflows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 26(i)) due to the unobservable inputs, including own credit risk.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

16. BORROWINGS

	NOTE	2022 \$	2021 \$
Secured			
Current		2,609,981	2,141,210
Non-current		10,519,110	8,879,091
Total secured borrowings	30(a)	<u>13,129,091</u>	<u>11,020,300</u>

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the City.

The City 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 cashflows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 26(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 24.

Details of individual borrowings required by regulations are provided at Note 30(a).

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

17. EMPLOYEE RELATED PROVISIONS

	2022	2021
	\$	\$
Employee benefit provisions		
Current provisions		
Annual Leave	2,232,783	1,984,470
Long Service Leave	2,654,218	2,514,771
Other Employee Leave Provision	195,112	177,301
	5,082,113	4,676,542
Non-current provisions		
Long Service Leave	594,741	629,331
	594,741	629,331
	5,676,854	5,305,874

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:

	2022	2021
	\$	\$
Amounts are expected to be settled on the following basis:		
Less than 12 months after the reporting date	5,082,113	4,676,542
More than 12 months from the reporting date	594,741	629,331
	5,676,854	5,305,874
Expected reimbursements from other WA local governments	(181,062)	(135,872)

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

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

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

18. REVALUATION SURPLUS

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

	2022	2021
	\$	\$
(i) Land		
Opening Balance	103,654,230	104,050,153
Revaluation Increment	-	-
Revaluation Decrement	-	(395,922)
	103,654,230	103,654,230
(ii) Buildings		
Opening Balance	78,593,299	79,212,247
Revaluation Increment	-	-
Revaluation Decrement	-	(618,948)
	78,593,299	78,593,299
(iii) Equipment		
Opening Balance	378,880	378,880
Revaluation Increment	-	-
Revaluation Decrement	-	-
	378,880	378,880
(iv) Furniture and Fittings		
Opening Balance	144,435	144,435
Revaluation Increment	-	-
Revaluation Decrement	-	-
	144,435	144,435
(v) Arts and Culture		
Opening Balance	754,849	754,849
Revaluation Increment	-	-
Revaluation Decrement	-	-
	754,849	754,849
(vi) Roads		
Opening Balance	8,473,836	57,516,704
Revaluation Increment	-	-
Revaluation Decrement	(216,795)	(49,042,868)
	8,257,041	8,473,836
(vii) Paths		
Opening Balance	26,976,505	26,771,953
Revaluation Increment	-	204,552
Revaluation Decrement	(15,652,817)	-
	11,323,688	26,976,505

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

18. REVALUATION SURPLUS (continued)

	2022	2021
	\$	\$
(viii) Stormwater		
Opening Balance	37,261,340	37,069,546
Revaluation Increment	869,694	191,795
Revaluation Decrement	-	-
	38,131,034	37,261,340
(ix) Open Space		
Opening Balance	4,553,206	1,718,178
Revaluation Increment	-	2,835,029
Revaluation Decrement	(538,638)	-
	4,014,568	4,553,206
(x) Marine		
Opening Balance	12,712,618	11,780,311
Revaluation Increment	-	932,308
Revaluation Decrement	(473,048)	-
	12,239,570	12,712,618
(xi) Bridges		
Opening Balance	1,968,114	1,968,114
Revaluation Increment	-	-
Revaluation Decrement	(0)	-
	1,968,114	1,968,114
(xii) Structures		
Opening Balance	13,285,532	13,253,250
Revaluation Increment	-	32,282
Revaluation Decrement	(98,997)	-
	13,186,534	13,285,532
(xiii) Other Infrastructure		
Opening Balance	566,850	884,286
Revaluation Increment	101,824	-
Revaluation Decrement	-	(317,437)
	668,674	566,850
TOTAL ASSET REVALUATION SURPLUS	273,314,917	289,323,694
Revaluation Surplus Summary		
Total Opening Balance	289,323,694	335,502,904
Revaluation Increment	971,517	4,195,965
Revaluation Decrement	(16,980,295)	(50,375,175)
TOTAL ASSET REVALUATION SURPLUS	273,314,917	289,323,695

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 40.1.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

19. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	NOTE	2022 \$	2021 \$
Cash and Cash Equivalents	3	<u>39,826,383</u>	<u>40,528,946</u>

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	<u>27,377,662</u>	<u>28,618,528</u>
		27,377,662	28,618,528

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

Restricted reserve accounts	3	25,448,564	25,737,000
Unspent Grants (Contract Liabilities)	3	<u>1,929,098</u>	<u>2,881,528</u>
Total restricted financial assets		27,377,662	28,618,528

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

Net Result		(6,695,843)	(799,800)
Non-cash items:			
Depreciation/Amortisation		13,735,787	14,499,537
(Profit)/Loss on Sale of Asset		2,521,717	2,233,108
Share of Profits/Loss of Associates		3,685,561	-
Changes in assets and liabilities:			
(Increase)/Decrease in Trade and Other Receivables		(1,807,023)	(32,404)
(Increase)/Decrease in Inventories		(30,620)	2,842
Increase/(Decrease) in Trade and Other Payables		1,336,914	1,735,443
Increase/(Decrease) in Employee Related Provisions		370,980	416,012
Increase/(Decrease) in Other Liabilities		(952,429)	(2,120,157)
Grants and Contributions for the Development of Assets		(5,784,903)	(5,712,163)
Recognition of Investment in LG House		(13,165)	-
Net Cash Provided by/(used in) Operating Activities		<u>6,366,977</u>	<u>10,222,418</u>

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Credit card limit	100,000	100,000
Credit card balance at balance date	(1,988)	(14,689)
Total amount of credit unused	<u>98,012</u>	<u>85,311</u>

Loan Facilities

Loan facilities - current	2,609,981	2,141,210
Loan facilities - non-current	10,519,110	8,879,091
Total facilities in use at balance date	<u>13,129,091</u>	<u>11,020,300</u>

Unused Loan Facilities at Balance Date

NIL

NIL

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

20. CONTINGENT LIABILITIES

(a) Contaminated Sites

In compliance with the *Contaminated Sites Act 2003*, the City has listed sites to be possible sources of contamination. Details of those sites are:

* Nuytsia Ave	* ECU Land	* Donaldson Park
* Jaycee Park	* Spencer St Road Reserve	* Spencer/Minninup Road Reserve
* Mangles St	* Lot 9000 Bussell Hwy	* Robertson Dve
* Stanley Rd	* Queens Gardens	* Clay Target Club
* Big Swamp POS	* Stirling Street Arts Centre	* Austral Bricks Landfill
* Koombana Dve	* Marlston Hill	* Bunbury Cemetery
* Willinge Dve	* Picton Rd Laneway	* Pioneer Park Cemetery
* Turkey Point	* Bunbury Hospital	* Hay Park
* Rawling Rd	* Plaza Street Road Reserve	* Trinity Rise
* Strickland St Road Reserve	* Wimbridge Road Reserve	* Koombana Dve Road Reserve
* Mary St Road Reserve	* South's Building	* Prosser/Alexander Road Reserve

Until the City conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the City is unable to estimate the potentials costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

(b) Aluminium Composite Panels

The Department of Mines, Industry Regulation and Safety (DMIRS) have been auditing public sector and local government agencies with buildings vested in their control regarding the risk associated with potentially combustible aluminium composite panels. As part of this investigation, the Department has identified buildings that require remediation to remove the hazard. Work is being undertaken to assess remediation costs, however the cost is not able to be reliably estimated at this point in time.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

21. CAPITAL COMMITMENTS

The City of Bunbury has the following capital expenditure commitments contracted for as at 30 June 2022 which have not been recognised as a liability in the Statement of Financial Position:

	2022	2021
	\$	\$
Contracted for:		
Withers road connection	297,853	-
Replace waste vehicles and plant	270,570	-
Construct Youth Precinct	236,808	6,596,496
Replace corporate heavy plant	229,376	135,702
Replace existing parking infrastructure	110,539	-
Withers Regional renewal	108,600	-
Expand path network	89,061	-
Upgrade audio visual equipment Chambers	83,719	-
Replace Ocean Drive / Hayward Street footbridge	81,420	-
Construct Hay Park North Pavilion	33,519	-
Display cases for Bunbury Museum & Heritage Centre	31,275	-
Improve City's Landscaping, Parks, Gardens and Entry Statements	-	861,676
Replace athletics track	-	743,540
Replace South West Sports Centre fire system	-	317,586
Replace playground equipment	-	275,000
Upgrade Maiden's Reserve	-	160,212
Renew pavement and drainage Victoria Street	-	64,459
Replace pump stations	-	49,527
Reseal and upgrade Harris Road	-	45,814
Replace Forrest Park Pavilion	-	37,845
Upgrade Bunbury Regional Art Gallery CCTV system	-	34,904
	1,572,739	9,322,761
Payable:		
- not later than one year	1,572,739	9,322,761
- later than one year but not later than two years	-	-

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

22. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
Mayor Jaysen de san Miguel			
Mayor's annual allowance	49,941	49,941	-
Deputy Mayor's annual allowance	5,141	5,141	16,000
Meeting attendance fees	33,750	33,750	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
	92,332	92,332	47,500
Councillor Tresslyn Smith			
Deputy Mayor's annual allowance	11,751	11,751	-
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
Travel and Accommodation Expenses	515	-	118
	43,907	43,392	31,618
Councillor Ben Andrew			
Meeting attendance fees	19,933	19,933	-
Annual allowance for ICT expenses	2,479	2,479	-
	22,412	22,412	-
Councillor Gabi Ghasseb			
Meeting attendance fees	19,933	19,933	-
Annual allowance for ICT expenses	2,479	2,479	-
	22,412	22,412	-
Councillor Wendy Giles			
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
Travel and Accommodation Expenses	515	-	-
	32,156	31,641	31,500
Councillor Cheryl Kozisek			
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
Travel and Accommodation Expenses	515	-	-
	32,156	31,641	31,500
Councillor Betty McCleary			
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
Travel and Accommodation Expenses	412	-	-
	32,053	31,641	31,500
Councillor Kris Plumb			
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
Travel and Accommodation Expenses	544	-	-
	32,185	31,641	31,500

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

22. RELATED PARTY TRANSACTIONS (continued)

(a) Elected Member Remuneration (continued)

	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
Councillor Marina Quain			
Meeting attendance fees	19,933	19,933	-
Annual allowance for ICT expenses	2,479	2,479	-
Travel and Accommodation Expenses	696	-	-
	23,108	22,412	-
Councillor Michelle Steck			
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
	31,641	31,641	31,500
Councillor Karen Steele			
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
	31,641	31,641	31,500
Councillor Karen Turner			
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
Travel and Accommodation Expenses	1,071	-	484
	32,712	31,641	31,984
Councillor Amanda Yip			
Meeting attendance fees	28,141	28,141	28,000
Annual allowance for ICT expenses	3,500	3,500	3,500
Travel and Accommodation Expenses	344	-	-
	31,985	31,641	31,500
Mayor Gary Brennan			
Mayor's annual allowance	20,564	20,564	64,000
Meeting attendance fees	10,518	10,518	30,000
Annual allowance for ICT expenses	1,021	1,021	3,500
Travel and Accommodation Expenses	68	-	-
	32,170	32,103	97,500
Councillor Todd Brown			
Meeting attendance fees	8,208	8,208	28,000
Annual allowance for ICT expenses	1,021	1,021	3,500
	9,229	9,229	31,500
Councillor James Hayward			
Meeting attendance fees	-	-	21,000
Annual allowance for ICT expenses	-	-	2,625
	-	-	23,625
	502,101	497,420	484,226

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

22. RELATED PARTY TRANSACTIONS (continued)

(a) Elected Member Remuneration (continued)

Fees, expenses and allowances to be paid or reimbursed to elected council members.	2022 Actual \$	2022 Budget \$	2021 Actual \$
Mayor's Annual Allowance	70,505	70,505	64,000
Deputy Mayor's Annual Allowance	16,892	17,626	16,000
Meeting Attendance Fees	365,544	373,752	359,000
Annual Allowance for ICT Expenses	44,479	45,500	44,625
Travel and Accommodation Expenses	4,681	12,550	602
	<u>502,101</u>	<u>519,933</u>	<u>484,226</u>

(b) Key Management Personnel (KMP) Compensation

The total remuneration paid to KMP of the City during the year are as follows:	2022 \$	2021 \$
Short-term employee benefits	984,193	987,951
Post-employment benefits	97,991	90,258
Employee - other long-term benefits	3,364	16,520
Council member costs	502,101	484,226
	<u>1,587,649</u>	<u>1,578,956</u>

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 estimated cost of the City'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.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

22. RELATED PARTY TRANSACTIONS (continued)

Transactions with Related Parties

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

No 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	2021
	\$	\$
Associated Companies / Individuals:		
Sale of goods and services ¹	30,576	86,263
Purchase of goods and services ²	(664,328)	(608,011)
Short term employee benefits - other related parties	(15,644)	-
Joint Venture Entities:		
Management Fees	10,180	-
Amounts Outstanding from Related Parties:		
Trade and other receivables	231,000	-
Amounts Payable to Related Parties:		
Trade and other payables	(43,731)	(44,186)

Note:

(1) Sale of goods and services

2021 - This is mainly being for the accounting and payroll services provided to the Bunbury-Harvey Regional Council

(2) Purchase of goods and services

This mainly includes normal commercial transactions for the disposal of waste received by the Bunbury-Harvey Regional Council.

Related Parties

The City's main related parties are as follows:

i. Key management personnel

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

ii. Entities subject to significant influence by the City

Any 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.

iii. Joint venture entities accounts for under the equity method

The City has two joint venture arrangements, one with Bunbury-Harvey Regional Council (89.60% equity holding) and one with the Department of Primary Industries and Regional Development (36.33% equity holding). For details of interest held in joint venture arrangements, refer Note 23.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. INVESTMENT IN ASSOCIATES

(a) Land Development Agreements

Under the original Joint Venture Agreement, the City and the Department of Primary Industries and Regional Development entered into a joint venture for the development, subdivision and sale of certain land in College Grove, Bunbury. The original Joint Venture Agreement operated for approximately ten (10) years with the City having a 36.33% equity and the Department of Primary Industries and Regional Development having a 63.67% equity in the subdivision.

A second Joint Venture Agreement between Landcorp, the City and the Minister on behalf of the State was subsequently entered into for the development, subdivision and sale of additional land in College Grove, Bunbury. The second Joint Venture Agreement covered an area of land primarily being the southern portion of the area of land covered by the original Joint Venture Agreement.

It was intended by the parties that the original Joint Venture Agreement would be terminated when the second Joint Venture Agreement was entered into but this did not occur because some land covered by the original Joint Venture Agreement had not been disposed of by the time the second Joint Venture Agreement was entered into by the parties.

Due to part of the land comprised in the second Joint Venture Agreement being ceded as Regional Open Space, as part of the proclamation of the Greater Bunbury Region Scheme and commitments made by the State Government that it would not undertake further development in College Grove, the development potential of the land comprised in the second Joint Venture Agreement was reduced. The State Government provided in lieu of the reduced area of the College Grove Subdivision, alternate land for development.

In an agreement dated 31 October 2013, the parties agreed to terminate the second Joint Venture Agreement so as to remove Landcorp from any further involvement, with the intent that the State Government and the City will continue to work together to achieve the remaining outcomes under the original Joint Venture Agreement and the second Joint Venture Agreement by entering into a new amended Joint Venture Agreement. The amended Joint Venture Agreement also terminates the original Joint Venture Agreement and compensates the City for its equity in the second Joint Venture by the transfer of freehold land to the City.

Under the amended College Grove Joint Venture Agreement the City of Bunbury has a one third (33.33%) equity in the subdivision and the Department of Primary Industries and Regional Development two thirds (66.67%) equity in the subdivision. The City of Bunbury is the appointed manager of the subdivision. The funds originally held in the College Grove Land subdivision Reserve Account represented proceeds from sales to date less development costs and have now been transferred to the amended College Grove Joint Venture Reserve to provide for the funding of future stages of the subdivision on behalf of the joint venture partners, eliminating the need to utilise borrowed funds.

After development costs and management fees are deducted from surplus income, profit on the subdivision will be distributed to the joint venture partners in proportion to their equities. No dividends were declared during 2021/22.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. JOINT ARRANGEMENTS & INVESTMENT IN ASSOCIATES (continued)

(a) Joint Ventures - Land Development Agreements (continued)

At 30 June 2022 the undistributed profits of the subdivision, which are held in Amended College Grove Joint Venture Reserve amount to:

	NOTE	2022 \$	2021 \$
Dept of Primary Industries & Regional Development	66.67%	391,158 *	5,568 *
City of Bunbury	33.33%	204,318	11,552
		595,476	17,120

* Included as a non-creditor - Refer Note 14

The assets and liabilities associated with this joint venture are:

Current Assets

Investments	595,476	17,120
Total Assets	595,476	17,120

Current Liabilities

Total Liabilities	-	-
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The income and expenses associated with this joint venture are:

Statement of Comprehensive Income

Other Revenue	600,696	107
Other Expenditure	(22,340)	(10,061)
Net Result for the Period	578,356	(9,954)

Other Comprehensive Income

Items that will not be reclassified subsequently to profit or loss

Changes in Asset Revaluation Surplus	-	-
Total Other Comprehensive Income for the Period	-	-
Total Comprehensive Income for the Period	578,356	(9,954)

(b) Investment in Associate - Bunbury Harvey Regional Council

The City of Bunbury has a share in the Net Assets in the Bunbury Harvey Regional Council (BHRC) as a member council together with the Shire of Harvey and has a commitment to fund the BHRC under the Regional Council Constitution Agreement. The BHRC provides services in waste management, resource recovery and environmental management and was established in accordance with the Local Government Act 1995.

In accordance with AASB128 the City's investment has been accounted for using the equity method. The value of this investment is based on the City's share of 50% of Net Assets as disclosed in the Financial Statements of the BHRC for 2021/22. The City's equity share (i.e. ownership interest) is based on the City's estimated interest in BHRC and is subject to final negotiation with the Shire of Harvey during 2022/23.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. JOINT ARRANGEMENTS & INVESTMENT IN ASSOCIATES (continued)

(b) Investment in Associate - Bunbury Harvey Regional Council (continued)

The assets and liabilities associated with the Bunbury Harvey Regional Council are:

	2022	2021
	\$	\$
Current Assets	2,615,806	3,165,234
Non-Current Assets	4,848,326	5,435,596
Total Assets	7,464,132	8,600,830
Current Liabilities	7,179,955	933,931
Non-Current Liabilities	21,158	32,758
Total Liabilities	7,201,113	966,689
Net Assets	263,019	7,634,141
City of Bunbury's Share in Net Assets (50%)	131,509	

The income and expenses associated with the Bunbury Harvey Regional Council are:

Statement of Comprehensive Income

Revenue	5,418,121	5,692,597
Operating Expenses	(12,789,243)	(6,478,263)
Net Result for the Period	(7,371,122)	(785,666)

Other Comprehensive Income

Items that will not be reclassified subsequently to profit or loss

Changes in Asset Revaluation Surplus	-	-
Total Other Comprehensive Income for the Period	-	-
Total Comprehensive Income for the Period	(7,371,122)	(785,666)
City of Bunbury's Share in Total Comprehensive Income for the Period (50%)	(3,685,561)	

SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

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

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 City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

24. FINANCIAL RISK MANAGEMENT

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

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	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.	Ageing analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

24. FINANCIAL RISK MANAGEMENT (continued)

(a) Interest rate risk (continued)

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2022					
Cash and cash equivalents	1.34%	39,826,383	32,993,823	6,832,560	-
Financial assets at amortised cost - term deposits	0.00%	-	-	-	-
2021					
Cash and cash equivalents	0.29%	40,528,946	32,788,534	7,740,411	-

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 ⁽¹⁾	398,264	405,289

Notes:

⁽¹⁾ Holding all other variables constant

Borrowings

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

Details of interest rates applicable to each borrowing may be found at Note 30(a).

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

24. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

Trade and Other Receivables

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 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 of 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 for rates receivable was determined as follows:

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2022					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,222,841	464,049	275,012	479,223	2,441,123
Loss allowance	-	-	-	-	-
30 June 2021					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,105,659	444,414	283,929	445,531	2,279,532
Loss allowance	-	-	-	-	-

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

24. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Trade and Other Receivables (continued)

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2022					
Sundry receivables and infringements					
Expected credit loss	8.82%	0.00%	0.00%	0.00%	
Gross carrying amount	2,618,346	61,126	18,002	102,748	2,800,222
Loss allowance	231,000	-	-	-	231,000
30 June 2021					
Sundry receivables and infringements					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	621,605	41,992	17,958	127,590	809,145
Loss allowance	-	-	-	-	-

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

24. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the City, and a failure to make contractual payments for the 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 City's contract assets represent work completed, which have not been invoiced at year end. This is due to the City not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The City 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 City has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

(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 City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 19(c).

The contractual undiscounted cash flows of the City'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 Payables	7,413,851	391,158	-	7,805,010	7,805,010
Borrowings	2,609,981	6,919,713	3,599,398	13,129,091	13,129,091
Contract Liabilities	1,929,098	-	-	1,929,098	1,929,098
Lease Liabilities	55,269	-	-	55,269	55,269
	12,008,199	7,310,871	3,599,398	22,918,468	22,918,468
2021 Payables	6,462,527	5,568	-	6,468,095	6,468,095
Borrowings	2,141,210	6,514,925	2,364,165	11,020,300	11,020,300
Contract Liabilities	2,881,528	-	-	2,881,528	2,881,528
Lease Liabilities	122,614	55,269	-	177,883	177,883
	11,607,878	6,575,763	2,364,165	20,547,806	20,547,806

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

25. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no material events after 30 June 2022 that require inclusion in the notes to the Financial Statements.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

26. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the 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.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

26. OTHER SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Fair value hierarchy (continued)

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient 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 governments 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.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

27. FUNCTION AND ACTIVITY

a) Service objectives and descriptions

City operations as disclosed in these financial statements encompass the following service orientated activities/programs.

GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
LAW, ORDER AND PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH	To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
EDUCATION AND WELFARE	To provide services to disadvantaged persons, the elderly, children and youth.	Elderly person's activities and support, community services planning, disabled persons, youth services, aboriginal issues, Meal on Wheels centre, other welfare and voluntary persons.
COMMUNITY AMENITIES	To provide services required by the community.	Refuse collection services, including recycling, greenwaste and hardwaste. Administration of the Town Planning Scheme, public amenities and urban stormwater drainage works. Protection of the environment, coastline and waterways. Environmental planning.
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.	Maintenance of halls, recreation and cultural facilities, including sportsgrounds, parks, gardens, reserves, playgrounds and foreshore amenities. Maintenance of boat ramps and jetties. Townscape works. Operation of the Libraries, South West Sports Centre, Bunbury Wildlife Park, Bunbury Regional Art Gallery, Bunbury Regional Entertainment Centre, Bunbury Museum and Heritage Centre and other cultural activities.
TRANSPORT	To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, drainage, footpaths, bridges and traffic signs. Maintenance of pump stations and road verges, strategic planning for transport and traffic flows, street lighting and street cleaning, airport operation; parking control and car park maintenance.
ECONOMIC SERVICES	To help promote the City and its economic well-being.	Tourism and area promotion, operation of the Visitor Centre, International relationship expenses, City marketing and economic development, implementation of building control, operation of plant nursery.
OTHER PROPERTY AND SERVICES	To monitor and control council's overheads operating accounts.	Private works operation, plant repair, public works overhead, land acquisition (including town planning schemes) and subdivision development and sales.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

27. FUNCTION AND ACTIVITY (continued)

b) Income and expenses

	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
Income excluding grants and contributions			
General Purpose Funding	41,575,356	41,415,978	40,698,121
Governance	3,496	3,650	9,541
Law, Order and Public Safety	285,223	319,662	456,899
Health	467,341	465,282	474,129
Education and Welfare	6,571	4,241	4,290
Community Amenities	7,541,559	6,823,564	6,802,990
Recreation and Culture	4,713,973	4,340,154	4,520,193
Transport	570,334	445,097	481,032
Economic Services	332,320	304,728	386,682
Other Property and Services	2,272,296	1,423,611	1,605,746
	<u>57,768,469</u>	<u>55,545,967</u>	<u>55,439,625</u>
Grants, subsidies and contributions			
General Purpose Funding	2,385,861	1,032,631	1,756,391
Law, Order and Public Safety	182,489	296,939	112,163
Education and Welfare	20,000	10,000	13,456
Community Amenities	61,247	315,625	2,314,302
Recreation and Culture	4,486,677	4,910,479	4,119,082
Transport	2,651,745	3,802,498	2,309,057
Economic Services	-	25,530	98,285
Other Property and Services	5,612	10,000	21,163
	<u>9,793,631</u>	<u>10,403,702</u>	<u>10,743,899</u>
Total Income	<u>67,562,100</u>	<u>65,949,669</u>	<u>66,183,524</u>
Expenses			
General Purpose Funding	(920,030)	(950,482)	(557,655)
Governance	(3,116,099)	(3,338,060)	(2,817,024)
Law, Order and Public Safety	(1,455,254)	(1,759,350)	(1,356,938)
Health	(1,048,738)	(1,070,867)	(979,605)
Education and Welfare	(693,120)	(568,619)	(867,144)
Community Amenities	(13,765,168)	(10,076,722)	(12,145,378)
Recreation and Culture	(23,578,763)	(23,499,627)	(20,773,472)
Transport	(9,215,573)	(9,171,482)	(8,175,981)
Economic Services	(2,745,002)	(3,001,493)	(2,756,797)
Other Property and Services	(17,720,195)	(16,528,291)	(16,553,330)
Total Expenses	<u>(74,257,942)</u>	<u>(69,964,993)</u>	<u>(66,983,323)</u>
Net result for the period	<u>(6,695,843)</u>	<u>(4,015,324)</u>	<u>(799,800)</u>

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

27. FUNCTION AND ACTIVITY (continued)

c) Fees and Charges	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
General Purpose Funding	130,707	130,344	132,510
Law, Order and Public Safety	238,722	258,412	390,823
Health	465,224	464,188	470,976
Education and Welfare	2,644	4,241	4,290
Community Amenities	6,253,298	6,195,433	6,223,172
Recreation and Culture	4,462,034	4,175,728	4,207,957
Transport	446,820	422,000	439,605
Economic Services	245,148	214,728	275,861
Other Property and Services	799,691	726,248	859,750
	<u>13,044,288</u>	<u>12,591,322</u>	<u>13,004,944</u>

d) Total Assets	2022	2021
	Actual	Actual
	\$	\$
General Purpose Funding	2,457,055	2,289,970
Governance	12,314,461	12,706,624
Law, Order and Public Safety	6,605,810	6,773,618
Health	2,999,538	3,030,025
Education and Welfare	3,444,775	3,451,828
Community Amenities	73,503,958	73,323,533
Recreation and Culture	213,471,557	209,909,369
Transport	144,904,407	164,162,526
Economic Services	12,569,364	11,998,586
Other Property and Services	22,153,036	22,809,316
Unallocated	23,778,714	23,893,190
	<u>518,202,675</u>	<u>534,348,585</u>

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

28. RATING INFORMATION

(a) General Rates

RATE TYPE	Rate in \$ (cents)	Number of Properties	2021/22 Actual Rateable Value (\$)	2021/22 Actual Rate Revenue (\$)	2021/22 Actual Interim Rates (\$)	2021/22 Actual Back Rates (\$)	2021/22 Actual Total Revenue (\$)	2021/22 Budget Rate Revenue (\$)	2021/22 Budget Interims (\$)	2021/22 Budget Back Rates (\$)	2021/22 Budget Total Revenue (\$)	2020/21 Actual Total Revenue (\$)
General rate												
Gross rental valuations												
General	9.8720	13,826	377,512,373	37,268,020	125,087	-	37,393,106	37,268,020	123,652	-	37,391,672	36,538,875
Sub - Total		13,826	377,512,373	37,268,020	125,087	-	37,393,106	37,268,020	123,652	-	37,391,672	36,538,875

	Minimum \$											
Minimum payment	1,229	2,743	26,876,656	3,371,147	-	-	3,371,147	3,371,147	-	-	3,371,147	3,308,041
Sub - Total		2,743	26,876,656	3,371,147	-	-	3,371,147	3,371,147	-	-	3,371,147	3,308,041

							40,764,253				40,762,819	39,846,916
Concessions (refer Note 29(d))							(139,672)				(144,388)	(120,684)
Total amount raised from general rate							40,624,582				40,618,431	39,726,231
Specified Area Rate (refer Note 29(b))							51,536				51,536	50,036
TOTAL RATES							40,676,117				40,669,967	39,776,267

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

28. RATING INFORMATION (continued)

(b) Specified Area Rate

	Rate in \$ (cents)	Basis of Rate	2021/22 Actual Rateable Value (\$)	2021/22 Actual Rate Revenue (\$)	2021/22 Back Rate Revenue (\$)	2021/22 Budget Rate Revenue (\$)	2020/21 Actual Total Revenue (\$)
Pelican Point Grand Canal							
- Rate	1.2160	GRV	4,237,090	51,523	-	51,536	49,442
- Interim Rate				13	-	-	594
				51,536	-	51,536	50,036
				51,536	-	51,536	50,036

Pelican Point Grand Canal

The rateable properties within the Grand Canals Specified Area Rate will be levied on a specified area rate for the purpose of raising funds to allow for the periodic dredging, clearing and maintenance of the canal waterways. The full amount raised in 2021/22 has been transferred to the Canal Management Reserve.

(c) Service Charges

No service charges were imposed in the reporting period.

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

Concessions

	Type	Total Cost / Value	Budget Cost / Value
		\$	\$
Rates - Storage Units	Concession	70,200	70,200
Rates - TPS Heritage	Concession	3,934	8,650
Rates - Sporting Groups	Concession	65,538	65,538
		139,672	144,388

Storage Units

To recognise the nature, purpose and size of storage units compared to other properties a concession of \$540.00 per strata title storage unit, totalling \$70,200 was granted to strata titled storage units. This concession was applied to 130 storage units.

The Town Planning Scheme No 7 defines "Storage" Unit in the following terms "premises used for the storage of goods, equipment, plant or materials". Further to this definition, the following criteria must be met:

Strata titled:

- Zoned "Industrial" under Town Planning Scheme No 7;
- Have no ablutions (waste water system) connected;
- Maximum area of 75m²

TPS Heritage Rates

The City of Bunbury contains a significant collection of heritage asset having cultural heritage significance. To acknowledge and encourage conservation works of these properties a concession of 30% (up to a maximum of \$1,000) on the general rates payable will be provided to eligible properties for a period of five years where works relating to the conservation of the cultural heritage significance of the property has been undertaken in accordance with the City's Local Planning Policy - Rate Concession for Heritage Places. The total amount of TPS Heritage Rate Concessions in 2021/22 was \$3,934.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

28. RATING INFORMATION (continued)

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

Concessions (continued)

Sporting and Community Leases and Licenses

The City acknowledges the societal and economic value sporting and community groups provide to the city. Council is committed to supporting sporting and community groups that enter into lease or license arrangements with the City, to ensure they are affordable. To achieve this objective Council resolved to change the methodology for charging property leases and licences to sporting and community groups.

From the 2019/20 financial year any sporting or community groups that have a lease or license arrangement with the City will not be charged a rental fee, and if they are required to pay rates, the City will reduce the amount of rates equal to the minimum rates in lieu of any rental fee.

The City will provide a rate concession being the difference between the Gross Rental Valuation calculated rates for the leased property and the minimum rate imposed by Council each year.

The total amount of Sporting and Community Leases and Licenses concessions in 2020/21 was \$47,459.

Write-Offs

	Type	Disc %	Total Cost / Value \$	Budget Cost / Value \$
Rates Small Balances	Write-Off		2,490	3,000
Sundry Debtors	Write-Off		3,661	-
Infringements	Write-Off		47,317	65,092
			53,468	68,092

(e) Interest Charges and Instalments

	Interest Rates %	Admin Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	8.00%		157,657	125,000
Interest on Instalment Plans	5.50%		219,960	220,000
Interest on Deferred Pensioners			7,322	7,322
			384,939	352,322
Charges on Instalment Plans		21.00	100,800	100,821
Direct Debit Fee		31.50	3,072	2,688
			103,872	103,509
			488,811	455,831

Ratepayers had the option of paying rates in full, or in four equal instalments due on 20 September 2021, 22 November 2021, 24 January 2022 and 24 March 2022, or by direct debit over the rate instalment periods. Administration charges and interest applied to the final three instalments and direct debit options.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

29. RATE SETTING STATEMENT INFORMATION

		2022	2022	2021
		(30 June 22	Budget	
	NOTE	Carried	(30 June 2022	(30 June 2021
		Forward)	Carried	Carried Forward)
		\$	\$	\$
(a) Non-Cash Amounts Excluded from Operating Activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to Operating Activities				
Less: Profit on Asset Disposals	11(b)	(157,004)	(208,382)	(106,602)
Less: Fair Value Adjustments to financial assets at fair value through profit and loss	4(b)	(13,165)	-	-
Less: Share of net profit of joint venture	14	385,590	-	(6,636)
Add: Loss on Disposal of Assets	11(b)	2,678,721	285,076	2,339,710
Add: Loss on Revaluation of Fixed Assets	9(a)	-	-	-
Add: Share of net loss of investment in associate accounted for using the equity method	23(b)	3,685,561	-	-
Add: Depreciation on Assets	11(a)	13,735,787	15,066,080	14,499,537
Non-cash movements in non-current assets and liabilities				
Deferred Pensioner Rates	5	(31,482)	-	(9,165)
Employee Benefit Provisions	17	(34,591)	62,100	(24,855)
Non-Cash Amounts Excluded from Operating Activities		20,249,417	15,204,874	16,691,989
(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: Reserves - Restricted Cash	31	(25,448,564)	(19,515,896)	(25,737,000)
Less: Financial Assets at Amortised Cost				
- Self-Supporting Loans	4(a)	(47,468)	(46,403)	(46,403)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	16	2,609,981	2,125,678	2,141,210
- Current portion lease liabilities	12(b)	55,269	55,269	122,614
Total Adjustments to Net Current Assets		(22,830,782)	(17,381,352)	(23,519,579)
Net Current Assets Used in the Rate Setting Statement				
Total Current Assets		45,328,281	33,442,466	44,223,618
Less: Total Current Liabilities		(17,090,312)	(16,028,072)	(16,284,421)
Less: Total Adjustments to Net Current Assets		(22,830,782)	(17,381,352)	(23,519,579)
Net Current Assets Used in the Rate Setting Statement		5,407,187	33,042	4,419,618

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

30. BORROWINGS AND LEASE LIABILITIES

(a) Loan Principal and Interest Repayments

Particulars	Institution	Interest Rate %	Principal 01-Jul-21 \$	New Loans \$	Principal Repayments		Principal 30-Jun-22		Interest Repayments	
					Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Community Amenities										
369 Urban Stormwater Drainage	WATC ⁽¹⁾	3.46	702,045	-	166,586	166,586	535,459	535,459	27,443	27,443
379 Public Amenities	WATC ⁽¹⁾	2.91	126,856	-	19,645	19,645	107,211	107,211	4,402	4,402
Sub Total			828,901	-	186,231	186,231	642,669	642,669	31,846	31,846
Recreation and Culture										
362 Bunbury Entertainment Centre Expansion	WATC ⁽¹⁾	4.36	1,498,987	-	478,158	478,158	1,020,828	1,020,828	67,222	69,594
365 Hay Park South Multi Sports Pavilion	WATC ⁽¹⁾	3.46	562,519	-	133,478	133,478	429,041	429,041	21,989	21,989
366 Hands Oval Upgrade	WATC ⁽¹⁾	3.96	316,243	-	155,022	155,022	161,222	161,222	13,401	14,159
367 Glen Iris Skate Park	WATC ⁽¹⁾	4.36	88,320	-	28,173	28,173	60,147	60,147	3,961	4,100
372 Hay Park Sports Pavilion	WATC ⁽¹⁾	2.68	173,566	-	32,890	32,890	140,676	140,676	5,586	5,586
373 Bunbury Museum & Heritage	WATC ⁽¹⁾	2.91	185,843	-	28,781	28,781	157,062	157,062	6,450	6,450
380 Bunbury Bowling Club*	WATC ⁽¹⁾	2.55	46,495	-	7,979	7,979	38,516	38,516	1,438	1,438
382 Stirling Street Arts Centre	WATC ⁽¹⁾	2.43	736,957	-	84,523	84,523	652,435	652,435	22,392	22,392
384 Bunbury Bowling Club*	WATC ⁽¹⁾	3.07	70,002	-	8,436	8,436	61,566	61,566	2,535	2,535
385 Bunbury and Districts Hockey Club*	WATC ⁽¹⁾	1.99	91,776	-	29,988	29,988	61,788	61,788	2,218	2,218
388 Hay Park North Pavilion	WATC ⁽¹⁾	5.29	-	950,000	-	-	950,000	950,000	164	-
389 Youth Precinct	WATC ⁽¹⁾	5.29	-	3,000,000	-	-	3,000,000	3,000,000	518	-
390 Athletics Track Surface	WATC ⁽¹⁾	4.96	-	300,000	-	-	300,000	300,000	52	-
			3,770,708	4,250,000	987,427	987,427	7,033,280	7,033,280	147,925	150,460
Sub Total			4,599,609	4,250,000	1,173,659	1,173,659	7,675,950	7,675,950	179,771	182,306

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

30. BORROWINGS AND LEASE LIABILITIES (continued)

(a) Loan Principal and Interest Repayments (continued)

Particulars	Institution	Interest Rate %	Principal 01-Jul-21 \$	New Loans \$	Principal Repayments		Principal 30-Jun-22		Interest Repayments	
					Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Transport										
363 Roadworks and Path Construction	WATC ⁽¹⁾	3.96	314,848	-	154,338	154,338	160,510	160,510	13,342	14,097
364 Cobblestone Drive Car Park	WATC ⁽¹⁾	3.96	69,760	-	34,196	34,196	35,564	35,564	2,956	3,123
368 Path and Road Construction	WATC ⁽¹⁾	3.46	441,537	-	104,771	104,771	336,766	336,766	17,260	17,260
370 Airport Upgrades	WATC ⁽¹⁾	3.46	107,735	-	25,564	25,564	82,171	82,171	4,211	4,211
378 Roadworks and Path Construction	WATC ⁽¹⁾	2.91	494,737	-	76,617	76,617	418,119	418,119	17,169	17,169
383 Road Construction	WATC ⁽¹⁾	2.43	409,421	-	46,957	46,957	362,463	362,463	12,440	12,439
387 Marine Walls	WATC ⁽¹⁾	2.03	679,408	-	71,537	71,537	607,870	607,870	13,437	13,437
Sub Total			2,517,445	-	513,981	513,981	2,003,464	2,003,464	80,816	81,738
Other Property and Services										
319 Civic Administration Building	CBA ⁽²⁾	6.48	1,705,236	-	168,757	168,757	1,536,479	1,536,479	107,845	107,845
381 Depot Construction	WATC ⁽¹⁾	3.21	2,198,010	-	284,814	284,814	1,913,197	1,913,197	83,122	83,122
Sub Total			3,903,246	-	453,570	453,570	3,449,676	3,449,676	190,967	190,967
TOTAL			11,020,300	4,250,000	2,141,210	2,141,210	13,129,091	13,129,090	451,554	455,011

⁽¹⁾ WA Treasury Corporation

⁽²⁾ Commonwealth Bank of Australia

* Self supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

Total Interest 2021/22	
Actual	451,554
Accrued	(3,786)
	447,768

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

30. BORROWINGS AND LEASE LIABILITIES (continued)

(b) New Borrowings 2021/22

Particulars / Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Interest Rate * %	Amount Used		Balance Unspent \$
	Actual \$	Budget \$						Actual \$	Budget \$	
Recreation and Culture										
388 Hay Park North Pavilion	950,000	950,000	WATC	Debenture	10	245,359	5.29	950,000	950,000	-
389 Youth Precinct	3,000,000	3,000,000	WATC	Debenture	10	774,818	5.29	3,000,000	3,000,000	-
390 Athletics Track Surface	300,000	300,000	WATC	Debenture	5	36,237	4.96	300,000	300,000	-
391 Forrest Park Pavilion	-	500,000								
	4,250,000	4,750,000						4,250,000	4,250,000	-

Loan 391 was not required during the 2021/22 financial year.

* Inclusive of Government Guarantee Fee - currently 0.70% pa

(c) Unspent Borrowings

There were no unspent loans as at 30 June 2022.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

30. BORROWINGS AND LEASE LIABILITIES (continued)

(d) Lease Liabilities

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual Lease Principal 1 July 2021 \$	New Leases \$	Principal Repayments		Principal 30-Jun-22		Interest Repayments	
							Actual \$	Budgeted \$	Actual \$	Budgeted \$	Actual \$	Budgeted \$
Community Amenities												
Property - CDS *		Fortitude Holdings Pty Ltd	1.21%	24 mths	64,544	-	59,549	59,549	4,995	-	451	451
					64,544	-	59,549	59,549	4,995	-	451	451
Recreation and Culture												
Gym Equipment	E6N0159899	Maia Financial	7.06%	72 mths	96,043	-	53,438	53,438	42,605	42,605	5,384	5,384
Gym Equipment	E6N0159949	Maia Financial	6.95%	72 mths	17,296	-	9,627	9,627	7,669	7,669	955	955
					113,339	-	63,066	63,066	50,273	50,273	6,340	6,340
				TOTAL	177,883	-	122,615	122,615	55,269	50,273	6,791	6,791

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

31. RESERVES - CASH BACKED

	2022 Actual \$	2022 Budget \$	2021 Actual \$
ACDI Equipment Replacement Program			
<i>Purpose: For the purchase and upgrade of equipment used by Australian Centre for Digital Innovation</i>			
Opening Balance	-	-	734,693
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	-	-	(734,693)
	<u>-</u>	<u>-</u>	<u>-</u>
Airport			
<i>Purpose: To receipt funds from airport leases for the future provision of asset management and expansion projects at the airport</i>			
Opening Balance	307,433	307,433	245,979
Amount Set Aside / Transfer to Reserve	232,849	227,284	128,878
Amount Used / Transfer from Reserve	(228,866)	(251,310)	(67,424)
	<u>311,416</u>	<u>283,407</u>	<u>307,433</u>
Asset Management and Renewal			
<i>Purpose: To provide funding for future asset management and renewal programs and projects</i>			
Opening Balance	5,027,101	5,027,102	3,114,988
Amount Set Aside / Transfer to Reserve	1,335,373	640,681	3,457,687
Amount Used / Transfer from Reserve	(977,195)	(2,624,695)	(1,545,573)
	<u>5,385,279</u>	<u>3,043,088</u>	<u>5,027,101</u>
Building Restoration and Maintenance			
<i>Purpose: For the purchase and upgrade of City buildings</i>			
Opening Balance	-	-	1,239,293
Amount Set Aside / Transfer to Reserve	-	-	(1,033,388)
Amount Used / Transfer from Reserve	-	-	(205,905)
	<u>-</u>	<u>-</u>	<u>-</u>
Bunbury Museum and Heritage Centre			
<i>Purpose: To provide funding for the Bunbury Museum and Heritage Centre</i>			
Opening Balance	11,007	11,007	11,007
Amount Set Aside / Transfer to Reserve	1,658	-	-
Amount Used / Transfer from Reserve	-	-	-
	<u>12,665</u>	<u>11,007</u>	<u>11,007</u>
Canal Management			
<i>Purpose: To receipt specific area rating from the Pelican Point Canal Development to provide for the ongoing management and maintenance of the canal residential and commercial area</i>			
Opening Balance	592,220	592,220	577,017
Amount Set Aside / Transfer to Reserve	53,169	51,536	52,311
Amount Used / Transfer from Reserve	-	-	(37,107)
	<u>645,389</u>	<u>643,756</u>	<u>592,220</u>

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

31. RESERVES - CASH BACKED (continued)

	2022 Actual \$	2022 Budget \$	2021 Actual \$
City Arts Collection			
<i>Purpose: For the purchase and upgrade of City Art Collections</i>			
Opening Balance	35,836	35,836	35,836
Amount Set Aside / Transfer to Reserve	9,210	-	-
Amount Used / Transfer from Reserve	-	-	-
	45,046	35,836	35,836
City Growth and Major Development			
<i>Purpose: To provide funds for the development and implementation of strategic projects</i>			
Opening Balance	3,793,368	3,793,368	493,632
Amount Set Aside / Transfer to Reserve	508,053	621,343	3,299,736
Amount Used / Transfer from Reserve	(693,901)	(911,774)	-
	3,607,520	3,502,937	3,793,368
City of Bunbury General Parking			
<i>Purpose: To fund motor vehicle parking requirements within the City of Bunbury and promotion of the CBD</i>			
Opening Balance	8,791,345	8,791,345	8,440,076
Amount Set Aside / Transfer to Reserve	656,361	644,583	406,494
Amount Used / Transfer from Reserve	(1,215,165)	(1,900,492)	(55,225)
	8,232,541	7,535,436	8,791,345
College Grove Subdivision Amended Joint Venture			
<i>Purpose: To provide funding for the development of land relating to the amended College Grove joint venture</i>			
Opening Balance	17,120	17,120	27,074
Amount Set Aside / Transfer to Reserve	600,696	600,500	(843)
Amount Used / Transfer from Reserve	(22,340)	(14,009)	(9,111)
	595,476	603,611	17,120
Disaster Relief Fund - (City of Bunbury)			
<i>Purpose: To provide relief of personal hardship and distress arising from natural disasters</i>			
Opening Balance	100,000	100,000	100,000
Amount Set Aside / Transfer to Reserve	-	20,000	20,000
Amount Used / Transfer from Reserve	-	(20,000)	(20,000)
	100,000	100,000	100,000
Dual Use Path Upgrade Contributions			
<i>Purpose: To receipt funds received from the City's subdivision conditions for the future provision of dual use paths improvements and path management measures to benefit path infrastructure</i>			
Opening Balance	-	-	59,746
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	-	-	(59,746)
	-	-	-

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

31. RESERVES - CASH BACKED (continued)

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Employee Entitlements and Insurance			
<i>Purpose: To provide future funds for employee related entitlements and insurance liabilities</i>			
Opening Balance	1,151,701	1,151,701	1,067,150
Amount Set Aside / Transfer to Reserve	123,764	61,056	84,551
Amount Used / Transfer from Reserve	(95,093)	(95,093)	-
	1,180,372	1,117,664	1,151,701
Environmental			
<i>Purpose: For the future provision of environmental management and associated projects</i>			
Opening Balance	36,109	36,109	109,949
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	(26,750)	(32,257)	(73,840)
	9,359	3,852	36,109
Hay Park Regional Athletics Track			
<i>Purpose: To retain funds for the future replacement of the regional athletics track</i>			
Opening Balance	705,474	705,474	610,665
Amount Set Aside / Transfer to Reserve	100,000	100,000	100,000
Amount Used / Transfer from Reserve	(687,650)	(694,809)	(5,191)
	117,824	110,665	705,474
Heritage Building Maintenance			
<i>Purpose: To provide funding for the maintenance of heritage buildings</i>			
Opening Balance	27,500	27,500	27,500
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	-	-	-
	27,500	27,500	27,500
Infrastructure Development			
<i>Purpose: To receipt funds specifically raised from the annual rates levied for the renewal and upgrade of existing infrastructure assets</i>			
Opening Balance	1,940,375	1,940,375	1,817,939
Amount Set Aside / Transfer to Reserve	1,502,355	1,502,355	1,502,355
Amount Used / Transfer from Reserve	(2,248,761)	(3,113,589)	(1,379,919)
	1,193,969	329,141	1,940,375
Land Subdivision and Development			
<i>Purpose: To provide funding for land subdivision development</i>			
Opening Balance	327,130	327,130	330,949
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	-	(191,407)	(3,819)
	327,130	135,723	327,130

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

31. RESERVES - CASH BACKED (continued)

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Local Planning Policy Framework			
<i>Purpose: To provide funding for Local Planning Policy Framework</i>			
Opening Balance	167,874	167,874	148,255
Amount Set Aside / Transfer to Reserve	50,000	50,000	50,000
Amount Used / Transfer from Reserve	-	-	(30,381)
	217,874	217,874	167,874
Meat Inspection			
<i>Purpose: To make funds available to enable the monitoring of annual meat inspection income and expenditure to ensure as far as possible the service is carried out on a self-balancing basis</i>			
Opening Balance	430,601	430,601	420,386
Amount Set Aside / Transfer to Reserve	329,982	340,000	351,003
Amount Used / Transfer from Reserve	(346,626)	(359,611)	(340,788)
	413,957	410,990	430,601
Planning and Development Act Developer Contributions			
<i>Purpose: To hold cash in lieu of open space contributions from property developers, to be used in accordance with Section 154(2) of the Planning and Development Act 2005</i>			
Opening Balance	84,500	84,500	-
Amount Set Aside / Transfer to Reserve	35,887	-	84,500
Amount Used / Transfer from Reserve	-	-	-
	120,387	84,500	84,500
Plant and Equipment			
<i>Purpose: To provide for the purchase of plant and equipment, including office furniture, office equipment, computer hardware and software</i>			
Opening Balance	-	-	357,356
Amount Set Aside / Transfer to Reserve	-	-	(124,672)
Amount Used / Transfer from Reserve	-	-	(232,684)
	-	-	-
Public Art			
<i>Purpose: To provide funding for the installation of artworks in public spaces</i>			
Opening Balance	137,433	137,433	98,536
Amount Set Aside / Transfer to Reserve	25,000	25,000	25,000
Amount Used / Transfer from Reserve	-	-	13,897
	162,433	162,433	137,433
Refuse Collection and Waste Minimisation			
<i>Purpose: To receipt any annual surplus from the City's waste collection/minimisation program to provide funding for the City's sanitation program</i>			
Opening Balance	1,346,022	1,346,022	1,447,461
Amount Set Aside / Transfer to Reserve	6,891,860	5,758,732	5,427,714
Amount Used / Transfer from Reserve	(6,207,546)	(6,540,365)	(5,529,153)
	2,030,336	564,389	1,346,022

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

31. RESERVES - CASH BACKED (continued)

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Road Upgrade Contributions			
<i>Purpose: To receipt funds received from the City's subdivision conditions for the future provision of road improvements and traffic management measures to benefit road infrastructure</i>			
Opening Balance	171,704	171,704	171,704
Amount Set Aside / Transfer to Reserve	18,874	15,237	-
Amount Used / Transfer from Reserve	-	-	-
	<u>190,578</u>	<u>186,941</u>	<u>171,704</u>
Town Planning Scheme Land Acquisition and Compensation			
<i>Purpose: For land acquisitions and compensation payable in respect to the implementation of the City's Town Planning Schemes</i>			
Opening Balance	132,505	132,505	132,505
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	-	-	-
	<u>132,505</u>	<u>132,505</u>	<u>132,505</u>
Withers			
<i>Purpose: To provide funding for the implementation of the Withers Action Plan</i>			
Opening Balance	402,641	402,641	402,641
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	(13,633)	(130,000)	-
	<u>389,008</u>	<u>272,641</u>	<u>402,641</u>
TOTAL RESERVES	<u><u>25,448,564</u></u>	<u><u>19,515,896</u></u>	<u><u>25,737,000</u></u>
Reserves Summary			
Total Opening Balance	<u>25,737,000</u>	<u>25,737,000</u>	<u>22,222,336</u>
Total Amount Set Aside / Transfer to Reserve	12,475,090	10,658,307	13,831,325
Total Amount Used / Transfer from Reserve	(12,763,526)	(16,879,411)	(10,316,662)
Net Transfers to / (from) Reserves	<u>(288,436)</u>	<u>(6,221,104)</u>	<u>3,514,664</u>
TOTAL RESERVES	<u><u>25,448,564</u></u>	<u><u>19,515,896</u></u>	<u><u>25,737,000</u></u>

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

Reserve funds are anticipated to be utilised as forecast in the City's adopted Corporate Business Plan and Long Term Financial Plans.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

32. TRUST FUNDS

(a) Cash Funds held in Trust

Funds held at balance date over which the City of Bunbury has no control and which are not included in the financial statements are as follows:

	Balance 1-Jul-21 \$	Amounts Received \$	Amounts Paid \$	Balance 30-Jun-22 \$
Glen Iris Structure Plan	1,596,614	16,655	-	1,613,269
Donations and Grants	2,473	-	-	2,473
Unclaimed Monies	62,280	4,799	(451)	66,628
Fees Collected	38,810	250,136	(242,318)	46,628
Miscellaneous	6,811	1,268	(1,477)	6,602
Artist Payments	1,531	99,061	(91,932)	8,660
Tuart Brook Local Structure Plan	162,431	733	-	163,163
Planning and Development Act s154	11,938	26	-	11,965
Mosquito Control (CLAG)	33,321	-	(2,684)	30,637
SW Emergency Management	5,540	-	-	5,540
Security Camera Contributions	5,000	-	-	5,000
Brookfield Rail Agreement	69,694	13,636	-	83,330
	1,996,445	386,313	(338,863)	2,043,896

(b) Assets held in Trust

The City of Bunbury holds in trust various equipment, furniture and fittings for charitable purposes as listed in the Deed of Declaration of Charitable Trust: Bunbury Regional Art Gallery, dated 15th September 2014.

CITY OF BUNBURY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

33. MAJOR LAND TRANSACTIONS

There were no major land transactions in the 2021/22 financial year.

34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2021/22 financial year.



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 City of Bunbury

To the Councillors of the City of Bunbury

Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the City for the year ended 30 June 2022 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial report and my auditor's report.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to

the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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

The Chief Executive Officer of the City is responsible for:

- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the City's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the City.

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

Auditor's responsibilities for the audit of the financial report

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

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


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

My independence and quality control relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Bunbury for the year ended 30 June 2022 included in the annual report on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the City to confirm the information contained in the website version.



Grant Robison
Assistant Auditor General, Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
12 December 2022